

June 14th, 2022

MINUTES
REGULAR MEETING
JUNE 14, 2022

A regular meeting of the Council for the City of Covington was held on Tuesday, June 14, 2014, at 6:30 p.m. in the Council Chambers of City Hall located at 333 W. Locust Street, Covington, Virginia.

The meeting was called to order by Mayor Thomas Sibold, Jr., with the following members present: Mayor Sibold, Vice Mayor David S. Crosier, Councilman William E. (Lance) Carson, Jr., Councilman Raymond C. Hunter, and Councilman S. Allan Tucker. Also present were City Manager, Krystal Onaitis and City Attorney, Mark Popovich.

Mayor Sibold opened the floor for citizen comments.

CITIZEN COMMENTS

Mr. Clyde Selman, no address provided, expressed concern that Allen Dressler will no longer maintain Boodie Albert Stadium once the city and county schools are consolidated according to a feasibility study. He commented that Mr. Dressler and his staff have the best interest of Covington at heart and no one will do a better job than they will. Mayor Sibold advised that Mr. Dressler and Jane Griffith (county) acquired a grant awarded by the Alleghany Foundation and the field study was 90 percent complete. Ms. Onaitis advised they were working on an affordable locker room, preparing documents needed, hired 80 Com, a contracting firm to conduct the field study. There is \$40,000 left for the same company to administer the idea of what needs to be accomplished for the field house. Ms. Onaitis said input is coming from school officials, school board members, and city officials regarding the locker rooms. The field component is 90 percent complete. Mr. Selman said that he understood that part, but it was wrong to leave Allen and his staff out of the process. Mayor Sibold thanked Mr. Selman for speaking.

Ms. Megan Mann, no address provided, requested Council to consider changing the ordinance that prohibits city residents from owning chickens. She stated that there are many personal, nutritional, and financial benefits to owning chickens. For example, chickens provide a great opportunity to create personal responsibility for children, and they provide nutritional benefits (eggs). Ms. Mann advised that the USDA predicts that egg prices may increase as much as 19.5-20.5 percent in the coming year, so having available access to fresh eggs would help to limit the burden of higher prices and possible shortages. The current ordinance was adopted to prevent chickens from becoming a nuisance. Ms. Mann said she believes, with proper measures in place, it is possible to have chickens in the city limits without creating a nuisance. She stated that chickens do not create any more noise or odor than other animals that have not been cleaned up after. She said just as Section 6-43 prohibits cats and dogs from running at large, the same can be applied to chickens in that they would need to be contained within the owner's premises. Ms. Mann advised that she had researched ways to allow chickens in the city without them becoming a nuisance. She looked into surrounding localities (Alleghany County, Clifton Forge, City of Lexington, Botetourt County, and Roanoke City). They all have measures in place to allow chickens while keeping them from being a nuisance. They have guidelines regulating the number of chickens allowed, keeping of roosters, proper food storage, and maintaining coupes appropriately. In closing, Ms. Mann encouraged Council to consider changing this ordinance and to allow Covington City residents the opportunity to own chickens.

Councilman Carson thanked Ms. Mann for speaking.

Vice Mayor Crosier said it may be something to look into again.

Ms. Onaitis advised it may be worth getting some guidance on how to maintain the chickens.

Councilman Hunter inquired as to whether having chickens in the city would encourage snakes.

Councilman Tucker advised his son and daughter in law have chickens in Roanoke City and have specific guidelines to follow.

Vice Mayor Crosier and Mayor Sibold said they are both willing to look into this issue.

Ms. Onaitis advised Council could revisit the ordinance in July.

Vice Mayor Crosier stated concern over who would monitor chickens in the city.

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Ms. Onaitis advised that an annual permit would probably be needed so everyone would be up to date on guidelines to owning chickens.

Ms. Carolyn Seymour, address not provided, spoke regarding personal property taxes. She stated that she was a senior citizen with a very limited income of 900 dollars a month. She advised that her 2003 and 2004 vehicles were assessed much higher than they should have been. She went on to say that the city was charging 100 percent of new car value. She explained that citizens were not getting their credits, senior, or mileage discounts. Ms. Seymour advised Council that the city had taken her water deposit to pay her unpaid taxes, and it took 6 months for her to get her deposit back. She thought the city had to have a Warrant in Debt to do this. Ms. Jennifer Parris, Deputy Treasurer, advised that when a new water account is opened, a 213 dollar deposit is required. If the citizen decides to move and owes taxes, the deposit money is taken for unpaid debts for the city (personal property taxes and real estate taxes). Ms. Seymour inquired as to why the city had not obtained a Warrant in Debt. She also stated that she did not receive a letter stating she owed taxes.

Ms. Parris advised that they did not send out letters, but did send out delinquent tax notices to citizens twice a year. She also said that she thinks there is something in the city code allowing the city to use water deposits for unpaid taxes, but she will have to verify with Treasurer Theresa Harrison.

Vice Mayor Crosier asked who set the amount of 213 dollars. Ms. Onaitis advised it was a fee schedule that Council approves, possible due to a prior recommendation.

Finance Director David Bryant stated that when the payment date was moved by Council to later in the month, the deposit is paid a month ahead, so if one became delinquent, there are 2 months of payments in the books, and that would be the total amount for water, waste water, and solid waste.

Ms. Seymour said she had to threaten the city with court to get her money back. Ms. Parris exclaimed she wasn't sure why it took 6 months for Ms. Seymour to receive her money back as they don't normally hold the refund.

Vice Mayor Crosier asked Commissioner of Revenue Cathy Kimberlin if there was a tax relief application for personal property taxes. Ms. Kimberlin advised the relief application only applied to real estate taxes.

Ms. Seymour reiterated that taxes in Covington were too high.

Mayor Sibold thanked Ms. Seymour for speaking.

Mayor Sibold called Mrs. Kathy Downey, Cherry Street, to the podium. Mrs. Downey advised Council that she was there concerning the budget. She thanked Mr. Bryant for allowing her to review the city's annual financial report for the year ending June 30, 2021. She stated that she is very impressed with the audit and seeing positive changes regarding our funds from the Virginia lottery towards our schools. She said that Council has done an amazing job with what she's seeing on the audit. She went on to say that she had questions regarding law enforcement and the Alleghany County Sheriff's Department. She said that on page 135 of the audit report under Judicial Administration/Public Safety, the sheriff was allotted 233,608 dollars for law enforcement traffic control. She questioned what we were paying for and why. Under Jail, the allotment was 427, 719. It was originally 343,173 dollars, which increased this time by 84, 546 dollars. Mrs. Downey stated that she thought she was told that the 84, 546 dollar increase was for housing inmates. She said the Covington Police Department was budgeted at 1, 851, 905 dollars, yet the final number was a decrease of 170, 842 dollars. She said it seemed that the Covington Police Department cannot perform its duties the citizens of Covington without the assistance of county deputies from the sheriff's department. She went on to say that the sheriff had made public promises to his staff, including high salaries. She never sees the Covington Police Department performing duties without sheriff's deputies, with the exception of funerals and animal control. She does not feel that the city should be billed for mutual aid, as she thinks neither the state nor city bills for mutual aid. Mrs. Downey then praised Mr. Bryant for answering her question regarding the budget in such a professional manner. She exclaimed that Covington has suffered an increase in crime, including drug trafficking, etc., and the citizens are not getting the bang for their buck. County and city taxpayers are all being held in a crime crisis and forced to put up with it. She commented that taxpayers are responsible for 17 percent of the budget concerning law enforcement. She implored Council to subtract the law enforcement and traffic control line item until crime in our city is reduced. She then thanked Council for allowing her to speak. Mayor Sibold thanked Mrs. Downey for speaking.

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Mayor Sibold called Mrs. Eunice D.W. Clark, no address provided, to speak. She advised that she had returned to inquire as to whether Council had come up with a plan to give citizens some relief concerning their personal property taxes. She went on to suggest 3 different ways they can provide that relief. Her suggestions are as follows:

- 1) The County Department could use their new computer system to refigure the 2nd half of personal property as well as the first half with a discount. This could hopefully be done before the September billing period.
- 2) The Commissioner of the Revenue could rebate the 1st and 2nd half with a deduction on the bill before mailing the September bill.
- 3) The personal property tax can be reduced to the machinery and tools rate on the 2nd half tax bill.

Mrs. Clark stated that she had spoken with 3 other localities regarding how they have handled the personal property tax increase:

- 1) Deputy Treasurer of Roanoke County provided the example that an automobile assessed at 20,000 dollars would be figured at a cost of 371.80 dollars. Roanoke County raised the rebate percentage on automobiles to 83.3 percent, which allowed a rebate on that particular automobile to fall to \$116.90.
- 2) Salem-Chief Deputy Treasurer Larson-He advised that automobiles were assessed on clean loan value, which is different than retail value that has been used here locally in the past. Taxpayers went before Council requesting they do something to lower personal property taxes. Salem City Councilmembers approved a rebate be awarded to Salem taxpayers. Mr. Larson did not go into further detail.
- 3) Roanoke City-Deputy Treasure for Treasurer Ellen Powers-Advised the value had gone up and Council had not made any changes at this time.

Mrs. Clark then expressed thanks to Councilman Carson for voting against the high personal property taxes when discussions were being held. She said the citizens would like to know what Council will be doing to make adjustments to the tax rate. In closing, she thanked the city for hiring some part-time workers. She observed them working beside Sexton Russell Carson at Cedar Hill Cemetery and was happy that he was teaching them how to weed eat around headstones without damaging them.

Mayor Sibold inquired about a comment Mrs. Clark had made at the previous meeting held on June 07, 2022. Mrs. Clark had mentioned that the Commissioner of Revenue in 1974, Ms. Via, had frozen the personal property tax assessment at the previous year. Mrs. Clark advised that Ms. Via had frozen the value. Mr. Sibold asked how Ms. Via went about the process. Mrs. Clark stated that Ms. Via made rebates, 1 per vehicle and that Council had no involvement in the process, as the Commissioner of Revenue was in charge of making those decisions. She went on to say that Covington was going to have a hard time keeping citizens if real estate goes to 30-40 percent. Mayor Sibold advised that real estate is state mandated and not controlled by Council or the city. Mrs. Clark advised Council that they needed to do something to bring in jobs, businesses, and shopping places to help increase tax revenue and population, as the population in the city is dwindling. She went on to say that she was not accusing or faulting Council or any one person for the issues.

Vice Mayor Crosier requested to speak.

He said he had a huge appreciation for those who sat on Council before him. He said they did the best they could with what they had to work with. He commented the former Treasurer, Eunice D.W. Clark, had brought up how things were done in the past in her comments the last two weeks. Mr. Crosier stated that when he started on Council in 2012, the city had a fund balance of \$500,000, which current Council inherited. Council also inherited a 1.7 million dollar refund on machinery and tools tax (Westrock), due to state legislature. He went on to say that Council also inherited the Nettleton property, which they were told would take seven million dollars to renovate. Council also inherited neglected infrastructure, such as water lines, sewer lines, fire hydrants, and improperly paved streets. They inherited a landfill, which, in 2012, was supposed to last for 15 years. By 2015, it had gone down to 3 years, and by 2017, Council was told it would be 6 months until the landfill was full. Mr. Crosier said that Council had to do what they thought was best to correct the landfill issue, which was the cheapest option for our residents. He went on to say that the train depot would have to be torn down in 2043, due to an agreement the city has with CSX that originate with Council in 2003 (20 year lease agreement). Mr. Crosier stated that the only reason that Covington has made it in the past decade is due to the city

employees, from Public Works to the Treasurer and Commissioner's office, to the police department and everyone in Central Accounting. Mr. Crosier said we have scraped and fought in the last decade to get to six million dollars in our fund balance (verified with Finance Director David Bryant). The city came up with policies so it wouldn't go back to half a million dollars in the fund balance again. Mr. Crosier stated that the other side of history needs to be told of what our staff has had to deal with in the last ten years. He commented on the landfill fund disappearing. He then thanked the citizens for their comments and the city staff who were in attendance and watching the meeting.

Mayor Sibold called Mr. Robert McCoy, 595 White Oak Lane, to speak. He started off by saying that he objected to the high taxes as he is retired and on a fixed income. He stated that all of his taxes had risen, including for his dog's tags. He then went on to discuss road conditions in the Idlewilde area, specifically Greenway and Michigan Street. He said that Greenway Street was torn up by a broken down vehicle leaking oil 3 years ago, and that Michigan Street was torn up by the construction of a transmission line by Dominion VA Power. Vice Mayor Crosier requested to look into the situation and see if, per franchise agreement, the power company has to fix the roads. Ms. Onaitis advised that, unfortunately, the agreement does not apply to previously completed work, but the city could talk to the power company about what they've done for restoration in the past. Mayor Sibold stated that there was not enough revenue coming in previously to work on the roads, but Council now has money to use for roadwork, sidewalks, etc. He advised that the city has replaced a firetruck that was wrecked on Interstate 64 for around 500 thousand dollars and an ambulance for 250 thousand dollars. Mr. McCoy urged Council to consider fixing the roads in Idlewilde. He inquired about the 220 intersection in south Covington. Ms. Onaitis advised that the city was aware of the issue and had detected a line of sight issue and some traffic problems in a recent road study. She told Mr. McCoy that Public Works Director Patrick Madigan was in attendance to hear his concerns. Mr. McCoy then thanked Council for allowing him to speak. Council thanked him for speaking.

REPORT FROM CITY MANAGER

City Manager Krystal Onaitis had several things to report on as follows:

1) Project Sparkle (Main Street) - Ms. Onaitis has been working with a developer for the past year and a half on Project Sparkle. The consensus from the Industrial Development Authority, who currently owns the old Gordman's building on Main Street, was for Ms. Onaitis to begin working on a performance agreement with City Attorney Mark Popovich, by which then they'd have access to the deed in order for the developer to obtain ownership and begin work on the building. Ms. Onaitis said that she hopes they will have the building in private hands by the end of August, as it will become taxable then and not owned by a government entity.

2) Ms. Onaitis is working with DNA Holdings on state incentives from the Economic Development Association, the Appalachian Regional Commission, and the VA Department of Agriculture and Consumer Services. She advised that the company we are working with is one of West Virginia's third largest breweries in the state, and they will be expanding their operations to Virginia, which is why she's exploring state level incentives. For example, based on their meals tax, on an average day at their current facility, the city of Covington has an opportunity to see \$130,000 annually. This does not include sales tax or payroll tax.

3) Commonwealth Transportation Board-This is the board that approves all of the Department of Transportation's funding. Ms. Onaitis advised she would be attending a meeting on June 21, 2022 in Richmond to discuss several projects the city is overseeing. The Commonwealth Transportation Board will be voting on the Transportation Alternative Project on 220 from Pine Street to Beech Street, pedestrian improvements and enhancements, and repairs to the Rayon Bridge. She said that the board approves funding up front.

4) Ms. Onaitis had two meetings with VDOT to discuss the Revenue Sharing Transportation Program. She stated that the city is applying for paving and sidewalks, in which VDOT will provide a one for one match. She said that there was \$500,000 in maintenance funding for roads and \$100,000 for sidewalk repair and enhancements. VDOT will match the city for the same amount. Ms. Onaitis advised that \$500,000 will address roughly 40 percent of our roads, and \$100,000 will address a quarter of our sidewalks.

5) Highway Safety Improvement Program-Ms. Onaitis advised they had discussed addressing all 220 improvement projects, but it was recommended they find something system wide. She said she will be submitting an application to address the modernization of traffic signals throughout the city. She went

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on to say that the biggest challenge is not being able to see the signal at night or during inclement weather, as the current lights do not have reflective backing.

5) Construction bids have officially closed as of last month, and the construction contract is signed and executed for the pad ready site. A notice to proceed has been issued to contractors. Ms. Onaitis has been working with Thompson and Litton (an engineering firm) and Herring Construction, which is based out of Tennessee. Mayor Sibold inquired about the cost of the project, to which Ms. Onaitis responded it would cost 8.4 million dollars with 1.7 million dollars in principle forgiveness, meaning the city would not have to pay that amount. This is being borrowed at zero percent interest over 25 years.

6) Ms. Onaitis advised that the landfill continues to receive compliance with now issues reported at inspections.

7) The city is in the process of filling some full-time positions, namely the Office of Citizen Services.

Mr. Carson advised that he was still receiving complaints regarding the Columbia Gas project and road conditions. Ms. Onaitis stated that, typically, the gas company will not repave until they have completed that particular project segment. Unfortunately, the city has nothing that requires that the gas company cannot use steel plates. She is working with Dominion Energy on having a requirement that they restore projects back to VDOT standards during projects and to conduct quarterly utility meetings to plan the projects ahead of time. Ms. Onaitis advised she will be doing the same with Columbia Gas. She said she had spoken with Susan Hammond, the district engineer, who sent her the complete utility requirement section, which Ms. Onaitis then sent to the Public Works director, Mr. Madigan. She and Mr. Madigan will propose an ordinance the city can adopt to require roads, sidewalks, etc. be restored based on VDOT restoration requirements. She went on to say that Columbia Gas had received quite a bit of federal and state relief funds, so they are addressing infrastructure in the city. Dominion Energy will be doing the same in the near future.

Mayor Sibold expressed thanks for Ms. Onaitis' work, namely the Rayon Bridge, which was originally going to cost 13.4 million dollars, but Ms. Onaitis lobbied to bring the amount to 400 thousand dollars.

Ms. Onaitis advised that VDOT has proposed funding of a little over a million dollars for the Pine Street through Beech Street project.

She stated that the Virginia Economic Development Partnership had visited our area twice this year to see what we have to offer and where business and industry can come.

Mayor Sibold said that he had a productive meeting with IDA regarding the Pad Site, and that they were moving along. Ms. Onaitis said that they were still dealing with plan review and property concerns. She went on to say that she looks forward to working with Mr. Reid Walter, as he has a great personality for the region.

MEMORANDUM OF UNDERSTANDING REGARDING CITY SCHOOL PROPERTIES

Mr. Popovich discussed the Memorandum of Understanding regarding city school properties. He said that with consolidation efforts, there needed to be a determination on what would happen with city school properties. The decision was made to have public school properties held by the school board conveyed directly to the city of Covington, which would then lease back to the county on a ground lease basis. The county can use the properties for school functions as needed, but the consolidated school board will be responsible for maintenance and upkeep of these properties, not the city. Mr. Popovich stated he had drafted a surplus property resolution and deed of gift for the city school board and would do the same for the county.

Mr. Crosier stated that there needed to be something in place giving city school board employees time to vacate. Ms. Onaitis advised there was no timetable, and the only thing that needed to be completed by July 1, 2022, was to surplus all existing property since the Covington school division would no longer exist as of this date. She said that everything would be declared as surplus and not donations due to time constraints (public hearing needed for donations).

Mr. Crosier made a motion to approve the Memorandum of Understanding. Mr. Tucker seconded the motion. All members of Council voted for the MOU with an "for" vote.

Mrs. Eunice D.W. Clark inquired about the Nettleton Property being school property. Mr. Sibold advised her that the Nettleton Property was owned by the city and had nothing to do with the schools. She then

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inquired about the old Rivermont School. Ms. Onaitis advised that she had met with the IDA, and Rivermont received national historic designation. She's waiting to hear from Virginia Housing regarding tax credits in order to move forward with the housing project. She also advised that the city had a potential developer for the old Edgemont Primary School building.

When Mrs. Clark stated it was a shame Rivermont went into disrepair, Mr. Sibold advised that the city did not have the money to maintain the building.

Mr. Hostetter questioned whether or not the city would be allowed to tear the old Rivermont building down, as it is now deemed historical. Ms. Onaitis advised that the building could still be torn down. Being designated as historical just means that it's easier for the city to get tax credits.

Mr. Carson advised Mr. Hostetter that there is a company taking over the Rivermont building to refurbish it into apartments for the elderly.

APPOINTMENTS

There are two vacancies on the Board of Zoning Appeals. Council agreed by aye vote to reappoint Ronald Brunetti to serve, with his appointment to end on June 30, 2027.. Mr. Popovich will send the necessary paperwork to the courthouse for approval. The second position remains unfilled, as no one has expressed interest.

There is one vacancy on the Social Services Board. Council agreed by aye vote to reappoint David Crosier to the board.

There is one vacancy on the Economic Development Corporation Board. Council agreed by aye vote to appoint Bill Withrow to serve (rotating appointment between the city county).

There is one vacancy on the Planning Commission Board. Council agreed by aye vote to appoint Harold (Ozzie) Hostetter to serve, with H.W. (Tad) Robertson serving as an advisor.

ORDINANCES AND RESOLUTIONS

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Resolution R-22-16 in regards to amending the city budget at fund level as opposed to function level. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Resolution R-22-17 in regards to an endorsement of US Route 220-road diet and buffered bike lanes project. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Resolution R-22-18 in regards to US Route 220 at South Carpenter Drive safety improvements. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Resolution R-22-19 in regards to amending appropriations for fiscal year beginning July 1, 2021 and ending June 30, 2022. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Ordinance O-22-01 in regards to approving the city of Covington's operation budget and appropriating funds for expenditures contemplated during the fiscal year beginning July 1, 2022 and ending June 30, 2023, and regulating the payment of money out of the city treasury. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Ordinance O-22-02 in regards to imposing and levying personal property and machinery and tools taxes within the city of Covington, Virginia for the tax year beginning January 1, 2023 and ending December

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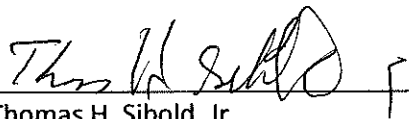
31, 2023. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

Upon a motion by Vice Mayor Crosier, seconded by Mr. Tucker, Council voted 5 to 0 to approve Ordinance O-22-03 in regards to levying real estate taxes within the city of Covington, Virginia for the tax year beginning July 1, 2022 and ending June 30, 2023. The votes were as follows: Mr. Carson, for; Mr. Hunter, for; Mr. Tucker, for; Vice Mayor Crosier, for; Mayor Sibold, for.

PROCLAMATION


A proclamation to make July Parks and Recreation Appreciation month was approved by Council. Vice Mayor Crosier moved for approval and Council was in favor with aye votes.

With no further business to come before Council, the meeting was adjourned on a motion from Mayor Sibold and seconded by Vice Mayor Crosier. All Councilmembers responded with an "aye" vote.



Mayor Thomas H. Sibold, Jr.

ATTEST:



Kyla D. Crosier, City Clerk