

**Galax City Council
Minutes
May 13, 2024**

Galax City Council convened in regular session in City Council Chambers on May 13, 2024, at 6:00 p.m.

At 6:00 p.m. Mayor Greene called the meeting to order with the following Council members present: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

PRAYER AND PLEDGE of ALLEGIANCE – Mayor Greene

RECOGNITION OF RETIREMENT

Mr. Randy Butcher - City Electrician - 23 years, 2 months, and Ms. Sandra Vuurmans - DSS Benefits Programs Specialist II - 12 years, 6 months, were recognized by Mayor Greene and Council for their many years of service to the City of Galax.

APPROVAL OF MINUTES – Regular Meeting of April 8, 2024

Councilwoman Burnett made the motion to approve the meeting minutes of April 8, 2024. Councilwoman Ritchie seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

PUBLIC HEARING – SCHOOL BOARD APPLICANTS

Mayor Greene announced this was the date and time set by Council for a required public hearing to receive public comments regarding three applicants to the Galax School Board to fill two seats, with a term of office of three years, beginning on July 1, 2024. Mayor Greene opened the floor for public comment. With no comments made, the public hearing was closed. The three applicants were voted on by a show of hands by all of the Council members except for Councilman Henck who abstained from voting pursuant to Code of VA 2.2-3112, Personal Interest Conflict, due to his wife serving on the Galax School Board.

- *Ms. Leah Henck received six votes from Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.*
- *Mr. Brett Sexton received six votes from Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.*
- *Ms. Jealynn Liddle-Coleman received no votes.*

Mayor Greene congratulated Ms. Henck and Mr. Sexton for being unanimously re-appointed to the Galax School Board to fill the two open seats.

PUBLIC HEARING – PROPOSED REAL PROPERTY TAX INCREASE FOR FY2025

Mayor Greene announced this was the date set by Council for a required public hearing regarding a proposed real estate tax increase for FY2025. Mayor Greene opened the floor for public comment.

City Manager Burnette gave a general overview of the proposed tax increase which included the following points:

- Assessment Increase from Reassessment: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeded last year's total assessed value of real property by 33 percent.
- Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be \$0.75 per \$100 of assessed value rate. This rate will be known as the "lowered tax rate."

- Effective Rate Increase: The City of Galax proposes to adopt a tax rate of \$0.92 per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$0.17 per \$100, or 22.2 percent. This difference will be known as the "effective tax rate increase." Individual property taxes may, however,
- increase at a percentage greater than or less than the above percentage.
- Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of City of Galax will exceed last year's by 15.5 percent.

Citizens speaking during the Public Comment time regarding the proposed tax increase included: Bill Brannon, Alan Dickerson, Sandra Moretz, Bernie Rector, and Charles Smith

A Council discussion ensued regarding the reasons for the tax increase which included:

- Delinquent tax collections which had been made a top priority, with 12 properties to be auctioned on July 3 to collect back taxes.
- The need of physical structures in need of repairs or replacement, such as the City Water Plant.
- Due to high costs, many projects the City wanted to proceed with had to be let go.
- City Employee's health insurance rates had gone up by 11% (which the City will pay), and employees have been leaving due to lower wages in some departments of the City.
- Due to inflation being up, and the cost to run the City has increased so much, the end result was the need for the tax rate increase.
- Creating the budget has been a difficult job to find a balance.
- Payments can be made monthly, or quarterly (however it would help) on Real Estate taxes.

With no further comments made, Mayor Greene declared the public hearing closed.

PUBLIC HEARING – PROPOSED SUBMISSION OF TWO VDOT FY2026 SMART SCALE PROJECTS

Mayor Greene announced this was the date and time set by Council on two (2) VDOT FY26 Smart Scale grant applications, and opened the floor for public comment. Jolena Young, Grants Administrator, gave an overview of the proposed VDOT projects. Ms. Young explained that both were 100% funded grants with no match required.

- The first is an application for the installation of sidewalk from Larkspur Lane to Glendale Road. The project would include installation of one or two pedestrian islands to be installed in the turn lane to aid with pedestrian crossing of the busy highway. This is a continuation of the current E Stuart Drive sidewalk project from Larkspur Lane to Hanes Road. The segment from Hanes Road to Walmart was funded in Cycle 5 and should begin next year.
- The second is an application for the installation of ADA ramps, pedestrian signals, and high-visibility crossings along the Main Street corridor from Bartlett Street to Stuart Drive. The project will also include a lane diet to eliminate the left turn lane at Washington Street. The project will result in loss of some parking spaces and trees. However, existing ramps must meet ADA standards for the City to pave the Intersections along Main Street.

Vice Mayor White made the motion to approve for administration to submit the two applications for the Round 6 Smart Scale grant cycle, and to adopt the relevant resolutions. Councilwoman Burnett seconded, and the motion was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

OLD BUSINESS

Food Vendor Temporary Business License – Commissioner of Revenue Rene Funk

Ms. Funk discussed a Staff proposal to implement a new Temporary Business License for Food Vendors (i.e. Food Trucks) doing business in the City, especially those that only operate in the City a few times per year. Currently, a

food vendor would be required to have a business license to operate in the City at an annual cost of \$200. For vendors that only come to one or two events in a given year, this requirement is burdensome and causes many vendors to decline to set up at events and at the farmer's market. Staff has proposed to create a Temporary Business License for food vendors that would cost \$25 and would allow them to operate for up to seven (7) consecutive days. Each time they come to do business in the City, they would be required to get a new \$25 temporary permit. They would also have the option at any time to purchase the normal annual permit. It is hoped that this change would encourage more food vendors to operate at our events and that this would, in turn, increase meals tax revenues.

Councilman Warr made the motion to approve the request as presented and move forward with the request as outlined effective immediately. Vice Mayor White seconded, and the motion was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

Proposed FY2025 City Budget Adoption – City Manager Burnette

City Manager Burnette informed Council that Staff and Council had worked diligently over the past several months to put forward a strong budget proposal to guide the City into the future. He explained that Council had heard from the public in various meetings, public hearings, and through other communications. He said the final proposed budget was ready to be adopted, amended, or tabled, and Staff would be prepared to follow Council's desired direction. If adopted, there would be three parts for approval:

1. Adopt Tax Rates

- a. Real Estate: \$0.92 per \$100 at 100%
- b. Personal Property \$2.25 per \$100 at 100% loan value
- c. Machinery & Tools \$1.60 per \$100 at 50%

After an in-depth Council discussion, Councilman Bowers made motion to approve and adopt the tax rates as presented. Vice Mayor White seconded, and the motion was unanimously approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

2. Adopt School Board Budget

- a. General Operating \$19,254,146
- b. Cafeteria Fund \$1,598,815
- c. Textbook Fund \$204,179

Councilman Warr made the motion to approve the School Board Budget as outlined. Councilwoman Burnett seconded. (Councilman Henck announced that he would be abstaining from the vote pursuant to Code of VA 2.2-3112, Personal Interest Conflict, due to his wife serving on the Galax School Board) and the motion was approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

3. Adopt City Budget

- a. General Fund \$33,474,877
- b. Utility Fund \$3,661,962
- c. Stormwater \$1,465,878

City Manager Burnette requested that the City Attorney section of the budget (10-4-1204-000) be pulled out and voted on separately to avoid a possible conflict of interest with Councilman Henck and his employer.

Vice Mayor White made the motion to approve the City Attorney section of the budget as presented as a single budget item. Councilman Warr seconded. Councilman Henck abstained from the vote due to a potential conflict of interest. The motion was approved by the following votes of "yea": approved by the following votes of "yea": Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

Councilman Henck made the motion to approve the remaining FY2025 City Budget as presented. Councilwoman Ritchie seconded and the motion was unanimously approved by the following votes of "yea":

Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

Vice Mayor White thanked City Manager Burnette and his Staff for their hard work on this Budget.

VDOT Construction Projects Update – Adrienne Norman, Environmental Project Manager

Mrs. Norman provided updates on the following construction projects that were currently partially or fully funded by the Virginia Department of Transportation. She discussed the projected cost, the phasing schedules, and the anticipated start dates for each project:

McArthur St. Sidewalk Projects: UPC 113354/122098- The final stormwater work is being finished up this week within the Parkwood intersection, and paving should be taking place along McArthur and West Stuart Drive in the next 2 weeks. Final roadway markings and crosswalks will follow the paving and the project will be finished in Mid-June

VDOT Contract: \$1,361,793

Contract Agreement: \$1,181,605

City cost: \$281,453

East Stuart Drive Sidewalk Project: UPC 115462- Mike Johnson, Engineer with H&P, is currently working on addressing the 90% design comments that we received from VDOT two weeks ago, and we are working towards a 100% design submittal. This project is being scoped and designed along with the Food City Traffic Signal Project since they have overlapping construction zones.

VDOT Contract: \$2,013,000

City contribution: \$0 Fully funded by VDOT

Food City Traffic Signal: UPC 119448- Mike J. is also working on this 100% submittal as well. This project and the one listed above are expected to be advertised and bid in the Fall of FY24, with construction expected to begin in spring of FY24.

VDOT Contract: \$826,000

City contribution: \$0 Fully funded by VDOT

Downtown Intersection Project: UPC 113319 – currently in the process of coordinating a construction start date with the contractors. I have also been coordinating with appropriate authorities involved with downtown festivals to ensure smooth operation during those times.

VDOT Contract: \$543,022 Contract Cost: \$409,552.50.

City Contribution: \$0

Main St. x Calhoun Stormwater Improvements: UPC 117172- The City selected the Lane Group as the Engineering Consultant for this project. This project consists of replacing approximately 1150 LF of existing box culvert and corrugated metal pipe (CMP) with new 18-60” reinforced concrete pipe with related improvements. This project has begun preliminary design stages, but is not expected to be under construction until next Fall of FY25.

VDOT Contract Amount: 1,839,000

City contribution: \$919,500

Oldtown Stormwater Drainage Improvements: UPC 122000- This is a future project that has been funded by VDOT, even though it is not projected to begin preliminary engineering phases until FY26.

Estimated Cost: \$5,589,000

City Contribution: \$2,794,500

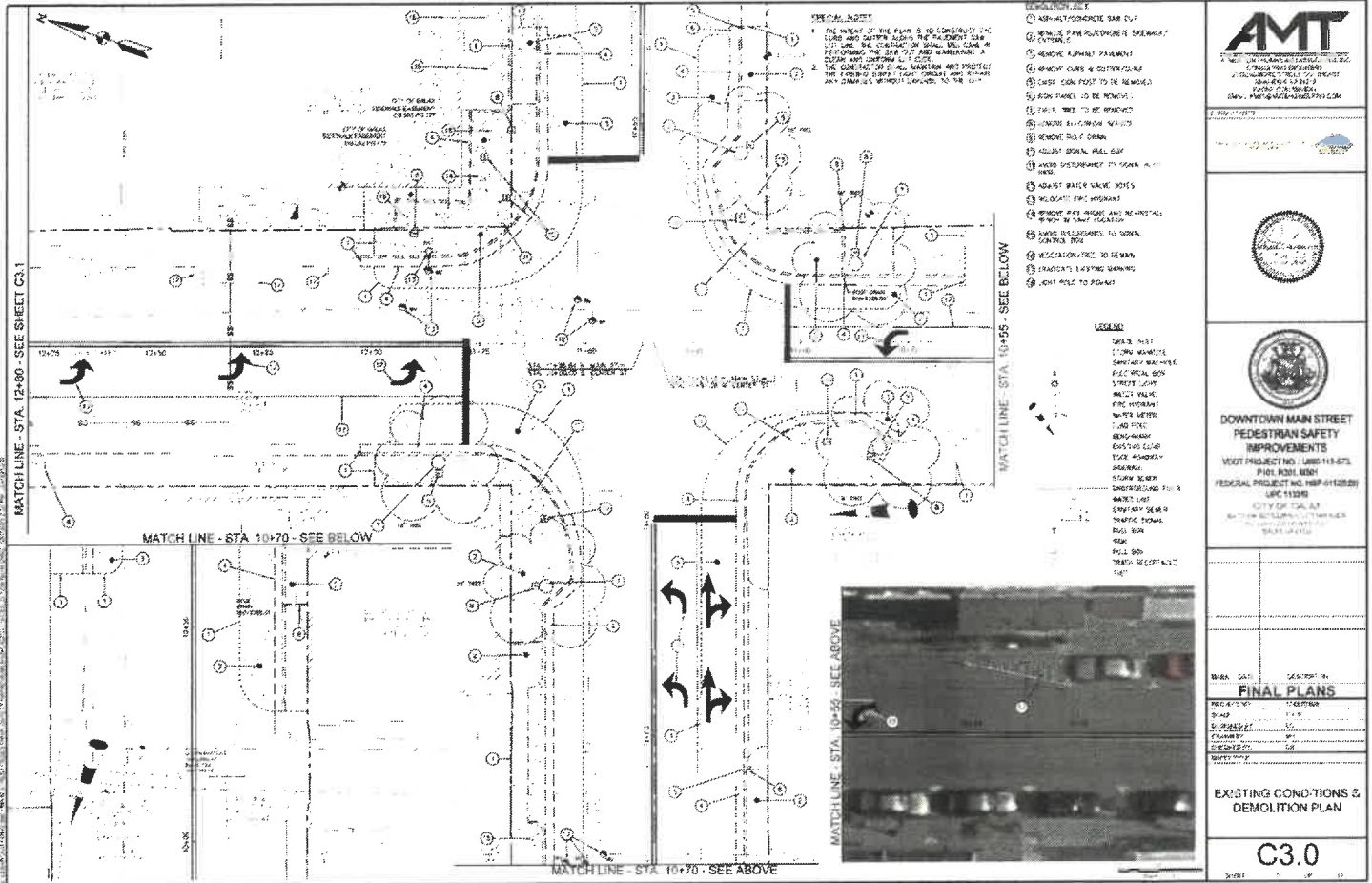
Total VDOT Construction Project cost: \$11,782,815
Total City Contribution: \$3,995,453

City Construction Projects

Swanson Street Stormwater Improvements Project: This project consists of improvements involved with the replacement and upsizing of approximately 750LF of stormwater pipe and inlet/outlet structures with associated repairs. The project is anticipated to go out for bid the late Summer/ early Fall.

City Cost: \$1.2 million

DOWNTOWN MAIN STREET PEDESTRIAN SAFETY IMPROVEMENTS – PLANS ON NEXT PAGE:



NEW BUSINESS

PFAS National Primary Drinking Water Regulations – Mike Brown, Chief Operator of the Galax Water Treatment Plant

Mike Brown gave a presentation discussing the origins of rules and regulations related to Per- and polyfluoroalkyl substances (PFAS), specifically the Maximum Contaminant Level Goal [MCLG] and Maximum Contaminant Level [MCL], along with the findings from City tests regarding PFAS limits for five individuals, as set by the EPA. He stressed the City’s drinking water was safer than the bottled water we drink.

Street Closing Request for Twin County Humane Society – City Manager Burnette

City Manager Burnette made a request of Council on behalf of the Twin County Humane Society, who are again sponsoring a free Spay/Neuter clinic for the community from Wednesday, May 15 through Saturday, May 18. This clinic would follow the same format as last year. The TCHS requested permission to close off the portion of Matthews Street that runs between Meadow Street and Givens Street to park the

portable clinic trucks during this four-day event. This road closing does not affect any residences or businesses.

Councilman Henck made the motion to approve the request as presented. Councilman Warr seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Henck, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

Street Closing Request for Freedom Firm USA – City Manager Burnette

City Manager Burnette made a request of Council on behalf of Freedom Firm USA, a local non-profit focused on raising awareness and funds for anti-trafficking work in India. Freedom Firm would host the India national director during a visit to the U.S., and were planning a trafficking awareness event at Center 2:42 off of Main Street on Thursday evening, August 29th with a walk/run event, food truck, awareness display, and question and answer time with the India national director. They plan to have runners and walkers start at Center 2:42, cross Bartlett Street and enter the Felts Park walking track utilizing Edward Street. The request was to approve the closure of Edwards Street for a few hours during the evening of August 29, 2024.

Councilman Warr made the motion to approve the request as presented. Vice Mayor White seconded, and the motion was approved by the following votes of “yea”: ***Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilwoman Burnett, and Councilman Bowers. Councilman Henck abstained due to a personal conflict of interest. His wife is employed by Freedom Firm USA.***

Main Street Façade Program Review – Dennis Jarvis, II, Director of Economic Development and Main Street Mr. Jarvis discussed the new Main Street Façade program. The Galax Main Street façade improvement grant program was created in partnership with a grant program from Virginia Main Street. Galax Grows was granted \$50,000 to launch the program, with \$41,000 for direct investment and \$9,000 for the grant administration/management. The Galax Main Street board voted to include the \$9,000 back to the program to add additional opportunities for façade improvements. This project would provide matching grants ranging on a dollar-for-dollar basis in amounts ranging from \$500 to \$8,000 to assist downtown businesses along designated areas in the City of Galax with building façade rehabilitation and other general property improvements undertaken in accordance with established design guidelines. The design guidelines address architecture, signage, landscaping, walls, lighting, veneers, awnings, etc.

Grants and Grants-Related Requests – Jolena Young, Grants Administrator

Mrs. Young provided an overview of upcoming grants and asked Council to approve for administration to submit the applications and approve required match where applicable. For the previously approved Department of Historic Resource Grant application, Council is asked to authorize management to work with the City’s attorney to draft a Preservation Easement for the Rex Theater.

COPS Invitational Grant - \$3,000,000 (100/0)

- Administration is asking for approval to submit a Grans.Gov application and a COPS application required to receive the \$3,000,000 Regional Congressional Directed Spending Award, and to serve as fiscal agent for the regional grant. The City Manager will work with the attorney to develop an MOU for the project.

Congressional Directed Spending Request for a 1 MG Water Tank - \$3,000,000 (80/20)

- Administration is asking for affirmation of the verbal/email approval to submit a \$3,000,000 congressional directed spending request to Senators Warner and Kaine for a 1-million-gallon water tank. The tank will allow the water plant to be shut down for 24 hours for repairs. This is a critical component of the Water System Improvement Plan. The grant award would be \$2,400,000 and the City would have to provide \$600,000 in matching funds.
- CDS is a multiple phase approval process. Gate 1 - The requests are vetted by the Senators who chose a limited number of projects to submit to the annual funding bill. Gate 2 – Requests are reviewed by Senate and House Sub-Committees to be included in a Bill. The Bill must then pass the Senate and House. Gate 3 – The Funding Bill must be adopted by the House and Senate and signed by the President.

Department of Historical Resources – Paul Bruhn Southwest Virginia Grant -\$225,000 (100/0)

- The Council is asked to approve for Administration to work with the City Attorney to create and record a Preservation Easement for The Rex Theater. A sample of a Preservation Deed is attached.

Virginia State Homeland Security Program Grant (SHSP) ~\$60,000 (100/0)

- Administration, Information Technology Management and Emergency Management are seeking approval to apply for a Virginia State Homeland Security Grant. The project will enable the City to establish an effective and tested disaster recovery plan for critical communication and financial systems. The estimated grant amount is \$60,000: \$45,000 to purchase 4 servers and \$15,000 to engage the auditor to plan and access the disaster recovery plan and to evaluate cybersecurity effectiveness.

Non-Competitive Grant Applications (100,0)

- Administration is seeking approval to submit applications for the following non-competitive grants:
 - \$30,000 Aid to Localities (Fire Department)
 - ~\$10,000 Non-Competitive Litter Grant
 - \$7,500 Law Enforcement Emergency Management Grant

DHCD DOWNTOWN REVITALIZATION PLANNING GRANT

- Administration is seeking approval to submit a planning grant with DHCD for a Downtown Revitalization project. The planning grant will assist in a full application next spring.

Vice Mayor White made the motion to approve the grants as presented, and the approval to pursue a preservation easement for the Rex Theater. Councilman Henck seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Henck, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

CITIZEN COMMENTS - None

COMMUNICATIONS FROM CITY MANAGER, MAYOR, CITY COUNCIL, AND COUNCIL COMMITTEES

City Manager Burnette

Zoning Administrator Appointment

Requested Council to appoint Doug Williams, Galax Planning Director, as the City’s Zoning Administrator.

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

GGEMS Ambulance

Requested Council to approval the purchase of a new ambulance for Galax Grayson EMS. The price quote was for \$278,707. After the detailed were discussed, *Councilman Warr made the motion to approve the request. Councilman Henck seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Henck, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.*

Parking Lot Paving Change Order

Request for a change order in our paving contract with Sowers Paving to pave the City parking lots. Three additional lots were added. The revised total was \$197,837 with a warranty.

Councilman Warr made the motion to approve the change order request. Councilwoman Ritchie seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Henck, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

Councilwoman Burnett

- Blue Line Solutions – ready to move forward per Chief Cooper

Vice Mayor White

- Traffic Concern at new Dollar Tree Store

Councilwoman Ritchie

- Eastview Revitalization Project – Two houses ready to begin rehabilitation

Councilman Henck

- Moving the Park Ranger’s Station from Cliffview to Galax
- Rosenwald Revamped Juneteenth Celebration planned
- Thanked everyone for the constructive and positive method of working on the budget together

Councilman Warr

- Tourism Committee meetings now held quarterly, 2nd Tues. in Jan. Apr. Jul. Oct.
- Stressed communication in working on the downtown improvements

CLOSED SESSION

At 9:20 p.m. Councilman Henck made the motion to enter into closed session in Accordance with Code of VA 2.2-3711:

- *(A)(1) Personnel Discussion of appointments to City Boards, Commissions, etc.*
- *(A)(3) Discussion of the acquisition of real property or the disposition of real property*
- *(A)(5) Prospective or expansion of business or industry where no previous public announcement has been made*

Councilman Bowers seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Henck, Councilman Warr, Councilwoman Burnett, and Councilman Bowers.

At 9:45 p.m. by a motion by Councilwoman Ritchie, and seconded by Councilman Bowers, Council reconvened in open session, with unanimous approval by all, 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 affirmation: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

ACTION FROM CLOSED SESSION – None

At 9:45 p.m. Vice Mayor White made the motion to adjourn. Councilman Bowers seconded, and the motion was unanimously approved by the following votes of “yea”: Mayor Greene, Vice Mayor White, Councilwoman Richie, Councilman Warr, Councilman Henck, Councilwoman Burnett, and Councilman Bowers.

ADJOURNMENT at 9:45 p.m.


 Mayor


 Clerk