



**Mayor:** Gary L. Heninger  
**Council:** Donna S. Blevins  
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Brent Foster  
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## ***TOWN OF CHILHOWIE***

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**Town Manager:** John E. B. Clark, Jr.  
**Clerk/Treasurer:** Marlene L. Henderson  
**Police Chief:** Andrew K. Moss  
**Director-Public Works:** Jay Keen  
**Fire Chief:** C. David Haynes  
**Building Official:** Randy Sturgill  
**Director-Recreation/Special Events:** Ron Cahill  
**Legal:** Cassel & Crewe. P.C.

### **Town Manager's Report to Mayor and Town Council June 10, 2021**

#### Adoption of 2021-22 Budget

As you are aware we had the Public Hearing on the 2021-22 budget at the May 13 Council meeting. We had no speak at the Public Hearing. As required by law the budget cannot be adopted until at least seven days passes after the Public Hearing. So, Council will be in position to pass the budget on June 10.

As I explained in my May 28 email, the only change I would recommend is to transfer \$2,500 from the Southwest Virginia Fund to the Smyth County Chamber of Commerce. The Chamber has been able to enroll in the Smyth County health insurance plan. But since the Chamber employee(s) are not County employees, the County cannot pay any of the individual costs. The Chamber board is struggling to come up with the funds to pay an equitable, fair and competitive share on their employee(s) health insurance. To that end that is why I am recommending the additional Town funding to \$10,043 from \$7,543. The Chamber has been a very valuable partner to the Town in the past, and with them moving to the H.L. Bonham Building we look for even closer collaboration. As stated in the email the effect on the budget will be a net \$0.

#### Public Hearing on Lease to Smyth County Chamber of Commerce / Vacation of Building by Tourism Association

You have in your agenda packet a notice of Public Hearing for the lease on the H.L. Bonham Building. Attorney Paul Cassell advised at the May 13 Council meeting since the lease is for a non-governmental entity that a Public Hearing would be required. You have in your agenda packet the proposed new lease for the Tourism Association, the same format I am proposing to the Chamber. I sent this proposed lease to the Chamber about a month ago and Executive Director Sarah Gillespie said the Chamber is good with it. If the Town moves its Special Events / Recreation position to the building we may be able to give the Chamber a break on the utilities.

I have a walk through of the Bonham Building on June 8. I am told by Tourism Director Amanda Livingston that they will be vacating the building the week of June 14. On a related note I am going meeting on June 8 to appear at the Board of Supervisors with the Museum of Middle Appalachians Executive Director Janice Orr. Janice came into my office and was very upset that the Tourism Association is proposing to leave the Bonham Building. She stated to me that almost all their visitors have been referred to the Museum through the Bonham House in the past. She also questioned what would become of the regional visitors sign on Interstate. She had met with the Tourism Association Board last month and got no satisfaction from them on the reason for the move. I advised her to appear before the Board, the Association's chief funder.

#### Public Hearing on Land Sale on Lot on River Road

You have in your agenda packet an invitation to bid on a lot on River Road that was declared surplus by the Town Council at its May meeting. The ad was published two times in the Smyth County News on May 26 and June 2. We also sent the ad directly to all adjoining property owners, and those on River Road, including Mr. and Mrs. Quirarte who initially petitioned to buy the property. The bids are due at 4:00 on June 3.

According to Smyth County Geographic Information System (GIS), the lot contains approximately one half acre and is listed as account number 96130 with a tax property number of 53-A-78. The lot once contained a house numbered 160 River Road. The lot was conveyed by Mr. Charles Keith in 2018 on condition that the Town tear the house down, which it did.

Town Attorney Paul Cassell advised that the Public Hearing be held to solicit public comment on conveying the property at the high bid. All bids including the high bid will be presented to Council and are not known at this writing.

(Note – after this initial writing the only bid submitted on the property was from the Quirartes who bid \$8,600.)

#### Application of Bio Solids (Sludge) on Heath Farm off Fox Valley Road

We are completing the application of sludge on the Seth Heath Farm off Fox Valley Road the first week of June. We began the process on May 18. We have applied approximately 278 tons of the sludge on two of the four fields there. When weather allowed our crews hauled sludge continually during those days. The application was done under the auspices of the Virginia Department of Environmental Quality who had a representative in the field during the application.

As stated above we are licensed to apply for four fields on the Heath Farm but will probably need just two. We can apply sludge two times per year – about 14 tons per acre in the Spring and about 3.5 tons in the Fall. It is very difficult to spread 3.5 tons on an acre due to capacities, so we are trying to get as much as possible this Spring. We still have around 40 to 50 tons left at the sewer treatment plant and can apply on a third field on the Heath Farm if the owner can take it.

The Town is also licensed to apply sludge on fields at the Berry Farm off Carlock Creek. However, that field has reached its nutrient limit and will have to wait a period until things settle out.

### Sewer System Evaluation Study (SSES) Preliminary Results

You have in your agenda packet various maps and cost estimates of the \$90,000 SSES performed by Hurt and Proffitt (H&P) over the last couple months. The Town received a \$90,000 grant from the Department of Environmental Quality (DEQ) to perform this study, including a \$22,500 grant from Mt. Rogers PDC that covered the Town's 25% match share.

As you can see by the last page of the report, the total estimated cost to rehabilitate the system is \$2,069,974, not including associated costs. This is a result of the smoke testing and CCTV (closed caption TV) work done earlier this year. If you look at the six pages of budget they correspond with various pages of the report Figures 7 through Figure 12. The full report is several hundred pages and is not included.

The report was submitted to DEQ May 28 by H&P after it was reviewed by Director of Public Works Jay Keen, Sewer Treatment Operator Luke Lowe and me. It had to be submitted by June 1 in order to be considered for funding this round by DEQ. As I understand the process now, DEQ will set up a meeting this month to scope the project. I further understand that that DEQ has grant funding for the project in the amount of 50%, but I do not know the maximum amount that can be applied. Perhaps some of the funding from the American Rescue Act can be used for this purpose.

### Status of Special Events / Recreation Coordinator Position

We received three applications for the Special Events / Recreation position. I have set up a meeting of the Parks and Recreation Committee on Monday, June 7 to interview candidates and get input from the committee on their insights on the responsibilities of the position. Ron Cahill is planning on leaving the end of June and I would like to hire his replacement before he leaves in order to give them some training.

### Situation with Solid Waste Collection Through Republic and Going Forward in Future

As we reported at the May Council meeting, our meeting in the short term was productive with Republic personnel on May 13. They agreed to forgo the 50% increase on our solid waste effective July 1 and to adjust it based on the transportation consumer price index as the contract calls for, although the current three year contract ends June 30, 2021. They also agreed to carry that rate forward through December 31, 2021. As you can see by Ms. Dana Chapman's May 17, 2021 letter they followed through on their promise and raised the rates only 3.6% through December 31, 2021.

I will be advertising a Request for Proposal (RFP) in the near future on the garbage pickup. It will in all likelihood ask for method of pickup (hydraulic, by hand), guarantees for service, pickup schedules, guarantees to use the Smyth County Landfill, where truck would be housed, etc.

I will be working with Town Manager Brian Martin on the RFP preparation in the near future. The Town of Saltville's contract ends June 30, 2022. Just speculating at this point, the RFP may be in three parts, pricing for Saltville and Chilhowie together, pricing for just Chilhowie, pricing for just Saltville

Respectfully Submitted,  
John E. B. Clark, Jr.  
Town Manager