

Virginia: At the regular meeting of the Council of the Town of Chilhowie held at the Municipal Building, May 10, 2018 at 7:00 p.m.

Present: Honorable Gary L. Heninger, Mayor Presiding; Councilors Donna S. Blevins, Billy L. Clear, Alan W. Counts, Charles E. Doane, Emily B. Dungan and F. Brent Foster.

Absent: None.

Also Present: Mr. John E. B. Clark, Jr., Town Manager; Mrs. Marlene Henderson, Clerk-Treasurer, MMC; Messrs. Paul Cassell, Town Attorney; Stephen Price, Police Chief; Jay Keen, Public Works Director; David Haynes, Fire Chief and Randy Sturgill, Building Official.

Mayor Heninger called the meeting to order. Mr. Alan Counts gave the Invocation. The Pledge of Allegiance was recited.

Approval of Minutes:

Motion by Donna Blevins, second by Brent Foster Council adopts the regular April 12, 2018 and continued April 17, 2018 meeting minutes as written. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

Citizens Time:

Sarah Gillespie, Executive Director Chamber of Commerce of Smyth County, appeared before Council to give an update for the 2018 Boot Camp. Classes have been on-going since January requiring two different sets of classes. From the first class seven new businesses have opened creating twenty-eight new jobs and from the second class ten new businesses have opened also creating twenty-eight new jobs. Department of Housing and Community Development awarded the Boot Camp program \$60,000 to help assist the new businesses development.

The Music in the Park event is scheduled for June 14, 2018 at 6 p.m. with Valley Grass providing the music as well as the Henderson Jam Kids. The annual Spring Clean Up was held with twelve volunteers to help clean up the Recreation Park. The Business Appreciation Luncheon is scheduled for June 5, 2018 at the Riverfront Café.

Brian Martin, Town Manager of Town of Saltville, appeared before Council to express the Town of Saltville's gratitude for the Towns assistance concerning Saltville's water system. The Town of Saltville is currently working on the Browns Field Project and seeking Department of Housing and Community Development grant funds for an RV Park. Appreciation was expressed for the Police Department for running radar in the school zone. Appreciation was also expressed toward the Mayor for the tremendous Veteran's Memorial.

Public Hearings:

- 2018-2019 Proposed Budget – The total revenue is \$4,525,772 with expenditures being the same. The proposed budget does include a 4.5% sewer and water rate increase.

NOTICE OF PUBLIC HEARING
2018-2019 BUDGET PROPOSAL
TOWN OF CHILHOWIE, VIRGINIA

Pursuant to Section 15.2-2506 of the Code of Virginia (1950), as amended, Council for the Town of Chilhowie will conduct a public hearing on the proposed fiscal year 2017-2018 town budget beginning at 7:00 p.m. Thursday, May 10, 2018 in Council Chambers, 325 East Lee Highway, Chilhowie, Virginia.

This synopsis is published for information and planning purposes only and will serve as a guide to earmark expenditures and allocate revenues. The proposed budget in no way obligates the Town of Chilhowie to any expenditure. Any citizen is invited to attend the public hearing on the budget proposal and state their views thereon. A copy of the proposed budget is on file and may be examined in the office of the Clerk located in the Municipal Building, 325 East Lee Highway, Chilhowie, Virginia 24319.

By Order Of the Chilhowie Town Council - John E. B. Clark, Jr., Town Manager

Estimated Revenues		Proposed Expenditures	
Property Tax	\$ 253,409	Administration Wages, Fringe	\$ 259,800
Business License Tax	115,000	Contract Services	27,000
Utility Tax	110,000	Community Development	46,228
Communication Tax	40,000	Building Inspection	4,620
Consumption Tax	9,000	Operations, Utilities	116,541
Sales Tax	65,000	Capital Outlay	10,000
Meals Tax	557,000	Wellness & Community Development	
Cigarette Tax	55,000	Wages, Fringe	25,000
Other Taxes	63,400	Operations	28,300
Fines	89,000	Walking Trail	17,231
Law Enforcement Funds	70,469	Capital Outlay	10,000
Rolling Stock Tax	2,900	Building & Grounds Wages	70,000
Miscellaneous	60,700	Operations, Utilities	122,800
Garbage	122,000	Capital Outlay	44,000
Recreation	15,000	Garbage	130,000
Building Inspection	4,700	Public Safety Wages, Fringe	443,000
Reserves	75,000	Operations	124,749
Water Billing, Penalties, Fees, Connections	1,566,860	Capital Outlay	5,533
Sewer Billing, Fees, Connections	671,800	East Lee Highway Project	77,160
Smyth County Sewer Reimbursement	160,000	CDBG Downtown Project	75,000
Fire/EMS Billing	320,000	Water Wages, Fringe	525,000
Fire/EMS Grants	94,534	Operations, Utilities	359,000
Sale of Equipment	5,000	Debt Service	485,174
		Capital Outlay	40,000
		Sewer Wages, Fringe	217,000
		Operations, Utilities	183,500
		Debt Service	399,193
		Capital Outlay	55,000
		Fire/EMS Wages, Fringe	272,142
		Operations, Supplies-Fire/EMS	202,788
		Capital Outlay	15,313
		Debt Service	134,700
Revenues	\$ 4,525,772	Expenditures	\$ 4,525,772

NOTE:
This budget includes:
- Water and Sewer Rate Increase 4.5%

Mayor Heninger opened the Public Hearing at 7:15 p.m.

Donna Blevins, Town of Chilhowie Representative on the Smyth County Tourism Board expressed disappointment with the per capita decrease from the Town for Tourism. The Towns

were to provide \$4.50 per capita and Smyth County provides \$4.00 per capita. The Smyth County Tourism Board is requesting at least \$4.25 per capita from the Town of Chilhowie.

Mayor Heninger closed the Public Hearing at 7:17 p.m.

- Proposed Electric Transmission and Distribution Franchise Ordinance – Mrs. Marlene Henderson presented the following:

The Town of Chilhowie will be holding a public hearing to solicit input on a proposed ordinance to sell and grant a franchise for an Electric Power Transmission and Distribution System in the Town of Chilhowie, Virginia, and inviting bids thereon. The franchise granting permission for the construction, maintenance, and operation of an electric power transmission and distribution system with all rights incident thereto, on, along, over, upon, and under the streets and other public places of the said Town, subject to the conditions of said franchise, is hereby proposed to be sold and that written bids addressed and delivered to the Mayor and Council of the Town of Chilhowie, Virginia and hereby invited and will be received for such franchise, on the 10th day of May, 2018 at 7:00 at its regular meeting. A copy of the full text of the ordinance is on file in the office of the clerk of the Town of Chilhowie, Virginia.

By Authority of the Mayor and Town Council.

Mayor Heninger opened the Public Hearing at 7:18 p.m.

Mary Begley, representative of Appalachian Electric Power, submitted a bid letter and check for \$1,000 with a renewal letter. The franchise is a process that grants the Town through the Code of Virginia; that can last up to thirty years; when Appalachian Electric Power does any work along right-of-ways the right-of-way will be left in the same condition if not better as when work began. For Appalachian Electric Power the franchise grants an easement for any pole replacement or work done on a right-of-way. Mr. Paul Cassell, Town Attorney, stated it is a nonexclusive franchise that authorizes Appalachian Electric Power to utilize the right-of-ways they are already using. The last franchise was passed in 1984. The present Ordinance calls for a thirty year term which is the maximum allowed by Law.

Mayor Heninger closed the Public Hearing at 7:25 p.m.

Old Business:

- Council Comment on Budget Public Hearing on Further Procedure – The current Per Capita is \$4.00 due to the Town’s responsibility of upkeep and building maintenance.

Motion by Donna Blevins, second by Emily Dungan Council increases the Tourism Per Capita from \$4.00 to \$4.25. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Abstain
Alan Counts	Nay	Charlie Doane	Nay
Emily Dungan	Aye	Brent Foster	Nay

Motion failed.

- Bids on Electric Franchise and Council Approval – All bids were requested regarding the Electric Franchise. One bid was received and opened by Mayor Heninger from Appalachian Electric Power for the amount of \$1,000.

Motion by Charlie Doane, second by Brent Foster Council accepts the Appalachian Electric Power bid for the amount of \$1,000. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

Motion by Brent Foster, second by Bill Clear Council accepts the Appalachian Electric Power bid as advertised for the thirty year term. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Update on Mill Creek Regional Water Treatment Plant Project, Approval of Pay Request Number 15 and Engineering Amendment Number Four and Five – Jeff Spickard, The Lane Group, reported the construction updates since the previous Council meeting. The pilot test for the first membrane skid has been continuing, the Contractor has started work installing the second membrane. All old equipment has been removed from the Water Treatment Plant. The break tank foundation has been poured. A lot of activity that has been going on.

Water production has been sent to the distribution system and it has been for the past several weeks. During this pilot testing period there have been a few operational areas of concern but working to work those out. The preliminary pilot testing results are promising. The membrane treatment plant is working as anticipated and is specified to produce water. Recently all three springs have been connected and all three springs are being treated and the results are good.

There is an initiative to try to resolve the operational problems they have experienced. The Lane Group has asked for weekly meetings between the Contractors, The Lane Group, Town of Chilhowie and Washington County Service Authority to try to work out the bugs in the system, but that will not continue on until a Resolution is received. A bug in the Water Treatment Plant is an alarm that goes off that they have to address, something operational such as a leak or drip of water or acid leak. There have been some chemical drips that were piping. Acid is not used every day, when it is used it is a dangerous condition but has been able to be worked through them so far.

Councilman Clear inquired as to how many bugs have occurred. Mr. Spickard reported about twenty-one items. Some have already been resolved. Councilman Doane inquired if it was normal. Mr. Spickard stated it is normal; it is like a preliminary punch list for the Contractor. It is not out of the ordinary, there are always little things you got to come

back and look over and double check. But they are working together to resolve those issues and he is confident the Contractor is going to finish satisfactory.

The application for pay from the Contractor totals \$79,819.98 and covers the work we described since the last Council meeting. The Lane Group recommends the Town accepts the request. Also included in this disbursement request \$10,395.00 for construction and administration inspection and \$7,605.50 for additional engineering for The Lane Group. The total of disbursement request is \$97,820.48; The Lane Group recommends payment of this disbursement.

Councilman Doane inquired if the glitches or bugs are an additional cost to the estimate. Mr. Spickard stated these are items that were included and needed to be fixed. Councilman Clear inquired if the Contractor is the same individuals that built the apparatus or is there somebody else working on it from a notebook or is there someone from the company there that built it. Mr. Spickard stated the Contractor, Frizzell Construction, is responsible. They have sub contractors that work for them and vendor equipment suppliers that work for them, but it is all under their responsibility. It could be some of the sub-contractors but it all falls under the general contractor's responsibility. Councilman Clear inquired if anyone has been on sight. Mr. Spickard reported they are working four days a week and not working weekends.

Contractually the contract time ends June 1, 2018 and they are not anticipating being substantially complete by June 1, 2018. This is when liquidated damages could be imposed or start counting and if additional Change Orders to increase time are granted then it would come off the accrued time. One skid is working and the contractor is working actively to get the second skid in production. It is going to be more than three weeks to get it. Councilman Doane inquired as to what caused the delay. Mr. Spickard reported there are probably a multitude of reasons and really do not think they should discuss them now in open session since it is likely to go into litigation.

Mayor Heninger inquired as to how much water is being produced at this time. Mr. Spickard reported about one and one half million gallons per day if the plant is ran continuously but the plant is not being operated continuously. Currently it is about 600,000 to 650,000 gallons per day is what it is producing currently. Mayor Heninger inquired if the Town is now buying water. Mrs. Henderson stated the Town is currently buying water from Washington County.

Motion by Donna Blevins, second by Brent Foster Council approves Pay Request Number 15 in the amount of \$97,820.48. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Nay
Emily Dungan	Aye	Brent Foster	Aye

Mr. Jay Keen, Public Works Director, stated he has a few concerns to voice. A change order was made adding fifty-eight days to the project. Two of those items, one being fourteen days for piping inside the plant, and the other one is fourteen days for chlorine

changing. As of yesterday afternoon neither one of those have even been started. That is twenty-eight days. Substantial completion is due by June 1st as Council just heard from Mr. Spickard.

Another thing is the Contractor is only working four days a week, four ten hour days. Maybe that is why the project is behind the eight ball. The other issue Mr. Keen has an issue with the interconnection. The interconnect is when the Koch plant fouled it was used to feed water back into the system from Washington County and the Town is buying water from the Washington County Service Authority. Mr. Keen stated he believes the interconnection is being used as a crutch. There were actions taken the fourth through the eighth that the Town purchased 4.3 million gallons of water which will be a bill over \$6,000 for the Town. This action was taken with no communication from the Contractor to the Town.

Councilman Foster inquired if the Contractor had communicated with the Town what would have been the results. Mr. Keen reported there were a plan put together that they would run the plant twelve hours Friday, Saturday and Sunday. They moved water from the country to get the tanks empty enough that they could produce the water and not push it underground. They were ready for water and went to the interconnect and started buying water and not getting water to the plant. The plant is to be producing 625,000 to 900,000 gallons per day and we are taking it all from Washington County. Washington County is letting the Town take all of it. The uh oh or action taken could not have happened at a worse time. It could have jeopardized fire protection. Councilman Foster inquired if the action taken was necessary at that time. Mr. Keen reported he would not say that but it was an action that was taken that was discussed and for some reason they decided they were going to go ahead and take the action and it put the project behind the eight ball without the Town's knowledge. Mr. Keen was informed at 4:20 p.m. and had to do a lot of scrambling. Councilman Foster stated the \$6,000 or \$7,000 should be on the Contractor or whoever is at fault.

Mr. Keen inquired as to what the rate is. Mrs. Henderson stated it is \$1.48 per 1,000 gallons. The bill will be over \$6,000. Mr. Keen does not think there is a need to use the interconnect as a crutch. The project is due June 1, 2018 and there are twenty-eight days of work that have not been started. There will be more Change Orders to come. There is no way the project will be substantially complete by June 1, 2018. Councilman Clear stated that with the Contractor not working overtime it seems they are not putting the effort in. Mr. Keen reported they are working four days per week and he has made it a point to be there every day he can. Some days there are two people there and some days there are three people there. Councilman Doane stated that as long as Council does not hold them accountable the Contractor will continue to do so. Councilman Doane suggested maybe Council is too eager to approve some of the things. The Contractor is not losing any skin in the game they are being paid on a regular basis. Mr. Keen stated that they may come back in with another Change Order before June 21st and they do not have the ones they have completed which have not been started as of yesterday which is twelve days of work on a ten hour day and fifteen days on an eight hour day.

Mayor Heninger inquired as to what Mr. Keen is discussing how long it would take to fix the problem. Mr. Spickard reported that there is not a problem now. Mr. Keen stated the two change items and fourteen days for the interconnect and fourteen days for the chlorine equipment to be changed. Mr. Spickard stated he did not know without knowing the equipment deliveries and if they have all the equipment on site yet or not. Not all of the time is spent in the field putting pipes together; it is ordering, processing the order and getting the equipment delivered to the job site which is all part of time that is needed. Councilwoman Blevins inquired as to why the Contractor has not ordered equipment in advance if they are slow getting it. Mr. Spickard reported the Contractor is responsible for all the means and methods of completing the project which means the amount of man power that is on the job, people that are there and The Lane Group does not dictate to them how to do their job, but they do have a contractual date as to when it has to be completed.

Mr. Keen stated he knew there were other work orders that have been discussed that will fall on top of this. Mr. Spickard confirmed and stated that there are pending change orders. Mr. Keen stated the change orders will need to be looked at very closely. Mr. Clark, Town Manager, stated Council does not need to take any action at this time. Mr. Keen confirmed and stated he wanted to voice the concerns he has. Mr. Clark stated when it does come up for extension Mr. Keen can report to Council what he has observed and Council and act accordingly. Mr. Keen confirmed and stated Council has granted one extension of fifty-eight days. Councilman Doane stated that has not even began and no wonder they asked for an extension of fifty-eight days for a twenty-eight day job.

Councilman Foster stated the dead line is June 1, 2018 for substantial completion and inquired if there is a definition of substantial completion or would it be Mr. Keen's word against the Contractor's. Mr. Cassell stated there is a precise definition. Mr. Spickard stated that in general terms the project has to do what it was designed for and intended to do. Councilman Foster stated in other words produce water and working. Mr. Spickard stated that all equipment must be there and working. Mr. Keen offered to take Council members on a tour of the plant. Councilman Clear inquired as to who has final inspection. Mr. Spickard stated the engineer makes a recommendation to the owner which is the Town and the Town decides to accept the substantially complete or not. Mr. Keen stated that he has been walking thru daily and the punch list came from Washington County Service Authority and the Town of Chilhowie.

Councilman Clear inquired if there are engineers to go through the plant. Mr. Spickard stated they are on sight daily also. Mr. Keen stated he is expecting the Contractor to come up at last minute and request an additional change order. Councilman Doane inquired as to what would happen if the Town refused one of the payments. Mr. Cassell reported the contract was a heavily negotiated contract and that will be reviewed. The Town of Chilhowie as well as Washington County Service Authority both has obligations to the Contractor. Mr. Cassell stated he is not saying withholding payment would be a violation but they are speculating at things that require a precise evaluation.

Councilman Foster stated the payment is for work that has been completed. Mr. Spickard stated that there is a retainage amount that is still being withheld. Mr. Cassell stated the Contractor has liquidated damages which are charges based on the failure to perform based completion on a timely manner. All those things are available but let's wish the Contractor the best and hope they get it done. Mr. Cassell stated if it does not happen then in conjunction with Washington County's legal, he and the engineer will make a recommendation to Council and they will figure out where to go from there. Councilman Counts inquired if it is appropriate to communicate the concerns. Mr. Keen stated that they were communicated several months back. Councilman Counts suggested advising the Contractor of the fifty-eight day extension in good faith and nothing is happening. Mr. Spickard stated the Contractor has been put on notice. Mr. Keen stated that there were thirty days the Contractor could do anything to the plant that they wished and the other two change orders have fourteen days a piece and no work has been started.

Councilman Clear inquired about the Water Treatment Plant equipment stored at the shop that was sold on www.govdeals.com. Mr. Keen stated they have been in contact with the buyers and they are currently obtaining a shipping container large enough to ship the equipment in. Councilman Clear inquired if the Town is liable if the equipment sustains damage while stored at the shop. Mrs. Henderson stated the equipment belongs to the buyers they have already paid www.Govdeals.com for it.

Engineering Amendments Four and Five are proposals for changes to the engineering contract to provide design services for the remaining change order work that was discussed. Amendment Number Four is to provide the design for the replacement of the finished water treatment pumps. Amendment Number Four is also for security measures such as leak detectors and pressure sensors. The total change in the contract for the engineer is \$21,000. This is money in the contract that has not been obligated yet.

Amendment Number Five is for changes to chlorine and fluoride equipment layouts and safety for the operators. There are also a concern about using an acid fluoride feed system. Washington County Service Authority expressed a desire to go back to a fluoride saturator feed system. The engineering cost for that change is \$8,750. Washington County has approved Amendment Number Four and Amendment Number Five is pending.

Motion by Brent Foster, second by Bill Clear Council approves Engineering Amendment Number Four and Five in the amount of \$29,750.00. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Report on May 8th Meeting of Mill Creek Regional Water Treatment Plant Steering Committee – The Mill Creek Regional Water Treatment Plant Steering Committee members are Ken Taylor representative of Washington County, Brent Foster, John Clark, Marlene Henderson representatives of Town of Chilhowie, Robbie Cornet and Melinda

Jett representatives of Washington County Service Authority. The Steering Committee meets annually. Information from the meeting was provided to Council. In six months the Steering Committee will meet and reevaluate the operational cost.

- Presentation of Bids on Demolition of Old Superior Mills Building and Project Financing – Dennis Amos, representative of Hurt and Proffitt, appeared before Council to give a bidding summary. The project was advertised in two papers and bids were open May 1, 2018 at 2 p.m. Four bids were received and the lowest bidder was D.H. Griffin Companies located in Bristol, Virginia in the amount of \$238,250. The estimate for the total project that was included in the Department of Housing and Community Development funding package was \$150,000. The bid was more than the estimate and Angela Wolfe, Mount Rogers Planning District Commission, was able to negotiate with the Department of Housing and Community Development to move some of the scope of the project from the demolition to the Downtown Revitalization project. The Contractor has made a reduction in the fee of \$40,820 based on the reduction in the scope of the project. The net bid is \$197,430.

Motion by Brent Foster, second by Charlie Doane Council accepts the lowest bidder D.H. Griffin Companies for the demolition of old Superior Mills building in the amount of \$197,430 contingent on funding. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

Mrs. Henderson reported the \$75,000 was budgeted to pay for the project. Rather than removing money from the Town's reserves it was suggested to advertise to the local banks for a five year term loan for \$41,000.

Motion by Brent Foster, second by Charlie Doane Council authorizes to advertise to local banks for a five year term loan of \$41,000. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Consideration of Agreement for Building Demolition – The Agreement has the owner of the old Superior Mills Building to agree to have the building removed.

Motion by Brent Foster, second by Donna Blevins Council authorizes the Mayor to sign the documents for the building demolition. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Presentation of Bids on Division I Streetscape Project – Dennis Amos of Hurt and Proffitt, reported the bid for the Division I Streetscape Project was advertised in one paper and also emailed to thirty different contractors. Two bids were received and

opened May 1, 2018 at 3 p.m. The lowest responsive bidder was Boring Contractors located in Abingdon, Virginia in the amount of \$459,675. The estimate for this portion of the project was \$550,505. The Department of Housing and Community Development allowed a portion of the demolition project to be moved to this project and contractor. Negotiations were held with Boring Contractors to obtain a price for the additional scope in the amount \$28,455 which results in a net bid of \$488,130.

Motion by Brent Foster, second by Bill Clear Council awards the contract to Boring Contractors in the amount of \$488,130. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Authorization to Re-advertise Division II Façade Project in July/August – No bids were received for the Division II Façade Project.

Motion by Donna Blevins, second by Alan Counts Council authorizes Town Manager to rebid the Division II Façade Project. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Approval of Bids on Fire/EMS Bids on Equipment – Two bids was received for the Fire/EMS Equipment loan with the lowest bidder being New People’s Bank at the rate of 3.95%.

Motion by Donna Blevins, second by Brent Foster Council accepts the lowest bid at 3.95% from New People’s Bank. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Update on Negotiations with Washington County on Dual Response Territory for Fire/EMS Services – Washington County has requested the Fire/EMS Department to serve the area from Chilhowie to the Mill Creek area. Accepting this service area will increase the volume of calls by 10%. An agreement with Washington County is currently being sought.

Motion by Alan Counts, second by Brent Foster Council continues this matter. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

New Business:

- Update and Possible Grant Funding on a Farmer's Market – There is a very good potential for grant funding for a Farmer's Market structure in the amount of \$100,000. It was suggested placing the Farmer's Market in the Recreation Park. Railroad Avenue is not traveled as much and it would not be visible to the public.

RESOLUTION IN SUPPORT OF A FARMER'S MARKET SHELTER THROUGH RURAL DEVELOPMENT'S BUSINESS DEVELOPMENT GRANT AND TOWN OF CHILHOWIE, VIRGINIA FUNDING

WHEREAS, the Town of Chilhowie has been operating a Farmer's Market off East Lee Highway in an open area commonly called "Warrior's Park" weekly since circa 2008, and;

WHEREAS, approximately 42 different vendors have sold a variety of local and home grown products the past five years, and;

WHEREAS, the Chilhowie Farmer's Market has become a community mainstay and is looked forward to visited by thousands of customers and vendors each year, and;

WHEREAS, the Chilhowie Farmer's Market supports the "farm to table concept" and promotes energy and resource savings, and;

WHEREAS, the Chilhowie Farmer's Market is currently held without benefit of any shelter from either sun or inclement weather, with exception of two trees, and;

WHEREAS, other farmer's markets a 20 mile radius are complimented by having shelters, putting the Chilhowie Farmer's Market at a competitive disadvantage, and;

WHEREAS, the inclusion of the Chilhowie Farmer's Market into an architectural designed aesthetic shelter will greatly enhance the venue, and;

WHEREAS, the Town of Chilhowie has learned that there is a possibility of funding through Rural Development's Business Development Grant Program;

NOW THEREFORE LET IT BE RESOLVED that the Town Council of the Town of Chilhowie endorses the further development of the Chilhowie Farmer's Market through the Rural Development agency of the United States Agriculture Department;

AND LET IT FURTHER BE RESOLVED that the Town Council pledges the Town's resources in appropriate match to this much needed project in land, in kind labor and / or cash.

RESOLVED THIS 10TH DAY OF MAY 2018

Gary L. Heninger, Mayor

Marlene L. Henderson, Clerk

Motion by Brent Foster, second by Bill Clear Council adopts the Resolution. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

- Presentation of Possible Ordinance Addressing Derelict Buildings – The Code authorizes the Town to require removal or repair of certain buildings that are deemed derelict if there is a real estate tax abatement program. More information will be provided during the June Council meeting.

Motion by Donna Blevins, second by Brent Foster Council refers this matter to the Fire and Police Committee. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

Any Other Council Business:

Americans Older Day is coming up on May 24, 2018 and parking issues was discussed.

Health Insurance renewals need to be reviewed by the Finance and Personnel Committee. A Committee meeting was scheduled for Tuesday, May 15, 2018 at 6:00 p.m.

All the information has been submitted for the East Lee Highway Sidewalk project. The Engineer is contacting the gas company for possibly moving a line.

During the Street Scape Project the Apple Festival may have to move the Car Show during the festival.

Motion by Alan Counts, second by Brent Foster Council adjourns the meeting at 8:52 p.m. The motion was approved with the following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Charlie Doane	Aye
Emily Dungan	Aye	Brent Foster	Aye

Gary L. Heninger

Mayor

Marlene L. Henderson, MMC

Clerk