

Galax City Council
Minutes
June 13, 2022

Galax City Council convened in regular session in City Council Chambers on June 13, 2022, at 6:00 p.m.

At 6:03 p.m. Mayor Greene called the meeting to order with the following Council persons present and they are as listed: Mayor Greene, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Mayor Greene, informed Council that Vice Mayor White had requested to join the meeting remotely by phone. According to ordinance, asked Vice Mayor White the reason she was not attending in person. Vice Mayor White explained that she had a prior work commitment in Florida. Councilman Larrowe made the motion to accept Vice Mayor White's participation by phone. Councilman Haynes seconded, and it was approved by the following votes of "yea": Mayor Greene, Councilman Haynes, Councilman Henck, Councilman Larrowe, Councilwoman Ritchie, and Councilman Warr.

Mayor Greene accepted a motion made by Councilman Haynes at 6:05 p.m. to enter into closed session under the following Code of Virginia:

- **School Board Appointments - Personnel Matter § 2.2-3711 A.1 of the Code of Virginia**
Candidates for employment; the assignment, appointment, promotion, performance, demotion, discipline, salaries, compensation, or resignation of employees.

Councilwoman Ritchie seconded the motion and it was approved by the following votes: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, and Councilman Warr. Councilman Henck abstained due to a conflict under the following **VA Code - § 2.2-3112** Prohibited conduct concerning personal interest in a transaction; exceptions.

At 6:25 p.m. Council reconvened in open session. Mayor Greene certified that no items other than those allowed under the cited Virginia code section were discussed and no action was taken, with the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, and Councilman Warr.

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

SPECIAL ACTION

Mayor Greene recognized Ms. Judy Bolt on her retirement as Director of Human Resources. She was presented a plaque for her dedication and service to the City of Galax from 8-25-14 to 6-30-22.

APPROVAL OF MINUTES

- Regular Meeting May 9, 2022
- Called Meeting May 23, 2022

Mayor Greene requested approval from Council for the regular meeting of May 9, 2022 and called meeting of May 23, 2022. Councilman Henck requested an inclusion to the minutes of May 9 regarding a minor revision to the approved Council Committee Charters. The revision would include Council committee members to be appointed every two years, and the Chair of each committee would be appointed at the first meeting after committee members were appointed.

Councilman Haynes made the motion to approve the May 9 and May 23 minutes. Councilman Warr seconded the motion and it was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilman Larrowe, Councilwoman Ritchie, Councilman Warr, and Councilman Henck.

OLD BUSINESS

School Board Appointments

Mayor Greene announced five applicants had submitted letters of interest for two vacant School Board seats. The following votes were cast for the applicants:

- Melissa Peddy 2 votes: Greene & Ritchie
- Edit Mar Castillo 5 votes: Greene, Haynes, Larrowe, Warr, & White
- Jordan Anderson
- Dr. Kevin Rosenfeld 5 votes: Ritchie, Haynes, Larrowe, Warr, & White
- Jealynn Liddle Coleman

Mayor Greene announced the appointments of Ms. Castillo and Dr. Rosenfeld to the Galax School Board. Vice Mayor White expressed her appreciation to all the applicants. She explained that the applicants that were chosen happened to have the combination of skillsets needed for this moment in time. She encouraged the others to continue to serve in our community and re-apply at another time.

Councilman Henck went on record abstaining from voting for the School Board appointments due to a conflict of interest under the following VA Code - § 2.2-3112 Prohibited conduct concerning personal interest in a transaction; exceptions. He also stated that he was not present during the closed session meeting.

Councilman Haynes made the motion to appoint Dr. Kevin Rosenfeld and Ms. Edit Mar Castillo to the Galax School Board. Councilman Warr seconded the motion and it was approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, and Councilman Warr.

Public Hearing – Conditional Use Permit at 940 Glendale Road

Mayor Greene announced this was the date and time set by Council to hold a public hearing for a conditional use permit requested by Chirona Penny. Ms. Stephanie Dalton, Zoning Administrator, gave an overview of the request and the recommendations from the Planning Commission which previously met on June 6. She explained Ms. Penny, a dog trainer who has a current business license, made the request to allow for a private dog training and agility park on her property located at 940 Glendale Road. The permit would be for both parcels 17-2 and 17-4. Ms. Stephanie Dalton, Zoning Administrator, gave an overview of the request and the recommendations from the Planning Commission which all except one member voted to recommend the approval. Council members asked questions regarding the acreage, the number of dogs trained at one time, and approval of immediate neighbors to ensure the request was in compliance. Councilwoman Ritchie said she felt this was a reasonable request and if there were future issues, the decision could be rescinded. A citizen asked if the conditional use permit would stay with the property if sold at a later date. Ms. Dalton said when Ms. Penny retires, she plans on rescinding the permit. Councilwoman Ritchie made the motion to approve the conditional use permit for 940 Glendale Road. Councilman Haynes seconded the motion and it was approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, and Councilman Warr. Councilman Henck was opposed.

Public Hearing – Rezoning of 1016 West Stuart Drive

Mayor Greene announced this was the date and time set for a public hearing for a request to rezone 1016 West Stuart Drive from B-1 Business to B-2 Business. Ms. Stephanie Dalton, Zoning Administrator, gave

an overview of the request made by Thomas Jones and Samuel Patton of Applewood Land, LLC who own 1016 West Stuart Drive. The change consisted of being rezoned from B-1 to B-2 so they could run an auto repair shop from that property. Ms. Dalton explained the City’s ordinance only allowed auto sales and services in B-2 or industrial zones. Ms. Dalton said the recommendation from the Planning Commission was to approve the request. Councilman Henck made the motion to approve the

recommendation of the Planning Commission, to approve the request. Councilwoman Ritchie seconded the motion and it was approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Warr, and Councilman Henck. Councilman Larrowe abstained from the vote due to a conflict of interest.

Joint Public Hearing with Planning Commission – Approval of City of Galax Comprehensive Plan

Mayor Greene announced this was the date set for the joint public hearing with the Planning Commission for the approval of the City of Galax Comprehensive Plan. Ms. Judy Taylor-Gallimore, Interim City Manager, explained that the Code of Virginia required every governing body in the Commonwealth to adopt a Comprehensive Plan and for the Planning Commission of that locality to review the adopted once every five years to determine if it was advisable to amend the plan. The draft Comprehensive Plan was given to Council for review. Mayor Greene announced the public hearing was open for any public comments. With no comments made, he closed the public hearing. Councilman Warr made the motion to approve the Comprehensive Plan as presented. Councilman Larrowe seconded the motion and it was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Public Hearing - Amendment to Galax City Code Section 153-36 Determination of Charges – Utility Rates

Mayor Greene announced this was the date and time set for the public hearing regarding an amendment to Galax City Code Section 153-36 Determination of Charges – Utility Rates. Mayor Greene declared the public hearing open for comments. Ms. Judy Taylor-Gallimore explained the FY23 budget included a proposed increase of \$2 for both the water and sewer base rates per bi-monthly billing and 25 cents per 1,000 gallons over the base rate for service inside City limits. She said the proposed increase for service outside City limits was \$4 and 50 cents respectively. Ms. Taylor-Gallimore concluded that the increase was needed in order to meet rate covenants for existing debt and to plan for future infrastructure improvements. With no further comments made, Mayor Greene declared the public hearing closed. Councilwoman Ritchie made the motion to approve the amendment of ordinance 153-36 of the Galax City Code to increase utility rates. Councilman Haynes seconded the motion and it was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Approval and Adoption of City of Galax FY23 Annual Budget

Mayor Greene informed Council of the request to approve and adopt the City of Galax FY23 Annual Budget. Judy Taylor-Gallimore explained that Council was required to adopt the FY23 operating budget prior to June 30. A public hearing on the budget was held at the May regular council meeting. The advertised budget for the public hearing was as follows and did not include any tax increases:

General Fund - \$24,945,257
Utility Fund - \$4,505,200
Storm Water Fund - \$607,500

The Audit & Finance Committee has recommended some revisions to the General Fund budget. Those changes are summarized as follows:

The General Fund expenditure changes were:
Advertised: \$24,945,257

Various reductions identified by Audit & Finance Committee: (\$76,195)

Reduction of ACO vehicle: (\$35,000)
Total revised expenditures: \$24,834,062

The General Fund revenue changes were:

Advertised: \$24,945,257
Add Rex rent: \$12,000
Reduce Rex revenue: (\$2,000)
Reduce use of fund balance: (\$121,195)
Total revised revenue: \$24,834,062

Ms. Taylor-Gallimore concluded that Council was requested to approve and adopt the revised proposed budget as follows:

General Fund - \$24,834,062
Utility Fund - \$4,505,200
Storm Water Fund - \$607,500

Councilman Larrowe explained the Audit and Finance Committee had met three times and recommended the reflected reductions that was mentioned and was incorporated in the current proposed budget. He said there were additional adjustments as well, that still leaves us in a deficit spending situation of approximately \$300,000. The budget as presented included a proposed increase in utility funds of 1,300,000 which was needed due to that fact that the rates had been too low for several years. He said it needed to be done to comply with debt covenants.

\$875,000 that's not included in what was represented as deficit spending that may be required as a part of the Radio Interoperability Program between Carroll, Grayson, and Galax. Those funds in the current budget are proposed to come from ARPA funds.

Given the infrastructure improvements that were required to our water plant and regardless of grant funds, we would be required to contribute substantially to that program for the next few years, so therefore, he said that he can't endorse deficit spending.

His recommendation was to call for a second public hearing, if necessary, for the purpose of considering an increase on real estate and/or personal property tax rates to cover the difference. He said that he doesn't want to pay more in taxes either, but we have gone through all of the expenditures and have brought them down to a bare minimum. He said that he felt this needed to be done in order to maintain the services that all citizens need and deserve. He added that deficit spending was financially ill advised anytime, and that sooner or later local budgets must be balanced. He the pain will eventually come and it would be greater if we defer to later than if we address this situation now. Councilman Larrowe said regardless of Council's decision, that was his recommendation.

Councilman Haynes made the motion to accept the proposed recommendation for the FY23 budget. Councilman Warr clarified if the recommendation was to further discuss Councilman Larrowe's recommendation. The consensus was yes.

Councilman Henck seconded the motion and it was unanimously was approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Councilman Haynes discussed the water and sewer rate increase. He said based on the recent presentation on the condition of our water plant and the need for repairs, he sees why the increases are needed to cover the costs not covered by grants. He said our rates have traditionally been 40% lower than other localities, and we are now seeing the effects.

Councilman Warr said he wasn't for deficit spending especially in light of the expensive repairs needed for the water plant, and he was in favor of addressing issues now with further discussion at a second public hearing.

Councilwoman Ritchie asked Judy Taylor-Gallimore if a second public hearing was held, would the vote on the budget have to occur before July 1, 2022. Ms. Taylor-Gallimore responded yes.

Mayor Greene said that he was not in favor of raising taxes. He said he realizes that there is a deficit, but we had money to balance the budget. He said he feels that we need to approve the budget. He suggested the Audit & Finance Committee to meet quarterly. He said the budget was advertised with no tax rate increases. He said many people were on a fixed income. It should have been advertised this way in advance instead of raising them last minute.

Vice Mayor White said that she was very concerned about issues such as the engineering presentation on the condition of our water plant. She said that it keeps her up at night concerned for the direction we are heading if we don't keep up. She said she agreed with the second public hearing to continue discussion on tax rate increases.

Councilman Haynes rescinded his previous motion approving the recommendation to approve a second public hearing.

Judy Taylor-Gallimore informed Council that the tax rate does not bolster up the Utility Fund. She said it was for the General Fund. She also pointed out that at the meeting where Council approved the FY22 Budget last year, Council added \$225,000 of the appropriated fund balance for contingency. She said we have used fund balance in the past and for reference, we still haven't used all of it. She said it was to be used for Council initiatives, marketing, and items that Council may want to pursue. Mayor Greene suggested that we could actually move the \$100,000 in contingency if need be and it could possibly be voted on.

Councilman Larrowe explained to correct the entire shortage would require that we eliminate at least 5 % (from a 6% increase to a 1% increase) in our other spending (the supposedly controllable part). However, since fuel, electricity, insurance, audit costs, legal costs, etc. are in that number - there is no reasonable way to hold that flat in light of an 8% inflation factor over the last 12 months. Given the level of "fixed and increasing costs" in the other spending, to hold that at less than the rate of inflation is not feasible without impacting service levels.

Mayor Greene called for a vote of those who were in favor of approving the proposed FY23 Budget as presented. Mayor Greene and Councilman Henck voted "yea" by their show of hands. Mayor Greene called for those opposed to the approval of the FY23 Budget. Those opposed included: Councilman Larrowe, Councilman Haynes, Councilwoman Ritchie, Vice Mayor White, and Councilman Warr.

Mayor Greene stated that a date for a second public hearing would need to be set by a called meeting before July 1 when the budget would need to be approved. The advertisement for the public hearing for the water/sewer rates and tax rate increase was discussed at well. The ad would run on June 17. The date of June 27 at 6:00 p.m. was approved for the called public hearing.

Councilman Larrowe suggested the Audit & Finance Committee to meet to discuss the tax rate increase and to give input to Judy Taylor-Gallimore. There was a consensus to stay in the current meeting to continue discussions instead of setting another meeting. Councilman Henck made the motion to add the FY23 Budget discussions to the end of the current meeting. After further discussion, Councilman Henck amended his prior motion to include moving the FY23 Budget discussion to the end of the agenda prior to going into closed session. Councilman Warr seconded the motion and it was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Consideration of Lease with BRE, LLC for management of the Rex Theatre

Councilman Larrowe informed Council that Mayor Greene asked that Councilman Larrowe, Vice Mayor White, or Councilman Warr to meet with BRE, LLC to go over any last-minute details of the Rex Lease. Vice Mayor White deferred to Councilman Warr who attended with Mayor Greene. They met on June 7. Councilman Henck questioned a revision that would allow the City to pay BRE, LLC \$150,000 if the contract was terminated early by the City. Councilman Larrowe explained that only if the

City terminated the contract without basis, would that occur. He said there were default provisions included in the contract as well. Councilman Henck said that with the late notice of received the revised contract, he would not be able to vote until reviewing it.

Councilman Warr made the motion to approve the revised Rex Theater lease to BRE, LLC. Councilman Larrowe seconded the motion. Before final approval, Mayor Greene reflected the portion of the Rex Lease that indicates the possible \$150,000 penalty not being an insurmountable amount for the City to pay and the City clearly has the ability to pay this amount of money. Mayor Greene stressed this was a really large amount of money. Councilman Larrowe said the City would never end a lease early unless we had a better and higher use. Mayor Greene said that he was for the project. Councilman Larrowe said from the City's perspective, we would not be well served unless BRE, LLC is motivated to create a success. Their success would be our success. If we leave a provision whereby Council is not forced to make a very carefully calculated decision, as to whether or not to end that lease, then that destroys their motivation to drive toward success. We need to ensure that they are properly motivated so we can extract the value out of the facility as well. He said there were a number of provisions included in the lease to protect the area community groups and their usage.

After additional comments by Council, Mayor Greene called for a vote. Those in favor of approving the Rex Theater lease to BRE, LLC included the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, and Councilman Warr. Opposed votes: Councilman Henck.

Consideration of additional compensation for Interim City Manager

Mayor Greene informed Council of a request for additional compensation for Interim City Manager. Councilman Henck explained that when he made the motion in a previous meeting to appoint Judy Taylor-Gallimore, he didn't include in that motion and it was not voted on what her compensation would be. He said that he felt it was appropriate to have a motion to approve her salary. Councilman Henck made the motion to increase Ms. Taylor-Gallimore's salary by the difference between what the former City Manager, Matt Settlemeyer was making and what she is making. Councilman Larrowe seconded the motion and it was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

NEW BUSINESS

Craig Wilson, Principal Planner, Summit Design & Engineering Services – Small Area Plan

Craig Wilson was present and gave an update on the Vaughan Furniture Building Project and Small Area Plan. Mr. Wilson was hired by the City of Galax to develop a Small Area Plan for the area generally between the old Vaughan Furniture building and the downtown area. He explained that work had been done on the project for two years getting it ready to be marketed. His firm had done a feasibility study on the project. He provided future drawings to share with Council and said they could be viewed at opportunitygalax.com. He said a developer was extremely interested in the Vaughan building and hoped to have an agreement signed by the end of summer with the Vaughan Restoration Group and developer.

Mr. Wilson explained that the developer interested in this project, suggested the need for a Small Area Plan for the area around the Vaughan Furniture building. This plan would be a specific plan to target surrounding properties consisting of vacant and under-utilized properties. Mr. Wilson said there was very little connection between people visiting on the New River Trail and downtown. He suggested a trail extension running along Chestnut Creek would connect visitors to downtown which would be a huge benefit to support downtown Galax.

Mr. Wilson said the work on the Small Area Plan had just begun and would be completed by mid-September. He said the plan would be a big help to Galax and would need to be adopted into the City's Comprehensive Plan for future planning.

Councilman Haynes reminded everyone that not only was opportunitygalax.com for the Vaughan Project, but also included the Kipling Lane Project and the Hampton/Route 58 lot. Councilman Larrowe added the incentive guide was included on the web page and was an excellent quick resource for a small business seeking information to determine where to go for assistance.

IT Services Proposal

Judy Taylor-Gallimore informed Council of an IT Services proposal. Audit & Finance Committee requested management to propose a plan to address items in a recent IT review. The previous City Manager, had asked Robinson, Farmer & Cox for a proposal to develop policies, procedures, and plans to improve areas identified in the IT review. Council was asked to approve the RFC proposal for services with a cost not to exceed \$12,000 or to direct management as to alternate action desired.

Councilman Larrowe asked for the IT Services proposal to be deferred to another meeting so that the proposal could be reviewed by the Audit & Finance Committee. There was a consensus to bring the item back at a later date.

Twin County Community Foundation Grant – Authorize Application for Equipment

Ms. Taylor-Gallimore informed Council the Recreation Department would like to request funding from the Twin County Community Foundation (TCCF) in the amount of \$20,000 for equipment for the senior program. She said a requirement of the grant, was Council's approval to apply for the grant. Another requirement was that the City's match will be in-kind salary for assembling the equipment. In prior years, the Twin County Community Foundation had generously supported the City's goals to provide health and wellness to citizens of all ages. Prior year awards included:

2021: 2 Awards totaling \$39,000 – Pitching Mound and Fence; Pool Slide

2020: 2 Awards totaling \$21,500– Auto Doors for Municipal Bldg; (\$14,000) Special Needs Equipment (Changing Table; Aquatic Wheelchair) (\$7,500)

2019: 2 Awards totaling \$25,500– Pool Starting Blocks (\$14,000) and Football Helmets/Baseball Backstops (\$11,500)

Councilman Henck made the motion to approve the request. Councilwoman Ritchie seconded the motion and it was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Recreation Advisory Board Appointments

Ms. Taylor-Gallimore informed Council the Recreation Advisory Board had three appointments expiring on June 30, 2022. Board members may serve two consecutive terms. Tony Quesenberry, Recreation Manager, requested Council to re-appoint Mr. Billy Whitaker to serve a second 2-year term. The other two seats would be advertised to obtain interest from others. Council would be asked to fill the other two positions at the July or August council meeting. The Advisory Board would not meet again until October. Councilman Haynes made the motion to appoint Mr. Whitaker for a second term. Councilwoman Ritchie seconded the motion and it was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Set Public Hearing for July 11, 2022 Meeting – Amendment to FY22 Budget

Council was asked by Judy Taylor-Gallimore to authorize a public hearing for July 11, 2022 if needed. She anticipated year-end budget adjustments for FY22 that would require Council approval. She said she expected the adjustments would primarily involve expenditures and offsetting revenue for new grants or grants carried over from the prior year. If the amendment exceeded 1% of the budget, a public hearing was required. Councilman Larrowe made the motion to set a public hearing for July 11, 2022. Councilman Warr seconded the motion and it was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Set Public Hearing for July 11, 2022 Meeting – VDOT Smart Scale Project

Ms. Taylor-Gallimore asked Council to authorize a public hearing for July 11, 2022 for the VDOT Smart Scale Project as requested by Ms. Jolena Young, Grants Administrator. She explained as part of the SMART Scale Project application due August 1, a public hearing was required. The pre-application for a sidewalk from Hanes Rd. to Walmart was carried forward for full application. The design included signaled cross walks across Hwy 58 to ADA landing pads at Hanes Rd and Cranberry intersections as well as a signaled cross walk across Hanes Rd (Willow Place Shopping Center to Cassie's parking Lot). The project performance period would begin in 2025 with an estimated cost of \$4,892,344. The SMART Scale is a 100% grant funded project. Councilman Haynes made the motion to authorize a public hearing for July 11 for the VDOT Smart Scale Project. Councilman Larrowe seconded the motion and it was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Mayor Greene asked Ms. Young for an update on the Food City traffic light grant. Ms. Young explained VDOT was finishing up the design portion of the project and would then be working to tie the traffic light and sidewalk projects together. She hoped to have a timeline soon.

Library Board Appointment

Ms. Taylor-Gallimore informed Council of a request made by Trish Fore, Regional Library Director. Ms. Fore asked that Mr. Lee Chaffee be appointed for a new 4-year term to the Library Board. The term would end on June 30, 2022. Mr. Chaffee was filling an unexpired term for previous board member, Dr. Luague. Councilman Haynes made the motion to appoint Mr. Lee Chaffee to a new 4-year term to the Library Board. Vice Mayor White seconded the motion and it was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Galax East Commercial Property

Ms. Taylor-Gallimore informed Council of a developer that had contacted the City Manager with interest in the Galax East Commercial Property. She said the property was located on the 4-lane near Food City and was donated to the City several years ago. She explained if interested, Council could consider asking the developer for a proposal to develop the property. For now, this was provided for informational purpose only. Councilman Henck made the motion to direct the Interim City Manager to request a proposal from the developer and share with the Commerce Committee. Councilman Warr seconded the motion.

Councilman Larrowe wanted to make sure the potential developer was made aware of any restriction or issues associated with this property. He said there may have been a turn lane requirement that had previously impacted a prior potential candidate's interest. He wanted to lay out all requirements up front for the potential developer. Bill Harwood stepped forward introducing himself and explained how he sees lots of potential for this area. He said that his area of expertise was housing and explained his thoughts on his plans. He asked Council to allow him to purchase the property.

The motion was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

Rosenwald Felts Property

Ms. Taylor-Gallimore informed Council the Rosenwald Felts building was currently leased to the local Head Start program. She said the Head Start director had expressed interest in purchase of the building by Head Start. The historical value was discussed and the importance of it being taken into consideration if a decision was made to sell the property. Councilman Haynes made the motion to hold potential action for the new City Manager. Vice Mayor White seconded the motion and it was unanimously approved by

the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

COMMUNICATION FROM CITY MANAGER

Ms. Taylor-Gallimore reminded Council of the upcoming first time City observed holiday, Juneteenth and that we had received the new sanitation truck.

CITIZEN COMMENTS (Limited to 3 minutes per person)

None

COMMUNICATION FROM CITY COUNCIL COMMITTEES

Audit and Finance: Councilman Larrowe gave an update on the Audit and Finance Committee which last met on May 16. He explained the substantial part of the agenda dealt with the review of the FY City Budget.

Tourism and Downtown: Councilman Warr gave an update on the Tourism and Downtown Committee which last met on May 10. The new Tourism Director, Patti Price-Love was present for that meeting and she discussed her future plans for Downtown Galax.

COMMUNICATION FROM MAYOR AND CITY COUNCIL

Councilman Warr:

- Discussed missing 4-hour parking sign area on W. Oldtown Street.
- Had a request to install bike racks in areas Downtown for trail riders.
- Update regarding a proposal for Scott Peterson, owner of A Place in Time. Mr. Peterson has a property that may be utilized for a public restroom. There was a consensus for Councilman Warr to work with Mr. Peterson in getting an agreeable proposal.

Councilman Henck:

- Thanked Interim City Manager, Judy Taylor-Gallimore, who also serves at the City’s Director of Finance.
- Thanked City Council for all their efforts in attending all the meetings including Committees, board meetings, and tackling all of the challenges that they have had recently.
- Discussed his findings from a 2019 report that stated Chestnut Creek’s depth currently was similar in 1942 when the Army Corps of Engineers constructed improvements. He was please to find this out.

Councilwoman Ritchie:

- Made Council aware of a new group online called Cardinal News for Southside and Southwest Virginia.

Vice Mayor White:

- Made Council aware of a positive comment by a restaurant worker in Galax who stated she didn’t know what was going on in Galax, but most people seem excited. This comment gave her hope for Galax.

Councilman Larrowe:

- Region Two Workforce Develop Board held its first Strategic Planning meeting. Looked at what the board and work force development boards should look like in ten years.
- District Three meeting discussed senior services.
- Attended water system PER meeting.

- Discussed GFD new fire truck with Chief Ayers. Inquired why Hillsville’s ladder truck was used at a fire at the hospital. Chief Ayers indicated the truck was in for equipment installation and required maintenance.

Mayor Greene:

- Discussed a story regarding how tourists love and enjoy Galax.

Mayor Greene discussed the need for a date to be set for public hearings. There was a consensus to set June 27 at 6:00 p.m. for public hearings concerning the adoption of tax rates for the 2022 tax year, and the approval and adoption of the Galax FY23 Budget.

Councilman Henck offered several items for reconsideration to help with the deficit in the proposed budget so that a tax increase would not have to take place. He said that he felt all efforts needed to be exhausted in spending before a tax increase occurred.

Councilman Larrowe thanked Councilman Henck for his care and effort in trying to avoid a tax increase. He explained that in an environment where we had been having 8% + inflation, this would sharply drive up our expenses and the bottom line was, we could not pay for everything we need to with a flat line revenue.

After an extensive discussion among Council members regarding the FY Budget, Councilman Warr made the motion to advertise a public hearing for an eight-cent real estate tax increase. Councilman Haynes seconded the motion and it was approved by the following votes of “yea”: Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck. Votes of “nay” included: Mayor Greene.

CLOSED SESSION

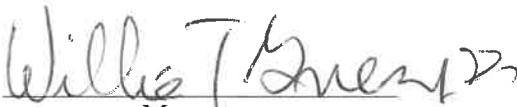
Mayor Greene accepted a motion made by Councilwoman Ritchie at 9:50 p.m. to enter into closed session under the following Code of Virginia:

- **Personnel Matter § 2.2-3711 A.1 of the Code of Virginia** Candidates for employment; the assignment, appointment, promotion, performance, demotion, discipline, salaries, compensation, or resignation of employees.

Councilman Haynes seconded the motion and it was approved by the following votes: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

At 11:02 p.m. Council reconvened in open session. Mayor Greene certified that no items other than those allowed under the cited Virginia code section were discussed and no action was taken, with the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilman Haynes, Councilwoman Ritchie, Councilman Larrowe, Councilman Warr, and Councilman Henck.

ADJOURNMENT at 11:08 p.m.


Mayor


Interim City Manager