

GALAX CITY COUNCIL
Minutes
February 14, 2011

Galax City Council convened in regular session in City Council Chambers on February 14, 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: Councilman Lazo, Councilwoman Plichta, Councilman Garner, Vice-Mayor Greene, Councilwoman Crouse, and Councilman Webb.

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

Councilman Webb motioned to approve the minutes of the regular meeting on January 24, 2011. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

City Council was provided a copy of the Galax Grayson Commerce Park Revenue Sharing Agreement for the Hampton Property. This document is modeled after the BRCEDA document for Wildwood. It sets Galax and Grayson as partners in the project with 1500 shares each and calls on BRCEDA to assist in managing the project. The document was approved at the January 26 meeting of BRCEDA and at the February 10, 2011 Grayson County BOS meeting. Jonathan Sweet, County Administrator for Grayson County, and Ken McFayden, BRCEDA, presented a check to Council.

Ken McFayden informed Council that the Wildwood Project received \$500,000 in Appalachian Regional Commission (ARC) funding. This brings total grant funding on this proposed project to \$5.3MM which includes:

Virginia Tobacco Commission purchase by-down	\$1,000,000
Virginia Tobacco Commission Mega Site Funding	\$3,800,000
ARC Funding	\$ 500,000

He explained as BRCEDA has proceeded through the project, they sought funding from USDA, VML/VACO Financing and Virginia Community Capital. At this time, Virginia Community Capital (VCC) appears to be the only real choice. The current quoted rate is 5% at a 30 year term which equates to \$112,000 per participating locality. While there is no call period, the rate can be re-priced every 5 years. They are working to get that lengthened as well as establishing annual payments in lieu of monthly payments. They will hold a joint meeting with the BOS of Carroll County and Grayson County in March to have a more thorough discussion of the merits of the project. They are also working towards some informal public sessions where information and questions can be presented. With Council's approval, he explained that they will continue to work towards financing of the project and will show this debt service into the FY12 budget planning. Mayor Mitchell noted that the scope of the project is far larger than the three localities could undertake individually. No action was required by Council.

Keith Barker informed Council that Galax is permitted two seats on the Cascade highlands Regional Tourism Board. Currently Ray Kohl has one appointment. Margo Crouse has volunteered to fill the other seat if council would consider appointing her. Councilwoman Plichta motioned to appoint Councilwoman Crouse to the board. Councilman Webb seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta,

Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

Council was provided a copy of a request for alley abandonment by Mr. Billy Gene Blevins, Sr. Mr. Blevins asked that the City consider abandoning a portion of alley located behind property he has recently acquired on S. Main Street. Keith Barker explained that if council is willing to consider the request, he will have Mr. Alan Caudell, Attorney at Law, prepare and run the ad for the abandonment and provide information. A public hearing will be held at the next council meeting or the first meeting in March. Councilwoman Plichta motioned to set a public hearing for the alley abandonment. Councilman Garner seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

Keith Barker informed council that a notice from Drew Lumpkin of Sen. Warner's office was received a few weeks ago requesting that any federal appropriation requests be directed to their office. He and Sen. Webb would then combine all efforts and present them as a unified request from Virginia. In looking at possible projects for Galax, he felt that consideration of the Rex Theater would be appropriate based on Sen. Warner's familiarity with the facility, it's location in a historic downtown and some needs that have been identified. These needs include ceiling repairs, electrical system upgrades, plumbing upgrades, conversion of the basement area to accommodate the JAM Program, other theatrical needs, a historic façade renovation, etc. Mr. Barker asked council to adopt the resolution in support of funding for the Rex Theater. Councilman Garner motioned to adopt the resolution as stated. Vice Mayor Greene seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

Judy Taylor-Gallimore, Finance Director informed council that the Federal Trade Commission has issued a "Red Flags Rule" that applies to all municipalities that have utility accounts such as water, sewer or electricity, and other operations that defer payment for services on a recurring basis. The rule requires that such municipalities have written programs in place to identify, detect, and respond to patterns, practices or specific activities - known as red flags - that could indicate identity theft. Part 681 of Title 16 of the Code of Federal Regulations further states that each creditor that is required to implement a program must obtain approval of the initial written program from either its board of directors or an appropriate committee of the board of directors. The Virginia Municipal League has developed a model Identity Theft Prevention Policy which she recommends for implementation by the City of Galax. A copy of the policy was provided for review. Mrs. Taylor-Gallimore asked that council approve the policy as presented. Councilman Garner motioned to approve the policy as requested. Councilwoman Plichta seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

Judy Taylor-Gallimore, Director of Finance, explained to council that she has entered into an agreement with the Department of Motor Vehicles whereby the DMV will refuse to issue or renew the vehicle registration of an applicant who owes vehicle license fees or delinquent personal property taxes to the City of Galax. While there is no cost to the City to place a hold on a vehicle registration, there is a \$20 fee to remove the hold once delinquent amounts are paid. She stated she plans to add the cost of this fee to the delinquent tax bill as permitted by the Code of VA (19.2-353.3). No action on the part of City Council was required unless Council desired that the \$20 fee

not be charged to the taxpayer. Councilwoman Plichta stated she felt it was appropriate to charge the fee. Councilman Lazo didn't like the idea, as he felt it is hard enough on some people to pay their taxes already. Keith Barker stated that it could be used to track long term offenders. Councilman Garner motioned to approve the \$20.00 fee. Councilwoman Crouse seconded the motion and it was approved by the following votes: Councilman Lazo-no, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-no, Councilwoman Crouse-yea, and Councilman Webb-yea.

Council was provided a letter from school Superintendent Bill Sturgill asking that Galax City Council consider amending the FY11 School Budget. The requested changes represent a decrease in the overall budget and requires no additional local money. As the changes represent more than 1% of the current school budget, he asked Council to set Feb. 28 as the public hearing on the matter. Mr. Sturgill will go over the changes at that meeting. Councilwoman Plichta motioned to approve the public hearing. Councilwoman Crouse seconded the motion and it was unanimously approved by the following votes: Councilman Lazo-yea, Councilwoman Plichta, Councilman Garner-yea, Mayor Mitchell-yea, Vice Mayor Greene-yea, Councilwoman Crouse-yea, and Councilman Webb-yea.

At 8:25 pm Councilman Webb motioned for the meeting to be adjourned.



Clerk



Mayor