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TOWN OF CHILHOWIE

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Town Manager: John E. B. Clark, Jr.
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Director-Public Works: Jay Keen
Fire Chief: C. David Haynes
Building Official: Randy Sturgill
Director-Recreation/Special Events: Jeff Smarr
Legal: Cassell & Crewe. P.C.

Town Manager's Report to Mayor and Town Council November 11, 2021

Update on Sewer System Evaluation Study II (SSES) and Construction Project

On October 21 we had a conference call with the Department of Environmental Quality (DEQ) on the construction project for the Infiltration and Inflow (I&I) mitigation project. You have in your agenda a synopsis of that meeting.

As far as the construction grant, the meeting brought many ends of the project together and answered / addressed many unanswered questions. State wide \$345,000,000 is slated to be approved by the State Water Control Board in December. The Town of Chilhowie's share will be \$2.1 million. As reported earlier there had been no official cap on the amount of the grant (DEQ calls it principal forgiveness) on the project which they stated would be 50%. Word was revealed at the meeting that DEQ would grant half of the project amount, or about \$1.05 million.

Regarding the loan amount, DEQ personnel said they would award that money at 0% interest up to a 30 year term. Even though the grant money is very generous that still leaves the Town having to put up another \$1.05 Million. At 30 years that would be about \$2,917 per month or \$35,000 per year. A couple options could be utilized to support the debt. One would be to use some of the American Rescue Plan Act (ARPA) monies in the amount of a couple hundred thousand. Coupling with that if the scope of the project could be scaled back enough without adversely affecting the outcome, that would be a cost savings. It has to be noted, however, that these funding opportunities with ARPA and DEQ are a once in a generational event and the Town needs to take care of this opportunity.

Regarding the SSES II study, I signed the contract with Hurt and Proffitt to begin the study. As previously indicated the study will take place in the areas east of the corporate limits and into Seven Mile Ford. The study is to be completed by April, 2022 and those findings incorporated into the construction project, along with those of Phase I.

Update of Transition of Solid Waste Provider from Republic Services to Green For Life, Inc. (GFL)

We have been in touch with GFL personnel in the last several weeks, most notably Mr. Robert Waschler who is GFL's project manager. GFL will be delivering canisters on December 15 through 18. I have notified Republic about a month ago to give them timely notice of their contract ending. Robert has been working with their personnel in the transition. Their last pickup is scheduled for December 28 and 29. It is my understanding through Robert that Republic will be picking their cans up after that date and then demolishing them.

We have two areas that are within the one half mile of the corporate limits, which can be picked up by the contract provisions, that have been picked up by Republic in the past. These areas are just across the county line in Washington County and one off Overlook Drive. Work Director Jay Keen and Robert will be making a determination soon if those areas can be continued to be picked up considering GFL's equipment. If they cannot be I will be sending out letters to those individuals that that service will be terminated effective January 1.

Department of Housing and Community Development (DHCD) Audit on Downtown Revitalization Project

The week of October 6, Andrea Gazley, our Project Coordinator with DHCD, conducted a "virtual" audit of the financial information relating to the \$999,999 DHCD grant specifically and the \$1,400,000 project generally. Treasurer Marlene Henderson and Project manager Angela Wolfe of Mt. Rogers PDC had previously sent her requested information the weeks before.

The Town came out with no findings and was highly commended by Ms. Gazley. This is due to the excellent bookkeeping and financial acumen by both Marlene and Angela. The overall project was administered and organized in such an excellent manner, Ms. Gazley stated, that we have been invited to present at the annual DHCD meeting in January that will be held virtually. We agreed to participate.

Chlorine Contact Bid at Mill Creek Regional Water Treatment Plant (WTP)

You have in your agenda a document entitled "Advertisement for Bids / Washington County Service Authority". This is the project Council and the Washington County Service Authority (WCSA) Board agreed to bid out earlier this year. As you can see the prebid is scheduled for November 10 and the bid on December 2. The results of the bid will be presented to Council at its November meeting.

As stated earlier the remaining grant funds for the WTP grant are \$653,510. The engineer's estimate for the project is \$936,300, leaving an anticipated remaining balance of \$282,790. Since that reckoning in September the WCSA got a \$90,000 grant from the Mt. Rogers Water and Wastewater fund in the amount of \$90,000. That would take the unallocated balance down to about \$192,790. Split between the WCSA and Town that would leave each about \$96,395 obligation. That money could be taken out of the American Rescue Plan Act funds or from the WTP reserve fund, if available.

Tree / Plant Streetscaping Along East Lee Highway

As you can see by various attachments in your agenda, Nathaniel Brown of Barrington Landscape, is in the process of getting bids on the East Lee Highway Streetscape plantings from Walton / Second Street to Poplar Avenue involving about 110 trees, shrubs and grasses.

Bids are due on the project on November 9. We have allocated money for this project in the 2021-22 budget. Mr. Brown says we have interest in the project and four contractors have requested bid plans. I made the bid known to a local to a local landscape company. Additionally, it looks like the permitting process has gone through the Virginia Department of Transportation and been approved. As I read the email all we have to do is to fill out a Land Use permit.

Respectfully Submitted and Happy Thanksgiving Wishes,

John E. B. Clark, Jr.
Town Manager