

Galax City Council
Minutes
May 9, 2016

Galax City Council convened in regular session in City Council Chambers on May 9, 2016, at 7:30 pm.

At 7:30 p.m. Mayor Mitchell called the meeting to order with the following Council persons present and they are as listed: Mayor Mitchell, Vice Mayor Greene, Councilman Garner, Councilwoman Crouse, Councilwoman Plichta, Councilman Lazo, and Councilman Davis.

Councilman Davis prayed the opening prayer and led the Pledge of Allegiance.

Councilwoman Crouse made the motion to approve the minutes of the regular meeting on April 25, 2016. Vice Mayor Greene seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Keith Barker discussed the FY2017 Budget with Council. This was a carryover item from the last meeting. Mr. Barker explained that part of the FY2017 Budget included borrowed funds for the Wastewater Treatment Plant Design as a bond, with funds being recovered when we secure the final DEQ loan for the project. He noted that we were proceeding to finalize items needed for that bond. The bond would be re-paid between August and September 2017 when the final loan would be secured from DEQ for the WWTP project. Mr. Barker also requested Council's permission to seek bond funds to complete the Rt. 58 Reserve Blvd. Safety Improvement project and our FY2017 paving. He said the current FY2016 budget included language to pursue bond funds for the Rt. 58 project, however the delays with VDOT pushed the project from completion in FY2016 to FY2017. Permission was also asked of Council to add funds for the FY2017 paving with the hope that we would be able to combine paving for the Rt. 58 project and the regular paving in order to secure a better price. It was explained that a portion of this bond would also go to begin making our regular funding allocation to the Galax Schools in September. Over the last few years we had delayed making our regular payments to the schools until November when tax revenue became available. With changes and delays in state funding, and capital needs from the schools, the recommendation from Mr. Barker and Ms. Taylor-Gallimore was to begin making our payments in September. This bond would be repaid by December 2016. The total bonds pursued would be General Funds \$1,500,000 and Utility Fund \$600,000. Mr. Barker closed by saying that public hearings were required for the bonds and could be scheduled in June when the budget public hearings were scheduled. Councilwoman Plichta made the motion to approve the advertisement for a Public Hearing to pursue bonds to complete the Route 58 Project and to add funds for the FY2017 paving. Councilman Davis seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Mayor Mitchell announced this was the date Council set for the public hearing on the FY2017 Galax School Budget. Galax Schools Superintendent, Bill Sturgill, addressed Council regarding the the FY2017 Galax School Budget. He explained the total budget was \$15,385,491 with \$3,946,823 in local operating funds and \$ 461,834 in current debt service.

Mr. Sturgill informed Council that if the FY2017 budget was approved, it would allow the schools to present teachers and staff with contracts for FY2017. Mr. Sturgill asked Council to consider approving the budget as presented. If approved, funds would be appropriated at the July meeting. Mayor Mitchell thanked Mr. Sturgill for the good working relationship regarding the budget process. Mayor Mitchell asked for any comments from the attendees. No comments were made. Mayor Mitchell declared the public hearing closed. Councilman Garner made the motion to approve the FY2017 School Budget as presented. Vice Mayor Greene seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Bill Sturgill, Galax Schools Superintendent, gave an informational update on work the school board had undertaken in looking at a conversion of the current football from natural turf to artificial turf. Mr. Sturgill explained that the growing trend of schools were to go to turf fields. He said on average, they would last 10 years.

Keith Barker informed Council of a proposed Motor Vehicle License Tax Ordinance to eliminate car decals. Council had reviewed a draft ordinance prior to the meeting which contained the proposed changes necessary to eliminate the decals. Mr. Barker said that while personal property tax was collected in December for vehicles owned as of January 1, the proposed fee would be collected in the prior year, which was typical of these ordinances. The intent would be to collect on vehicles owned as of January 1, the same date set for personal property. The current rate for Galax was not at the state maximum so Council was not required to prorate collection, however it was thought that this would be more understandable to our customers. For the December 2016 billing, the prorated amount would be 80% of the current amount but it would be the full amount in December 2017. When personal property tax bills are distributed for 2016, we would also include a notice to customers explaining the difference in the rate and billing period. Mr. Barker stated that a staff review and amendments to the ordinance would need to be finalized, but Council was asked to consider setting June 13th as the public hearing for the ordinance revision. All changes to the draft and a final version would be brought back for review at the May 23rd meeting. Councilwoman Crouse made the motion to set June 13th as the public hearing for the Motor Vehicle License Tax Ordinance. Councilman Davis seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Keith Barker informed Council at the last meeting of the various board appointments that were set to expire on June 30th. All were eligible for reappointment and had requested to be reappointed to their respective boards:

- Planning Commission – Margo Crouse (3 years)
- Board of Zoning Appeals – Roger Martin (3 years)
- Recreation Advisory Board – Larry Spangler, Steven Archer (2 years)
- IDA – Mandy Archer (4 years)
- Library Board – John Nunn (4 years)

Councilwoman Plichta made the motion to approve the requested reappointments. Councilman Lazo seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Human Resource Director, Judy Bolt, was present to explain the 125 Cafeteria Plan. She said the City changed its health insurance to The Local Choice Health Benefits Program on January 1, 2016, which was the middle of The Local Choice benefit year. She said that we would like to change our Section 125 Cafeteria Plan to coincide with the benefit year of July 1, 2016 to June 30, 2017, and each twelve months thereafter. Ms. Bolt said the resolution would authorize the City to do this. She noted the Cafeteria Plan allowed our employees to have their health and supplemental insurances deducted from their paychecks with pre-tax dollars. The Plan documents would reflect the change in the plan year and would be distributed to all eligible employees. Councilman Davis made the motion to approve the 125 Cafeteria Plan. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

Mayor Mitchell informed Council of three requested Public Hearings at the May 23rd Council meeting which included:

- FY2017 Budget – Public Hearing would be on May 23rd, then consideration of approval at the June 13th meeting.
- Sanitation Ordinance – Consideration of a revised Sanitation fee Ordinance which would reflect a \$1 increase per month. Council could take action at either the May 23rd or the June 13th meeting.
- Storm Water Ordinance Revision – Consideration of a revised Stormwater Ordinance which would reflect a \$1.50 per month Equivalent Residential Unit (ERU) to be sent on the December tax bills if approved. Council could take action at either the May 23rd or the June 13th meeting.

Councilwoman Plichta made the motion to set the public hearings for the FY2017 Budget, the Sanitation Ordinance, and the Storm Water Ordinance for May 23rd. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

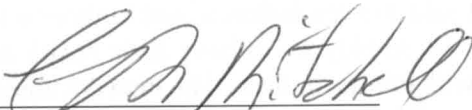
At 8:05 p.m. a motion was made by Vice Mayor Greene to enter into closed session under the following Codes of Virginia:

Prospective Business or Industry, § 2.2-3711.A.5 of the Code of Virginia - Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

At 8:53 p.m. Council reconvened in open session. Mayor Mitchell certified that no items other than those allowed under the cited Virginia code section were discussed and no action was taken, with the following affirmation: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Lazo – yea, and Councilman Davis – yea.

ADJOURNMENT at 8:53 p.m.



Mayor



Clerk