Mayor: Gary L. Heninger
Council: Billy L. Clear
Shannon Donnelly
J. Brent Foster
Bob Jeter
Julie Sturgill
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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: C. David Haynes
Director-Recreation/Special Events: Jeff Smarr
Legal: Cassell & Crewe. P.C.

Town Manager's Report to Mayor and Town Council

April 13, 2023

Pay Request Number 1 for Chlorine Contract Tank Project

You have in your agenda packet a March 16 letter to Robert Hilt of Rural Development requesting a drawdown of $93,399.88 for the Chlorine Contact Project. Theis will be pay request number 1 to MidAtlantic Storage Systems, Inc. and will be presented to Council for approval.

The total reimbursement will be $183,399.98 to Mid Atlantic, with the balance of $90,000 being a grant the Washington County Service Authority (WCSA) received from the Mt. Rogers Planning District Commission. As we previously discussed, the first on the two tanks was taken off-line last month and is slated to be completed in mid May. The the second tank will be taken off line and it slated to be completed by August. The total project contract cost is $1,262,500 , which will be funded by the WCSA, the Town (using American Rescue Plan Act funding), Rural Development and the Mt. Rogers PDC.

Situation with Insurance Coverage on Application of Bio Solids (Sludge) from Sewer Treatment

Plant (STP)

You have in your agenda packet a Notice of Non Renewal of Insurance for our insurance policy with the company that covers our sludge application. The company that had our coverage was Chubbs, an affiliate of the companies listed on the nonrenewal statement.

Also included, as an example, was my February 9, 2022 letter to Virginia Risk Sharing Association (VRSA) applying for coverage. As you see in the letter we apply approximately 60 dry tons of sludge in the Spring of the year before crop planting at a farm just north of Chilhowie, and one farm about five miles north east of Chilhowie. We have had this coverage from CHUBBS for at least four years, and through another company offered by VRSA before that. We have never had a claim.

As you can see in the Notice the company says they are cancelling because of possible “fluorinated compound exposures” in biosolids and that the c those “operations do not match our current underwriting appetite”. We are currently paying around $7,800 for this coverage. There coverage ends on April 18.

We had a conference telephone call on this cancellation on March 20 with VRSA personnel and members of Public Works and Administrative Staff. VRSA had three other brokers on the line. They are going to search for another company. As I understand the fluorinated compound is a “forever chemical” that is scaring off companies that have to deal with this exposure. I also understand that the Department of Environmental Quality is not even testing for this compound at this time.

If we apply the sludge after April 18, we will have to find another insurer if we continue to land apply. If not, we will have to take the sludge to a certified environmental landfill, a cost that will be certainly significant. I will keep you posted as events unfold.

Request For Proposal (RFP) for Engineering Services for Lead Service Line Inventory

You have in your agenda packet an RFP for Engineering Services for the collection of data to go into a lead service line inventory. We received a funding package from the Virginia Department of Health in the amount of $250,000 for the assessment, which consists of $95,000 for Principal Forgiveness (grant) and $155,000 in loan at 1% over (ten) years.

We advertised this RFP in the Smyth County News, a paper of General Circulation as defined in the Code of Virginia, on March 18 and March 25, 2023 that met the legal requirements. Additionally, the Health Department required an outreach to at least five firms that are owned by Minority Business Enterprises (MBE) and Woman Business Enterprises (WBE). I went to a Commonwealth website and found five (5) firms that I directly sent the RFP to.

As you can see in the RFP three copies of the firm’s qualifications are due by 4:00 on April 20, 2023. The scoring grid is listed in Section V. on a 100 point scale. I will present the proposals that are submitted and do scoring from my perspective. I will then present the results to Council at its May 11 meeting. After that firm is selected, we will begin contract negotiations.

Beginning of Phase II East Lee Pedestrian Project

As you are aware, Jones Road and Bridge began the Phase II project in Mid March. Two items have come up that will require change orders on the project that will need Council action to resolve.

The first change order will be for completely enclosing ditch on East Lee behind the new sidewalk on the east side of the entrance to the Town Hall. As it stands now this portion of the ditch would be left open with railing installed along the length of the sidewalk from approximately Bonham Avenue to the entrance. The portion of the ditch on the west side from the entrance to end of the lot at the Fire Hall is slated to be covered. Several elected officials have asked that this change order be done.

I don't have the cost of this writing for the pipe to be covered. There will be a credit on this change because the railing on the sidewalk will be removed.

The other change order will be more costly, I am sure. It involves the slope at the Fire Hall and the construction in front. As you recall the Town order two new fire trucks. The tallest of the two new trucks is the ladder truck. It is the same height of the old ladder truck at about 11 feet 6 inches. The bottom of door is 11 feet 10 inches, so there is very little clearance. While the new ladder truck will be the same height compared to the old one, the new truck will be three feet longer. That may affect the height of the new truck backing in at the grade the Phase II project is now designed at the entrance of the building. A revised slope in the front of the building through the construction may assist in getting the truck into the building without doing modification on the building.

As I understand it from the Fire / EMS Chief David Haynes, there is no similar size truck in the area to actually test backing into the building. And additionally, he informs me that the manufacturer will not guarantee any height variance due to the slope entrance, weight, tire pressure, etc.

After a meeting with Tim Mullins of Thompson and Litton, Paul Orr of Jones Road and Bridge, Works Director Jay Keen and David Haynes on March 30, plus several other conversations, a plan is being made to revise the front slope to a different slope. That revised concrete pad slope will have to be dependent, of course on "Knows" such as the elevation of East Lee Highway, the elevation of the Fire Department floor, etc. It is thought that the new slope could help ensure the new ladder truck can get into the building.

As with the covering of the ditch described above, no dollar amount has been ascertained for this change order. That information will be presented to Council at its April meeting.

Respectfully Submitted,

John E. B. Clark, jr.

Town Manager