TOWN OF CHILHOWIE

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Fire/EMS Chief: C. David Haynes
Building Official: C. David Haynes
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Town Manager's Report to Mayor and Town Council
May 9, 2024

Sewer Infiltration and Inflow (I&I) Project Update and Presentation of Requestion Request Number 2

On May 1 we had our Preconstruction Meeting with the Contractor Portland Utilities of Portland, Tennessee. You have a copy of the outline of that meeting and the attendance sheet. Representatives at the meeting included Portland Utilities were Hurt and Proffitt (H&P), Mt. Rogers Planning District Commission (PDC), Virginia Department of Transportation (VDOT), and the Town Staff including finance and public works. As your can see a variety of issues were discussed. Portland Utilities was the low bid on the project at $3,439,825.88. The Notice to Proceed was issued at July 15, 2024. The project has 210 Days to be Substantially Completed or February 15, 2025, and 240 days for Final Completion on March 15, 2026. Weather exclusion days are not included in these dates.

You also have in your agenda packet the May 2 letter to Ms. Karen Dorean of the Department of Environmental Quality (DEQ) prepared by Hurt and Proffitt (H&P). The request is for $138,194.29. It includes $75,546.80 to H&P for Engineering, $42,000 for Surveying to H&P, and $20,647.49 to Spilman, Thomas and Battle, our bond counsel. $150,000 had previously been paid to H&P for Engineering and Design, and Surveying, which was reimbursed partially to the Town by a $100,000 grant from Mt. Rogers PDC. The balance of those items H&P had been carrying since early 2023 by agreement until the project had been Closed. Thank you, H&P. I believe this requisition for those items makes up whole now.

Formulation of 2024-25 Budget Proposal

Following Council's Continued meeting on April 24 we made the necessary changes Council had directed on the budget. Those changes were reducing the Tourism Association to $4,000, Friends of Southwest Virginia to $1,000, the Chilhowie Garden Club to $1,000, and the Smyth County Imagination Library to $1,000. These changes reduced the Community Development Section of the General Fund for 2024 – 25 Fiscal Year Proposal by $8,900 from $78,980 to $70,080. This year's Community Development Fund has $67,600 in it.

Additionally, we have set up the Continued Meeting regarding the Real Estate Rate. The Continued Meeting will be on May 23 at 7:00. As required by the Code of Virginia, as amended, the advertisement for this hearing will be placed in the Smyth County News on May 8, at least 14 days from the Hearing. You have a copy of that advertisement. The ad includes the four required steps in the Code namely the Assessment Increase, the Lowered Tax Rate, the proposed Effective Rate Increase, and the proposed Total Budget Increase.

Also attached in your agenda is the advertisement for the 2024-25 Budget proposal in the amount of $6,251,849. The advertisement will be run in the Smyth County News on May 29 and June 5. The hearing will be held at Council's regular on June 13. The budget cannot be adopted less than seven days after the Public Hearing.

Installation of New Sewer Flow Meter at Packing House Road

As we have reported earlier, we installed a new flow meter at Packing House Road at a cost of approximately $7,000. That meter records the flow from the County system that serves the Green Hill / Schuler Hollow area.

The meter was installed on or about April 29. While the data on the flow is in a very limited time frame, we are seeing flows from the County in the 1,400,000 million gallon per Day (MGD) range, or around 10% of the flow. If that is the case the county responsibility on the flow would go from around 2% to 9.7% and the county's obligation from $931.77 in March to around $4,366 per month. You have in your agenda packet the March, 2024 billing and my handwritten notes on what the new anticipated flow would equate to.

The figures bear out numbers very similar to what I thought it should be. The Town has around 1,300 sewer connections on its system. I estimated that the County system would have about 100 to 150 connections so I anticipated the new meter to show the County at 10 – 20%. Unfortunately, the town has been undercharging on this for decades. Now, at least we will have accurate numbers from this point forward.

Closing of Railroad Crossing at White Top Road

You have in your agenda several emails from Joshua Riddle of Norfolk Southers (NS) and Rachal Brown of VDOT elaborating on the closing of the tracks at White Top Road on May 20. The estimated length of time for the closure will be 6:00 to 3:30 P.M.

Chiefs David Haynes and Andrew Mos had a phone conversation with Mr. Riddle of NS on May 2 and exchanged emails with Rachael Brown of VDOT after that. Chief Moss asked that during the time of the rail closure for VDOT to cease work on the I-81 bridges between the Chilhowie exit 36 and the Seven Mile Ford at 39 in order avoid even more congestion. As you can see by Ms. Brown's email of May 2 there will be no work on those bridges that day.
It will be up to NS to make all the necessary contacts with the public, schools, etc. However, the Town will publicize the closing on all its social media outlets.

Respectfully Submitted,

John E. B. Clark Jr.
Town Manager