TOWN OF CHILHOWIE

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Director Public Works: Daniel W. Combs
Fire/EMS Chief: C. David Haynes
Building Official: C. David Haynes
Wastewater Operations: Luke A. Lowe
Water Operations: Don Cole, II
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Town Manager's Report to Mayor and Town Council

July 11, 2024

Opening of the Splash Pad and Water Usage

On Friday, June 21 the splash pad opened to the public. We had hoped to open it right after Memorial Day but the fencing was not installed until Thursday, June 20, so we could not.

The splash pad has been extremely busy since that day. Its hours are 10:00 a.m. to 8:00 p.m. With the sunny weather at this writing and the newness of the facility I have been by it only one time in five days that the facility was not being used by youngsters and their families. During that time I have see no fewer than six youngsters and family at the facility. I have been reading social media and talking to folks in the community and the response has been overwhelmingly positive.

We have been monitoring the splash pad's water usage. In an effort to save water the design of the facility is divided into three sections so the whole system will not turn on with just one or a few people there. When each one of the touch modules is utilized, water will run for three minutes then cut off. In conjunction with Public Works and Water Operations we ran some numbers the end of the first day which we think will be indicative of the usage the next several months until closure in September. We found that the first hour on the facility used 660 gallons opening day June 21. For ten hours that number would be 6,600 for the ten hour day*. For 30 days that number would extrapolate to 198,000 gallons per month.

To put that in perspective, using an average household usage of say 3,000 gallons per month, the usage at the splash pad would be an equivalent of 66 houses, or another Applewood Subdivision. Health Department measurements are in million gallon per day (MGD). Our joint water treatment plant is licensed at 3.1MGD, with the Town at 1.4 MGD and the Washington County Service Authority at 1.7 MGD. 6,600 gallons a day is .007 MGD is not a huge usage in the big picture. And it should be remembered that the calculations above are for continual daily uses with no down time during the day, and no down times during rainy days. There will certainly be some / many of these down times / rainy days between now and the end of season.

*(National Pools came to the splash pad on July 2 and did some minor adjustment work on a nozzle coming out on the turtle feature. At that time they felt the water flow could be decreased slightly. The following day we read the meter and the flow had gone from 6,600 an hour to 6,000 an hour, a 10% decrease.)

Presentation of Phase III Contract from Hurt and Proffitt (H&P) on Lead Service Line Inventory

You have in your agenda packet a proposed Phase III contract on the Lead Service Line Inventory Project. This will be the last phase of the project after completion of Phase I and II.

To recap Phase I involved H&P going through building records identifying houses built before and after 1984, I believe. That date was the benchmark when lead service lines were prohibited. Houses built before that date could have had lead service. Those after that date could not have lead service lines, so those houses could be eliminated. Additionally, Phase I involved our meter crew getting GIS coordinates at all of our 2,500 connections and forwarding that information to Hurt and Proffitt. That task was completed about a year ago

Phase II involved door to door surveys and notifications. We sent about 2,500 letters out to customers asking them to self certify their service lines where it enters their homes. They were to mail that picture back to the Town Hall or send it by QR Code to H&P. We had a very good response getting back and identifying about 550 Reponses from homeowners, or about 22%. Also in that number were responses from going door to door by our staff and H&P Staff. But that was not as successful as the letter.

The Phase III Contract in your packet using grant funding up to $140,000 is the last stage of the lead inventory process. It will involve H&P hiring a crew with a hydro excavator to open up the meter boxes of the remaining 2,000 or so connections. This hydro excavator stirs and removes dirt material in the box itself to then allow the type of service line pipe leaving the meter box to the house be identified. This is a much more efficient method of identification than having to dig out the meter box by hand.

Letter Sent Out to all Restaurants inside the Corporate Limits Notifying Them of Increase in the Meals Tax From 6.5% to 7%

You have in your agenda packet a June 24 letter from Clerk Treasurer Felicia Eller and me to restaurant operators in Chilhowie on the increase of the tax to 7%. We wanted to give plenty of time for the restaurant managers to adjust their books / software to be able to report the new 7% tax. The remittance in August, due by the 20th for the preceding month, should reflect the 7% tax, as Section 50-224 Reports and remittances explains. And, as Section 50-225 explains, the restaurant keeps 3% of the total tax collected.

As you can see on the attached list, “Meals Tax for Fiscal Year 2024-25”, the average tax is 7.125% of the seven Towns and one city of all locations from the City of Bristol to the Town of Wytheville. The lowest rate is the Town of Rural Retreat at 5% and the highest the City of Bristol at 8%.

The Meals Tax is a very important, and irreplaceable, contributor to the Town’s revenue stream. For the second year in a row this tax will be the second highest revenue stream projected to be at $916,410

fiscal year 2024-25. The last fiscal year, 2023-24, the tax generated $843,396 at 6.5% (the month of June is estimated). The dollar amount this fiscal year, as mentioned above is second to the biggest contributor, behind water rents, projected at $1,686,326. The third largest contributor is projected to be sewer rents at $848,878 (not including sewer metering amount at Packing House Road for the County from the Green Hill area).

Summary of Project Highlights / Accomplishments from 2014 to 2024 in my Final Report

Working with you and former Town Councils and Staff, I put together below a summary of some important projects completed during my tenure the last ten years:

*Helped secure funding and led process in the beginning of a $6,200,000 grant and low interest 30 year loan project that will replace the Town to Seven Mile Ford water line, which will begin in 2025;

*Teamed with Clerk / Treasurer, Accountant, Engineer, regulatory agencies in getting a $3,900,000 sewer infiltration and inflow 0% 30 year loan and grant project released after gaining bond parity, which will begin in July of 2024;

*During a time of critical cash flow limitations and high debt service demands in late 2023 / early 2024, worked with Clerk Treasurer and financial consultant Davenport, Inc. in securing a $1,000,000 Revenue Anticipation Note and gained Council approval of the same;

*Worked with Consultants and / or Council in quickly filling key Executive positions with very quality persons after departures of Police Chief in 2020, and Clerk Treasurer and Public Works Director

in 2023;

*Led process in the award, design and implementation of a $750,000 3,500 foot East Lee Highway Pedestrian Project II using 80% grant money from the Virginia Department of Transportation's (VDOT) Transportation Alternative Program in 2022;

*Led process working with Staff and Town Council in prioritizing spending of the Town's $1,800,000 American Rescue Plan Act (ARPA) funding to best meet the Town's long and short term needs;

*Guided the development and funding for two new destination facilities in the Town of Chilhowie, namely a splash pad (spray ground) and dog park totaling over $500,000 in investments that has been wildly popular. Also secured a $125,000 grant from the Smyth County Foundation for the splash pad;

* Lead the process with staff and Planning Commission in the rewrite of the Comprehensive Plan in 2023 slated to be completed in the summer of 2024;

*Using Rural Development loan and grant money, and ARPA money, teamed with the Washington County Service Authority (WCSA) in replacing finished pumps and replacing two approximately 75,000 gallons finished / Clearwell water tanks at the Mill Creek Regional Water Treatment Plant in an approximately $1,500,000 project 2021 to 2023;

*Directly involved in administering and financial planning of millions of dollars in vehicle capitol need purchases including $3,200.000 in two new fire truck in 2022, a $379,000 sewer vactor truck in 2024, and numerous other police and public works vehicles;

*Led process in establishing a full time Special Events / Recreation Coordinator position and program for Town in 2024 involving a variety of boys and girls sports, plus special events, that evolved from Town only supporting boys youth football in 2014;

*Led Process in updating Town's antiquated, hard to use, uninformative website with staff and Smyth County Chamber of Commerce in 2022 to a better platform;

*Solicited a landscape architect and bid a $30,000 project involving over 100 trees, plus numerous bushes and grasses, in an East Lee Highway beatification project in 2021, and teamed with the Garden Club on Downtown beatification planters in 2023;

*Worked with the United States Fish and Wildlife Service and Upper Tennessee Roundtable for a $200,00) Town Park bank restoration program and fish / amphibian habitat improvement in 2019, plus many other improvements with facilities there;

*Led process in securing and procuring about $700,000 in Mt. Rogers Planning District Commission funding and Local funding in seven different grants from 2015 to 2023 involving water and sewer projects including relining sewer lines, refurbishing a 1,000,000 gallon tank, reimbursement of sewer engineering design, water pump house improvement, sewer treatment plant improvement, etc.;

*Received largest grant from Rural Development Business Development Grant in Commonwealth's history in completing a $325,000 farmers market pavilion later named the Will Walker Famers Market in 2021;

* Completed a 4,500 foot, $465,000 Tourism Trail linking the H.L. Bonham Tourism Center to the Town Recreation Park using 80% VDOT and Town funding in 2016, project had been on books for at least five years previous to 2014 and never started;

*Worked with Rural Development (RD) and Washington County Service Authority to upgrade the Town and WCSA's Mill Creek Regional Water Treatment Plant in a $3,400,000 grant and 40 year low interest loan project from Rural Development that was completed in 2018;

*Worked with the Planning Commission and staff in rewriting the Town's Zoning Ordinance in 2017;

*Lead process in working with staff and Planning Commission in rewrite of the Comprehensive Plan

in 2018;

* Completed a 3,500 foot, $535,000 East Lee Highway I Pedestrian Project in 2019 using 80% VDOT Transportation Alternative funding and local funding;

* Led process of a three year $1,400,000 Downtown Revitalization Project using Department of Housing and Community Development (DHCD) funding, Department of Environmental Quality / Brownsfield, VDOT, building owner façade private funding, and Town funding in 2017. The project had been pending for years well before 2014;

*Developed a comprehensive pay plan, classification plan and job descriptions that became effective January 1, 2015 after Council approval and is in use today that uses a merit based process for progression instead of arbitrary previous methods, that has resulted in the hiring / retention of many very qualified individuals;

*Lead the staff in rewriting the Town's Personnel Policy in 2015, the first rewrite in close to a decade;

*And, even more importantly, brought good will, cooperation, competence and professionalism to the position while serving as Town Manager.

It has been an honor and a privilege serving as your Town Manager the past ten years. Combined with the nine years and two months I served the first tenure from 1984 to 1994, I have spent 19 years and two months of my life and career with the Town, virtually all rewarding and enjoyable. And, in a limited consulting role I look forward to working with you and the staff in the future.

Respectfully Submitted and All the Best,

John E. B. Clark, Jr.

Town Manager