

Galax City Council

Minutes

August 15, 2016

Galax City Council convened in regular session in City Council Chambers on August 15, 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 Davis, and Councilman Helmick.

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

In special action, Mayor Mitchell welcomed the following student athletes and coaches to congratulate them on their Virginia High School League awards:

- VHSL GROUP 1A GIRLS SOFTBALL ALL-STATE TEAM
 - Hayden Cassell & Alley Bartlett
 - Timesland Coach of the Year – Beth Walker
- VHSL GROUP 1A BOYS BASEBALL ALL-STATE TEAM
 - Caleb Spurlin
- VHSL GROUP 1A BOYS SOCCER ALL-STATE TEAM
 - Sebastian Gomez, Josehl Urbina, Brayan Estrada, and Jovani Esquivel Rojas

Vice Mayor Greene made the motion to approve the minutes of the regular meeting on July 11, 2016, 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 Davis – yea, and Councilman Helmick – yea.

Keith Barker gave Council an update on the Cranberry Road Project. Mr. Barker explained that an agreement to administer this project as a Locally Administered Project had been submitted to Richmond and were waiting on their final approval. An RFP was issued for engineering firms and he explained we were in contract negotiations with the selected firm. Mr. Barker said we anticipated the design being completed in mid-2017 and any right of way issues would be addressed during design. He said after speaking with VDOT reps, if we completed the design at that time, we could seek a possible increase in our construction time line to move it up a year or more depending on the availability of funds.

Keith Barker gave an update on the Stormwater Program. He explained that staff were completing additional public information required for future meetings with the residents/businesses in Galax so they could view the stormwater program requirements. He said once staff have the final mapping confirmed, we would work with the newspaper to announce date(s) where individuals/businesses would be able to view their particular parcel, the coverage area, anticipated fee, etc. We would also have information available on how to apply for stormwater credits in order to reduce their fee. Public information sessions would be in September during regular working hours and evening hours.

Mayor Mitchell welcomed Lisa Salter, Life Center Executive Director, who introduced herself and spoke briefly on the Life Center.

Keith Barker informed Council that a letter had been received from several constituents from Virginia which requested support for amending the state lottery program and how funds were distributed. He explained the intent was to seek legislation that would change the payout formula and remit 5% of sales to the localities where lottery tickets were sold. There would be no reduction in funding to schools, however the payout to winners would be reduced by 5%. Mr. Barker submitted a request to the state lottery to see what total sales were in Galax for 2015 and the total was over \$2,500,000. A 5% return to the locality would equal \$125,000. Mr. Barker said that he could draft a letter supporting the request, hold this item over for a future meeting, or he could seek more information at the direction of City Council. After a brief discussion among Council members, Councilman Garner made the motion to defer the lottery funds issue to the next meeting on September 12th. Councilwoman Crouse seconded the motion and it was approved by the following votes: Mayor Mitchell – yea, Vice Mayor Greene – yea, Councilman Garner – yea, Councilwoman Crouse – yea, Councilwoman Plichta – yea, Councilman Davis – yea. Councilman Helmick – nay.

Keith Barker informed Council regarding a VDOT Smart Scale Application for the East Stuart Drive Sidewalk Project. Mr. Barker explained that he along with Charles Joyce, Public Works Director, met with VDOT staff on June 10 to consider a possible project for the next round of VDOT funding called Smart Scale (formerly HB2). He said this was the same funding as the Cranberry Road Project, however the program name had changed. They looked at E. Stuart Drive and discussed a possible sidewalk project along all, or a portion, of the route. This project would meet a number of the critical criteria for consideration including: Pedestrian Safety, Economic Development, Vehicular Safety, Environmental, etc. The project was also along a Corridor of Statewide Significance (COSS), which was a major element in order to be considered for possible funding. An intent to apply application was submitted prior to the August 15 deadline and the full application was required before the end of September. VDOT staff had been working on a schematic design and cost estimate for a possible single project or phased project and presented those to staff on August 12. Mr. Barker explained the project was a proposed two phase project, approximately \$3M in each phase, and would run from the Chestnut Creek Bridge near Meadow Street to the entrance near Walmart. The sidewalk was proposed as located on one side, however the side would change depending on businesses and the available right of way. He said we anticipated the application would ask that Phase I be the area from Long John Silvers to Walmart where we could tie it into the Cranberry Road Project. Mr. Barker anticipated a resolution of support would be required at the September meeting.

Brenda Marrah - Grants Administrator, and Jessica Milby - Assistant Tourism Director, was present to inform Council of the Jump Galax Micro Loan Program. Ms. Marrah explained that Staff had been working on the final steps for a microloan program that will be managed by the IDA. She explained loans ranging between \$500 and \$5000 would be available to start a small business or enlarge/expand an existing business. Loan rates would be set at prime minus 2, but no less than 2%, with a term of 5 years maximum for \$5000. Other requirements for the loan would include:

- A business plan must be completed through the SBDC at Crossroads. An existing business would have a more expedited plan, however a plan would still be required.

- The business must be located in Galax but could be a downtown business, at home business, or in a commercial/business/industrial area.
- The loan could be used for material, equipment, leases, etc.; but may not be used for income for the loan holder.
- All loans must have some form of collateral.
- Applicants must have an email address and a static webpage or Facebook type page.
- A final agreement would be signed for all loans.
- Other criteria could be placed on a loan such as minimum operating hours for a downtown business, being available during festivals, etc.
- Applicants would start with the City Manager's office or Tourism, be assisted through the business plan process with SBDC at Crossroads, and the IDA would consider the final applications and business plans for approval.

Loan monies taken back in could be loaned again as the account balance recovers. We received a grant for \$25,000 towards the micro-loan pool and are committing \$6,000 in IDA funds, for a total loan pool of \$31,000 at this time. Ms. Marrah said she anticipated the loan process being rolled out in the next 30 – 45 days and would work with the paper for a press release.

Ray Kohl, Tourism Director, was present to give an update on the Antique Fair scheduled for September 10th. Mr. Kohl said the Antique Fair would consist of all types of antiques, but stressed that no “yard sale” item would be allowed.

Mayor Mitchell announced there were vacancies for the Galax IDA and Recreation Advisory Board. Mayor Mitchell informed Council that Ms. Curly Sellers had accepted a job out of the area and had resigned her appointments to the Galax IDA and Recreation Center Board. Councilman Garner made the motion to run an advertisement seeking letters/applications of interest. 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 Davis – yea, and Councilman Helmick – yea.

Mayor Mitchell informed Council that the October 10th Council meeting was set for the same day as the VML Conference. Council members were in agreement to set October 24, the fourth Monday, as the meeting date for that month.

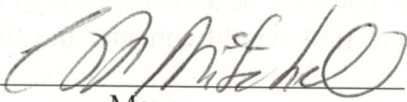
At 8 50 p.m. a motion was made by Vice Mayor Greene to enter into closed session under the following Codes of Virginia:

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.

Councilman Garner 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 Davis – yea, and Councilman Helmick – yea.

At 9:05 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 Davis – yea, and Councilman Helmick – yea.

ADJOURNMENT at 9:05 p.m.



Mayor



Clerk