

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

Tuesday, June 13, 2023  
5:00 p.m.



**Mayor Carol C. Pritchett**  
**Mayor Pro Tem David DiOrio**  
**Commissioner Patrick Bryant**  
**Commissioner Scott Doster**  
**Commissioner Jim Proctor**

# **TOWN OF LAKE LURE**

## **Town Council Regular Meeting**

Tuesday, June 13, 2023 – 5:00 PM  
Lake Lure Municipal Center



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## **Agenda**

### **I. Call to Order**

### **II. Agenda Adoption**

### **III. Mayor's Communications**

### **IV. Town Manager's Communications**

### **V. Council Liaison Reports and Comments**

### **VI. Public Comment**

*The public is invited to speak. Please keep comments limited to three minutes or less. Comments may also be submitted in writing to the Town Clerk, [ostewman@townoflakelure.com](mailto:ostewman@townoflakelure.com), at least one hour prior to the meeting.*

### **VII. Consent Agenda**

- A. Approval of the May 9, 2023 Regular Town Council Meeting Minutes, the May 10, 2023 Special Meeting Minutes, the May 17, 2023 Special Meeting Minutes, the May 24, 2023 Regular Town Council Work Session Meeting Minutes, the May 24, 2023 Special Meeting Minutes, and the June 5, 2023 Special Meeting Minutes - *Page 30*
- B. Resolution No. 23-06-13 Adopting New Procurement Policy - *Page 140*
- C. Resolution No. 23-06-13A Adopting Credit Card Policy - *Page 159*
- D. Approval of Amendments to the Rutherford County Tourism Development Authority (TDA) Lease - *Page 173*
- E. Approval of Waivers and Suspensions Requests for the Cycle NC Event Scheduled for August 4, 2023 to August 6, 2023 - *Page 186*

### **VIII. Unfinished Business**

**IX. New Business**

A. Budget Update - *Page 195*

B. Resolution No. 23-06-13B Adopting the 2023-2024 Lake Drawdown Schedule - *Page 196*

C. Easement and Right-of-Way for Access and Utilities in Relation to Parcel #  
0642171441 - *Page 199*

**X. Adjournment**

**III**  
**MAYOR'S**  
**COMMUNICATIONS**

**IV**  
**TOWN MANAGER'S**  
**COMMUNICATIONS**



## Town Manager Report May 2023

Below are the May highlights from the various departments. Full department reports are available upon request.

**Public Services** – The Public Service Department is busy keeping everything working as smoothly as possible, from normal maintenance, to any problems the Town has that is in our realm to fix. Continued progress on the sewer project. Top accomplishments/project updates:

- The season's 1<sup>st</sup> full round of Right of Way Mowing has been completed.
- The Culvert Pipe Replacement project on Luther Burbank RD has been completed.
- Containment Boom at the Dam has been put back in place.

**Community Development** – Director Williams reports another active month for community development. The department issued 60 permits for the month of May as compared to 30 permits in April and performed numerous follow-ups. This includes 22 Zoning, 9 Lake Structure and 9 Land Disturbance Permits.

Top accomplishments/project updates:

- On May 23<sup>rd</sup>, our April 5<sup>th</sup> audit report was presented to the Sedimentation Control Commission of NCDEQ. As expected, the Commission voted to “Continue Delegation with Review” for 6 months to the Town to administer the Sedimentation Pollution Control Act of 1973 within our Town's jurisdiction. We will be reviewed again at the 2023 4<sup>th</sup> quarter meeting. While disappointed to be essentially on probation, I am taking this as an opportunity to take a program that apparently had not been fully meeting the expectations of the State long before our current staff became involved, to one that exceeds those expectations. A key is understanding what their expectations are and that was addressed with this first audit that I can find record of. Community Development staff is committed and confident that we will see our program meet that goal at the 4<sup>th</sup> quarter review.
- Obtained Town Council approval of our “minor structural repair” text amendment to the Lake Structures Regulations, a well-received easing of the permitting burden on minor “in-kind” repair projects with the intention of obtaining more compliance and property owner attention to on-going maintenance of their lake structures.
- Obtained Town Council approval of our doubled review fee penalty for permits issued after work has begun. This is intended as an additional tool to use to get property owners and contractors to take our permitting requirements seriously. Work done without

permits potentially creates safety issues with sub-standard and uninspected work, non-compliant structures that affect neighbors, and often creates the burden of dealing with variance requests for work that was not done in compliance to the ordinances that most folks do comply with.

- BOA reviewed and approved a variance request to allow the Lake House Restaurant to rebuild the pre-existing stairs that passed through the lake setback and trout buffer down to the docks. The stairs had been in place since at least 2011 and had to be partially removed due to work on their seawall.
- LSAB reviewed and approved a deck top accessory structure application based upon its compliant size and construction, and their determination that the structure would not block the view of any adjacent properties.
- Follow-up with AT&T's tower permitting staff: they anticipate having their remaining permit applications submitted for approval by July 28<sup>th</sup>. They have made it clear that they remain committed to the Town's cellular needs.

**Fire / Emergency Management** – With going into spring, it was still a busy month in May. Among other activities, Smoke alarm installation Memorial Hwy. Attended the County Ems Peer Review quality management meeting at Rutherford Regional Hospital. Station Maintenance. Tire Repair and replacement on Engine 2510. Service test of LL 2511. Held LL Business and Training Meeting. Extrication Equipment Training. Performed Monthly AEMT in-service training. Farmers Market Inspection and Set-up. Fire Inspection at Resort Ln (new wine bar). Ran a call to the trail system behind CRVFD due to the subject stating that they were surrounded by bears. The department responded to 37 fire/medical/rescue calls throughout the month. Firefighters completed 504 Hours of Training this month.

- Fire Inspection/walk-thru @ new Assisted Living Facility. Brush Truck Maintenance
- Sinking Boat Call Anglers Way.

**Police** – May has brought in an abundance of traffic to our town. The Spring Arts & Crafts Show, the antique boat and car show as well as several large wedding's at the Inn has filled the downtown area on the weekends. Boaters are getting out on the lake more and our boat patrolling has increased with officers in an effort to get all water vessels in compliance with the new regulations as well as the requirements that have been in place for years.

Total Lake Patrol Hours= 95

Top three accomplishments in May:

- All full-time officers now have the Brazos citation units in their vehicles. The equipment for this was donated to LLPD. These units make it easier and quicker for the department to get citations into the state system.
- Our officers steadily patrolled the lake this month with the mindset to make sure boaters had their Lake Lure Boating License as well as the lake permits. We are not just checking for these requirements but additionally all safety features of boating and the drivers driving safely. Officers are doing a great job enforcing our regulations when needed.

- Officers continued to test on their list of classes given to them yearly by the North Carolina Training and Standards Commission to keep them up to date on legal changes.

**Parks, Recreation & Lake** – Director Dean Givens and Parks & Trails Coordinator Dana Bradley continue to provide exemplary oversight of the Parks, Recreation, and Lake Department.

1. Installed summer annuals and new perennials 2. Processed commercial applications 3. Boat permit sales 4. Obtained funding for paving the rest of the Morse Park Trail 5. Worked on getting online boat permit sales capability 6. Completed new connection from the Dittmer-Watts Trail to the Green Space 7. Dittmer-Watts Nature Trails trail boss walked the trails and reported issues – 1 volunteer; 2 volunteer hours 8. Buffalo Creek Park trail boss walked the trail and reported issues – 1 volunteer; 4 volunteer hours 9. Weed Patch Mountain trail boss walked trail and reported issues – 1 volunteer; 7 volunteer hours 10. Carolina Climbers Coalition had 2 workdays to work on the new Upper Boulder’s Trail at Buffalo Creek Park – 19 volunteers; 266 volunteer hours 11. Organized a Weed Patch Mountain workday on 5/22 to remove fallen trees – 2 volunteers; 16 volunteer hours 12. Organized a Buffalo Creek Park workday on 5/23 to remove fallen trees – 3 volunteers; 18 volunteer hours 13. Planned upcoming trail maintenance days and recruited volunteers to help 14. Checked Buffalo Creek Park, Dittmer-Watts Nature Trails, and Weed Patch Mountain for damage 15. Utilized volunteers to collect water samples – 3 volunteers; 16 volunteer hours 16. Attended meetings.

Three notable projects/activities updates:

- Utilized a total of 377.5 volunteer hours 2.
- Continued selling boat permits 3.
- Completed new connection from Green Space to Dittmer-Watts Nature Trails
- Put out summer annuals and hanging baskets.

**Finance** – Revenues and Expenditures Reports are provided as separate attachments to supplement this summary. Revenues continue to track as projected and departments also continue to efficiently use resources in regards to individual line items in the departmental budgets. In the state shared revenues, there will be a surplus in particular line items as well as local line items for zoning and community development activities.

- The Town sustained its strong financial position with an unreconciled bank balance of approximately \$10,653,000 for all funds other than special revenue funds (the Dam Fund) which still holds a balance of \$ 16,500,000 as well as accumulated interest of \$208,592.52.
- The external auditors have assured that the audit is near completion with a final review. During the later part of this month, a review began of the recent (sewer project) state loan and grant funds to determine if any proceeds or expenditures are applicable during FY 2022.
- On May 22<sup>nd</sup>, Melissa Hand joined the Town Staff as the Accounting Specialist assigned to Finance. Like all Town staff, she will be engaged in many duties across Town Hall operations, but her main focus will be daily accounting tasks and special assignments related to financial operations and oversight.



**Communications** – Communications Director Krejci continues her community outreach along with progress in all areas. Progress is good on the production of the Town’s upcoming video on lake rules and boater safety. We also have been in the development of a committee to guide the town’s plans to expand holiday lighting as well as planning for future outreach for stakeholders involved in the town’s ongoing efforts to replace its subaqueous sewer system. Grant development for the town’s replacement dam remains a priority. Top Highlights:

- FY21 FEMA HHPD Grant Award for 65% of the Field Investigation Project \$426K - NEVER GIVE UP!
- Memorial Day Program was well attended with approximately 125 attendees.
- 10% increase in social media reach in May 2023 over May 2022 with 16,741 Website Users and 19,752 Facebook Followers. Published 37 news articles with an additional 60 FB posts.

### **Manager / Clerk / Admin Summary**

May was a busy month including an array of staff, council, and board meetings and ever-changing day-to-day operations. We continue to work with Lebella Engineering on the new sewer system and planning. The GMP on our sewer system work has been received from Ruby Collins. The Council scheduled a number of work sessions to review and analyze and will be deciding on the next drawdown schedule in June.

#### Highlights:

- Finalized the new procurement policy and reviewed with Council in our May work session. It is scheduled for adoption in June’s regular meeting.
- Proposed the Manager’s recommended budget for Fiscal Year 23-24. Had review meetings with Council and scheduled the public hearing for the Budget on June 28<sup>th</sup>.
- After a final review of the bid for the installation of the drain valves for the Dam. Council awarded the contract to Morgan Corporation for a base bid of approximately \$7.5 million. It also approved a contract for construction oversight with Schnabel Engineering as well as a Capital project ordinance for the project overall.
- Received the Lease Rate study for the former ABC store building.
- Continued work on the grant conversion process with the Land and Water Conservation Fund (LWCF). This is a grant involving federal funding so the process is proving more complex than originally anticipated.

10 GENERAL FUND

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
310000 TAXES					
310100 P & I - Taxes	0.00	6,913.74	10,000.00	3,086.26	69 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>6,913.74</b>	<b>10,000.00</b>	<b>3,086.26</b>	<b>69 %</b>
311000 Ad Valorem Taxes-2000					
311190 AD VALOREM TAXES-2019	0.00	14,143.24	0.00	-14,143.24	** %
311210 AD VALOREM TAXES-2021	0.00	868.54	50,000.00	49,131.46	2 %
311213 Ad Valorem Taxes-2023	0.00	1,178,034.19	0.00	-1,178,034.19	** %
311214 Ad Valorem Taxes DV5-dam capital	0.00	685,724.04	0.00	-685,724.04	** %
311220 AD VALOREM TAX 2022 -	0.00	2,333,871.87	4,361,624.00	2,027,752.13	54 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>4,212,641.88</b>	<b>4,411,624.00</b>	<b>198,982.12</b>	<b>95 %</b>
312000 Ad Valorem-Veh-2000					
312021 AD VALOREM VEH TAXES-2021	0.00	0.00	20,000.00	20,000.00	0 %
312022 Ad Valorem Vehicle Tax 2022	0.00	8,779.83	94,850.00	86,070.17	9 %
312023 Ad Valorem Vehicle Taxes 2023	0.00	42,092.85	0.00	-42,092.85	** %
312024 ad valorem veh taxes dv5 2023	0.00	21,417.86	0.00	-21,417.86	** %
<b>Account Group Total:</b>	<b>0.00</b>	<b>72,290.54</b>	<b>114,850.00</b>	<b>42,559.46</b>	<b>63 %</b>
332000 STATE SHARED REVENUES					
332200 Beer & Wine Tax	0.00	0.00	4,950.00	4,950.00	0 %
332300 Court Costs, Fees and Chrgs	22.50	312.06	550.00	237.94	57 %
332400 Utilities Franchise Tax	0.00	85,123.72	201,195.00	116,071.28	42 %
332600 Powell Bill - Tax on Gas	0.00	76,151.26	76,600.00	448.74	99 %
332605 Grant Revenue Reimbursements	0.00	158,778.00	0.00	-158,778.00	** %
332930 State Shared Sales Tax	0.00	1,559,078.08	1,750,000.00	190,921.92	89 %
332933 Solid Waste Disposal Tax	0.00	237.60	780.00	542.40	30 %
332942 Video Programming Tax	0.00	0.00	15,975.00	15,975.00	0 %
332991 NC DEQ Dredging Grant	0.00	688,533.69	800,000.00	111,466.31	86 %
<b>Account Group Total:</b>	<b>22.50</b>	<b>2,568,214.41</b>	<b>2,850,050.00</b>	<b>281,835.59</b>	<b>90 %</b>
347000 LAND USE FEES					
347100 Zoning Permits	7,766.00	79,387.00	37,000.00	-42,387.00	215 %
347200 Land Disturbance Permit	0.00	2,415.00	6,000.00	3,585.00	40 %
347300 Sign Permit	120.00	243.00	500.00	257.00	49 %
347500 Vacation Rental Fees	4,200.00	9,900.00	10,000.00	100.00	99 %
347600 Lake Structure Permit/LSA	640.00	14,557.12	9,254.00	-5,303.12	157 %
347800 Fire Inspection	0.00	50.00	50.00	0.00	100 %
347900 Fines/Penalties - Land Use	0.00	850.00	0.00	-850.00	** %
<b>Account Group Total:</b>	<b>12,726.00</b>	<b>107,402.12</b>	<b>62,804.00</b>	<b>-44,598.12</b>	<b>171 %</b>
361000 LAKE					
361201 Lake Lure Tours	0.00	51,719.00	60,000.00	8,281.00	86 %
361202 Lake Fines	2,266.00	3,638.00	300.00	-3,338.00	** %
361203 Lake Comm License Fees	17,520.00	142,187.75	15,000.00	-127,187.75	948 %
361204 Boat Permits	124,748.90	405,324.60	675,000.00	269,675.40	60 %
361205 RBR CONCESSIONS	0.00	21,258.58	25,000.00	3,741.42	85 %
361207 Cluster Mooring Fees	0.00	40,640.00	24,000.00	-16,640.00	169 %
<b>Account Group Total:</b>	<b>144,534.90</b>	<b>664,767.93</b>	<b>799,300.00</b>	<b>134,532.07</b>	<b>83 %</b>
363000 BEACH					

10 GENERAL FUND

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
363801 Beach-Admission Fee-Adult	0.00	60,741.17	65,000.00	4,258.83	93 %
363804 Beach-Concessions	0.00	5,628.30	10,000.00	4,371.70	56 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>66,369.47</b>	<b>75,000.00</b>	<b>8,630.53</b>	<b>88 %</b>
364000 MARINA					
364902 Marina-Open Slip Rental	2,600.00	257,366.25	310,000.00	52,633.75	83 %
364905 Marina-Concessions	0.00	12,054.92	18,500.00	6,445.08	65 %
364908 Marina-Rentals	0.00	43,331.69	50,000.00	6,668.31	87 %
<b>Account Group Total:</b>	<b>2,600.00</b>	<b>312,752.86</b>	<b>378,500.00</b>	<b>65,747.14</b>	<b>83 %</b>
383000 MISCELLANEOUS REVENUES					
383100 Interest Earned on Investments	0.00	5,082.08	4,000.00	-1,082.08	127 %
383200 Beer and Wine Permits	0.00	181.15	1,000.00	818.85	18 %
383321 Fire-Rural Fire Protection	0.00	5,843.19	8,592.00	2,748.81	68 %
383430 ABC-Rents	0.00	17,333.29	16,000.00	-1,333.29	108 %
383430 Community Center Rental	25.00	-325.00	250.00	575.00	*** %
383440 Pavilion/Gazebo Rental	2,500.00	14,750.00	3,500.00	-11,250.00	421 %
383450 Meadows Rental	0.00	620.00	250.00	-370.00	248 %
383460 Water Tank Rental	0.00	2,060.00	0.00	-2,060.00	** %
383462 TDA GRANT	0.00	0.00	100,000.00	100,000.00	0 %
383500 Sale of Assets	0.00	0.00	3,500.00	3,500.00	0 %
383600 Golf Cart Permit	60.00	170.00	200.00	30.00	85 %
383700 LLABC-Distribution for Law Enforcement	0.00	0.00	750.00	750.00	0 %
383701 ABC-Dist. for Drug/Alcohol	0.00	0.00	1,250.00	1,250.00	0 %
383800 ABC-Distribution of Funds	0.00	25,026.10	20,000.00	-5,026.10	125 %
383900 Misc Revenue	644.85	27,523.84	1,200.00	-26,323.84	*** %
383903 Town Promotional Materials	0.00	0.00	750.00	750.00	0 %
383910 Copies	4.00	79.00	500.00	421.00	16 %
383930 Recycling Collections	0.00	15,958.00	15,250.00	-708.00	105 %
<b>Account Group Total:</b>	<b>3,233.85</b>	<b>114,301.65</b>	<b>176,992.00</b>	<b>62,690.35</b>	<b>65 %</b>
398000 TRANSFERS					
398500 Transfer from Capital Reserve	0.00	0.00	450,000.00	450,000.00	0 %
398502 Installment Agreement Proceeds	0.00	54,547.54	57,000.00	2,452.46	96 %
398602 Transfer from Water/Sewer	0.00	10,941.69	0.00	-10,941.69	** %
398604 Transfer from Fund Balance	0.00	-5,341.88	952,186.00	957,527.88	-1 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>60,147.35</b>	<b>1,459,186.00</b>	<b>1,399,038.65</b>	<b>4 %</b>
<b>Fund Total:</b>	<b>163,117.25</b>	<b>8,185,801.95</b>	<b>10,338,306.00</b>	<b>2,152,504.05</b>	<b>79 %</b>

21 Capital Reserve Fund

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
398000 TRANSFERS					
398605 Transfer From General Fund	0.00	0.00	1,600,000.00	1,600,000.00	0 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>0 %</b>
<b>Fund Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>0 %</b>

53 WATER AND SEWER FUND

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
371000					
371105 Chimney Rock Water	0.00	-35.00	15,000.00	15,035.00	0 %
371300 Charges for Water	-310.00	240,965.03	330,000.00	89,034.97	73 %
371400 Charges for Sewer	0.00	1,037,090.05	1,275,000.00	237,909.95	81 %
371500 Taps and Connect-Water	1,155.00	6,930.00	5,000.00	-1,930.00	139 %
371600 Taps and Connect-Sewer	1,155.00	4,620.00	5,000.00	380.00	92 %
371700 Transfer Fee-Water/Sewer	0.00	920.00	1,000.00	80.00	92 %
371800 W/S - Penalty and Interest	0.00	17,026.00	6,000.00	-11,026.00	284 %
371900 W/S - Misc	0.00	312.80	0.00	-312.80	** %
<b>Account Group Total:</b>	<b>2,000.00</b>	<b>1,307,828.88</b>	<b>1,637,000.00</b>	<b>329,171.12</b>	<b>80 %</b>
383000 MISCELLANEOUS REVENUES					
383100 Interest Earned on Investments	0.00	828.01	1,000.00	171.99	83 %
383460 Water Tank Rental	0.00	6,180.00	12,360.00	6,180.00	50 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>7,008.01</b>	<b>13,360.00</b>	<b>6,351.99</b>	<b>52 %</b>
<b>Fund Total:</b>	<b>2,000.00</b>	<b>1,314,836.89</b>	<b>1,650,360.00</b>	<b>335,523.11</b>	<b>80 %</b>

56 ELECTRIC FUND

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
372000					
372300 Charges for Utilities-Electric	0.00	150,328.04	400,000.00	249,671.96	38 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>150,328.04</b>	<b>400,000.00</b>	<b>249,671.96</b>	<b>38 %</b>
383000 MISCELLANEOUS REVENUES					
383100 Interest Earned on Investments	0.00	0.00	150.00	150.00	0 %
<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>150.00</b>	<b>150.00</b>	<b>0 %</b>
<b>Fund Total:</b>	<b>0.00</b>	<b>150,328.04</b>	<b>400,150.00</b>	<b>249,821.96</b>	<b>38 %</b>

58 Capital Sewer Project Fund

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
332000 STATE SHARED REVENUES					
332600 Powell Bill - Tax on Gas	0.00	500,000.00	0.00	-500,000.00	** %
332605 Grant Revenue Reimbursements	0.00	1,305,192.00	0.00	-1,305,192.00	** %
<b>Account Group Total:</b>	<b>0.00</b>	<b>1,805,192.00</b>	<b>0.00</b>	<b>-1,805,192.00</b>	<b>** %</b>
398000 TRANSFERS					
398502 Installment Agreement Proceeds	0.00	567,061.00	0.00	-567,061.00	** %
<b>Account Group Total:</b>	<b>0.00</b>	<b>567,061.00</b>	<b>0.00</b>	<b>-567,061.00</b>	<b>** %</b>
<b>Fund Total:</b>	<b>0.00</b>	<b>2,372,253.00</b>	<b>0.00</b>	<b>-2,372,253.00</b>	<b>** %</b>

75 CHIMNEY ROCK WATER FUND

Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
371000					
371300 Charges for Water	0.00	72,849.53	0.00	-72,849.53	** %
371501 WATER TAPS - CHIMNEY ROCK	0.00	2,405.00	0.00	-2,405.00	** %
371800 W/S - Penalty and Interest	0.00	3,450.00	0.00	-3,450.00	** %
<b>Account Group Total:</b>	<b>0.00</b>	<b>78,704.53</b>	<b>0.00</b>	<b>-78,704.53</b>	<b>** %</b>
<b>Fund Total:</b>	<b>0.00</b>	<b>78,704.53</b>	<b>0.00</b>	<b>-78,704.53</b>	<b>** %</b>
<b>Grand Total:</b>	<b>165,117.25</b>	<b>12,101,924.41</b>	<b>13,988,816.00</b>	<b>1,886,891.59</b>	<b>87 %</b>



10 GENERAL FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
410000 GENERAL GOVERNMENT							
410000 GENERAL GOVERNMENT							
	751 Bank Fees	0.00	59.78	0.00	0.00	-59.78	%
	<b>Account Total:</b>	<b>0.00</b>	<b>59.78</b>	<b>0.00</b>	<b>0.00</b>	<b>-59.78</b>	<b>%</b>
411000 COMMISSION							
411000 COMMISSION							
	102 Salaries-Part Time	1,100.00	12,100.00	13,200.00	13,200.00	1,100.00	92 %
	109 FICA	84.15	925.65	1,100.00	1,100.00	174.35	84 %
	214 Supplies-Dept	0.00	623.73	3,000.00	3,000.00	2,376.27	21 %
	215 Supplies-Materials	0.00	9,108.54	15,000.00	15,000.00	5,891.46	61 %
	310 Travel and Transportation	0.00	0.00	2,750.00	2,750.00	2,750.00	%
	<b>Account Total:</b>	<b>1,184.15</b>	<b>22,757.92</b>	<b>35,050.00</b>	<b>35,050.00</b>	<b>12,292.08</b>	<b>65 %</b>
413000 ADMINISTRATION							
413000 ADMINISTRATION							
	<b>Account Group Total:</b>	<b>1,184.15</b>	<b>22,757.92</b>	<b>35,050.00</b>	<b>35,050.00</b>	<b>12,292.08</b>	<b>65 %</b>
413000 ADMINISTRATION							
413000 ADMINISTRATION							
	100 SALARIES	15,218.19	263,173.17	471,151.00	471,151.00	207,977.83	56 %
	103 Professional Services	2,237.50	30,246.75	58,600.00	58,600.00	28,353.25	52 %
	109 FICA	1,141.89	24,003.39	36,065.00	36,065.00	12,061.61	67 %
	110 Retirement	2,889.94	60,538.06	85,280.00	85,280.00	24,741.94	71 %
	111 Group Insurance	1,598.95	36,389.71	60,600.00	60,600.00	24,210.29	60 %
	120 401 (K) Contribution	294.60	6,033.26	23,600.00	23,600.00	17,566.74	26 %
	180 Legal Services	7,256.00	58,062.87	49,200.00	49,200.00	-8,862.87	118 %
	190 Engineering Services	0.00	1,000.00	25,000.00	25,000.00	24,000.00	4 %
	214 Supplies-Dept	0.00	9,183.61	8,000.00	8,000.00	-1,183.61	115 %
	215 Supplies-Materials	0.00	2,282.95	2,300.00	2,300.00	17.05	99 %
	310 Travel and Transportation	96.15	4,716.85	6,500.00	6,500.00	1,783.15	73 %
	320 Postage	9.65	2,746.04	4,000.00	4,000.00	1,253.96	69 %
	322 Printing	0.00	0.00	1,200.00	1,200.00	1,200.00	%
	324 Dues and Subscriptions	0.00	2,540.63	6,500.00	6,500.00	3,959.37	39 %
	330 Utilities	0.00	26,856.19	25,000.00	25,000.00	-1,856.19	107 %
	331 Utilities-Street Lights	0.00	118.67	0.00	0.00	-118.67	%
	350 Repairs and Maint-Buildings	5,350.00	52,927.08	12,500.00	70,575.00	17,647.92	75 %
	370 Advertising	0.00	2,834.22	4,000.00	4,000.00	3,865.00	3 %
	490 Miscellaneous	0.00	597.70	2,000.00	2,000.00	-834.22	142 %
	614 Lobbyist	0.00	35,000.00	60,000.00	60,000.00	-597.70	%
	687 Contractual - County Tax	0.00	14,483.25	16,000.00	16,000.00	1,516.75	91 %
	691 Contractual Services	0.00	165,990.57	73,275.00	91,975.00	-74,015.57	180 %
	751 Bank Fees	0.00	203.50	0.00	0.00	-203.50	%
	<b>Account Total:</b>	<b>36,092.87</b>	<b>800,063.47</b>	<b>1,030,771.00</b>	<b>1,107,546.00</b>	<b>307,482.53</b>	<b>72 %</b>
420000 CENTRAL SERVICES-Technology &							
420000 CENTRAL SERVICES-Technology &							
	<b>Account Group Total:</b>	<b>36,092.87</b>	<b>800,063.47</b>	<b>1,030,771.00</b>	<b>1,107,546.00</b>	<b>307,482.53</b>	<b>72 %</b>

10 GENERAL FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
420000 CENTRAL SERVICES-Technology & Telecommunications							
109	FICA	3.53	61.81	0.00	0.00	-61.81	%
111	Group Insurance	8.92	178.12	0.00	0.00	-178.12	%
214	Supplies-Dept	0.00	468.76	0.00	0.00	-468.76	%
321	Telephone	431.56	21,437.19	25,500.00	25,500.00	4,062.81	84 %
325	Internet Services	0.00	1,846.35	4,800.00	4,800.00	2,953.65	38 %
380	IT Support Services	0.00	11,968.00	79,720.00	79,720.00	67,752.00	15 %
527	TECH-Website Update	0.00	0.00	4,100.00	4,100.00	4,100.00	%
	<b>Account Total:</b>	<b>444.01</b>	<b>35,960.23</b>	<b>114,120.00</b>	<b>114,120.00</b>	<b>78,159.77</b>	<b>32 %</b>
431000 POLICE							
<b>Account Group Total:</b>							
		<b>444.01</b>	<b>35,960.23</b>	<b>114,120.00</b>	<b>114,120.00</b>	<b>78,159.77</b>	<b>32 %</b>
431000 POLICE							
100	SALARIES	20,193.77	358,528.31	541,523.00	543,048.00	184,519.69	66 %
101	OVERTIME	405.54	829.97	5,000.00	5,000.00	4,170.03	17 %
102	Salaries-Part Time	346.50	8,961.77	35,000.00	35,000.00	26,038.23	26 %
104	Separation Allowance-Law	730.08	15,331.68	20,500.00	20,500.00	5,168.32	75 %
109	FICA	1,618.46	35,109.14	46,300.00	46,300.00	11,190.86	76 %
110	Retirement	4,007.18	87,252.85	106,600.00	106,600.00	19,347.15	82 %
111	Group Insurance	3,198.82	69,089.06	94,200.00	94,200.00	25,110.94	73 %
112	Special Benefit Fund-Police	1,029.96	22,222.13	25,525.00	25,525.00	3,302.87	87 %
212	Supplies-Fuel	0.00	15,682.18	27,500.00	27,500.00	11,817.82	57 %
214	Supplies-Dept	0.00	14,886.97	12,000.00	12,000.00	-2,886.97	124 %
215	Supplies-Materials	0.00	1,590.58	0.00	0.00	-1,590.58	%
217	Supplies-Uniforms	0.00	10,938.26	10,000.00	10,000.00	-938.26	109 %
220	Alcohol & Drug Ed.	0.00	341.95	1,000.00	1,000.00	658.05	34 %
310	Travel and Transportation	0.00	2,166.16	2,500.00	2,500.00	333.84	87 %
324	Dues and Subscriptions	0.00	6,868.08	6,300.00	6,300.00	-568.08	109 %
330	Utilities	0.00	4,024.86	0.00	0.00	-4,024.86	%
331	Utilities-Street Lights	0.00	4,024.86	0.00	0.00	-4,024.86	%
333	Utilities-Boat House and Range	0.00	0.00	500.00	500.00	500.00	%
353	Repairs and Maint-Equipment	0.00	2,307.27	3,750.00	3,750.00	1,442.73	62 %
354	Repairs and Maint-Vehicles	8,969.18	30,054.01	25,000.00	33,000.00	2,945.99	91 %
490	Miscellaneous	0.00	0.00	1,000.00	1,000.00	1,000.00	%
524	Computers	0.00	9,549.16	10,000.00	10,000.00	450.84	95 %
691	Contractual Services	0.00	4,338.50	20,050.00	20,050.00	15,711.50	22 %
	<b>Account Total:</b>	<b>40,499.49</b>	<b>704,097.75</b>	<b>994,248.00</b>	<b>1,003,773.00</b>	<b>299,675.25</b>	<b>70 %</b>
<b>Account Group Total:</b>							
		<b>40,499.49</b>	<b>704,097.75</b>	<b>994,248.00</b>	<b>1,003,773.00</b>	<b>299,675.25</b>	<b>70 %</b>
434000 FIRE							
434000 FIRE							
100	SALARIES	13,160.16	245,608.58	360,453.00	360,453.00	114,844.42	68 %
101	OVERTIME	0.00	0.00	20,000.00	20,000.00	20,000.00	%
102	Salaries-Part Time	708.75	11,792.25	35,000.00	35,000.00	23,207.75	34 %
109	FICA	1,019.99	23,418.23	31,795.00	31,795.00	8,376.77	74 %
110	Retirement	2,499.10	57,623.59	67,800.00	67,800.00	10,176.41	85 %
111	Group Insurance	2,238.53	48,209.21	66,200.00	66,200.00	17,990.79	73 %
120	401 (K) Contribution	491.87	11,333.73	18,723.00	18,723.00	7,389.27	61 %
212	Supplies-Fuel	0.00	11,472.54	20,000.00	20,000.00	8,527.46	57 %
214	Supplies-Dept	0.00	3,722.58	3,000.00	3,000.00	-722.58	124 %
215	Supplies-Materials	0.00	8,558.08	9,000.00	9,000.00	441.92	95 %

10 GENERAL FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
217	Supplies-Uniforms	0.00	1,818.84	4,000.00	4,000.00	2,181.16	45 %
218	Supplies-Equipment	0.00	9,273.90	20,000.00	20,000.00	10,726.10	46 %
310	Travel and Transportation	0.00	2,981.08	5,000.00	5,000.00	2,018.92	60 %
324	Dues and Subscriptions	0.00	13,730.25	8,100.00	8,100.00	-5,630.25	170 %
330	Utilities	0.00	3,976.64	11,500.00	11,500.00	7,523.36	35 %
351	Repairs and Maint-Grounds	0.00	9,861.55	5,000.00	5,000.00	-4,861.55	197 %
353	Repairs and Maint-Equipment	0.00	6,184.13	15,000.00	15,000.00	8,815.87	41 %
354	Repairs and Maint-Vehicles	0.00	48,021.77	20,000.00	20,000.00	-28,021.77	240 %
490	Miscellaneous	0.00	0.00	3,000.00	3,000.00	3,000.00	%
514	Protective Clothing	13,760.00	13,760.00	14,000.00	14,000.00	240.00	98 %
553	RADIO REPLACEMENT	0.00	248.00	10,000.00	10,000.00	9,752.00	2 %
691	Contractual Services	0.00	274.23	0.00	0.00	-274.23	%
693	Fairfield Volunteer Fire Dept	0.00	67,000.00	67,000.00	67,000.00	0.00	100 %
694	Chimney Rock Volunteer Fire	0.00	35,000.00	35,000.00	35,000.00	0.00	100 %
695	Bills Creek Volunteer Fire	0.00	42,800.00	42,800.00	42,800.00	0.00	100 %
	<b>Account Total:</b>	<b>33,878.40</b>	<b>676,669.18</b>	<b>892,371.00</b>	<b>892,371.00</b>	<b>215,701.82</b>	<b>76 %</b>
	<b>Account Group Total:</b>	<b>33,878.40</b>	<b>676,669.18</b>	<b>892,371.00</b>	<b>892,371.00</b>	<b>215,701.82</b>	<b>76 %</b>
451000	PUBLIC WORKS-STREETS						
451000	PUBLIC WORKS-STREETS						
100	SALARIES	9,306.07	178,818.86	400,816.00	400,816.00	221,997.14	45 %
101	OVERTIME	0.00	0.00	15,000.00	15,000.00	15,000.00	%
109	FICA	704.94	14,750.24	31,392.00	31,392.00	16,641.76	47 %
110	Retirement	1,767.22	36,946.14	72,010.00	72,010.00	35,063.86	51 %
111	Group Insurance	1,590.03	35,146.52	77,220.00	77,220.00	42,073.48	46 %
120	401 (K) Contribution	375.16	8,252.09	20,555.00	20,555.00	12,302.91	40 %
211	Supplies-Automotive	0.00	14,463.09	25,000.00	25,000.00	10,536.91	58 %
212	Supplies-Fuel	0.00	975.56	0.00	0.00	-975.56	%
214	Supplies-Dept	0.00	721.73	1,200.00	1,200.00	478.27	60 %
215	Supplies-Materials	0.00	9,625.25	35,000.00	35,000.00	25,374.75	28 %
217	Supplies-Uniforms	0.00	3,416.47	8,000.00	8,000.00	4,583.53	43 %
310	Travel and Transportation	0.00	111.40	500.00	500.00	388.60	22 %
331	Utilities-Street Lights	0.00	7,394.42	15,000.00	15,000.00	7,605.58	49 %
334	Utilities-Buildings	0.00	5,703.85	11,500.00	11,500.00	5,796.15	50 %
350	Repairs and Maint-Buildings	1,700.00	3,357.67	25,000.00	25,000.00	21,642.33	13 %
351	Repairs and Maint-Grounds	0.00	7,536.19	12,000.00	12,000.00	4,463.81	63 %
353	Repairs and Maint-Equipment	153.76	11,892.44	30,000.00	30,000.00	18,107.56	40 %
354	Repairs and Maint-Vehicles	0.00	8,190.89	20,000.00	20,000.00	11,809.11	41 %
550	Other Equipment	0.00	100.00	0.00	0.00	-100.00	%
691	Contractual Services	0.00	180.00	4,000.00	4,000.00	3,820.00	5 %
	<b>Account Total:</b>	<b>15,597.18</b>	<b>347,582.81</b>	<b>804,193.00</b>	<b>804,193.00</b>	<b>456,610.19</b>	<b>43 %</b>
	<b>Account Group Total:</b>	<b>15,597.18</b>	<b>347,582.81</b>	<b>804,193.00</b>	<b>804,193.00</b>	<b>456,610.19</b>	<b>43 %</b>
472000	SANITATION						
472000	SANITATION						
691	Contractual Services	0.00	149,150.00	177,000.00	179,400.00	30,250.00	83 %
692	Contractual Services-Recycling	0.00	14,888.00	14,400.00	14,400.00	-488.00	103 %
696	Tipping Fees	0.00	28,683.06	38,000.00	38,000.00	9,316.94	75 %
	<b>Account Total:</b>	<b>0.00</b>	<b>192,721.06</b>	<b>229,400.00</b>	<b>231,800.00</b>	<b>39,078.94</b>	<b>83 %</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>192,721.06</b>	<b>229,400.00</b>	<b>231,800.00</b>	<b>39,078.94</b>	<b>83 %</b>

10 GENERAL FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
473000	DAM/Watershed Protection						
473000	DAM/Watershed Protection						
	351 Repairs and Maint-Grounds	0.00	3,650.00	9,000.00	9,000.00	5,350.00	41 %
	352 Repairs and Maint-Dam	0.00	5,843.94	14,000.00	14,000.00	8,156.06	42 %
	<b>Account Total:</b>	<b>0.00</b>	<b>9,493.94</b>	<b>23,000.00</b>	<b>23,000.00</b>	<b>13,506.06</b>	<b>41 %</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>9,493.94</b>	<b>23,000.00</b>	<b>23,000.00</b>	<b>13,506.06</b>	<b>41 %</b>
492000	ECONOMIC DEVELOPMENT						
492000	ECONOMIC DEVELOPMENT						
	100 SALARIES	1,918.72	39,588.66	63,100.00	63,100.00	23,511.34	63 %
	109 FICA	146.67	3,133.13	4,800.00	4,800.00	1,666.87	65 %
	110 Retirement	364.36	7,766.29	11,400.00	11,400.00	3,633.71	68 %
	111 Group Insurance	319.79	6,966.07	9,500.00	9,500.00	2,533.93	73 %
	120 401 (K) Contribution	95.94	2,049.50	3,300.00	3,300.00	1,250.50	62 %
	585 Community Branding	0.00	4,052.37	15,500.00	45,500.00	41,447.63	9 %
	<b>Account Total:</b>	<b>2,845.48</b>	<b>63,556.02</b>	<b>107,600.00</b>	<b>137,600.00</b>	<b>74,043.98</b>	<b>46 %</b>
	<b>Account Group Total:</b>	<b>2,845.48</b>	<b>63,556.02</b>	<b>107,600.00</b>	<b>137,600.00</b>	<b>74,043.98</b>	<b>46 %</b>
493000	COMMUNITY DEVELOPMENT						
493000	COMMUNITY DEVELOPMENT						
	100 SALARIES	9,747.28	125,719.46	279,601.00	279,601.00	153,881.54	45 %
	109 FICA	720.60	9,983.30	21,227.00	21,227.00	11,243.70	47 %
	110 Retirement	1,818.13	25,085.61	50,500.00	50,500.00	25,414.39	50 %
	111 Group Insurance	1,258.39	17,753.01	38,410.00	38,410.00	20,656.99	46 %
	120 401 (K) Contribution	124.13	2,606.73	13,930.00	13,930.00	11,323.27	19 %
	180 Legal Services	0.00	11,255.80	20,000.00	20,000.00	8,744.20	56 %
	212 Supplies-Fuel	0.00	377.62	1,000.00	1,000.00	622.38	38 %
	214 Supplies-Dept	15.98	75.67	5,000.00	5,500.00	5,424.33	1 %
	310 Travel and Transportation	0.00	1,731.93	4,000.00	4,000.00	2,268.07	43 %
	324 Dues and Subscriptions	0.00	60.00	1,000.00	1,000.00	940.00	6 %
	370 Advertising	0.00	0.00	1,000.00	1,000.00	1,000.00	%
	410 RENTS	0.00	12,409.64	18,000.00	18,000.00	5,590.36	69 %
	691 Contractual Services	0.00	1,500.00	17,000.00	17,000.00	15,500.00	9 %
	<b>Account Total:</b>	<b>13,684.51</b>	<b>208,558.77</b>	<b>471,168.00</b>	<b>471,168.00</b>	<b>262,609.23</b>	<b>44 %</b>
	<b>Account Group Total:</b>	<b>13,684.51</b>	<b>208,558.77</b>	<b>471,168.00</b>	<b>471,168.00</b>	<b>262,609.23</b>	<b>44 %</b>
500000	HUMAN SERVICES						
500000	HUMAN SERVICES						
	500 CAPITAL OUTLAY	0.00	31,135.54	0.00	0.00	-31,135.54	%
	<b>Account Total:</b>	<b>0.00</b>	<b>31,135.54</b>	<b>0.00</b>	<b>0.00</b>	<b>-31,135.54</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>31,135.54</b>	<b>0.00</b>	<b>0.00</b>	<b>-31,135.54</b>	<b>%</b>
613000	PARKS, RECREATION & LAKE						
613000	PARKS, RECREATION & LAKE						
	100 SALARIES	10,909.98	196,914.76	280,000.00	280,000.00	83,085.24	70 %
	102 Salaries-Part Time	0.00	1,653.76	0.00	0.00	-1,653.76	%
	109 FICA	790.14	16,429.49	22,500.00	22,500.00	6,070.51	73 %
	110 Retirement	2,093.29	43,452.02	51,000.00	51,000.00	7,547.98	85 %
	111 Group Insurance	1,918.74	37,809.40	57,000.00	57,000.00	19,190.60	66 %
	120 401 (K) Contribution	544.35	11,326.84	14,000.00	14,000.00	2,673.16	81 %
	212 Supplies-Fuel	0.00	8,622.47	15,000.00	15,000.00	6,377.53	57 %

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
213	Supplies-Boat Fuel & Supplies	0.00	4,980.05	12,000.00	12,000.00	7,019.95	42 %
214	Supplies-Dept	0.00	2,391.28	5,000.00	5,000.00	2,608.72	48 %
215	Supplies-Materials	0.00	840.39	25,000.00	25,000.00	24,159.61	3 %
216	Supplies-Fish Purchase	0.00	0.00	8,000.00	8,000.00	8,000.00	%
217	Supplies-Uniforms	0.00	1,144.87	1,500.00	1,500.00	355.13	76 %
219	Boat and Fishing Permits	0.00	5,736.68	6,500.00	6,500.00	763.32	88 %
310	Travel and Transportation	0.00	1,438.41	2,000.00	2,000.00	561.59	72 %
330	Utilities	0.00	1,197.80	6,700.00	6,700.00	5,502.20	18 %
331	Utilities-Street Lights	0.00	195.81	0.00	0.00	-195.81	%
333	Utilities-Boat House and Range	0.00	67.78	0.00	0.00	-67.78	%
335	Flowering Bridge Lighting	0.00	2,695.93	3,500.00	3,500.00	804.07	77 %
351	Repairs and Maint-Grounds	0.00	64,980.63	100,000.00	100,000.00	35,019.37	65 %
353	Repairs and Maint-Equipment	73.60	7,583.55	14,000.00	14,000.00	6,416.45	54 %
691	Contractual Services	3,122.70	30,173.01	40,500.00	40,500.00	10,326.99	75 %
697	Dredging & Debris Removal	0.00	53,041.84	0.00	0.00	-53,041.84	%
	<b>Account Total:</b>	<b>19,452.80</b>	<b>492,676.77</b>	<b>664,200.00</b>	<b>664,200.00</b>	<b>171,523.23</b>	<b>74 %</b>
	<b>Account Group Total:</b>	<b>19,452.80</b>	<b>492,676.77</b>	<b>664,200.00</b>	<b>664,200.00</b>	<b>171,523.23</b>	<b>74 %</b>
615000	BEACH & MARINA						
615000	BEACH & MARINA						
214	Supplies-Dept	1,750.00	1,750.00	2,000.00	2,000.00	250.00	88 %
350	Repairs and Maint-Buildings	0.00	342.00	4,000.00	4,000.00	3,658.00	9 %
351	Repairs and Maint-Grounds	3,585.44	11,844.92	10,200.00	10,200.00	-1,644.92	116 %
353	Repairs and Maint-Equipment	0.00	1,740.03	1,300.00	1,300.00	-440.03	134 %
	<b>Account Total:</b>	<b>5,335.44</b>	<b>15,676.95</b>	<b>17,500.00</b>	<b>17,500.00</b>	<b>1,823.05</b>	<b>90 %</b>
	<b>Account Group Total:</b>	<b>5,335.44</b>	<b>15,676.95</b>	<b>17,500.00</b>	<b>17,500.00</b>	<b>1,823.05</b>	<b>90 %</b>
617000	GOLF						
617000	GOLF						
350	Repairs and Maint-Buildings	0.00	35.00	0.00	0.00	-35.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>35.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-35.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>35.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-35.00</b>	<b>%</b>
713000	WATER						
713000	WATER						
353	Repairs and Maint-Equipment	0.00	-138.90	0.00	0.00	138.90	%
	<b>Account Total:</b>	<b>0.00</b>	<b>-138.90</b>	<b>0.00</b>	<b>0.00</b>	<b>138.90</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>-138.90</b>	<b>0.00</b>	<b>0.00</b>	<b>138.90</b>	<b>%</b>
800000	CAPITAL OUTLAY/SPECIAL PROJECTS						
800000	CAPITAL OUTLAY/SPECIAL PROJECTS						
506	HVAC System/Police	15,418.23	15,418.23	15,000.00	15,000.00	-418.23	103 %
516	PUBLIC SERVICES BLDG	0.00	0.00	50,000.00	50,000.00	50,000.00	%
522	Pool Creek Bridge Light	0.00	14,380.00	10,000.00	10,000.00	-4,380.00	144 %
530	P&R-Mower	0.00	2,650.00	18,000.00	18,000.00	15,350.00	15 %
541	POLICE-Vehicles	0.00	42,320.36	57,000.00	57,000.00	14,679.64	74 %
548	Parking Lot	0.00	0.00	200,000.00	200,000.00	200,000.00	%
550	Other Equipment	0.00	187,584.92	42,504.00	155,000.00	-32,584.92	121 %
555	PW Storage Bldg	0.00	0.00	450,000.00	450,000.00	450,000.00	%
559	PW BLDG-Renovations	0.00	25,500.00	40,000.00	40,000.00	14,500.00	64 %
576	DAM-AUTOMATION	0.00	216,833.00	256,560.00	256,560.00	39,727.00	85 %

10 GENERAL FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
587	DAM BOOM REPLACEMENT	0.00	0.00	70,000.00	70,000.00	70,000.00	%
592	PW-Street Paving	0.00	46,322.60	150,000.00	174,000.00	127,677.40	27 %
697	Dredging & Debris Removal	0.00	769,226.46	1,000,000.00	1,000,000.00	230,773.54	77 %
	<b>Account Total:</b>	<b>15,418.23</b>	<b>1,320,235.57</b>	<b>2,359,064.00</b>	<b>2,495,560.00</b>	<b>1,175,324.43</b>	<b>53 %</b>
	<b>Account Group Total:</b>	<b>15,418.23</b>	<b>1,320,235.57</b>	<b>2,359,064.00</b>	<b>2,495,560.00</b>	<b>1,175,324.43</b>	<b>53 %</b>
910000	DEBT SERVICE						
910000	DEBT SERVICE						
504	VEHICLES	0.00	39,415.19	44,500.00	44,500.00	5,084.81	89 %
531	FIRE-Fire Engine	0.00	0.00	46,300.00	46,300.00	46,300.00	%
541	POLICE-Vehicles	0.00	5,831.14	17,225.00	17,225.00	11,393.86	34 %
550	Other Equipment	0.00	41,078.43	144,500.00	144,500.00	103,421.57	28 %
561	Brdwalk-Marina Bay	0.00	0.00	101,900.00	101,900.00	101,900.00	%
573	Barge/Excavator	0.00	116,988.25	0.00	0.00	-116,988.25	%
700	DEBT SERVICE	0.00	1,432.10	0.00	0.00	-1,432.10	%
720	Bond Interest	0.00	23,170.37	58,500.00	58,500.00	35,329.63	40 %
	<b>Account Total:</b>	<b>0.00</b>	<b>227,915.48</b>	<b>412,925.00</b>	<b>412,925.00</b>	<b>185,009.52</b>	<b>55 %</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>227,915.48</b>	<b>412,925.00</b>	<b>412,925.00</b>	<b>185,009.52</b>	<b>55 %</b>
920000	Non-Governmental						
920000	Non-Governmental						
130	Unemployment	0.00	4,211.45	5,000.00	5,000.00	788.55	84 %
450	Insurance	0.00	172,114.70	165,000.00	165,000.00	-7,114.70	104 %
751	Bank Fees	-20.00	-13.50	2,500.00	2,500.00	2,513.50	-1 %
	<b>Account Total:</b>	<b>-20.00</b>	<b>176,312.65</b>	<b>172,500.00</b>	<b>172,500.00</b>	<b>-3,812.65</b>	<b>102 %</b>
	<b>Account Group Total:</b>	<b>-20.00</b>	<b>176,312.65</b>	<b>172,500.00</b>	<b>172,500.00</b>	<b>-3,812.65</b>	<b>102 %</b>
980000	TRANSFERS						
980000	TRANSFERS						
967	Transfer to Capital Reserve	0.00	0.00	1,600,000.00	1,600,000.00	1,600,000.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>%</b>
	<b>Fund Total:</b>	<b>184,412.56</b>	<b>5,325,369.99</b>	<b>9,928,110.00</b>	<b>10,183,306.00</b>	<b>4,857,936.01</b>	<b>52 %</b>

21 Capital Reserve Fund

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
980000	TRANSFERS						
980000	TRANSFERS						
	958 Transfer to Fund Balance	0.00	0.00	1,150,000.00	1,150,000.00	1,150,000.00	%
	966 Transfer To General	0.00	0.00	450,000.00	450,000.00	450,000.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>%</b>
	<b>Fund Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>1,600,000.00</b>	<b>%</b>

22 DAM Capital Projects Fund

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
714000 SEWER							
714000 SEWER							
	190 Engineering Services	0.00	43,355.20	0.00	0.00	-43,355.20	%
	<b>Account Total:</b>	<b>0.00</b>	<b>43,355.20</b>	<b>0.00</b>	<b>0.00</b>	<b>-43,355.20</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>43,355.20</b>	<b>0.00</b>	<b>0.00</b>	<b>-43,355.20</b>	<b>%</b>
	<b>Fund Total:</b>	<b>0.00</b>	<b>43,355.20</b>	<b>0.00</b>	<b>0.00</b>	<b>-43,355.20</b>	<b>%</b>



53 WATER AND SEWER FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
713000	WATER						
713000	WATER						
	212 Supplies-Fuel	0.00	35.46	0.00	0.00	-35.46	%
	214 Supplies-Dept	0.00	387.50	15,000.00	15,000.00	14,612.50	3 %
	310 Travel and Transportation	85.00	440.00	4,000.00	4,000.00	3,560.00	11 %
	324 Dues and Subscriptions	0.00	160.00	2,000.00	2,000.00	1,840.00	8 %
	330 Utilities	0.00	10,990.97	15,000.00	15,000.00	4,009.03	73 %
	350 Repairs and Maint-Buildings	0.00	12,579.01	20,000.00	20,000.00	7,420.99	63 %
	353 Repairs and Maint-Equipment	0.00	17,918.16	30,000.00	30,000.00	12,081.84	60 %
	354 Repairs and Maint-Vehicles	0.00	50.00	0.00	0.00	-50.00	%
	358 Repairs and Maint-Lines	0.00	0.00	18,000.00	18,000.00	18,000.00	%
	430 Equipment Rental	0.00	0.00	500.00	500.00	500.00	%
	691 Contractual Services	275.00	19,685.11	20,000.00	20,000.00	314.89	98 %
	<b>Account Total:</b>	<b>360.00</b>	<b>62,246.21</b>	<b>124,500.00</b>	<b>124,500.00</b>	<b>62,253.79</b>	<b>50 %</b>
	<b>Account Group Total:</b>	<b>360.00</b>	<b>62,246.21</b>	<b>124,500.00</b>	<b>124,500.00</b>	<b>62,253.79</b>	<b>50 %</b>
714000	SEWER						
714000	SEWER						
	103 Professional Services	0.00	300.00	3,000.00	3,000.00	2,700.00	10 %
	214 Supplies-Dept	0.00	75.61	800.00	800.00	724.39	9 %
	215 Supplies-Materials	0.00	88,795.09	180,000.00	180,000.00	91,204.91	49 %
	217 Supplies-Uniforms	0.00	199.80	0.00	0.00	-199.80	%
	310 Travel and Transportation	0.00	952.01	4,000.00	4,000.00	3,047.99	24 %
	320 Postage	0.00	8,979.96	4,000.00	4,000.00	-4,979.96	224 %
	330 Utilities	0.00	6,593.69	16,000.00	16,000.00	9,406.31	41 %
	350 Repairs and Maint-Buildings	0.00	10,270.25	20,000.00	20,000.00	9,729.75	51 %
	353 Repairs and Maint-Equipment	1,357.40	23,230.47	45,000.00	45,000.00	21,769.53	52 %
	355 Repairs and Maint-Collection	0.00	4,277.95	25,000.00	25,000.00	20,722.05	17 %
	358 Repairs and Maint-Lines	0.00	704.80	0.00	0.00	-704.80	%
	550 Other Equipment	0.00	14,937.50	0.00	155,000.00	140,062.50	10 %
	613 Manhole Rehabi Project	0.00	129,044.20	0.00	0.00	-129,044.20	%
	690 Contractual Services-Sludge	0.00	69,320.77	160,000.00	160,000.00	90,679.23	43 %
	691 Contractual Services	0.00	34,622.15	79,000.00	79,000.00	44,377.85	44 %
	699 Contractual Services-MWTP	0.00	11,277.19	40,000.00	40,000.00	28,722.81	28 %
	<b>Account Total:</b>	<b>1,357.40</b>	<b>403,581.44</b>	<b>576,800.00</b>	<b>731,800.00</b>	<b>328,218.56</b>	<b>55 %</b>
	<b>Account Group Total:</b>	<b>1,357.40</b>	<b>403,581.44</b>	<b>576,800.00</b>	<b>731,800.00</b>	<b>328,218.56</b>	<b>55 %</b>
720000	ELECTRIC OPERATIONS						
720000	ELECTRIC OPERATIONS						
	330 Utilities	0.00	27.95	0.00	0.00	-27.95	%
	<b>Account Total:</b>	<b>0.00</b>	<b>27.95</b>	<b>0.00</b>	<b>0.00</b>	<b>-27.95</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>27.95</b>	<b>0.00</b>	<b>0.00</b>	<b>-27.95</b>	<b>%</b>
800000	CAPITAL OUTLAY/SPECIAL PROJECTS						
800000	CAPITAL OUTLAY/SPECIAL PROJECTS						
	511 WATER METERS	0.00	0.00	200,000.00	200,000.00	200,000.00	%
	547 CAMERAS/CAMERAS	0.00	0.00	8,500.00	8,500.00	8,500.00	%
	557 FIREFLY COVE SYSTEM	0.00	0.00	250,000.00	250,000.00	250,000.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>458,500.00</b>	<b>458,500.00</b>	<b>458,500.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>458,500.00</b>	<b>458,500.00</b>	<b>458,500.00</b>	<b>%</b>

53 WATER AND SEWER FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
910000	DEBT SERVICE						
910000	DEBT SERVICE						
	611 SRL Fund Project	0.00	2,579.49	55,955.00	55,955.00	53,375.51	5 %
	612 Joint Wrapping Project	0.00	0.00	63,990.00	63,990.00	63,990.00	%
	720 Bond Interest	0.00	0.00	5,160.00	5,160.00	5,160.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>2,579.49</b>	<b>125,105.00</b>	<b>125,105.00</b>	<b>122,525.51</b>	<b>2 %</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>2,579.49</b>	<b>125,105.00</b>	<b>125,105.00</b>	<b>122,525.51</b>	<b>2 %</b>
980000	TRANSFERS						
980000	TRANSFERS						
	958 Transfer to Fund Balance	0.00	0.00	365,455.00	365,455.00	365,455.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>365,455.00</b>	<b>365,455.00</b>	<b>365,455.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>365,455.00</b>	<b>365,455.00</b>	<b>365,455.00</b>	<b>%</b>
	<b>Fund Total:</b>	<b>1,717.40</b>	<b>468,435.09</b>	<b>1,650,360.00</b>	<b>1,805,360.00</b>	<b>1,336,924.91</b>	<b>26 %</b>

56 ELECTRIC FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	%
72000							
72000							
	353 Repairs and Maint-Equipment	0.00	48.32	0.00	0.00	-48.32	%
	<b>Account Total:</b>	<b>0.00</b>	<b>48.32</b>	<b>0.00</b>	<b>0.00</b>	<b>-48.32</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>48.32</b>	<b>0.00</b>	<b>0.00</b>	<b>-48.32</b>	<b>%</b>
720000	ELECTRIC OPERATIONS						
720000	ELECTRIC OPERATIONS						
	100 SALARIES	8,653.59	160,430.10	87,500.00	87,500.00	-72,930.10	183 %
	103 Professional Services	0.00	0.00	40,000.00	40,000.00	40,000.00	%
	109 FICA	626.98	13,699.55	6,950.00	6,950.00	-6,749.55	197 %
	110 Retirement	1,643.32	34,426.65	15,000.00	15,000.00	-19,426.65	230 %
	111 Group Insurance	959.37	20,656.61	10,000.00	10,000.00	-10,656.61	207 %
	120 401 (K) Contribution	297.39	6,245.19	4,313.00	4,313.00	-1,932.19	145 %
	212 Supplies-Fuel	0.00	5,119.50	6,000.00	6,000.00	880.50	85 %
	214 Supplies-Dept	0.00	257.19	6,200.00	6,200.00	5,942.81	4 %
	320 Postage	0.00	44.32	0.00	0.00	-44.32	%
	321 Telephone	0.00	1,247.29	3,000.00	3,000.00	1,752.71	42 %
	330 Utilities	0.00	2,508.40	6,000.00	6,000.00	3,491.60	42 %
	350 Repairs and Maint-Buildings	0.00	2,703.45	15,000.00	15,000.00	12,296.55	18 %
	352 Repairs and Maint-Dam	96.14	219.98	0.00	0.00	-219.98	%
	353 Repairs and Maint-Equipment	0.00	1,948.14	40,000.00	40,000.00	38,051.86	5 %
	691 Contractual Services	0.00	2,640.00	42,000.00	42,000.00	39,360.00	6 %
	<b>Account Total:</b>	<b>12,276.79</b>	<b>252,146.37</b>	<b>281,963.00</b>	<b>281,963.00</b>	<b>29,816.63</b>	<b>89 %</b>
	<b>Account Group Total:</b>	<b>12,276.79</b>	<b>252,146.37</b>	<b>281,963.00</b>	<b>281,963.00</b>	<b>29,816.63</b>	<b>89 %</b>
980000	TRANSFERS						
980000	TRANSFERS						
	958 Transfer to Fund Balance	0.00	0.00	118,187.00	118,187.00	118,187.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>118,187.00</b>	<b>118,187.00</b>	<b>118,187.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>118,187.00</b>	<b>118,187.00</b>	<b>118,187.00</b>	<b>%</b>
	<b>Fund Total:</b>	<b>12,276.79</b>	<b>252,194.69</b>	<b>400,150.00</b>	<b>400,150.00</b>	<b>147,955.31</b>	<b>63 %</b>

58 Capital Sewer Project Fund

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
714000	SEWER						
714000	SEWER						
	190 Engineering Services	0.00	886,686.62	0.00	0.00	-886,686.62	%
	573 Barge/Excavator	0.00	479,848.38	0.00	0.00	-479,848.38	%
	635 Contract for Design Build	0.00	640,000.00	0.00	0.00	-640,000.00	%
	691 Contractual Services	0.00	27,250.00	0.00	0.00	-27,250.00	%
	760 Closing Cost	0.00	45,686.00	0.00	0.00	-45,686.00	%
	<b>Account Total:</b>	<b>0.00</b>	<b>2,079,471.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,079,471.00</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>0.00</b>	<b>2,079,471.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,079,471.00</b>	<b>%</b>
	<b>Fund Total:</b>	<b>0.00</b>	<b>2,079,471.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,079,471.00</b>	<b>%</b>

75 CHIMNEY ROCK WATER FUND

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Commit
713000 WATER							
713000 WATER							
	214 Supplies-Dept	0.00	1,637.50	0.00	0.00	-1,637.50	%
	320 Postage	0.00	537.65	0.00	0.00	-537.65	%
	968 Payments to Chimney Rock Water	9,086.51	58,848.84	0.00	0.00	-58,848.84	%
	<b>Account Total:</b>	<b>9,086.51</b>	<b>61,023.99</b>	<b>0.00</b>	<b>0.00</b>	<b>-61,023.99</b>	<b>%</b>
	<b>Account Group Total:</b>	<b>9,086.51</b>	<b>61,023.99</b>	<b>0.00</b>	<b>0.00</b>	<b>-61,023.99</b>	<b>%</b>
	<b>Fund Total:</b>	<b>9,086.51</b>	<b>61,023.99</b>	<b>0.00</b>	<b>0.00</b>	<b>-61,023.99</b>	<b>%</b>
	<b>Grand Total:</b>	<b>207,493.26</b>	<b>8,229,849.96</b>	<b>13,578,620.00</b>	<b>13,988,816.00</b>	<b>5,758,966.04</b>	<b>59 %</b>

**VI  
COUNCIL LIAISON  
REPORTS AND  
COMMENTS**

# VI

## PUBLIC COMMENT

*The public is invited to speak. Please keep comments limited to three minutes or less. Comments may also be submitted in writing to the Town Clerk, [ostewman@townoflakelure.com](mailto:ostewman@townoflakelure.com), at least one hour prior to the meeting.*

# VII

## CONSENT AGENDA

- A. Approval of the May 9, 2023 Regular Town Council Meeting Minutes, the May 10, 2023 Special Meeting Minutes, the May 17, 2023 Special Meeting Minutes, the May 24, 2023 Regular Town Council Work Session Meeting Minutes, the May 24, 2023 Special Meeting Minutes, and the June 5, 2023 Special Meeting
- B. Resolution No. 23-06-13 Adopting New Procurement Policy
- C. Resolution No. 23-06-13A Adopting Credit Card Policy
- D. Approval of Amendments to the Rutherford County Tourism Development Authority (TDA) Lease
- E. Approval of Waivers and Suspensions Requests for the Cycle NC Event Scheduled for August 4, 2023 to August 6, 2023





**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD TUESDAY, MAY 9, 2023, 5:00 P.M. AT THE LAKE LURE MUNICIPAL CENTER**

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

William Morgan, Jr., Town Attorney  
William Hank Perkins, Jr., Town Manager  
Michael Williams, Community Development Director  
Stephen Ford, Finance Director  
Michael Dydula, Project Manager  
Andy Ogle, Public Services Administrative Support Specialist

**ABSENT:** N/A

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the meeting to order at 5:00 p.m. Commissioner Bryant led invocation and Council members led the pledge of allegiance.

**II. APPROVE THE AGENDA**

Commissioner Proctor requested to add Item L, “LaBella Task 6 Revision 2” to Section X, “New Business.”

Commissioner Proctor made a motion to approve the agenda, as amended. Commissioner Doster seconded and the motion carried 4-0.

**III. MAYOR'S COMMUNICATIONS**

Mayor Pritchett thanked all individuals in attendance. Mayor Pritchett noted that the lake is up and that the next drawdown schedule will be determined in June. It was noted that the Town is in the budgeting process, which is slightly delayed because of property re-evaluations. Mayor Pritchett announced that the Town will hold the public hearing for the budget on June 28<sup>th</sup> at 5:00 p.m.

**IV. TOWN MANAGER COMMUNICATIONS**

Town Manager Hank Perkins summarized highlights from his Manager's Report for April (available in the meeting packet).

**V. PUBLIC HEARING**

**A. ORDINANCE NO. 23-05-09 AMENDING THE TOWN OF LAKE LURE CODE OF ORDINANCES, CHAPTER 6 ("BUILDINGS AND BUILDING REGULATIONS"), ARTICLE III ("LAKE STRUCTURES")**

Commissioner made a motion to open the public hearing. Commissioner DiOrio seconded and all voted in favor.

**i. STAFF REPORT**

Community Development Director Michael Williams explained that staff would like to encourage property owners to properly maintain lake structures and expressed the need to make it easier for property owners to do so. Director Williams expanded that as of current, there is a one-size-fits all permitting process for lake structures regardless of the magnitude of the project. It was noted that staff proposed amended language to the lake structures ordinances to allow for a differentiation between major projects and minor structural repairs. Director Williams added that the ordinance should make it easier for property owners to make necessary repairs to their lake structures. It was noted that the Zoning and Planning Board recommended the proposed language.

**ii. PUBLIC HEARING**

The public hearing was opened prior to the staff report. Mayor Pritchett invited the public to speak.

There were no comments from the public.

**iii. COUNCIL DELIBERATION**

Commissioner Proctor detailed the history of the lake structures ordinances. Commissioner Doster noted that a local builder brought issues in regard to lake structures ordinances to the attention of the Zoning and Planning Board, the Board reviewed staff's recommended language, and the ordinance contains final recommendations.

**iv. CONSIDERATION OF ADOPTION OF ORDINANCE NO. 23-05-09 AN ORDINANCE AMENDING THE TOWN OF LAKE LURE CODE OF ORDINANCES, CHAPTER 6 ("BUILDINGS AND BUILDING REGULATIONS"), ARTICLE III ("LAKE STRUCTURES")**

Commissioner Doster made a motion to close the public hearing. Commissioner Proctor seconded and all voted in favor.

Commissioner Bryant made a motion to adopt Ordinance No. 23-05-09 Amending the Town of Lake Lure Code Of Ordinances, Chapter 6 ("Buildings and Building Regulations"), Article Iii ("Lake Structures"). Commissioner Doster seconded and all voted in favor.

Ordinance No. 23-05-09 was adopted as follow:

**ORDINANCE NUMBER 23-05-09**

**AN ORDINANCE AMENDING THE TOWN OF LAKE LURE CODE OF ORDINANCES, CHAPTER 6 ("BUILDINGS AND BUILDING REGULATIONS"), ARTICLE III ("LAKE STRUCTURES")**

**WHEREAS,** The Town of Lake Lure establishes regulations governing all structures to be erected and maintained within the boundaries of the lake for the purpose of enhancing the health, safety, and welfare of the general public and to preserve the property of the town and the properties of upland landowners; and

**WHEREAS,** The Town of Lake Lure Code of Ordinances Chapter 6, Article III, establishes the regulation of lake structures; and

**WHEREAS,** The regulation of lake structures is prescribed and enforced in a uniform manner regardless of severity or type of construction or maintenance; and

**WHEREAS,** The Town of Lake Lure finds that the severity and type of construction and maintenance of lake structures are diverse, and it is sensible and appropriate to regulate the construction and maintenance of lake structures in varied fashion.

**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 TOWN COUNCIL VOTING IN THE AFFIRMATIVE.**

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

**SECTION ONE.** The following definition is hereby added to Chapter 6 (“Buildings and Building Regulations”), Article III (“Lake Structures”), Section 6-48 (“Definitions”):

Repairs, Minor Structural. Structural repair or replace in like kind actions to an existing lake structure costing no more than \$4,999.

**SECTION TWO.** Chapter 6 (“Buildings and Building Regulations”), Article III (“Lake Structures”), Section 6-52 (“Repair, Reconstruct, and Removal of Structures”), is hereby amended as follows:

**Sec. 6-52. Repair, reconstruction, and removal of structures.**

- (a) Internal, external, and cosmetic repairs do not require a lake structure permit, unless a county building permit is required. It is the property owner's responsibility to determine if a county building permit is required for the work being performed.
- (b) Minor structural repairs and replacements may be excluded from the requirement that plans be professionally sealed if presented plans are approved by the Lake Structure Administrator as sufficient to justify the applicant’s assurance of structural integrity of the project.
- ~~(b)~~ (c) Structural repairs and reconstruction of lake structures require a lake structure permit as described in section 6-49 before any work is performed. A survey shall be required, and must accompany the application for all structural repair and reconstruction endeavors that affect the physical location, outer dimensions (height, length, width), projection into the lake, or setbacks of a lake structure. A county building permit may also be required depending on the nature and extent of the work.
- ~~(c)~~ (d) Reconstruction of lake structures shall be permitted as described in section 6-49; shall begin within 18 months from the date of condemnation, collapse, or destruction; and shall meet the following requirements:
  - (1) The original structure may be replaced with a like structure, not necessarily of the same dimensions, (i.e., a dock with a dock, a boathouse with a boathouse) and shall not include living quarters over the water.
  - (2) Height and projection into the lake meets current standards as described in section 6-51.
  - (3) The number of permanent moorings meets current standards as described in section 6-51.
  - (4) The distance from the lake structure to the projected upland lot property lines, if less than 15 feet, shall be no closer to the projected lot line than the structure being replaced and shall not encroach on or over projected property lines.
- ~~(d)~~ (e) Cleanup and removal of condemned, collapsed, or involuntarily destroyed structures shall begin within 90 days of the date of condemnation, collapse, or destruction. Hazardous items such as fuel, lubricants, paint, chemicals, unused boat batteries, etc., shall be removed immediately to protect water quality.

- (e) (f) These standards shall not apply to any lake structures owned by the town, providing that designs for such structures have been reviewed and approved by the lake advisory board and the town council.

**SECTION THREE.** All provisions of any Town Ordinance inconsistent with the language herein adopted are hereby repealed.

**SECTION FOUR.** This Ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect immediately from after the date of its final passage and adoption.

**READ, APPROVED, AND ADOPTED** this 9<sup>th</sup> day of May, 2023.

**V. PUBLIC HEARING**

**B. ORDINANCE NO. 23-05-09A AMENDING THE TOWN OF LAKE LURE CODE OF ORDINANCES SECTION 6-49 (A) (12) AND SECTION 36-140 (B) (5), AND ADDING SECTION 22-23 (A) (1) TO ESTABLISH DOUBLED PERMIT FEES FOR PROJECTS COMMENCED PRIOR TO OBTAINING PERMIT(S)**

Commissioner Bryant made a motion to open the public hearing. Commissioner Doster seconded and all voted in favor.

**i. STAFF REPORT**

Director Williams explained issues regarding individuals not obtaining permits for projects. Director Williams noted that staff has been crafting solution to ensure that people permits are obtained prior to starting a project, and that this ordinance is a tool that will be used mitigate the issues. It was explained that the ordinance will establish a double permit fee for projects started prior to obtaining a permit. Director Williams noted that the double fee will be enforced for zoning, lake structure, and land disturbance permits.

**ii. PUBLIC HEARING**

Mayor Pritchett invited the public to speak.

Debbie Warner, 138 Yacht Island Drive, asked if there had been a meeting with local contractors yet. Director Williams answered that the meeting had not yet occurred, but added he has been speaking with contractors.

Steve Milito, 1412 Proctor Road, asked if there is going to be a time limitation as to how far back the Town can enforce this and when this goes into effect. Town Attorney William Morgan answered that he does not think the Town could enforce the double fee for projects completed prior to the ordinance being adopted and noted that the ordinance will be in effect upon adoption.

Commissioner Doster recalled past Zoning and Planning Board discussions and noted that the contractor meeting is still in planning and set to take place in the future. Commissioner Doster noted the importance of increased communications, especially in relation to new ordinances. Laura Doster noted that the Chamber of Hickory Nut Gorge could help facilitate the contractor meetings.

**iii. COUNCIL DELIBERATION**

There was no further deliberation from Council.

**iv. CONSIDERATION OF ADOPTION OF ORDINANCE NO. 23-05-09A**

Commissioner DiOrio made a motion to adopt Ordinance No. 23-05-09A amending the Town of Lake Lure Code of Ordinances Section 6-49 (A) (12) and Section 36-140 (B) (5), and Adding Section 22-23 (A) (1) to Establish Doubled Permit Fees for Projects Commenced Prior to Obtaining Permit(s). Commissioner Bryant seconded and all voted in favor.

Ordinance No. 23-05-09 was adopted as follow:

**ORDINANCE NUMBER 23-05-09A**

**AN ORDINANCE AMENDING THE TOWN OF LAKE LURE CODE OF ORDINANCES SECTION 6-49 (A) (12) AND SECTION 36-140 (B) (5), AND ADDING SECTION 22-23 (A) (1) AND SECTION 36-297 TO ESTABLISH DOUBLED PERMIT FEES FOR PROJECTS COMMENCED PRIOR TO OBTAINING PERMIT(S)**

**WHEREAS**, The Town of Lake Lure is authorized to establish certain fees; and

**WHEREAS**, The Town of Lake Lure collects Community Development permit fees for lake structures, zoning, land disturbances, and more; and

**WHEREAS**, The Town of Lake Lure Community Development staff has expressed concern regarding consistent occurrences of projects commenced prior to obtaining necessary permitting; and

**WHEREAS**, The Town of Lake Lure finds it necessary to implement techniques to mitigate the commencement of projects prior to obtaining necessary permitting; and

**WHEREAS**, The Town of Lake Lure supports the implementation of doubled permit fees for lake structure, zoning, and land disturbance projects commenced prior to obtaining permit(s).

**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 TOWN COUNCIL VOTING IN THE AFFIRMATIVE.**

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

**SECTION ONE.** Chapter 6 (“Buildings and Building Regulations”), Article III (“Lake Structures”), Section 6-49 (a) (12), is hereby amended as follows:

- (12) The application fee, the amount of which shall be established by the town council. Failure to obtain a required permit prior to commencing work shall subject applicant to double application fee.

**SECTION TWO.** Chapter 36 (“Zoning”), Article V (“Administration, Enforcement, Appeals”), Section 36-140 (b), is hereby amended as follows:

- (b) All applications for certificates of zoning compliance shall be accompanied by the following:
  - (1) Detailed site plans, in duplicate and drawn to scale, showing the following:
    - a. Actual dimensions and general topography of the lot to be built upon;
    - b. Accurate dimensions, uses and locations on the lot of the building proposed to be erected or altered;
    - c. The significant trees to be protected or removed; and
    - d. A steep slope plan in accordance with section 36-262 where such slopes occur.
  - (2) If connection is to be made to the town's water or sewer systems, proof of approval for taps from the town, or a completed "waiver of liability" on a form obtainable from the town.
  - (3) If individual septic tanks and/or wells are to be used, proof of approval from the county health department.
  - (4) Such other information as may be necessary to provide for the enforcement of the provisions of this chapter.
  - (5) The application package shall include the review fee, the amount of which shall be established by the town council. Failure to obtain a required permit prior to commencing work shall subject applicant to double application review fee.

**SECTION THREE.** Chapter 22 (“Planning and Development”), Article II (“Soil Erosion and Sediment Control”), Section 22-23 (a) (1), is hereby amended as follows:

- (a) *Permit required.*
  - (1) A land disturbance permit approved by the erosion control officer shall be required for all non-exempt land disturbing activities, except that no permit shall be required for land disturbing activity:
    - a. Where land disturbing activities are essential to protect human life and only for the duration of an emergency;

- b. Where land disturbing activities are within 35 feet of a lake or natural watercourse and do not exceed 100 square feet in surface area; or
- c. Where land disturbing activities are not within 35 feet of a lake or natural watercourse and do not exceed 2,000 square feet in surface area;
- d. The application package shall include the review fee, the amount of which shall be established by the town council. Failure to obtain a required permit and plan approval prior to commencing work shall result in double the normal application review fee.

**SECTION FOUR.** Chapter 36 (“Zoning”), Article X (“Exemptions”), is hereby amended as follows:

**Sec. 36-297. Exceptions to 36-140 (b) (5).**

The doubled permit fee penalty for failing to obtain a required permit prior to commencing work shall not apply to either a Mobile Food Vendor Operator or a Vacation Rental Operator who begin operating within the Town without the required Town permit. However, the violation may subject that violator to civil fines as provided in the Town fee schedule.

~~**Secs. 36-297 – 36-323. Reserved.**~~

~~**Secs. 36-298 – 36.323. Reserved.**~~

**SECTION FIVE.** The Town of Lake Lure Town Council deems Ordinance No. 23-05-09A to be consistent with the Lake Lure comprehensive plan because it enhances the enforcement of land use and zoning regulations.

**SECTION SIX.** The Town of Lake Lure Town Council deems Ordinance No. 23-05-09A to be reasonable and in the public interest because it provides additional enforcement of the Code of Ordinances put in place to meet the needs of the community.

**SECTION SEVEN.** All provisions of any Town Ordinance inconsistent with the language herein adopted are hereby repealed.

**SECTION EIGHT.** This Ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect immediately from after the date of its final passage and adoption.

**READ, APPROVED, AND ADOPTED** this 9<sup>th</sup> day of May, 2023.

<b>VI. COUNCIL LIAISON REPORTS &amp; COMMENTS</b>
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Commissioner Scott Doster reported the activities of the Zoning and Planning Board and the ABC Board.



Commissioner David DiOrio reported the activities of the Lake Advisory Board and the Board of Adjustment / Lake Structure Appeals Board.

Mayor Pritchett noted that the Steering Committee did not meet and reported the activities of the Parks and Recreation Board.

## VII. PUBLIC COMMENT

Mayor Carol C. Pritchett invited the audience to speak.

Laura Doster, 274 Thomas A Edison Road, asked if Council had any information in regard to the state bill proposing to hold all elections during even years. It was noted that the bill passed through the Senate and is in review by the House.

There were no further comments from the public.

## VIII. CONSENT AGENDA

Mayor Carol C. Pritchett explained the consent agenda.

Commissioner DiOrio made a motion to approve the Consent Agenda, as presented. Commissioner Doster seconded. Therefore, the Consent Agenda incorporating the following items was unanimously approved and adopted:

- A. Approval of the April 11, 2023 Regular Town Council Meeting Minutes, the April 18, 2023 Special Round Table Meeting Minutes, the April 20, 2023 Special Round Table Meeting Minutes, and the April 26, 2023 Regular Town Council Work Session Meeting Minutes
- B. Resolution No. 23-05-09 Amending the Rules of Procedure for the Lake Lure Town Council
- C. Approval of Rumbling Bald Request to Rearrange the Placement of the Cluster Mooring Located on the Northwest end of the Lake

### RESOLUTION NO. 23-05-09

#### RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE AMENDING THE RULES FOR PROCEDURE FOR THE LAKE LURE TOWN COUNCIL

WHEREAS, the Town of Lake Lure Town Council adopted *Rules of Procedure for the Lake Lure Town Council* on April 10, 2001; and

WHEREAS, various aspects of the *Rules of Procedure for the Lake Lure Town Council* require amendments or updates;

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby amends the *Rules of Procedure for the Lake Lure Town Council*, as follows:

(ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~)

## **Rules of Procedure for the Lake Lure Town Council**

### **Rule 1. Regular Meetings**

The council shall hold a regular meeting on second Tuesday of each month, except that if a regular meeting day is a legal holiday, the meeting shall be held on the next business day unless otherwise designated by the council. The meeting shall be held at The Lake Lure Municipal Center and shall begin at ~~7:00~~ 5:00 P.M. A copy of the council's current meeting schedule shall be filed with the city clerk.

### **Rule 2. Special, Emergency, and Recessed [or Adjourned] Meetings**

**(a) Special Meetings.** The mayor, the mayor pro tempore, or any two members of the council may at any time call a special council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. At least forty-eight hours before a special meeting called in this manner, written notice of the meeting stating its time and place and the subjects to be considered shall be (1) delivered to the mayor and each council member or left at his or her usual dwelling place; (2) posted on the council's principal bulletin board, or if none, at the door of the council's usual meeting room; ~~and~~ (3) mailed or delivered to each newspaper, wire service, radio station, television station, and person who has filed a written request for notice with the city clerk; and, (4) posted on the Town's website. Only those items of business specified in the notice may be transacted at a special meeting called in this manner, unless all members are present or have signed a written waiver of notice. Even in such a case, the council shall only discuss or transact items of business not specified in the notice if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

A special meeting may also be called or scheduled by vote of the council in open session during another duly called meeting. The motion or resolution calling or scheduling the special meeting shall specify its time, place, and purpose. At least forty-eight hours before a special meeting called in this manner, notice of the time, place, and purpose of the meeting shall be (1) posted on the council's principal bulletin board, or if none, at the door of the council's usual meeting room; and (2) mailed or delivered to each newspaper, wire service, radio station, television station, and person who has filed a written request for notice with the city clerk. Such notice shall also be mailed or delivered at least forty-eight hours before the meeting to each council member not present at the meeting at which the special meeting was called or scheduled, and to the mayor if he or she was not present at that meeting. Only those items of business specified in the notice may be discussed or transacted at a special

meeting called in this manner, unless all members are present or those not present have signed a written waiver of notice, and the council determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

**(b) Emergency Meetings.** Emergency meetings of the city council may be called only because of generally unexpected circumstances that require immediate consideration by the council. Only business connected with the emergency may be considered at an emergency meeting. One of the following two procedures must be followed to call an emergency meeting of the council.

(1) The mayor, the mayor pro tempore, or any two members of the council may at any time call an emergency council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. The notice shall be delivered to the mayor and each council member or left at his or her usual dwelling place at least six hours before the meeting.

(2) An emergency meeting may be held at any time when the mayor and all members of the council are present and consent thereto, or when those not present have signed a written waiver of notice, but only in either case if the council complies with the notice provisions of the next paragraph.

Notice of an emergency meeting under (1) or (2) shall be given to each local newspaper, local wire service, local radio station, and local television station that has filed a written emergency meeting notice request, which includes the newspaper's, wire service's, or station's telephone number, with the city clerk. This notice shall be given either by telephone or by the same method used to notify the mayor and the council members and shall be given at the expense of the party notified.

**(c) Recessed Meetings.** A properly called regular, special, or emergency meeting may be recessed to a time and place certain by a procedural motion made and adopted as provided in Rule 18, Motion 2, in open session during the regular, special, or emergency meeting. The motion shall state the time and place when the meeting will reconvene. No further notice need be given of a recessed session of a properly called regular, special, or emergency meeting.

### **Rule 3. Organizational Meeting**

On the date and at the time of the first regular meeting in December following a general election in which council members are elected, or at an earlier date, if any, set by the incumbent council, the newly elected members shall take and subscribe the oath of office as the first order of new business. As the second order of new business, the council shall elect a mayor pro tempore. This organizational meeting shall not be held before the municipal election results are officially determined, certified, and published in accordance with Subchapter IX of Chapter 163 of the North Carolina General Statutes.

### **Rule 4. Agenda**

(a) **Proposed Agenda.** The city clerk shall prepare a proposed agenda for each meeting. A request to have an item of business placed on the agenda must be received at least three

working days before the meeting. Any council member may, by a timely request, have an item placed on the proposed agenda. A copy of all proposed ordinances shall be attached to the proposed agenda. An agenda package shall be prepared that includes, for each item of business placed on the proposed agenda, as much background information on the subject as is available and feasible to reproduce. Each council member shall receive a copy of the proposed agenda and the agenda package, and they shall be available for public inspection and distribution or copying when they are distributed to the council members.

(b) **Adoption of the Agenda.** As its ~~third~~ first order of business at each meeting, the council shall, as specified in Rule 6, discuss, and revise the proposed agenda and adopt an agenda for the meeting. If items are proposed to be added to the agenda of a meeting, the council may, by majority vote, require that written copies of particular documents connected with the items be made available at the meeting to all council members.

The council may by majority vote add items to or subtract items from the proposed agenda, except that (a) the council may not subtract items from the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless those calling the meeting consent to the deletion, (b) the council may not add items to the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless all members are present, or those who are absent sign a written waiver of notice, and (c) only business connected with the emergency may be considered at an emergency meeting. The council may add items to the proposed agenda of a special meeting only if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

The council may designate certain agenda items “for discussion and possible action.” Such designation means that the council intends to discuss the general subject area of that agenda item before making any motion concerning that item.

(c) **Consent Agenda.** The council may designate a part of the agenda as the “consent agenda.” Items shall be placed on the consent agenda by those preparing the proposed agenda if they are judged to be noncontroversial and routine. Any member may remove an item from the consent agenda and place it on the regular agenda while the agenda is being discussed and revised prior to its adoption at the beginning of the meeting. All items on the consent agenda shall be voted on and adopted by a single motion, with the minutes reflecting the motion and vote on each item.

(d) **Open Meetings Requirements.** The council shall not deliberate, vote, or otherwise take action on any matter by reference to a letter, number, or other designation, or other secret device or method, with the intention of making it impossible for persons attending a meeting of the council to understand what is being deliberated, voted, or acted on. The council may, however, deliberate, vote, or otherwise take action by reference to an agenda, if copies of the agenda sufficiently worded to enable the public to understand what is being deliberated, voted, or acted on are available for public inspection at the meeting.

## **Rule 5. Public Address to the Council**

~~Any individual or group who wishes to address the council shall make a request to be on the agenda to the city clerk. However, the council shall determine at the meeting whether it will~~

~~hear the individual or group.~~

The council shall provide at least one period for public comment per month at a regular meeting of the council. The council may adopt reasonable rules governing the conduct of the public comment period, including, but not limited to, rules (i) fixing the maximum time allotted to each speaker (currently set as three (3) minutes, (ii) providing for the designation of spokesmen for groups of persons supporting or opposing the same positions, (iii) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall, and (iv) providing for the maintenance of order and decorum in the conduct of the hearing. The council is not required to provide a public comment period under this section if no regular meeting is held during the month. Public Comment is generally reserved for items that are not on the Council's agenda. No public comments are allowed on any item on which a public hearing has been set or held. Comments may be submitted in writing to the Town Clerk, which will become part of the minutes.

### **Rule 6. Order of Business**

Items shall be placed on the agenda according to the order of business. Once the meeting is called to order, and following the invocation (if offered) and the Pledge of Allegiance, ~~the~~ order of business for each regular meeting shall be as follows:

1. ~~Invocation~~ Agenda Adoption
2. ~~Informal discussion and public comment~~ Mayor's Communications
3. ~~Discussion and revision of the proposed agenda, including consent agenda; adoption of agenda~~ Town Manager's Communications
4. Public hearings
5. ~~Approval of Minutes~~ Council Liaison Reports and Comments
6. ~~Committee reports~~ Presentations
7. ~~Unfinished Business~~ Public Comment
8. ~~New Business~~ Consent Agenda
9. ~~Administrative Reports~~ Unfinished business
10. ~~Council Reports~~ New business
11. Closed Session(s)
12. Adjournment

By general consent of the council, items may be considered out of order.

### **Rule 7. Office of Mayor**

The mayor shall preside at all meetings of the council but shall have the right to vote only when there is a tie. In order to address the council, a member must be recognized by the mayor.

The mayor or other presiding officer shall have the following powers:

- (a) To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes;
- (b) To determine whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks and to entertain and rule on objections from other members on this

- ground;
- (c) To entertain and answer questions of parliamentary law or procedure;
  - (d) To call a brief recess at any time;
  - (e) To adjourn in an emergency.

A decision by the presiding officer under (a), (b), or (c) may be appealed to the council upon motion of any member, pursuant to Rule 18(b), Motion 1. Such a motion is in order immediately after a decision under (a), (b), or (c) is announced and at no other time. The member making the motion need not be recognized by the presiding officer, and the motion if timely made may not be ruled out of order.

A mayor or other presiding officer may adjourn without the board's vote or appeal in an emergency, and he or she may also call a brief recess without a vote at any time.

### **Rule 8. Office of Mayor Pro Tempore**

At the organizational meeting, the council shall elect from among its members a mayor pro tempore to serve at the council's pleasure. A council member who serves as mayor pro tempore shall be entitled to vote on all matters and shall be considered a council member for all purposes, including the determination of whether a quorum is present. In the mayor's absence, the council may confer on the mayor pro tempore any of the mayor's powers and duties. If the mayor should become physically or mentally unable to perform the duties of his or her office, the council may by unanimous vote declare that the mayor is incapacitated and confer any of the mayor's powers and duties on the mayor pro tempore. When a mayor declares that he or she is no longer incapacitated, and a majority of the council concurs, the mayor shall resume the exercise of his or her powers and duties. If both the mayor and mayor pro tempore are absent from a meeting, the council may elect from among its members a temporary chairman to preside at the meeting.

### **Rule 9. When the Presiding Officer Is in Active Debate**

If the mayor or other presiding officer becomes actively engaged in debate on a particular proposal, he or she may designate another council member to preside over the debate. The mayor or other presiding officer shall resume presiding as soon as action on the matter is concluded.

### **Rule 10. Action by the Council**

The council shall proceed by motion, except as otherwise provided for in Rule 4 and in Rule 31. Any member may make a motion.

### **Rule 11. Second Required**

A motion shall require a second.

**Rule 12. One Motion at a Time**

A member may make only one motion at a time.

**Rule 13. Substantive Motions**

A substantive motion is out of order while another substantive motion is pending.

**Rule 14. Adoption by Majority Vote**

A motion shall be adopted by a majority of the votes cast, a quorum as defined in Rule 27 being present, unless otherwise required by these rules or the laws of North Carolina. A majority is more than half.

**Rule 15. Voting by Written Ballot**

The council may choose by majority vote to use written ballots in voting on a motion. Such ballots shall be signed, and the minutes of the council shall show the vote of each member voting. The ballots shall be available for public inspection in the office of the city clerk immediately following the meeting at which the vote took place and until the minutes of that meeting are approved, at which time the ballots may be destroyed.

**Rule 16. Debate**

The mayor shall state the motion and then open the floor to debate on it. The mayor shall preside over the debate according to the following general principles:

- (a) The maker of the motion is entitled to speak first;
- (b) A member who has not spoken on the issue shall be recognized before someone who has already spoken;
- (c) To the extent possible, the debate shall alternate between proponents and opponents of the measure.

**Rule 17. Ratification of Actions**

To the extent permitted by law, the council may ratify actions taken on its behalf but without its prior approval. A motion to ratify is a substantive motion.

**Rule 18. Procedural Motions**

(a) **Certain Motions Allowed.** In addition to substantive proposals, only the following procedural motions, and no others, are in order. Unless otherwise noted, each motion is debatable, may be amended, and requires a majority of the votes cast, a quorum being present, for adoption. Procedural motions are in order while a substantive motion is pending and at other times, except as otherwise noted.

**(b) Order of Priority of Motions.** In order of priority (if applicable), the procedural motions are

**Motion 1. To Appeal a Procedural Ruling of the Presiding Officer.** A decision of the presiding officer ruling a motion in or out of order, determining whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks, or entertaining and answering a question of parliamentary law or procedure may be appealed to the council, as specified in Rule 7. This appeal is in order immediately after such a decision is announced and at no other time. The member making the motion need not be recognized by the presiding officer and the motion, if timely made, may not be ruled out of order.

**Motion 2. To Adjourn.** This motion may be made only at the conclusion of council consideration of a pending substantive matter; it may not interrupt deliberation of a pending matter. A motion to recess [or adjourn] to a time and place certain shall also comply with the requirements of Rule 2(c).

**Motion 3. To Take a Brief Recess.**

**Motion 4. Call to Follow the Agenda.** The motion must be made at the first reasonable opportunity, or the right to make it is waived for the out-of-order item in question.

**Motion 5. To Suspend the Rules.** The council may not suspend provisions of the rules that state requirements imposed by law on the council. For adoption, the motion requires a vote equal to two-thirds of the actual membership of the council, excluding the mayor, unless he or she may vote in all cases, and vacant seats.

**Motion 6. To Go into Closed Session.** The council may go into closed session only for one or more of the permissible purposes listed in G.S. 143-318.11(a). The motion to go into closed session shall cite one or more of these purposes and shall be adopted at an open meeting. A motion based on G.S. 143-318.11(a)(1) shall also state the name or citation of the law that renders the information to be discussed privileged or confidential. A motion based on G.S. 143-318(a)(3) shall identify the parties in each existing lawsuit concerning which the council expects to receive advice during the closed session, if in fact such advice is to be received.

**Motion 7. To Leave Closed Session.**

**Motion 8. To Divide a Complex Motion and Consider It by Paragraph.** The motion is in order whenever a member wishes to consider and vote on subparts of a complex motion separately.

**Motion 9. To Defer Consideration.** The council may defer a substantive motion for later consideration at an unspecified time. A substantive motion the consideration of which has been deferred expires 100 days thereafter unless a motion to revive consideration is adopted. If consideration of a motion has been deferred, a new motion with the same effect cannot be introduced while the deferred motion remains pending (has not expired). A member who wishes to revisit the matter during that time must take action to revive consideration of the original motion [Rule 18(b), Motion 14], or else move to suspend the rules [Rule 18(b), Motion 5].



**Motion 10. Motion for the Previous Question.** The motion is not in order until there have been at least 20 minutes of debate, and every member has had an opportunity to speak once.

**Motion 11. To Postpone to a Certain Time or Day.** If consideration of a motion has been postponed, a new motion with the same effect cannot be introduced while the postponed motion remains pending. A member who wishes to revisit the matter must either wait until the specified time, or move to suspend the rules [Rule 18(b), Motion 5].

**Motion 12. To Refer a Motion to a Committee.** The council may vote to refer a substantive motion to a committee for its study and recommendations. Sixty days or more after a substantive motion has been referred to a committee, the introducer of the substantive motion may compel consideration of the measure by the entire council, whether or not the committee has reported the matter to the council.

**Motion 13. To Amend.** (a) An amendment to a motion must be pertinent to the subject matter of the motion. An amendment is improper if adoption of the motion with that amendment added would have the same effect as rejection of the original motion. A proposal to substitute completely different wording for a motion or an amendment shall be treated as a motion to amend.

(b) A motion may be amended, and that amendment may be amended, but no further amendments may be made until the last-offered amendment is disposed of by a vote.

(c) Any amendment to a proposed ordinance shall be reduced to writing before the vote on the amendment.

**Motion 14. To Revive Consideration.** The board may vote to revive consideration of any substantive motion earlier deferred by adoption of Motion 9 of Rule 18(b). The motion is in order at any time within 100 days after the day of a vote to defer consideration. A substantive motion on which consideration has been deferred expires 100 days after the deferral unless a motion to revive consideration is adopted.

**Motion 15. To Reconsider.** The council may vote to reconsider its action on a matter. The motion to do so must be made by a member who voted with the prevailing side (the majority side except in the case of a tie; in that case the "~~yes~~ no's" prevail) and at the meeting during which the original vote was taken, including any continuation of that meeting through recess [or adjournment] to a time and place certain. The motion cannot interrupt deliberation on a pending matter; but is in order at any time before final adjournment of the meeting.

**Motion 16. To Rescind or Repeal.** The council may vote to rescind actions it has previously taken or to repeal items that it has previously adopted. The motion is not in order if rescission or repeal of an action is forbidden by law.

**Motion 17. To Prevent Reintroduction for Six Months.** The motion shall be in order immediately following the defeat of a substantive motion and at no other time. The motion requires for adoption a vote equal to two-thirds of the actual membership of the council excluding the mayor and vacant seats. If adopted, the restriction imposed by the motion remains in effect for six months or until the next organizational meeting of the council, whichever occurs first.

**Rule 19. Renewal of Motion**

A motion that is defeated may be renewed at any later meeting unless a motion to prevent reintroduction has been adopted.

**Rule 20. Withdrawal of Motion**

A motion may be withdrawn by the introducer at any time before it is amended or before the presiding officer puts the motion to a vote, whichever occurs first.

**Rule 21. Duty to Vote**

Every member must vote unless excused by the remaining members according to law. A member who wishes to be excused from voting shall so inform the presiding officer, who shall take a vote of the remaining members. No member shall be excused from voting except upon matters involving the consideration of his or her own financial interest or official conduct. In all other cases, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote.

**Rule 22. Introduction of Ordinances**

A proposed ordinance shall be deemed to be introduced on the date the subject matter is first voted on by the council.

**Rule 23. Adoption of Ordinances and Approval of Contracts**

(a) **Generally.** An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue (including the mayor's vote in case of an equal division) shall be required to adopt an ordinance, to take any action that has the effect of an ordinance, or to make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance or action that has the effect of an ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two-thirds of all the actual membership of the council, excluding vacant seats, and not including the mayor unless he or she has the right to vote on all questions before the council. No ordinance shall be adopted unless it has been reduced to writing before a vote on adoption is taken.

~~(b) **Zoning Protest Petitions.** An affirmative vote equal to three-fourths of all the members of the city council shall be required for an ordinance making a change in a zoning regulation, restriction, or boundary to become effective, if a valid protest petition is received in accordance with the requirements set out in G.S. 160A-385(a) and G.S. 160A-386. This rule shall not apply in those cases except by G.S. 160A-385(a).~~

**Rule 24. Adoption of the Budget Ordinance**

Notwithstanding the provisions of any city charter, general law, or local act:

- (1) Any action with respect to the adoption or amendment of the budget ordinance may be taken at any regular or special meeting of the council by a simple majority of those present and voting, a quorum being present;
- (2) No action taken with respect to the adoption or amendment of the budget ordinance need be published or is subject to any other procedural requirement governing the adoption of ordinances or resolutions by the council; and
- (3) The adoption and amendment of the budget ordinance and the levy of taxes in the budget ordinance are not subject to the provisions of any city charter or local act concerning initiative or referendum.

During the period beginning with the submission of the budget to the council and ending with the adoption of the budget ordinance, the council may hold any special meetings that may be necessary to complete its work on the budget ordinance. Except for the notice requirements of the open meetings law, which continue to apply, no provision of law concerning the call of special meetings applies during that period so long as (a) each member of the board has actual notice of each special meeting called for the purpose of considering the budget, and (b) no business other than consideration of the budget is taken up. This rule does not allow, and may not be construed to allow, the holding of closed meetings or executive sessions by the council if it is otherwise prohibited by law from holding such a meeting or session.

**Rule 25. This space is reserved for later use.**

*The board may adopt its own special rules of procedure, to be specified here.*

**Rule 26. Closed Sessions**

The council may hold closed sessions as provided by law. The council shall only commence a closed session after a motion to go into closed session has been made and adopted during an open meeting. The motion shall state the purpose of the closed session. If the motion is based on G.S. 143-318.11(a) (1) (closed session to prevent the disclosure of privileged or confidential information or information that is not considered a public record), it must also state the name or citation of the law that renders the information to be discussed privileged or confidential. If the motion is based on G.S. 143-318.11(a) (3) (consultation with attorney; handling or settlement of claims, judicial actions, or administrative procedures), it must identify the parties in any existing lawsuits concerning which the public body expects to receive advice during the closed session. The motion to go into closed session must be approved by the vote of a majority of those present and voting. The council shall terminate the closed session by a majority vote.

Only those actions authorized by statute may be taken in closed session. A motion to adjourn or recess shall not be in order during a closed session.

**Rule 27. Quorum**

A majority of the actual membership of the council plus the mayor, excluding vacant seats, shall constitute a quorum. A majority is more than half. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall

be counted as present for purposes of determining whether or not a quorum is present.

**Rule 28. Public Hearings**

Public hearings required by law or deemed advisable by the council shall be organized by a special order (adopted by a majority vote) that sets forth the subject, date, place, and time of the hearing as well as any rules regarding the length of time allotted for each speaker, and other pertinent matters. The rules may include, but are not limited to, rules (a) fixing the maximum time allotted to each speaker; (b) providing for the designation of spokespersons for groups of persons supporting or opposing the same positions; (c) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall (so long as arrangements are made, in the case of hearings subject to the open meetings law, for those excluded from the hall to listen to the hearing); and (d) providing for the maintenance of order and decorum in the conduct of the hearing.

All notice and other requirements of the open meetings law applicable to council meetings shall also apply to public hearings at which a majority of the council is present; such a hearing is considered to be part of a regular or special meeting of the council. These requirements also apply to hearings conducted by appointed or elected committees of the council, if a majority of the committee is present. A public hearing for which any notices required by the open meetings law or other provisions of law have been given may be continued to a time and place certain without further advertisement. The requirements of Rule 2(c) shall be followed in continuing a hearing at which a majority of the council is present. The council may vote to delegate to city staff members, as appropriate, the authority to schedule, call, and give notice of public hearings required by law or the council. The council shall provide adequate guidelines to assist staff members in fulfilling this responsibility, and it shall not delegate the responsibility in cases where the council itself is required by law to call, schedule, or give notice of the hearing.

At the time appointed for the hearing, the mayor or his or her designee shall call the hearing to order and then preside over it. When the allotted time expires or when no one wishes to speak who has not done so, the presiding officer shall entertain or make a motion to end the hearing

**Rule 29. Quorum at Public Hearings**

A quorum of the council shall be required at all public hearings required by state law. If a quorum is not present at such a hearing, the hearing shall be continued until the next regular council meeting without further advertisement.

**Rule 30. Minutes**

Full and accurate minutes of the council proceedings, including closed sessions, shall be kept. The board shall also keep a general account of any closed session so that a person not in attendance would have a reasonable understanding of what transpired. These minutes and

general accounts shall ~~be open to~~ remain closed to inspection of the public, so long as public inspection would frustrate the purpose of the closed session. ~~except as otherwise provided in this rule.~~ The exact wording of each motion and the results of each vote shall be recorded in the minutes, and on the request of any member of the council, the “ayes” and “nos” upon any question shall be taken. Members’ and other persons’ comments may be included in the minutes if the council approves.

~~Minutes and general accounts of closed sessions may be sealed by action of the council. Such sealed minutes and general accounts may be withheld from public inspection so long as public inspection would frustrate the purpose of the closed session.~~

### **Rule 31. Appointments**

The council may consider and make appointments to other bodies, including its own committees, if any, only in open session. The council may not consider or fill a vacancy among its own membership except in open session.

The mayor shall not have a right to vote on appointments that come before the council unless there is a tie vote.

Rather than proceeding by motion, the council shall use the following procedure to make appointments to various other boards and offices: The town clerk shall report on applications received. The mayor shall then open the floor for nominations, whereupon the names of other possible appointees may be put forward by the council members. The names submitted shall be debated. When the debate ends, the mayor shall call the roll of the members, and each member shall cast his or her vote.

The nominee(s) receiving the highest number of votes shall be appointed. If more than one appointee is to be selected, then each member shall have as many votes as there are slots to be filled. A member must cast all of his or her votes and cast them for different nominees.

The voting shall continue until one nominee receives a majority of the votes cast, whereupon he or she shall be appointed. If more than one appointee is to be selected, then each member shall have as many votes in each balloting as there are slots to be filled, and votes from a majority of the members voting shall be required for appointment. During each balloting, a member may cast all of his or her votes or fewer than all of them, but he or she shall not cast more than one vote for a single candidate.

### **Rule 32. Committees and Boards**

**(a) Establishment and Appointment.** The council or the mayor, if the mayor is delegated that power by the council, may establish and appoint members for such temporary and standing city committees and boards as are needed to help carry on the work of city government. Any specific provisions of law relating to particular committees and boards shall be followed.

**(b) Open Meetings Law.** The requirements of the open meetings law shall apply to all elected or appointed authorities, boards, commissions, councils, or other bodies of the city

that are composed of two or more members and that exercise or are authorized to exercise legislative, policy-making, quasi-judicial, administrative, or advisory functions. However, the law's requirements shall not apply to a meeting solely among the city's professional staff.

**Rule 33. Amendment of the Rules**

These rules may be amended at any regular meeting or at any properly called special meeting that includes amendment of the rules as one of the stated purposes of the meeting, so long as the amendment is consistent with the city charter, general law, and generally accepted principles of parliamentary procedure. Adoption of an amendment shall require an affirmative vote equal to or greater than two-thirds of all the actual membership of the council, excluding vacant seats, and not including the mayor unless he or she has the right to vote on all questions before the council.

**Rule 34. Reference to *Robert's Rules of Order Newly Revised***

To the extent not provided for in these rules, and to the extent it does not conflict with North Carolina law or with the spirit of these rules, the council shall refer to *Robert's Rules of Order Newly Revised*, to answer unresolved procedural questions.

The above Rules ~~for~~ of Procedure are based on *Suggested Rules of Procedure for a City Council*, 3<sup>rd</sup> edition, by Fleming Bell, II (Chapel Hill, N.C.: The Institute of Government, The University of North Carolina, 2000).

**SECTION TWO.** This Resolution shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

**IX. UNFINISHED BUSINESS**

There was no unfinished business to discuss.

**X. NEW BUSINESS**

**A. REQUEST FOR TOWN COUNCIL APPROVAL TO RE-SAND THE EXISTING TOWN-OWNED BEACH LOCATED AT 2724 MEMORIAL HIGHWAY**

Director Williams explained the recent history in regard to refilling sand on beaches within the Town. Director Williams noted that this request is the same as the past requests, but for the Town beach. Director Williams noted that there is currently sand on the beach, but a stop work order is in place and Parks and Recreation is requesting Council approval to spread the sand. Director Williams recommended approval.

Commissioner DiOrio recommended giving the list of approved existing beaches to the Zoning and Planning Board and solidifying the maintenances of those beaches in the ordinances. Commissioner DiOrio also recommended pursuing an ordinance defining existing beaches and maintenance. Council members agreed.

Commissioner Proctor thanked Director Williams for placing a stop work order to enforce the rules.

Commissioner DiOrio made a motion to approve the request for Town Council approval to re-sand the existing Town-owned beach located at 2724 Memorial Highway. Commissioner Bryant seconded and all voted in favor.

**X. NEW BUSINESS**

**B. PROPOSED AMENDMENTS TO THE 2023 LAKE USE FEE SCHEDULE**

Director Williams explained that the proposed amendment would add a category for minor structural repairs of lake structures, as adopted previously in the meeting.

Commissioner Doster noted that the agenda should have stated lake use fee schedule rather than land use fee schedule.

Commissioner DiOrio made a motion to approve the proposed amendments to the 2023 Lake Use Fee Schedule. Commissioner Doster seconded and all voted in favor.

**X. NEW BUSINESS**

**C. PROPOSED AMENDMENTS TO THE FY 23-24 BUDGET CALENDAR**

Manager Perkins explained that the FY 23-24 budget calendar has experienced some delay because of uncertainties in regard to the outcome of Senate Bill 108. Manager Perkins noted that the budget presentation should now take place next week and the public hearing should be set at an upcoming meeting. It was noted that the public hearing will now be scheduled for June 28<sup>th</sup> at 5:00 p.m.

Commissioner DiOrio made a motion to adopt the proposed amendments to the FY 23-24 Budget Calendar. Commissioner Bryant seconded and all voted in favor.

The updated budget calendar is as follows:

**FISCAL YEAR 2023-2024 BUDGET CALENDAR**

<b>DEADLINE</b>	<b>TASK</b>
Week of January 31 2023	Distribute FY 23-24 operational budget materials to department heads and key staff personnel. Also, Capital Improvement Program (CIP) also distributed for review and possible additions.
March 1, 2023-March 25, 2023	Departmental meetings with Finance (and Town Manager as necessary) to determine preliminary operational budget requests. Finance reviews with Town Manager. Draft recommended operational budget.
Week of April 1, 2023 - April 22, 2023	Budget sessions with staff, Manager and Finance continue. Revenue projections and estimates are generated. Final staff reviews and budget document editing. -CIP is finalized.
Late April, 2023	Revenue estimates finalized. County property tax value estimates due. Final Draft is completed
May, 2023	May 17, 2023-Town Manager presents FY 2023-24 budget to Council. Council reviews. Council work sessions are scheduled throughout the month for changes to be incorporated into final budget document.
June 28, 2023	Hold public hearing on proposed budget. Adoption of budget.

**X. NEW BUSINESS**

**D. BUDGET UPDATE**

Finance Director Stephen Ford explained that property values were received today from the county. Director Ford added that these values can be used to determine revenue neutral calculations. Director Ford noted that the Town’s values increased more than any other municipality in Rutherford County. Director Ford suggested that the Town needs to consider and discuss needs, and to consider the revenue neutral rate and other options. Director Ford reported that department heads had submitted their budgets responsibly. Director Ford expressed optimism. Mayor Pritchett added that the Town has been fiscally responsible and has a healthy budget.

**X. NEW BUSINESS**

**E. RESOLUTION NO. 23-05-09B ADOPTING RECORD RETENTION POLICY FOR DOCUMENTS CREATED OR MAINTAINED PURSUANT TO THE AMERICAN RESCUE PLAN ACT / CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**



Director Ford explained that the policies proposed at this meeting are in regards to American Rescue Plan Act (ARPA) funds that the Town was awarded and that this policy details how the Town will responsibility maintain records in relation to ARPA.

Manager Perkins explained that the first resolution is specific to records retention and maintenance of documents specific to ARPA.

Commissioner Doster made a motion to adopt Resolution No. 23-05-09B Adopting Record Retention Policy for Documents Created or Maintained Pursuant to the American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds. Commissioner DiOrio seconded and all voted in favor.

Resolution No. 23-05-09B Adopting Record Retention Policy for Documents Created or Maintained Pursuant to the American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds was adopted as follows:

**RESOLUTION NO. 23-05-09B**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING RECORD RETENTION POLICY FOR DOCUMENTS CREATED OR MAINTAINED PURSUANT TO THE AMERICAN RESCUE PLAN ACT / CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS AWARD**

**WHEREAS**, the Town of Lake Lure has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS**, U.S. Department of Treasury set forth terms, conditions, and compliance and reporting guidance for record retention of ARP/CSLFRF; and

**WHEREAS**, the Town of Lake Lure will follow the U.S. Treasury's record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award.

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby adopts the below Records Retention Policy, as follows:

**TOWN OF LAKE LURE**  
**RECORD RETENTION POLICY: DOCUMENTS CREATED OR MAINTAINED**  
**PURSUANT TO THE ARP/CSLFRF AWARD**

**Retention of Records:** The Coronavirus Local Fiscal Recovery Funds (“CSLFRF”) [Award Terms and Conditions](#) and the [Compliance and Reporting Guidance](#) set forth the U.S. Department of Treasury’s (“Treasury”) record retention requirements for the ARP/CSLFRF award.

It is the policy of the Town of Lake Lure to follow Treasury's record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, the Town of Lake Lure agrees to the following:

- Retain all financial and programmatic records related to the use and expenditure of CSLFRF pursuant to the ARP/CSLFRF award for a period of five (5) years after all CLFRF funds have been expended or returned to Treasury, whichever is later.
- Retain records for real property and equipment acquired with CSLFRF for five years after final disposition.
- Ensure that the financial and programmatic records retained sufficiently evidence compliance with section 603(c) of the Social Security Act "ARPA," Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- Allow the Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, the right of timely and unrestricted access to any records for the purpose of audits or other investigations.
- If any litigation, claim, or audit is started before the expiration of the 5-year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved.

**Covered Records:** For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence the Town of Lake Lure's expenditure of CSLFRF funds on eligible projects, programs, or activities pursuant to the ARP/CSLFRF award.

Records that shall be retained pursuant to this policy include, but are not limited to, the following:

- Financial statements and accounting records evidencing expenditures of CSLFRF for eligible projects, programs, or activities.
- Documentation of rationale to support a particular expenditure of CSLFRF (e.g., expenditure constitutes a general government service);
- Documentation of administrative costs charged to the ARP/CSLFRF award;
- Procurement documents evidencing the significant history of a procurement, including, at a minimum, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract cost or price;
- Subaward agreements and documentation of subrecipient monitoring;
- Documentation evidencing compliance with the Uniform Guidance property management standards set forth in 2 C.F.R. §§ 200.310-316 and 200.329;

- Personnel and payroll records for full-time and part-time employees compensated with CSLFRF, including time and effort reports; and
- Indirect cost rate proposals

**Storage:** The Town of Lake Lure’s records must be stored in a safe, secure, and accessible manner. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

**Departmental Responsibilities:** Any department or unit of the Town of Lake Lure, and its employees, who are responsible for creating or maintaining the covered documents in this policy shall comply with the terms of this policy. Failure to do so may subject the Town of Lake Lure to civil and/or criminal liability. Any employee who fails to comply with the record retention requirements set forth herein may be subject to disciplinary sanctions, including suspension or termination.

The Town Clerk is responsible for identifying the documents that the Town of Lake Lure must or should retain and arrange for the proper storage and retrieval of records. The Town Clerk shall also ensure that all personnel subject to the terms of this policy are aware of the record retention requirements set forth herein.

**Reporting Policy Violations:** The Town of Lake Lure is committed to enforcing this policy as it applies to all forms of records. Any employee that suspects the terms of this policy have been violated shall report the incident immediately to that employee’s supervisor. If an employee is not comfortable bringing the matter up with the supervisor, the employee may bring the matter to the attention of the Human Resources Specialist. The Town of Lake Lure prohibits, any form of discipline, reprisal, intimidation, or retaliation for reporting incidents of inappropriate conduct of any kind, pursuing any record destruction claim, or cooperating in related investigations.

**Questions About the Policy:** Any questions about this policy should be referred to the Town Clerk (828-625-9983 x 104; ostewman@townoflakelure.com), who is in charge of administering, enforcing, and updating this policy.

**SECTION TWO.** This Resolution and Record Retention shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

<b>X. NEW BUSINESS</b>
<b>F. RESOLUTION NO. 23-05-09C ADOPTING NONDISCRIMINATION POLICY</b>

Manager Perkins explained that this is another resolution that the Town needs to pass for ARPA. Manager Perkins reviewed acts detailed in the policy.

Commissioner DiOrio made a motion to adopt Resolution No. 23-05-09C Adopting Nondiscrimination Policy. Commissioner Bryant seconded and all voted in favor.

Resolution No. 23-05-09C Adopting Nondiscrimination Policy was adopted as follows:

**RESOLUTION NO. 23-05-09C**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING  
NONDISCRIMINATION POLICY**

**WHEREAS**, the Town of Lake Lure has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”); and

**WHEREAS**, CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22; and

**WHEREAS**, pursuant to the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, the Town of Lake Lure agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin within programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby adopts the below Nondiscrimination Policy, as follows:

**Town of Lake Lure**  
**Nondiscrimination Policy Statement**

It is the policy of the Town of Lake Lure to ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity administered by the Town of Lake Lure, including programs or activities that are funded in whole or part, with Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF"), which the Town of Lake Lure received from the U.S. Department of Treasury ("Treasury") pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (herein the "ARP/CSLFRF award").

**I. Governing Statutory & Regulatory Authorities**

As required by the CSLFRF Award Terms and Conditions, the Town of Lake Lure shall ensure that each "activity," "facility," or "program"<sup>1</sup> that is funded in whole, or in part, with CSLFRF and administered under the ARP/CSLFRF award, will be facilitated, operated, or conducted in compliance with the following federal statutes and federal regulations prohibiting discrimination. These include, but are not limited to, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age within programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**II. Discriminatory Practices Prohibited in the Administration of the ARP/CSLFRF Award**

To ensure compliance with Title VII of the Civil Rights Act of 1964, and Title 31 Code of Federal Regulations, Part 22, the Civil Rights Restoration Act of 1987, and other pertinent nondiscrimination authorities, the Town of Lake Lure shall prohibit, at a minimum, the following practices in its administration of CSLFRF pursuant to the ARP/CSLFRF award:

1. Denying to a person any service, financial aid, or other program benefit without good cause;
2. Providing to a person any service, financial aid, or another benefit which is different in quantity or quality, or is provided in a different manner, from that provided to others under the program.
3. Subjecting a person to segregation or separate treatment in any matter related to the receipt of any service, financial aid, or other benefit under the program;
4. Restricting a person in the enjoyment of any advantages, privileges, or other benefits enjoyed by others receiving any service, financial aid, or other benefit under the program;
5. Treating a person differently from others in determining whether that person satisfies any admission, enrollment, quota, eligibility, membership, or other requirement or condition which persons must meet to be provided any service, financial aid, or other benefit provided under the program;
6. Implementing different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities to the program;
7. Adopting methods of administration which, directly or through contractual relationships, would defeat or substantially impair the accomplishment of effective nondiscrimination;
8. Selecting a site or location of facilities with the purpose or effect of excluding persons from, denying them the benefits of, subjecting them to discrimination, or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of Title VI or related acts and regulations;
9. Discriminating against any person, either directly or through a contractual agreement, in any employment resulting from the program, a primary objective of which is to provide employment;
10. Committing acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because an individual made a complaint, testified, assisted, or participated in an investigation, proceeding, or hearing.

**III. Reporting & Enforcement**

1. The Town of Lake Lure shall cooperate in any enforcement or compliance review activities by the Department of the Treasury. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Town of Lake Lure shall comply with information requests, on-site compliance reviews, and reporting requirements.
2. The Town of Lake Lure shall maintain a complaint log and inform the Treasury of any complaints of discrimination on the grounds of race, color, or national origin (including limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, whether pending or completed, including the outcome. The Town of Lake Lure shall inform the Treasury if it has received no complaints under Title VI.
3. Any person who believes they have been aggrieved by a discriminatory practice under Title VI has a right to file a formal complaint with the Treasury. Any such complaint must be in writing and filed with the Treasury's Title VI Coordinator within one hundred eighty (180) days following the date of the alleged discriminatory occurrence.
4. Any person who believes that because of that person's race, color, national origin, limited English proficiency, familial status, sex, age, religion, or disability that he/she/they have been discriminated against or unfairly treated by the Town of Lake Lure in violation of this policy should contact the following office within 180 days from the date of the alleged discriminatory occurrence:

William H. Perkins, Jr., Town Manager, whperkins@townoflakelure.com

**SECTION TWO.** This Resolution and Nondiscrimination Policy shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

<p><b>X. NEW BUSINESS</b></p> <p><b>G. RESOLUTION NO. 23-05-09D ADOPTING ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT / CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS</b></p>
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Director Ford noted that this policy pertains to expenditures and allowable costs related to ARPA. Director Ford added that the policy provides the approval process of allowable costs for ARPA.

Commissioner DiOrio made a motion to adopt Resolution No. 23-05-09D Adopting Allowable Costs and Costs Principles Policy for Expenditure of American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds. Commissioner Bryant seconded and all voted in favor.

Resolution No. 23-05-09D Adopting Allowable Costs and Costs Principles Policy for Expenditure of American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds was adopted as follows:

**RESOLUTION NO. 23-05-09D**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT / CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

**WHEREAS**, the Town of Lake Lure has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS**, the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

**WHEREAS**, the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the Assistance Listing; and



**WHEREAS** the Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds provides, in relevant part:

**Allowable Costs/Cost Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

ARP/CSLFRF Funds may be, but are not required to be, used along with other funding sources for a given project. Note that ARP/CSLFRF Funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.

Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs: Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARP/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARP/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARP/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARP/CSLFRF award funds; and

**WHEREAS** Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds; and

**WHEREAS** Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.
- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.
- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award;

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby adopts the below Allowable Costs and Costs Principles Policy, as follows:

**TOWN OF LAKE LURE**  
**ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY**

**OVERVIEW**

[Title 2 U.S. Code of Federal Regulations Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising).

The Town of Lake Lure shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARP/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARP/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with Mayor Carol C. Pritchett, Mayor Pro Tem David DiOrio, Commissioner Patrick Bryant, Commissioner Jim Proctor, Commissioner Scott Doster, Town Manager, Town Attorney, Finance Director, and Project Manager, who are charged with the administration and financial oversight of the ARP/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARP/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Town Manager, Town Attorney, Finance Director, and Project Manager. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

#### **GENERAL COST ALLOWABILITY CRITERIA**

All costs expended using ARP/CSLFRF funds must meet the following general criteria:

**1. Be necessary and reasonable for the proper and efficient performance and administration of the grant program.**

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.

- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Town of Lake Lure or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARP/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to the Town of Lake Lure, its employees, the public at large, and the federal government.
- Whether the Town of Lake Lure significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARP/CSLFRF award's cost.

- 2. Be allocable to the ARP/CSLFRF federal award.** A cost is allocable to the ARP/CSLFRF award if the goods or services involved are chargeable or assignable to the ARP/CSLFRF award in accordance with the relative benefit received. This means that the ARP/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer's salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARP/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

- 3. Be authorized and not prohibited under state or local laws or regulations.**

- 4. Conform to any limitations or exclusions set forth in the principles, federal laws, ARP/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**
- 5. Be consistent with policies, regulations, and procedures that apply uniformly to both the ARP/CSLFRF federal award and other activities of the Town of Lake Lure.**
- 6. Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
- 7. Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UGG.**
- 8. Be net of all applicable credits.** The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they shall be credited to the ARP/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms. The Town of Lake Lure shall adhere to any federal award guidelines for program income and will report any occurrences of program income use.
- 9. Be adequately documented.**

#### **SELECTED ITEMS OF COST**

The UGG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-.475.

The Finance Director responsible for determining cost allowability must be familiar with the Selected Items of Cost. The Town of Lake Lure must follow the applicable regulations when charging these specific expenditures to the ARP/CSLFRF grant. Finance personnel will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, Town of Lake Lure regulations, and program-specific rules may deem a cost as unallowable, and Finance personnel must follow those non-federal rules as well.

Exhibit A identifies and summarizes the Selected Items of Cost.

#### **DIRECT AND INDIRECT COSTS**

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

*Direct costs* are expenses that are specifically associated with a particular ARP/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the project, subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

*Indirect costs* are (1) costs incurred for a common or joint purpose benefitting more than one ARP/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, the Town of Lake Lure may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UGG Section 200.68 MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

## **SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS**

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

### **§ 200.444 General costs of government.**

(a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in [§ 200.475](#)). Unallowable costs include:

- (1) Salaries and expenses of the Office of the Governor of a [state](#) or the chief executive of a [local government](#) or the chief executive of an [Indian tribe](#);
- (2) Salaries and other expenses of a [state](#) legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;
- (3) Costs of the judicial branch of a government;
- (4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in [§ 200.435](#)); and
- (5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

(b) For [Indian tribes](#) and Councils of Governments (COGs) (see definition for *Local government* in [§ 200.1](#) of this part), up to 50% of salaries and expenses directly attributable to managing and operating [Federal programs](#) by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

**§ 200.416 COST ALLOCATION PLANS AND INDIRECT COST PROPOSALS.**

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

**§ 200.417 INTERAGENCY SERVICE.**

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.

**COST ALLOWABILITY REVIEW PROCESS**

**PREAPPROVAL COST ALLOWABILITY REVIEW**

Before an ARP/CSLFRF-funded project is authorized, the Town Manager, Finance Director, and Project Manager must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost

items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARP/CSLFRF funds.

- Local government personnel must submit proposed ARP/CSLFRF projects to the Town Manager, Finance Director and Project Manager for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item.
- Along with a general review of project eligibility and conformance with other governing board management directives, if required, the Town Manager, Finance Director, and Project Manager must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury.
- If a proposed project includes a request for an unallowable cost, the Finance Director will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved by the Town Manager, Finance Director, and Project Manager, the local government personnel responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget.

#### **POST-EXPENDITURE COST ALLOWABILITY REVIEW**

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the Finance Director must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the Finance Director will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.
- The Finance Director must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, the Finance Director must proceed through the local government's normal disbursement process.
- If any cost item is deemed unallowable, the Finance Director will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARP/CSLFRF



funds. The Town Manager and Finance Director may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. The Town of Lake Lure’s governing board must approve any allocation of other funds for this purpose.

- The Finance Director must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

**COST TRANSFERS**

Any costs charged to the ARP/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UGG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding.

**EXHIBIT A**

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation costs	2 CFR § 200.429	Not specifically addressed

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Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435	Allowable with restrictions
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement
Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions

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Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439
Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR § 200.459	Allowable with restrictions
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions

Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions
Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed

**SECTION TWO.** This Resolution and Allowable Costs and Costs Principles Policy shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

<b>X. NEW BUSINESS</b>
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**H. RESOLUTION NO. 23-05-09E ADOPTING ELIGIBLE USE POLICY FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT / CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

Director Ford explained that this, opposed to the previous policy, discusses what uses of the ARPA funds are eligible. Director Ford expanded that the policy ensures that the Town is using ARPA funds in the proper context of what is applied for.

Commissioner DiOrio made a motion to adopt Resolution No. 23-05-09E Adopting Eligible Use Policy for the Expenditure of American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds. Commissioner Doster seconded and all voted in favor.

Resolution No. 23-05-09E Adopting Eligible Use Policy for the Expenditure of American Rescue Plan Act / Coronavirus State and Local Fiscal Recovery Funds was adopted as follows:

**RESOLUTION NO. 23-05-09E**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING ELIGIBLE USE POLICY FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT OF 2021 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS BY TOWN COUNCIL OF THE TOWN OF LAKE LURE**

**WHEREAS**, the Town of Lake Lure has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

**WHEREAS**, U.S. Treasury is responsible for implementing ARP/CSLFRF and has enacted a Final Rule outlining eligible projects; and

**WHEREAS**, the funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

**WHEREAS**, the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the Assistance Listing; and

**WHEREAS**, U.S. Treasury has issued a [Compliance and Reporting Guidance v.3.0 \(February 28, 2022\)](#) dictating implementation of the ARP/CSLFRF award terms and compliance requirements; and

**WHEREAS** the Compliance and Reporting Guidance states on page 6 that

Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby adopts the below Eligible Use Policy, as follows:

**TOWN OF LAKE LURE**  
**ELIGIBLE USE POLICY**

This policy defines the permissible and prohibited uses of the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF) funds. It also outlines the procedures for determining how the Town of Lake Lure will spend its ARP/CSLFRF funds.

**I. PERMISSIBLE USES OF ARP/CSLFRF FUNDING**

US Treasury issued its Final Rule regarding use of ARP funds on January 6, 2022. (The Final Rule is effective as of April 1, 2022. Until that date, a local government may proceed under the regulation promulgated by US Department of the Treasury in its Interim Final Rule or the Final Rule.) The Final Rule (and the Interim Final Rule) identify permissible uses of ARP/CSLFRF funds and certain limitations and process requirements. Local governments must allocate ARP/CSLFRF funds no later than December 31, 2024 and disburse all funding no later than December 31, 2026. Failure of an entity to expend all funds by December 31, 2026 will result in forfeiture of ARP funds.

ARP/CSLFRF funds may be used for projects within the following categories of expenditures:

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, non-profits, impacted industries, and the public sector;

3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

## **II. PROHIBITED USES OF ARPA FUNDING**

The ARP/CSLFRF and US Treasury's Final Rule prohibit certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Note that routine contributions as part of a payroll obligation for an eligible project are allowed.);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding (There is an exception to this prohibition if the settlement or judgment requires the Town of Lake Lure to provide services to respond to the COVID-19 public health emergency or its negative economic impacts or to provide government services, then the costs of those otherwise ARP/CSLFRF-eligible projects are allowed.);
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

The Town of Lake Lure and any of its contractors or sub-recipients, may not expend any ARP/CSLFRF funds for these purposes.

## **III. PROCEDURES FOR PROJECT APPROVAL**

The following are procedures for ARP/CSLFRF project approvals. All Town of Lake Lure employees and officials must comply with these requirements.

1. Requests for ARP/CSLFRF funding, must be made in writing. The Finance Director shall furnish a request form that will include all the following:
  - a. Brief description of the project

- b. Identification of ARP/CSLFRF Expenditure Category (EC) (A list of ECs in in the Appendix to the US Treasury Compliance and Reporting Guidance.)
  - c. Required justifications for applicable projects, according to the requirements in the Final Rule. Employees or any applicant seeking ARP funding should review the Final Rule and Final Rule Overview prior to submitting a proposal.
  - d. Proposed budget, broken down by cost item, in accordance with the Town of Lake Lure’s Allowable Cost Policy.
  - e. A project implementation plan and estimated implementation timeline (All ARP/CSLFRF funds must be fully obligated by December 31, 2024, and fully expended by December 31, 2026.)
2. Requests for funding must be submitted to the Project Manager for approval. All requests will be reviewed by the Town Manager for ARP/CSLFRF compliance and by the Finance Director for allowable costs and other financial review.
  3. No ARP/CSLFRF may be obligated or expended before final written approval by the Town Manager. Town Council approval will be required. When applicable, budget amendments may also be required before approval.
  4. If a proposal does not meet the required criteria, it will be returned to the requesting party for revision and resubmittal.
  5. Following approval, employees responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget. Changes in project budgets must be approved by the Town Manager and may require a budget amendment before proceeding. Any delay in the projected project completion date shall be communicated to the Town Manager immediately.
  6. The Finance Director must collect and document required information for each EC, for purposes of completing the required Project and Expenditure reports.
  7. The Finance Director must maintain written project requests and approvals, all supporting documentation, and financial information at least until December 31, 2031.

**SECTION TWO.** This Resolution and Eligible Use Policy shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

<p><b>X. NEW BUSINESS</b></p> <p><b>I. RESERVOIR DRAIN VALVE BID UPDATE</b></p>
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Project Manager Michael Dydula explained that the Town received bids for the reservoir drain valve installation, and that he and Schnabel Engineering have reviewed bids and are in the process of recommending the lowest bidder. Manager Perkins noted that this will be discussed in detail at the special Council meeting scheduled tomorrow, May 10th.



**X. NEW BUSINESS**

**J. RESOLUTION NO. 23-05-09F AUTHORIZING THE TOWN MANAGER TO APPROVE EXEMPTIONS FROM MINI-BROOKS ACT IN ACCORDANCE WITH N.C.G.S. 143-64.32**

Manager Perkins explained that N.C.G.S. 143-64.32 detailing the Mini-Brooks Act and Qualification Based Selection (QBS), includes a provision that the jurisdiction can select services without going through the QBS process for projects under \$50,000. Manager Perkins explained that staff is recommending, through the resolution, that the Town Manager approve exemptions and file such exemptions in the Clerk's office.

Commissioner DiOrio asked for verification that this resolution provides the Town Manager with the ability to execute exemptions and that Town Council will not have to approve each exemption on a case by case basis. Manager Perkins confirmed that Commissioner DiOrio is correct and that the resolution is a transparency piece.

Commissioner DiOrio made a motion to adopt Resolution No. 23-05-09F Authorizing the Town Manager to Approve Exemptions from Mini-Brooks Act in Accordance with N.C.G.S. 143-64.32. Commissioner Proctor seconded and all voted in favor.

Resolution No. 23-05-09F Authorizing the Town Manager to Approve Exemptions from Mini-Brooks Act in Accordance with N.C.G.S. 143-64.32 was adopted as follows:

**RESOLUTION NO. 23-05-09F**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE AUTHORIZING THE TOWN MANAGER TO APPROVE EXEMPTIONS FROM MINI-BROOKS ACT IN ACCORDANCE WITH N.C.G.S. 143-64.32**

**WHEREAS**, North Carolina General Statute 143-64.32 authorizes a unit of local government to exempt itself from the Mini-Brooks Act for particular projects where an estimated professional fee is in an amount less than \$50,000; and

**WHEREAS**, Projects that qualify for exemption from the Mini-Brooks Act under the provisions of G.S. 143-64.32 would, upon authorized approval, allow that the Town omit the QBS process and select professional services covered by G.S. 143-64.32 such as architects, engineers, surveyors, or alternative construction delivery method firms by method of choice; and

**WHEREAS**, the Town of Lake Lure may benefit from exempting itself from the Mini-Brooks Act for various qualifying projects.

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

**SECTION ONE.** The Town of Lake Lure Town Council authorizes the Town Manager to approve exemptions for qualifying Mini-Brooks Act projects under the provisions of G.S. 143-64.32.

**SECTION TWO.** The Town Manager shall approve such exemptions through means of letter or memo.

**SECTION THREE.** The approved exemption letter or memo shall be filed with the Town Clerk and retained in accordance with any state or town records retention schedules or policies.

**READ APPROVED AND ADOPTED** this 9<sup>th</sup> day of May, 2023

**X. NEW BUSINESS**

**K. PAVING CONTRACT APPROVAL**

Public Services Administrative Technician Andy Ogle detailed that the Public Services Department requested bids for paving and that the lowest responsible bidder, Scott Construction, is being recommended. Commissioner Doster asked if this is the same company that has paved for the Town in the past and Mrs. Ogle answered yes. Commissioner DiOrio asked if this will absorb all of the Powell bill funds for this fiscal year and Director Ford answered yes.

Commissioner Bryant made a motion to approve a paving contract with Scott Construction, Inc. Commissioner Proctor seconded and all voted in favor.

**X. NEW BUSINESS**

**L. LABELLA TASK 6 PROPOSED REVISION 2**

Project Manager Dydula explained that LaBella task 6 is for the Wastewater Treatment Plant (WWTP) and that the proposed amendment includes the addition of a belt press. It was noted that the cost of the belt press will replace the two unspent line items in LaBella task 6.

Commissioner Bryant made a motion to approve LaBella Task 6 proposed revisions 2. Commissioner Proctor seconded and all voted in favor.

**XI. CLOSED SESSION**

Commissioner Proctor made a motion to enter into closed session in accordance with G.S. 143-318.11(a) (1) concerning information made confidential by law and G.S. 143-318.11(a) (3) for attorney client privilege or legal claims. Commissioner DiOrio seconded and the motion carried 4-0.

During closed session, Council discussed privileged information in regard to interest in utilization of a Town owned property and various ongoing legal cases.

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

<b>XII. ADJOURNMENT</b>
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With no further business, Commissioner DiOrio made a motion to adjourn the meeting at 8:40 p.m. Commissioner Doster seconded and the motion carried 4-0.

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett



**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD WEDNESDAY, MAY 10, 2023, 2:00 P.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  
Michael Dydula, Project Manager  
Dean Lindsey, Public Services Director

**ABSENT:** N/A

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the special meeting to order at 2:00 p.m.

**II. AGENDA ADOPTION**

Commissioner Jim Proctor made a motion to adopt the agenda, as presented. Commissioner Patrick Bryant seconded and the motion carried 4-0.

**III. DISCUSS DRAIN VALVE BID AWARD RECOMMENDATIONS**

Project Manager Michael Dydula explained the bidding process that the Town had followed and detailed that two bids were received, with Morgan Corporation having the low bid. Project Manager Dydula and Schnabel Engineering reviewed submittals. Project Manager Dydula added that the Town could negotiation up to 15 percent. It was noted that the Town will take advantage of any cost savings.

Commissioner DiOrio asked if there are other potential bidders that the Town is aware of that expressed that timing was an issue. Project Manager Dydula answered that there was one contractor who called the first time that bids were requested and who cited timing as an issues. Project Manager Dydula added that other issues for contractors were bonding capabilities and licensing issues.

Project Manager Dydula provided Council with a dam budget outline. Council reviewed the document.

Commissioner DiOrio expressed that when the Town presented the 10 year plan to the Dam Safety office, the milestone was the 30 percent dam design because if something were to happen with the dam and North Carolina lost confidence in the Town, the 30 percent design gives the Town a 3 year hedge. Commissioner DiOrio asked if the 30 percent design would allow the Town to have construction on the new dam begin. Project Manager Dydula estimated that a 30 percent would not be sufficient to begin construction. Manager Perkins mentioned that land acquisition is a factor, as well.

Commissioner DiOrio expressed support for the valves, but noted that the goal is to get the design to where construction can begin with the first round of funding. Mayor Pritchett agreed and noted that credibility is important. Commissioner DiOrio expressed that his understanding from Dam Safety is that the drain valves were the most important of the three requirements. Project Manager Dydula agreed with the importance of the valves.

Project Manager Dydula explained that the Town has 60 days to legally award the bid, and Morgan Corporation is aware of the current situation and is committed. It was noted that the DeZurik valve will be delivered by July and the Steel-Fab valve is in progress. It was also noted that bidders will not need the valves until the end of the year. Manager Perkins detailed the process that will need to be taken to award and execute a contract with Morgan Corporation. It was noted that there are two construction easements which the Town is going to ask for a blanket easement for. Project Manager Dydula detailed that the state is due to give us permitting within two to four weeks. He also detailed that the Town and engineer will provide electrical service for the contractors and that the electrical package estimated up to about \$500,000.

Commissioner DiOrio asked if dam operations will be included in the SCADA system and Project Manager Dydula answered yes. Commissioner DiOrio asked if there will be generator back up and Project Manager Dydula answered yes.

Commissioner Doster asked if there will be any preliminary work prior to installing the valves. Project Manager Dydula answered that preliminary work will include graveling, steel culverts, and mobilization.

Manager Perkins asked if there is a contract length. Project Manager Dydula stated that the contracts specifies 180 days and that Morgan Corporation has indicated that their final completion date would be March 27, 2024.

Commissioner asked what bay the valves would be installed in. Project Manager Dydula answered bay 5.

Commissioner DiOrio asked if Morgan Corporation will build a temporary bridge for this project and Project Manager Dydula answered that they will use culverts. Project Manager Dydula added that the Town can use the same temporary entrance in the future. Commissioner Proctor asked what size culverts will be used and Project Manager Dydula answered 4 48-inch.

Manager Perkins explained that there will need to be a special meeting to award the valve installation bid. Mayor Pritchett recommended holding the special meeting on May 24<sup>th</sup>.

Project Manager Dydula mentioned Schnabel Engineering's role in the drain valve construction. Commissioner DiOrio expressed concern that Schnabel previously guaranteed that the Town would have the valves completed this year and asked why this contract was not awarded months ago since the construction firm does not need the valves until later in the process. Commissioner DiOrio also expressed concern with Schnabel's associated increased timeframe and price of their proposed work order for their role in the drain valve construction.

Commissioner DiOrio asked that Project Manager Dydula express the Town's concerns to Schnabel.

**IV. DISCUSS SCHNABEL ENGINEERING RESERVOIR DRAIN CONSTRUCTION SERVICES**

It was noted that this topic was discussed under Item III. Project Manager Dydula will discuss further the topic with Schnabel next week.

**V. DISCUSS GMP SUBMITTED BY RUBY-COLLINS**

Project Manager Dydula provided Council with a spreadsheet regarding past expenses for sewer backshore work. It was noted that the Town has spent almost \$2.9 million on design-build construction fees, Freeman's work, equipment, and a boat rental. Project Manager Dydula noted that Public Services Director Dean Lindsey did a lot of self-performing for the project.

Commissioner DiOrio expressed concern with \$1 million costs to install 10 sleeves. Council and Project Manager Dydula discussed.

Manager Perkins provided breakdown of charges from Ruby-Collins. Project Manager Dydula estimated that out of the \$20.5 million that the Town has, about \$3 million has been spent, and added the GMP price came in at \$10 million over two years. Project Manager Dydula noted LaBella Associates is recommended the possibility of adding the Horizontal Directional Drilling (HDD) project to the GMP.

Commissioner DiOrio recalled the history of the ER/EID and the detailed prices for different sewer options. Commissioner DiOrio noted that with LaBella Engineering's guidance,

the Town opted for a gravity lift system (GLS) with an estimated total of \$56 million for the collection system. Commissioner DiOrio expressed that this would be about \$50,000 to \$60,000 per property. Commissioner DiOrio explained that when the Town chose the design-build option and contracted with Ruby-Collins, Ruby Collins' preliminary estimates were based on LaBella's ER/EID and the cost has now increased from \$6 million to \$10 million for the North section. Commissioner DiOrio estimated that with such price increases, the cost for the total project would now be about \$100 million. Commissioner DiOrio expressed that the Town cannot afford a \$100 million project and questioned if the project is feasible. Project Manager Dydula expressed that it is his understanding that the question is how the Town can replace the existing sewer without spending all of the funds within first few years of the project. Commissioner DiOrio noted that when alternatives were reviewed in the past, there was independent systems that were not explored, and expressed that the Town may need to revisit alternatives. Project Manager Dydula expressed that he does not think that mass subject would be viable. Commissioner Proctor asked how many structures are on Fairfield land and it was estimated to be 400. Commissioner Proctor noted that the Town would have needed a system just for Fairfield alone if the independent systems alternative would have been chosen. Commissioner DiOrio expressed that none of the alternatives were considered because the Town was on-board with the original \$56 million estimate. Project Manager Dydula expressed that in his experience, the \$100 million cost for a project such as this is not uncommon. Commissioner DiOrio asked how the Town could achieve paying for a \$100 million system and expressed uncertainty with receiving any additional funds from Local Government Commissioner (LGC) with the drastic increases. It was noted that the cost does not include the WWTP. Commissioner DiOrio recommended re-assessing the current situation. Project Manager Dydula explained that Ruby-Collins was unaware that the Town would not have the drain valves installed in the next drawdown and that their GMP price based on that, but expressed that he still has concerns with designs.

Commissioner DiOrio expressed that good news is that the Town knew that the existing system had to be kept operating and that there has now been a significant amount of infiltration that mitigated through repairs. Director Lindsey confirmed that there is a significant improvement with infiltration issues. Commissioner DiOrio expressed that this will buy the Town some time to evaluate the new system. Commissioner DiOrio recommended using existing funds to invest in the existing system, and pursue the WWTP replacement. Commissioner Doster noted that the Town should fix the system that can be afforded. Director Lindsey, Project Manager Dydula, and Council discussed the WWTP.

Commissioner DiOrio expressed that he does not want to rush into the \$10 million North Shore portion of the sewer replacement project with current unknowns. Commissioner DiOrio recommended investing in elements that are non-controversial for the time being and take the extra time to become more confident in the work recommended for the North section. Project Manager Dydula suggested having Brian Houston with LaBella provide the Town with additional information. Commissioner Proctor expressed that he is more confident in the existing system than most, and that work on wrapping and manholes would result in a viable system. Commissioner Proctor added that if the Town can draw the lake down 20 ft. more of the sewer can be accessed and repaired. It was discussed that the majority of infiltration is within the first 20 ft.

Project Manager Dydula expressed that the Town does need to review the current plan and that he will have some productive discussions with LaBella.

Commissioner DiOrio expressed that the bottom line is that the Town cannot spend \$10 million on the North section. Project Manager Dydula expressed that the project should continue moving forward to maintain confidence with the state.

Commissioner DiOrio noted that by the end of June, Council needs a recommendation on the next drawdown.

## **VI. DISCUSS HORIZONTAL DIRECTIONAL DRILLING (HDD) PROJECT**

This topic was discussed under the previous item.

Commissioner Proctor asked for confirmed that there have been no bids received for the HDD project. Manager Perkins answered that the Town has advertised for bids twice and did not receive any bids either time. Manager Perkins noted that as a result, the HDD project may be built into the design-build contract. Project Manager Dydula noted that Ruby-Collins had reached out to two firms who have expressed interest in the HDD project under the design-build contract.

## **VII. DISCUSS 2024 DRAWDOWN SCHEDULE**

Mayor Pritchett reiterated that the Town would have to have a schedule by the end of June. Project Manager Dydula expressed that his recommendation is to still start the drawdown early. Manager Perkins noted that Ruby-Collins will have new estimates after assessing the GMP without the ability to draw the lake down 20 ft.

## **VIII. DISCUSS DAM BRIDGE REPLACEMENT**

Project Manager Dydula noted that there was a meeting with the North Carolina Department of Transportation (DOT) in regard to replacing the bridge over the existing dam and that by Friday the Town should send the DOT follow-up comments. It was added that Schnabel will also have recommendations. Manager Perkins noted that the DOT expressed that they have no problem with the replacement bridge going on top of the new dam, but timing is an issue because it is uncertain when the new dam will be built. Commissioner DiOrio asked what the DOT's preferred option was and it was answered that it was to build the replacement bridge on Island Creek Road. Manager Perkins noted that a part of the DOT's deal would be to fund and construct the replacement bridge, but it will be considered a Town bridge after construction. Project Manager Dydula expressed that DOT has presented four options total. Manager Perkins noted that the initial deal includes the DOT's preferred option of Island Creek Road. Mayor Pritchett mentioned that it was discussed whether or not the DOT could wait on constructing the new bridge until the new dam is completed and DOT seemed to think that was doable. It was noted that there could be more money allotted as time increases. Commissioner Proctor asked if the DOT should help pay with demolition and Project Manager Dydula expressed that he thinks it could be



negotiated. Manager Perkins noted that Schnabel has stated that they believe that the dam would cost more with Replacement Bridge on top of it. Commissioner DiOrio expressed concern in regard to linking the replacement dam and replacement bridge, because if something were to happen to with bridge, the Town would be separated to two sections and it would not be good for ingress and egress. Project Manager Dydula noted that more information will be available after all parties have had the chance to submit their post-meeting comments. Commissioner DiOrio asked if there were any major issues with any of the DOT options including constructing the bridge in front of the dam, on top of the dam, by the treatment plan, or near new food truck off of Memorial. It was noted that the options near the treatment plant and near the new food truck off of Memorial Highway were not discussed because of the land acquisition and grating that would have to be involved. Mayor Pritchett recommended re-visiting this conversation when more information is available.

Commissioner Proctor noted that at some point the Town will need concrete and asked if the silt from the lake could be stockpiled to help with that. Council discussed that this would be useful if it is determined to be the right kind of silt.

<b>XVIII. ADJOURNMENT</b>
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Commissioner DiOrio made a motion to adjourn. Commissioner Bryant seconded and all voted in favor. The meeting was adjourned at 3:27 p.m.

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett



**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD WEDNESDAY, MAY 17, 2023, 2:00 P.M. AT THE LAKE LURE MUNICIPAL  
HALL**

**PRESENT:** Mayor Carol C. Pritchett  
Mayor Pro Tem David DiOrio  
Commissioner Scott Doster  
Commissioner Jim Proctor

William Hank Perkins, Jr., Town Manager  
William Morgan, Jr., Town Attorney  
Stephen Ford, Finance Director  
Dustin Waycaster, Fire Chief  
Sean Humphries, Police Chief  
Dean Lindsey, Public Services Director  
Laura Krejci, Communications Director  
Dean Givens, Parks, Recreation, and Lake Director  
Michael Williams, Community Development Director

**ABSENT:** Commissioner Patrick Bryant

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the special meeting to order at 2:00 p.m.

**II. AGENDA ADOPTION**

Commissioner Proctor made a motion to adopt the agenda, as presented. Commissioner DiOrio seconded and the motion carried 3-0.

**III. TOWN MANAGER'S BUDGET PRESENTATION**

Town Manager Hank Perkins presented and read his budget message to Town Council (Attachment A).

Finance Director Stephen Ford presented the FY 23-24 budget (Attachment B).

Director Ford detailed budget process and hopes for next year's budget process to improve.

Commissioner Proctor asked if there is a deadline for the County's decision as to whether existing evaluations or re-evaluation numbers will be used. Director Ford answered that the County has must pass their budget prior to July 1, so a decision will need to be made before then.

Director Ford reviewed budget highlights. Commissioner DiOrio asked Director Ford to explain the meaning of growth in his highlights and Director Ford answered it is the assessment growth based on the past four years and that he calculated the growth using a formula from the North Carolina League of Municipalities (NCLM).

Director Ford displayed a graph representing the employee market consideration and explained the formula to average this year and last year because the Town was low last year. Manager Perkins explained the market consideration term. Commissioner DiOrio noted that there was a market study completed for public safety. Director Ford noted that public safety's market study was factored in the 5 percent (Cost of Living Adjustment) COLA passed in last year's budget. Commissioner DiOrio asked if the recommended 6.25 percent COLA increase takes all factors into consideration and Director Ford answered yes.

Director Ford reviewed spreadsheets. Commissioner DiOrio noted that new Lake Use Regulations has had a significant positive impact with individuals registering their boats in North Carolina.

Director Ford reviewed how much tax revenues the Town received from property values.

Director Ford reviewed state share revenues. Director Ford explained that these are anticipated to stay the same. Commissioner DiOrio asked if they are based on the new or old ad valorem and Director Ford answered old. Commissioner Diorio asked if that if the new ad valorem values go into the affect, if it will help the Town and Director Ford answered yes.

Director Ford reviewed land use fees.

Director Ford reviewed lake use and beach and marina numbers. Commissioner DiOrio noted that fines should increase and permits may decrease, but expressed that he thinks that it will remain about the similar to current numbers. Commissioner DiOrio added that the Lake Advisory Board will be doing an assessment of this.

Director Ford reviewed other revenues. Mayor Pritchett noted that rent for ABC will not be included this year.

Commissioner Doster asked Fire Chief Dustin Waycaster if the Town bills for out of state rescue and Chief Waycaster answered no. It was discussed that there is a possibility of charging for out of town services in the future.

Director Ford noted that Tourism Development Authority (TDA) funds will not be recognized in the budget until they are received. Commissioner Proctor expressed that this should be the case for all grants. Director Ford reported that the fund balance transfer was good this year and Manager Perkins explained his formula for this.

Director Ford presented departmental budget expenditures and department operations expense requests and explained increases in expenditures.

Director Ford reviewed capital. Commissioner DiOrio noted that he thought that the long term plan was to replace one police vehicle per year. Commissioner DiOrio explained the police fleet long term plan. Manager Perkins and Police Chief Sean Humphries explained the reasoning behind this year's request in regard to a police vehicle. Manager Perkins noted that police vehicles will be in debt service along with fire, and expressed that he would like to look into a leasing or debt service plan.

Director Ford covered non-departmental expenditures and reviewed the Water/Sewer (W/S) fund. Commissioner DiOrio asked if the W/S generator listed is a fire generator and Public Services Director Dean Lindsey answered that it is for a backup generator. Commissioner DiOrio asked for an end of fiscal year estimate for fund balance in the W/S fund this year and Director Ford estimated around \$741,000. Commissioner DiOrio expressed concern regarding the Full Time Employees (FTEs) being placed back into W/S. Director Ford explained that this was an issue with the auditors this year and that FTEs are required in the W/S fund. Commissioner DiOrio asked if revenues for W/S cover operating expenses for FTEs and Director Ford answered yes, and noted that there is still a \$350,000 transfer to fund balance in W/S fund with FTEs. Commissioner DiOrio noted that the Town was not solvent with the W/S fund with FTEs in the past and questioned what had changed this. Director Ford expressed that he would like to look at the auditor's language in regard to the W/S FTEs. Director Ford will follow-up in regard to Commissioner DiOrio's comments.

Director Ford reviewed the electric fund and concluded his presentation.

Manager Perkins noted that each line item can be reviewed individually, but Director Ford covered the main areas and the major changes in his presentation.

It was noted that there will be one new FTE total and it will be for the Fire Department.

It was explained that the Town will be looking at completing an internal audit for insured equipment.

Manager Perkins expressed that he would like to look into creating a capital reserve for buildings and land which will accumulate and encompass facilities, parking, and other elements that would involve local matches including TDA funds. Manager Perkins noted that this would decrease debt serves and increase equity.

Manager Perkins noted that there are funds set aside for master planning and for a space needs analysis for fire department and transportation.

Commissioner Doster suggested a comprehensive review of Town assets and expressed that the Town should dispose of assets that are not relevant to the Town's needs. Council members agreed.

Mayor Pritchett suggested giving Council members time review each line item and continue conversations on May 24<sup>th</sup>.

Mayor Pritchett thanked staff for their work in the budgeting process.

Commissioner Proctor asked if the County used last year's number, would it decrease state shared money. Director Ford answered that it would likely stay the same as it is now. Commissioner Proctor noted that if the re-evaluation numbers are used, it would result in increased funds for the entire County. Manager Perkins noted that because of the unknown, the Town is striving to remain as close to revenue neutral as possible.

<p><b>IV. RESOLUTION NO. 23-05-17 SETTING DATE OF PUBLIC HEARING FOR FISCAL YEAR 2023-2024</b></p>
--

Manager Perkins noted that he filed a copy of the budget with the Office of the Clerk.

Commissioner Proctor made a motion to adopt Resolution No. 23-05-17 Setting Date of Public Hearing for Fiscal Year 2023-2024. Commissioner Doster seconded and all voted in favor.

Resolution No. 23-05-17 Setting Date of Public Hearing for Fiscal Year 2023-2024 was adopted as follows:

**RESOLUTION NO. 23-05-17**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE SETTING DATE OF PUBLIC HARING FOR FISCAL YEAR 2023-2024 BUDGET**

**WHEREAS**, North Carolina General Statute Chapter 15, Article 3, prescribes for local governments and public authorities a uniform system of budget adoption and administration and fiscal control;

**WHEREAS**, G.S. § 159-8 declares that each local government and public authority shall operate under an annual balanced budget ordinance; and

**WHEREAS**, the budget ordinance of a unit of local government shall cover a fiscal year beginning July 1 and ending June 30; and

**WHEREAS**, G.S. § 159-12 stipulates that the governing board shall hold a public hearing prior to adopting the budget ordinance, at which time any persons who wish to be heard on the budget may appear.

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

**SECTION ONE.** The Town of Lake Lure Town Council shall hold a public hearing during a special called meeting on June 28, 2023, at 5:00 p.m. in the Council Chambers at the Lake Lure Municipal Center for the purpose of receiving comments on Ordinance No. 23-06-28 Adopting the Fiscal Year 2023-2024 Budget.

**SECTION TWO.** The Town Clerk shall publish notice of the hearing in accordance with North Carolina General Statutes.

**READ APPROVED AND ADOPTED** this 17<sup>th</sup> day of May, 2023

**V. COUNCIL BUDGET DISCUSSION**

There was no further discussion from Council.

**VI. SCHNABEL ENGINEERING PROPOSAL FOR WORK ORDER NO. 11, ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR LAKE LURE DAM**

Manager Perkins noted that Schnabel Engineering's proposed Work Order No. 11 would allow for Schnabel to work on a dam safety report and to assist with Federal Emergency Management Agency (FEMA grants). Manager Perkins and Director Lindsey detailed that the Work Order would also authorize Schnabel to provide on-call services for the dam.

Commissioner Doster made a motion to approve Schnabel Engineering propose for Work Order No. 11, on-call professional engineering services for Lake Lure Dam. Commissioner DiOrio seconded and all voted in favor.

**VII. ADJOURNMENT**

Commissioner Proctor made a motion to adjourn. Commissioner DiOrio seconded and all voted in favor. The meeting was adjourned at 3:32 p.m.

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett



# Town of Lake Lure

## Office of the Town Manager

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May 16<sup>th</sup>, 2023

Honorable Mayor and Town Council,

**RE: Budget Message and Proposed Budget for Fiscal Year 2023-2024**

It is my pleasure to submit for your consideration the proposed balanced **Town of Lake Lure Budget for Fiscal Year 2023-2024** commencing July 1<sup>st</sup>, 2023, and ending June 30<sup>th</sup>, 2024. This budget is based on careful analysis of departmental operating budgets, Capital requests, and prioritized needs identified by department heads through one-on-one meetings and with consideration of discussions and outcomes that resulted from our Council Planning Meeting on January 11<sup>th</sup>, 2023.

The general fund budget is proposed as balanced at \$9,589,465. This includes \$115,143 in appropriated fund balance for non-recurring capital costs and projects.

The County of Rutherford conducted a re-valuation in 2022. As a result of that revaluation, Lake Lure property values are estimated to have increased by 56.3 percent over previous valuations. In accordance with North Carolina General Statutes which requires that the “revenue neutral” tax rate be stated as a part of this proposed budget message. This revenue-neutral rate for the Town of Lake Lure is calculated at \$0.3534 per \$100 of property value. The budget as presented is balanced at the recommended tax rate of \$0.368 per \$100 of property value. Thus, the following tax rate factors are as stands: a 15.8 cent rate for municipal services, 7.6 cent rate for fire protection services and a 13.1 cent rate for dam capital reserve fund. The total net taxable revenue is \$1,327,199,558. This should generate \$4,768,475 in tax revenue on real, personal, and utility property, assuming the current collection rate by Rutherford County of 98%.

At the time that this budget message was written, Senate Bill 408 was introduced to the NC General Assembly at the request of Rutherford County. If adopted and approved, this bill will allow the County of Rutherford to “postpone” the latest revaluation. If this is done, valuations will be effectively what they were as of January 1<sup>st</sup>, 2022.

The County would have until June 30<sup>th</sup>, 2023, to adopt a resolution that would postpone the current re-valuation. If this happens, we will be in the position of having to recalculate our expected ad valorem revenues for the upcoming year. We are anticipating that if this was to be necessary, we would then go back to the calculation of a new tax rate that would get the Town of Lake Lure an ad valorem amount as equivalent as possible to the amount that is proposed in the budget as

presented with the current valuation numbers for real and personal property.

The Water and Sewer Fund is proposed as balanced at \$1,650,360. With no recommended changes for Water/Sewer Rates as compared to Fiscal Year 22-23.

The Town has a Hydro Fund that is balanced at \$300,150 with revenue derived from a power purchase agreement with Duke Energy. The hydropower generation equipment is used as a method to regulate lake levels while generating income through hydropower production.

### **Provision of Services**

The budget anticipates the service levels of Fire, Police, Public Services, Administration, Communications, Community Development, Parks/Recreation & Lake, and Utilities to continue at current service levels.

The budget does provide for new initiatives such as planning the development of a new Fire Department facility, the continued implementation of the Morse Park Master Plan, the planning process for the redevelopment of the Green Space, and a transportation initiative that will hopefully lead to establishing crucial pedestrian connectivity with the Chimney Rock Village.

### **Capital Infrastructure Projects and Lake Dredging**

Outside of our regular operations, this budget also provides support to crucial major infrastructure projects such as the Replacement Dam project, the replacement of our subaqueous sewer system, and our wastewater treatment plant. All of which are major multiyear projects.

It is anticipated that the Town will be engaged in a project to install drain valves in our dam to provide the ability to drain the lake if necessary to as low as 20'. The valves themselves were purchased in fiscal year 2022-2023. The cost of the project is expected to be approximately \$8 million and is expected to be completed in the spring of 2024. The cost of this project will come from capital reserves that are dedicated to the replacement of the Dam. The first reserve has a balance of approximately \$3.2 million and is funded by an annual contribution from the general fund of \$1.6 million. The second capital reserve is approximately \$16 million dollars which was established by an appropriation by the North Carolina General Assembly.

Lake Lure's infrastructure projects for the replacement sewer system, as well as the replacement wastewater sewer plant, are both supported by funds from the American Rescue Plan (ARPA) for \$8 million and a State Revolving Loan from the State of North Carolina for \$12.5 million.

Both projects are contained or will be contained in the Capital Projects ordinance.

The budget provides funds of \$1 million annually for lake dredging activities. We have support from the State of North Carolina for a grant reimbursement of up to \$750,000 in support of these activities.

### **Personnel**

The budget as proposed supports 41 full-time equivalent (FTE) positions. Of these full-time



positions, 38 are in the General Fund, 2 full-time positions are in the Utility Fund and 1 full-time position is in the Hydro Fund. This includes one additional position that is recommended for inclusion in the Fire Department starting for Fiscal Year 2023-2024.

The Town provides a full benefits package including medical, dental, vision, retirement, and 401(k) match of up to 5%. In addition, Lake Lure provides a post-retirement benefit to provide health insurance after retirement with at least 5 years of service to the Town of Lake Lure.

We have included a market adjustment of 6.25% to adjust the Town's annual compensation for both existing and new employees. A 10% increase is provided for health insurance with no expected increases for either dental or vision plans.

### **Conclusion**

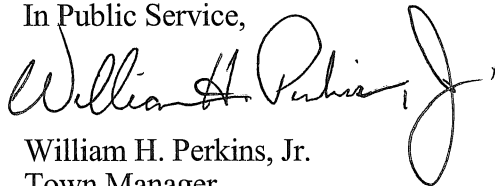
While this budget does not address every need, want, preference, desire, project, program, or requested capital item, it will provide for the continuation of the municipal services currently provided and at the level expected by our residents while ensuring that we are maintaining the assets we have and setting the stage to make significant strategic investments in infrastructure.

In the months of May and June, the Town Council will meet as necessary to conduct reviews of this budget as proposed for Fiscal Year 2023-2024. Once finalized, staff will convert the budget message to an ordinance to prepare for adoption. I am also recommending that the public hearing for the Budget for Fiscal Year 2023-2024 be scheduled for June 28<sup>th</sup>, 2023, at 5:00 pm. The budget will then be adopted thereafter at the Town Council's pleasure.

I wish to recognize the monumental efforts of staff in the formulation of this budget, specifically Mr. Stephen Ford, Finance Director, and our professional department heads and their staff. Without their tireless efforts, it would not have been possible for this budget to be prepared and presented to you.

Lastly, I wish to acknowledge the support of the Town Council. On behalf of the staff, thank you for the efforts that you put forth every day for the Town of Lake Lure. Your guidance has been essential in our ability to develop and put forth this proposed budget for your consideration.

In Public Service,



William H. Perkins, Jr.  
Town Manager

cc: Town Council

Stephen Ford, Finance Director  
Department Heads

Town of Lake  
Lure  
Finance-  
Revenue-  
Expenses



- Fiscal Year 2023 Budget
- Initial Presentation and Review

# Budget Process

- Engaged Process began last year with leadership from Olivia and department heads
- Abbreviated prep period (extended audit, transition, major projects)
- Reassessment uncertainty
- Next Year:
  - Continue budget analysis
  - Establish performance indicators to correlate to costs/expenses
  - Increase electronic means and automated processes

Town Manager is the budget director; Finance needs to support him in this role and also provide the tools he needs to make enable his vision for the Town and the organization as a whole.

# Budget Highlights

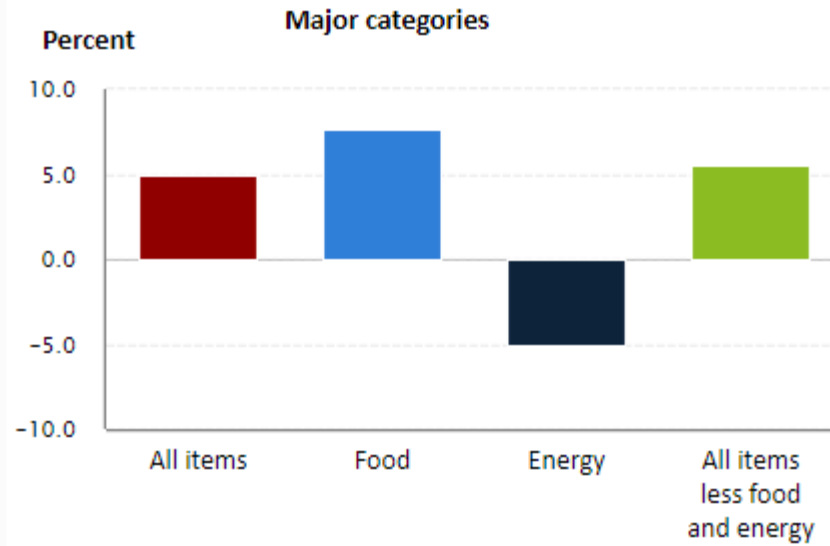
- Revenues are static; tax revenue held at revenue neutral level + growth + slight increase for fire operations (tax revenue will be introduced at this rate)
- Market Rate consideration for Town employees of 6.25%
- Personnel Costs added to Water and Sewer Fund
- Enterprise Revenue Projection decreased significantly
- Departments' operating expenses increase slightly
- Debt Service dips slightly-but major consideration of Fire Engine Purchase
- Budget is balanced with consideration of major projects, past use of fund balance and as always the Lake Lure community as a whole.

# Employee- Market Consideration



# Market Study and considerations

12-month percentage change, Consumer Price Index,  
selected categories, April 2023, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.



[read more »](#)

## LATEST NUMBERS



**+0.4%** Consumer Price Index (CPI): in Apr 2023



## SOURCES OF REVENUE

# PROPERTY TAXES

- Largest Revenue Source for the TOWN OF LAKE LURE.
- Calculated on real estate and personal property (vehicles, boats, etc.)

A percentage of the value multiply by the Town's tax rate is the amount of revenue

Current Tax rate	Estimated tax levy	
<b>0.5300</b>	4,492,754	
Rev. Neutral Tax rate to produce equivalent levy		
<b>0.3534</b>	4,492,754	
Revenue neutral tax rate, to be included in budget ordinance, adjusted for growth and increase for fire		
<b><u>0.368</u></b>	4,674,625	

C05 - Town of Lake Lure	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	ESTIMATED	Percentage
AS OF 05/08/23	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	GAIN/(LOSS)	Gain/(Loss)
<b>Real Property</b>	830,670,880	829,628,700	830,000,793	841,900,875	834,816,615	836,545,805	842,483,743	791,926,075	845,632,187	854,931,547	859,583,298	1,346,674,284		
<b>Less Homestead &amp; DV Exclusions</b>	(1,411,550)	(1,509,200)	(1,818,900)	(2,019,400)	(2,103,150)	(2,269,400)	(2,453,950)	(2,618,600)	(3,041,100)	(2,968,400)	(2,840,150)	(2,999,600)		
<b>Less Exempt</b>	0	0	0	0	0	0	0	0	(46,431,699)	(48,195,099)	(48,802,599)	(61,887,535)		
<b>Less Present Use Value (deferred)</b>	(8,263,820)	(9,110,460)	(9,259,362)	(8,926,300)	(8,971,200)	(9,351,979)	(9,575,779)	(9,171,567)	(9,426,265)	(9,384,565)	(9,372,334)	(10,472,205)		
<b>Subtotal Real Taxable Value</b>	<b>820,995,510</b>	<b>819,009,040</b>	<b>818,922,531</b>	<b>830,955,175</b>	<b>823,742,265</b>	<b>824,924,426</b>	<b>830,454,014</b>	<b>780,135,908</b>	<b>786,733,123</b>	<b>794,383,483</b>	<b>798,568,215</b>	<b>1,271,314,944</b>	<b>472,746,729</b>	<b>59.1993%</b>
<b>Personal Property</b>	14,250,060	14,957,260	13,335,289	13,966,469	16,413,498	17,102,826	17,355,284	17,337,403	18,071,186	20,134,701	18,165,976	24,071,560		
<b>Public Utility Values</b>	9,253,970	9,204,310	9,319,894	10,230,625	9,323,630	9,912,643	10,274,042	10,484,712	10,939,632	11,631,838	12,665,851	12,032,559		
<b>DMV Value</b>	11,393,580	12,987,170	12,689,049	11,986,257	12,211,922	15,149,667	15,824,787	16,474,128	14,485,363	14,701,051	19,780,595	19,780,595		
<b>Subtotal Personal Taxable Value</b>	<b>34,897,610</b>	<b>37,148,740</b>	<b>35,344,232</b>	<b>36,183,351</b>	<b>37,949,050</b>	<b>42,165,136</b>	<b>43,454,113</b>	<b>44,296,243</b>	<b>43,496,181</b>	<b>46,467,590</b>	<b>50,612,422</b>	<b>55,884,714</b>	<b>5,272,292</b>	<b>10.4170%</b>
<b>Total Net Taxable Value</b>	<b>855,893,120</b>	<b>856,157,780</b>	<b>854,266,763</b>	<b>867,138,526</b>	<b>861,691,315</b>	<b>867,089,562</b>	<b>873,908,127</b>	<b>824,432,151</b>	<b>830,229,304</b>	<b>840,851,073</b>	<b>849,180,637</b>	<b>1,327,199,658</b>	<b>478,019,021</b>	<b>56.2918%</b>
		0.0309%	-0.2214%	1.4844%	-0.6322%	0.6226%	0.7864%	-5.6615%	0.7032%	1.2794%	0.9906%	56.2918%		



# Tax Values for the Town of Lake Lure

- The Total Real Estate Value for the Town of Lake Lure:

**\$1,271,314,944**

- The Total Personal Property Value for the Town of Lake Lure:

**\$55,814,714**

HOW MUCH  
TAX REVENUE  
DOES THE  
TOWN  
RECEIVE  
FROM THE  
PROPERTY  
VALUE?

TOTAL TAX REVENUE PROJECTED FOR THE TOWN OF LAKE LURE

in 2023

Approximately:

\$**4,674,625** –Real Property

\$113,850-Vehicle

\$60,000 Delinquent

Total Tax Revenue: \$4,848,475

# STATE SHARE REVENUES

Source	Amount in actual dollars
Beer and Wine Tax	\$4,950
Court Costs	\$550
Solid Waste Fees	\$780
Gas Tax	\$76,600
Utility Franchise Tax (Electric)	\$201,195
State Shared Sales Tax	\$1,760,000
Video Programming Tax (Cable)	\$15,975
Dredging Grant	\$800,000
Total	<u>\$2,860,050</u>

# Land Use Fees

Source	Amount in Dollars
Zoning Permits	\$40,000
Land Disturbance Permits	\$6600.00
Sign Permits	\$500
Vacation Rental Fees	\$10,000
Lake Structure Permits	\$9,255
Fire and Inspection	\$900
Total	<b>\$67,255</b>

# LAKE BEACH & MARINA

Source	Amount in Dollars
Lake Lure Tours	\$60,000
Lake Fines	\$300
Lake Commercial Fees	\$15,000
Boat Permits	\$675,000
Concessions	\$53,500
Beach Admission	\$65,000
Marina-SLIP Rentals and other rentals	\$360,000
Mooring Fes	\$24,000
Total	<b><u>\$1,252,800</u></b>

# OTHER REVENUES

Source	Amount in dollars
Interest	\$4,000
Fire and Rural Fire Protection	\$8,592
Facility Rental	\$4,000
Sale of Assets	\$3,500
Copies	\$500
Recycling Collections	\$15,250
Beer and Wine Permits	\$1,000
Golf Cart Permit	\$200
LLABC –LAW FUNDS	\$750
ABC Distribution/ABC DIST OF FUNDS	\$21,250
MISC REVENUE	\$1,200
Town Promotions	\$500
<b>Total of other revenues</b>	<b><u>\$60,741</u></b>
<b>Installment Proceeds</b>	<b><u>\$385,000</u></b>
<b>FUND BALANCE TRANSFER</b>	<b><u>\$115,143</u></b>

# Departmental Budgets-Expenditures

Department or Type of Expense	Expense in Dollars
Commission and Administration	\$1,266,800
Police	\$1,050,735
Fire	\$1,046,405
Public Works	\$722,200
Sanitation	\$235,000*
Dam	\$25,000
Economic Development	\$118,800
Community Development	\$531,300
Parks Lake Beach and Marina-	\$739,400
Capital Items (Major Purchases)	\$1,408,000
Debt Service	\$381,625
Water and Sewer	\$1,650,360
Hydro Plant Costs	\$300,150
Dam Capital Fund	\$1,600,000

# Departments Operations Expense Requests

Most departments submitted very few expense increases and with small increments,

with the exception of Administration:

Increase in Training-46%

Increase in Contractual Services-30%

Increase in Utilities-20%

Increase in Advertising-75%

Increase in Repairs of equipment-75%



# Police

- Increase in Equipment Repairs-7%
- Increase in Training-20%
- Also decreased in supplies and vehicle repairs

# Fire

- Increase in Uniforms-50%
- Increase in Grounds Repairs-20%
- Increase in Protective Clothing-14%
- Dues and Subs-17%
- Training -20%

# Public Works

- Building Repairs -20%
- Training-200%
- Utilities-30%
- Training-400%
- Contractual Services-500%

# Economic Development & Community Development

- Increased Line Items for both departments to adjust for inflation
- Increase Economic Development Community Branding by 40% for new and special efforts and outreach

# Capital

- 1 Park and Rec and Lake –Truck Replacement
- Fire Suppression Alarm and Monitoring System-conjunction with camera system-TOWN HALL
- 2 Lawn tractors and mowers replacing a 1988 unit and a '90s model
- 2 Police Vehicles
- Police Safety Equipment
- Street Paving
- Dredging
- Prior year capital items \$2,495,560
- Current year \$1,566,000

# Non Departmental

- Insurance-Property increases by 9%
- Bank Fees-20%
- IT Services-20%

# Water and Sewer

- Equipment Repairs-100% from \$30,000 to \$60,000
- Contractual Services-20%
- Repairs to Buildings -25%
- Training 50%
- Transferring 2 FTEs into Water and Sewer
- Capital: 2 replacement vehicles
- Camera System for Hydro and Water/Sewer System
- Small Generator
- 2 Pump Replacements or Investments

# Electric Fund

- Decrease Revenue from \$400,000 to \$300,150
- Adjustments in Personnel Cost Assignments
- Increase expense for Building Repairs
- Transferred to Capital \$38,560





**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 31<sup>st</sup>. 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.

**IX. REVIEW SCHNABEL PARTIAL WORK ORDER NO. 9B, FIELD INVESTIGATION SERVICES FOR REPLACEMENT OF LAKE LURE DAM**

This item was previously discussed.

**X. DISCUSS TDA LEASE AMENDMENT**

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.

**XI. PROJECT UPDATES**

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 policy 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



**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD WEDNESDAY, MAY 24, 2023, 2:00 P.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  
Stephen Ford, Finance Director  
Dean Lindsey, Public Services Director  
Michael Dydula, Project Manager  
Sean Humphries, Police Chief  
Dustin Waycaster, Fire Chief  
Dean Givens, Parks, Recreation, and Trails Coordinator  
Laura Krejci, Communications Director  
Michael Williams, Community Development Director

**ABSENT:** N/A

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the special meeting to order at 2:00 p.m.

**II. AGENDA ADOPTION**

Commissioner Patrick Bryant made a motion to adopt the agenda, as presented. Commissioner Scott Doster seconded and the motion carried 4-0.

**III. BUDGET REVIEW**



Director Ford summarized the budget discussion that occurred at the last meeting and reviewed updates. Director Ford highlighted that there are still uncertainties in regard to Senate Bill 408, which would grant Rutherford County the ability to postpone the use of the reappraisal numbers.

Director Ford noted that one change since the last meeting is that debt service has been added to expenditures for a 2006 SRF Loan and a 2011 Joint Wrapping Loan. Director Ford noted that the most current SRF loan will not require any payments until a later date. Commissioner DiOrio noted that the most recent SRF should be a thirty year loan based on the direction of the Local Government Commission (LGC) and asked staff to confirm that it is still a thirty year loan as discussed in the past. Director Ford explained that he Town Manager Hank Perkins had been examining options for the expenditures of the SRF loan in the budget.

Commissioner DiOrio asked for details regarding the amount of funds set aside for the Water and Sewer (W/S) fund debt service. Director Ford answered that there will be \$119,945 put in the W/S debt service this year. Commissioner DiOrio provided a background in regard to the W/S debt service. Commissioner DiOrio explained that the Town had a study conducted on what it would take to build a sewer system and it was determined that the Town needed to draw more revenues from sewer fees, so the Town raised the sewer rates to the current number in order to fund the first \$12 million worth of work towards the sewer replacement. Commissioner DiOrio noted that this is why the Full Time Employees (FTEs) were previously removed from the W/S fund. It was noted that the Town must have FTEs in the W/S fund, but since the FTEs in that department are have multipurpose positions, the Town should be able to position the W/S budget to reflect the proportion of FTE work spent on water and sewer related activities. Director Ford added that last year, the transfer amount to the W/S fund balance was \$345,000 and this year it is estimated that the transfer amount will be \$225,000 with the inclusion of the FTEs. Council discussed FTEs in the W/S fund. Director Ford provided Council with a handout containing statements from the auditor, including t comments about the W/S fund FTEs. Mayor Pritchett asked where Public Services Director Dean Lindsey's salary is in the budget and Director Ford answered that it is primarily under public works, but a portion his and the Hydro Supervisor's salaries are in the W/S fund. Mayor Pritchett expressed the importance of generating enough monies in the W/S fund to pay debt services. Director Ford noted that the past W/S rates set by Council are working sufficiently, but it needs to be determine how the Town will assign costs for FTEs in the W/S fund. Manager Perkins noted that the auditor's expectations for FTEs in the W/S fund will be reflected at the end of each year regardless.

Director Ford asked if Council would like to pay off any loans early and it was answered that anything with interest could be a good candidate for early payments.

Commissioner DiOrio asked what the final number is for expenditures and Director Ford answered about \$9.5 million for the general fund. Commissioner DiOrio asked if revenues are balanced to that number and Director Ford answered yes. Commissioner DiOrio noted that if this number is sufficient, a simple equation should be used, based on property tax, to determine the millage rate.

Commissioner DiOrio asked the total amount of funding in the dam capital reserve and Director Ford estimated about so about \$3.5 million thus far. Commissioner DiOrio asked about the \$16 million grant for dam and Director Ford noted that this is in a separate fund from the dam capital reserve.

Commissioner DiOrio expressed that when the public services department was reorganized, one major objective was for the department to maintain the existing sewer system. Commissioner DiOrio expressed that the Town should invest more manpower in that department and additional resources to maintain the existing sewer system. Commissioner DiOrio asked Public Services Director Dean Lindsey to explain why he asked for two additional employees. Director Lindsey explained the two additional FTEs would be included in the public works budget, and would help towards increasing in-house maintenance work. Director Lindsey noted that if were to gain two additional FTEs, he would create two crews for public works. Director Lindsey noted that the two additional FTEs would be multipurpose employees, as well and it was noted that a portion of their salaries may need to come out of the W/S fund, if that is the case. Mayor Pritchett noted that the Public Services Administrative Technician was created to complete partial administrative work and partially work in the field and Director Lindsey expressed that he would like for that position to be solely administrative moving forward. Director Ford noted Director Lindsey's request for two additional FTEs would be about \$120,000 total. Commissioner DiOrio noted that there would need to be cuts to offset the costs of two additional public services FTEs and proposed discussing line items to find possible cuts. Council discussed the following line items:

- **Line item 190, administration, engineering services.** Commissioner DiOrio asked why \$30,000 is budgeted because only \$10,000 was spent this year. Director Ford noted that this figure was estimated for on-call services and Project Manager Michael Dydula confirmed that \$30,000 is the correct estimate for engineering services.
- **Line item 350, administration, repairs and maintenance – buildings.** Commissioner DiOrio noted that there is \$75,000 budgeted and asked why. Director Ford noted that the funds include repairs and maintenance to Town Hall. Commissioner Doster questioned why this line item increased significantly. Director Lindsey noted that the increase furniture. Commissioner DiOrio expressed that furniture is not a priority to him and expressed concern with \$75,000. Mayor Pritchett noted that there was little to no maintenance and repair of Town Hall until recently, so it is understandable why the line item would increase. Director Ford confirmed that the biggest figure for this item was \$35,000 for furniture. Commissioner Doster recommended doing furniture upgrades in increments, rather than all at once, to reduce the budget. Manager Perkins expressed that this line item could be decreased. Commissioner DiOrio recommended putting the line item at \$50,000.
- **Line item 102, police, salaries (part time).** Police Chief Sean Humphries explained that this figure is for the reserve officers. Director Ford noted that increased enforcement on the lake could increase the expenditures for reserve officer salaries. Commissioner DiOrio expressed that \$38,000 is too high and suggested decreasing the line item to \$28,000 since the department is fully staffed at this time. Other Council members agreed on the decrease.
- **Line item 691, police, contractual services.** Commissioner DiOrio questioned why this line item increased significantly. Chief Humphries explained that the increase is due to

new Tasers and body cameras that are the department contracts out. Council members discussed. It was noted that the current amount for the line item has barely been spent and Chief Humphries expressed that much of the contractual services are paid in full at the end of the fiscal year, so this line item will be expended. Commissioner DiOrio asked if the Town is going to finance the two police vehicles and it was answered yes. Director Ford noted that a few of the contractual services throughout the budget are paid in lump sum at the end of the fiscal year, similar to police contractual services.

- **Line item 100, fire, salaries.** Commissioner DiOrio asked why there is such a significant increase for only one additional FTE. Fire Chief Dustin Waycaster answered that the figure includes the additional FTE, but also factors restructuring the department to meet safety standards because the Town should have three supervisors and there is only one, and that the increase will go towards additional supervisors. Commissioner DiOrio asked about the new truck finances for the Fire Department and Chief Waycaster answered that the department cycle the vehicles out on a schedule and that debt service will be completed for the current engine, which is why there is a request to finance a new fire vehicle. Commissioner DiOrio asked if the old vehicle will be sold and Chief Waycaster expressed that it is in the Town's best interest to keep the vehicle as a reserve at this time. Chief Waycaster noted that one staff member completed their bachelor's degree and will receive a one-time bonus from the Town, which may be another factor in the salary line item increase. Chief Waycaster noted that following the purchase of a fire vehicle, it will likely take about 18 to 20 months for it to be delivered, and expressed the need to order as soon as possible because of that and to avoid any interest rate increases. Director Ford noted that the fire vehicle is in the debt service budget.
- **Line item 100, public works, salaries.** It was asked if the decrease in this line item was a reflection of moving two FTEs to the W/S fund and Director Ford answered yes.
- **Line item 110, public works, retirement.** Commissioner DiOrio asked why there was a significant increase for this line item. Director Ford explained that it is due to the former Public Works Director's retirement payments. Director Ford noted that he might be able to revisit this line item.
- **Line item 111, public works, group insurance.** Commissioner DiOrio asked why this line item increased. It was noted that there will be a new insurance vendor this year and while there may be ultimate cost savings, the Town has been warned to be prepared for an increase from Blue Cross Blue Shield. Commissioner DiOrio asked if the number should decrease since the two FTEs were moved from this budget to W/S and Director Ford answered yes.
- **Line item 120, public works, 401 (k) contribution.** Mayor Pritchett asked if this line item could decrease based on the two FTEs moving to the W/S fund, as well. Director Ford answered yes.
- **Line item 352, dam/watershed protection, repairs and maintenance – dam.** Commissioner DiOrio suggested taking this out of the dam capital fund rather than the general fund. Mayor Pritchett and others disagreed because the dam capital reserve is for funding the new dam.
- **Line item 503, community development.** It was noted that fire truck replacement was listed as a line item. It was determined that this is was an error and Director Ford will remove the line item from community development.

- **Line item 100, community development, salaries.** Commissioner DiOrio asked why this line item doubled. Director Ford explained that the department hired an administrative support specialist, but the major increase is because the project manager salary is included in that line item.
- **Line item 691, public works, contractual services.** Commissioner Bryant questioned why there was a 500% increase for this line item. Director Lindsey answered that the increase is related to a wood chipper rental.
- **Line item 310, public works, travel and transportation.** Commissioner Doster asked about the increase for this line item. It was noted that this line item includes certifications and training, and that there will be various trainings and certifications that this department's employees plan to attend this year.
- **Line item 350, public works, repairs and maintenance – buildings.** Mayor Pritchett asked what this line item was for compared to the repairs and maintenance line item under administration. Director Lindsey noted that this might need to be change, but this line item is for work done by public works to various Town buildings. Mayor Pritchett asked if the next three items are also for various Town departments and Director Lindsey answered no.
- **Line item 504, capital outlay/special projects, vehicles.** Commissioner DiOrio noted that it was his understanding that the Town was financing vehicles and questioned why there is a line for \$60,000 for vehicles under capital. Director Ford explained that this figure will be offset by loan proceeds. Commissioner DiOrio asked what vehicle that it is for and it was answered that it is for a Parks and Recreation vehicle. Parks, Recreation, and Lake Director Dean Givens expressed that this number is an overestimate. It was concluded that this line item can be decreased by \$17,000.
- **Line item 516, capital outlay/special projects, public services building.** Mayor Pritchett asked for details regarding the \$70,000 set aside for the public services building. Manager Perkins noted that it also related to property studies and preparation. Commissioner Proctor recommended relabeling this line item.
- **Line item 592, capital outlay/special projects, pw - street paving.** Commissioner DiOrio noted that the cost of paving increased significantly and recommended possibly waiting to spent funds excess of the Powell bill until prices decrease. Manager Perkins noted that Powell bill money will be available in a reserve even if it is not spent within the fiscal year. Manager Perkins also noted that paving conditioning studies are on a cycle and the goal is to make sure that ratings are improving. Manager Perkins urged that the Town does not want to get behind on paving and recommended against omitting paving work.

Mayor Pritchett called for a five minute break.

Council continued to review the capital reserve. It was noted that the Marina is an eight year debt service and is on year two.

Commissioner DiOrio expressed that it is important to note that the Parks and Recreation department's budget is self-sufficient and not funded using tax dollars. Manager Perkins noted that Parks and Recreation could support some lake enforcement funding.

Commissioner DiOrio asked if the Town should make the cuts discussing and use the fund balance to fund the remaining amount for the two public works FTEs. Director Ford reviewed the fund balance and Council discussed. Manager Perkins expressed concern with using fund balance to fund operational costs. Commissioner DiOrio asked what the amount was in suggested cuts discussed today. Director Ford answered \$96,000 and expressed that he could review the budget to identify other possible cuts. Commissioner Doster asked Director if one FTE would suffice and Director Lindsey answered that any additional would be helpful. Commissioner Doster expressed that it is important to ensure that all employees are being used to their full extent and that the Town is not solely increasing volume. Council and staff discussed.

It was noted that this proposed budget is close to revenue neutral, aside from the one additional fire FTE.

Director Ford agreed that he will re-review the budget based on the discussions that took place during the meeting and return to Council with an updated budget in June.

**IV. RESOLUTION NO. 23-05-24 AWARDING LAKE LURE DAM RESERVOIR DRAIN CONSTRUCTION CONTRACT TO MORGAN CORPORATION**

Manager Perkins explained that this resolution would authorize the Town to award the Lake Lure Dam reservoir drain construction contract to the low bidder, Morgan Corporation. It was noted that Town staff and Schnabel Engineering have recommended the award go to Morgan Corporation.

Commissioner Doster made a motion to adopt Resolution No. 23-05-24 Awarding Lake Lure Dam Reservoir Drain Construction Contract to Morgan Corporation. Commissioner DiOrio seconded and all voted in favor.

Resolution No. 23-05-24 Awarding Lake Lure Dam Reservoir Drain Construction Contract to Morgan Corporation was adopted as follows:

**RESOLUTION NO. 23-05-24**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
AWARDING LAKE LURE DAM RESERVOIR DRAIN CONSTRUCTION CONTRACT  
TO MORGAN CORPORATION**

**WHEREAS**, the Construction of the Town of Lake Lure Dam Reservoir Drain is crucial to the integrity of Town infrastructure and supports infrastructure projects; and

**WHEREAS**, The Town of Lake Lure advertised bids for the construction of the Lake Lure Dam Reservoir Drain in accordance with North Carolina General Statute Chapter 143 Article 3; and

**WHEREAS**, The Town received two bids and Morgan Corporation submitted the apparent low bid at a price of \$7,463,660; and

**WHEREAS**, Town staff and Schnabel Engineering tabulated and reviewed bids, and determined Morgan Corporation's bid to be responsive and responsible.

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

**SECTION ONE.** Town Council hereby awards the Lake Lure Dam Reservoir Drain Construction Contract to apparent low bidder, Morgan Corporation.

**SECTION TWO.** Town Council authorizes the Town Manager to execute the Lake Lure Dam Reservoir Drain Construction Contract.

**READ APPROVED AND ADOPTED** this 24<sup>th</sup> day of May, 2023

**V. RESOLUTION NO. 23-05-24A APPROVING SCHNABEL WORK ORDER NO. 7A, PROFESSIONAL DAM ENGINEERING SERVICES FOR THE RESERVOIR DRAIN CONSTRUCTION AT LAKE LURE DAM**

It was noted that Schnabel Work Order No. 7A was discussed at the work session meeting earlier in the day, and that Resolution No. 23-05-24A approves Schnabel Work Order No. 7A.

Commissioner Bryant made a motion to adopt that Resolution No. 23-05-24A Approving Schnabel Work Order No. 7A, Professional Dam Engineering Services for the Reservoir Drain Construction at Lake Lure Dam. Commissioner DiOrio seconded and all voted in favor.

Resolution No. 23-05-24A Approving Schnabel Work Order No. 7A, Professional Dam Engineering Services for the Reservoir Drain Construction at Lake Lure Dam was adopted as follows:

**RESOLUTION NO. 23-05-24A**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
APPROVING SCHNABEL WORK ORDER NO. 7A – RESERVOIR DRAIN  
CONSTRUCTION SERVICES**

**WHEREAS**, the Town of Lake Lure entered into a professional services agreement with Schnabel Engineering on September 12, 2018 for dam related services; and

**WHEREAS**, Schnabel Engineering has submitted a proposal for Work Order No. 7A for professional dam engineering services associated with the construction of the planned reservoir drain at Lake Lure Dam; and

**WHEREAS**, Schnabel's services include providing construction phase services for the installation of the reservoir drain at Lake Lure Dam; and

**WHEREAS**, services for this project will be performed under the supervision of a Professional Engineer(s) licensed in the State of North Carolina; and

**WHEREAS**, the lump sum of the services listed in proposed Work Order No. 7A is \$797,493.22.

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

**SECTION ONE.** Town Council hereby approves the proposed Schnabel Engineering Work Order. No. 7A for the professional dam engineering services associated with the construction of the planned reservoir drain at the Lake Lure Dam.

**READ APPROVED AND ADOPTED** this 24<sup>th</sup> day of May, 2023

<p><b>VI. CAPITAL PROJECT ORDINANCE NO. 23-05-24 FOR THE LAKE LURE DAM RESERVOIR DRAIN</b></p>
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Manager Perkins explained that Capital Project Ordinance No. 23-05-24 includes all of the costs for the reservoir drain valve, adds a 10% project contingency, and includes a placeholder for future costs. Manager Perkins added that revenues are detailed in section 4 of the ordinance. Manager Perkins noted that a capital project ordinance is a good way to ensure that a project is being funded correctly and responsibly.

Commissioner Bryant made a motion to approve Capital Project Ordinance No. 23-05-24 for the Lake Lure Dam Reservoir Drain. Commissioner DiOrio seconded and all voted in favor.

Capital Project Ordinance No. 23-05-24 for the Lake Lure Dam Reservoir Drain was adopted as follows:

**ORDINANCE NO. 23-05-24**

**CAPITAL PROJECT ORDINANCE BY THE TOWN OF LAKE LURE TOWN COUNCIL FOR THE LAKE LURE DAM RESERVOIR DRAIN**

**WHEREAS**, The installation of reservoir drain valves will allow for the Town of Lake Lure to drain the lake 20 ft. in order to proceed with the completion of major infrastructure projects; and

**WHEREAS**, The Town of Lake Lure has procured a 72” knife gate valve and a 60” Jet Flow Valve; and

**WHEREAS**, The Town of Lake Lure will have reservoir drain valves installed in 2024; and

**WHEREAS**, Town staff has determined that a capital project ordinance for the installment of the drain valves is instrumental in ensuring that a responsible and appropriate budget is being implemented for the project.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN SPECIAL SESSION AND WITH A MAJORITY OF TOWN COUNCIL VOTING IN THE AFFIRMATIVE THAT PURSUANT TO SECTION 13.2 OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA, CAPITAL PROJECT ORDINANCE NO. 23-05-24 IS HEREBY ADOPTED AS FOLLOWS:**

**Lake Lure Dam Reservoir Drain**

**SECTION ONE.** The project includes furnishing all materials, labor, tools, and equipment necessary to construct a new reservoir drain system at the base of Bay 5 of Lake Lure Dam, a high hazard, concrete multiple arch-buttress dam. The knife gate guard valve and jet flow discharge valve will be furnished by the Owner to the Contractor. Some underwater construction will be required to complete the Work. Establishing site access across the Broad River is included as part of the Work.

**SECTION TWO.** The officers of the Town of Lake Lure are hereby directed to proceed with the capital project within the terms of the council’s resolution, loan documents, grants and the budget contained herein.

**SECTION THREE.** The following amounts are appropriated for the project:

Construction Management	797,495
Value Installation	7,463,660
Project Contingency	746,365
Power Backup and Generation	TBD
<b>Total Appropriations</b>	<b><u>\$ 9,007,520</u></b>

**SECTION FOUR.** The following revenues are available for this project:

Dam Revenue Fund	<b><u>\$9,007,520</u></b>
<b>Total Revenue</b>	<b><u>\$9,007,520</u></b>

**SECTION FIVE.** The finance officer is hereby directed to maintain within the Capital Project Fund, sufficient detailed accounting records related to the project.

**SECTION SIX.** The finance officer is directed to report, on a quarterly basis, on the financial status of each project element in section 3.



**SECTION SEVEN.** The budget officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.

**SECTION EIGHT.** Copies of this capital project ordinance shall be furnished to the Clerk to Town Council, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

**SECTION NINE.** This Ordinance shall take effect upon adoption.

**VII. CLOSED SESSION**

Commissioner Proctor made a motion to go into closed session in accordance with G.S. 143-318.11 (a) (3) for Attorney Client Privilege or Legal Claims. Commissioner Bryant seconded and all voted in favor.

During closed session, Council members discussed a new legal claim against the Town and a request from a former employee in regard to their involvement in testifying in an ongoing legal claim.

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

**VIII. ADJOURNMENT**

Commissioner DiOrio made a motion to adjourn. Commissioner Proctor seconded and all voted in favor. The meeting was adjourned at 4:43 p.m.

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett



**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD MONDAY, JUNE 5, 2023, 2:00 P.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  
Dana Bradley, Parks, Recreation, and Trails Coordinator  
Michael Williams, Community Development Director

**ABSENT:** Commissioner Jim Proctor

**I. CALL TO ORDER**

Mayor Carol C. Pritchett called the special meeting to order at 2:00 p.m.

**II. AGENDA ADOPTION**

Commissioner Scott Doster made a motion to adopt the agenda, as presented. Commissioner Patrick Bryant seconded and the motion carried 4-0.

**III. REVIEW AND DISCUSS GMP**

Project Manager Michael Dydula explained that the currently available GMP is a price furnisher for what it would cost to work from Sunset Cove to the dam. Project Manager Dydula provided council with a project map. Project Manager Dydula explained that aside from work in Sunset Cove, other areas of the project cannot be completed until the reservoir drain valves are installed. It was noted that Ruby-Collins identified times and schedules within the GMP.

Project Manager Dydula had questioned what it would take to finish Sunset Cove and Ruby-Collins estimated that they would need about 280 days to complete that section and would need to use a porta-dam. Project Manager Dydula added that 280 days is not feasible for the Town and that he had expressed to Ruby-Collins that the Town cannot exceed a drawdown of 5 months. It was explained that Ruby-Collins is now examining whether or not they can finish all of the pipe on the North side of Sunset Cove within 5 months and there have been discussions about the possibility of extra crews. Project Manager Dydula noted that a porta-dam is expensive recommended against purchasing one since the Town will be able to drain the lake enough when the drain valves are installed. Dydula reported that since he last spoke with Ruby-Collins earlier in the day, they suggested forgoing the porta-dam, finishing the north side of Sunset Cove, and evaluate what can be done on the south side of Sunset Cove with the groundwater factors. Project Manager Dydula noted some areas on the south side of Sunset Cove may not have issues with groundwater.

Commissioner DiOrio asked what the actual cost would be if the GMP is revised to only include the GLS project on the north side Sunset Cove. Project Manager Dydula noted that it is complicated to estimate the actual cost because it is design-build project. Commissioner Doster noted that this should be discussed with Ruby-Collins.

Commissioner DiOrio questioned if the Town should proceed with having work done this year with the ability to drawdown the lake 12 ft. or if the Town should wait until next year when the lake can be drawn down 20 ft. Project Manager Dydula expressed that the Town cannot afford forgo work on the project this year and suggested that the Town proceed.

It was noted that GLS can definitely be working on in the north end of Sunset Cove, and there may be some work that can be complete in the south end. Commissioner DiOrio questioned if the Town should work only on the GLS on the north end this drawdown and work on boring in the south end at a later date, and asked if it is cost efficient to work only on the GLS. Brian Houston with LaBella noted that if the Town wanted a shortened drawdown the idea would be good because the GLS will take less time than boring and estimated that just the GLS would take about three months. Commissioner DiOrio recommended that the Town plan for a five month drawdown, have Ruby-Collins begin work as early as possible, and disregard the borings if they are not efficient. Commissioner DiOrio added that if GLS work is done in three months, the Town can begin refilling the lake, but if not there is some insurance to keep five months. Commissioner DiOrio expressed concern with overcommitting.

Project Manager Dydula noted that all attention can be focused on the north end of Sunset Cove. Commissioner DiOrio noted that there must be total confidence that no boats will have to be removed. Mr. Houston answered that thinks removing boats could be avoided.

There was consensus of support for proceeding with the GLS project in the north end of Sunset Cove and the possibility of proceeding with boring in the south end if time and weather permit.

**IV. DISCUSS DRAWDOWN SCHEDULE**

There was consensus to start drawing down the lake in November and begin refilling on March 31<sup>st</sup>, but it was discussed that if work is completed sooner than March 31<sup>st</sup> the Town will begin refilling the lake earlier.

**V. DISCUSS APPRAISAL OF TOWN PROPERTY BEHIND THE ARCADE BUILDING AND ABC STORE PROPERTY MARKET RENT STUDY REPORT FINDINGS**

Town Manager Hank Perkins noted that he was hoping to have the Arcade property appraisal last week, but he had not yet received it and asked for an update today. Manager Perkins explained the property use and how it factors into the appraisal. Manager Perkins anticipated that the appraiser is going to start the property from its value as if it is going to remain as a non-conforming use as it is now, but also expects that the appraiser will include a value that would reflect new use for the property. Commissioner DiOrio asked what the total acreage is and Manager Perkins estimated .55 acres. Commissioner DiOrio noted the need to factor remanence. Mayor Pritchett recalled that Commissioner Proctor had noted the possibility that the Town could lease the property and asked if a lease rate would be in the appraisal. Manager Perkins answered no. Council discussed that the timeline for the appraisal is lengthier than expected and expressed that they hope to have the appraisal prior to the next meeting.

Manager Perkins noted that the ABC Store property market rent study report was completed and in the meeting packet. Mayor Pritchett noted that the appraiser recommended that the Town rent the ABC Store property for \$1,995 and made note of the formula used to come to that conclusion.

Commissioner DiOrio expressed that the Town needs to advertise a Request for Proposal (RFP) for renting the property as soon as possible, in order to determine interests in renting the property.

Manager Perkins encouraged Council to review the full ABC Store property market rent study report.

Commissioner DiOrio expressed the need to create a marketing strategy and begin working on getting the property curb-appeal ready. Commissioner DiOrio suggested that the Town could rent out the property for small events in the interim. Council members agreed that the Town should begin on improving curb appeal. Commissioner Doster expressed that Commissioner DiOrio's plan to rent the space for small events could be plausible, but would depend liabilities. Mayor Pritchett noted that the Town would have to have staff to run the facility if it were rented for events. Commissioner DiOrio noted that the Town would need a process for event rentals of the property. Commissioner DiOrio recommended working on improving curb appeal as soon as possible.

**VI. DISCUSS PARKS AND RECREATION TRUST FUND (PARTF) / BOYS CAMP ROAD**

Manager Perkins provided the background in regard to the Town's plan to work with AT&T to construct a cell tower on Boys Camp Road. Manager Perkins noted that the Town acquired the Boys Camp Road property with the help of a Parks and Recreation Trust Fund (PARTF) grant because the plan is to utilize the property as a recreational campground. It was explained that the former belief was that constructing a cell tower on that property was authorized, but upon further investigation it is not allowed under PARTF guidelines. Manager Perkins noted that the Town is in the process of completing a conversion of the cell tower portion of the property in order to allow for the placement of the cell tower without interference of PARTF restrictions. Parks, Recreation, and Trails Coordinator Dana Bradley noted that she had submitted all necessary information for the conversion. Coordinator Bradley noted that the Town will need to replace the portion of the property being converted with a similarly valued parcel. Commissioner Bryant asked if the replacement property needs to be adjacent to the existing property and Coordinator Bradley answered no. It was estimated that the conversion should be completed within a few months. Manager Perkins added that the timing of PARTF meetings will factor in the timeline and it was noted that the next PARTF meeting is in June.

Commissioner DiOrio recommended authorizing Manager Perkins to complete the steps necessary to completing the conversion without Council approval. Council members agreed.

Commissioner Doster asked who is responsible for reviewing grant regulations. It was noted that grant was award in 2019 and it was uncertain who reviewed the grant at that time. Commissioner Doster recommended appointing a designated person to review grant details.

Commissioner DiOrio noted that the Town did get a verbal allowance for the tower in the past and expressed that nothing can interfere with the cell tower from being constructed.

Manager Perkins noted that the correct actions are being taken and that there is anticipation that the conversion will be approved prior to AT&T's construction. Mayor Pritchett noted that the Town's PARTF contacts need to be aware that time is of the essence. Commissioner DiOrio expressed AT&T's schedule cannot be interfered with because public safety is the most important factor.

Community Development Director Michael Williams noted that AT&T is still excited about completing the project.

Commissioner Bryant noted that a supporting email in the meeting packet commented that the process could be timely and that it seems like the Town done due diligence to expedite the process. Coordinator Bradley agreed.

Manager Perkins noted the importance of resolving this issue. Manager Perkins also noted that the Town had recently been awarded with a Division of Water Resources grant for Morse Park and that the PARTF Board is going to meet in the fall to decide on whether or not to award the

PARTF grant for Morse Park. Manager Perkins noted that if the PARTF grant is not awarded, it could cause a significant barrier in the Morse Park project.

**VII. ADJOURNMENT**

Commissioner Bryant made a motion to adjourn. Commissioner DiOrio seconded and all voted in favor. The meeting was adjourned at 2:54 p.m.

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: June 13, 2023**

**SUBJECT:** Resolution No. 23-06-13 Adopting New Procurement Policy

**AGENDA INFORMATION:**

**Agenda Location:** Consent Agenda  
**Item Number:** B  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

The Town adopted a procurement policy in 2018 which proved to be impractical and, as a result, was not being adhered to. Town staff worked with a former auditor to draft a new procurement policy that is practical, comprehensive to both purchase and contracting, and up to date with all available resource guidance. Resolution No. 23-06-13 adopts the new procurement policy and voids the 2018 policy.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To adopt Resolution No. 23-06-13 Adopting New Procurement Policy.

**ATTACHMENTS:**

Resolution No. 23-06-13 Adopting New Procurement Policy

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff recommends adoption of Resolution No. 23-06-13 Adopting New Procurement Policy



**RESOLUTION NO. 23-06-13**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING  
NEW PROCUREMENT POLICY**

**WHEREAS**, the Town of Lake Lure adopted a procurement policy in 2018 which proved to be impractical; and

**WHEREAS**, the Town should adhere to a procurement policy that is practical, comprehensive to both purchase and contracting, and up to date with all available resource guidance; and

**WHEREAS**, the Town of Lake Lure has drafted a procurement policy that establishes viable bidding and purchasing guidelines, follows state law, and fits the principles of the Town.

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby voids the 2018 procurement policy and adopts a new procurement policy, as follows:





# Town of Lake Lure, North Carolina

## Procurement Policy

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## 1.0 Policy Purpose

This policy is intended to be a guide to all Town of Lake Lure Government employees responsible for obtaining apparatus, supplies, materials, equipment, and services. The intent is to design policies and procedures that will serve the Town's needs, provide for effective, efficient and economical buying processes, and follow the legal guidelines set forth in the North Carolina General Statutes.

## 2.0 Roles & Responsibilities

The procurement roles and responsibilities of Town of Lake Lure Government can largely be assigned to the following:

### a. Town of Lake Lure Finance Department

The Town's Finance Department is responsible for:

- Policy development, revision, implementation, and monitoring;
- Administration of centralized procurement programs and processes;
- Development and provision of any required procurement-related training to employees;
- Assisting all employees with procurement needs.

### b. All Town Departments

Department Directors and their designees, and all staff with procurement-related roles are responsible for the following:

- Conducting all purchasing activities in accordance with the applicable North Carolina General Statutes, Town policies and procedures, ordinances, Federal rules and regulations, and in pursuit of the best interests of Town of Lake Lure;
- Developing and maintaining good public, supplier, and internal relationships;
- Ensuring fair and open competition by ethical means;
- Extending honest, courteous, and impartial treatment to all interested suppliers;
- Respecting public trust and not abusing the procurement process for personal advantage or gain.

### c. Standards of Conduct

#### i. Gifts and Favors from Suppliers

North Carolina General Statute § 133-32 addresses the legal implications of governmental employees accepting gifts and favors from suppliers. Briefly summarized, this statute states it is unlawful for any supplier who has a current contract with a governmental agency, has performed under such a contract within the past year, or anticipates bidding on such a contract in the future to give gifts or favors to any employee of a governmental agency who is charged with preparing plans, specifications, or estimates for public contracts, awarding or administering such contracts, or inspecting or supervising construction. It is also unlawful for a governmental employee to willfully receive or accept such gifts or favors.

#### ii. Supplier Relations

Should a department have trouble with a supplier, concerns should be documented in an email to the Procurement Division. Correspondence should be as specific as possible, detailing the circumstances, dates, personnel involved (including titles), and phone numbers. This information will be helpful in determining if the supplier will be considered for future bid awards.

## 3.0 Penalties for Non-Compliance

Failure to comply with this policy may result in an audit finding and/or disciplinary action, including termination and criminal charges. Individuals and departments identified as failing to comply with Town of Lake Lure policies shall be notified and potentially identified to Town management, internal audit, and/or law enforcement, as appropriate.

**4.0 Types of Purchases**

Purchases must be made according to the dollar thresholds set forth by North Carolina law (see **Exhibit A – Dollar Thresholds in North Carolina Public Contracting Statutes**). Additional Town policies may also apply, as shown below.

**a. Goods (Apparatus, supplies, materials, or equipment)**

The following thresholds are established to govern the procurement of goods.

<b>Dollar Threshold</b>	<b>Minimum Requirements</b>	<b>Approval/Signature authority</b>
\$0 - \$4,999	Multiple quotes not required P-Card recommended	Authorized Department Staff
\$5,000 - \$29,999	Multiple quotes recommended Requisition Purchase Order or Contract	Town Manager or Designee
\$30,000 - \$89,999	Informal bid process Requisition Purchase Order or Contract	Town Manager or Designee
\$90,000 or greater	Formal bid process Purchase Order or Contract	Town Manager or Designee Town Council Notified

**i. Vehicle Purchases**

The purchase of vehicles should be coordinated in conjunction with the Finance Department. Title and/or bill of sale must be received and maintained for all vehicle purchases.

**ii. Buy and Sale of Real Property**

The buy and sale of real property at any dollar amount must be approved by the governing Council.

**b. Services**

Competition may be formal or informal based on the dollar amount and project (RFP, simple quotes, or other best practice method). Award should be based on the best overall, justifiable solution, which may include cost and other factors. Refer to **Exhibit B - Independent Contractor / Employee Checklist** for help in determining whether someone qualifies as an independent contractor.

<b>Dollar Threshold</b>	<b>Minimum Requirements</b>	<b>Approval/Signature authority</b>
\$0 - \$4,999	Best practice based on the needs of the department Purchase Order recommended Contract may be advisable based on risk	Authorized Department Staff
\$5,000 - \$89,999	Best practice based on needs of the department Purchase Order or Contract required Contract may be advisable based on risk	Town Manager or Designee
\$90,000 or greater	Solicitation or Request for Proposals required unless waived (reason for waiver must be provided) Purchase Order or Contract	Town Manager or Designee Town Council Notified
Contracts with schools, universities or other agencies for student interns	Contract	Town Manager or Designee

One-year leases, rentals and maintenance contracts	Contract	Town Manager or Designee
Multi year leases, rentals, and maintenance contracts	Contract	Town Manager or Designee Town Council approval required if contract does not include non-appropriations clause

For services contracts, consider the following:

- Issuance of a Request for Proposals (RFP) is the preferred method when and if a Town department chooses to use a more formal competitive solicitation process.
- The procedures for advertising and proposal opening are flexible.
- Award of service contracts may be based on factors other than cost and responsiveness with such factors as vendor experience, qualifications, and solution possible taking precedence over price.

**Waiver of competitive solicitation of services contracts**

A Department may waive the requirement for issuance of a competitive solicitation for a services contract over \$90,000 when it is in the Town's best interest to do so. Examples of such instances include the following:

- continuum of service delivery is paramount;
- competition will not yield significant benefits;
- when only a single vendor can provide a specific service.

**c. Architects, engineers, surveyors, design and build, or construction manager at risk**

Dollar Threshold	Minimum Requirements	Approval/Signature authority
\$0 - \$49,999	Qualification-Based Selection (unless exempted)	Town Manager or Designee
\$50,000 - \$89,999	Qualification-Based Selection	Town Council or Designee
\$90,000 or greater	Qualification-Based Selection	Town Council Approval

**1. Qualification-Based Selection (QBS)**

- A Selection Committee comprised of at least 3 members must be used.
- A scoring process and criteria based on qualifications shall be used to evaluate participating firms.
- When using construction manager at risk, prequalification of first-tier subcontractors must be determined as stated in General Statute §143-128.1.
- If the exemption of the qualification process is being used it must be noted in any advertisement or by announcement.

**2. Task Orders**

Any task order issued by an architect, engineer, or surveyor shall be approved by the Council or an employee designated by the Council.

**d. Construction or Repair**

General Statute § 143-129 requires counties to obtain formal bids for construction or repair for projects of \$500,000 and above. An advertisement must run one time at least ten calendar days before the bid opening. The advertisement must list the date and time of the bid opening, mention where the specifications may be obtained, and state that the Council reserves the right to reject any and all bids.

Three bids are required and if three are not received, the project must be re-advertised at least ten days before the next bid opening. If three are still not received, a contract can be awarded by the Town Council after evaluation, to the lowest responsive, responsible

bidder, taking into consideration quality, performance, and the time specified for performance of the contract.

Dollar Threshold	Minimum Requirements	Approval/Signature authority
\$0 - \$4,999	Best practice based on the needs of the department	Authorized Department Staff
\$5,000 - \$29,999	Best practice based on the needs of the department Purchase Order or Contract	Town Manager or Designee
\$30,000 - \$89,999	Informal bid process Purchase Order or Contract	Town Manager or Designee
\$90,000 - \$499,999	Informal bid process Purchase Order or Contract	Town Manager or Designee Town Council Notified
\$500,000 or greater	Formal bid process Contract	Town Council Approval

## 5.0 Bidding

All bidding shall be compliant with North Carolina statutes.

When procurement requires both the purchase of goods and services, it is imperative to determine which element, whether goods or services, constitutes the larger component of cost. **The element constituting the larger portion of the procurement is the predominant aspect.** The predominant aspect must be identified in order to determine the procurement method required to fulfill the purchase.

**The record of bids submitted shall be maintained.** Departments should supply this record to the Finance Officer as directed.

### a. Formal Bids

A **competitive bid process** in compliance with NCGS § 143-129 must be used in the following cases:

- Purchase of supplies, materials, and equipment estimated at \$90,000 and above;
- Construction or repair contracts estimated at \$500,000 and above.

**1. Notify Finance Department** that a formal bidding process is required.

#### 2. Prepare Specifications

Detailed written specifications will be prepared by the requesting Department with the assistance of the Finance Officer or designee when needed. Refer to the section labeled "Bid Specifications" for additional information.

#### 3. Create Bid Package or Request for Bid

A Request for Bid will be issued and will contain at a minimum the following information:

- A. The name of the requesting department.
- B. A brief description of the goods or services to be purchased.
- C. The date and time of the bid opening.
- D. The date and time of the pre-bid conference, if applicable.
- E. The name of the Finance Officer or designee.
- F. General Conditions, applicable for a Formal Bid Proposal.
- G. Specific requirements for the goods or services to be purchased.

#### 4. Post Advertisements

Advertisement of Bids: North Carolina General Statute § 143-129(b) requires that at least seven (7) calendar days must lapse between the date the advertisement appears

and the date of the opening of formal bids. Bidding opportunities are publicized electronically using the Town website. The Town may also choose to publicize bid opportunities in the local newspaper and by other means.

## **5. Submission of Bids**

Proposals for Formal Bids must comply with the following:

- A. Oral, telephone, or faxed bids are not accepted: The Finance Officer or designated staff will not accept oral bids nor bids received by telephone, or fax, for formal bids.
- B. Bids must be sealed: Bids shall remain sealed until the date and time set for the opening.
- C. Deviations: Bids containing conditions, omissions, erasures, alterations, or items not called for in the bid may be rejected by the Town as being incomplete.
- D. Bid forms must be signed: The bid forms must be signed in order to be considered a responsive, responsible bid. If a bidder is a corporation, the bid must be submitted in the name of the corporation, not the corporation's trade name. The bidder must indicate the corporate title of the individual signing the bid.
- E. Confirmation of receipt: The bidder is responsible for confirming the receipt of a bid submission.

## **6. Receipt of Bids**

The Finance Officer or designee will receive bids as follows:

- A. Bids must be received timely: If bid specifications indicate bids are to be delivered in person, through the postal mail, or by parcel service, bids must be delivered no later than the date and time set for the receipt of bids in the bid specifications.
- B. Bids must be kept in a secure location until opened: All bids received must be sealed and will be kept in a secure location until the time and date set for the opening of bids.
- C. Identity of Bidders confidential: Prior to the time and date of opening, the identity of the suppliers submitting bids and the number of bids received is confidential and may be disclosed only to Town officials and only when disclosure is considered necessary for the proper conduct of the bidding process.
- D. Inadvertent opening of bid: If a bid is inadvertently opened in advance of the prescribed bid opening, the Finance Officer or designee will write an explanation of the inadvertent opening on the envelope, with the bid number, time and date of opening. The envelope will be resealed and deposited with the other bids.
- E. Late Bids: Late bids will not be considered under any circumstances and will be returned unopened with a letter or email of explanation to the sender.

## **7. The Opening of Bids**

The Finance Officer or designee will open formal bids according to the following procedure:

- A. Bids opened and read aloud: All bids received timely will be opened and publicly read aloud at the time and date established for such opening in the Bid Package.
- B. Bids submitted electronically: Bids received electronically are closed at the determined close time. A bid tally will be run indicating the suppliers responding to the bid and their bid amounts as submitted.
- C. Bids submitted for Information Technology goods and services: Proposals submitted for information technology goods or services, including software, telecommunications, data processing, etc., are not subject to public inspection until a contract is awarded. Therefore, there will be no public bid opening to comply with NCGS 143-129.8 for information technology related items.

## **8. Evaluation of Bids**

The bids received timely will be examined by the Finance Officer or designee for compliance with the requirements set forth in the Bid Package. The Finance Officer or designee will review

each bid to determine whether it has facial deficiencies that preclude it from being examined further.

## **9. Award**

Bids shall be awarded in accordance with North Carolina General Statutes § 143-129(b) to the lowest responsive, responsible bidder taking into consideration quality, performance, and the time specified in the proposal for the performance of the contract.

### **b. Informal Bids**

An informal bidding process will be used for the following:

- Construction or repair contracts estimated from \$30,000 to \$499,999
- Purchases of supplies, materials, and equipment estimated from \$30,000 to \$89,999

While informal bids are acceptable at these thresholds, departments may also choose to use a formal process if desired. If the estimated total dollar amount of an informal purchase is over \$80,000 for purchases of goods or over \$450,000 for construction or repair contracts, then it is recommended to use a formal bid process to prevent rebidding if all quotes received are over the formal threshold.

NCGS § 143-131 does not specify any methods for securing informal bids, however it does require awards be made to the lowest responsible bidder taking into consideration quality, performance, and the time specified in the bids for the performance of the contract. Methods of receiving quotes are at the discretion of the Finance Officer or the requesting department designee.

State and Town policy require the following for all informal bids:

- Written documentation of contacting more than one vendor to support the competitive process.
- All verbal pricing or quotes must be documented in writing.
- The record of bids shall not be subject to public inspection until the contract is awarded.

### **c. Bid Specifications**

When using a formal or informal bidding process, specifications must be prepared. All specifications should do at least the following:

1. Identify minimum requirements;
2. Encourage competitive bids;
3. Be capable of objective review;
4. Provide for an equitable award at the lowest possible cost;
5. Identify factors to be used in evaluating bids.
6. Specifications will be as simple as possible while maintaining the degree of exactness required to prevent bidders from supplying substandard goods or services and otherwise taking advantage of their competitors.
7. All specifications utilizing a name brand must include the term "or substantially equivalent" to avoid being restrictive and eliminating fair competition from the bidding process.

Different methods of structuring specifications include:

- Qualified products on acceptable supplier list
- Specification by architectural or engineer drawings
- Specification by chemical analysis or physical properties
- Specification by performance, purpose or use
- Specification by identification with industry standards
- Specification by samples

**d. Request for Proposals (RFP)**

NCGS § 143-129.8 authorizes the use of a Request for Proposals (RFP) process rather than an Invitation to Bid (ITB) in certain instances. RFP's may be used for the following:

- Purchases of services;
- Any combination of goods or services, particularly when the services component of the purchase is greater than the goods component;
- Technology and services contracts;
- Other combinations of goods and services not best handled by NCGS 143-129 and where departments have a need for a more flexible approach.

**e. Request for Qualifications (RFQ)**

In instances where a Qualifications-Based Selection (QBS) is required, a Request for Qualifications (RFQ) will be used to solicit responses from interested firms and individuals. The Finance Officer or designee should be notified to begin this process, to guide the QBS through selection, and to assist with creation of a proper RFQ.

**f. Exemptions**

G.S. 143-129 defines several exemptions to the competitive bidding requirements. The following categories of purchases are exempt from both the formal and informal bidding requirements established in NCGS. 143-129. However, the following list is just a shorthand statement of these categories; before attempting to make purchases using these exceptions read the relevant sections of the statute contained in NCGS. 143-129 very carefully as this statute provides additional guidance. Items 1) through 11) are found in NCGS 143-129 (e). Statutory guidance as to the other items is found in the statutes listed beside the item.

1. Purchases from other units of government;
2. Emergencies;
3. Group or Cooperative Purchasing Programs;
4. Change Order Work;
5. Gas, Fuel, and Oil;
6. Sole Source Purchases;
7. Information Technology Goods and Services awarded by the North Carolina Office of Information Technology Services;
8. Guaranteed Energy Savings Contracts; (See also G.S. 143-129.4)
9. State Contract Purchases;
10. Federal Contract Purchases
11. Purchase of Used Goods; (See G.S. 143-129 (e)(10))
12. Construction Management at Risk;
13. Previously Bid or "Piggybacking" Contracts; (See G.S. 143-129 (g))
14. Solid Waste Management Facilities; (See G.S. 143-129.2)
15. Use of Unit's Own Forces (force account work); (See G.S. 143-135 & SL 2009-250)
16. Purchases of Goods and Services from Nonprofit Work Centers for the Blind and Severely Disabled. (G.S. 143-129.5)

**Most Common Exemptions**

**1. Emergency Purchases**

NCGS § 143-129(e) (2) defines emergency purchase as "Cases of special emergency involving the health and safety of the people or their property." This exception is used in rare circumstances, such as natural disaster or sudden and unforeseeable damage to property. In cases of emergencies, the Department Head or designee may purchase directly from any supplier, supplies or services whose immediate procurement is essential to prevent delays in work, which may affect the life, health, or safety of Town of Lake Lure employees or citizens. The user department will exercise good judgment and use established suppliers when making emergency purchases. Always obtain the best possible price and limit purchases to those items emergency related. Not anticipating needs does not constitute an emergency.

- During working hours, the following procedure should be used for emergency purchases:  
An electronic requisition entered and approved by the requesting department



will grant permission to the Purchasing Division to issue the purchase order. The requesting department will include in the requisition supporting documentation for the emergency purchase order: item(s) to be purchased with estimated quantities and the reason for the emergency purchase. After verifying available funds, a purchase order number will be issued for the expenditure. Should the purchase exceed the available account budget, a Request for Transfer of Funds will need to be completed immediately.

- After working hours, the following procedure should be used for emergency purchases:

An electronic requisition will be entered and approved the next working day from the requesting department. The requesting department will also include any pertinent information associated with the emergency purchase, to serve as supporting documentation and will be attached to the purchase order, including but not limited to: item(s) to be purchased with estimated quantities, and the reason for the emergency purchase.

Emergency purchases, although sometimes necessary, are costly both in time and money. The use of emergency procedures will be limited and monitored for abuse.

## **2. State Contract Purchases**

Departments may use State of North Carolina contracts to procure available items without bidding if the contractor is willing to extend to the Town the same or more favorable prices, terms, and conditions. Following is a link to the state purchasing and contracting site where items can be searched for by keyword. These procurements do not require Council approval. <http://www.doa.state.nc.us/PandC/keyword.asp>

## **3. Cooperative and Group Purchasing Programs**

Similar to State Contract Purchases, the Town may make purchases of supplies and equipment through group purchasing programs, which another entity has already carried out a competitive process to establish contracts on behalf of multiple entities at discount prices. These procurements do not require Town Council approval.

## **4. Sole Source**

In the rare event there is only one supplier capable of providing a particular good or service, the competitive pricing procedures outlined in this manual may be waived by the Finance Officer. Whenever Department Heads or designees determine a need to purchase goods from a "sole source", they will document the reason. The provisions of N.C.G.S. 143-129 will require the Town Commissioners approve this sole source exception. A sole source purchase exemption applies when at least one of these conditions exist:

- a. Performance or price competition for a product is not available.
- b. A needed product is available from only once source of supply.
- c. Standardization of compatibility is the overriding consideration.

If one of these conditions applies to the good to be purchased, then the item will be exempt from bidding and the purchase must have Council approval. Contact the Finance Officer for guidance before proceeding.

## **5. Piggybacking**

The Town can purchase, without bidding, from a supplier that has, within the past 12 months, successfully gone through the competitive bidding process for that item or service and contracted to furnish an item or service to another public agency. The supplier must be willing to supply the same item at the same or more favorable prices and other terms. The contract intended to be copied must be one that was entered into following the award of a public bidding process similar to ours.

North Carolina General Statutes § 143-129(g) allows municipalities, counties, or other subdivisions to piggyback for supplies, materials, or equipment from another governmental entity that has within the previous 12 months, completed a

formal bid process, to purchase similar supplies, materials, or equipment if agreed upon by the supplier. The Statute requires approval by the Council of Commissioners and advertisement of intent to award. Federal guidelines may prohibit the option of piggybacking.

**6. Grants**

When the Town is awarded a grant that has procurement requirements specified by the grantor, the Town will follow those requirements as long as they do not violate North Carolina General Statutes or Federal Uniform Guidance.

**7. Use of Federal Funds**

When using federal funds, the Town must follow NC Statutes as well as OMB Guidance provided in the Code of Federal Regulations, Subpart D - Post Federal Award Requirements. The thresholds for micro- purchases, small purchases, and when sealed bids are required are set by OMB Guidance provided in the Code of Federal Regulations Title 2 Vol. 1 § 200.67 and §200.88. This guidance includes but is not limited to the following requirements:

1. **Micro-purchases (\$0 - \$9,999)**  
When practical, distribute micro-purchases among qualified suppliers.
2. **Small Purchases (\$10,000 – \$249,999)**
  - a. Price rate quotations must be obtained from an adequate number of qualified sources.
  - b. Written procurement procedures to define number and methods for obtaining quotes.
3. **Sealed Bid Procedures Required (\$250,000 and higher)**
  - a. Price rate quotations must be obtained from an adequate number of qualified sources;
  - b. Publicly advertised;
  - c. Competitive proposals;
  - d. Non-competitive proposals require written approval and justification (e.g. only one source/vendor available, inadequate competition, emergency).
4. **Documentation required (All amounts)**
  - a. Evidence the awarded supplier is not excluded from doing business with the Federal Government.
  - b. When quotes are required, documentation that an attempt was made to contact at least three suppliers to obtain quotes.

View Exhibit C - Procurement Guidance When Using Federal Funds for further guidance.

**6.0 Procurement Methods**

**a. Requisitions**

An electronic requisition initiates the procurement cycle for purchase orders. The receipt of the request with the required information, appropriate approvals, and sufficient budget gives the Procurement Division the authority to issue a purchase order. The Department Head or designee must approve all requisitions within the requesting department.

**b. Purchase Orders**

**Purchase orders are required for all purchases of \$5,000 and above.**

A purchase order is a contract between the Town and a supplier and is not binding until accepted by the supplier. Obtaining supplies, materials, equipment or services \$5,000 and over without a purchase order is an unauthorized purchase and a violation of resolution 03-04-04, adopted April 2003 by the Council of Commissioners. **Unauthorized purchases or split purchases to avoid the \$5,000 threshold are against Town policy and may result in disciplinary action.**

**i. Purchase Order Requirements**

1. **Submission of a requisition** through the town's Finance Department. Purchase

orders will not be created without a properly submitted requisition.

2. **Terms and conditions** must clearly define the delivery and performance requirements of the services, supplies, or equipment.
3. **Completion of the purchase order** by the Finance Officer or designee. The purchase order must be pre-audited, and the signatures of the Finance Officer and Finance Director must be on the completed document to be valid.
4. **Processing invoice(s) for payment** against a purchase order requires the applicable purchase order number be indicated for the invoice and that the purchase order have sufficient balance to cover the invoice amount. Receipt of goods and/or services must be verified prior to final payment of an invoice.

**ii. Blanket Purchase Orders**

Blanket Purchase orders can be used when there is a recurring need for expendable goods that are generally purchased, but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably. Use of this process helps to avoid the creation of numerous purchase orders and contracts for routine purchases. Blanket purchase orders can also be a useful budgetary tool, as they obligate funds and allow easy tracking of recurring purchases throughout the year. A blanket purchase order should be used if the following criteria are applicable:

1. The annual cost can be reasonably estimated;
2. The purchases are paid through invoices (though it can be done if P-Cards are used);
3. There is a single account to which the expenses should be charged.

Examples would include maintenance agreements, purchase of building/cleaning supplies, etc. Requests for blanket purchase orders must, in addition to the required information, indicate the following:

5. Items covered by the blanket purchase order and the amount should be listed in the purchase order comments;
6. If blanket purchase order should be limited to certain department employees, please include their names in the purchase order.

The issued purchase order will instruct the supplier that unauthorized purchases will not be allowed. It is the responsibility of the individual authorized to purchase under a blanket purchase order to ensure that an unspent balance remains to cover the purchases to be made for the remainder of the purchase order period.

**iii. Purchase Order Cut-Off Date**

Requisitions for materials, supplies, services and equipment (not included in blanket purchase orders or service contracts) for the ending current fiscal year must be submitted on or before a predetermined date provided to departments by the Finance Director. Requisitions of a routine nature that could have been scheduled prior to the cut-off date, and deemed not critical, will be processed in the new fiscal year. This procedure affords the Finance Department the opportunity to complete fiscal year end activities in a timely and proper manner and prepare for the annual audit.

**c. Change Orders**

- Changing, modifying, or canceling an existing purchase order can be initiated by the issuing department using the procurement system.
- Approval of change orders is based on the new cumulative amount of the purchase order. Refer to the Types of Purchases section to view approval authorities.
- Changes to a purchase order will not be processed if the scope of services has been rendered or materials have already been received.

**d. Procurement Cards**

Purchases less than \$5,000 should be obtained by procurement card when possible. Please refer to the Credit Card Policy.

**e. Electronic Payments**

Electronic payments may be authorized as defined by G.S. 159-28. All pre-audit and

disbursement rules must be followed per North Carolina Administrative Code (20 NCAC 03.0409 and 20 NCAC 03.0410. Please refer to the Credit Card Policy for additional guidance.

**f. Contracts**

All contracts are required to follow the Town of Lake Lure Contracts Policy and Contracts Control Process contained within.

**i. Contracts for Services**

Contracts are advised for use when the terms and conditions of the Town's purchase order is not sufficient to adequately protect against possible risk, or the scope of work is too complex to be adequately detailed in a purchase order.

**ii. Contracts for Goods**

In most cases a purchase order is sufficient as a contract for goods. Contracts for goods should be used if the nature of purchase is high risk and is not sufficiently controlled by the terms and conditions in the purchase order.

**iii. Contracts for Grants**

Any grant the Town awards should be entered into the Town's financial software to obligate funds, and stored in the Town's contract repository.

**iv. Multi-year Contracts**

Contracts that are not associated with a project ordinance, more than 12 months in length, cross Town fiscal years, and require funding from subsequent Town budgets require a non-appropriation clause or Council of Commissioners approval.

For example:

1. A contract runs from June – May (12 months) and the total for the entire contract is \$60,000 (\$5,000 per month). The current fiscal year funds \$5,000 and the subsequent fiscal year funds \$55,000. This contract does not require BOC approval because the term is not more than 12 months.
2. A contract runs from June – September (16 months) and the total for the entire contract is \$80,000 (\$5,000 per month). The current fiscal year funds \$5,000 and the subsequent fiscal year funds \$75,000. This contract requires BOC approval because the contract requires funding from more than one fiscal year and the term is more than 12 months.
3. A contract runs from April – June (15 months) and the total for the entire contract is \$75,000 (\$5,000 per month). The current fiscal year funds all the \$75,000. This contract does not require BOC approval because all the funding comes from the current fiscal year, not requiring funding in subsequent fiscal years.

**7.0 Delivery and Performance**

**i. Delivery schedule**

The importance of the delivery schedule may be emphasized to the supplier within the bid documents. Delivery requirements will be clearly written and fully understood by all suppliers. If several items are required by the purchase order, there may be a different delivery schedule for each item. It is necessary to clearly indicate the delivery location on the requisition.

**ii. Non-performance**

If a supplier fails to meet any requirements of the specifications or terms and conditions of the contract or purchase order, the supplier can be cited for non-performance. The seriousness of non-performance will be evaluated by the department and Finance Officer based upon the circumstances of each violation.

**iii. Inspection and testing**

Goods and materials should be checked at the time of receipt for damage or defects. The inspection will include assuring goods comply with the specifications. If damage is found or the goods fail to comply with the specifications, the item(s) will be rejected. To protect the Town's rights in the event of a rejection for any reason, the supplier will be informed immediately. Reasons for the rejection must be documented in an email to the Procurement Division in a timely manner.

**iv. Supplier relations**

Should a department have trouble with a supplier, concerns should be documented in an email to the Procurement Division. Correspondence should be

as specific as possible, detailing the circumstances, dates, personnel involved (including titles) and phone numbers. This information will be helpful in determining if the supplier will be considered for future bid awards.

v. **Program Compliance Requirements**

All written statements, certifications or intentions made by the Bidder will become a part of the agreement between the Contractor and Town of Lake Lure for performance of this contract. Failure to comply with any of these statements, certifications, or intentions or with the Minority Business Plan will constitute a breach of the contract. A finding by Town of Lake Lure that any information submitted either prior to award of the contract or during performance of the contract is inaccurate, false or incomplete, will also constitute a breach of the contract. Any such breach may result in termination of the contract in accordance with the termination provisions contained in the contract. It will be solely at the discretion of Town of Lake Lure whether to terminate the contract for breach. In determining whether a contractor has made best faith efforts, Town of Lake Lure will evaluate all efforts made by the Contractor and will determine compliance.

**8.0 Minority, Women, and Small Business Suppliers**

According to NCGS 143-129(b) the Town has no authority to establish preferences of any kind and are bound by law to award to the “lowest responsible, responsive bidder, taking into consideration quality, performance and the time specified in the proposals for the performance of the contract.” However, it is the desire of the Town to purchase from Minority Businesses and suppliers located within Town of Lake Lure whenever possible. Local suppliers and Minority Business suppliers should be encouraged to compete for Town business.

i. **Participation Goals**

Annual verifiable goals for minority business participation in construction projects (other provisions apply depending on project type & funding), procurement projects, professional, and other service projects are as follows:

- Construction – 12% overall for all minorities
- Procurement – 10% overall for all minorities
- Professional – 10% overall for all minorities
- Other Services – 10% overall for all minorities

ii. **Construction projects over \$300,000**

Per NCGS 143-128, for projects with an estimated cost of \$300,000 or greater that involve construction or repair to buildings, the bidder must provide, with the bid, documented proof in one of the following forms:

- **The State of North Carolina AFFIDAVIT A – Listing of Good Faith Efforts** along with the **Identification of HUB Certified / Minority Business Participation**
- **The State of North Carolina AFFIDAVIT B – Intent to Perform Contract with Own Workforce.** Other forms **must** be submitted with AFFIDAVIT A either at the time the bid is due or 72 business hours after the bid opening by the lowest responsible bidder or bidders who wish to be considered.

Failure to provide the documentation as listed in these provisions may result in rejection of the bid and will award to the next lowest responsible bidder. Town of Lake Lure reserves the right to waive any informality, if it can be resolved prior to award of the contract, and it is in the best interest of the Town to do so. For a full description of the Minority Business Forms and what must be completed to submit a responsible bid, contact the Finance Officer for guidance.

## Exhibit A – Dollar Thresholds in North Carolina Public Contracting Statutes

Requirement	Threshold	Statute
<b>Formal Bids</b>		
Construction or repair contracts	\$500,000 and above (estimated cost of	N.C.G.S §143-129
Purchase of apparatus, supplies, materials and equipment	\$90,000 and above (estimated cost of	N.C.G.S §143-129
<b>Informal Bids</b>		
Construction or repair contracts	\$30,000 to formal limit	N.C.G.S §143-131
Purchase of apparatus, supplies, materials and equipment	\$30,000 to formal limit	N.C.G.S §143-131
<b>Construction methods authorized for building projects</b>		
Separate Prime	Over \$300,000 (estimated cost of project)	N.C.G.S §143-128
Single Prime		
Dual Bidding		
Construction Management at Risk		
<b>Minority-business enterprise requirements – Building Projects</b>		
Projects with state funding	\$100,000 or more	N.C.G.S §143-128.2(a)
Locally funded projects	\$300,000 or more	N.C.G.S §143-128.2(a)
Projects in the informal range	\$30,000 to \$500,000	N.C.G.S §143-131(b)
<b>Limit on use of own forces</b>		
Construction or repair projects	Not to exceed \$125,000 (total project) or \$50,000 (labor only)	N.C.G.S §143-135
<b>Bid bond or deposit</b>		
Construction or repair projects	Formal bids (see above)	N.C.G.S §143-129(c)
Purchase contracts	Not Required	
<b>Performance/payment bonds</b>		
Construction or repair projects	Projects over \$300,000 for each contract over \$50,000	N.C.G.S §143-129(c); N.C.G.S §44A-26
Purchase contracts	Not Required	
<b>General Contractor's License</b>	\$30,000 and above	N.C.G.S. §87-1
<b>Use of registered architect or engineer required</b>		
Nonstructural work	\$300,000 and above	N.C.G.S. §133-1.1(a)
Structural repair or new	\$135,000 and above construction	
Repair work affecting life safety	\$100,000 and above systems	
<b>Selection of architect, engineer, surveyor, or construction manager at risk</b>		
"Best qualified" selection procedure	All contracts unless exempted	N.C.G.S. §143-64.31
Exemption authorized	Projects where estimated fee is less than \$50,000 or other projects in sole discretion of BOC	N.C.G.S. §143-64.32

## Exhibit B - Independent Contractor / Employee Checklist

To assist you in deciding whether a worker is an employee or an independent contractor, complete the following questions. A worker is generally considered to have an employee relationship with the Town if the questions below are answered "YES".

**Complete this checklist only for individuals-sole proprietors, and partnerships. Do not complete for employees of a corporation.**

NAME: \_\_\_\_\_

Circle Answer

1. Is the worker currently employed by the Town or has the worker previously been an employee of the Town? Position: _____	Yes	No
2. Are the hours of work established or regulated by the Town?	Yes	No
3. Are tools and equipment supplied by the Town? Independent contractors use their own equipment.	Yes	No
4. Does the worker provide their service only to the Town? Independent contractors may have several contracts with other companies and advertise their services in the phone book or other source. <i>List source:</i> _____	Yes	No
5. Is the method of payment by unit of time, (i.e. hourly, weekly or monthly wage)? <i>(Independent contractors are usually paid by job in a lump sum)</i>	Yes	No
6. Is training received from or at the direction of the Town - either formally or informally?	Yes	No
7. Are repairs to equipment paid by the Town? <i>Independent contractors pay for their own repairs.</i>	Yes	No
8. Is the worker required to work at a specific place or to work on the Town's premises if the work could be done elsewhere? <i>Independent contractors usually have a main office or other facility.</i> Office Location: _____	Yes	No
9. Does the worker submit regular oral or written reports to the Town to account for their actions?	Yes	No
10. Are business and/or travel expenses directly paid by the Town? <i>Independent contractors pay their own expenses.</i>	Yes	No
11. Does the Town restrict the worker from accepting any other work? <i>Independent contractors may have several jobs at one time.</i>	Yes	No
12. Does the worker act in the capacity of a foreman for/or a representative of the Town by hiring others, supervising them and paying them at the direction of the Town?	Yes	No
13. Does the worker wear a uniform with the Town logo or other means of identification, except for	Yes	No
14. Is insurance coverage (liability, health, etc.) supplied by the Town?	Yes	No
15. Does the Town use the worker for any odd jobs that differ from their normal activities?	Yes	No
16. Is the relationship between the Town and the worker a continuing one?	Yes	No
17. Is the worker free from any liability for quitting a job before the job is completed?	Yes	No
18. Does the worker have to perform services in the order or sequence set by the Town?	Yes	No

**Note:** Independent contractors are required to have all necessary licenses to perform the work that they are contracted to perform.

If all questions above are answered **NO**, the worker is an Independent Contractor.

If any question above is answered **YES**, explain the question and send the checklist with the contract to the Finance Department for a determination as to whether the worker is an employee or an Independent Contractor.

## Exhibit C - Procurement Guidance When Using Federal Funds

OMB Guidance provided in the Code of Federal Regulations Subpart D - Post Federal Award Requirements, sections 200.318 through 200.326.

	Goods & Supplies	Construction/Repair	Services	
<b>FORMAL</b>	<ul style="list-style-type: none"> <li>Formal bidding process required</li> <li>Publicly advertise</li> <li>Sealed Bids required</li> <li>Attempt to get bids from at least three bidders</li> <li>Award to lowest bidder</li> <li>Public bid opening</li> </ul>	<ul style="list-style-type: none"> <li>Formal bidding process required</li> <li>Publicly advertise</li> <li>Sealed Bids required</li> <li>Attempt to get bids from at least three bidders</li> <li>Award to lowest bidder</li> <li>Public bid opening</li> </ul>	<ul style="list-style-type: none"> <li>Request for proposals required</li> <li>Publicly advertise</li> <li>Attempt to get quotes from at least two sources</li> <li>Award to proposal most advantageous to the program, price and other factors considered</li> </ul>	<b>\$250,000 or greater</b>
		<ul style="list-style-type: none"> <li>Informal quotes required</li> </ul>	<ul style="list-style-type: none"> <li>Informal quotes required</li> </ul>	
<b>INFORMAL</b>	<ul style="list-style-type: none"> <li>Informal quotes required</li> <li>Attempt to get quotes from at least two sources</li> <li>Award to lowest bidder</li> </ul>	<ul style="list-style-type: none"> <li>Attempt to get quotes from at least two sources</li> <li>Award to lowest bidder</li> </ul>	<ul style="list-style-type: none"> <li>Attempt to get quotes from at least two sources</li> <li>Award to proposal most advantageous to the program with price and other factors</li> </ul>	<b>\$10,000</b>
<b>NO QUOTE</b>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<b>\$0</b>

ALWAYS	ALLOWED EXCEPTIONS
<ul style="list-style-type: none"> <li>Document procedures</li> <li>Award on fixed price or not to exceed</li> <li>Document the awarded supplier is not excluded</li> <li>Contract or PO contain UG provisions</li> <li>Solicit M/WBE businesses when possible</li> </ul>	<ol style="list-style-type: none"> <li>The item is available only from one single source.</li> <li>An urgent need or emergency will not permit a delay for competitive solicitation.</li> <li>The Federal awarding agency or pass-through allows noncompetitive proposals. from doing business with the Federal Gov.</li> </ol>

\* If seeking a contract with an architect, engineer, survivor, or CMAR the procurement method must follow the Mini-Brooks Act.



**SECTION TWO.** Town staff and elected officials shall abide by all terms and conditions within the adopted procurement policy.

**SECTION THREE.** This policy shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 13<sup>th</sup> day of June, 2023

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: June 13, 2023**

**SUBJECT:** Resolution No. 23-06-13A Adopting Credit Card Policy

**AGENDA INFORMATION:**

**Agenda Location:** Consent Agenda

**Item Number:** C

**Department:** Administration

**Contact:** Hank Perkins, Town Manager

**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

Town staff has drafted a credit card policy to establish appropriate guidelines to utilizing Town cards to make purchase. This draft has been reviewed and deemed suitable. Resolution No. 23-06-13A adopts the credit card policy.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To adopt Resolution No. 23-06-13 Adopting New Procurement Policy.

**ATTACHMENTS:**

Resolution No. 23-06-13A Adopting Credit Card Policy

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff recommends adoption of Resolution No. 23-06-13A Adopting Credit Card Policy.



**RESOLUTION NO. 23-06-13A**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE ADOPTING  
CREDIT CARD POLICY**

**WHEREAS**, the Town of Lake Lure wishes to adopt a credit card policy that establishes appropriate guidelines to utilizing Town cards to make purchases; and

**WHEREAS**, the Town has drafted a credit card policy that is practical, comprehensive, and up to date with all available resource guidance.

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

**SECTION ONE.** The Town of Lake Lure Town Council hereby adopts a credit card policy, as follows:



# TOWN OF LAKE LURE

## TOWN ISSUED CREDIT CARD POLICY

**Prepared by:**  
Steve Ford  
Finance Officer

**Date Approved by**  
**Town Council:**

---

**TOWN OF LAKE LURE  
TOWN ISSUED CREDIT CARD POLICY**

**PURPOSE**

To establish procedures and guidelines for using a Town issued credit card to purchase materials, supplies, and/or services by electronic means on behalf of the Town of Lake Lure.

**OVERVIEW**

Issuance of a Town credit card has been proven to be an effective tool and timely method for obtaining materials, supplies, and/or services to help departments maintain the consistent flow of day-to-day operations.

**SCOPE**

Town issued credit cards should only be used when:

- a. Making purchases for materials, supplies, and/or services that are for the official use of the Town of Lake Lure only.
- b. Making purchases for materials, supplies, and/or services that cannot be paid by means of an official check.
- c. Making purchases for materials, supplies, and/or services online or directly (in person).
- d. Paying travel expenses whenever the cardholder is on official Town business.
- e. Town issued credit cards will be assigned to employees who have direct authorization to make purchases using this method as approved by the Town Manager and Finance Director.

## PROCEDURE

To ensure the process operates efficiently and within an acceptable internal control structure, a timely response to each of the following elements is required.

### 1. Issue/Return of Credit Card

- a. The employee must sign documentation verifying agreement to the conditions of card use on the “Credit Card Authorization Form” (See Exhibit A).
- b. Total purchase authority is limited by the total purchase limit assigned to the card. The Town Manager will indicate his/her approval by signing the Credit Card Authorization Form.
- c. The Finance Director will review the enrollment form and obtain the credit card for the approved employee.
- d. Changes in spending/authority levels must be authorized by the Town Manager in writing and then submitted to the Finance Director for processing.
- e. Any employee who received a Town issued credit card must turn the card into the Finance Director immediately upon resignation notice or termination.

### 2. Use of Town Issued Credit Cards

- a. Employees who have been issued credit cards should notify the Finance Director immediately if the Town issued credit card has been **lost, stolen, or compromised**. The Finance Director is responsible for canceling and obtaining all Town issued credit cards. All expired or worn cards should be turned into the Finance Director for proper documentation and disposal.
- b. Town issued credit cards are to be used for Town business only. The use of the credit card to acquire or purchase materials, supplies, and/or services other than for official business is strictly **prohibited**.
- c. The cardholder is responsible for maintaining all vendor receipts and/or records until such time as the receipts/records are due the Finance Department.

- d. The cardholder is **responsible** for all purchases made on the assigned card regardless of who used the card, unless the card was used in a fraudulent manner after loss or theft.
- e. Town credit cards should not be shared and cardholders should not delegate use of the card to another employee without proper approval of the Town Manager or Finance Director.

### 3. Pre-Auditing and Disbursement Procedures

The 2015 State Legislature modified GS 159-28(d2) to allow the Local Government Commission (LGC) to adopt rules to address the execution of the pre-audit and disbursement process related to electronic transactions for local governments. The new pre-audit and disbursement rules were effective as of November 1, 2017, and exist as part of the North Carolina Administrative Code (20 NCAC 03.0409 and 20 NCAC 03.0410).

Units of government can now be exempt from the pre-audit certificate and disbursement certificate requirements on electronic transactions if they follow the requirements as detailed in the new administrative code rules. The new rules apply to electronic transactions utilizing the following:

- 1) Credit cards
- 2) Charge cards
- 3) Debit cards
- 4) Gas cards
- 5) Procurement cards
- 6) Electronic funds transfers

The following policies are designed to comply with the new pre-audit and disbursement rules in the NC Administrative Code 20 NCAC 03.0409 and 20 NCAC 03.0410.

- a. The Town issued credit cards may be used to purchase materials, supplies, and/or purchases when the cardholder has established that credit cards may be used as payment and when it is established that payment with a Town check is not acceptable.

- b. Permission must be obtained from the Finance Director before any purchases may be initiated with the Town issued credit cards.
- c. The Finance Director must ensure that there is an appropriate budget ordinance or project/grant ordinance appropriation authorizing the obligation.
- d. The Finance Director must ensure that sufficient monies remain within the appropriation to cover the amount that is expected to be paid out during the current fiscal year if accounted for in the budget ordinance, or cover the entire amount if accounted for in a project or grant ordinance.
- e. The cardholder must submit itemized receipts immediately following each purchase transaction to the Finance Director. Each itemized receipt must contain the following:
  - 1) Card type and last 4 digits of card number
  - 2) Date of transaction/purchase
  - 3) Brief description of transaction
  - 4) Total amount of transaction
  - 5) Sales tax amount, if applicable
  - 6) Employee signature
- f. The cardholder must submit itemized receipts to match the monthly credit card statements. If a receipt has been lost, the cardholder must make a diligent attempt to obtain a duplicate receipt from the vendor. In the event this is not available, a "Lost Credit Card Receipt Form" (Exhibit B) must be completed, which includes a detailed description and must be approved by the Town Manager. The Finance Director has the right to seek reimbursement from an employee for undocumented and/or unauthorized purchases.
- g. The Finance Department will then record the amount of the transaction in the Town's encumbrance system.
- h. The Finance Director will review all receipts to ensure compliance with all purchasing and pre-audit requirements. Once confirmed, the Finance Department will apply charges to appropriate line items and process the payment to the credit card vendor.

4. Action Due to Inappropriate or Accidental Use



The use of a Town issued credit card to acquire or purchase goods and services other than for the official use of the Town of Lake Lure is considered **fraudulent use**. However, the Town recognizes that accidental use can occur. The Town reserves the right to cancel an individual employee card at any time due to any type of abuse.

- a. If a cardholder accidentally uses a Town issued credit card for a personal purchase, the Finance Director should be contacted immediately upon discovery. If the Finance Director discovers an error, the employee will be contacted immediately. The employee must submit a "Credit Card Reimbursement Form" (Schedule C), along with the full reimbursement.
- b. Records of accidental personal use will be maintained by the Finance Director. In the event accidental use by a cardholder is detected on a repetitive basis, the Town Manager will be notified and the employee may be subject to disciplinary action.

#### 5. Inappropriate or Fraudulent Use

If a cardholder makes an inappropriate or fraudulent purchase, the Town Manager shall be notified immediately regarding the transaction.

- a. A cardholder guilty of fraudulent use or repetitive inappropriate charges will be subject to disciplinary action, up to and including dismissal. The Town has the right to file a police report and press charges for fraudulent use of Town issued credit cards.
- b. Records of inappropriate use will be maintained by the Finance Department. The Town Manager will be notified about any notable amount of abuse.

#### 6. Policy Forms

- a. Credit Card Authorization Form
- b. Lost Credit Card Receipt Form
- c. Reimbursement Form for Accidental or Inappropriate Use of a Town Issued Credit Card

**TOWN OF LAKE LURE  
CREDIT CARD AUTHORIZATION FORM**

**I. Employee/Cardholder Information**

Name: \_\_\_\_\_ Department: \_\_\_\_\_

**II. Cardholder's Agreement**

I understand that the use of the Town issued credit card is for purchases made on behalf of the Town.

I will be expected to use the credit card issued to me as directed and in accordance with this policy.

I will not permit another person to use the credit card issued to me (unless approved). Any such purchases made with my card will be considered to be made by me and my responsibility.

I will be responsible for the safe keeping of the credit card issued to me and, if lost, I will report its loss immediately to the Finance Director.

I understand that my personal credit will not be affected by any use of the Town issued credit card.

The use of a Town issued credit card to purchase goods and services for other than the official use of the Town of Lake Lure is fraudulent use. An employee guilty of fraudulent use will be subject to disciplinary action, up to and including dismissal. In addition, I agree that any reimbursement owed the Town, as a result of this type of use, may be deducted from my wages or other monies owed to me by the Town.

I have read, understand, and agree to the conditions above.

Employee Signature \_\_\_\_\_

Date \_\_\_\_\_

**III. Approval: Town Manager Signature: \_\_\_\_\_**

**Date: \_\_\_\_\_**

**EXHIBIT A**

**TOWN OF LAKE LURE  
CREDIT CARD AUTHORIZATION FORM**

**IV. Card Receipt**

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

**TOWN OF LAKE LURE  
LOST CREDIT CARD RECEIPT FORM**

**Date of Purchase:** \_\_\_\_\_

**Merchant Name:** \_\_\_\_\_

**Amount of Purchase:** \_\_\_\_\_

**Description and purpose of the purchase?**

**Why is the original receipt or appropriate documentation missing?**

*I certify that I have contacted the merchant and was unable to obtain a copy of the purchase documentation. I also certify that this purchase was made for an official Town business purpose.*

**Cardholder Signature:** \_\_\_\_\_

**Cardholder Printed Name:** \_\_\_\_\_

*Form must also be reviewed and approved by the Town Manager before submitting to the Finance Director.*

**Town Manager Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

*This form is to be used as documentation only if the actual receipt, invoice, internet order screen, or appropriate substitute is unavailable for a purchase made on a Town issued credit card. It must be filled out completely and signed by both the cardholder and the Town Manager.*

**Date received by the Finance Director:** \_\_\_\_\_

**Finance Director Signature:** \_\_\_\_\_

**TOWN OF LAKE LURE  
REIMBURSEMENT FORM  
FOR ACCIDENTAL OR INAPPROPRIATE USE  
OF A TOWN ISSUED CREDIT CARD**

Complete this form if you accidentally used your credit card for non-Town of Lake Lure use (including personal use) or you used a credit card inappropriately and have been contacted by the Finance Director for reimbursement. This form, original receipts, and a copy of the reimbursement check, should be attached to this form and submitted to the Finance Director after it is signed by the Town Manager.

**\*\*\*REMINDER\*\*\***  
Appropriate action will be taken against personnel for inappropriate use that is repetitive and/or intentional according to the Town Issued Credit Card Policy. Infrequent, inadvertent personal use that is quickly acknowledged and reimbursed should not result in action against the cardholder.

Date of Purchase	
Merchant Name	
Amount of Purchase	

***Describe the nature of the accidental or inappropriate use and how it occurred.***

***Describe how you plan to prevent future misuse.***

Continued

**TOWN OF LAKE LURE  
REIMBURSEMENT FORM  
FOR ACCIDENTAL OR INAPPROPRIATE USE  
OF A TOWN ISSUED CREDIT CARD**

Cardholder Name	
Cardholder Signature	
Town Manager Signature	

Date Received by Finance Director \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

**SECTION TWO.** Town staff and elected officials shall abide by all terms and conditions within the adopted credit card policy.

**SECTION THREE.** This policy shall become effective upon adoption.

**READ APPROVED AND ADOPTED** this 13<sup>th</sup> day of June, 2023

ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: June 13, 2023**

**SUBJECT:** Approval of Amendments to the Rutherford County Tourism Development Authority (TDA) Lease

**AGENDA INFORMATION:**

**Agenda Location:** Consent Agenda

**Item Number:** D

**Department:** Administration

**Contact:** Hank Perkins, Town Manager

**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

Town Council approved the lease between the Town and the Rutherford County Tourism Development Authority (TDA) during the April 11<sup>th</sup> regular meeting. The TDA required that the lease be approved by their executive board. The TDA's executive board recently reviewed the lease and proposed minor changes. Town Attorney William Morgan reviewed the amendments to the lease and determined that the amendments are acceptable, and do not require advertisement because the amendments are minor and do not change the substantive terms of the lease. Town Council reviewed the proposed amendments at the May work session and there was consensus for support.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To approve amendments to the Rutherford County Tourism Development Authority (TDA) Lease.

**ATTACHMENTS:**

TDA lease with proposed amendments

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff recommends approval of the proposed amendments to the Rutherford County Tourism Development Authority (TDA) Lease.



STATE OF NORTH CAROLINA  
COUNTY OF RUTHERFORD

**LEASE AND AGREEMENT**  
With  
**The Rutherford County Tourism Development  
Authority**

THIS LEASE AGREEMENT (the "Lease"), made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2023 by and between the TOWN OF LAKE LURE, a municipal corporation, party of the first part, "Landlord", (hereinafter also referred to as the "Town"); and the RUTHERFORD COUNTY TOURISM DEVELOPMENT AUTHORITY, party of the second party, "Tenant" (hereinafter also referred to as the "TDA").

**WITNESSETH**

Whereas, the Town is a municipal corporation established under the laws of the State of North Carolina; and TDA is a political subdivision of the State of North Carolina charged with developing tourism throughout Rutherford County, including in and for the Town of Lake Lure; and

Whereas, TDA, in fulfilling its mission to promote the growth of tourism for and in Rutherford County in accordance with N.C. Session Law 2011-115, desires to operate a facility, located in the Town, for the express purposes of: providing a location for TDA to **fulfill** this mission and for such other related purposes as TDA feels is in the best interest of fulfilling this mission (the "Visitor Center"); and

Whereas, the Town agrees with this goal of developing tourism and desires to lease space to TDA for the purpose of TDA operating such a Visitor Center; and

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NOW, THEREFORE, for and in consideration of their mutual covenants, the Town hereby leases to the TDA, and the TDA hereby leases from the Town, the building commonly known as the Community Center, situated at 2932 Memorial Highway, Lake Lure, NC 28746 (hereinafter the "Premises"), for the express purpose of operating a Visitor Center and an office for TDA, upon the terms, conditions and covenants as set forth herein:

1. Term of Lease. This Lease is for a term commencing on \_\_\_\_\_, 2023, and ending on \_\_\_\_\_, 2024, unless sooner terminated as hereinafter provided (the "Term"). If at any time the Visitor Center remains closed and unavailable to the public for a period of thirty (30) consecutive days, the same shall be considered a breach of this agreement and the Town shall send written notice to the TDA, as provided hereinbelow, of the breach, upon receipt after which the TDA shall have thirty (30) days to cure the breach by opening the Visitor Center on the Premises (the "Cure Period"). If the TDA fails to open the Visitor Center during the Cure Period, then this Lease shall terminate ten (10) days after the Cure Period.

2. Rent. Beginning on the first day of the Term and then on the first day of July of each year subsequent, the TDA will be obligated to pay to the Town annual rent in the amount of \$1.00 (one dollar and zero cents). In the event TDA fails to pay the rent as provided herein, the Town shall send Notice of the breach to TDA as provided hereinbelow, and TDA shall have thirty (30) days to pay said rent. Should TDA continue to be in breach of this provision after the thirty (30) days have expired, then this Lease shall be considered terminated, and the Town may send notice to vacate the Premises to TDA at any time in its sole and complete discretion.

3. Option to Renew. The Tenant and Town shall have the option to renew this lease agreement for nine (9) additional terms of one (1) year (the "Option"), for a total potential term of this Lease of ten (10) years. The Option will be deemed exercised automatically unless either party delivers written notice as provided hereinbelow to the other party of its decision not to exercise or agree to the Option. This decision not to exercise or agree to the Option shall be sent to the other party no later than one

Lease Agreement

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hundred eighty (180) days prior to the termination of the original Term.- Either party, so long as that party is not in breach of this Lease, has the right to elect to not exercise the Option as provided herein, with or without cause.

4. Operation of the Visitor Center

(a) TDA agrees to operate the Visitor Center in accordance with the Visitor Center Mission and Vision Statements, which are as follows:

Mission & Purpose

The mission of the ~~Hickory Nut Gorge Visitor Center~~ Rutherford County Visitor Center is to accommodate the needs of our visitors in cooperation with surrounding communities by:

- promoting the area
- showcasing our history and heritage
- highlighting our family-oriented destinations
- sharing our welcoming spirit

Vision Statement

The ~~Hickory Nut Gorge~~ Rutherford County Visitor Center is an attractive and engaging destination that provides information regarding attractions, accommodations, restaurants and other things to see and do. This fosters overnight stays, encourages return visits and invites potential residents. As a result, social, cultural and economic vitality is enhanced ~~not only in the Hickory Nut Gorge, but also~~ throughout Rutherford County and the region.

(b) Information provided in the Visitor Center on tourist amenities like attractions, lodging and dining, will not be limited solely to Rutherford County businesses.

(c) TDA will utilize their established branding and signage, which is subject to modification by the TDA. Currently, this includes "Lake Lure, Chimney Rock & The Blue Ridge Foothills" and the "Front Porch of the Blue Ridge" campaign. ~~In signs and references to the Visitor Center, the TDA will include the reference "Serving the Hickory Nut Gorge."~~

~~(d) TDA shall maintain a regular forum for area tourism businesses to provide feedback and recommendations on Visitor Center services through the TDA's Visitor Information Network (VIN) subcommittee. TDA shall appoint two (2) members of the Hickory Nut Gorge Chamber of Commerce to the VIN~~

5. Utilities

(a) TDA shall pay all of the monthly charges for electricity attributable to the premises.

(b) The Town shall provide water and sewer utility service at no charge to TDA.

(c) The Town shall make available a fiber optic broadband internet connection for use at no cost by TDA. TDA shall be responsible for the purchase of any equipment necessary for this connection.

(d) The Town shall make available voice-over-IP telephone services for use at no cost by TDA. TDA shall be responsible for the purchase of phones and any necessary networking equipment.

(e) The Town shall, from time to time, upon request from TDA, join in the granting of such utility easements as may be reasonably necessary to service TDA's requirements on the Premises.

6. Repairs, Maintenance and Cleaning.

(a) TDA shall be responsible for the maintenance of the interior of the building on the Premises and shall keep said interior in good condition and ordinary repair as when received, ordinary wear and tear excepted. Said interior maintenance shall include regular custodial servicing and cleaning and pest control.

(b) TDA shall be responsible for all repairs to permanent leasehold improvements, including, but not limited to, structural, mechanical, HVAC, exterior including doors, foundation repairs and repairs to the roof, as well as repairs as required because of water entering the Premises from the roof of other parts of the building or from other causes not under the control of the Town.

(c) TDA shall each make all necessary repairs and replacements of the portions of the Premises which they are required to maintain and repair as aforesaid, and all repairs and replacements shall be diligently commenced and completed.

(d) The Town shall be responsible for snow removal and parking lot maintenance.

7. Insurance.

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(a) TDA shall carry throughout the Term, at its own expense, an Owners, Landlords, and Tenants General Public Liability Policy covering both the Town and the TDA with minimum limits of \$1,000,000 for injury to or death of any number of persons in one occurrence, and property damage liability insurance in the amount of \$1,000,000. Certificate evidencing such as insurance shall be furnished to the Town, and TDA will deliver to the Town certificates of renewal of such policy not less than ten (10) days in advance of the expirations thereof; such policy shall not be subject to cancellation without at least ten (~~10~~) days prior written notice to the Town.

The TDA shall cooperate and carry throughout the Term, a Policy for flood insurance covering both the Town and the TDA with minimum limits sufficient to cover the cost of replacing the Visitor Center in the event of a flood. TDA will obtain the policy on behalf of the Town and TDA. Certificate evidencing such insurance shall be furnished to the Town, and TDA will deliver to the Town certificates of renewal of such policy not less than ten (10) days in advance of the expirations thereof, at which time Town shall reimburse TDA for one-half (1/2) of the cost of the said policy; such policy shall not be subject to cancellation without at least ten (10) days prior written notice to the Town.

(b) TDA shall maintain and keep in force all employers' compensation insurance required under the laws of the State of North Carolina, and such other insurance as may be necessary to protect the Town against any other liability to person or property arising hereunder by operation of law, whether such law be now in force or adopted subsequent to the execution thereof.

(c) Should the TDA fail to keep in effect and pay for such insurance as it is in this section required to do, the Town may do so, in which event the Town may send receipt of the insurance premiums paid by the Town to TDA at the address shown under the Notice section herein, and such premiums paid shall become immediately due and payable by TDA to the Town. Failure of TDA to reimburse such insurance premiums within thirty (30) days shall constitute a breach of this Lease.

**Lease Agreement**

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(d) TDA shall secure appropriate fire, theft and casualty insurance coverage on any and all of its contents situated upon said Premises and any and all improvements it makes to said Premises.

(e) The Town shall maintain and carry, throughout the Term at its own expense, hazard insurance on the Premises insuring against loss or damage by fire, earthquake, vandalism, and other perils in the amount of the replacement value of the Premises and any leasehold improvements thereto. The TDA shall be named as an additional insured as to any leasehold improvements made by the TDA, if any, pursuant to the terms of this Lease Agreement.

**8. Fixtures**

TDA shall have the right to remove Town-authorized improvements that it makes and fixtures that it adds to the Premises at such time as the Lease, or any renewal or extension thereof, concludes or is terminated; provided, however, that:

(a) The Premises are left in as good a state as when received, reasonable wear and tear and damage by fire or other casualty excepted;

(b) No portion of the Community Center shall be demolished or removed by TDA without the prior, express written consent of the Town; and

(c) Such removal shall be performed in a satisfactory manner and not weaken or impair the structural strength of the Community Center or any portion of the Premises.

Failure to remove such improvements or fixtures on or before the final day TDA holds possession of the Premises shall not be deemed a holding over under the terms of this Lease but shall be deemed an abandonment of the improvements or fixtures, and TDA shall not then incur any costs for the removal thereof. Nothing in this paragraph 8 shall permit TDA to seek or compel reimbursement from the Town for the Project but is intended by the parties hereto to permit TDA to remove and take its equipment and personal property whether or not attached to the Visitor Center.

9. Assignment. TDA shall not assign or in any manner transfer this Lease or any estate, interest or benefit therein or sublet the Premises or any part thereof or permit

the use of the same or any part thereof not anyone without the prior written consent of the Town.

10. Damage to Premises

(a) If the improvements on the Premises shall be damaged or destroyed by fire or by any other hazard insured by hazard insurance, then the party responsible for such damage through insurance coverage as set forth in paragraph 7 above shall work with such insurance company to effect such repairs or restore said improvements to substantially the same condition which existed before such damage or destruction.

(b) Since the annual rent is \$1.00, in the event that any damage from the causes aforesaid shall render the Premises totally or partially unusable for TDA's purposes under this Lease shall not be abated in proportion to the loss of effective use of the Premises.

If the destruction or damage amounts to more than seventy-five percent (75%) of the insurable value of the Premises, then either party may terminate this Lease by written notice to the other party within thirty (30) days after the date of such occurrence. Provided, however, that this Lease shall not thereby terminate if the damage shall have resulted from a hazard included in standard fire and extended coverage insurance and if TDA shall, within said thirty (30) day period, or within ten (10) days after notice of termination by the Town, send the Town written notice of its election to continue this Lease commencing four (4) weeks after the date that restoration by the Town shall be completed and available to the TDA for the conduct of its business. In the event of any termination under this paragraph (c), this Lease shall terminate as of the date of the occurrence, and the rent and all other payments owing or already paid by the TDA shall be adjusted as of said date.11.

Indemnification of Town.

TDA during the term hereof shall indemnify the Town against all claims and demands, whether for injuries to persons, loss of life, or damage to property occurring with the Premises and arising out of the use and occupancy of the Premises by TDA,

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**Lease Agreement**

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excepting, however, such claims and demands caused by acts or omissions of the Town. Nothing contained in this section

shall, however, detract from TDA's rights to protection under the liability insurance policy to be paid for by TDA as specified in paragraph 7 hereof.

12. Default.

If at any time during the term or extensions of this Lease there shall be a default within the provisions of this Agreement, except as stated in paragraph 1 and if TDA fails to cure such default within the Cure Period, then the Town may remedy or attempt to remedy any such default or other noncompliance and expend any sums necessary therefore at the cost and expense of TDA, and the sums so expected shall be payable to the Town on demand with lawful interest thereon and may be added by the Town to any rents or other sums due or to become due hereunder. On termination, the Town may recover from TDA all damages proximately resulting from the breach, including the worth of the balance of the Lease over the reasonable rental value for the Premises for the remainder of the Lease term, which such shall be immediately due the Town from TDA.

13. Notice.

It is agreed that all notices regarding this Lease shall be sent by certified or registered mail to:

If to Town:  
The Town of Lake  
Lure

If to TDA:  
Rutherford County Tourism Dev. Auth.



\_\_\_\_\_  
\_\_\_\_\_  
Either party may designate by written notice to the other party a change in address to which notices may be directed to said party.

14. Other Matters.

(a) The failure by the Town to insist upon the strict performance of any agreement, term, or condition of this Lease or to exercise any right or remedy consequent upon an unremedied breach thereof, and the acceptance of full or partial rent during the continuance of any unremedied breach, shall not constitute a waiver of any such unremedied breach or the performance of such agreement, term, or condition of this Lease to be performed or complied with by TDA, and no unremedied breach thereof shall be deemed waived, altered, or modified except by written instrument executed by the Town. The waiver of any breach shall not affect or alter this Lease, but each and every agreement, term or condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

(b) Each right and remedy of the Town provided for in this Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity, by statute or otherwise and the exercise or beginning of the exercise by the Town of any one or more of the rights or remedies provided for in this Lease as now or hereafter existing at law or in equity, by statute or otherwise, shall be precluded the simultaneous or later exercise by the Town of any or all other rights or remedies for any then existing breach which has not then been remedied or in the course of being remedied provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise.

(c) In the event of default, the Town shall use its best efforts to mitigate damages.

(d) All parties hereto agree that in no event shall either the Town or the TDA be liable or responsible to each other, or to other persons, due to any stoppage or delay in operation of the Visitor Center or in any work contemplated by the Project, where such stoppages or delays result from acts of God, fire, war, legal, or equitable proceeding,

pandemic, or any other cause which is outside the control of either party hereto.

(e) It is agreed by the parties hereto that visitors and TDA volunteers and employees to the Visitor Center shall have the right to park in parking lots owned by the Town. The Town will be solely responsible for maintenance of any said parking lots.

14. No Waiver of Immunity. No portion of this Lease shall be deemed to constitute a waiver of any immunities which the Town or the TDA or their officers or employees may possess, nor shall any portion of this Lease be deemed to have created a duty of care on the part of either party to any persons not a party to this Lease.

15. Non-Appropriation.

No portion of this Agreement shall be deemed to create an obligation on the part of TDA or Town to expend funds not otherwise appropriated in each succeeding year.

16. Entire Agreement.

This Lease sets forth all the promises, agreements, conditions, and undertakings between the Town and TDA relative to the Premises, and there are not promises, agreements, conditions, undertakings, warranties or representations, oral or written expressed or implied, between them varying the terms of this Lease.

17. Severability.

If any section, subsection, paragraph, sentence, clause, or phrase of this Agreement is for any reason held or decided to be invalid or unconstitutional, such a decision shall not affect the validity of the remaining portions. The parties hereto declare that they would have entered into this Agreement and each and every section, subsection, paragraph, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, paragraphs, sentences, clauses, or phrases might be declared to be unconstitutional or invalid.

18. Amendments and Termination.

This Lease shall be modified, altered, amended, or changed, only by written instrument executed by all the parties hereto. The parties hereto may agree to terminate this Lease at any time by written instrument executed by all the parties

**Lease Agreement**

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hereto.

19. Obligations and Successors.

The Town and TDA agree that all the provisions hereof are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate paragraph hereof, and that all of the provisions hereof shall bind and inure to the benefit of the parties hereto, and their respective heirs, legal representatives, successors, and assigns.

20. Expiration of Lease.

Upon termination or expiration of this Lease or the Option period, as appropriate, or any extension or renewal thereof, TDA shall deliver to the Town physical possession of the Premises in as good condition as the Premises are at the commencement of the Term, ordinary wear and tear and damage by fire or other casualty excepted. The Town acknowledges it is contemplated by the Lease that alterations may be made to the Premises as set forth herein.

21. Governing Law.

This contract is made under and shall be governed by and construed in accordance with the laws of the State of North Carolina. TDA shall comply with all applicable federal, State, and local laws, statutes, ordinances and regulations including, but not limited to, the Omnibus Transportation Act of 1991 and its implementing regulations.

SIGNATURE PAGE FOLLOWS:

Lease Agreement  
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IN WITNESS WHEREOF, said parties have hereunto executed this Agreement and Lease, in duplicate, the day and year first above written.

TOWN OF LAKE LURE

By: \_\_\_\_\_  
Carol Pritchett, Mayor

ATTEST:

\_\_\_\_\_  
Olivia Stewman  
Town Clerk

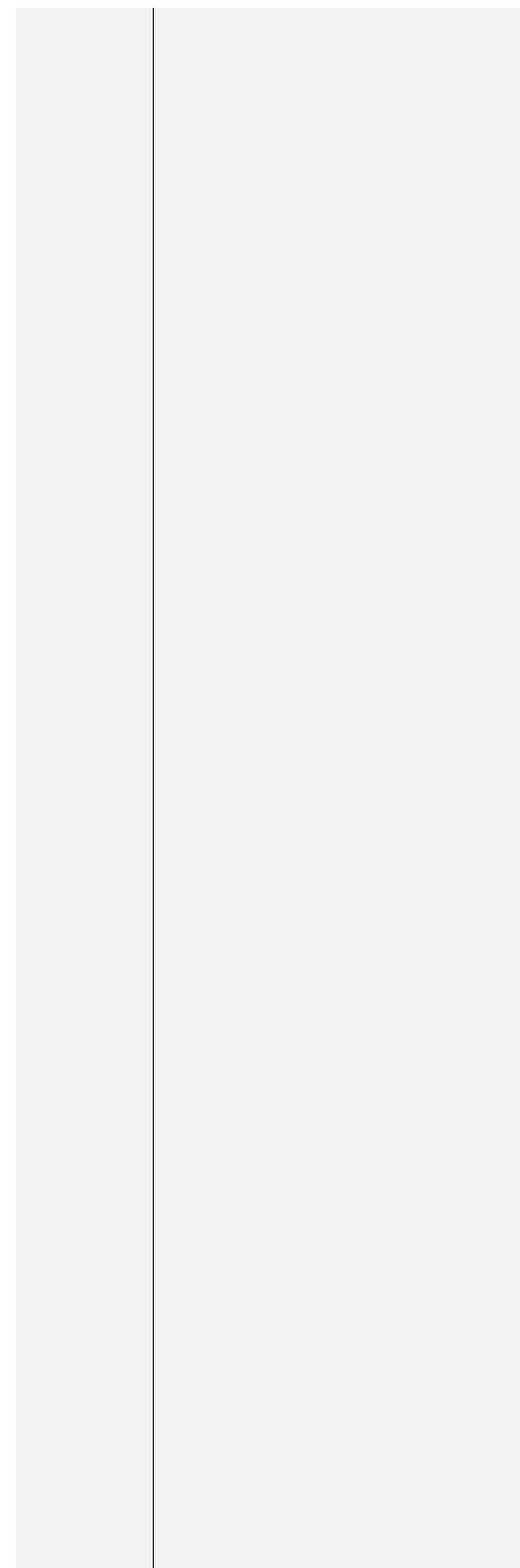
APPROVED AS TO FORM:

\_\_\_\_\_  
William C. Morgan, Jr.  
Town Attorney

RUTHERFORD COUNTY TOURISM  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_



**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: June 13, 2023**

**SUBJECT:** Waivers and suspension of the following for the Cycle NC Event scheduled for August 4, 2023 - August 6, 2023.

- Waiver of fees for use of Municipal Hall, Morse Park, and the Gazebo/Pavilion
- Waiver of the "Noise Regulation", Chapter 20 Article II
- Suspension of Chapter 36 of the Zoning Regulations: "Campgrounds" and "Camping"
- Suspension of Chapter 8 Article II: "Peddlers" of the Code of Ordinances

**AGENDA INFORMATION:**

**Agenda Location:** Consent Agenda

**Item Number:** E

**Department:** Administration

**Contact:** Chip Hofler Vice President, North Carolina Amateur Sports

**Presenter:** Laura Krejci, Communications Director

**BRIEF SUMMARY:**

The Town of Lake Lure applied to become a host for the Cycle North Carolina Mountain Ride. Last summer the Town was notified that Lake Lure was selected as a host. The Town has entered into a formal agreement to host and sponsor the event scheduled for August 4-6, 2023, in coordination with Rutherford County Tourism Development Authority.

The event is expected to bring in 300+ cyclers and their family members to Lake Lure and it is expected to have a positive impact on the economy and the community.

Cycle NC is requesting a waiver or suspension of the following in support of this event:

- Waiver of fees for use of Municipal Hall, Morse Park, and the Gazebo/Pavilion
- Waiver of the "Noise Regulation", Chapter 20 Article II
- Suspension of Chapter 36 of the Zoning Regulations: "Campgrounds" and "Camping"
- Suspension of Chapter 8 Article II: "Peddlers" of the Code of Ordinances

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To approve the following waiver and suspensions in support of the Cycle NC Event on 8/4/23- 8/6/23:

- Waiver of Fees for use of Municipal Hall, Morse Park, and the Gazebo/Pavilion
- Waiver of the "Noise Regulation", Chapter 20 Article II

- Suspension of Chapter 36 of the Zoning Regulations: "Campgrounds" and "Camping"
- Suspension of Chapter 8 Article II: "Peddlers" of the Code of Ordinances
- Suspension of Section 8-115 of the Code of Ordinances Town of Lake Lure Alcohol Ordinance

**FUNDING SOURCE:**

The Town of Lake Lure has applied for a grant from the Rutherford County Tourism Development Authority to support the event.

**ATTACHMENTS:**

1. Entertainment Event Permit Application from Cycle NC (Approved)
2. Cycle NC Agreement

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff recommends approval of the following waiver and suspensions in support of the Cycle NC Event:

- Waiver of Fees for use of Municipal Hall, Morse Park, and the Gazebo/Pavilion
- Waiver of the "Noise Regulation", Chapter 20 Article II
- Suspension of Chapter 36 of the Zoning Regulations: "Campgrounds" and "Camping"
- Suspension of Chapter 8 Article II: "Peddlers" of the Code of Ordinances

TOWN OF LAKE LURE  
Lake Lure, North Carolina



**APPLICATION FOR PERMIT  
ENTERTAINMENT EVENT**

*Section 84.04(C) states that a permit, approved by the Town Manager, is required "to produce programs in music, speeches, or general entertainment." In order to assist the manager in his decision as to whether a permit should be granted or denied, the following information is required. not all questions pertain to every request. Please complete the relevant questions.*

**ENFORCEMENT:** *Event coordinators must be able to produce a signed copy of this permit during the event.*

DESCRIPTION OF EVENT

Name of event Cycle North Carolina Mountain Ride

Type of event Bicycle Tour/Camping Event Location Morse Park

Date(s) of event 8/4/23-8/6/23 Hours 8am on 8/4 thru 4pm on 8/6

PROMOTER

Name of organization North Carolina Amateur Sports

Contact person Chip Hofler Phone 919-361-1133 FAX \_\_\_\_\_

Mailing address 406 Blackwell St, Ste 120, Durham, NC 27701

EVENT SITE

Name and address of property owner Morse Park (Town of Lake Lure), 2948 Memorial Hwy,  
Lake Lure, NC 28746 Phone 828-625-9983

Type of approval from owner (lease, contract, letter, etc.) Contract

Size of property (acres) \_\_\_\_\_ Size of structure (square feet) \_\_\_\_\_

Maximum occupancy of building \_\_\_\_\_ Does the structure have a Certificate of Occupancy? \_\_\_\_\_

IMPACT ON SURROUNDING AREA

Noise

Will this event use an amplified sound system? No

What means will be employed to ensure the sound from the event will not disturb persons on adjacent and nearby property? (check all that apply)

<input checked="" type="checkbox"/>	Speaker placement: aimed away from adjacent property and away from lake
<input type="checkbox"/>	Pipe and drape: used to cover hard surfaces that directly reflect sound
<input type="checkbox"/>	Volume limits & decibel meters used: (describe)
<input type="checkbox"/>	Event coordinators to take appropriate response to complaints
<input type="checkbox"/>	Other:

Parking and Traffic Control

How many persons are expected to attend the event? 300-400

How many parking spaces will be needed (assuming 1 space for each 3 attendees)? 100

How many parking spaces are available on site? \_\_\_\_\_

If off-site parking will be required, where will it be located? N/A  
*Attach authorization from owner(s) of all property to be used for off-site parking and list number of spaces to be provided on each property.*

If off-site parking will be provided at a distance of greater than 600' from the event, state how attendees will get from parking to event. N/A

How will attendees be told where to park? Maps will be sent to them ahead of time

If event will attract more than 100 vehicles, describe traffic control methods proposed. N/A

Lighting

Will additional exterior lighting be used for the event? No

If so, what means will be used to prevent lighting from disturbing persons on adjacent and nearby property? \_\_\_\_\_



OTHER CONSIDERATIONS

Food and beverages

If location is not an existing restaurant, will food be served outside? Yes

If so, what means will be used to ensure cleanup of refuse? Trash cans provided by the town

Will alcoholic beverages be served? Yes

Sanitary facilities

Do sufficient sanitary facilities exist on the property to accommodate the expected number of attendees? No

If not, what means will be used to provide them? We will secure port-a-johns and bring in a shower truck

Security

If the expected number of attendees exceeds 300, what provisions have been made for crowd control?  
The crowds will not be an issue at the space in Morse Park that we have reserved.

APPLICANT

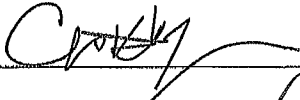
Name Chip Hofler Date 5-23-23

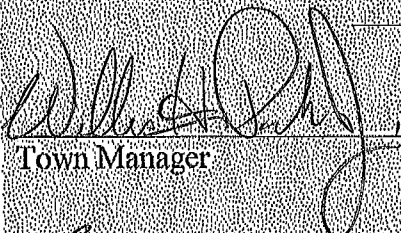
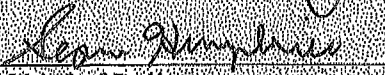
Address 406 Blackwell St Phone 919-361-1133

Ste 120 Fax \_\_\_\_\_

Durham, NC 27701

**Applicant agrees to comply with all applicable state, county, and town regulations**

Signature 

This application has been <input checked="" type="checkbox"/> approved <input type="checkbox"/> denied	
<u></u> Town Manager	<u>6/6/23</u> Date
<u></u> Chief of Police	<u>6-1-2023</u> Date











# 2023 Cycle NC & Town of Lake Lure Agreement

Final Audit Report

2022-11-04

Created:	2022-10-31
By:	Chip Hofler (chip@ncsports.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAADmyYzyapv9uJ0I8vsbhunYGGVqp5aKiJ

## "2023 Cycle NC & Town of Lake Lure Agreement" History

-  Document created by Chip Hofler (chip@ncsports.org)  
2022-10-31 - 2:09:43 PM GMT- IP address: 50.124.188.60
-  Document emailed to communications@townoflakelure.com for signature  
2022-10-31 - 2:10:19 PM GMT
-  Email viewed by communications@townoflakelure.com  
2022-10-31 - 5:48:06 PM GMT- IP address: 3.220.176.225
-  Signer communications@townoflakelure.com entered name at signing as Laura P Krejci  
2022-11-01 - 4:30:40 PM GMT- IP address: 198.190.255.37
-  Document e-signed by Laura P Krejci (communications@townoflakelure.com)  
Signature Date: 2022-11-01 - 4:30:42 PM GMT - Time Source: server- IP address: 198.190.255.37
-  Document emailed to don.cason@rutherfordcountync.gov for signature  
2022-11-01 - 4:30:43 PM GMT
-  Email viewed by don.cason@rutherfordcountync.gov  
2022-11-02 - 11:59:29 AM GMT- IP address: 104.28.110.82
-  Signer don.cason@rutherfordcountync.gov entered name at signing as Don Cason  
2022-11-04 - 1:57:48 PM GMT- IP address: 208.90.175.68
-  Document e-signed by Don Cason (don.cason@rutherfordcountync.gov)  
Signature Date: 2022-11-04 - 1:57:50 PM GMT - Time Source: server- IP address: 208.90.175.68
-  Agreement completed.  
2022-11-04 - 1:57:50 PM GMT



NORTH CAROLINA AMATEUR SPORTS

Board of Directors

Honorary Chair-NCAS  
Gov. Roy Cooper

Hon. Chair-State Games  
Gov. Jim Martin

Brad Bostick, Chair  
Wells Fargo

Richard Caira, Jr.  
Morningstar Law

Jordan Clark  
Truist

Melissa Culbreth  
Duke Energy

George Habel  
Durham Bulls

Karl Hudson  
PMC Properties

John Hughes  
City of Greensboro (ret)

Shelly Leslie

Barry Mitsch  
Pyramid Resource Group

Aaron Osborne  
Coca-Cola Consolidated

Chrystal Rowe  
AR Workshop

Smedes York  
York Properties



BODYARMOR  
STATE GAMES



CYCLE  
NORTH CAROLINA

This agreement, is made and entered into this 31st day of October, 2022, between North Carolina Amateur Sports (NCAS), the Town of Lake Lure (TOLL) and the Rutherford County Tourism & Development Association (RCTDA) to encompass the 2023 Cycle North Carolina Mountain Ride to be held August 4-6, 2023.

Town of Lake Lure Requirements:

- Items provided at no cost to NCAS
  - o Reserve a location for check-in at no cost to NCAS (Town Hall)
  - o Reserve camping space from 12pm 8/4 through 3pm 8/6
    - Outdoor camping to hold up to 150 tents (Morse Park)
    - Indoor camping to hold up to 30 people (Roosevelt Hall at Lake Lure Inn)
    - RV camping to hold up to 35 RVs (Morse Park)
  - o Provide a space (Beach Pavilion) for a welcome reception on 8/4 and provide an event with appetizers and a cash bar with beer/wine from 5pm-7pm. Event should have music of some kind – band, DJ, etc.
  - o Provide a space (Beach Pavilion) for the buffet dinner on 8/5. NCAS will cover the cost of the food for this event. Event should have music of some kind provided – band, DJ, etc. Beer/wine should also be provided for free or cash bar.
  - o Provide space (Morse Park) for a shower truck and supply water through a fire hydrant for the showers. Allow the truck to dump the gray water into a sewer or storm water drain.
- Lodging
  - o Work with local hotels to provide at least 100 rooms for participants to reserve through a hotel block. NCAS will provide a representative to manage the block/reservations, etc.
- Safety/Security
  - o Work with local police department to provide officers as needed for traffic control into and out of the park while the bicycle route is open from 8am-3pm on Saturday and Sunday and 12pm-5pm on Friday.
- Volunteers
  - o Recruit volunteers to assist at rest stops and check-in throughout the event

Rutherford County TDA Requirements:

- Pay NCAS \$5,000 in cash sponsorship for the event
- Support NCAS and TOLL as needed with volunteers, visitor information, etc.

NCAS Requirements:

- Coordinate all other aspects of the event (route development, participant registration, campsite logistics, rest stops, check-in, etc.)

Accepted:

Laura P Krejci

Laura P Krejci (Nov 1, 2022 12:30 EDT)

Laura Krejci  
Town of Lake Lure

Don Cason

Don Cason (Nov 4, 2022 09:57 EDT)

Don Cason  
Rutherford County TDA

Chip Hofler  
North Carolina Amateur Sports

**VIII**  
**UNFINISHED**  
**BUSINESS**

# IX

## NEW BUSINESS

- A. Budget Update
- B. Resolution No. 23-06-13B Adopting the 2023-2024 Lake Drawdown Schedule
- C. Easement and Right-of-Way for Access and Utilities in Relation to Parcel #0642171441

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: June 13, 2023**

**SUBJECT:** Budget Update

**AGENDA INFORMATION:**

**Agenda Location:** New Business

**Item Number:** A

**Department:** Finance

**Contact:** Stephen Ford, Finance Director

**Presenter:** Stephen Ford, Finance Director

**BRIEF SUMMARY:**

Finance Director Stephen Ford will provide updated budget information based on past discussions with Council. The Town will hold the public hearing for the FY 23-24 budget on Wednesday, June 28, at 5:00 p.m.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: June 13, 2023**

**SUBJECT:** Resolution No. 23-06-13B Adopting the 2023-2024 Lake Drawdown Schedule

**AGENDA INFORMATION:**

**Agenda Location:** New Business

**Item Number:** B

**Department:** Administration

**Contact:** Michael Dydula, Project Manager

**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

It has been determined that the lake drawdown schedule for 2023-2024 will begin on November 1<sup>st</sup> and end on March 31<sup>st</sup>. The purpose of the lake drawdown is to allow for the completion of priority projects such as the GLS project in the North End of Sunset Cove, dredging, seawall and boathouse construction/maintenance, dam and hydroelectric plant maintenance, and sewer cleaning and maintenance. While the lake will begin rising on March 31<sup>st</sup>, refill is limited to rainfall and inflow from the Rocky Broad River. Resolution No. 23-06-13B adopts the 2023-2024 lake drawdown schedule, which provides additional details in regard to the work being done during the drawdown period.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To adopt Resolution No. 23-06-13B Adopting the 2023-2024 Lake Drawdown Schedule.

**ATTACHMENTS:**

Resolution No. 23-06-13B Adopting the 2023-2024 Lake Drawdown Schedule; 2023-2024 Lake Drawdown Schedule

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff recommends adoption of Resolution No. 23-06-13C Adopting the 2023-2024 Lake Drawdown Schedule.



**RESOLUTION NO. 23-06-13B**

**RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE  
ADOPTING THE 2023-2024 LAKE DRAWDOWN SCHEDULE**

**WHEREAS**, the Town Council of the Town of Lake Lure adopts a lake drawdown schedule annually; and

**WHEREAS**, Town Council understands the importance of the lake and shall only drawdown the lake as necessary; and

**WHEREAS**, there are priority projects to complete during the 2023-2024 drawdown season; and

**WHEREAS**, necessary projects include the GLS project in the North End of Sunset Cove, dredging, seawall and boathouse construction/maintenance, dam and hydroelectric plant maintenance, and sewer cleaning and maintenance; and

**WHEREAS**, the time to complete necessary projects within the 2023-2024 drawdown schedule is five months.

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

**SECTION ONE.** Town Council hereby adopts a 2023-2024 Lake Drawdown Schedule beginning with the drawdown of the lake on November 1, 2023 and refill beginning on March 31, 2024.

**READ APPROVED AND ADOPTED** this 13<sup>th</sup> day of June, 2023

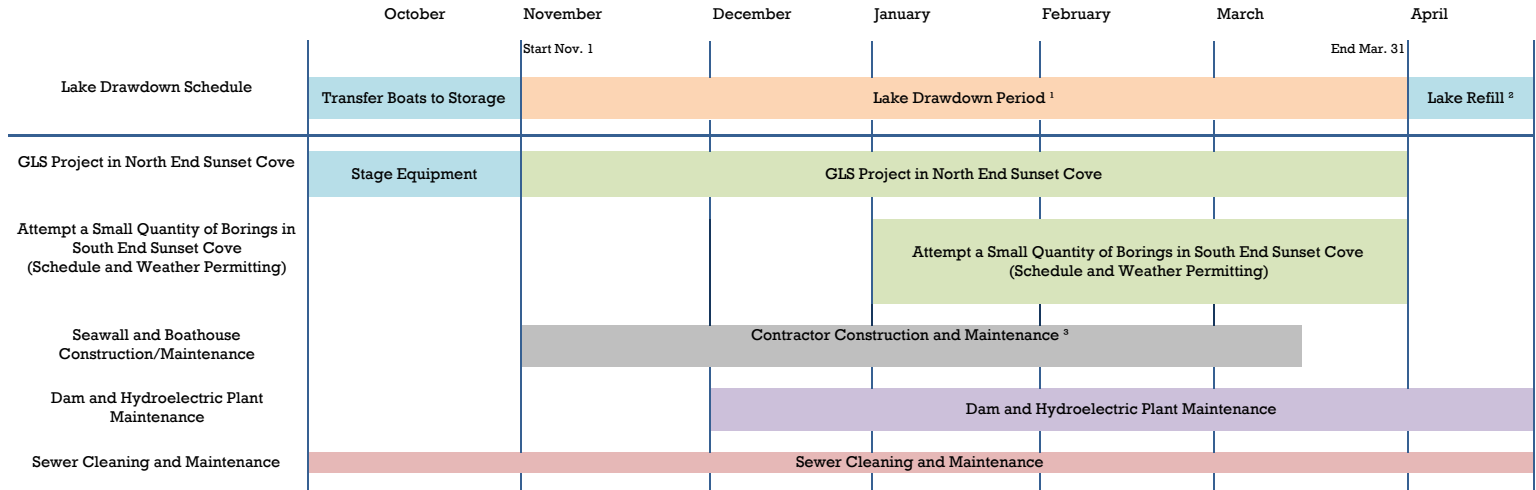
ATTEST:

\_\_\_\_\_  
Olivia Stewman, Town Clerk

\_\_\_\_\_  
Mayor Carol C. Pritchett



Lake Lure Drawdown Schedule (2023-2024)



- Notes:
- 1. Lake level will be 12 feet down for construction access and activities.
  - 2. Lake refill is limited to rainfall and inflow from the Rocky Board River.
  - 3. Contractors should vacate the lake bed on March 15. No construction permits will extend beyond March 15.

**LAKE LURE TOWN COUNCIL**  
**AGENDA ITEM REQUEST FORM**  
**Meeting Date: June 13, 2023**

**SUBJECT:** Easement and Right-of-Way for Access and Utilities in Relation to Parcel # 0642171441

**AGENDA INFORMATION:**

**Agenda Location:** New Business

**Item Number:** C

**Department:** Community Development

**Contact:** Michael Williams, Community Development Director

**Presenter:** Michael Williams, Community Development Director

**BRIEF SUMMARY:**

There has been a request for the Town to enter into an easement and right-of-way for access and utilities in relation to Parcel # 0642171441. The property affected is a town-owned, 1.6 acre parcel adjacent to Memorial Highway. The party requesting the easement has owned a driveway that touches the corner of the Town's parcel for over 20 years. Town Attorney William Morgan has reviewed the proposed easement and expressed no concerns.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

To approve Easement and Right-of-Way for Access and Utilities in Relation to Parcel # 0642171441.

**ATTACHMENTS:**

Proposed Easement and Right-of-Way for Access and Utilities; Parcel Photo and Drawing

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

Staff finds no issues with entering into the agreement and recommends approval.

Prepared by & return to:  
Barnwell & Long, PLLC

STATE OF NORTH CAROLINA  
COUNTY OF RUTHERFORD

EASEMENT AND RIGHT-OF-WAY FOR ACCESS AND UTILITIES

THIS EASEMENT FOR RIGHT-OF-WAY AND UTILITIES is made and entered into this the \_\_\_\_ day of \_\_\_\_\_, 2023, by and among the Town of Lake Lure (hereinafter referred to as “The Town”), Michel Guichard and wife, Lynn M. Guichard (hereinafter referred to as “Guichard”) and Red Bird Property, LLC, a North Carolina limited liability company, (hereinafter referred to as “Red Bird”).

W I T N E S S E T H:

WHEREAS, The Town is the owner of certain real property containing 1.6 acres, more or less, and being Rutherford County parcel number 0642-17-1441.00000; and

WHEREAS, Guichard are the owners of Lots 14, 15, 16, 17 and 18 as depicted on plat recorded in Plat Book 41, Page 243 of the Rutherford County, North Carolina Registry, and further described as that certain property described in deed recorded in Deed Book 2034, Page 2082 of the Rutherford County, North Carolina Registry; and

WHEREAS, Red Bird is the owner of that 0.22 acre parcel as described in deed recorded in Deed Book 2015, Page 4904 of the Rutherford County, North Carolina Registry; and

WHEREAS, Red Bird has requested that The Town and Guichard convey to Red Bird, their heirs, successors and assigns, a perpetual, exclusive right-of-way for ingress, egress, and regress and easement for the installation and maintenance of utilities over and across the property of the Town and Red Bird, said right-of-way and easement being more particularly described as follows:

*BEING that existing driveway currently crossing the southeasternmost corner of the property of The Town and the northwesternmost corner of the property of Guichard as same*

*currently exists and is shown on plat recorded in Plat Book 41, Page 243 of the Rutherford County, NC Registry.*

WHEREAS, The Town and Guichard have agreed to convey to Red Bird an exclusive right-of-way for ingress, egress, and regress and easement for the installation and maintenance of utilities, over and upon the above-referenced right-of-way and easement area, subject to the following conditions:

1. The existing right-of-way may not be extended to serve additional properties, nor widened beyond its current width.
2. The roadbed material currently in place must remain the same and may not be altered at any point.
3. Red Bird, their heirs, successors and assigns, shall be solely responsible for maintenance and upkeep of the right-of-way and easement area.

NOW, THEREFORE for valuable consideration, the receipt of which is hereby acknowledged, The Town and Guichard do hereby grant, bargain, sell and convey to Red Bird, their heirs, successors and assigns, a perpetual, exclusive right-of-way for ingress, egress and regress and easement for the installation and maintenance of utilities over and upon the property of The Town and Guichard, being more particularly described as follows:

*BEING that existing driveway currently crossing the southeasternmost corner of the property of The Town and the northwesternmost corner of the property of Guichard as same currently exists and is shown on plat recorded in Plat Book 41, Page 243 of the Rutherford County, NC Registry.*

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

The Town of Lake Lure

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

SEAL-STAMP

State of \_\_\_\_\_, \_\_\_\_\_ County.  
I, a notary public of said County and State, certify that \_\_\_\_\_  
personally came before me this day and acknowledged that he (or she) is a  
\_\_\_\_\_ of the Town of Lake Lure and that he/she, as a  
\_\_\_\_\_ of said entity, being authorized to do so, executed the  
foregoing on behalf of same. Witness my hand and official stamp or seal, this \_\_\_\_ day of  
**June, 2023.**

My commission expires: \_\_\_\_\_ Notary Public

\_\_\_\_\_  
Michel Guichard

\_\_\_\_\_  
Lynn M. Guichard

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, the undersigned notary public of said County and State, do hereby certify that Michel Guichard and Lynn M. Guichard personally appeared before me this the \_\_\_\_ day of \_\_\_\_\_, 2023, and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this the \_\_\_\_ day of \_\_\_\_\_, 2023.

My Commission Expires:

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public

Red Bird Property, LLC, a North Carolina limited liability company

\_\_\_\_\_  
\_\_\_\_\_, Member-Manager

SEAL-STAMP

State of \_\_\_\_\_, \_\_\_\_\_ County.  
I, a notary public of said County and State, certify that \_\_\_\_\_  
personally came before me this day and acknowledged that he/she is a Member-Manager  
of Red Bird Property, LLC, a North Carolina limited liability company, and that he/she, as  
a Member-Manager of Red Bird Property, LLC, being authorized to do so, executed the  
foregoing on behalf of the company. Witness my hand and official stamp or seal, this  
\_\_\_\_ day of \_\_\_\_\_, 2023.

My commission expires: \_\_\_\_\_ Notary Public

**RUTHERFORD COUNTY, NC**

Search Results Layers

Results List

Details

Parcels

- Property Record Card
- Zoom To Parcel in New Tab
- Mapable Link
- Google Maps

Parcel Number:	231267
PIN:	0642174472
Property Address:	2381 MEMORIAL HWY
Acreage:	0.22
MBL:	§15-2-12A
Fire District:	
Owner:	RED BIRD PROPERTY LLC PO BOX 11543 CHARLOTTE, NC
Book/Page:	2018/404
Sale Date:	9/7/2018
Sale Price:	\$60,000
Plat Book/Page:	
Land Value:	\$35,000
Building Value:	\$10,900
Other Value:	\$300
Total Value:	\$45,900
Deferred Value:	\$0

03/02/2021 4 of 64 Select Date

[v] Close Dialog

100 ft

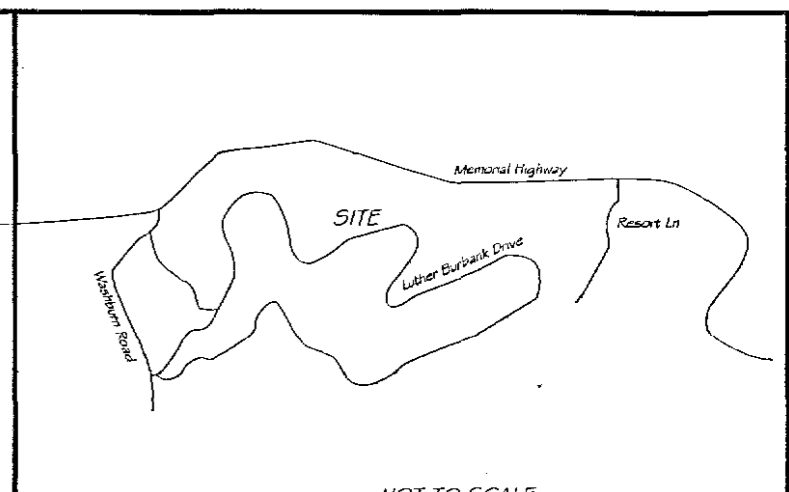
Zoom To

Clear

State of North Carolina, County of Rutherford  
 filed for registration on the 11<sup>th</sup> day of Sept. 2020  
 at 12:34 o'clock P.M and recorded in  
 Book 41 Page 243 in the office of the  
 Register of Deeds of Rutherford County.  
Rachel Thomas  
 Register of Deeds  
 By: Sina Orwitz, Deputy.

Doc ID: 006508050001 Type: CRP  
 Recorded: 09/11/2020 at 12:34:08 PM  
 Fee Amt: \$21.00 Page 1 of 1  
 Instr# 20200002828  
 Rutherford County, NC  
 Rachel Thomas Register of Deeds  
 BK 41 PG 243

**1.58 Acres Total**  
 Area By Coordinate Computation



Vicinity Map

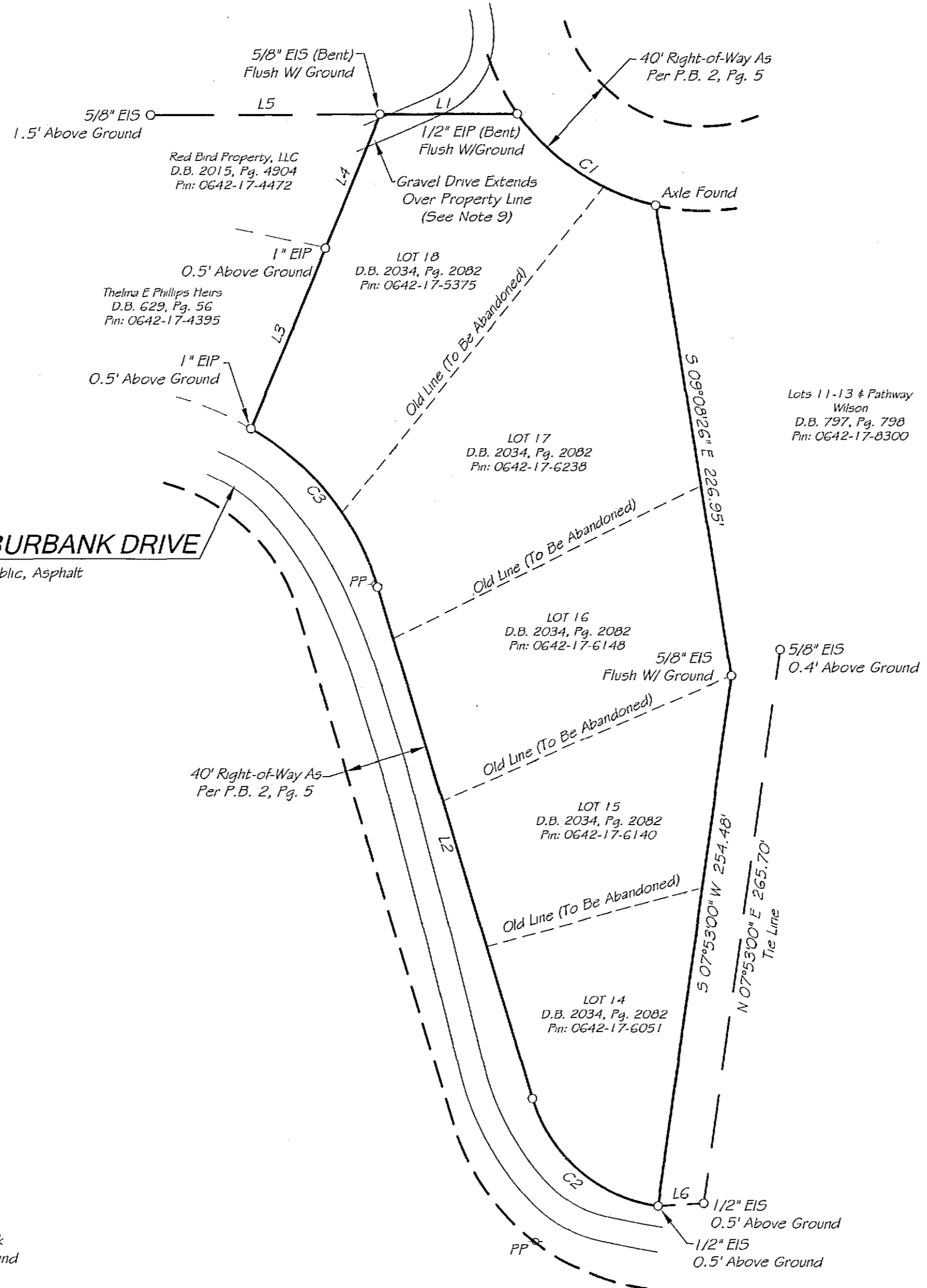


I, Cameron S. Baker, certify that this plat was drawn under my supervision from an actual survey under my supervision, (deed description recorded in Book 2027, Page 4340) that the ratio of precision as calculated by latitudes and departures does not exceed 1:10,000 and that this map was prepared in accordance with G.S. 47-30 as amended. Witness my original signature, license number and seal this 11 day of Sept. 2020.

Cameron S. Baker  
 Professional Land Surveyor No. L-4920

I, Cameron S. Baker, Professional Land Surveyor, certify that this survey is of another category, such as recombination of existing parcels, a court ordered survey, or other exception to the definition of subdivision.  
Cameron S. Baker  
 Professional Land Surveyor L-4920

State of North Carolina  
 County of Rutherford  
 I, Jerry Rapp Review Officer of Rutherford County, certify that the map or plat to which this certification is affixed meets all statutory requirements for recording.  
Jerry Rapp 9-11-20  
 Review Officer Date



L5 & L6 Are Tie Lines

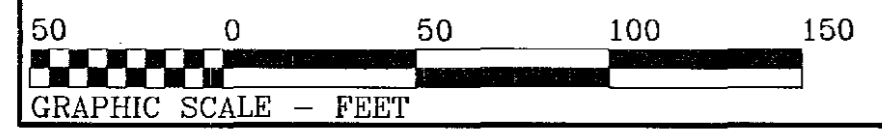
Line	Bearing	Distance
L1	N 89°41'14\" E	65.75'
L2	N 16°58'59\" W	254.19'
L3	N 22°43'56\" E	92.93'
L4	N 22°17'46\" E	69.23'
L5	S 89°41'14\" W	110.07'
L6	N 86°23'43\" E	21.95'

Curve	Arc Length	Radius	Chord Bearing	Chord Length
C1	81.14'	110.00'	S 56°44'04\" E	79.31'
C2	83.44'	72.78'	N 49°49'46\" W	78.95'
C3	99.34'	130.12'	N 38°51'12\" W	96.94'

Building Setbacks As Per The Town Of Lake Lure R-1A Zoning:

Front: 35' From ROW  
 Side: 35'  
 Rear 35'

- Notes:
- Property is subject to all easements, restrictions and right of ways of record.
  - The locations of underground utilities are based on above-ground structures and record drawings provided to the surveyor. Locations of underground utilities/structures may vary from locations shown hereon. Additional buried utilities/structures may be encountered.
  - Surveyor has made no investigation or independent search for easements of record, encumbrances, restrictive covenants, ownership title evidence, or any other facts that an accurate title search may disclose.
  - The certification of survey and plat was prepared for the entity named in the title block hereon and does not extend to any other entity, unless recertified by the professional land surveyor.
  - All miscellaneous survey related materials, including but not limited to, project plans, deed and ROW research, maps, field notes and data, survey reports, record title report, calculations, working drawings, estimates, and other materials acquired and/or prepared by the surveyor as instruments of service shall remain the property of the surveyor and assigns.
  - This drawing is not valid unless the original signature and stamp are attached. Any reproduction or variance to this survey by electronic or any other means are not to be considered issued by the professional surveyor.
  - Property is currently zoned R-1A as per the Town Of Lake Lure.
  - Property is located in Zone X (Minimal Flood Hazard) as per FRIS Map Panel 0642, Map # 3710064200J effective date 7-2-08.
  - No recorded Right-of-Way found for gravel drive shown hereon.



- Legend:  
 EIP = Existing Iron Pipe  
 EIS = Existing Iron Stake  
 IPS = Iron Pipe Set  
 O = Unmarked Point, Unless Otherwise Noted  
 ROW = Right of Way  
 PP = Power Pole  
 - - - - - = Old Line (To Be Abandoned)

Being All Of Lots 14-18  
 Block 15  
 Chimney Rock Mountains Inc, Luremont Section  
 As Shown On P.B. 2, Pg. 5

Map Recombination Survey For:  
Michel Guichard  
 and  
Lynn Guichard

~ Owners ~  
 D.B. 2034, Pg. 2082

Pin: See Map

Chimney Rock Township | Rutherford County, NC

**ASSOCIATED LAND SURVEYORS & PLANNERS PC.**  
 P.O. BOX 578 \* HORSE SHOE, NC 28742  
 (828) 890-3507 NC BUSINESS LICENSE NO. C-2774

SCALE: 1 Inch = 50 Feet | DATE: September 8, 2020  
 JOB NO.: S-20-418 | DRAWN BY: JTB/ASH IntellCAD 8.0  
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**X**

**ADJOURNMENT**