The regular meeting of the Petersburg City Council was held on Tuesday, October 15, 2024, at the Petersburg Public Library. Mayor Parham called the meeting to order at 5:00 p.m. The meeting video link is https://petersburgva.new.swagit.com/videos/317722.

1. <u>ROLL CALL:</u>

Present:

Samuel Parham, Mayor – Ward 3
Darrin Hill, Vice Mayor – Ward 2
Marlow Jones, Councilor – Ward 1
Charles Cuthbert, Jr., Councilor – Ward 4
W. Howard Myers, Councilor– Ward 5
Annette Smith-Lee, Councilor - Ward 6
Arnold Westbrook, Jr., Councilor – Ward 7

Absent:

Present from City Council Administration:

City Manager John March Altman, Jr.
City Attorney Anthony C. Williams
City Clerk Tangi R. Hill

2. <u>PRAYER</u>:

Vice Mayor Hill led the Council meeting in prayer.

3. <u>PLEDGE OF ALLEGIANCE:</u>

Mayor Parham led the Council and the citizens in the Pledge of Allegiance.

4. <u>DETERMINATION OF THE PRESENCE OF A QUORUM:</u>

A quorum was present.

5. <u>PROCLAMATIONS/RECOGNITIONS/PRESENTATION OF CEREMONIAL PROCLAMATIONS:</u>

a. <u>Recognition of the City of Petersburg Sheriff's Office for Obtaining Certification as Law Enforcement Professionals from the Virginia Law Enforcement Professional Standards Commission (VLEPSC)</u>

The City Council recognized the City of Petersburg Sheriff's Office, which came before the Virginia Law Enforcement Professional Standards Commission (VLEPSC) on October 3rd, 2024, and has met the requirements set forth by the commission and is therefore an accredited agency for four years.

b. <u>Breast Cancer Awareness Proclamation</u>

Mayor Parham read a proclamation recognizing October 2024 as Breast Cancer Awareness Month and October 18th, 2024, as Mammography Day in the City of Petersburg.

c. Domestic Violence Awareness Proclamation Presented to Monique Lindsey-Howell, Chairperson of the Petersburg Domestic Violence and Intimate Partner Violence Taskforce (DVIPVTF)

Mayor Parham read a proclamation recognizing October 2024 as Domestic Violence Awareness Month in the city of Petersburg and urging the citizens of Petersburg to work together to eliminate domestic violence in the community.

6. PRESENTATIONS:

a. Presentation by Dr. Brandi P. Justice, Facility Director/CEO, Central State Hospital

Ms. Brandi Justice, Facility Director and CEO, stated that she has been at Central State for 10 years, including six years as the chief clinical officer and four years as the facility director. She noted that Central State was created towards the end of the Civil War by the Freedmen's Bureau for formerly enslaved individuals. Ms. Justice said the facility started at Howard’s Grove in Richmond, and through the efforts of City Council and Mayor Cameron, the General Assembly designated a permanent site in Dinwiddie in 1882, opening its doors in 1885.

Ms. Justice said the site grew from 370 patients to 4,000 at one point and achieved full integration in 1967. She stated that the current campus spreads across 524 acres with 18 operational buildings, some of which are shut down, creating a dispersed sense of community. Ms. Justice highlighted that out of 932 positions, 805 are currently filled, a notable improvement from the height of COVID-19. She explained that Central State operates with 111 maximum security beds for the entire state and 166 civil beds for the Central Virginia region. Ms. Justice noted that the operating plan for the fiscal year is $102 million, and the current grounds are separated into parcels and would be available for sale.

Ms. Justice stated that the new facility will be on 50 acres across from Hiram Davis Medical Center, spanning 461,000 square feet, with a project cost of approximately 400 million, scheduled to open in January 2027. She confirmed that the new facility will maintain 111 maximum security beds and reduce civil beds to 141. She emphasized that the facility would continue to provide psychiatry, social work, and various therapies, alongside a medical clinic offering radiology, dental, ophthalmology, and other in-house medical services. She mentioned that the new facility will include a 90-seat multi-purpose room to engage the community and foster relationships with stakeholders, aiming to break down stereotypes.

She offered to answer questions.

Mayor Parham said that the campus looks great, and this has been a long time coming.

Council Member Jones asked if they were going to decommission the old hospital.

Ms. Justice responded that Hiram Davis would be shut down, and the planning committee would be meeting on October 16 and would continue their work over the next year, submitting their recommendations to the General Assembly for consideration next year.

Vice Mayor Hill asked whether Central State was located in Dinwiddie or Petersburg, and what typically happened with patient relocations, particularly upon release.

Ms. Justice confirmed that Central State is located in Dinwiddie and explained that part of what the planning committee would be discussing was resident placement and making sure that planning was done in advance.

Council Member Cuthbert clarified that the question was whether residents would be deinstitutionalized and moved to facilities in the City of Petersburg.

Ms. Justice replied that there would be different types of placements, and not everyone would be placed in Petersburg—depending on the level of care they need.

Council Member Cuthbert stated that the pattern in the past has been to move them into group homes in Petersburg, which is doing more than its fair share. He noted that he received complaints from constituents frequently, and he asked Ms. Justice to bring that issue to the attention of the committee.

b. Presentation by Gilbane Building Company and Commonwealth Architects of the New Petersburg Courthouse

Rachel Pest, Business Development Manager at Gilbane, introduced Brett Thompson, Gilbane Project Executive, as well as Lee Shadbolt, Principal, and Jane Sutton, Associate Principal and Director of Interior Design, with Commonwealth Architects.

Mr. Brett Thompson stated that Gilbane comes as a builder, with Commonwealth Architects as a design partner. He mentioned that the team includes experts familiar with courthouse construction across the country and introduced names that are involved in current projects and familiar with the City. He highlighted the involvement of Timmons Group as civil engineers, major security consulting, design, and site design experts.

Mr. Thompson emphasized Gilbane's extensive history with courthouses and their successful execution of such projects, as well as a longstanding partnership with Commonwealth Architects. He referred to his last project with the General Assembly building in Richmond, noting his understanding of building in a downtown environment with a public client, security levels, meeting rooms, and AV requirements that are comparable to a courthouse.

Lee Shadbolt of Commonwealth Architects said the firm had recently celebrated 25 years in Shockoe Slip, proudly contributing to civil and higher education projects across Virginia, including several in Petersburg.

Jane Sutton of Commonwealth Architects mentioned that their firm, which boasts 125 design awards, is a national entity with expertise in various project types, especially courthouses. She noted that their regional courthouse expertise is based in Columbia, South Carolina. Ms. Sutton shared her experience as a former employee in Atlanta, where she worked on the supreme court courthouse project.

Mr. Shadbolt presented a concept sketch done under a term contract from the Timmons Group. He stated that they have a term contract with the City and were tasked with a programming and design study for the courthouse, and this was one of the working products from that collaboration with the courts work group. Mr. Shadbolt said the study began in May 2022 and initially included only the three courts: general district and circuit courts.

He said that as they progressed, they interviewed judges and clerks about their square footage requirements, adjacency uses, and growth needs. He added that several updates were made with the City working group throughout the project. He noted that the sketch began as a working document and evolved into a final design study and building program, establishing the square footage for the PPEA in June 2023.

Mr. Shadbolt stated that the team then brought in Gilbane and SSLE to design a three-story, 73,000-SF building, incorporating elements from the original study. He described the design as a blend of modern and traditional architecture, contextual and compatible with its site. He emphasized that the design is not final and was put together without extensive input from the judges or the City. He explained that the floor plans include all required elements and functions. He concluded that this design was created within their own resources to submit the PPEA proposal, demonstrating their commitment and initiative to move the project forward.

Mr. Thompson stated that the project was voluntarily funded by their team. He explained the need for a space study and the development of a proposal to move forward. Mr. Thompson highlighted the importance of their estimating group's expertise along with national knowledge of courthouses. He mentioned that the proposal utilized the PPEA procurement method to present an idea to the City.

Mr. Thompson emphasized the importance of moving forward through this process and described the next step as the interim agreement phase. He elaborated that this phase aims to continue collaboration with the City Manager to finalize the design. Mr. Thompson outlined the need for design services and studies such as geotechnical, utility, and traffic studies.

He explained that once the design reaches 80% completion, they would propose a cost and schedule, guaranteeing the courthouse's cost and timeline. Mr. Thompson reiterated the goal of working closely with the City Manager's team to develop the design and move forward. He highlighted the continued energy in Petersburg with ongoing projects and emphasized the importance of community outreach events.

Ms. Pest reported that in April, they held their trade contractor outreach program, an event aimed at introducing new businesses to their team for potential collaboration on the courthouse project and others in the community. Ms. Pest shared that the last event was successful and mentioned they have another one scheduled for this Thursday at the Appomattox Event Center in Petersburg. She encouraged any local, small, and diverse-owned businesses to attend and meet their team for future partnership opportunities.

Mayor Parham asked for comments from City Manager March Altman.

City Manager Altman stated that they were moving forward under some duress due to a court order, emphasizing the need to proceed with haste. He explained that the Council would later approve the interim agreement to allow the project to move forward. City Manager Altman noted there would be opportunities for public interaction to address any concerns. He highlighted that they had chosen a contractor and design team to represent the City's interests effectively. City Manager Altman expressed confidence that the partners involved would do a good job and meet the City's needs, and he hoped the Council would support the related agenda items to maintain momentum and complete the project.

Vice Mayor Hill said he wanted the public to be assured that they were not taking down Hustings Courthouse, as it is a historic staple of the City.

Mr. Shadbolt explained that it was in the same vicinity, emphasizing that the courthouse functions would remain interconnected with Hustings. He reiterated that the courthouse would not be touched and said that it is considered sacrosanct.

Council Member Cuthbert referenced the sketch entitled "History of the Project Drawing." He said that North Sycamore Street had a rectangle with an X through it, adjacent to the sell-off parcel. He asked what the X indicated and if it meant that the buildings were being torn down.

City Manager Altman clarified that the X was just to show that the City did not own those parcels, and they are not being torn down. It is just showing that it's not a City-controlled parcel.

Council Member Cuthbert said he had never understood where price competition entered into the calculations here, as he thought competition based on price was an important consideration. He said he had not seen anywhere in this process and asked if there was any price competition, as he wondered if another qualified firm could do the project for less.

Mr. Thompson responded that it is not up to his team, but they were here to present an idea and concept based on a design and their expertise, and choosing Gilbane was part of that selection process.

City Manager Altman added that the portions of proposals received were proprietary—so that information cannot be released, but the City has a number that it is aiming for.

Mr. Thompson stated that one benefit of this partnership and process is cost control, and they can advise on things that will increase costs or save money.

Mayor Parham thanked him for the presentation.

7. RESPONSES TO PREVIOUS PUBLIC INFORMATION POSTED:

Mayor Parham stated that responses are found under Council Communicates.

8. APPROVAL OF CONSENT AGENDA (TO INCLUDE MINUTES OF PREVIOUS MEETINGS):

There were no items on the Consent Agenda.

9. OFFICIAL PUBLIC HEARINGS

a. A Public Hearing for Consideration of an Ordinance to Amend and Re-Adopt the FY25 Petersburg City Public Schools Budget to Allocate Additional Funds for Food Service Upgrades, to Include Capital & Operational Improvements

Budget Manager Garry Cozier stated that this is a budget amendment for Petersburg City Public Schools. He said the contribution from the City would be $1.5 million, the contribution from the schools for their own food service budget would be $2 million, so the total amendment would be $3.5 million.

John Wallingford, Interim CFO for Petersburg City Public Schools, said he was here with Dr. Woods to answer any questions about these projects. He said the $2 million that Mr. Cozier mentioned comes from fund balance, which is in the food service fund. He said the $1.5 million would be a return from a portion of the money swept back from the school division around mid-August.

Council Member Jones questioned why it took complaints from citizens and the state for the administration to recognize the need for repairs. He pointed out that funds were available, yet no action was taken. Council Member Jones emphasized the importance of holding someone accountable for the lack of maintenance and the subsequent need to request additional funds. He expressed his frustration with the situation and stressed the necessity for a proactive maintenance program. He asked why they needed to ask for the money now, when it had been available, yet nothing was done with it.

Mr. Wallingford responded that the executive leadership team for Petersburg schools is 100% new; he is the most senior member, as an interim person, and has been with City schools for about six months. He explained that the new leadership team with the school division is working on the kinds of plans Council Member Jones has asked about. Mr. Wallingford explained that they had a fund balance of about $3 million in their food service fund, with $2 million intended for this purpose. He mentioned a meeting with the City Manager, who raised similar questions. He acknowledged the need and stated they were working toward addressing it. He noted that both the VDOE audit and a review by Alvarez and Marsal were conducted on their food service operations. Mr. Wallingford emphasized that the current administration had taken a proactive stance on capital planning, maintenance, and business practices.

Council Member Jones thanked Mr. Wallingford and the new superintendent for their efforts, attributing the Virginia Department of Education's involvement to the new superintendent's proactive actions. He emphasized the necessity of ensuring such issues do not recur, stating that routine maintenance, such as biannual hood cleaning and servicing, is straightforward. Council Member Jones stressed the importance of accountability for those in relevant positions, including holding individuals responsible for their duties. He acknowledged the new superintendent and the school board's efforts but reiterated the need for a meeting to review and prevent future occurrences.

Mayor Parham opened the public hearing.

Barbara Rudolph, 1675 Mount Vernon Street, emphasized the importance of addressing the $3.5 million required for extensive work on the schools, noting the severity of the conditions identified by the VDOE study, recounting how a VDOE team member expressed significant concern following a site visit. Rudolph commended the new superintendent for seeking assistance but questioned if the School Board had fully acknowledged the extent of the issues. She referenced a letter by the School Board chair, which seemed to downplay the situation. She also raised a broader issue regarding the $6.1 million balance that was redirected by the City from the schools, suggesting that these funds should be utilized for necessary improvements. She urged for more transparency on the allocation and use of these funds, advocating that they be directed towards addressing the current challenges faced by the school system.

Pat Hines, 1227 Hamilton Street, said that she has been back in the area for 20 years and was a former School Board member. Ms. Hines emphasized the importance of addressing the problems at hand and referenced a previous inquiry about the $6 million that had been explained to her. Ms. Hines highlighted the proactive approach of the new superintendent, who had been evaluating the issues since her appointment as interim, noting that the school district often played catch-up due to a lack of personnel and teachers. She acknowledged the role of the public in bringing attention to these issues and expressed gratitude for their vigilance. Ms. Hines urged the City Council to collaborate with the School Board to address the problems, reminding them that the newest school in the district was built 50 years ago, and encouraged everyone to work together to build a better Petersburg.

Vernell Gannaway, 652 Old Wagner Road, said he had observed for many years that the community lacked unity. He voiced the need for funds to address various issues, including old school structures, and stressed the importance of collaboration between City Council and the School Board. He noted that the City remained divided, mentioning the potential arrival of a casino, and expressing concern about the City's reputation. He urged City Council and the School Board to work together for the community's benefit, acknowledging the changing times and the need for new leadership in some areas.

Council Member Jones suggested tabling the discussion until a joint meeting with the superintendent and School Board could be arranged. He emphasized the importance of a collaborative plan involving both the School Board and City Council to address financial needs. He urged the City Manager to facilitate this meeting as soon as possible to ensure that both parties could work together effectively to develop a prevention and positive action plan.

Council Member Jones motioned to direct staff to schedule a joint meeting with the School Board to address financial needs as discussed.

Council Member Cuthbert seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

b. A Public Hearing for Consideration of an Ordinance to Utilize the Budget Stabilization Fund to Fund Emergency Repairs

Budget Manager Garry Cozier stated that a budget stabilization fund had been established for unforeseen emergency expenditures or unplanned revenue declines. He stated that the situation at 110 Bank Street involved a partial building collapse and the collapse of a stabilization retaining wall behind City Hall. Mr. Cozier noted that the total cost for these repairs was $655,936 and recommended utilizing the fund for this purpose.

City Manager Altman explained that the first item for Council's consideration was the building at 110 Bank Street. He mentioned that an overnight storm had caused a flash flood, washing out the front entrance and collapsing it into the brick house drainage way. He stated that remediation was necessary to prevent further flooding and damage to Bank Street. Regarding the failing retaining wall at City Hall between City Hall and the Hotel Petersburg, City Manager Altman described how the wall was leaning towards the hotel, posing a threat; therefore, they had to demolish the wall, pull back the dirt, and start constructing a new retaining wall to stabilize the area. He emphasized that the wall's replacement was urgent as it could potentially damage the hotel, and the funding request was essential to address these issues and prevent further potential damage.

Council Member Jones stressed that he always wanted to ensure that they explain things in a way that is clear to the public, and he asked Mr. Cozier to define the budget stabilization fund.

Mr. Cozier explained that it is part of their committed fund balance—another fund used for unforeseen events and projects such as this and established per their financial policies, which Council approved in July 2023. He clarified to Council Member Jones that the fund balance was currently $4.7 million.

Council Member Jones recalled a previous meeting where the definition of emergency repairs was discussed, noting that no clear definition had been established at that time. He pointed out that the bridge discussed earlier should qualify as an emergency repair since it was unforeseen. He expressed his concern about the need to be fair to both the City and the school system, stating that if funds were available for the City, they should also be available for schools. He addressed the DMV building on Bank Street, acknowledging it as part of the request. He said that he did not consider the hotel wall to be an emergency repair and suggested that the recipient of previously allocated funds should return some of that money. He urged Council to reconsider the allocation of resources and prioritize the most pressing needs.

City Manager Altman clarified that the retaining wall belongs to the City and is not a private retaining wall.

Council Member Jones said the retaining wall began to deteriorate when construction of the adjacent hotel began. He said the wall had stood for hundreds of years without issues until vibrations from the nearby construction activities likely started affecting its foundation; consequently, the wall's condition worsened, highlighting the need for immediate attention.

Mayor Parham opened the public hearing.

Barb Rudolph, 1675 Mount Vernon Street, thanked Council Member Jones for asking some pertinent questions.

Sarah Melissa Witiak, 22 Centre Hill Court, stated that she knew some other neighborhoods in the City were facing some major building projects, and neighbors impacted by them should understand that their homeowner’s insurance would be responsible for fixing any damage that occurs. Dr. Witiak asked that the City’s insurance pay instead of using taxpayer money.

City Manager Altman explained that residents can submit for an insurance claim, and this would refund any money spent—but there was a chance that the City’s insurance would deny the claim.

Gary Talley, 2323 Fort Rice Street, asked for clarification as to what constitutes an emergency. He stated that they have two bridges out at 10 Bank Street, and that work seems to have stopped although the sinkhole is still there.

Paula Chester, 1013 Oakmont Drive, said she was concerned about why there is not extra money from the contractor. She said that she is an avid watcher of HGTV shows where contractors build homes for people, and they always add a little extra into the total cost in case of an unexpected event, so there should be some extra within the contract for the retaining wall.

There being no further public speakers, Mayor Parham closed the public hearing.

Vice Mayor Hill reiterated concerns about what constitutes an emergency and asked if they had the funding now to take care of the bridge.

City Manager Altman responded that they have the $4 million in the fund, assuming that Council approves this, but the bridge project at Oak Hill is about $5 million so they would have to get additional funding for its replacement. He said that outside of the emergency funds, they could look at their fund balance as a way to do that. He emphasized that the collapse of the building and the replacement of the retaining wall are unplanned expenditures—which constitute an emergency and need to be addressed immediately.

Council Member Jones said this is a simple emergency repair, as the bridge went out before the flood happened, before the DMV happened, and definitely before the wall collapsed. He said that he considers emergency repairs to be anything like a natural disaster or that type of thing. He inquired if the owner of the Petersburg Hotel would be willing to pay at least 10% of the cost, which he thinks is fair, as it is right at the butt of their property and it was not an issue until they started doing work there.

Vice Mayor Hill clarified that this is a public hearing for consideration of an ordinance to utilize the budget stabilization fund to fund emergency repairs. He asked if they wanted the funding for that particular repair or if that was just an example.

City Manager Altman explained that Council had established the budget stabilization fund at a previous meeting and authorized the $4 million to be put in that fund for the items being considered tonight. He said that staff is asking for the ability to utilize the approximate $656,000 of those funds to address the two projects listed. He said that he fully understood Council's concerns about Oak Hill Bridge, and staff could bring back a proposal to fund repairs for that.

Council Member Myers asked about the Lafayette Bridge.

City Manager Altman said that staff could bring back both but would have to identify some source other than this fund because they were not going to have enough money. He said that taking the $656K would leave approximately $4.1 million.

Council Member Jones asked how the stabilization fund was replenished.

City Manager Altman explained that every year when they adopt the budget, they put money in the stabilization fund—equivalent to what is required by the state and the City's financial policies—for that particular budget year. He said that as the budget rises, so does the stabilization fund.

City Manager Altman also explained that the City has a fund balance of about $40 million that is not included as part of their general operating fund, and Council would have to authorize staff to use those funds and address those other repairs. He explained that they would have to bring forward an amendment to the budget to utilize those funds, amend the ARPA, and amend the capital budget for the current year and go into the fund balance to make those repairs.

Council Member Jones asked if they had a total for the cost of all the bridge repairs.

City Manager Altman responded that they did not want to go into the fund balance and raid it for all those repairs, as Council has done a really good job of putting money into that account as a savings—and at one point, they were $9 million in the red. He cautioned that they did not want to spend all of that savings account down because it now does not replenish as quickly.

Council Member Jones asked if they were saving money to look good or to fix things.

City Manager Altman explained that the City's capital needs far exceeded their available funds. He stated that addressing water infrastructure alone, such as the Poor Creek main pump station and transmission force mains and waterlines would require $60 million. He clarified that this does not include other parts of the City that need significant water and sewer improvements, including the main water line and various water tanks. He expressed that total capital needs surpass $40 million and emphasized the importance of a comprehensive plan for water and sewer projects.

City Manager Altman highlighted potential new revenue sources, including a referendum in November, for additional capital projects. He stressed the need for a solid financial plan to avoid spending down the $40 million too quickly, maintaining financial stability for a positive bond rating.

City Manager Altman concluded by stating that the immediate funding request for contractors is part of a larger plan, which he will present for further consideration. He emphasized that careful financial planning is necessary to ensure long-term stability, keep their bond rating intact, and avoid any negative consequences.

Council Member Jones said that he has not seen a priority list on those neglected things.

City Manager Altman explained that this would be part of their annual budget and capital budget proposal, which would include discussion of a five-year plan. He cautioned that their needs go out well beyond five years, given their ability to pay for them. He noted that the next part of the process was for him to bring back priorities of what they need to fund each year to move things forward.

Council Member Jones said he understood the wall emergency that happened down on Bank Street and the need to pay contractors, but these other things need to be on a list this year as priorities. He said that he did not like the sound of a five-year plan, as it was too long term, but his feeling is that they should shift up other priorities that may not be on the five-year plan list.

City Manager Altman said that this was how the five-year plan worked, and they would do everything possible to fund those items, with specific items funded in the first year but a more comprehensive list to include the project further out.

Council Member Myers asked about the wall and what the City's responsibility was to pay for it.

City Manager Altman explained that it was failing and collapsing into the building, and they had to stabilize it and shore it up to keep it from collapsing into the building, then put straw in underneath it. He said this was to protect the private property from being damaged by City property. He also clarified that the City has insurance, but there was a chance they would not approve the claim.

Council Member Myers stated that they have put enough money next door to not worry about these extra added features. He said that he wants the hotel open, but not at a tremendous cost to the citizens of Petersburg. He suggested that after Mr. March gets the answer regarding the insurance, then maybe they can reconvene and give him authority to proceed.

Vice Mayor Hill asked if the City had actually done the work or was just being billed for it and asked if the wall was stabilized now.

City Manager Altman responded that the City called a contractor to come out and demo the wall and begin the replacement so they could shore it up and stabilize it to keep it from collapsing. He confirmed that everything had been on the City's side, and the private property owner had not done anything because it was the City's wall.

Council Member Myers said that he understood that, but he still needed to know what precipitated the movement of this wall.

Council Member Myers motioned that they table this item until they get more information from the City Manager.

Council Member Jones seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

c. A Public Hearing for Consideration of Acceptance & Appropriation of Funding from the Virginia Department of Elections for the 2024 Election Equipment Grant

Budget Manager Garry Cozier stated that the Virginia Department of Elections provides funding to localities to enhance voting system and election processes, and funds can be utilized to acquire polling software, equipment, training, etc. He stated that the City applied for and received a grant in the amount of $65,690, and staff is recommending approval of this grant to fund the equipment purchases.

Mayor Parham opened the public hearing.

Sarah Witiak, 22 Centre Hill Court, congratulated the City for receipt of the grant and encouraged Council to continue to apply for grants, as although it is a lot of work, it saves citizens a lot of money.

There being no further public comment, Mayor Parham closed the public hearing.

Vice Mayor Hill motioned to accept the appropriation funding from the Virginia Department of Elections in the amount of $65,690 to fund equipment purchases.

Council Member Smith-Lee seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

d. A Public Hearing for Consideration of a Resolution Authorizing the Issuance & Sale of General Obligation and Refunding Bonds of the City of Petersburg

Roland Kooch of Davenport and Company introduced himself and mentioned that his colleagues David Rose and Ben Wilson, who was with him tonight, had been working with Petersburg for more than a decade as the City's financial advisors.

Mr. Kooch presented the financing plan for the courthouse and related projects, referencing a previous meeting from September 2023. He noted that the City issued approximately $30 million in general obligation bonds for the initial funding of the new courthouse. Mr. Kooch explained that the City now plans to issue roughly $60 million in bonds to complete the courthouse funding and address other infrastructure needs, including the police station and animal shelter. He highlighted a refinancing opportunity for $1.6 million of existing bonds, which would lower the interest rate from about 5% to 2.97%, saving approximately $137,000 over the bond's life.

Mr. Kooch provided an overview of the City's debt situation, stating that the new debt service would peak at about $7.5 million per year, or 6% of general fund expenditures, well below the City's 10% policy limit. He emphasized the importance of maintaining a healthy fund balance, which has significantly improved since the fiscal crisis of 2016. Mr. Kooch mentioned that the City had achieved A+ ratings from Standard and Poor's and Fitch, and an A1 rating from Moody's, which facilitated access to public market funding.

He stated that the bonds are planned for sale in the public markets by November 21st, with closure and availability of funds by December 12th. Mr. Kooch said that he anticipated earning approximately 1% over the bond costs through reinvestment in the state non-arbitrage program during the construction period. He concluded by reiterating the critical role of a strong fund balance in maintaining the City's financial health and credit ratings. He concluded his presentation and offered to answer questions from the Council.

Mayor Parham thanked him for his presentation and opened the public hearing.

Sarah Witiak, 22 Centre Hill Court, asked if the bond issuance for the courthouse, animal shelter, and other needs was explicitly listed in the minutes for transparency. She noted the importance of ensuring that all expenditures were clearly documented for the citizens. Dr. Witiak also questioned the prudence of seeking more loans without a clear understanding of the courthouse costs, comparing it to asking for a mortgage without knowing the house price. She emphasized that City Council and the public should have access to detailed cost information before approving additional loans.

Barbara Rudolph, 1675 Mount Vernon Street, said she had questions about how the bond issuance proceeds would be spent. She noted that earlier presentations listed the bond issuance as $50 million, while tonight it is $60 million, and the agenda package mentions $66 million. Ms. Rudolph expressed concern about the increase and stressed the importance of borrowing and following through on the projects. She highlighted the courthouse project, noting that $30 million had already been borrowed, and now $66 million more was being requested. She emphasized the need to understand the total cost of the courthouse, police department headquarters, and animal shelter. Ms. Rudolph recalled that ARPA funds were previously allocated to the police department and mentioned the list of upfront incentive payments from the casino operator, which included $4 million for the animal shelter. She acknowledged the casino funding would be spread over several years and stressed the necessity of prioritizing projects. Ms. Rudolph stated the importance of knowing the total amount needed for each project, the funds already spent, and the sources of funding. She reiterated the need for clarity on why the bond issuance amount had increased since the last meeting.

There being no further public comments, Mayor Parham closed the public hearing.

Vice Mayor Hill asked City Manager Altman for clarity about the actual number and for what exactly it was being used.

City Manager Altman responded that the bond resolution in the Council's packet allows the City to borrow up to a maximum of $66 million, specifically designated for the courthouse, police facilities, and animal shelter facilities in this resolution. He said that those three projects at a maximum of $66 million could be borrowed under this issuance.

Mr. Kooch clarified that various factors influence a bond issue, with current market estimates sizing the bonds at roughly $60 million. He mentioned that the not-to-exceed size is a legal parameter that accommodates changes in bond size to fund the $60 million worth of projects. He noted that the bond size depends on interest rates and investor demands for bond yields. Considering contingencies and market conditions, Mr. Kooch emphasized that the not-to-exceed amount is approximately $66 million, and they are not planning to hit that amount.

Mayor Parham said it was important to have a breakdown of the projects, as they used some ARPA funds to begin the police facilities. He noted that typically things run over, and he could understand the need to have that cap higher.

City Manager Altman explained that they have the three projects identified, and the ARPA funds were used for remediation at the Social Services/Police Department building, which will require $10 million to complete. He said that about $5 million was needed for an animal shelter, with the remaining amount designated for the courthouse—which hopefully would not take all of that.

Council Member Jones asked what interest rates they were going with, as rates were dropping and continuing to drop. He asked if they were going to lock in at a high interest rate or wait and lock in lower, and when that would happen.

Mr. Kooch responded that they were discussing interest rates for tax-exempt bonds issued in the public markets, similar to what the City of Petersburg did in 2023. He mentioned that current market conditions were near historic lows, excluding the unusually low rates during the stimulus period; tax-exempt, treasury, and mortgage rates change daily due to fluctuating market conditions. He estimated that the rates were around 4% for November, and once credit ratings and offering documents were completed, the exact rates on the bonds would be determined. Mr. Kooch noted that rates had been decreasing, providing a favorable opportunity to lock in costs. He further added that there would always be an opportunity to refinance the bonds after a 10-year period, allowing them to take advantage of potentially lower rates in the future.

Council Member Jones thanked him and asked the City Manager about the proposed uses for the unassigned fund balance of $42 million plus the $15 million, which totaled $57 million.

City Manager Altman explained that the unassigned fund balance of $40 million is what they have sitting if something comes up—but they do not plan to use those dollars because this helps with financial stability and helps maintain their bond rating with the rating agencies. He said they take some of that fund balance and put it into an investment that generates interest income they can access within 24 hours, but it is not creating $15 million of spendable money, just the interest off of that.

Mr. Kooch explained that the investment pool in the unassigned fund balance functions like a savings account. He said the unassigned fund balance, as per policy, should be around $33–34 million, allowing the City to operate throughout the fiscal year without borrowing. He noted that while the fund sits unused, it earns interest, which is currently around 5%. Mr. Kooch mentioned that the fund balance fluctuates throughout the year based on expenses and revenue cycles. He emphasized that this balance ensures fiscal health and solid standing with the lending community, as well as generating interest income.

Council Member Cuthbert asked if the size of their unassigned fund balance affects the interest rates the City pays when borrowing large amounts of money. He asked if this time last year they borrowed around $35 million.

Mr. Kooch responded that the size of the fund balance affects their credit rating, which in turn affects their borrowing rates.

City Manager Altman clarified that there was $31 million borrowed, and $1 million of that went towards the purchase of the fire truck, which Council had authorized, leaving $30 million in an interest-bearing SNAP account.

Council Member Cuthbert asked Mr. Kooch if he thought municipal bond rates would fall in the next six months.

Mr. Kooch responded that it was impossible to predict, but currently, interest rates are probably at their near 45- to 50-year lows. He said that it is possible that the short-term fed rates would decrease, but there are many other factors such as overall economy, federal deficits, national debt interactions, and geopolitical considerations that impact those.

Council Member Cuthbert asked about tabling this for three months to see what happens.

Mr. Kooch emphasized that this was a gamble, as they had completed an audit for 2023, had very good credit ratings now, and didn't want to end up in an unfortunate rate environment.

Council Member Cuthbert said they have $30 million sitting for the courthouse that they have not spent, and everything he has read says that interest rates were going to fall again. He stressed that he felt they should be treading water to see where things end up, rather than borrowing money they do not need in the near future.

Mr. Kooch stated that one reason for this recommendation is the fact they are about to enter into a contract with the courthouse PPEA developer, and they will know what their costs are. He said they would have the funding in place not only for the courthouse to finish it off, but also the police station and other funds locked in place. He said that gets them a "bird in hand," and they will always have the ability to refinance this at a later date.

Mayor Parham said he would like to know from the City Manager's perspective about moving forward with the necessary funds for the Southside Depot, referring to the rising costs. He emphasized the need to consider the expenses of building a new police department instead of allocating $10 million into an old building, which may later require additional funds. He expressed concern over the possibility of encountering unforeseen issues with old structures, such as plumbing, roofing, and HVAC systems, leading to ongoing financial burdens. Mayor Parham suggested that constructing new facilities could prevent the City from falling into the trap of continual repairs and increasing costs.

Council Member Jones proposed that the best course of action would be to demolish old structures and provide the City's public safety departments with new, adequately funded facilities. He argued that the community deserved modern amenities, including a new police department, fire administration building, City Hall, and schools, rather than investing in outdated properties. He pointed out the inconsistency in the City's financial resources, noting that despite seemingly available funds, there was a lack of effective utilization. He urged a comprehensive approach to City planning to ensure that resources were not wasted on ineffective renovations and that the City could avoid scattering its operations across multiple outdated buildings. He concluded that consolidating City operations into a single, modern facility would create a more positive and efficient working environment.

Mayor Parham emphasized that they were looking at the most effective way for City operations, and most municipal government offices these days are under one roof. He said that Prince George has a whole municipal complex in one area, and he would like a one-stop shop so people can come to a single municipal building. He commented that they were still in the 1950s with facilities all over the place, and they cannot provide the services that constituents want. He emphasized that if they were going to do bonds, they should do so to have a better future—not just bond to throw good money on bad projects.

City Manager Altman acknowledged the need for a centralized City Hall and emphasized the importance of moving forward with this plan. He noted that while a new municipal complex would typically include a police headquarters, it might not be housed within City Hall itself. He expressed concern about renovating older buildings, as unforeseen issues might arise, leading to additional costs. He said that he supported the idea of a new police station over renovating the old social services building, which had already been stripped to the studs, making it more predictable in terms of potential issues. He agreed that a municipal complex would be beneficial for both the community and employees by providing a consolidated, efficient workspace.

City Manager Altman stressed the urgency of adhering to the courthouse project deadline and warned against potential interest rate fluctuations, which could increase costs. He said that he believed proceeding with the current interest rates was prudent, as future economic conditions were uncertain, and he trusted Davenport's recommendation to move forward with the project. He assured them that if the Council decided to pursue an alternative for the police department, the funds could be invested and used for future projects, ensuring flexibility in municipal planning.

Vice Mayor Hill said he supported acting promptly because the current interest rates were known and the $30 million was underutilized. He said he agreed with the rationale for the proposed $60 million bond and felt that most questions had been satisfactorily answered. Recalling how they had helped the City navigate out of a financial crisis in 2016, Vice Mayor Hill said he trusted Davenport's counsel, although the City had taken some hits.

Vice Mayor Hill motioned to approve the resolution authorizing the issuance of the sale of a general obligation bond for the City of Petersburg.

Council Member Myers seconded the motion.

Council discussed whether the bond issuance was actually enough, given the potential costs for future projects. Mayor Parham asked if they had the capacity to do that.

Mr. Kooch stated that they do have the capacity and asked what the City Hall cost was.

City Manager Altman stated that it was estimated at about $65 million, but they had not done a full analysis of that yet.

Mr. Kooch confirmed that doing projects simultaneously could save money on the cost of issuance, but they did not know the timing of those other facilities and they did not want to borrow for projects too far into the future.

Council Member Myers asked what the cost would be for the City Hall and courthouse, and whether they had the capacity to do that.

City Manager Altman said that total costs could be as much as $120-130 million.

Mr. Kooch stated that they would need to do a further analysis on those costs and their impacts, and they also needed to consider school costs and how they would fit in.

Mayor Parham asked if they needed more time for this analysis.

Vice Mayor Hill said he would like to withdraw his motion.

Council Member Myers asked that he not do that yet. He stated that they have a court order for courthouse repairs, and he did not want to go to jail for the City. He said they were already spending a huge amount fixing the Farmers Street building and still need another $10 million; now they are talking about a City Hall to house everyone.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

e. <u>A Public Hearing for Council to Resolve to Reallocate $279,552.95 of CDBG-CV Funds for Critical Home Repair</u>

Kofi Adih, Chairman of the CDBG Advisory Board, addressed the Council and referenced their September 3rd conversation on the lack of critical home repair funding in the recent CDBG allocation. He said that Justin Randolph from Project Homes and Jennifer Murphy-James, City of Petersburg CDBG Administrator, would present further details.

Ms. Jennifer Murphy-James explained that the Community Development Block Grant (CDBG) Advisory Board requested that funds from the $561,734 from the CARES Act be reallocated to support critical home repairs. She mentioned that $16,000 was used for business and economic development grants, and $263,552.85 was allocated for public service call centers. She added that another $18,350 went toward improving a leaking pool house roof.

Ms. Murphy-James said the Health Department call center received $216,245.45, while the City Hall call center used $47,307.40. She noted that the total public service expenditure was $263,552.85, and $16,000 was spent on small business support. She reported the remaining balance as $282,181.15. She proposed that the remaining balance, less the funds promised to Public Works, be directed to critical home repairs to assist at-risk populations in staying in their homes during another pandemic. She elaborated that Project Homes, a subrecipient, had a waiting list of 161 households needing immediate repair, with 25 homes prioritized.

Ms. Murphy-James emphasized the importance of utilizing these funds by July 6, 2026, to avoid returning them to HUD. She concluded by highlighting that the repairs qualifying under HUD guidelines included roof leaks, heating systems, plumbing, and ADA-accessible bathrooms.

Justin Randolph of Project Homes explained the prioritization of clients on the waitlist. He said that homeowners call in with service requests, detailing their issues; project managers then assess the severity of the problems, such as leaking roofs or no heat. He said if deemed urgent, the cases are prioritized and addressed within 15 business days. Mr. Randolph emphasized the focus on the building envelope to keep homeowners safe and dry, especially during the winter. He noted that many clients lack heating systems, making this a critical priority. Mr. Randolph shared that Project Homes completed 153 home repairs last year at a total cost of $1.2 million, averaging $8,300 per household, and provided demographic data on the homeowners served.

Mayor Parham opened the public hearing.

Pat Hines,1227 Hamilton Street, thanked Project Homes for installing a split unit heating and air conditioning system in the hub used to shelter people from the elements. She noted that despite this help, the small building could only accommodate a few people. Ms. Hines questioned the City's priorities, pointing out that while they were building animal shelters, people were sleeping outside. She urged the Council to consider using some of the COVID relief funds to help residents without homes. Ms. Hines emphasized the need for a larger facility, suggesting the use of the Harding Street Recreation Center to provide more assistance to the homeless. She stressed the importance of addressing the needs of the people over other projects.

Mary Howard, 608 South Park Drive, stated that she is chair of the Petersburg Redevelopment and Housing Authority, and they get calls every day about somebody needing homes and people getting put out. She urged Council to consider a portion of that money to help with getting someplace for people so that homeless have somewhere to go, especially now that it is getting cold outside.

Barbara Rudolph, 1675 Mount Vernon Street, commended the CDBG representatives for their thorough and clear presentation, particularly their explanation of funding sources, utilization, and remaining funds. Ms. Rudolph suggested that this level of transparency should be the standard for all financial presentations in the City. She emphasized the importance of this expenditure and its relevance to concerns raised by Council Member Cuthbert regarding CDBG funds. Ms. Rudolph acknowledged the persistent issues facing the homeless and the possibility of using ARPA and CARES funds to address them. She noted that the City had received CARES money about four to five years ago and had only spent half of it, while ARPA funds, received three years ago, also remained largely unspent. She requested a comprehensive report on the expenditures and remaining balance of these funds, as well as the current priorities. She recognized that priorities might have changed since the initial plans were made and stressed the need to address both new and ongoing issues. She said while ARPA funds might not solve all problems, they could help address some pressing needs that the City claims it cannot fund.

Bernard Gannaway, 652 Old Wagner Road, said a lot of people do not believe that citizens come first, but Project Homes does excellent work for them and needs any help they can get. He said that he appreciates them, and people like himself coming forth to bring up this issue.

There being no further public comment, Mayor Parham closed the public hearing.

Council Member Cuthbert motioned to reallocate $279,552.95 of CDBG-CV funds for critical home repair.

Council Member Westbrook seconded the motion.

Council Member Jones emphasized the need to return to the original request made during the last meeting, stressing that the asking price was $132,000 for Project Homes to support critical home repairs. He clarified that the additional funds being requested now stemmed from the COVID-19 Cares Act, initially intended for another purpose. Council Member Jones proposed an alternate motion to allocate the original $100,000 requested and split the remaining funds among other priorities such as homelessness. He believed this approach to be a fair resolution, given the public's feedback and the existing obligations.

Council Member Jones provided a substitute motion to allocate the original $132,900 requested and split the remaining funds among other priorities such as homelessness.

Council Member Myers seconded the substitute motion. He stated that there needs to be some infrastructure established for the homeless initiatives, and he wants to ensure that this funding is only to be spent on houses in Petersburg.

Vice Mayor Hill suggested that when people encounter specific issues with their homes, it would be helpful if the housing representatives here can help them navigate their insurance.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

f. <u>A Public Hearing on an Ordinance to Amend and Re-Adopt Section 21-2 of the Petersburg City Code Pertaining to the Petersburg Arts Commission</u>

City Attorney Anthony Williams reported that this request originated from Council Member Myers, who has been leading efforts on the Petersburg Arts Commission for City Council. He reminded Council that when the Arts Commission was initially formed as an advisory board, the question of forming a foundation to collect donations had been raised. He said the Arts Commission found a way to proceed by hiring private legal counsel to manage the funds separately from the City, which enabled them to make donations to benefit the City.

Mr. Williams mentioned that the Arts Commission successfully appointed two members currently serving, with Sandy Graham assisting. Mr. Williams noted that these members perform duties similar to an executive director and legal counsel, which is not typical for board members. He suggested making these members ex-officio, opening two more voting seats on the board. He clarified that these are unpaid positions, but the Arts Commission has the option to use donated funds—not City tax dollars—to reimburse Mr. Graham for the legal fees incurred for these services.

Mayor Parham opened the public hearing. There being no public speakers, the Mayor closed the public hearing.

Vice Mayor Hill motioned to adopt the ordinance to amend and re-adopt Section 21-2 of the Petersburg City Code pertaining to the Petersburg Arts Commission.

Council Member Smith-Lee seconded the motion.

Council Member Jones offered a substitute motion to reflect the amount of $2,200.

Council Member Cuthbert seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

10. <u>PUBLIC INFORMATION PERIOD:</u>

Barbara Rudolph, 1675 Mount Vernon Street, noted that comparing actual and proposed casinos in Virginia revealed many similarities—including the size of the casino floor, number of slot machines, table games, hotel rooms, restaurants, bars, and employees. She pointed out that Petersburg's project stood out with a $1.4 billion investment compared to about half a billion for others. Ms. Rudolph reminded that on May 28, 2024, the City signed an agreement with Cordish, detailing three phases. She emphasized that Cordish was obligated to complete phases one and two, which included the interim and permanent casinos and the hotel.

Ms. Rudolph clarified that everything outlined in phase three might be developed in the future, but Cordish was not obligated to do so. She explained that the total investment figure included this potential phase. She highlighted the significant difference in hiring practices from December 2022 when Cordish initially promised to give preference to local residents. Ms. Rudolph indicated that the May 28, 2024, agreement only required Cordish to make commercially reasonable efforts to hire City residents, without specific preference for Virginia or Petersburg residents. She found this change in hiring preference remarkable.

Vernell Gannaway, 652 Old Wagner Road, congratulated the Mayor on the outstanding presentation from him and his wife about prostate cancer.

Mr. Gannaway expressed concern about the lack of lighting in his neighborhood, requesting a light to be reinstalled on a pole that had been replaced after a major storm years ago. He emphasized the darkness in the area and the inadequacy of existing lights, particularly those near a doctor's office. Mr.

Gannaway called on City Manager Altman to address this issue promptly. He also spoke about the importance of integrity and honesty in dealing with citizens, highlighting a discouraging incident his daughter faced with the City's water department. He urged City officials to ensure that all employees treat residents with respect and professionalism, acknowledging the pressures they face.

Mr. Gannaway inquired about the number of people moving out of the City, expressing concern about the financial implications if the trend continued. He voiced his desire to be part of efforts to attract new residents instead of seeing them leave faster than they arrive. He mentioned a recent visit to Davenport and stressed the need for careful financial planning that does not solely rely on citizens for revenue. He concluded by reiterating the necessity of addressing residents' needs and ensuring that City departments provide top-notch service.

Pat Hines, 1227 Hamilton Street, said she is before them as a citizen but also as the president of a nonprofit that was established in 2007 as a 501 (c)3, which for the past two years has taken in the unsheltered in this City. She said they have done that strictly on community donations, but this year applied to Dominion Energy for one of their community grants. She said they have certain churches that have pledged $5,000 in matches, but they have not received a dime of that money. She said that apparently it needed to come back to the Council first, and winter is coming.

Ms. Hines outlined their plan to open a small facility from November 15th through March 15th. She noted that it costs $1,000 a week to run the program, emphasizing that they maintain strict rules against drugs and alcohol. She highlighted the need for staff to monitor the guests, whether they have one person or ten, and mentioned that they provide food, showers, and clean clothing. Ms. Hines added that their new facility lacks a washer and dryer, but they still offer clean underwear and socks. She reiterated that the program operates seven days a week, with guests signing in at 6:00 PM and leaving at 7:00 AM. Ms. Hines concluded by asking the City for help to continue their proven and tried program.

Cheryl Brown, 1860 Westover Avenue, expressed her gratitude for a productive and engaging meeting, stating she learned much from both the Council and the citizens. She said she particularly appreciated Ms. Rudolph for her investigative skills and thanked everyone for their engagement. Ms. Brown addressed Mayor Parham, sharing how she had moved to Petersburg while battling cancer and found inspiration in the Mayor’s positive presence. She recounted her own struggle, including traveling to Boston for treatments, and her effort to promote positivity in the media despite her condition. Ms. Brown conveyed her gratitude for life and the encouragement she received from the Mayor’s dedication to the community. She said she had recently finished her treatments and was now cancer-free.

Sarah Melissa Witiak, 22 Centre Hill Court, emphasized the importance of continued mammogram and prostate cancer screenings, noting their life-saving potential. She pointed out that prevention is even more critical, highlighting the need for access to fresh fruits, vegetables, healthy food, and the means to prepare them. Dr. Witiak also stressed the significance of clean air and protection from pollution, especially from traffic. She mentioned the necessity of local, affordable healthcare and clean water for maintaining public health. Dr. Witiak advocated for smoke-free workplaces, particularly in the new casino, and urged the City to prioritize health in future projects like the new City Hall, courthouse, animal shelter, and public housing. She called for planning measures that ensure access to fresh produce, clean water, and reduced pollution, aiming to improve the City's overall health status.

11. BUSINESS REPORTS FROM THE MAYOR OR OTHER MEMBERS OF CITY COUNCIL

Council Member Cuthbert stated that he had no report.

Council Member Jones recognized department heads and staff for their work, particularly Fire Chief Wayne Hoover. He encouraged citizens who had criticisms and accusations of the Council to come forth with facts, as Ms. Barbara Rudolph does.

Council Member Jones motioned to name the bridge on Hinton Street the "Bobby Harvell Memorial Bridge" and direct the City Manager to erect appropriate signage, as well as contacting the family.

Council Member Myers seconded the motion.

The motion passed on a unanimous voice vote.

Council Member Westbrook said that from the Virginia Municipal League conference the past weekend, he had heard a lot of positive comments about the changes in Petersburg. He also encouraged people to support the little league football team, which is having their homecoming this weekend, and to support the education system as a whole.

Council Member Myers motioned to schedule a first reading and public hearing in November to consider an ordinance to amend and adopt article 25 supplementary height, area, bulk and design regulations and article 28 changes and amendments as set forth in the zoning ordinance of the City of Petersburg pertaining to administrative clarifications on development of contiguous lots under common ownership and requirements for public notice. This language, as currently read, makes the development of nonconforming lots for single family homes practically impossible since it requires owners to conform to neighboring lots were not under common ownership prior to 1971, when the ordinance was adopted. If they were under common ownership, then they cannot be developed as a single family home until the lot is made conforming.

Vice Mayor Hill seconded the motion.

The motion passed on a unanimous voice vote.

Council Member Smith-Lee thanked Council Member Jones for his previous accolades, and she thanked citizens for their support and involvement in the community.

Council wished Council Member Smith-Lee a happy birthday.

Vice Mayor Hill also mentioned the great information obtained at the VML conference, stating that he was hoping to get one of the presenters to come to Petersburg and share information regarding what does and does not work in urban cities.

Mayor Parham stated that they needed to get an AI app for Petersburg as a tourist destination, as other communities had.

12. <u>ITEMS REMOVED FROM CONSENT AGENDA</u>

There were no items under this portion of the agenda.

13. <u>FINANCE AND BUDGET REPORT</u>

There were no items under this portion of the agenda.

14. <u>OLD BUSINESS</u>

a. <u>Reconsideration of the Closing to Public Use & Travel of a City Street and Right-of-Way Off of Cottonwood Drive (Pecan Street) and Juniper Road Between Cottonwood Drive and Juniper Road Within the Petersburg Redevelopment & Housing Authority</u>

Council Member Jones motioned to deny the request for reconsideration.

Council Member Cuthbert seconded the motion.

City Attorney Williams clarified that for Council to consider this, a member from the prevailing side—the side that voted in favor of it previously—must make a motion to reconsider. He said that they do not need to make a motion not to reconsider, as it is already law. He said that once someone motions ot reconsider, then they can talk about it.

Council Member Myers motioned to reconsider.

Council Member Westbrook seconded the motion.

City Attorney Williams pointed out that this is just a motion to allow for discussion to decide what they are going to do; it does not lock them into any vote.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: Jones; abstain: N/A.

Ms. Mary Howard stated that the housing authority is part of the City, and they are supposed to work together in the same way they work with other departments like the Police Department. She said that the part of the street they are asking for belongs to the City, and they have an agreement; if they do not proceed as requested, it would end up costing more. She said that this is why they are coming forward, and they need to have access for their redevelopment projects. She said that they do not ask for much funding, and they are just asking to work together to get this done. Ms. Howard stated that they have to redevelop the properties in Pecan Acres because of flooding, noting that they have an agreement that was signed in 1979.

City Attorney Williams explained that he has not heard nor seen the agreement being referenced, but it is common that localities working with other governmental units will provide this type of thing for a nominal fee of dollar—and what Council Member Jones has requested for $2,200 is fairly low given the actual value of the property.

Council Member Jones said that it is not a matter of understanding the roles of the entities, but what is clear is that it is the City's property, and it is worth $80K. He stated that all he is asking is to take the money needed to maintain this street and put it toward another street. He said that they allocated money to the Police Department to manage security on these sites, whereas Petersburg East had its own security and people. He said that they should take the $2,200 and put that somewhere else in the City that needs it.

Council Member Myers motioned to sell the property for a nominal fee of $1.

Council Member Westbrook seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Myers, Westbrook, Smith-Lee, and Hill; no: Jones, Parham; abstain: N/A.

15. NEW BUSINESS

a. Approval of Change Orders for the Southside Depot Project, in the Amount of $13,271.73, as a Result of Change Orders for the Project Exceeding 25% of the $2,281,441 Original Contract Price

City Engineer Brian Copple stated that this is a change order for the Southside Depot, which staff is requested Council approval for so the project can move forward. Mr. Copple said that one of the items within the change order is for a broken arch window, and they are going to file an insurance claim for that portion of it, which he has already done.

Council Member Cuthbert motioned to approve the change orders as proposed.

Council Member Smith-Lee seconded the motion.

Council Member Jones stated that he was voting no because of the significant number of change orders on this, and he asked if there was a project manager assigned to this.

Mr. Copple said the project manager who had been working on this project resigned earlier this year. He said that the City has taken this over and was just trying to get this across the finish line, with completion stated for mid-January. He emphasized that with this and all other projects, they try to keep their change orders to a minimum—but this one has been prolonged.

Council Member Jones stated that with the money they have put into this, they could have done a lot of other needed repairs.

Council Member Jones said he would like to make a substitute motion to cease all operations on this project until they get a project manager and are able to hold the contractors to their obligations.

Council Member Myers asked Joanne Williams to come to the podium and explain the project and timeline in more detail.

Ms. Joanne Williams stated that they are very close to finishing this project, noting its significance as the main visitor center for the City. She elaborated that the original plan involved partnering with the park service, and discussions with them were ongoing. Ms. Williams noted that the park service intended to start with programming inside the center, which would tell the story of Petersburg, and the west wing would host a year-round farmers market with art and other items for sale, similar to the one in Charleston. She mentioned the attraction this would bring to the downtown old town area, benefiting local shopping and tourism efforts. She stressed the importance of finishing the project, considering the extensive funds already invested, including the renovations and 40 change orders prior to her return to the City. She concluded that not completing the project at this stage would be a mistake and urged the approval of additional funds to ensure its completion.

Council Member Jones pointed out that without a project manager, the possibility of more change orders remained. He noted that they were close to the finish line and had already invested significant funds. He believed it would be a mistake to leave the project incomplete, estimating that over $4 million had been spent over the years. He also mentioned that the location of the visitor center seemed hidden, suggesting it should be more prominent. Jones concluded by emphasizing the importance of completing the project.

Ms. Williams also mentioned that it would tie into the Appomattox Trail and the Fall Line Trail.

Council Member Jones said if they were this close to the finish line, there should not be additional change orders.

Mr. Copple said that the project manager left because of a family matter that required him to move out of state. Mr. Copple mentioned that staff have tried to manage the project, which has been challenging due to the age of the project and some of the contingencies. He emphasized that with the approval of this change order tonight, they would do their very best to get this project over the finish line with minimal change.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

b. Resolution Authorizing the City Manager to Enter into an Interim Agreement with Gilbane Building Company for the Design and Construction of the New Petersburg Courthouse as per PPEA Guidelines as Adopted by City Council on January 8, 2008, along with the Formation of a Design Working Group Consisting of the Sheriff, Judge, Clerk of the Court (as Designated by the Judge), City Manager, and the City Engineer

Vice Mayor Hill motioned to adopt the resolution as presented.

Council Member Myers seconded the motion.

The motion passed on a roll call vote.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, and Hill; no: N/A; abstain: Parham.

16. CITY MANAGER'S REPORT AND SPECIAL REPORTS

There were no reports.

Mayor Parham asked when they were going to get the clock downtown fixed.

City Manager Altman responded that they had to file with insurance and would move forward after that.

17. BUSINESS OR REPORTS FROM THE CLERK

Tangi Hill, City Clerk, said that she had no report this evening.

18. BUSINESS OR REPORTS FROM THE CITY ATTORNEY

Anthony Williams, City Attorney, said that he had no report this evening.

19. ADJOURNMENT

Mayor Parham made a motion to adjourn. All members of the Council present voted in the affirmative. Meeting adjourned.

The City Council adjourned at 9:27 p.m.

Adopted: 03/18/2025

APPROVED:

Samuel Parham

Mayor

ATTEST:

Tangie R. Hill

City Clerk