



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

Town Manager's Report to Mayor and Town Council April 9, 2020

Letter to Attorneys for Frizzell Construction and Evoqua on Mill Creek Regional Water Treatment Plant (WTP)

You have in your agenda packet a March 25 letter from Town Attorney Paul Cassell to K. Brett Martson, of Gentry Locke, representing Frizzell Construction, and Ralph A. Finizio, of Pepper Hamilton LLP, representing the manufacturer Evoqua. In the letter the Town (and Washington County Service Authority, by implication) agree not to declare a contractor default at this time, upon receiving a satisfactory response within two weeks to the attachment to the letter entitled "Issues and Possible Remedies".

The letter came as a result of telephone conference call held on March 18, with over 20 participants on the line, including Town, WCSA, Evoqua, Frizzell, Lane Engineering, etc. Town Attorney Trent Crew spoke for the Town along with WCSA Attorney Thomas Dene. At that call Mr. Marston seemed to indicate that the problems at the WTP primarily were only valve related. Our attorneys countered that they were multiple problems involving valves, membrane skids, etc. As you can see by the attached memo, developed by WCSA with input from our staff after this telephone conference call, there were 10 major items we stated needed to be fixed. Valves and membranes were only two of the ten.

We are anxious to receive back the response from Evoqua and Frizzell's attorneys from their clients on a timetable to fix the defective items listed on the attachment. The letter also states that the parties must also get extensions on the bonds from the bonding companies.

We are hopeful that the response will be one the Town and WCSA can accept in both the needed repair and the timetable thereof for the repair or replacement. We hope this matter can be settled to our satisfaction without taking the matter to court. If in court we strongly feel that the tenants of the contract, both in spirit and letter, strongly favors us.

Meeting of Wellness and Park Committee on Farmer's Market

On March 24 the Committee met and discussed several issues, including the deployment of the farmers market. At the meeting were members of the staff, including the Market Manager. The committee will recommend the following regarding the operation of the farmers market.

- The Market Manger will utilize social network including Nixel, Facebook and the Town's web page to promote the market. He is asked to report who will be coming and the produce they will be selling.
- Market hours will be changed by moving the opening hour up one hour from 4p.m. to 7p.m. Vendors will not be required to stay the entire time if they chose not to.
- During the months of April, May and June the market is to open on Thursdays. A combination of produce as well as arts and crafts can be sold during these months.
- During the months of July, August, September and October the market is to be open on Tuesday and Thursday. On Tuesdays arts and crafts can be sold, and Thursday only produce can be sold.

The opening of the market was delayed to at least April 30. Due to the ongoing COVID-19 outbreak that date will most likely be pushed further into the future. This is especially true when considering Executive Orders from Governor Northam, where applicable.

Preparation of 2020-21 Budget Proposal

Clerk Treasurer Marlene Henderson and I have been working on the 2020-21 budget proposal since early March. The Department Heads submitted their requests in early March also.

Without going into detail in this writing, after various cuts and a water and sewer rate increase, we have achieved a balanced budget. As in the past we will need to set up a Continued or Special Meeting dedicated only to the budget presentation. At that meeting Council members will have time to fully evaluate the budget, making additions and deletions. The full budget proposal, with all the accompanying information and documentation, will be sent to Council members several days in advance of the Continued or Special Meeting. This meeting will have to be done before the regular May council meeting in order to meet advertising, public hearing and adoption requirements before the end of the fiscal year.

Update on Downtown Facades Project and Sidewalk off 121 East Main Street at Town Parking Lot

You have in your agenda packet the minutes of the first progress meeting held on April 1 on the Downtown Facades Project. The project began on in mid March through Walberg Construction. They are initially working on the David Richards building, at 121 East Main Street, which fronts the Town Parking lot between Route 107, Main Street and Lee Highway. Though the work has just begun you can see improvement in the building with the brick work and windows.

Regarding the sidewalk replacement in front of the David Richards Building, we have gotten two quotes at this writing and are awaiting the third. I anticipate have a low bidder identified in the next couple of days and getting the project started by the first of May.

Respectfully Submitted,

John E. B. Clark, Jr.
Town Manager