

TOWN OF BROADWAY  
BOARD OF COMMISSIONERS  
MEETING MINUTES

MAY 22, 2017

A scheduled meeting of the Board of Commissioners was held on Monday, May 22, 2017 at 7:00 p.m. at the Council Chamber, 102 East Lake Drive, Broadway, North Carolina.

Board members present were Mayor Donald Andrews, Commissioners Tommy Beal, Woody Beale, Jim Davis, Lynne Green and Janet Harrington. Also, Town Attorney Jimmy Love, Town Manager Dustin Kornegay and Town Clerk Laura Duval were present.

The meeting was called to order by Mayor Andrews. The Mayor gave the invocation, which was followed by the Pledge of Allegiance.

Commissioner Woody Beale requested an amendment to the Agenda. He asked for an addition Under New Business - Item G. Meeting Time Change. Commissioner Harrington made the motion to accept the Agenda as amended. The motion was seconded by Mayor Pro Tem Beal. Motion carried unanimously.

Consent Agenda – Approval of April 24 Minutes, April 25 Budget Work Session Minutes and April Financial Statement. Mayor Pro Tem Beal made the motion to accept the Consent Agenda as submitted. The motion was seconded by Commissioner Harrington. Motion carried unanimously.

Town Manager Kornegay presented the budget message and annual budget ordinance for fiscal year 2017-2018. Mayor Andrews opened the public hearing for those wishing to comment on the annual budget ordinance. No one spoke in favor of or against the budget for fiscal year 2017-2018. Mayor Andrews closed the public hearing. The budget will be adopted at the June 26 meeting.

The Town Manager reviewed the Capital Project Amendment appropriating funding for construction of the Town Hall/Police Department project. The line item has already been set up for anticipation of loan proceeds coming in and appropriating that money and the remainder of any cost overrun. Commissioner Green made the motion to approve the Capital Project Amendment. The motion was seconded by Commissioner Davis. Motion carried unanimously.

Mayor Andrews advised the Town Board that requests for proposals for interim financing were put out in March. Proposals were received from BB&T and First Bank, which were sent to the LGC in April. The LGC met on May 2 and approved the proposal

from BB&T. The amount financed shall not exceed \$665,000, the annual interest rate shall not exceed 2.32%, and the financing term shall not exceed two years from closing. Upfront costs are \$700. The two bank proposals were not comparable, but there was not enough difference to restart the process. With alternate proposals the Town would be required to go back to the LGC and would miss the timeline for awarding the construction bid. First Bank offered upfront costs of \$3,225 and an interest rate of 2.4% based on the monthly draw. However, there are too many unknowns about how we will draw. Plans for closing will be scheduled this week. Commissioner Davis made the motion to get interim financing through BB&T. The motion was seconded by Commissioner Green. Motion carried unanimously.

The Mayor advised the Town Board that ten bid packages for the Town Hall/Police Department project were sent out by the architect. Four companies attended the pre-bid meeting, and three of those companies actually bid on the project. Architect Tim Sherman recommended that the bid be awarded to Sanford Contractors. They had the low bid at \$596,740 and will do a good job as well as use local subcontractors on the project. The bid was \$24,115 over the projected cost. Commissioner Davis made the motion to accept the construction bid by Sanford Contractors at \$596,740. The motion was seconded by Commissioner Harrington. Motion carried unanimously.

The Town has a deal with USDA to borrow \$665,000 for the construction project. However, it came in \$24,115 over the original projection. Allen Hart, with USDA, advised that they need a letter stating the Town will cover the extra cost. Tax revenue generated during the current fiscal year and next fiscal year should provide more than enough funds to cover the \$24,115 plus the cost of computers, furniture, phones, etc. Commissioner Woody Beale made the motion to approve the letter to USDA. The motion was seconded by Commissioner Harrington. Motion carried unanimously.

The Town Manager received two proposals for striping twelve streets. One proposal was from Sanford Striping & Sealing for \$10,125, and the other proposal was from Clarke Pavement Marking for \$15,532. Mayor Pro Tem Beal made the motion to award the striping project to Sanford Striping & Sealing. The motion was seconded by Commissioner Davis. Motion carried unanimously.

The Town Board discussed changing the time of the regular board meetings from 7:00 p.m. to 6:00 p.m. Commissioner Woody Beale made the motion to change the time of the regular board meetings to 6:00 p.m. beginning with the June 26 meeting. The motion was seconded by Commissioner Davis. Motion carried unanimously.

Manager's Report – Town Manager Kornegay advised that he received five proposals for relocating the water lines. The proposals will be discussed at the June 26 meeting. It is a big project for the Town, and we need to make a good decision.

Mr. Kornegay reported that there are several stop signs in Town that need to be replaced. He plans to replace the faded ones.

Commissioner Comments – Commissioner Green mentioned the Lee County Partnership for Children will provide mini-libraries through Lee County Parks &

Recreation this summer. Their goal is to get at least one free book into the hands of every young child. She would like to see Broadway chosen as one of their distribution locations. Mayor Andrews will contact the director of LCPFC and discuss that possibility with her. The local library recently expanded its hours.

Mayor Pro Tem Beal presented some concerns from citizens about possible code enforcement violations regarding the upkeep of residential property. The Mayor advised that the Sanford Code Enforcement Supervisor has looked at some of the situations in Town. Some of the issues can be addressed and others cannot. Town ordinances address some of the concerns. However, we are limited to what we can do when the ordinances do not specifically address the problematic areas. The Town Manager has talked with the property owners and written letters to them. There have been slight improvements, but it is a slow process. A question was raised about the possibility of writing tougher ordinances. Town Counsel advised against this suggestion because it could infringe on the rights of property owners. The new ordinances would not be retroactive, and it would be very costly if the Town were taken to court. The Town Manager and Mayor will continue to work on resolving these concerns.

Commissioner Harrington expressed her appreciation to Dustin and Barbara for their hard work in preparing the budget. She is also thankful that we will soon break ground on the Town Hall/Police Department.

Mayor Comments – Mayor Andrews announced a Memorial Day Service will be held on Monday, May 29 at 11:00 a.m. The American Legion Post 347 will host this event at the NCVM.

The Mayor did not have an update on SB 12 that would provide funding for a facility to house restrooms at the NCVM. He and a group recently met with Senator Brown from Jacksonville and Senator Harrington from Gastonia about the bill, and they were encouraging.

On May 8 Mayor Andrews attended a presentation by Lee County Cooperative Extension. They gave a report to the people on agriculture, which plays a big part in the county. We have several large farming operations that pour a lot of money back into the county and the Town of Broadway.

Mayor Andrews expressed his thanks to Dustin, Barbara and Laura for their work in helping us get to this point. Hopefully, by next spring we will be in the new facility. The Mayor is excited and thinks that Sanford Contractors will do a good job.

With no further business to come before the Town Board, Commissioner Woody Beale made the motion to adjourn the meeting. The motion was seconded by Commissioner Harrington. Motion carried unanimously to adjourn.

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Donald F. Andrews  
Mayor

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Laura K. Duval  
Town Clerk