

BROADWAY TOWN COUNCIL

May 1, 2018

The Broadway Town Council met in regular session on May 1, 2018 in the Council Chambers of the Broadway Municipal Building. The following members were present: Mayor Timothy S. Proctor and Council Members Chad L. Comer, Leslie E. Fulk, Richard E. Fulk, Douglas W. Harpine, and Beverly L. London. Councilman Fred M. Olson III was absent. The following staff members were present: Town Manager Kyle O'Brien, Clerk/Treasurer Marla W. Kline, Town Attorney Matt Light, and Police Chief Randy Collins. Also, in attendance were Joe Adolph, Selena Aizpro, Natalia Arellano, Zoe Churchill, Grace Chaffin, Madison Claypool, Autumn Clem, Cesly Cruz, Gail Gutschmidt, Chris Jacobs, Maggie Johnston, Aubree Morris, Bekah Reed, Rich Reed, Solimar Rios, Brandon Smith, Leah Spiggle, Nolan Stout, Brianna Swain, Barbara Wise, Jim Zweigler, and Lisa Schmid Zweigler.

Mayor Timothy S. Proctor called the meeting to order at 7:00 p.m. with a salute to the U. S. Flag and invocation.

Approval of Minutes and Bills:

Richard E. Fulk moved, seconded by Beverly L. London, to adopt the minutes of the April 3, 2018 and April 16, 2018 sessions of Council and to authorize payment of bills in the amount of \$619,141.41. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
Beverly L. London	Aye	Fred M. Olson III	Absent

Public Hearing-Fiscal Year 2019 Budget:

Mayor Proctor stated that as required by state law, the proposed budget for fiscal year 2018/2019 was printed in summary form and properly advertised at least seven days prior to the public hearing in the Daily News Record. Mayor Proctor opened the Public Hearing and asked Town Manager Kyle O'Brien to present the proposed budget.

Mr. O'Brien stated that the total amount of the budget is \$6,203,550, compared to the current year's budget of \$5,957,800. He stated that the plan includes modest increases to water and sewer rates, as recommended in the five-year financing as proposed by Davenport to offset the costs of the water and wastewater plants. He further stated that it also includes a 5% increase to trash fees as advertised; however, due to recent discussions and the recommendation to eliminate curb side recycling, this increase will not be implemented. He then provided a power point presentation highlighting the proposed budget as follows:

General Fund:

Revenue:

- **Real Estate and Personal Property tax rates:** No proposed changes. The Town continues to have lowest overall tax structure of any community in the area. The last change in the real estate tax came in 1998 when the rate was lowered from 8.5 cents per \$100 to .07 per \$100, which continues to be the rate. However, the Town will realize a slight increase in revenue in this budget year due to Rockingham County's reassessment.
- **Sales tax:** Revenue continues to increase rather rapidly due to continued retail development in Rockingham County. This is anticipated to continue for the foreseeable future.
- **Utility Tax:** These taxes continue to remain steady.
- **Business License:** This revenue is projected to remain comparable to the current year.

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- **Meals Tax:** This tax continues to be a significant source of revenue, and collections are continuing to rise steadily.
- **Trash Fees:** Although it is proposed in the budget to increase by 5%, as previously noted, it is not necessary due to the elimination of curb side recycling. It cannot be taken out at this point since it was advertised as such, but it will not be implemented, and the Town can reflect this change, as well as the elimination of recycling revenue/expense in a subsequent amendment.
- **Cigarette Tax:** This revenue is proposed to remain comparable to the current year.
- **Transportation revenue:** At \$446,000 annually, this revenue continues to play a key role in General Fund revenues and continues to increase each year based on the payment per lane mile of streets within the town.
- **Law Enforcement Funding from the State:** This number has been frozen for years by the General Assembly, and most likely will continue to be.

Expenditures:

- **General Government:** Created an additional line item for Fire Program funds and allocated additional funding for the museum.
- **Public Safety:** Funding is included for a new SUV, as well as new computers for vehicles and K9 funding.
- **Streets:** The Town now receives \$446,000 per year in highway funding, and that number will continue to increase each year. Third Street paving and water line replacement are a priority, as well as the Turner Avenue sidewalk from the elementary school to Sunset Drive.
- **Parks & Recreation:** Funding is appropriated to install a new roof on the Community Center.
- **Trash Collection:** Continue with contract with Waste Management, which was discussed above.

Water Fund:

Expenses:

- **Public Works Salaries:** These expenses have been moved to the Sewer Fund.
- **Capital Improvements:** Water plant upgrade will be completed during this fiscal year, and final actual costs will be shown in an amendment upon completion.

Sewer Fund:

Revenues:

- **Sewer rates:** The new rates for the Town's industrial customers will take effect on July 1, per the contracts.

Expenses:

- **Capital Improvements:** No significant capital improvements at the WWTF, due to new plant. Continue replacement of some problem lines around town.

He concluded his presentation by stating that the proposed budget is balanced in accordance with state statutes, and revenues are based on conservative estimates, while expenditures are based on historical data, as well as actual proposed costs. The proposed budget continues the Town's fiscal prudence, while continuing to provide the highest quality service that its citizens have come to expect.

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Mayor Proctor thanked Mr. O'Brien for the presentation and invited comments in support of or in opposition to the proposed budget.

Jim Zweigler asked if bulk trash/yard waste pick-ups will continue to which Mr. O'Brien responded they will not be affected by the elimination of recycling.

Having confirmed there was no one else in attendance wishing to speak either in favor of or in opposition to the proposed budget, Mayor Proctor closed the public hearing and advised that state regulations require that the budget public hearing and adoption of a budget be held on different dates and noted that no action can be taken during this meeting. He stated that adoption of the budget will be necessary as a part of the regular June Council meeting. A copy of the proposed budget is included in the minutes as Attachment A.

Public Hearing, Transient Occupancy Tax:

Mayor Proctor stated that the next item of business is consideration of an ordinance to impose a transient occupancy tax. Mr. O'Brien familiarized everyone with the proposed ordinance, which will impose a 5% tax for the occupancy of any room or space that is suitable or intended for occupancy by transients for dwelling, lodging, or sleeping purposes. He stated this would include rentals in hotels, motels, and bed and breakfast establishments, as defined in the Town's Land Development Regulations. He further stated that there are currently no B&B's, hotels or inns in Town but as "Air B&B's" are becoming more popular, the Council felt it necessary to take a proactive approach. Mayor Proctor opened the public hearing and invited comments in support of or in opposition to the proposed tax. Having confirmed there was no one in attendance wishing to speak in favor of or in opposition to the proposed tax, Mayor Proctor closed the hearing and advised that the ordinance has been introduced and action will be taken at the June Council meeting. A copy of the proposed ordinance is included in the minutes as Attachment B.

Consideration of Ordinance-Short Term Rentals:

Mayor Proctor stated that in consideration of the proposed transient occupancy tax, it is the Council's desire to adopt an ordinance regulating the establishment of and registration of short term rental properties within the Town. Chad L. Comer moved, seconded by Richard E. Fulk, to adopt ***AN ORDINANCE TO ESTABLISH A REGISTRY OF SHORT TERM RENTAL PROPERTIES WITHIN THE TOWN OF BROADWAY, VIRGINIA, PROVIDING FOR THE ADMINISTRATION THEREOF, ENACTING A NEW CHAPTER 94 OF THE TOWN CODE MEMORIALIZING THE SAME, AND FOR OTHER PURPOSES***, a copy of which is included in the minutes as Attachment C. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
Beverly L. London	Aye	Fred M. Olson III	Absent
Timothy S. Proctor	Aye		

Consideration of Ordinance-IDA Appointments:

Mayor Proctor stated that terms of certain directors of the Industrial Development Authority have expired, and it is necessary to appoint new directors or to re-appoint the prior directors to new terms. Leslie E. Fulk moved, seconded by Douglas W. Harpine, to adopt a ***RESOLUTION REGARDING APPOINTMENTS TO INDUSTRIAL DEVELOPMENT AUTHORITY***, a copy of which is

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included in the minutes as Attachment D. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
Beverly L. London	Aye	Fred M. Olson III	Absent
Timothy S. Proctor	Aye		

Consideration of Appointment-Planning Commission:

Mayor Proctor advised that Council member Bev London has agreed to serve as Council representative to the Planning Commission. Leslie E. Fulk moved, seconded by Douglas W. Harpine, to appoint Bev London as the Council representative to the Planning Commission effective 5/1/18 for a term to run concurrent with her Council term. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
Beverly L. London	Abstain	Fred M. Olson III	Absent
Timothy S. Proctor	Aye		

Old Business:

Town Manager Kyle O'Brien provided a slide show and update on the water treatment plant upgrade. He commented that Dutchland was onsite and is in the process of constructing the clearwell tank.

Committee Reports:

Parks & Recreation Committee:

Chairman Doug Harpine reported that a new pool manager and assistant manager have been hired and the pool is scheduled to open Memorial Day weekend.

Finance Committee:

No report.

Personnel/Police Committee:

No report. A copy of an activities report for the police department for the month of April is included in the minutes as Attachment E.

Streets & Properties Committee:

No report.

Utilities Committee:

No report. A copy of the water production report for the month of April is included in the minutes as Attachment F.

BHP:

Mr. O'Brien reported that the community-wide yard sale event sponsored by BHP was successful with a lot of traffic throughout the Town. He advised that the Farmers Market will now be open on Saturdays throughout November.

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Planning Commission Report:

Mr. O'Brien stated that the Commission will meet on May 14, 2018 to wrap up review of the revised Comprehensive Plan and a public hearing of the Council and Commission is being planned for July.

New Business:

Mr. O'Brien reminded members that Jim and Lisa Zwiegler had previously submitted an application for a Special Use Permit to operate a small antique store and art gallery at 370 Louisa Street. He advised that a Joint Public Hearing with the Planning Commission was properly held in September 2017, at which time, the Commission had traffic and parking concerns; and thus, declined to act on the request. Mr. O'Brien stated that the Zweiglers' are now planning to open the antique store only.

Leslie E. Fulk moved, seconded by Chad L. Comer, that the Council deems this an appropriate use for this neighborhood and to issue a Special Use Permit to Jim and Lisa Zwiegler for a small antique store at 370 Louisa Street. The motion was approved with the following recorded roll call vote:

Chad L. Comer	Aye	Leslie E. Fulk	Aye
Richard E. Fulk	Aye	Douglas W. Harpine	Aye
Beverly L. London	Abstain	Fred M. Olson III	Absent
Timothy S. Proctor	Aye		

Public Comment:

Mayor Proctor and Council welcomed members of high school government classes in attendance.

There being no further business, the meeting was adjourned.

Timothy S. Proctor

Mayor

Marla W. Kline, MMC

Clerk