

MINUTES
REGULAR MEETING
SEPTEMBER 14, 2021

The regular meeting of the Council for the City of Covington was held on Tuesday, September 14, 2021, at 6:30 p.m. at Council Chambers in City Hall, 333 W. Locust Street, Covington, Virginia.

The meeting was called to order by Mayor Thomas H. Sibold, Jr. The invocation was given by Rev. Doug Hollenbeck, followed by the Pledge of Allegiance.

Roll call of Council showed all members present as follows: Mayor Sibold, Vice Mayor David S. Crosier, Councilman William E. (Lance) Carson, Jr., Councilman Raymond C. Hunter, and Councilman S. Allan Tucker.
City Manager: Krystal Onaitis
City Attorney: Mark Popovich

APPROVAL OF AGENDA

Vice Mayor Crosier made a motion to approve the agenda as presented and to add the following items to the agenda:

1. A Special Presentation by Financial Advisors from Davenport and Company
2. A proposed ordinance to amend and reenact Chapter 8, Buildings, Article I, Section 8.1.1, Enforcement
3. A Local Economic Development Performance Agreement with WestRock
4. A Closed Session pursuant to Section 2.2-3711(A)(8) for consultation with legal counsel employed by Council regarding specific legal matters requiring the provision of legal advice by counsel related to code enforcement procedures; and
5. A Closed Session to allow for the discussion of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the city would be adversely affected related to the development of a pad-ready site pursuant to Section 2.2-3711(A)(6).
6. A Closed Session for discussion regarding the disposition of publicly held real property where discussion in open meeting would adversely affect the negotiating position of the city regarding Project Ace; and
7. A closed session for consultation with legal counsel retained by the City regarding specific legal matters requiring the provision of legal advice related to Project Boot.

He also made a motion to accept the agenda as presented. Mr. Hunter added a second, and members agreed by consent.

CITIZEN COMMENTS

Greg Rice of Beech Street asked Council to give attention to an abandoned house on the corner of Oak Street and Alleghany Avenue, the former Dykes Funeral Home, which has a collapsed portion of the front corner, and electrical wires have fallen down. He is unsure if the wires are live but said children often played around the house. City Manager Onaitis said a complaint was made to the Code Enforcement Official late last week, and the new building code ordinance just added to the agenda will give more flexibility to continue dealing with blighted properties now.

CORRECTION AND APPROVAL OF MINUTES

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted to approve the following minutes as presented: Work Session on August 2, 2021; and Regular Meeting on August 10, 2021.

APPOINTMENTS

On a motion by Vice Mayor Crosier, seconded by Mr. Carson, Council voted by consensus to appoint Karen B. Kessinger to fill the unexpired term of Tamala Preston to the Covington City School Board. This term will end of June 30, 2022, due to school consolidation.

SPECIAL PRESENTATIONS

James Sanderson of Davenport & Company gave a financial update, reiterating what he stated in his presentation in April, which is the City has a strong rating in the middle of the ratings standard for Moody's Investors Service with an A1 and Standard & Poor's with A+. Only two Virginia cities have a higher rating: Abingdon with 30.7 percent of unassigned fund balance and Danville with 30.5 percent. Covington's unassigned fund balance is 29.1 percent, and that balance and the total fund balance have increased over the last five years. The City has paid off approximately \$1.3 million in principal on tax-supported debt each year since 2013 and has reduced its outstanding debt by \$8.5 million in the past ten years. The legal debt of the city, ten percent allowable by state constitution, is \$57,031,071, while the outstanding general obligation debt is \$32,911,237, leaving nearly \$33 million that may be borrowed (although he doesn't recommend it).

REPORT OF THE CITY MANAGER

Ms. Onaitis showed a PowerPoint presentation highlighting projects from her two-year tenure as City Manager. She listed finalized projects as slope stabilization and emergency maintenance to roads at \$2.2 million; the Maple Avenue Project, Phases I and II at \$1 million; and Alleghany Avenue paving and total State of Good Repair (SGR) paving at \$1.7 million. Ongoing projects include the equalization basin wastewater treatment project at approximately \$6 million, which was advertised last week and project submitted to the DEQ on Sept. 10; and Project Sparkle at \$255,000 combined grant and in-kind funds. Future projects she anticipates competing include the Rayon Bridge (\$10.4 million from VDOT with \$400,000 city funds); Transportation Alternatives applications to VDOT for Route 220 Safety Corridor at \$630,000, with an 80/20 matching grant; and Rivermont Re-adaptive Use Housing Grant at an estimated \$10 million, which will be submitted by Landmark Properties in March of 2022.

She also highlighted the short-staffing issue that is an ongoing problem with an older workforce retiring and difficulty in hiring a skilled workforce. Overtime increased from \$193,360.94 in fiscal year 2020 to \$208,911.97 in FY 2021, and totals \$48,801.87 since July 1, 2021. The ongoing efforts in nuisance property maintenance shows that 107 letters were mailed to property owners in FY 2021, with 28 letters sent thus far this fiscal year. Nuisance property costs totaled \$12,235.05 in FY 2021, and current totals are at \$4,241.20. Councilman Carson asked how much has been recouped of these costs, and she replied that approximately \$1,000 had been recouped since 2019. Fifteen notices of violation were sent for property maintenance code enforcement, along with 73 inoperable vehicles posted, in FY 2021, with 10 notices sent the previous year. Demolition and environmental work totals \$18,800 already in FY 2022, and demolitions costs from FY 2019-2021 totaled \$83,000.

Paving is complete for FY 2021, with a total cost of \$164,000 for both mill and overlay and slurry and seal. Emergency paving and guardrail installation cost \$249,000, and 973 potholes were repaired. Repairs and maintenance to streets added up to \$14,000, with the sidewalks budget at \$50,000. The sidewalk on Thacker Avenue near Walmart is the next project in the works. Future stormwater projects include drainage improvement at Phillip and Hemlock streets and improvements at the Jackson River Sport Complex, with a drainage improvement project completed on Beech Street in FY 2021.

UNFINISHED/OLD BUSINESS

With the release of the U.S. Census data in August, the formation of a Redistricting Committee was discussed. The Roanoke Valley Alleghany Regional Commission has offered assistance from Matt Miller, Director of Information Services, for the use of a software program showing population shifts. Mayor Sibold asked each member to be prepared to name a representative from his district at the Work Session on October 5th.

On a motion from Mr. Crosier, seconded by Mr. Tucker, Council voted unanimously to approve Ordinance O-21-11 to Amend and Reenact City Code by Enacting Chapter 10, Businesses, Article VII, Short-term Rental Registry: Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

For the Ordinance just added, later labeled O-21-12, to amend Chapter 8, Buildings, Article I, in General, Section 8.1.1, Enforcement, Vice Mayor Crosier made a motion to approve, seconded

by Mr. Hunter, with this vote: Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

For Resolution R-21-41 as an endorsement of a VDOT Transportation Alternatives Program Project application for U.S. Route 220 at E. Cedar Street and S. Highland Avenue, Vice Mayor Crosier made a motion to approve. Mr. Tucker added the second, and the vote showed Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

Concerning Resolution R-21-42 as an endorsement of a VDOT Transportation Alternatives Program Project application for U.S. Route 220 Sidewalk Installation, E. Pine Street to E. Beech Street, Vice Mayor Crosier made a motion to approve, seconded by Mr. Hunter, and Council agreed; Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

Members voted unanimously to pass Appropriations Resolution R-21-43 for an Office of Emergency Medical Services Medical Equipment Grant for 2 power ambulance cots, 50/50 matching grant, \$81,998.42. The motion was made by Vice Mayor Crosier, seconded by Mr. Tucker, with this vote: Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

Vice Mayor Crosier made a motion to approve Reappropriations Resolution R-21-44 for the General Fund, Utility Fund, Landfill Fund, and Project Funds. Mr. Tucker seconded, and members voted unanimously to approve: Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

The last Resolution added, later labeled R-21-45, a Local Economic Development Performance Agreement with WestRock for a Capital Investment in the Plant, was approved 5-0 on a motion by Vice Mayor Crosier, seconded by Mr. Tucker: Mayor Sibold: For; Vice Mayor Crosier: For; Mr. Carson: For; Mr. Hunter: For; and Mr. Tucker: For.

NEW BUSINESS

Mr. Hunter asked Ms. Onaitis to again check on Lincoln Avenue regarding brush on the side of the road and the need for repaving. She said the problem is many other City streets, including Lincoln, are not accepted in the VDOT Lane Mile Inventory (LMI) due to length or width, so City funds must be used to pave these streets, but she will check about having the potholes filled.

Vice Mayor Crosier emphatically stated that if the City is forcing property owners to maintain properties, the City also must maintain its properties and be "good stewards."


CLOSED SESSION

Vice Mayor Crosier made a motion to enter into Closed Session with items approved at the beginning of the meeting:

- Pursuant to Section 2.2-3711(A)(8) for consultation with legal counsel employed by Council regarding specific legal matters requiring the provision of legal advice by counsel related to code enforcement procedures;
- To allow for the discussion of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the city would be adversely affected related to the development of a pad ready site pursuant to Section 2.2-3711(A)(6); as well as the Closed Session
- Pursuant to Section 2.2-3711(A)(8) for consultation with legal counsel employed by Council regarding specific legal matters requiring the provision of legal advice by counsel related to code enforcement procedures;
- To allow for the discussion of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the city would be adversely affected related to the development of a pad ready site pursuant to Section 2.2-3711(A)(6).
- Discussion regarding the disposition of publicly held real property where discussion in open meeting would adversely affect the negotiating position of the city regarding Project Ace; and
- Consultation with legal counsel retained by the City regarding specific legal matters requiring the provision of legal advice related to Project Boot.

Following the closed session, Council reconvened and voted by consensus on a motion from Vice Mayor Crosier, seconded by Mr. Tucker, to certify that only the matter stated was discussed. With no

further business to come before Council, the meeting was adjourned on a motion from Vice Mayor Crosier and seconded by Mr. Tucker.



THOMAS H. SIBOLD, JR., MAYOR
PRESIDENT OF THE CITY COUNCIL AND,
AS SUCH, EX-OFFICIO OFFICER OF THE
CITY OF COVINGTON, VIRGINIA

ATTEST:



REBECCA W. SCOTT
CITY CLERK