

Town Manager's Report to Mayor and Town Council
September 21, 2009

Notice of Additional Funding on South Main Street Water Project

We received some very good news last week. It appears that we will be getting money to cover all or most of the overage on the South Main Water Project!

As you can see by the attached September 10 email to me from Paul Green of the Health Department, they asked that I send them a letter requesting additional money to cover the cost overrun on the project. I understand that this extra money came from money sent back on other project where the bids were less than the money allocated by the Health Department. I acted on the request immediately as you can see by my September 10 letter. In the letter I requested an additional \$46,426.06 in funding. This additional amount covered the difference between the Health Department construction money in the amount of \$158,350 and the base bid price of \$194,892, plus the additive alternative of \$9,884.06 (A side note on the additive alternative which involved replacing the service lines and meters – this bid was actually withdrawn by the contractor, Branson Construction of Chilhowie, due to a math error, which was within their right to do within a 48 hour window. We will negotiate with the contractor on the price in the near future. While we were awarded the additional \$9,884.06 on a bid that was withdrawn, I didn't want to muddy the water with that information. The price from the contractor will be higher anyway since their error was on the meter price which they quoted at \$70 when it should have been \$700. As an example, the next lowest bid on the additive alternative was \$24,900.50. Any additional help from the Health Department will be appreciated).

As you can see by Mr. Steve Pellei's email letter of the Health Department, we were granted additional money. His letter states an additional \$41,426 in funding where I requested \$46,426. I don't know if this is a typo or all the left over money that they had. I am trying to get clarification on that, but nonetheless we are very appreciative of any additional funding and their confidence in the Town of Marion.

On a related matter, we are concerned about inspection services. The contractor is not very experienced in jobs of this magnitude and we know from experience that the area along South Main Street will be very rocky and difficult. The contractor will also be working around a six inch in-use water line, a sewer line, gas lines, and most likely tying over new service lines. Currently we have a contract with Lane for only 6 hours per week for inspection over a 13 week period

for a total of \$4,290 (Lane Inspection Services are \$55 per hour). What I propose is to increase the money allocated for inspection services, especially in light of the town getting over \$40,000 in additional money from the Health Department.

My proposal is to increase the amount of residential inspection from Lane from six hours per week to 16 hours per week at a cost of approximately \$7,150 in additional dollars. Secondly, to cover the other three days we will temporarily assign Don Henderlite from the water treatment plant to provide inspection services. Don is very amiable in doing this and well qualified. He was an inspector for Lane Engineering for a number of years and actually worked for Lane on a project in town. He was the inspector for the Campbell Avenue Sewer line that ran approximately 2300 feet from North Main Street to a siphon near the Middle Fork of the Holston River near Brunswick Lane.

Rural Development Grants on Fire Equipment and Police Vehicles

I have been in touch with Ms. Kathy Alley of Rural Development about the police vehicles and about the fire equipment. Concerning the fire equipment, as you know we have an extreme need for self contained breathing apparatuses (SCBA's) because our existing Cairns models will become obsolete on January 1, 2010. In our current total package of \$55,070 (of which 55%) is grant, there are 18 items of equipment listed, including one line item of 2 SCBA's.

We had hoped to hear soon on another grant that we had submitted to the Federal Emergency Management Agency (FEMA) on additional SCBA's but at this writing we have heard nothing. In your packet you have information submitted by Fire Chief and Purchasing Agent Billy Hamm from FireHouse.com that indicated two things to me. First they are still awarding 2008 grants. Secondly, we applied for 2009 money and it will probably be well after January 1, 2010 until we hear something definitive from FEMA.

To that end I again confirmed with Ms. Alley if we could transfer all of the money in the grant to buy the SCBA's. With the money in the budget we should be able to buy around nine. To that end we will advertise the bid for the SCBA's in the Smyth County News and Bristol Herald Courier on September 26 and September 30. We have the bid opening set for October 7.

Concerning the police vehicles, I anticipate no change in the "Buy American Clause" of the Rural Development Stimulus Package. As I reported earlier, all three police package vehicles – Dodge Charger, Ford Crown Victoria and Chevrolet Impala are all made in Canada. However, we do have an alternative. Chevrolet Tahoes are made in the U. S. These SUV's can be purchased and we will can be reimbursed 55% by the grant. The four wheel drive vehicle's cost is \$30,047, which is higher than the \$25,500 we had budgeted in the grant. I have spoken with Police Chief Mike Roberts and he is fine with substituting the SUV's for the police package cars.

Developments on Roof and Guttering Work at the Town Hall

The work on the cupola was completed the week of September 7. We asked Red Oak to paint the entire cupola while we had the crane on the site. The contract of \$2,730 was for only painting the damaged area and flashing. However, Mr. H.C. Carter of Red Oak said that since the contract work did not take as much time as anticipated, he would not charge for the extra work. Additionally, the hours the town rented the crane was a little less. Red Oak anticipated needing the crane for 16 hours but the time came out to 15 hours. The cost for the crane was \$180 per hour, so we came out a little better in that regard.

On a further note on the cupola, H.C. stated that the work they did should hold up three to five years. However, he said that the cupola is in need of major repair or replacement. He said we should budget for the future to remove the cupola and work on it, or to remove it and replace it with another.

You have in your agenda packet another cost item from Red Oak to repair the downspouts and gutters. During construction on the Cupola it was discovered that the front guttering system and downspouts have deteriorated. The downspouts are hidden behind the brick on the front corner of the building. Red Oak pointed out to me where the mortar in the bricks is starting to deteriorate at the location of the downspouts. This indicates that water is coming into contact with the brick and being damaged, particularly in freeze and thaw conditions. Mayor Helms also took the opportunity to go up on the crane car and look at the guttering. He reported on its bad condition. The price he quoted is \$14,000 for copper gutter and downspouts, or \$10,000 for galvanized, all to be located on the outside of the building. However, \$500 can be deducted from this amount after I spoke with H.C. because the back guttering and downspouts are included in the \$16,100 contract for the membrane roof repair.

This item is also not budgeted. But I think it should be seriously considered to be done in the very near future. I think we are incurring some interior wall damage now from this situation that will most likely only get worse.

Potential Agreement with Norfolk Southern on Old Prater Lane Crossing

I spoke with Greg Dickey of the Virginia Municipal League Insurance Program and Attorney Mark Fenyk about the proposed railroad agreement on the Old Prater Lane Crossing Agreement. Council had asked me to contact our insurance carrier to ascertain how much the additional coverage would cost.

After talking with both Greg and Mark, we were able to ascertain that by signing the agreement there would be no additional cost to the town. Greg has seen several of these agreements and he said the "Risk Financing Fee" quoted in the contract of \$1,000, that we had previously paid, would cover our liability and the railroad's during construction. He also felt that our existing

insurance limits on liability would cover us and the railroad after the construction was completed. Mark Fenyk agreed with this assessment.

Unrelated to the above specific issue, but related to the whole issue, Ralph Barrett, of the Virginia Department of Transportation's (VDOT) Rail Division, contacted me about our status of the project. As you know he has expressed his concern about this project since it has been on the books for about a decade. I expressed to him that all necessary easements have been signed and now the insurance issues seems to have been resolved. I further told him that the project has been specked out. I said that I was going to urge Council to make a decision one way or another on the project on Monday night, that is to bid it out or drop it.

Engineer Cecil Hicks has stated that he feels the \$213,000 allocated for the project will be insufficient. What I recommend is that we bid the project out, and if indeed the cost is higher, we ask VDOT and / or Norfolk Southern to pick up the difference.

Clearing of the Middle Fork of the Holston River at Riverbend Park

The Public Works Department did a very commendable job in cleaning up the river at the old dam and below at the old sewer treatment plant abutment on July 16 and July 30. I noticed after the tremendous storm we had in May that trees limbs and tree trunks had clogged up the opening at the old dam and partially blocked the river at the abutment. This had lead to literally thousands of plastic bottles and other trash being trapped behind the trees creating a very unsightly condition. I also had several comments on this situation.

The work on clearing the old dam out had to be done on the ice plant side of the river with a backhoe tethered by a front end loader. It was fairly dangerous work because the debris could have trapped someone underneath if they fell in. Regarding the abutment work, we put a plastic fence just above Baughman Avenue Bridge and manned it across the river with about a half dozen workers. They were able to capture a significant amount of the plastic bottles that were released after the limbs were removed by a backhoe again tethered by front end loader. Special thanks to the public works crew for their efforts in this regard.

Miscellaneous

We are now running the sweeper truck on an "as needed basis". I have received many good comments about the sweeper. We did have to order another set of brooms from Carolina Equipment at a cost of \$663.24. I can unequivocally assure Council that the old ones wore out from much needed use and not from the lack of application of water. This new set of brooms is much more heavy duty than the ones that came with the truck and should last much longer.....The Public Works Department teamed with the Department of Corrections to make improvements on the berm at the shooting range starting the week of September 14. The state had gotten some money to encapsulate the existing berm with a material that I assume

traps the lead material. They also got some money to build a fence around the range. We are currently assisting them with a front end loader and a truck at this writing to build another berm at a right angle on the west side of the existing berm to make an "L", if you will. This hopefully we cut down noise and make the range safer. The range is used by a variety of law enforcement agencies including our own..... We refigured the final cost for the six inch meter for First Fruits. The final cost was \$22,063.76. The contract amount was \$32,100.00. The difference in those amounts was due to the town not having to install six inch line. An existing six inch line service line was discovered on the property. I sent a letter to First Fruits stating the lesser amount. I also referenced the 12,000,000 gallon per year threshold they agreed to meet in order to avoid paying for one half of the cost.

Respectfully Submitted,

John E. B. Clark, Jr.
Town Manager