



**Mayor:** Gary L. Heninger  
**Council:** Donna S. Blevins  
Billy L. Clear  
Alan W. Counts  
Charles E. Doane  
Emily B. Dungan  
F. Brent Foster

**TOWN OF CHILHOWIE**  
325 East Lee Highway  
P.O. Box 5012  
Chilhowie, Virginia 24319  
Phone (276) 646-3232  
Fax (276) 646-3012  
www.chilhowie.org

**Town Manager:** John E. B. Clark, Jr.  
**Clerk-Treasurer:** Marlene L. Henderson  
**Police Chief:** Stephen W. Price  
**Director – Public Works:** Jay Keen  
**Fire Chief:** C. David Haynes

**Town Manager's Report to Mayor and Town Council  
May 10, 2018**

Potential Grant For Farmer's Market

At a meeting Clerk / Treasurer Marlene Henderson and I had with the Lane Group and Rural Development (RD) in mid-April on the loan for the water treatment plant, I enquired to Robert Hilt of RD of any possible funding for a Farmer's Market. To my delight he said that there were some grant funds available during this cycle and said that Craig Barbrow of the Wytheville RD Office would be in touch with me on the potential funding.

On April 26 I set up a meeting with Craig and had personnel with the Lane Group and Mt. Rogers PDC present along with the Town Staff. At the meeting Craig said there was a very good chance that approximately \$100,000 in grant funds would be available through the Rural Business Development Grant program if the Town could put together a preliminary application together to RD by April 30. Headed by Angela Wolfe of the PDC we were able to put the application together using cost estimates provided by the Lane Group. A full application is due by June 30.

You have in your agenda packet that preliminary grant application. As you can see the area for the proposed building is at the same location where the event is being held now fronting East Lee Highway on the southern end of the property. A resolution will also be prepared for the project. If Council approves moving forward on this process I will contact the Apple Festival and other stake holders that use the property. Following that I will contact the Board of Supervisors and ask for an exception to the deed conveyance and allow a structure on that side of the property.

Bids on Downtown Revitalization Project

Bids were received on the Downtown Revitalization Project on May 1. Bids for the demolition of the Old Superior Mills were received at 2:00. Bids for the Division I and II of the Streetscape portion were received at 3:00.

Regarding the demolition of the old Superior Mills Building, there were four bidders on the project. The low bidder appears to be D.H. Griffin Companies of Bristol at \$238,250. The bid is over budget but we are looking at some other options. We have asked the contractor for a breakdown of his bid for the cost for the slab removal. The Department of Housing and Community Development (DHCD) has money in the grant towards restoration and we can use that money for that purpose. Additionally, we have been given permission from the Department of Environmental Quality through the Brownfields Grant we received to do an environmental assessment on the building to use the balance of the grant (\$6,500) for removal of hazardous material.

Regarding the Streetscape Portion, The Division I portion consisting of the 5,380 square feet of sidewalk, street lighting, 1,200 feet of storm drain, railroad bore, site restoration and related appurtenances; two bids were received for the Division I portion. The low bid appears to be Boring Contractors of Abingdon at \$459,675. This bid appears to be within the budget.

Regarding the Division II portion for facades we received no bids. I think we made a mistake in bidding this portion in along with the Division I because clearly these two tasks need to be performed by two very different contractors. We will be rebidding the façade work out again in July or August as a single bid for the façade work on the twelve buildings. This delay may be a blessing in disguise in that this will allow the contractor doing the Streetscape Division I portion of the contract to get a good start on his work and not have to work around the Division II façade contractor (s) as much.

I have asked H&P to get finalized numbers on the demolition project before the Council meeting. All the bids will have to be evaluated by our Engineer Hurt and Proffitt and DHCD for compliance. Council will be asked to approve those bids pending that evaluation. You have the bid tallies in your agenda.

#### Financing Bids on Fire and Emergency Medical Services (EMS) Equipment

You have in agenda packet a copy of the bid sheet for the bids for the \$49,000 principal for the five year term. The solicitation was advertised in the Smyth County News on April 7 and April 14. The solicitation was also sent directly to all three banks in town, namely BB&T, New People's Bank and the Bank of Chilhowie.

As you can see by the attachment, New People's Ban bid 3.95% and the Bank of Chilhowie 3.99%. Clerk Treasurer Marlene Henderson will present the bids and make a recommendation to Council.

#### Public Hearing on Electric Power Transmission and Distribution System

You have in your agenda a public hearing notice on the electric franchise and a generic ordinance regarding awarding the franchise. The advertisement calls for bids to be received on the night of Council meeting.

American Electric Power (AEP) asked that this process be instituted. The last time it was done to the best of our knowledge was November of 1984. As you recall this franchise was presented to Council in April for approval to move forward. Since the Town of Chilhowie did not ask for this action, I have asked AEP to pay for all the advertising costs.

#### Public Hearing on 2018-19 Budget \*

You have in your agenda packet my April 19 letter detailing the changes made to the budget following Council's actions at the budget session of April 17. Also attached was the revised Variance by Department sheet and the Notice of Public Hearing advertised in the Smyth County News.

The Public Hearing will be held at the May 10 meeting of Council. Following the hearing Council can make any changes they so desire as a result of their initiative or as a reaction from the public comment. Formally adopting the budget will not occur until the regularly scheduled council meeting on June 14. Changes can be made at the June 14 meeting also.

\* Council members are asked to bring their full budget proposal to the Public Hearing on May 14 and at June 14 Council Meeting.

Respectfully Submitted,

John E. B. Clark, Jr.  
Town Manager