

Virginia: At the regular meeting of the Council of the Town of Chilhowie held at the Municipal Building, November 8, 2018 at 7:00 p.m.

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

Absent: Councilman Charlie Doane.

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 and David Haynes, Fire Chief and Randy Sturgill, Building Official.

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

Approval of Minutes:

Motion by Donna Blevins, second by Alan Counts Council adopts the regular October 11, 2018 and Special Called October 25, 2018 meeting minutes as written. The motion was approved with following recorded vote:

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

Citizens Time:

Jeff Pease, 752 Skyview, appeared before Council to give the Chilhowie Library Progress Report. The Library was open twenty-two days during the month of October with 1,758 visitors. The Library was closed one day for Columbus Day. There are currently 1,895 items circulating with an increase of children's books. The cataloging process of new material is still on going. The Smyth County Board of Supervisors has the matter of looking into seven Board of Trustee members on the Agenda for the next regular scheduled meeting.

New Business:

- Delivery of Fiscal Year 2016 Audit – Juan Garcia, Hicok, Brown and Company, CPAs, appeared before Council to give the Fiscal Year 2016 Audit report. The Council has received a letter that details what the Auditors were engaged with during the Audit and if there were any complications. There are no complications with the 2016 Audit and a clean report was issued. The Audit reviews the slight asset decrease as well as the liability decrease. Revenues for 2016 increased by \$350,000 while expenses increased by \$340,000 to the bottom line.

The Audit ending letter is required for Government entities. The letter addresses auditing standards and discusses that no material weaknesses was found and everything complied

with Federal and State Governments. Management proves to have good controls over revenue and a clean report has been issued for the 2016 Audit.

Old Business:

- Update on Downtown Revitalization Project and Presentation of Pay Request Number 19 - Dennis Amos, Hurt and Proffitt, appeared before Council to report Pay Request Number 19 is in the amount of \$116,221.41. The topsoil, seeding and mulch are nearing completion at Superior Mills. Once done that portion of the project will be complete. The storm drains are all in place now including the Change Order that was approved during the October Council meeting. Curb and gutter work continue in front of Berry's Home Center and Riverfront Cafe. The demolition work is currently on going for the existing sidewalks.

An issue has come up since the October Council meeting. Once excavation began on the curb and gutters it was discovered a typical road section was not present under Main Street. Several layers of wearing surface were found. This will be corrected with the new grading plan. The Contractor is currently working with the Virginia Department of Transportation to correct the problem. The Virginia Department of Transportation has agreed to handle the grading next spring while they apply the overlay to some areas of Main Street. Hurt and Proffitt is currently working with the Contractor to determine the additional cost.

Motion by Brent Foster, second by Bill Clear Council approves Pay Request Number 19 for the Downtown Revitalization Project in the amount of \$116,221.41. The motion was approved with following recorded vote:

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

- Presentation of Downtown Revitalization Change Order Number 3 - Dennis Amos, Hurt and Proffitt, appeared before Council to report the Contractor discovered unsuitable material during drainage project and removed the material. Once the unsuitable material was removed 166 tons of number 2 stone was brought in to bed the new storm drainage pipe; and 110 dump truck loads of shell was brought in to backfill the trench. Change Order Number 3 is in the amount of \$35,240.

Motion by Brent Foster, second by Donna Blevins Council approved Change Order Number 3 for the Downtown Revitalization Project in the amount of \$35,240. The motion was approved with following recorded vote:

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

- Update on East Lee Highway Sidewalk Project and Presentation of Pay Request Number 12 – All sewer lines have been moved and tied in on the project as well as the natural gas

lines. Grading on the project by Boring Contractors has begun. The westbound lane of Lee Highway will be diverted to the center lane until the end of the month or until the project is complete. Two crews are currently working on the project. The drainage work will resolve issues with drainage at Farmer’s Market location. Pay Request Number 12 is in the amount of \$44,598.13.

Motion by Donna Blevins, second by Bill Clear Council approves Pay Request Number 12 for the East Lee Highway Sidewalk Project in the amount of \$44,598.13. The motion was approved with following recorded vote:

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

- Update on Fire Services Board and Emergency Medical Services Study – Fire Chief David Haynes reported the Virginia Department of Fire Programs have been onsite and conducted a Town Hall meeting. A report will be submitted to staff for review and once approved a final report will be submitted to Council.
- Presentation of Three Design Options for Approval For Farmer’s Market Building – Dennis Amos, Hurt and Proffitt, reported there are three options provided to choose from and the details will be ironed out at a later date. The three options were reviewed with suggestions made. Suggestions made were to preserve the trees at the location and to flip the design for the proposed restrooms to be located at the west end of the property. After much discussion Council decided they do not approve of any of the proposed designs. Dennis Amos is to contact the Town with possible dates for a work session that Hurt and Proffitt’s architect would be able to attend.

Town Attorney, Paul Cassell, will contact the Smyth County Attorney for the Town to receive a copy of the amended deed to the Farmer’s Market property.

Marlene Henderson presented the following Resolution required by Rural Development concerning grant funding for the Farmer’s Market structure:

**RESOLUTION OF GOVERING BODY OF
TOWN OF CHILHOWIE, VIRIGNIA**

The governing body of the Town of Chilhowie, 325 East Main Street, Chilhowie, Virginia 24319, consisting of six (6) members, in a duly called meeting held on the 8th date of November, 2018 at which a quorum was present, RESOLVED as follows:

BE IT HEREBY RESOLVED that, in order to facilitate obtaining financial assistance through a Rural Business Development Grant from the USDA, Rural Development in order to construct a Farmer’s Market in the Town of Chilhowie, Virginia, the governing body does hereby adopt and abide by the covenants contained in the following agreements:

1. “Letter of Condition”, dated _____, 2018.

2. Scope of Work,
3. Form RD 1942-46, "Letter of Intent To Meet Conditions"
4. Form RD 1940-1, "Request For Obligation of Funds"
5. Form RD 400-1, "Equal Opportunity Agreement"
6. Form RD 400-4, "Assurance Agreement"
7. Form AD – 1047, "Certification Regarding Debarment, Suspension, and other responsibility Matters-Primary Covered Transactions"
8. Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants)"
9. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants, and Loans Regarding Lobbying"
10. SF-LLL, "Disclosure Form to Report Lobbying"

BE IF FURTHER RESOLVED that the Town Manager, be authorized to execute, on behalf of the governing board, the above agreement and to execute such other documents including, but not limited to, debt or grant instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-named documents, is hereby entered into the permanent minutes of the meeting of this Committee.

Town of Chilhowie, Virginia

Attest:

By: _____

CERTIFICATION

I hereby certify that the above resolution was duly adopted by the _____ of _____, in a duly assembled meeting on the 8th day of November, 2018.

Secretary/Clerk

Motion by Brent Foster, second by Bill Clear Council adopts the Resolution for Rural Development for a Farmer's Market Structure. The motion was approved with following recorded vote:

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

- Update on Regional Water Treatment Project –

John Clark

Jeff Spickard is going to give an update on that and maybe Jay. Also in the Supplemental Agenda is a Pay Request that Jeff will go over that was

not in your Agenda. You can see it on the table and that is what Jeff will be referring to.

Jeff Spickard

Thank you John. As John mentioned the Pay Application came in a few days later than normal. So it was a little later getting to you for review but the work that is included in that Pay Request includes the chlorination system, fluorination systems, relocation of chemical metering pumps, building doors, basically we have got down pretty close to the end of the project. Major components are installed. The Treatment Plant today, and I think yesterday, the electrical service was interrupted so we could make our installation of our automatic transfer switch. That is needed to allow the generator to operate on an automatic basis. Power was restored but we still have some electrical questions, hopefully we can iron those out tomorrow and get the Plant back into operation tomorrow or the first of the week at the latest.

As I say, we had a substantial completion inspection or partial substantial completion inspection by the Health Department and they have looked at the chlorine and fluoride systems and they are in agreement there are a few items we have to have completed on the fluoride before we can go into operation. But the chlorine system was placed into service about a week or so ago and it is operating. In the next few weeks we are going to be developing a final punch list of remaining work. There are a lot of little things that have still not been done although the main components, membrane treatment skids, they are operational and have been operational for several months and seem to be working fine. No interruptions in that part of the service have been experienced.

As I said the punch list and substantial completion is something that is going to be developed within the next few weeks and maybe quicker than that. There are a few not so little items that we are still looking at trying to discuss with the Contractor on how it is best to resolve it. To the general conclusion of the project we are getting very close. The partial Pay Request amount for that work that was just described was \$19,110.01. We still have over \$118,000 in retainage that still has not been allocated. And there is still about \$90,000 in work that has not been completed. We are still holding out close to \$200,000 in the total project. We are about 146 days late, so you can do the math, we are still under...should be going to assess damages of the full amount but we are still under what monies we are retaining and still have it in contract. It is our recommendation that you pay that \$19,110.01 amount for the Pay Request. I will now entertain any questions you may have.

Bill Clear

You talking about chemicals, fluoride and chlorine, are they the only two chemicals we have over there?

Jeff Spickard No. There are several other chemicals. Some of that work included relocating the chemical feed pumps. They were moved to a permanent location also. We are feeding a mixture of chemicals over there, it is quite a bit.

Bill Clear Are they dangerous?

Jeff Spickard They are hazardous, yes. Acid....pretty significant if those things get loose in the environment.

Brent Foster I have a question.

Jeff Spickard Sure.

Brent Foster Between Abingdon, Washington County Service Authority and us we got someone to work on...what was it, the computer program. We got a new Engineer Firm to work on this. That is the one you went to in Abingdon that interviewed the three?

John Clark Yes, but I have not received the contract on it, which will be with some left over money. Jay do you want to speak to that one? They were looking at some safety issues.

Jay Keen They were looking at health and safety, finished water pump, what was the third one John? One of them was for the computer controls.

Brent Foster So nothing has become of that yet?

Jay Keen No.

John Clark No. I thought we would have a contract by now and I was going to let Washington County present that, but I have not received it. But this has nothing to do with that, but there is a third component. I had it in my report last month, but I cannot think of it off the top of my head.

Brent Foster Okay.

Jay Keen I do not have a question for Jeff, I have a directive. Let's get that generator back in operation as soon as possible.

Jeff Spickard We are out about two weeks. That is the earliest.

Jay Keen Two weeks? That is our life line.

Jeff Spickard That is the earliest that we can get the automatic transfer switch manufactures representative there to start up the equipment. Now the plant will operate.

Jay Keen Until the power goes off then the plant will not operate.

Jeff Spickard That is right. That is correct.

Jay Keen I think we need to tighten up that two week window somehow.

Jeff Spickard I will ask.

Jay Keen I was under the pretense that they were going to be there tomorrow to check the grounding pad. Is that still correct?

Jeff Spickard He is going to be there but I do not know if we are going to be able to check the grounding pad there are some specialized equipment, but the electrical engineer is scheduled to be there at 8 o'clock in the morning.

Jay Keen I think two weeks is too long. I think two days is too long. I mean we know that the power goes out over there. It does not go out for everybody, but one leg of it will go down and then our plant is down. So I think we need...

Brent Foster If the plant is down do we still have the ability to get water from Washington County?

Jeff Spickard Yes.

Brent Foster Even though we do not want to.

Jay Keen We do not want to.

Brent Foster Right.

Jay Keen It is from the interconnect.

Jeff Spickard It is very expensive water.

Jay Keen It is expensive water and we have already bought about 600,000 gallons this past month.

Brent Foster I guess my question is why did we buy?

Jay Keen The plant was down for repair while they were putting these controls in, transfer switch and other incidents.

Brent Foster Oh okay. Like the other night when the power was out here for seven hours.

Jay Keen We are getting into these months that the generator needs to be functional. I do not think two weeks is acceptable. We have had the transfer switch there for a year.

Jeff Spickard It just had not been installed.

Jay Keen It has not been installed.

Jeff Spickard Correct.

Brent Foster So who has to install it?

Jeff Spickard Contractor. He has installed it, it is installed. It has not been made operational yet because the manufacturer has not checked the installation.

Brent Foster I am like Jay, I think that if it is something construction wise, but if it is just an inspector, you know...

Jay Keen Coming to check the installation of what the contractor has done is basically what he is going to do right Jeff?

Jeff Spickard Basically.

Brent Foster If they cannot can we get someone else to inspect that?

Jeff Spickard It is the contractor's responsibility. I really would not want to.

Paul Cassell It is probably a warranty problem, they usually will not warranty the equipment if they have not inspected it.

Jeff Spickard If someone else inspects it I am sure the manufacturer will void the warranty.

Paul Cassell That would be my guess, but I have not looked at it.

Jay Keen Is there a way, I am just asking because I have heard parts and pieces this week, but is there a way to bring a portable generator in to run the plant without the transfer switch?

Jeff Spickard Well, the generator could be wired directly in to bypass the transfer switch; it just takes an electrician time to do it.

Jay Keen Taking two weeks is too long. So if we can try to get that narrowed down I think I could sleep better at night.

Jeff Spickard I think there may be an opportunity to try to wire it in on an emergency basis.

Jay Keen I want it to be right. I do not want to void a warranty.

Jeff Spickard Yes, we would bypass it.

Jay Keen Have you look at it since they set it?

Jeff Spickard No, I have not been over there.

Jay Keen Are you coming tomorrow?

Jeff Spickard I had not planned to.

Jay Keen There are more issues.

Jeff Spickard Well he is going to take a look at all the installation for the electrical work and make a decision then whether it is safe to turn it back on or not.

Jay Keen Can you follow up with me and let me know if we are going to get anyone up here any earlier?

Jeff Spickard I will ask and see. I will let you know when I know.

Motion by Brent Foster, second by Alan Counts Council approves Pay Request Number 21 for the Regional Water Treatment Plant Project in the amount of \$19,110.01. The motion was approved with following recorded vote:

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

New Business:

- Notice of Virginia Department of Transportation Public Hearing on 107/11 Intersection – A Public Hearing has been scheduled for December 4, 2018 from 4 p.m. to 6 p.m. at Chilhowie High School to discuss the project overview, project description and map. The Planning Commission has been notified.
- Notice of Celebrity Bagging at Food City, November 20th and Contributions – The Celebrity Bagging is a fund raising project held at Food City to support United Way/Backpacks United. Individuals who volunteer to work the Celebrity Bagging and make a donation the Town will match the donation up to \$50.

- Notice of Sewer Treatment Plant Employee Advancing to Class IV – Calvin Parrish was hired in the Wastewater Treatment Plant with no certifications. Mr. Parrish has recently tested and became a Class IV Wastewater Operator. There are currently two other employees who is testing in the spring for their advancement.
- Notice of Veteran’s Day Program November 11th at 1 p.m. – The annual Veteran’s Day Tribute is scheduled for November 11th at 1 p.m. at the Veteran’s Memorial located at Town Hall.
- Presentation of 2018 Recreation Football and Cheerleading Report – Football and Cheerleading season has ended with another successful year with two age groups winning the Championship Trophies that are on display at Chilhowie Elementary School. This season there were eighty-five football participants and sixty-eight cheerleaders. There were additional expenses this year with fifty-six helmets being reconditioned and the purchase of forty-two new helmets. The football helmets are required to be reconditioned every two years with a helmet life span of ten years. Football jerseys were also collected at the end of the season.
- Notice of Work Starting on Recreation Park by U.S. Fish and Wildlife – Work in the river began this week with root ball installation. Sections of the H.L. Bonham Walking Trail may be closed at times due to the mud.

Department Reports:

John Clark, Town Manager, reported Youth Government Day was held October 23, 2018. The Mayor came and spoke to the students as well as all Department Heads.

David Haynes, Fire Chief, reported the new Ambulance is scheduled to be delivered Monday, November 12, 2018.

Randy Sturgill, Building Official, reported the motel renovations are coming along well.

Steve Price, Police Chief, reported an officer has resigned and his last day will be Sunday, November 25, 2018.

Paul Cassell, Town Attorney, reported in 1998 the Town of Chilhowie donated land to Habitat for Humanity to build houses with a reversion clause stating that if a structure is not built within a certain period of time the land reverts back to the Town. The houses were built and people have been living in them since. The reversion clause creates a cloud on the title for the person that now has the home. The Town has been requested by the Attorney for the person that owns the home to waive the reversion clause for Habitat for Humanity.

Motion by Brent Foster, second by Bill Clear Council authorizes the Mayor to sign the deed to remove the reversion clause. The motion was approved with following recorded vote:

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

Motion by Alan Counts, second by Donna Blevins Council adjourns this meeting at 8:29 p.m. The motion was approved with the following recorded vote:

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

Gary L. Heninger Mayor

Marlene L. Henderson, MMC Clerk