

**GALAX CITY COUNCIL
Minutes
September 14, 2009**

Galax City Council convened in regular session in City Council Chambers on September 14, 2009 at 7:30 pm.

Mayor Mitchell recognized Ralph Hill who retired as Sergeant from the Galax Police Department effective August 31, 2009. Ralph has been with the Police Department since April, 1979. Mayor Mitchell presented him with a plaque and gift in appreciation for his service to the citizens of Galax.

Mr. Gary Dillon with the Virginia Department of Criminal Justice Services presented Mayor Mitchell a certificate signifying re-accreditation of the Galax Police Department as a Virginia Accredited Law Enforcement Agency.

At 7:30 Mayor Mitchell called the meeting to order with the following councilpersons present and they are as listed: Councilman Lazo, Councilman Garner, Councilwoman Plichta, Mayor Mitchell, Councilman Greene, Councilman Davis and Councilman Webb.

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

Councilman Webb motioned to approve the minutes of the regular meeting on August 10, 2009. Councilman Greene seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.

A public hearing was held to receive public comment on an ordinance to authorize the issuance of revenue and general obligation debt to the Virginia Resource Authority in an amount up to \$1.6 million for the purpose of public sewer improvements. The loan is a 0% interest through the Virginia Department of Environmental Quality Revolving Loan Fund. The funds will be used to leverage a grant received from the Virginia Department of Housing and Community Development Southern Rivers program for sewer line improvements and equalization basin along Mill Creek. We have been authorized by DEQ to use these loan funds to include needed work for sewer line upgrades and improvements to serve Stanley Street and Shaw Street areas as well, but this project will need to be bid separately. Both projects were identified as problem lines and subject to overflows during heavy rain events, and will help us to continue to comply with the consent order issued a few years ago. Council was asked to adopt the resolution and to authorize the city manager to execute the financing agreement with VRA. The City will issue a Notice of Award and Notice to Proceed to the two contractors with the Mill Creek project contingent upon the execution of the financing agreement. Work would be expected to begin soon on the Mill Creek project with completion likely by summer of 2010. Should the bids for the Stanley Street/Shaw Street exceed the amount of the VRA financing agreement, we will come back to City Council to decide if we will proceed with that project. In any event, the financing agreement will allow us to borrow only the amount needed for these projects, and will not exceed \$1.6 million in total obligation. Deloris Boone, representing New River Trail Cabins

questioned council regarding the possibilities of sewage overflow. Keith Barker explained that the current sewer plant has the capability to handle the added lines. Councilwoman Plichta moved to adopt the resolution. Councilman Greene seconded the motion, and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.

Martha Easter of Twin County Regional Hospital gave a public briefing on the H1N1, or commonly referred “swine flu” disease. She gave a brief presentation on the public health risks and ways we can combat the spread in the community.

Chief Clark briefed City Council on a new innovative approach to law enforcement and crime prevention he has recently began implementing in the police department.

At the last City Council meeting, there was discussion on the recent artwork at the Matthews Museum and the Planning Commission had been asked to look at the issue as part of their work sessions on the city’s sign ordinance in general. Keith Barker prepared and presented Council with a summary of the discussion at the Planning Commission meeting held on September 1. The commission did feel that the work met the definition of a sign in the zoning code, and was in violation of the code for the R-2 zone that the museum is in. The commission did not make a recommendation on how to correct the violation. A suggestion is to try to convene a meeting with the museum board, artist, staff, and adjoining property owners to see if some revision of compromise can be reached for a design, size and color scheme that can be brought back to City Council for consideration at a later time. This would also allow staff to research how other communities define murals, street graphics, and signs and continue to work with the planning commission to incorporate any revisions to the overall sign ordinance that may be recommended for action by Council. Councilman Webb asked Mr. Barker if the Planning Commission had come up with any recommendations regarding the artwork and when they plan to bring their recommendations to Council. He also asked if they planned to take in consideration citizen input when making their recommendations. Mayor Mitchell suggested that the museum board meet with staff and artists to compile input and bring to Council for a public hearing. Councilman Garner agreed that a public hearing needs to be set for next Council Meeting to resolve the current issue and that the planning commission come to some conclusion on the City Code to dissolve any future issues. Mayor Mitchell asked Mr. Holland to coordinate a meeting with the museum board before the next council meeting. Councilman Greene addressed the members of the museum board that were in attendance and thanked them for what they do.

Keith Holland addressed council regarding the approval for a Rural Business Enterprise Grant from USDA Rural Development for an enhancement project for the Galax Downtown Farmers’ Market in the amount of \$99,600. The project would remove the large trees in the front of the structure (they are beginning to show decay and could be a safety problem if they remain), a new landscaping area where the trees are now, and public restrooms. This project is intended to encourage the continuing renewed interest and use of the market by vendors and downtown shoppers and visitors, and provide better use during festivals and special events. A resolution is attached that is required to be adopted by Council to abide by the conditions of the grantee and to authorize the city manager to execute all agreements necessary for the grant. Councilwoman

Plichta moved to adopt the resolution. Councilman Greene seconded the motion, and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.

Keith Holland addressed Council recommending that they approve a revenue anticipation note to alleviate cash flow concerns between now and December when taxes are paid. A note from Grayson National Bank for up to \$2 million at a rate of 2.5% is recommended. Mr. Holland stated that the City will only borrow what is needed and will only make interest payments until the loan is repaid in full. He explained that because of the due dates on several major revenue sources due between December and April, it is common to have to use cash reserves in the first half of a fiscal year to cover operating expenses. Due to the economic downturn and reduction in local and state revenues, our cash reserves are not able to carry us through this fiscal year without some type of line of credit. Since this is a revenue anticipation note, no public hearing is required. He asked Council to adopt a resolution authorizing the issuance of up to \$2 million in principal for a revenue anticipation note and authorize the city manager to execute the note purchase agreement on behalf of the city. The discussion turned to how the City could bring in some of the lost revenue by issuing vehicle decals again. Mr. Holland stated that the current ordinance would have to been changed in order to do this. A discussion by Mayor Mitchell and Council to have city staff propose a public hearing to change the ordinance was held. A motion to authorize the revenue anticipation note was made by Councilman Garner and seconded by Councilman Webb. It was unanimously approved by the following votes: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.

In reference to the monthly financial statements that were included in the each council members packet, Councilman Greene requested that only a snapshot of each departments financial status be provided, as the current statements include too much information to try to understand. Councilman Garner added that he would like to see the operating costs only, and to separate the grants from these figures.

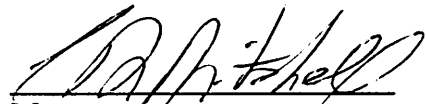
Mr. Holland informed council that Blue Ridge Crossroads Economic Development Authority will sponsor a dinner and joint meeting with the Galax City Council, Carroll County Board of Supervisors and Grayson County Board of Supervisors, and will invite our local General Assembly delegates and senators to discuss legislative priorities for the 2010 session. The date selected is Monday, November 23, which coincides with the second monthly meeting schedule that we use from November to May. He requested that Council take action for record that the second meeting in November will be held at the Crossroads Institute beginning at 6:00 p.m. instead of the regular meeting location and time. A motion to authorize this meeting was made by Councilman Lazo and seconded by Councilman Greene. It was unanimously approved by the following votes: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.

Ms. Sabrina White-Martin addressed City Council concerning the sign on the Matthews Museum. She stated that she entrusted Council with making the appropriate decision on whether

the sign is approved. She stated that she does not remember the City holding a public hearing for signs being put on other city buildings. Mayor Mitchell thanked Ms. White-Martin for her concern on the matter.

At 9:30 p.m., motion was made by Councilman Lazo to enter into closed session under Virginia Code 2.2-3711 a(7) for the purpose of §2.2-3711 A.5 of the *Code of Virginia (Business and Industry)* and §2.2-3711 A.1 of the *Code of Virginia (Personnel Matter)* seconded by Councilman Greene.

At 10:45p.m., Council reconvened in open session. Mayor Mitchell certified that no items other than those allowed under the cited Virginia Code section was discussed and no action taken, with the following affirmation: Councilman Lazo-yea, Councilman Plichta-yea, Councilman Garner-yea, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilman Davis-yea, and Councilman Webb-yea.



Mayor

Clerk