

# GALAX CITY COUNCIL

## Minutes

September 12, 2011

Galax City Council convened in regular session in City Council Chambers on September 12, 2011 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: Councilwoman Crouse, Councilman Lazo, Councilwoman Plichta, Councilman Webb and Vice-Mayor Greene. Councilman Garner was absent.

Councilwoman Plichta prayed the opening prayer and led the Pledge of Allegiance.

Councilman Webb motioned to approve the minutes of the regular meeting on August 15, 2011. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

City Council set this date as the date for a public hearing in regards to the ordinance that will recognize the Drought Control Plan prepared by MRPDC. As a result of the 1999-2002 drought period, the State Water Control Board authorized the development of local and regional water supply planning regulations. In 2005 the State of Virginia approved these regulations requiring all localities to develop and adopt a water supply plan focused on demand management and drought response. The region localities and MRPDC staff agreed to participate in the development of a regional plan as the most cost effective way of complying with the regulations. While the plan is nearing completion, MRPDC is asking that the city adopt a drought ordinance and drought plan at this time. As discussed at the August City Council Meeting, the plan has modifications made by City staff that recognizes our low withdrawal rate in relation to the overall stream flow. Criteria have been developed that in the event of a long term drought event, and a higher than normal withdrawal amount is seen, staff will have a plan in place to implement for water conservation. Mayor Mitchell opened the public hearing for comment. Hearing no comment he declared the public hearing closed. Councilwoman Plichta motioned to approve the ordinance as presented. Councilman Webb seconded the motion and it was it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Keith Barker asked Council to set October 10, 2011 as the public hearing date for consideration of the Regional Water Supply Plan which is referenced in the Regional Drought Ordinance. Councilwoman Crouse motioned to set the public hearing as requested. Vice-Mayor Greene seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

City Council set this date as the public hearings for the following grant funding requests from USDA:

- Police Cruisers – this funding would provide the second year of the three year lease payments for the new Galax Police Department cruisers. The first year and third year

payments are anticipated to come from drug asset forfeiture funds. We have typically received \$25,000 through this funding in the past.

- Recreation Center Activities Bus – This funding request is to replace our current activities bus at the Galax Recreation Center. To date approximately \$16,000 has been raised through donations for the purchase of this \$60,000 vehicle. The request is for matching funds for the purchase.
- Air Conditioning Units for the Rex Theater – this funding request is for \$15,000 to add air conditioning to the balcony level of the Rex Theater.

Mayor Mitchell opened the public hearing for comment. Hearing no comment he declared the public hearing closed. No additional action was or is required from City Council.

Keith Barker updated council on the consideration of adopting a mandatory water connection ordinance. At the June City Council meeting, staff asked council if they wished to consider adopting a mandatory water connection ordinance. Currently the city requires a mandatory connection for sewer if it is within 350' of a public line, however there is no such requirement for a water connection. The concern is that there are costs associated with maintaining a water system that supports public health, welfare, safety and property protection; however there is no specific requirement that a property owner must be connected to this system in order to support its operating costs. If individual customers, both small and large, elected to cease purchasing water from the City, it will directly impact rates to remaining customers. Currently the city rates are at 90% of the 25<sup>th</sup> percentile for Virginia meaning that approximately 75% of localities have higher rates than Galax. Some notes in regards to the ordinance:

- This ordinance does not require someone on a well to cease use of that well, however if the well failed, they would have to connect to the City system provided our service is within 350' of the property line.
- New water customers would have to connect to City water if our service is within 350' of the property line.
- There is no “non-user fee” meaning that we are not proposing charging individuals that are not connected to the City system even though they have the benefit of water for fire protection.
- In the related City Code section 44-7.H we are recommending that if someone currently has a connection to a well and City water connection, that there be a physical separation (air gap) between the two systems. The only protection at this point is the requirement for a backflow preventer; however we question the overall effectiveness of this method and feel for overall water safety that the two systems should not be interconnected.

Council was asked to review the draft ordinance changes and to set a public hearing for the October or November City Council meeting. Councilman Webb motioned to hold the proposed ordinance until it could be further reviewed by council. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Chief Ron Passmore, of the Galax Grayson EMS spoke on the recent recognition that GGEMS received.

Chris Shackelford, Director of the Chestnut Creek School of the Arts provided a yearly update to council on happenings with the school.

Ray Kohl, Visitors Center Director provided council with an update on the Visitors Center and tourism in Galax.

Chairman Tom Jones of the Twin County Airport Commission (TCAC) updated council on the plans for the Twin County Airport. This was a follow up from the March 14, 2011 City Council meeting. These projects and upgrades included a commercial building construction, T-hanger construction, new terminal facility and runway extension. The projects are envisioned as a need for economic development in the region and would bring the airport up to the same quality and standards as surrounding jurisdictions. These projects are also seen as another of the marketing efforts needed for the Wildwood Project in that larger companies may have a need for improved airport facilities. The TCAC has been working with the Virginia Resource Authority and have developed a loan package that would allow the commercial building construction, T-shed hanger grading and T-shed construction to begin within 30 to 60 days. Bids have been secured and are at the engineers estimates. The TCAC is requesting that Galax approve the attached resolution which would commit Galax to a 1/3 share of the debt service for these projects. The anticipated cost per locality is \$20,000 per year for 25 years; however revenue from rental of the hangers and increased tax revenues from aircraft at the airport would reduce this amount by approximately \$8,000 per year. The debt service is not anticipated to occur until FY13. This is part of a moral obligation package that VRA is requesting and would require us to budget these funds each year.

Mr. Jones also stated that there is the possibility that they may be able to receive approximately 79% funding on a new terminal building if adequate funding is available at the state level. If this funding is made available, the TCAC would have to appear before council again to seek approval for additional funding. Council was requested to adopt the resolution as presented, recognizing that additional debt service will be shown in the FY13 budget. Councilman Webb motioned to adopt the resolution as presented. Vice-Mayor Greene seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Council recognized Mike Coomes, Airport Commission Representative for his dedicated service in representing Galax on the Twin County Airport Commission for 33 years. Tom Jones, Airport Commission Chairman, accepted the plaque on Mr. Coomes behalf.

Keith Barker and Brenda Marrah informed council of the Industrial Revitalization Fund Application. Governor McDonnell recently announced a \$3,000,000 funding pool through the Industrial Revitalization Fund which is intended to provide grants or loans to revitalize vacant industrial or commercial buildings. Projects may be approved for up to \$600,000 in funding, however grants may only be awarded to locality owned buildings and loans will be awarded to privately owned buildings. They have sought out potential projects and identified the former Sawyers Furniture as a possible project. In meeting with the owners (Andrews Farms LLC), they are interested in pursuing the project as a loan. The concept is to create seven (7) tenant spaces between 5700 s.f. and 10,000 s.f. in area. Each space will have exterior access, an office and restroom area. Spaces would be flexible in that a wall could be easily removed in order to create a larger area if needed. Rent would be competitive in order to provide a reasonable opportunity for a new business or industry starting out. Prospective tenants would work through Crossroads and the Small Business Development Center to create a business plan and possible funding for starting up their new business or industry. The loan match would be a combination of funds spent to date by the

owners and Enterprise Zone Incentives so no real City funds are involved. The application calls out for the loan funds to be returned to the City so that a revolving loan fund can be developed where the Galax IDA can consider possible loans to prospective businesses and industries. Council was asked to consider a resolution for approval. Councilman Webb motioned to approve the resolution as presented. Councilman Lazo seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Keith Barker informed City Council that the City has been approved for funding to perform a planning grant for the Bottom Area Project. An RFP was published and Community Planning Partners as our consultant for the project. We will begin work this week with a facilitated meeting with DHCD representatives on Tuesday September 13.

City Council was asked to approve a proclamation from Feeding America Southwest Virginia declaring September as Hunger Action Month. Councilwoman Plichta motioned to approve the resolution. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Keith Barker asked that council consider reducing the rental rate on the rent-a-truck program for individuals needing assistance with brush removal. The tipping fee would still apply but the delivery fee for storm related cleanup be reduced or waived. Councilwoman Crouse motioned to reduce the rate for storm brush removal. Councilwoman Plichta seconded the motion and it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Keith Barker informed council that in budget preparations for this year, the need for a revenue anticipation bond for FY12 was possible. Staff is tracking spending and revenue and if needed, will bring a recommendation to council at the October meeting. He believes that with tax tickets out in early October it may negate the need for the bond. There was no action required of council at this time.


Keith Barker informed council that staff has instituted a change in how citizens are notified about holiday trash pickup and whether a regular run will be made on a standard holiday. In the future, when a change is made a notice will be posted on the community tv channel, through Nixel, the city's Facebook page, and run an ad in the Gazette.

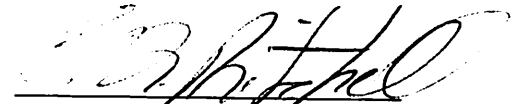
Mayor Mitchell presented a Daughters of the American Revolution Proclamation to Council for consideration. Councilwoman Plichta motioned to approve the resolution. Vice Mayor Greene seconded the motion at it was unanimously approved by the following votes:, Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

Ms. Bonnie Harmon, a Kenbrook Drive resident, spoke to council in regards to recent flood damage her house received following a recent storm. A basement wall in her house collapsed due to an extensive amount of flood water. She asked that council take action to keep this from happening again. Council stated they would task city staff to research the problem and return any finding to them at a later council meeting.

At 9:13a.m., a motion was made by Councilman Lazo to enter into closed session under **Business and Industry Development, §2.2-3711 A.5 of the Code of Virginia** - Prospective or expansion of business or industry where no previous public announcement has been made. Councilman Garner seconded the motion.

At p.m. 9:45 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 taken, with the following affirmation: Mayor Mitchell-yea, Vice-Mayor Greene-yea, Councilwoman Plichta-yea, Councilman Webb, Councilwoman Crouse – yea, Councilman Lazo – yea.

  
Clerk

  
Mayor