



Mayor: Gary L. Heninger
Council: Donna S. Blevins
Billy L. Clear
Alan W. Counts
Emily B. Dungan
F. Brent Foster
Lewis Shortt

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

May 9, 2019

Situation on Façades in Downtown Revitalization Project

As I reported on April 18, the Town did not receive bids again on the Downtown Facades Project. As you recall from last year we formally bid the project out two times with no responses. Before both of those 2018 bids we had a prebid conference. Before one of those prebids we did have one contractor who came to the meeting.

This time we only advertised for contractors to submit their names and qualifications for the job. The bonding requirements were eliminated. Three contractors attended the pre bid conference on March 26 and we walked through the project along with representatives of Hurt and Proffitt. I called each one of the contractors before the bid on April 18 urging them to submit. But unfortunately none did.

At a meeting of the Downtown Facades Committee on April 30 downtown property owners were invited to attend. Input was solicited on how to proceed. One downtown property owner suggested he could do the work. Upon checking with the Department of Housing and Community Development (DHCD) the property can do the work on one side of the street where there is no property ownership. Also several other contractor names were brought up. It is my understanding that we are now free to contract anyone to do the work.

Farmer's Market Bid and Possible Additional Funding

You have in your agenda packet my April 19 letter to Area Director Craig Barbrow of Rural Development (RD). I had also sent that letter by email scan. In that letter I asked for another \$33,370 in funding.

I have heard nothing back from the request. I did talk to Craig on April 25 and he said that the money had to be obligated by his office by July 1 and he hoped that he would know in May. He seemed very optimistic that we would receive additional funding but could say nothing officially.

2019-20 Budget Proposal

You have in your agenda packet, under a separate cover, the revisions and additions made to the budget proposal following the April 25 continued meeting. The budget is now showing a small surplus of approximately \$24,926.

In the proposal we laid out the issues and quantified them that were discussed in the April 25 meeting. Those issues include garbage rate increases, reduction in the percentage of outside the corporate limit water and sewer increases, reduction in the cost of the operation and maintenance at the water treatment plant, etc. Also in the budget, notwithstanding the above mentioned \$26,926 surplus, are three options for pay increases to help with police officer retention, and a \$1 per month per customer surcharge for a fund that will begin fire hydrant replacements.

If Council makes the necessary changes at the May 11 meeting, and does not continue the budget to another continued meeting, the budget proposal could be advertised the end of May or by June 6 and the Public Hearing held at the regular June 13 meeting. The budget then can be adopted at a date selected by Council, but no less than seven days from the Public Hearing (no earlier than June 20).

2018-19 / 2019-20 Paving Schedule

Public Works Director Jay Keen, Clerk / Treasurer Marlene Henderson and I have been discussing the procedure for both the 2018 -19 and 2019-20 fiscal year paving schedules. We have money allocated this fiscal and slated for next fiscal year for the Loaves and Fishes lot, Terrace Avenue and Pendleton Avenue.

We estimate that these streets and area will take approximately 363 tons. We can negotiate with a local contractor who has gotten the state bid and do the work. The price he offered is less than what we paid for last year per ton laid, and he can get to the work by the end of this month. We also understand that asphalt has gone up fairly substantially from last year

If Council instead votes to advertise the project we could very well lose the quoted state price and would have to wait until the June 13 meeting for Council to approve the bid (or earlier if the meeting is called or continued). Either way we will charge part of the cost this fiscal year and part next fiscal year 2019-20. Utilizing the state bid could very well save us about \$13,000 split over two fiscal years and be a small budget savings.

Respectfully Submitted,

John E. B. Clark, Jr.
Town Manager

AGENDA