MINUTES OF THE TOWN OF LAKE LURE
REGULAR TOWN COUNCIL MEETING
Tuesday, August 11, 2026 @ 5:00 pm
Town Hall at The Landings

Agenda

Roll Call:
Mayor, Carol C, Pritchett
Commissioner Patrick Bryant
Commissioner Scott Doster
Commissioner Jim Proctor
Commissioner David DiOrio

Town Manager, Olivia Stewman
Marty Benson, Attorney
Kimberly Martin, Town Clerk

Absent

I. Call to Order

Mayor Pritchett called the meeting to order at 5:04 pm.

a. Pledge of Allegiance and Invocation

Commissioner Patrick Bryant led the pledge of allegiance and invocation.

II. Agenda Adoption

Commissioner Patrick Bryant made a motion to approve the agenda with the addition of item e. Resolution No. 26-08-11A and item f Consider Approval of Labella Task Order 24 Amendment 2, and an addition Closed session G.S. 143-318-11 (a)(5) property acquisition. Commissioner Jim Proctor seconded the motion and all were in favor.

III. Mayor's Communication

Mayor Carol C. Pritchett thanked everyone for attending the meeting and emphasized the importance of public participation. The Mayor noted that Council values community members having the opportunity to provide input and add information they believe may be helpful to the Council.

IV. Town Managers Communication

A. Monthly Report/ Storm Recovery

The Town Manager provided an update on several ongoing projects and recent progress throughout the Town.

- **Marina:** The stationary docks, tour boat docks, and hot docks have been completed and are available for use. The Pool Creek courtesy docks are awaiting final inspection by the County after several additional items were identified during the initial inspection. Staff reported that the concerns have been addressed and anticipated reinspection the following day. The fueling system is also nearing completion, with piping underway and wiring and panel installation scheduled. Once completed, the County will conduct a final inspection. The marina building remains pending final design before bidding and construction can begin.
- **Boys Camp Bridge Replacement:** The contractor has mobilized and begun initial site work, including cleanup and removal of remaining portions of the old bridge. The contractor's mobilization officially began the 120-day contract completion period. Some delays may occur during construction, but efforts will be made to minimize disruptions.
- **Boys Camp Road Culvert:** The updated design for the culvert project has been finalized, and the Town is currently soliciting bids. Staff will coordinate with the bridge replacement contractor to ensure the two projects are properly coordinated and disruptions are minimized.
- **Morse Park Grading:** The grading project remains delayed pending a DEQ permit. The application has been submitted and is currently within the 30-day review period, which is scheduled to end August 24. Work is anticipated to begin shortly after the permit is received.
- **Lake Dredging Permit:** The Town previously submitted an application to the U.S. Army Corps of Engineers for an individual dredging permit covering the lake. If approved, the permit would provide the Town with the ability to dredge throughout the lake, with priority continuing to be given to areas most impacted by sedimentation. Property owners around the lake have received or may receive notifications regarding the public comment period. Once the comment period concludes, the Town anticipates the Army Corps will proceed with its review and consideration of the permit.
- **Fire Apparatus:** The Town is currently soliciting bids for a first-out fire engine. Staff is working with multiple vendors regarding potential bids.
- **Town Center Transportation Improvements:** The Town Manager reported that a CDBG Commercial District Revitalization grant application was submitted for Town Center transportation improvements. The project builds upon the small area plans adopted in 2014 and a 2020 resolution expressing support for the plans. If awarded, the grant would improve multimodal transportation, traffic circulation, potential growth opportunities, and utilities within the Town Center area. The Town will continue seeking other funding sources if the grant is not awarded.
- **Town Hall/FEMA Funding:** The Town is exploring the use of FEMA 428 alternate funding for Town Hall due to FEMA's current commitment of $180,000, which is less than the estimated cost of the initial work, currently projected at

slightly more than $202,000. The Town plans to proceed with the initial site work due to the limited time available in the current building. FEMA is expected to issue a determination memorandum regarding the disputed damage assessment. Once received, the Town may pursue an appeal, which could take significant time.

- **Comprehensive Plan:** The Comprehensive Plan is scheduled for review by the Zoning and Planning Board at its upcoming meeting. The public hearing has been rescheduled to August 24, after previously being scheduled for August 5, to allow additional review. Following the public hearing, Town Council may consider adoption of the plan.
- **Replacement Dam:** The 30% design for the replacement dam was finalized and presented to Council the previous month. Schnabel Engineering is preparing a task order for the remaining detailed design work. Funding has already been secured, allowing the project to proceed once the task order is completed.
- **Public Works Building and Fire Station 2:** Construction has begun on the new Public Works building, and work is also underway on the remodel of Fire Station 2.
- **Fourth of July:** The Town Manager thanked Public Safety staff for their work during the busy Fourth of July holiday. The Manager noted that operations went well, particularly with activities occurring on both sides of the lake, which helped avoid concentrating traffic in one area.
- **Upcoming Events:** The Olympiad is scheduled for the upcoming weekend, beginning with a golf tournament on Friday, followed by a 10K race on Saturday and a 5K race on Sunday. The Lake Lure Dam Centennial Celebration is scheduled for September 30 at 11:00 a.m. at the Lake Lure Gazebo in Morse Park, followed by a boat parade. Additional information is available on the Town's website.

The Town Manager concluded the report by noting that additional items would be discussed under New Business and that the full Town Manager's report is available for review.

V. Council Liaison Reports and Comments

Commissioner Scott Doster reported that the Zoning and Planning Board reviewed the Comprehensive Plan and provided recommendations. The public hearing timeline has been adjusted to allow for additional review and updates.
The Zoning and Planning Board also reviewed a special use permit application from Ridgeline Properties to replace the existing spa building with a two-story event center. The Board approved the application, which will next be reviewed by the Board of Adjustment.
Commissioner Doster also provided an update on the ABC Board. The Board reviewed the results of the State ABC audit conducted by Ed Strickland. The audit was positive, with only a few routine recommendations provided. The final inventory reflected a variance of six bottles, which was noted as a relatively minor discrepancy compared to previous inventories. A limited-edition Elijah Craig bourbon is also being planned in connection with Lake Lure Dam Centennial. The special release is expected to commemorate the date the

dam was completed. An additional limited-edition bottle is being considered for next year to commemorate the lake reaching full pool.

Commissioner Dave DiOrio reported that the Board of Adjustment reviewed the special use permit for the proposed event center at the Lake Lure Inn. The application was unanimously approved. The proposed development will require no variances, will be fully conforming, and will complement the existing hotel. Ridgeline representatives indicated that additional improvements and projects may be forthcoming. The Board discussed a recurring issue involving property owners beginning structural work, including boathouse and deck improvements, without obtaining the required permits. It was emphasized that structural modifications generally require permitting and inspection to ensure the work meets applicable safety requirements. Property owners were encouraged to carefully select qualified contractors who are familiar with Town and State requirements.
The Lake Advisory Board continues to work on the commercial regulations portion of the Lake Use Regulations. The revisions incorporate lessons learned during the recent lake cleanup and recovery efforts and are intended to clarify requirements for contractors providing services on the lake. The proposed regulations will be reviewed by the Marine Commission and Town Council before being presented for consideration by the Marine Commission, with the goal of formalizing the regulations in December.

Commissioner Jim Proctor reported that the Parks and Recreation Board did not meet but is planning to schedule a special meeting, tentatively for August 17, 2026.

Commissioner Patrick Bryant reported that the Short-Term Rental Board met on July 23 to discuss enforcement provisions and zoning regulations under Section 36 and review the requirements as a group. The Board unanimously approved moving to a bi-monthly meeting schedule while awaiting additional information regarding potential State regulations. The Board plans to meet on October 22 and December 17, 2026, with one meeting being skipped to allow volunteer board members to focus their time on other commitments when no pertinent information requires Board action.
The Board is also exploring options to modernize the permitting process. One option under consideration is cloud-based permitting software, which would integrate with GIS, provide more dynamic permit tracking, and allow property owners and contractors to monitor permit status online. The system could reduce staff workload while providing property owners with greater access to permit information and encouraging them to conduct their own due diligence. No other business was discussed.

VI. Public Hearing

A. Ordinance No. 26-08-11 Annexation of Parcel 1656091 (890 Buffalo Creek Rd.) Pursuant to G.S. 160A-31
    i. Staff Report

The Town Manager reported that the Town received a petition for voluntary annexation of the property located at 890 Buffalo Creek Road, which is adjacent to the building currently under construction. Town Council previously authorized the Town Clerk to investigate the petition and determine whether it met the statutory requirements. The

Town Clerk determined that the petition was sufficient. A required public hearing was held to receive public comment and for Council to consider the proposed annexation ordinance. At the property owner's request, the proposed annexation would become effective January 1, 2027. The property owner also requested permission to begin the sewer connection application and related process prior to the effective date of the annexation. The Town Manager confirmed that this could be allowed, subject to Council approval. The proposed ordinance includes a provision requiring the Zoning and Planning Board to review the property and recommend an appropriate zoning district prior to the January 1, 2027, annexation date.

ii. Public Hearing

There were no questions or comments. Commissioner Jim Proctor made a motion to leave public hearing. Commissioner Patrick Bryant seconded the motion and all were in favor.

iii. Council Deliberation

Council discussed the zoning process associated with the proposed annexation. Because the property is currently outside the Town limits, a zoning designation was not previously required. If the annexation is approved, the Zoning and Planning Board will review the property and make a recommendation to Town Council regarding the appropriate zoning district. Council also discussed allowing the property owner to proceed with the sewer connection process prior to the January 1, 2027, effective date of the annexation. The Town Manager advised that the provision could be included in the annexation ordinance, providing the necessary authorization. The matter will be included in the appropriate upcoming agenda for further consideration.

iv. Consideration for Adoption

Commissioner Jim Proctor made a motion to approved Ordinance No. 26-08-11 Annexation of Parcel 1656091 (890 Buffalo Creek Rd.) Pursuant to G.S. 160A-31. Commissioner Patrick Bryant seconded the motion and all were in favor.

VII. Consent Agenda

a. Approval of July Meeting minutes

Commissioner Patrick Bryant made a motion to approve the consent agenda. Commissioner Jim Proctor seconded the motion and all were in favor.

VIII. Unfinished Business

There was no unfinished business.

IX. New Business

A. Consider Approval of Labella Task 5 Amendment 4

Olivia provided an update on Task 5, Administrative Services, which primarily covers permitting, assistance with funding opportunities, and other miscellaneous services not included under other tasks. The task was originally approved in 2021 and has previously been amended to maintain adequate funding. Costs increased following the storm due to storm-related needs. The existing task budget has been nearly fully utilized. Staff requested an additional **$25,000** to continue these services on a time-and-materials basis. Olivia noted that the Town anticipates the need for these services may decrease as other projects and requirements are completed. She recommended approval of the amendment to ensure continued administrative support.

Commissioner Dave DiOrio made a motion to approve Labella Task 5 Amendment 4. Commissioner Scott Doster seconded the motion and all were in favor.

B. Consider Award of Contract for Sewer Replacement MH 32 & 35-37

Olivia provided an update on the next phase of the sewer replacement project, identified as the Manhole 32 and 35–37 Project. The work will focus on replacing sewer infrastructure in the Morse Park and Washburn Marina area, which was heavily damaged by Hurricane Helene. Staff intend to begin the project soon, with a significant portion of the work scheduled to occur during the upcoming winter lake drawdown period.
The Town received three bids for the project. Morgan Corporation submitted the lowest bid at $1,704,660. Labella reviewed the bids and confirmed that all requirements were met, with no objections to Morgan Corporation being identified as the responsible low bidder. The other bids were significantly higher. Olivia concurred with Labella's recommendation to proceed with Morgan Corporation.

Commissioner Jim Proctor made a motion to approve Award of Contract for Sewer Replacement MH 32 & 35-37. Commissioner Dave DiOrio seconded the motion and all were in favor.

C. Resolution No. 26-08-11 Fixing the Date of a Public Hearing on Proposed CDBG-DR Applications

Olivia provided an update on the Town's efforts to pursue Community Development Block Grant–Disaster Recovery (CDBG-DR) funding for various potential projects. The Town has been working with Carolina Land and Lakes to evaluate potential applications, including projects for a public safety facility, Town Hall replacement, dam tainter gate replacement, and wastewater treatment plant replacement. Olivia noted that she recently met with the CDBG-DR Program Director to discuss project eligibility and potential funding considerations. The program has several factors that could affect the eligibility and competitiveness of each project. It was also explained that if the Town submits multiple projects during the same funding cycle, such as a public safety facility and Town Hall replacement, the projects could compete against one another for funding.

Staff will have a final discussion with Carolina Land and Lakes to determine which projects should move forward based on priority and likelihood of receiving an award. Olivia requested approval of a resolution scheduling a public hearing for August 26, 2026, at 8:30 a.m., during the Town Council Work Session. Once the projects are finalized, the Town will issue the required public hearing notice with additional details regarding the applications. The resolution would establish the public hearing date and does not yet finalize which projects will be submitted.

Commissioner Scott Doster made a motion to approve Resolution No. 26-08-11 Fixing the date of a Public Hearing on Proposed CDBG-DR Applications. Commissioner Jim Proctor seconded the motion and all were in favor.

D. Consider Memorandum of Understanding with Carolina Land and Lakes for Grant Research Services

Town Manager, Olivia Stewman explained that Carolina Land and Lakes is the organization currently assisting the Town with its CDBG-DR grant efforts and has also submitted a proposal to provide general grant research assistance, particularly for the Town's dam and wastewater projects. As the Town continues seeking funding for major infrastructure projects, staff is spending significant time researching available funding opportunities and determining which programs the Town may be eligible for based on their requirements and conditions. Carolina Land and Lakes would assist with identifying potential funding sources and evaluating their feasibility. Olivia noted that the organization has an established working relationship with the Town, connections with state and federal agencies and elected officials, and expertise in water, environmental quality, and community development. Their experience aligns closely with the Town's sewer and dam projects and the types of funding opportunities being pursued. She also noted that, as a nonprofit organization, Carolina Land and Lakes is expected to be more cost-effective than a traditional for-profit consultant. If approved, services would be provided as needed at a rate of $125 per hour, with a maximum of 240 hours per year, for a maximum annual expenditure of $30,000.

Commissioner Scott Doster made a motion to approve Memorandum of Understanding with Carolina Land and Lakes for Grant Research Services. Commissioner Dave DiOrio seconded the motion and all were in favor.

E. Resolution No 26-08-11A Sole Source Procurement for SCADA Services for MH 32 and 35-37 Sewer Replacement Project

Town Manager, Olivia explained that the Manhole 32 and 35–37 Sewer Replacement Project will require installation of a SCADA system, consistent with the systems installed throughout other portions of the Town's sewer system. Staff recommends using Dorset Controls, which currently works with the Town and has historically provided SCADA services. Staff determined that Dorset Controls is the only viable vendor for this work due to the need to maintain standardization, compatibility, and consistency with the existing system. Olivia noted that the Town's procurement policy allows for sole-source procurement when only one vendor is considered viable. The procurement may proceed without competitive bidding upon approval by Council through a resolution. Staff recommended proceeding with Dorset Controls as the sole-source vendor.

Commissioner Patrick Bryant made a motion to approve Resolution No. 26-081A, authorizing sole-source procurement for SCADA equipment, programming, and integration services associated with the Manhole 32 and 35–37 Sewer Replacement Project. Commissioner Dave DiOrio seconded the motion and all were in favor.

F. Consider Labella Task 24 Amendment 2 Wastewater Treatment Plant Design amendment to Chimney Rock Village Bulk Rate

Olivia explained that the Town is working with Chimney Rock Village, the School of Government, and DEQ on a potential long-term wastewater agreement. As part of those discussions, Chimney Rock Village has proposed a bulk wastewater rate and a capacity allocation. The Town wants to ensure that the proposed arrangement is feasible and that the associated costs are adequately covered. Under the amendment, Labella would evaluate anticipated future wastewater costs, including construction, operations, maintenance, and staffing. The analysis would help the Town determine an appropriate share of those costs for Chimney Rock Village based on the capacity it is seeking, currently proposed at 100,000 gallons per day. Olivia clarified that this is not a bulk rate study. Rather, it is an analytical tool intended to support the Town's ongoing negotiations. Discussions with the School of Government are expected to continue through December, with the goal of having an agreement in place at that time. The amendment is associated with the Town's existing wastewater treatment plant design task order and can be covered by the existing contingency within that task order. No additional funding is being requested; the amendment simply reallocates the existing task order to account for the additional analysis. A Council member asked whether the analysis would also consider an interim solution or "bridge" between the Town's current system and the anticipated long-term wastewater solution. The task really focuses more on future rates. Some Discussion continued.

Commissioner Dave Diorio made a motion to approve Labella Task 24 Amendment 2 Wastewater Treatment Plant Design amendment to Chimney Rock Village Bulk Rate. Commissioner Jim Proctor seconded the motion and all were in favor.

X. Public Comment

James Sciandra (Lake Life Marina)

James Chandra provided an update on the Lake Life Marina project. Following the Town's approval process, the project proceeded through the County's permitting process, which was completed in November of the previous year. Construction began in November. The project recently received its Certificate of Occupancy (CO) for the waterfront structures, and the marina is now fully occupied. All nine slips have been rented, with boat owners moving into the facility. The waterfront CO includes the outdoor clubhouse, boardwalk, piers, and fuel dock. The project is being completed in three phases:

- Phase One: Waterfront structures, including the clubhouse, boardwalk, piers, and fuel dock, have been completed and are in use.
- Phase Two: Fuel system installation is underway. The fuel tank is in place, infrastructure is expected to be completed shortly, and fuel delivery is anticipated the following week. The marina expects to begin providing fuel to the community within the next couple of weeks.
- Phase Three: Completion of the remaining project, including construction of the store, which is expected to begin the following week. The entire project is anticipated to be completed this fall, pending clarification regarding ADA requirements from the State.

Expressed gratitude to Town Staff for all there help and support through this process. Also thanked Laura Krejci for the wonderful snacks, especially the Peach Cobbler.

Kimberly Sayles: (Harris Road)

Kimberly provided an update on the Green Salamander Art Trail, which began in April in conjunction with Earth Day. The trail is nearing completion, with August 23, 2026, being the final day for the public to visit the area and view the artwork created by local artists. A closing gathering is scheduled for September 15, 2026, at 6:00 p.m. at Fae Nectar. The artwork will be available for auction, and the event will be open to the public. Attendees will have the opportunity to bid on and purchase pieces from the Green Salamander Art Trail.

Pat Buede: (Memorial Hwy)

Requested that, at the next ABC Store meeting, the Board provide information regarding the store's financial performance and the amount generated. Also suggest that, when documenting the Town's response to major events, staff consider providing a clearer timeline of actions taken, including when the event was first identified, when the State was contacted, when engineers and other resources were engaged, and when communications or services such as 5G were activated. Residents may not be aware of the actions taken behind the scenes during an emergency and may make assumptions without that information. Providing a timeline of the Town's initial response and subsequent actions could help clarify the steps taken and provide useful information for planning and preparedness for future events.

Kathy Hatfield (Falcon Way)

I have two questions. Whether T-Mobile's lack of communication with the Town meant the company had withdrawn from its proposed cell tower project and the status of the fire road between Homestead and the resort and whether it had been improved as an emergency escape route?

Town Manager, Olivia Stewman advised T-Mobile permits remain active and company has not formally withdrawn, communication with the town has stopped.

The route known as the Weston Connector, noting that the project remains a priority and is included in the Comprehensive Plan due to its importance for public safety. However, the route is located on private property, and previous discussions with the property owner had stalled. Staff stated that efforts are being made to reestablish a working relationship with the property owner and explore options for moving the project forward.

No other comments were made.

XI. Closed Session in Accordance with G.S. 143-318.11 (a)(3) for Attorney Client Privilege or Legal Claims

Commissioner Scott Doster 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 for Second Mountain LLC and G.S. 143-318.11 (a)(5) Property Acquisition for Riverside Event Center. Commissioner Dave DiOrio seconded the motion and all were in favor.

Commissioner Jim Proctor made a motion to leave the session closed. Commissioner Scott Doster seconded the motion and all were in favor.

XII. Adjournment

Commissioner Scott Doster made a motion to adjourn the meeting, Commissioner Jim Proctor seconded the motion and all were in favor. The meeting ended at 7:13 pm.

ATTEST:

Kimberly Martin, Town Clerk

Carol C. Pritchett, Mayor