

TIME CAPSULE DEDICATION AT ADMINISTRATION BUILDING – 6:00PM



TOWN OF FRONT ROYAL, VIRGINIA TOWN COUNCIL MEETING
Monday, December 8, 2014 @ 7:00pm
Warren County Government Center

1. Pledge of Allegiance
2. Moment of Silence
3. Roll Call
4. Approval of the Regular Council Meeting minutes of November 24, 2014 and Special Meeting Minutes of November 19 and December 1, 2014.
5. Receipt of Petitions and/or Correspondence from the Public
6. Reports:
 - a. Report of special committees or Town officials and Town Manager.
 1. **Report from County of Warren Administrator Doug Stanley**
 - b. Requests and inquiries of Council members.
 - c. Report of the Mayor
 1. **Recognition of Service for Urban Forestry Advisory Commission Member Ron Perlik**
 2. **Recognition of Service for Outgoing Vice Mayor Shae Parker and Councilman Tom Sayre**
 - d. Proposals for addition/deletion of items to the Agenda.
- *7. **CONSENT AGENDA ITEMS – (ROLL CALL VOTE REQUIRED)**
 - A. COUNCIL APPROVAL – Bid for Purchase of Fuel for Years 2015 - 2017
 - B. COUNCIL APPROVAL – Bid for Various Types of Concrete for 2015
 - C. COUNCIL APPROVAL – Budget Amendment to Accept Pledge from Councilman Sayre
 - D. COUNCIL APPROVAL – Budget Amendment to Accept Reimbursement from VML Insurance Program
 - E. COUNCIL APPROVAL – Waiver of Curb, Gutter, Apron for Habitat for Humanity
- *The nature of a consent agenda is such that discussion of individual items does not occur.*
8. **PUBLIC HEARING FOR PUBLIC INPUT** - Town Building Official Position.
9. **PUBLIC HEARING** – Resolution for the Proposed Issuance of Bonds by the Town to Finance Wastewater Treatment Plant Improvements
10. **COUNCIL APPROVAL** – Bid for Wastewater Treatment Plant Upgrade and Expansion Project
11. **COUNCIL APPROVAL** – Amendment to Agreement with GHD for the Wastewater Treatment Plant Upgrade and Expansion Project – Clerk of the Works
12. **COUNCIL APPROVAL** – Write off for Bad Debt
13. **COUNCIL APPROVAL** – Resolution to Dedicate Administration Building Time Capsule

14. **COUNCIL APPROVAL** – Resolution to Approve PPEA Policy Guidelines
15. **COUNCIL APPROVAL** – Resolution to General Assembly to Grant Towns the Same Authority as Cities to Regulate Dilapidated Buildings
16. **COUNCIL APPROVAL** – Resolution Authorizing the Execution of Energy Purchase Supply Schedule with AMP
17. **COUNCIL APPOINTMENTS** – Urban Forestry Advisory Commission
18. **CLOSED MEETING** – Acquisition of Real Property

7A

Bid for Purchase of Fuel for Years 2015-2017



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 7(A)

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Bid for Purchase of Fuel for Years 2015-2017

Summary: Council is requested to approve the following bids for the purchase of gasoline, heating oil, diesel fuel, kerosene and motor oil for calendar years 2015-2017.

- **Gasoline, heating oils and diesel fuels** from H.N. Funkhouser & Co., Inc. for a fixed differential cost of \$0.075 per gallon at the pump and a \$0.10 fixed differential for delivery to various locations in Town.
- **Kerosene** from H. N. Funkhouser & Co., Inc. for a fixed differential cost of \$0.15 per gallon.
- **Motor Oils** from Quarles Petroleum at the prices quoted on the attached tabulation form.

Budget/Funding: The funding is distributed among all the Town departments.

Attachments: Memorandum and Quotation Tabulation from Purchasing Agent

Meetings: None

Staff

Recommendation: Approval Denial

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve the following bids for the purchase of gasoline, heating oils, diesel fuels, kerosene and motor oils for calendar years 2015-2017. Gasoline, heating oils and diesel fuels from H.N. Funkhouser & Co., Inc. for a fixed differential cost of \$0.075 per gallon at the pump and a \$0.10 fixed differential for delivery to various locations in Town; Kerosene from H. N. Funkhouser & Co., Inc. for a fixed differential cost of \$0.15 per gallon and Motor Oils from Quarles Petroleum at the price quoted on the attached tabulation form.

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance

*To be clear and concise, motions should be made in the positive

Approved By: JB



MEMORANDUM

Date: December 1, 2014
To: Tina Presley, Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

A handwritten signature in black ink, appearing to be "CH", is written over the "To:" and "From:" lines of the memorandum.

On Monday, December 1, 2014, I held a bid opening for calendar year 2015 costs for fuels and oils, with the option of up to two (2) one-year renewals for a maximum contract period of three (3) years. The bid is broken down into five (5) separate bids combined on one form, with the possibility of five (5) separate awards. I received three (3) responses to this bid (see attached tabulation sheet). The dollar amount spent on these products during the year requires Town Council approval. Please add this to the December 8, 2014 agenda for their action.

The specifications for the gasoline, heating fuel, diesel fuel, and kerosene required the vendor to submit with their quotation the Oil Price Information Service (OPIS) posted price in effect for Front Royal on November 28, 2014. This was to ensure that all vendors would be quoting on costs for the same day. The award is based on the fixed differential (freight, profit, and discount), which the vendor adds to the OPIS cost to determine the cost per gallon charged to the Town. The OPIS posted prices may fluctuate, but the differential will remain firm throughout the length of the contract.

I recommend the award for gasoline, heating oil, and diesel fuel purchases during calendar years 2015 through 2017 be made to H.N. Funkhouser & Co., Inc., for a fixed differential cost of \$0.075 per gallon at the pump ("on-site") and a \$.10 fixed differential for delivery to various locations in Town ("off-site"). I also recommend the award for kerosene be made to H.N. Funkhouser & Co., Inc. for a fixed differential cost of \$0.15 per gallon.

The award for the motor oils was specified that we would add together the cost of one unit of measure of each of the different products, and that the overall low total cost would determine the award. Therefore, I recommend the award for motor oils be made to Quarles Petroleum, at the quoted prices shown on the tabulation form.

TOWN OF FRONT ROYAL, VIRGINIA

Quotation Tabulation

Item: FUELS - 3 YEAR CONTRACT

Quotation #33

Date: December 1, 2014

Mailed 5

Replied 3

Vendor Quotation

	H.N. FUNKHOUSER	QUARLES PETROELUM	HOLTZMAN OIL CORP.	
	QUOTATION	QUOTATION	QUOTATION	QUOTATION
BID #1 - GASOLINE (FIXED DIFFERENTIAL) REGULAR UNLEADED PREMIUM UNLEADED	\$0.0750 \$0.0750	\$0.0900 \$0.1300	N/Q N/Q	
BID #2 - #2 HEATING FUEL OIL (FIXED DIFFERENTIAL)	\$0.1000	\$0.1800	\$0.2255	
BID #3 - DIESEL FUELS (FIXED DIFFERENTIAL) LOW SULFUR ON-SITE LOW SULFUR OFF-SITE "OFF-ROAD" DIESEL FUEL (FIXED DIFFERENTIAL)	\$0.0750 \$0.1000 \$0.1000	\$0.1000 \$0.1800	N/Q \$0.1955 \$0.1955	
BID #4 - KEROSENE (FIXED DIFFERENTIAL) ON-SITE OFF-SITE	\$0.1500 \$0.1500	N/Q	\$0.03 DISC OFF POSTED PRICE 0.3005	
BID #5 - MOTOR OILS SAE 15-40 HYDRAULIC OIL #90-120 TRANSMISSION GEAR LUBE CHASSIS GREASE (OILS SUBTOTAL)	\$7.63/GAL \$7.03/GAL \$1.90/LB \$2.10/LB \$18.6600	\$7.69/GAL \$5.78/GAL \$1.43/LB \$2.3375/LB \$17.2375	\$7.75/GAL \$8.37/GAL \$1.903/LB \$2.20/LB \$20.2230	
Discount	N/A		N/A	
Terms	NET 30		NET 30	

The above proposals verified to specifications and compliance with terms and conditions.

Witness

Witness


 Purchasing Agent

7B

Bid for Various Types of Concrete for 2015



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 7(B)

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Bid for Various Types of Concrete for 2015

Summary: Council is requested to approve a bid for various types and quantities of redi-mix concrete orders during calendar year 2015 from Essroc Redi-Mix Corporation at the attached quoted prices. This is not the curb and gutter concrete bid.

Budget/Funding: Funding will be drawn from various Department of Environmental Services FY15 budget line items, depending on the project that requires concrete. These line items are 4102-45407, 4102-47907, 4500-45407 or 4500-45477.

Attachments: Memorandum from Purchasing Agent, Quotation Tabulation,

Meetings: None

Staff Recommendation: Approval Denial

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve a bid from Essroc Redi-Mix Corporation for various types and quantities of redi-mix concrete orders during calendar year at the attached quoted prices.

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JB



MEMORANDUM

Date: December 1, 2014
To: Tina Presley, Senior Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

On Monday, November 24, 2014, I held a bid opening to set firm prices for various types and quantities of redi-mix concrete orders during calendar year 2015. I received one (1) response (see attached tabulation sheet). This is not the curb & gutter concrete bid. This is concrete ordered by the Town for work performed by our Public Works Department.

Historically, the overall dollar amount of purchases during a year requires Council approval. Please add this to the December 8, 2014 agenda for their action.

Staff recommends the award for redi-mix concrete to be purchased during calendar year 2015 be made to Essroc Redi-Mix Corporation at quoted prices.

Funding for the concrete will be drawn from various Department of Environmental Services FY15 budget line items, depending on the project that requires concrete. These line items are 4102-45407, 4102-47907, 4500-45407 or 4500-45477.

TOWN OF FRONT ROYAL

Quotation Tabulation

Item CONCRETE - 2015 Quotation #26
 Date 11/24/14 Mailed 4 Replied 1

VENDOR QUOTATION				
	ESSROC READY MIX			CALENDAR YEAR 2014 PRICES
QUANTITY	QUOTATION	QUOTATION	QUOTATION	QUOTATION
REDI-MIX CONCRETE FOR PERIOD OF 1/01/14 - 12/31/14				
B MIX CONCRETE - 5 CU. YD. & UP	\$94.00			\$86.00
4 CU. YD.	\$94.00			\$86.00
3 CU. YD.	\$94.00			\$86.00
2 CU. YD.	\$94.00			\$86.00
1 CU. YD.	\$94.00			\$86.00
A MIX CONCRETE - 5 CU. YD. & UP	\$95.00			\$87.00
4 CU. YD.	\$95.00			\$87.00
3 CU. YD.	\$95.00			\$87.00
2 CU. YD.	\$95.00			\$87.00
1 CU. YD.	\$95.00			\$87.00
A-3 MX CONCRETE- 5 CU. YD. & UP	\$97.00			\$89.00
REGULAR SAND 4 CU. YD.	\$97.00			\$89.00
3 CU. YD.	\$97.00			\$89.00
2 CU. YD.	\$97.00			\$89.00
1 CU. YD.	\$97.00			\$89.00
A-3 MIX CONCRETE 5 CU. YD. & UP	\$97.00			\$91.00
NATURAL SAND 4 CU. YD.	\$97.00			\$91.00
3 CU. YD.	\$97.00			\$91.00
2 CU. YD.	\$97.00			\$91.00
1 CU. YD.	\$97.00			\$91.00
A-4 MIX CONCRETE 5 CU. YD. & UP	\$107.75			\$99.75
NATURAL SAND 4 CU. YD.	\$107.75			\$99.75
3 CU. YD.	\$107.75			\$99.75
2 CU. YD.	\$107.75			\$99.75
1 CU. YD.	\$107.75			\$99.75
A-3 EXPOSED AGGREGATE MIX CONCRETE - 5 CU. YD. & UP	\$123.00			\$115.00
4 CU. YD.	\$123.00			\$115.00
3 CU. YD.	\$123.00			\$115.00
2 CU. YD.	\$123.00			\$115.00
1 CU. YD.	\$123.00			\$115.00
CURRENT FUEL SURCHARGE ENVIRONMENTAL FEE	INCLUDED INCLUDED			
TERMS	NET 30			

The above proposals verified to specifications and compliance with terms and conditions.

Witness

Witness

Purchasing Agent

7C

**Budget Amendment to Accept Pledge from
Councilman Sayre**



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 7(C)

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Budget Amendment to Accept Pledge from Councilman Sayre

Summary: Council is requested to consider a Budget Amendment in the amount of \$200.00 to accept a pledge from Councilman Thomas Sayre to assist with the 2014 Employee Holiday Luncheon.

Budget/Funding: 1000-3189902 [Private Donation]
1202-3029 [HR – Staff Development]

Attachments: None

Meetings: Work Session held December 1, 2014

Staff Recommendation: Approval Denial

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve a Budget Amendment in the amount of \$200.00 to accept a pledge from Councilman Thomas Sayre to assist with the 2014 Employee Holiday Luncheon.

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance

*To be clear and concise, motions should be made in the positive

Approved By: JB

7D

**Budget Amendment to Accept
Reimbursement from VML Insurance
Programs**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 7(D)

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Budget Amendment to Accept Reimbursement from VML Insurance Program

Summary: Council is requested to consider approval of a Budget Amendment in the amount of \$60,220.21 from the Virginia Municipal League (VML) Insurance Program for reimbursement of repairs to the former Town Hall located at 16 N Royal Avenue.

Budget/Funding: 1000-3410205 [Insurance Reimbursements]
4203-7009 [General Properties – Building Maint]

Attachments: Sworn Statement in Proof of Loss from VML Insurance Program

Meetings: None

Staff

Recommendation: Approval Denial

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Council approve a Budget Amendment in the amount of \$60,220.21 from the Virginia Municipal League (VML) Insurance Program for reimbursement of repairs to the former Town Hall located at 15 N Royal Avenue.

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance

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Approved By: JB

SWORN STATEMENT IN PROOF OF LOSS

\$ 297600 / 312000 / 0 (Saw31) TO 230
Amount of Policy at Time of Loss Policy Number
7-1-14 UMLCP Glen Brown, LSA
Date Issued INSURANCE COMPANY Agency At
6-30-15 UMLCP
Date Expires Agent

By your policy of insurance above described, you insured

Town of Front Royal, VA

against loss by All Risk, except excluded or limited upon the property described to the terms and conditions of said policy and all forms, endorsements, transfers and assignments attached thereto.

Time and Origin: A WATER loss occurred about 1 o'clock M, on the 6 day of October 2014. The cause and origin of said loss were: WATER FOUNTAIN supply leaked over time and water damaged 1st floor & basement of building. Property Involved in Claim: 501 31 Former Town Hall

Occupancy: The building described, or containing the property described, was occupied at the time of the loss as follows, and for no other purpose whatever: Town Hall - Storage

Title and Interest: At the time of the loss the interest of your insured in the property described therein was complete. No other person or entity had any interest therein or incumbrance thereon, except: N/A

Changes: Since the above policy was issued there has been no change in title, use or possession of said property except: N/A

The Total Insurance covering the described property including this property and all other policies (whether valid or not), binders or agreements to insure was at time of loss \$ 297600 / 312000 / 0

Full Replacement Cost of said property at time of loss \$ N/A

Full Cost of Repair or Replacement \$ 67337.26

Applicable Depreciation \$ (6119.05)

Actual Cash Value Loss \$ 61220.21

Less deductible and/or participation by the insured \$ (1000.00)

Actual Cash Value Loss \$ 60220.21

Supplemental Claim, to be filed in accordance with the terms and conditions of the Replacement Cost Coverage within N/A days from date of loss will not exceed \$ N/A

This loss did not originate by any act, design or procurement of the insured, or this subscriber, nothing has been done by or with the privity or consent of the insured or this subscriber to violate the conditions of the policy; no articles are mentioned herein or in annexed schedules but such as were in the building damaged or destroyed, belonging to and in possession of the insured at the time of loss; no property saved has been concealed and no attempt to deceive the company has been made. Any other information that may be required will be furnished and considered a part of this proof.

It is expressly understood and agreed that the furnishing of this blank to the insured or the assistance of an adjuster, or any agent of the insurer in making of this proof, is not a waiver of any rights of said insurer or of any of the conditions of this policy.

State of Virginia Insured Town of front Royal
County of Warren By J. M. Be Town Manager (TITLE)

Subscribed and sworn to before me this 18 day of November 2014

Ina A. Presley Notary Public



7E

**Waiver of Curb, Gutter, Apron for Habitat for
Humanity**



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 7(E)

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Waiver of Curb, Gutter, and Apron for Habitat for Humanity

Summary: The Warren County Habitat for Humanity has requested a waiver of the requirement for curb, gutter, and driveway apron for the house proposed for construction at 864 Cannon Street. Should the Town improve Cannon Street in the future to include installation of curb and gutter along the length of Cannon Street, this waiver would not apply to any assessment for these improvements. In addition, should the property be sold by the initial property owner, the installation of curb, gutter, and driveway apron may be required at the option of the Town by the subsequent property owner.

Budget/Funding: None

Attachments: Letter from Warren County Habitat for Humanity

Meetings: Work Session held November 10 and December 1, 2014.

Staff Recommendation: Approval Denial

Should Council wish to remove this item from the consent agenda, the following motion would allow approval of this request:

Proposed Motion: I move that Town Council waive the requirements for curb, gutter, and driveway apron for the proposed house construction at 864 Cannon Street by the Warren County Habitat for Humanity. I further move that approval of this waiver shall not prevent the Town from assessing installation of curb and gutter for any future improvements to Cannon Street and should the property be sold by the initial property owner, the installation of curb, gutter, and driveway apron may be required at the option of the Town by the subsequent property owner.

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JJB



Warren County Habitat for Humanity

P.O. Box 323

Front Royal, Virginia 22630

"Building community"

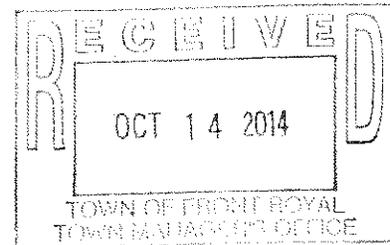
October 14th, 2014

Major and Town Council of Front Royal

102 E. Main Street

Front Royal, Virginia 22630

Gentlemen,



Re: Cannon Street/ Warren County Habitat for Humanity project

I wanted to thank you all for the help you provided recently in voting yes to postpone payment of the water and sewer tap fees. Your consideration allows us to add a full basement to the project that would not have been possible if we had to pay for the cost of the water and sewer at this time.

I am coming to you today with one more request for this project. With submission of the site plan I received a call from the zoning administrator that we are required to add a concrete apron for the driveway and curb and gutter. With the zoning administrator's explanation of the ordinance I went ahead and asked the surveyor to add the additional requirement to the site plan and I have resubmitted it with the enhancement.

Warren County Habitat for Humanity request your consideration to set aside or postpone the requirement for the apron and curb and gutter until such time Cannon Street is upgraded for all homes.

Thank you for your time and kind considerations as you contemplate your decision.

Regards,


John Hensley

Vice President Warren County Habitat for Humanity

8

**Public Hearing for Public Input – Town
Building Official Position**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 8

Meeting Date: December 8, 2014

Agenda Item: PUBLIC HEARING FOR PUBLIC INPUT – Town Building Official Position

Summary: Council is requested to receive public input on whether the Town of Front Royal should adopt all or any part of the Virginia Uniform Statewide Building Code (“USBC”), including the documents incorporated by reference therein (DIBR 13 VAC5-63), and appoint a building official or other designated authority charged with the administration and enforcement of the USBC.

Budget/Funding: None

Attachments: None

Meetings: Work Session held January 21 and February 3, 2014, as well as FY 2014-2015 Budget Sessions.

Staff Recommendation: Approval Denial

Proposed Motion: No Action Required

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JB

9

**Resolution for the Proposed Issuance of
Bonds by the Town to Finance WWTP**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 9

Meeting Date: December 8, 2014

Agenda Item: PUBLIC HEARING – Resolution for the Proposed Issuance of Bonds to Finance Wastewater Treatment Plant Improvements

Summary: The Public Hearing is on the proposed issuance, by the Town, of bonds in a principal amount not to exceed \$50,000,000 to finance 1) a capacity expansion and enhanced nutrient removal upgrades at the Town's Wastewater Treatment Plant, together with related expenditures and 2) the costs of issuance of the bonds. Council has received a commitment from the Virginia Resources Authority (VRA), as Administrator of the Virginia Water Facilities Revolving Fund for a \$50,000,000 interest free loan that will be secured by a pledge of the revenues from the Town's wastewater collection and treatment systems. The Town was notified in May 2014 that the Town qualified for a Water Quality Improvement Fund (WQIF) Grant from the Department of Environmental Quality (DEQ) in the amount of \$11,869,387.00 for the construction of the improvements at the Wastewater Treatment Plant. Council is requested to approve a Resolution authorizing the issuance and sale of general obligation and revenue Bond, Series 2014C, of the Town of Front Royal to finance Wastewater Treatment Plant Improvements that include the design, construction and inspection of the Wastewater Treatment Plant.

Budget/Funding: Budget Amendment will be completed on January 12, 2015, pending closing of bond on December 17, 2014.

Attachments: Resolution, Bond Paperwork, Notice of Public Hearing, Estimated Cost Breakdown, Virginia Water Quality Improvement Fund Grant and Agreement

Meetings: Work Session held November 17, 2014

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a Resolution authorizing the issuance and sale of general obligation and revenue Bond, Series 2014C, of the Town of Front Royal in a principal amount not to exceed \$50,000,000 to finance 1) a capacity expansion and enhanced nutrient removal upgrades at the Town's Wastewater Treatment Plant, together with related expenditures that include design, construction and inspection and 2) the costs of issuance of the bonds

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance

*To be clear and concise, motions should be made in the positive

Approved By: JTB

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF GENERAL OBLIGATION AND REVENUE BOND, SERIES 2014C,
OF THE TOWN OF FRONT ROYAL, VIRGINIA
AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF**

The Town of Front Royal, Virginia (the "Town") is a political subdivision of the Commonwealth of Virginia.

Pursuant to the Public Finance Act of 1991, as amended, Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), the Town Council of the Town of Front Royal, Virginia (the "Council") is authorized to contract debts on behalf of the Town and to issue, as evidence thereof, obligations payable from pledges of the full faith and credit of the Town and from specific undertakings from which the Town derives revenue.

The Town desires to finance a capacity expansion and enhanced nutrient removal upgrades at the Town's wastewater treatment plant, together with related expenditures (collectively, the "Project"). The Mayor and the Council have received a commitment from the Virginia Resources Authority, as Administrator of the Virginia Water Facilities Revolving Fund ("VRA") for a \$50,000,000 interest free loan that will be secured by a pledge of the revenues from the Town's wastewater collection and treatment systems and a pledge of the Town's full faith and credit.

The Town and VRA have agreed that the Town will issue, and VRA will purchase, the Town's General Obligation and Revenue Bond, Series 2014C, in a principal amount not to exceed \$50,000,000 (the "Local Bond") and that the proceeds of the Local Bond will be used to finance a portion of the costs of the Project and the costs of issuing the Local Bond.

A public hearing, duly noticed in accordance with the Act, has been held by the Council immediately prior to the consideration of this Resolution.

The Town is authorized under the Act to enter into contracts and agreements to secure its bonds and notes issued under the Act and to provide for the rights of the holders thereof.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Front Royal, Virginia:

1. It is hereby determined that the Town shall contract a debt by issuing its General Obligation and Revenue Bond, Series 2014C, in an original principal amount not to exceed \$50,000,000 (the "Local Bond") pursuant to the Act to finance a portion of the costs of the Project and the costs of issuing the Local Bond. The Project is hereby authorized.

2. After consideration of the methods of sale of the Local Bond, it is hereby determined that it is in the best interest of the Town to accept, and the Town does hereby accept,

the offer of VRA to purchase the Local Bond. The Local Bond is hereby sold to VRA in accordance with the terms and provisions set forth in the Financing Agreement, dated as of the first day of the month in which the Local Bond is issued (the "Financing Agreement"), between VRA and the Town, a copy of which has been made available to the members of the Council prior to the adoption of this Resolution.

3. The Local Bond shall be dated the date of its delivery, shall be in an original principal amount not to exceed \$50,000,000, shall be issued as a registered bond without coupons, shall be numbered R-1, and shall not bear interest on the amounts disbursed thereunder. Principal of the Local Bond shall be payable semi-annually and calculated based upon a twenty (20) year principal amortization schedule, with principal payments commencing six months after Project completion. The Local Bond is subject to prepayment only upon the terms set forth in the Financing Agreement. The final maturity of the Local Bond shall not exceed twenty-five years from its date.

Principal disbursements will be made under the Local Bond as moneys are needed to finance the costs of the Project and the costs of issuing the Local Bond. If principal disbursements up to the maximum authorized amount of the Local Bond are not made, the principal amount due on the Local Bond shall not include such undisbursed amount. However, unless the Town and VRA agree otherwise in writing, until all amounts due under the Financing Agreement and the Local Bond shall have been paid in full, less than full disbursement of the maximum authorized amount of the Local Bond shall not postpone the due date of any semi-annual installment due on the Local Bond, or change the amount of such installment.

The Town shall also pay a late payment charge as provided in the Financing Agreement if any installment of principal on the Local Bond is not paid within ten days after its due date. Further, the Town shall pay certain Additional Payments, as described in Section 6.2 of the Financing Agreement.

The Local Bond is payable as provided in the Financing Agreement in lawful money of the United States of America.

4. Subject to the right of the Town to apply Revenues (as defined in the Financing Agreement) to the payment of Operation and Maintenance Expense (as defined in the Financing Agreement), the Town irrevocably pledges the Revenues for the payment of principal of the Local Bond, which pledge shall be on a parity with the pledge of such Revenues securing any existing indebtedness as described on Exhibit F to the Financing Agreement. The Local Bond shall also be payable from *ad valorem* taxes which are required to be levied, without limitation as to rate or amount, on all the taxable property in the Town sufficient to pay installments of principal on the Local Bond. The Council hereby covenants and agrees that so long as the Local Bond is outstanding, to the extent other funds of the Town are not lawfully available and appropriated for timely payment of the Local Bond, the Council will levy and collect annually over and above all other taxes authorized or limited by law, the *ad valorem* taxes referred to in the preceding sentence.

5. The Town shall cause books for the registration and transfer of the Local Bond to be kept at the principal office of the director of finance of the Town (the "Director of Finance"), and the Town hereby appoints its Director of Finance as its registrar and transfer agent to keep such books and to make such registrations and transfers under such reasonable regulations as the Town may prescribe.

Upon surrender for transfer or exchange of the Local Bond at the principal office of the Director of Finance, the Town shall execute and deliver in the name of the transferee or transferees a new Local Bond having an equal aggregate principal amount with the Local Bond surrendered and having the same security, subject in each case to such reasonable regulations as the Town or Director of Finance may prescribe. Any Local Bond presented for transfer, exchange or payment shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the Director of Finance, duly executed by the registered owner or by his duly authorized attorney-in-fact or legal representative. The Local Bond may not be registered to bearer. No charge shall be made for any exchange or transfer of the Local Bond, but the Town or the Director of Finance may require payment by the bondholder of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

The new Local Bond delivered upon any transfer or exchange shall be a valid obligation of the Town, evidencing the same debt as the Local Bond surrendered, shall be secured by this Resolution and the Financing Agreement and shall be entitled to all of the security and benefits hereof to the same extent as the Local Bond surrendered. The Director of Finance shall treat the registered owner of the Local Bond as the person exclusively entitled to the payment of principal on the Local Bond and to the exercise of all other rights and powers of the owner thereof.

6. If the Local Bond has been mutilated, lost or destroyed, the Town shall execute and deliver a new Local Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Local Bond or in lieu of and in substitution for such lost or destroyed Local Bond; *provided* that the Town shall so execute and deliver a new Local Bond only if the holder has paid the reasonable expenses and charges of the Town in connection therewith and, in the case of a lost or destroyed Local Bond, (a) has filed satisfactory evidence with the Town and the Director of Finance that the Local Bond was lost or destroyed and (b) has furnished to the Director of Finance satisfactory indemnity.

7. The Local Bond may be in typewritten form and may be exchanged for a Local Bond in printed form if the VRA later requires that the Local Bond be in printed form. Appropriate variations, omissions and insertions may be made in the Local Bond, with the approval of the Mayor or Vice Mayor, to facilitate the printing of the Local Bond. The typewritten Local Bond surrendered in exchange for the printed Local Bond shall be canceled.

8. The Local Bond shall bear the manual signatures of the Mayor or the Vice Mayor and the Clerk of the Council or the Town Manager, and the Mayor, the Vice Mayor, the Clerk, the Town Manager and other appropriate officials of the Town, are hereby authorized and directed to take all proper steps to have the Local Bond prepared and executed in appropriate

form in accordance with Paragraph 3 hereof, the Financing Agreement and Exhibit A to the Financing Agreement and to deliver the Local Bond upon the terms set forth in the Financing Agreement. The Mayor and Vice Mayor, either of whom may act, are each authorized to determine the final amount, the final maturity and the final principal amortization schedule of the Local Bond, and the signature of either the Mayor or the Vice Mayor on the Local Bond shall conclusively evidence such final determinations.

9. The Mayor, the Vice Mayor and the Town Manager, any of whom may act, are each hereby authorized and directed to execute the Financing Agreement and to deliver it to or for the benefit of VRA.

10. The Financing Agreement and the Local Bond shall be in substantially the forms presented to the Council, which are hereby approved, with such completions, omissions, insertions and changes (including changes of dates of documents and payment dates under the Local Bond) as may be approved by the Mayor or the Vice Mayor, the execution of the Local Bond to constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes.

11. The Mayor, the Vice Mayor, the Clerk of the Council, the Town Manager and other officials of the Town are hereby authorized to execute and deliver all other certificates, instruments and documents in the name and on behalf of the Town, and to take all such further action (a) as they may consider necessary or desirable to carry out the intent and purpose of this Resolution, the issuance of the Local Bond, the undertaking of the Project or the execution, delivery and performance of the Financing Agreement, or (b) as may be reasonably requested by the VRA in connection with any of the foregoing.

12. All other actions of officers of the Town in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Local Bond, regardless of whether such actions occurred before or occur after the adoption of this Resolution, are hereby ratified, approved and confirmed.

13. The Clerk of the Council and the Town Manager, either of whom may act, are each hereby authorized and directed to file a certified copy of this Resolution with the Clerk of the Circuit Court of the County of Warren, Virginia.

14. The Council hereby appoints the law firm of Troutman Sanders LLP, Richmond, Virginia, as bond counsel to supervise the proceedings and approve the issuance of the Local Bond.

15. The Town hereby elects, pursuant to Section 15.2-2601 of the Code of Virginia of 1950, as amended, to issue the Local Bond under the Act without regard to the requirements, restrictions or other provisions contained in the Town's Charter.

16. This Resolution shall be in force and effect upon the date of its approval. All other ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

Adopted: December 8, 2014

The undersigned Clerk of the Town Council of the Town of Front Royal, Virginia hereby certifies (1) that the foregoing constitutes a true, correct and complete copy of an Resolution adopted by the Town Council at a meeting duly called and held on December 8, 2014, with the members present and absent and voting on the Resolution as set forth below; (2) that such meeting was duly convened and held in all respects in accordance with law; and (3) that the foregoing Resolution has not been repealed, revoked, rescinded or amended.

VOTE

PRESENT ABSENT AYE NAY

WITNESS, my hand and the seal of the Town of Front Royal, Virginia this ___ day of December, 2014.

Clerk, Town Council of the Town of Front Royal,
Virginia

(SEAL)

24051031v3
208594.000017

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA**

No. R-1

\$ _____

December 17, 2014

**TOWN OF FRONT ROYAL, VIRGINIA
GENERAL OBLIGATION AND REVENUE BOND,
SERIES 2014C**

The **TOWN OF FRONT ROYAL, VIRGINIA** (the "Borrower"), a political subdivision of the Commonwealth of Virginia, acknowledges itself indebted and for value received, hereby promises to pay, solely from the revenues and other property hereinafter described and pledged to the payment of this Local Bond, to the order of **VIRGINIA RESOURCES AUTHORITY**, as Administrator of the **VIRGINIA WATER FACILITIES REVOLVING FUND**, Richmond, Virginia ("VRA"), the principal sum equal to the sum of the principal disbursements made and noted on the Schedule of Principal Disbursements below, but not to exceed _____ Dollars (\$ _____), which amount shall not bear interest, as follows:

Commencing on _____ 1, 201__ and continuing semi-annually thereafter on _____ 1 and _____ 1 in each year, principal due under this Local Bond shall be payable in equal installments of \$ _____, with a final installment of \$ _____ due and payable on _____ 1, 20__ when, if not sooner paid, all amounts due under this Local Bond shall be due and payable in full. If principal disbursements up to the maximum authorized amount of this Local Bond are not made, the principal amount due on this Local Bond shall not include such undisbursed amount. However, unless the Borrower and the holder of this Local Bond agree otherwise in writing, until all amounts due under this Local Bond have been paid in full, less than full disbursement of the maximum authorized principal amount of this Local Bond shall not postpone the due date of any semi-annual installment due on this Local Bond, or change the amount of such installment.

In addition, if any installment of principal of this Local Bond is not paid by the Borrower within ten (10) days after its due date, the Borrower shall pay to the holder of this Local Bond, a late payment charge in an amount equal to five percent (5%) of such overdue installment. Principal is payable in lawful money of the United States of America.

No notation is required to be made on this Local Bond of the payment of any principal on normal installment payment dates or of any prepayments of principal. HENCE, THE FACE AMOUNT OF THIS LOCAL BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.

This Local Bond is payable from certain revenues to be derived from the ownership or operation of the Borrower's wastewater collection and treatment systems as the

same may from time to time exist, which revenues have been pledged pursuant to the Financing Agreement dated as of December 1, 2014 (the "Financing Agreement"), between the Borrower and VRA, to secure payment hereof, and from *ad valorem* taxes which are required to be levied, without limitation as to rate or amount, on all the taxable property in the Borrower to pay the installments of principal hereon.

This Local Bond is issued under the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) pursuant to the terms of the Financing Agreement to evidence a loan by the VRA to the Borrower to finance the Project Costs, as defined in the Financing Agreement. The obligations of the Borrower under this Local Bond shall terminate when all amounts due and to become due pursuant to this Local Bond and the Financing Agreement have been paid in full.

This Local Bond is subject to optional prepayment to the extent and on the terms set forth in the Financing Agreement.

If an Event of Default (as defined in the Financing Agreement) occurs, the principal of this Local Bond may be declared immediately due and payable by the holder by written notice to the Borrower.

Notwithstanding anything in this Local Bond to the contrary, in addition to the payments of the principal provided for by this Local Bond, the Borrower shall also pay such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Financing Agreement.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Local Bond have happened, exist and have been performed.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the **TOWN OF FRONT ROYAL, VIRGINIA** has caused this Local Bond to be signed by its Mayor, its seal to be impressed hereon and attested by the Clerk of its Town Council and this Local Bond to be dated December 17, 2014.

TOWN OF FRONT ROYAL, VIRGINIA

By _____
Mayor, Town of Front Royal, Virginia

(SEAL)

ATTEST:

Clerk, Town Council, Town
of Front Royal, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alternation or enlargement or any change whatever.

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**NOTICE OF PUBLIC HEARING ON PROPOSED ISSUANCE OF
BONDS BY THE TOWN OF FRONT ROYAL, VIRGINIA
TO FINANCE WASTEWATER TREATMENT PLANT IMPROVEMENTS**

Notice is hereby given that the Town Council of the Town of Front Royal, Virginia (the "Town Council") will hold a public hearing on the proposed issuance by the Town of Front Royal, Virginia (the "Town") of bonds in a principal amount not to exceed \$50,000,000 (the "Bonds") to finance (i) a capacity expansion and enhanced nutrient removal upgrades at the Town's wastewater treatment plant, together with related expenditures, and (ii) the costs of issuance of the Bonds. The Bonds will be secured by the full faith and credit of the Town and by a pledge of the Town's wastewater collection and treatment system revenues.

The public hearing, which may be continued or adjourned, will be held at 7:00 p.m. on Monday, December 8, 2014, before the Town Council at a regular meeting in the Board Room of the Warren County Government Center, 220 North Commerce Avenue, Front Royal, Virginia 22630. Any person interested in the issuance of the Bonds or the purposes for which they are being issued may appear at the hearing and present his or her views.

STEVEN M. BURKE
TOWN MANAGER
TOWN OF FRONT ROYAL, VIRGINIA

Estimated Cost Breakdown

	Costs	WQIF (Grant Funds) Rounded	VCWRLF (Loan Funds) Rounded	Town Funds Rounded	Warren County Funds Rounded
As Bid Construction Costs (Less Septage)	\$42,521,000	\$9,865,000	\$32,375,000	\$0	\$0
Septage Receiving Station	\$2,250,000	\$0	\$0	\$0	2,250,000
Dewatering Fan Press	\$300,000	\$25,000	\$0	\$275,000	\$0
Design Engineering	\$2,636,000	\$615,000	\$0	\$1,920,000	\$100,000*
Construction Administration	\$3,739,000	\$870,000	\$2,690,000	\$0	\$180,000*
Contingency	\$2,238,550	\$525,000	1,715,000	\$0	\$0
Total Project Costs	\$53,384,000	11,875,000	\$36,785,000	2,195,000	\$2,530,000

*based on GHD memo dated April 4, 2014 for Septage Receiving Station

**VIRGINIA WATER QUALITY IMPROVEMENT FUND
POINT SOURCE GRANT AND
OPERATION AND MAINTENANCE AGREEMENT
Contract #440-S-14-08**

THIS AGREEMENT is made as of this th day of , 2014, by and between the Director of the Virginia Department of Environmental Quality in his official capacity, or his designee (the "Director"), and the Town of Front Royal (the "Grantee").

Pursuant to the Virginia Water Quality Improvement Act of 1997, Chapter 21.1, Title 10.1 of the Code of Virginia (1950), as amended (the "Act"), the General Assembly created the Virginia Water Quality Improvement Fund (the "Fund"). The Director, in coordination with the Director of the Department of Conservation and Recreation, is authorized by the Act to make Water Quality Improvement grants related to point source pollution control, in accordance with guidelines established pursuant to Section 10.1-2129 of the Code, and enter into agreements with grantees under the Act which shall, in accordance with Sections 10.1-2130 and 10.1-2131, provide for the payment of the total amount of the grant and require proper long-term operation, monitoring and maintenance of funded projects.

The Grantee has been approved by the Director to receive a Grant from the Fund subject to the terms and conditions herein to finance sixty percent (60%) of the cost of the Eligible Project, which consists of the design and installation of Nutrient Removal Technology as described herein. The Grantee will use the Grant to finance that portion of the Eligible Project Costs not being paid for from other sources as set forth in the Total Project Budget in Exhibit B to this Agreement. Such other sources may include, but are not limited to, the Virginia Water Facilities Revolving Fund, Chapter 22, Title 62.1 of the Code of Virginia (1950), as amended.

As required by the Act, this Agreement provides for payment of the Grant, design and construction of the Project, and proper long-term operation, monitoring, and maintenance of the Project. This Agreement is supplemental to the State Water Control Law, Chapter 3.1, Title 62.1 of the Code of Virginia (1950), as amended, and it does not limit in any way the other water quality restoration, protection and enhancement, or enforcement authority of the Director, the State Water Control Board (the "Board") or the Department of Environmental Quality (the "Department").

**ARTICLE I
DEFINITIONS**

1. The capitalized terms contained in this Agreement shall have the meanings set forth below unless the context requires otherwise and any capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Act:

(a) "Agreement" means this Virginia Water Quality Improvement Fund Point Source Grant and Operation and Maintenance Agreement between the Director and the Grantee, together with any amendments or supplements hereto.

(b) "Authorized Representative" means any member, official or employee of the Grantee authorized by resolution, ordinance or other official act of the governing body of the Grantee to perform the act or sign the document in question.

(c) "Eligible Project" means the particular Nutrient Removal Technology described in Exhibit A to this Agreement to be designed and constructed by the Grantee with, among other monies, the Grant, with such changes thereto as may be approved in writing by the Director and the Grantee.

(d) "Eligible Project Costs" means costs of the individual items comprising the Eligible Project as permitted by the Act with such changes thereto as may be approved in writing by the Director and the Grantee.

(e) "Extraordinary Conditions" means unforeseeable or exceptional conditions resulting from causes beyond the reasonable control of the Grantee such as, but not limited to fires, strikes, acts of God, and acts of third parties that singly or in combination cause material breach of this Agreement.

(f) "Facility" means all plants, systems, unit processes, equipment or property related to the Project, and owned, operated, or maintained by the Grantee and used in connection with the treatment of wastewater.

(g) "Grant" means the particular grant described in Section 4.0 of this Agreement, with such changes thereto as may be approved in writing by the Director and the Grantee.

(h) "Monetary Assessment" means a contractual or stipulated penalty as described in Section 10.1-2130 of the Code.

(i) "Nutrient Removal Technology" means state-of-the-art nutrient removal technology, biological nutrient removal technology, or other nutrient removal technology, as further described in Section 10.1-2117 of the Code.

(j) "Preliminary Engineering Proposal" means the engineering report and preliminary plans for the Project as described in 9 VAC 25-790-110, as modified by the final engineering design approved by the Department.

(k) "Total Eligible Project Budget" means the sum of the Eligible Project Costs as set forth in Exhibit B to this Agreement, with such changes thereto as may be approved in writing by the Director and the Grantee.

(l) "Total Project Budget" means the sum of the Eligible Project Costs and any ineligible costs that are solely the responsibility of the Grantee, as set forth in Exhibit B to this Agreement, with such changes thereto as may be approved in writing by the Director and the Grantee.

(m) "Project Engineer" means the Grantee's engineer who must be a licensed professional engineer registered to do business in Virginia and designated by the Grantee as the Grantee's engineer for the Project in a written notice to the Department.

(n) "Project Schedule" means the schedule for the Project as set forth in Exhibit C to this Agreement, with such changes thereto as may be approved in writing by the Director and the Grantee.

ARTICLE II **SCOPE OF PROJECT**

2. The Grantee will cause the Project to be designed, constructed and placed in operation as described in Exhibit A to this Agreement to meet effluent concentration limitations of 3.0 mg/l for total nitrogen, and 0.22 mg/l for total phosphorus, both on an annual average basis.

ARTICLE III **SCHEDULE**

3. The Grantee will cause the Eligible Project to be designed, constructed and placed in operation in accordance with the Project Schedule in Exhibit C to this Agreement.

ARTICLE IV
COMPENSATION

4.0. Grant Amount. The total grant award from the Fund under this Agreement is \$11,869,387 and represents the Commonwealth's sixty percent (60%) share of the Total Eligible Project Budget. Any material changes made to the Eligible Project after execution of this Agreement, which alters the Total Eligible Project Budget, will be submitted to the Department for review of grant eligibility. The amount of the grant award set forth herein may be modified from time to time by agreement of the parties to reflect changes to the Eligible Project or the Total Eligible Project Budget.

4.1. Payment of Grant. Payment of the Grant is subject to the availability of monies in the Fund allocated to point source pollution control and Section 4.4 herein. Disbursement of the Grant will be in accordance with the payment provisions set forth in Section 4.2 herein and the eligibility determinations made in the Total Project Budget (Exhibit B).

4.2. Disbursement of Grant Funds. The Department will disburse the Grant to the Grantee not more frequently than once each calendar month upon receipt by the Department of the following:

(a) A requisition for approval by the Department, signed by the Authorized Representative and containing all receipts, vouchers, statements, invoices or other evidence that costs in the Total Project Budget, including the applicable local share for the portion of the project covered by such requisition, have been incurred or expended and all other information called for by, and otherwise being in the form of, Exhibit D to this Agreement.

(b) If any requisition includes an item for payment for labor or to contractors, builders or material men, a certificate, signed by the Project Engineer, stating that such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the construction of the Eligible Project.

Upon receipt of each such requisition and accompanying certificate(s) and schedule(s), the Director shall request the Comptroller to issue a warrant directing the State Treasurer to disburse the Grant to the Grantee in accordance with such requisition to the extent approved by the Department.

Except as may otherwise be approved by the Department, disbursements shall be held at ninety-five percent (95%) of the total grant amount to ensure satisfactory completion of the Eligible Project. Upon receipt from the Grantee of the certificate specified in Section 4.5 and a final requisition detailing all retainage to which the Grantee is then entitled, the Director, subject to the provisions of this section and Section 4.3 herein, shall request the Comptroller to issue a warrant directing the State Treasurer to disburse to the Grantee the final payment from the Grant.

4.3. Application of Grant Funds. The Grantee agrees to apply the Grant solely and exclusively to the reimbursement of Eligible Project Costs.

4.4. Availability of Funds. The Director and Grantee recognize that the availability of monies in the Fund allocated to point source pollution control is subject to appropriation by the General Assembly and allocations made by the Secretary of Natural Resources, and that at times there may not be sufficient monies in the Fund to permit prompt disbursement of grant funds due and owing the Grantee pursuant to this Agreement. To minimize the potential for such disruption in disbursements of grant funds and in satisfaction of its obligations under the Act, the Department covenants and agrees to (1) manage the allocation of grants from the Fund to ensure full funding of executed grant agreements, (2) forecast the estimated disbursements from the Fund in satisfaction of approved grants and make this forecast publicly available each year for use in the Commonwealth's budgetary process, and (3) promptly disburse to the Grantee any grant funds due and owing the Grantee pursuant to this Agreement when sufficient monies are available in the Fund to make such disbursements. The Department may determine that monies are not sufficient to promptly disburse grant funds when there are competing grant requests. To assist the Department in forecasting estimated disbursements, prior to

September 30 of each year the Grantee will provide the Department with a written estimate of its projected expenditures on the Project during the next fiscal year using the same line item cost categories in the Project Budget.

4.5. Agreement to Complete Project. The Grantee agrees to cause the Project to be designed and constructed, as described in Exhibit A to this Agreement, and in accordance with (i) the schedule in Exhibit C to this Agreement and (ii) plans and specifications prepared by the Project Engineer and approved by the Department.

4.6 Notice of Substantial Completion. When the Project has been completed, the Grantee shall promptly deliver to the Department a certificate signed by the Authorized Representative and by the Project Engineer stating (i) that the Project has been completed substantially in accordance with the approved plans and specifications and addenda thereto, and in substantial compliance with all material applicable laws, ordinances, rules, and regulations; (ii) the date of such completion; (iii) that all certificates of occupancy and operation necessary for start-up for the Project have been issued or obtained; and (iv) the amount, if any, to be released for payment of the final Project Costs.

ARTICLE V **PERFORMANCE**

5.0 The Grantee's Facility shall meet a total nitrogen effluent concentration limitation of 3.0 mg/l, and a total phosphorus effluent concentration limitation of 0.22 mg/l, both on an annual average basis, except as provided in paragraph 5.1 and Article VIII of this Agreement

5.1 If, pursuant to Section 10.1-1187.6 of the Code, the State Water Control Board approves an alternative compliance method to technology-based concentration limitations in Virginia Pollutant Discharge Elimination System permits, the concentration limitations in Section 5.0 above shall be suspended subject to the terms of such approval. The terms of approval shall include requirements for operation of the installed Nutrient Removal Technology at the treatment levels for which it was designed.

ARTICLE VI **OPERATION AND MAINTENANCE**

6.0 No later than ninety (90) days after issuance of a Certificate to Operate for the Project, the Grantee shall submit to the Department, for review and approval, an operation and maintenance manual for the Project. As required by the Grantee's VPDES permit, the Facility shall be operated and maintained in a manner consistent with the operation and maintenance manual as approved by the Department.

ARTICLE VII **MONITORING AND REPORTING**

7.0. Monitoring. The Grantee shall monitor compliance with the numerical concentrations in Article V of this Agreement. Monitoring will be conducted at the final effluent from the facility and immediately prior to discharge. Sampling frequency and type shall be in accordance with VPDES permit requirements. In the absence of total phosphorus VPDES permit monitoring requirements, monitoring shall consist of a sample type and collection frequency as specified in the Chesapeake Bay General Watershed Permit Regulation (9 VAC 25-820-70.Part 1.E.). Each sample will be analyzed for total phosphorus using EPA-approved test methods and reported to the Department.

7.1. Reporting. Beginning with the Project's first full calendar year of operation and each year thereafter, the Grantee will calculate the annual average concentration for total phosphorus for the calendar year just ended by dividing the sum of the monthly average concentrations by twelve, and submit the results to the Department using the form attached as Exhibit E to this Agreement on or before February 1 of each year. Data excluded from the average based on the occurrence of

extraordinary conditions will be identified in the report.

ARTICLE VIII MATERIAL BREACH

8.0. Material Breach. Any failure or omission by the Grantee to perform its obligations under this Agreement, unless excused by the Department, is a material breach.

8.1. Notice of Material Breach. If at any time the Grantee determines that it is unable to perform its obligations under this Agreement, the Grantee shall promptly provide written notification to the Department. This notification shall include a statement of the reasons it is unable to perform, any actions to be taken to secure future performance and an estimate of the time necessary to do so.

8.2. Monetary Assessments for Breach. In no event shall total Monetary Assessments pursuant to this Agreement exceed (i) \$951,900 annually or (ii) \$19,038,000 during the life of this Agreement. Monetary Assessments will be paid into the State Treasury and credited to the Fund. The Director's right to collect Monetary Assessments does not affect in any way the Director's right to secure specific performance of this Agreement using such other legal remedies as may otherwise be available. Within 90 days of receipt of written demand from the Director, the Grantee shall pay the following Monetary Assessments for the corresponding material breaches of this Agreement unless the Grantee asserts a defense pursuant to the requirements of Section 8.3 herein.

(a) Beginning with the Project's first full calendar year of operation following issuance of a Certificate to Operate for the Project, for exceedance of one or both of the numerical concentration limitations applicable under Article V of this Agreement, except where the exceedance is no greater than 0.8 mg/L for total nitrogen or no more than 10%, whichever is greater, or no greater than 0.1 mg/L for total phosphorus or no more than 10%, whichever is greater, an assessment calculated as follows:

(i) For noncompliance with the total nitrogen effluent limitation in Article V, an assessment calculated using the formula in Exhibit F to this Agreement for each one-tenth of a milligram per liter of total nitrogen in excess of the limitation in Article V.

(ii) For noncompliance with the total phosphorus effluent limitation in Article V, an assessment calculated using the formula in Exhibit F to this Agreement for each one-tenth of a milligram per liter of total phosphorus in excess of the limitation in Article V.

(b) For noncompliance with any deadline in Exhibit C to this Agreement, Article VII of this Agreement, or the failure to submit the operations and maintenance manual in accordance with Article VI of this Agreement, an assessment in the amount of \$500 per day for the first 10 days of noncompliance, and \$1,000 for each day of noncompliance thereafter. Noncompliance with interim deadlines shall be excused where the Grantee complies with the final deadline in Exhibit C to this Agreement.

(c) For noncompliance with the obligation to operate and maintain the Project in a manner consistent with the manual pursuant to Article VI of this Agreement, an assessment in the amount of \$1,000 for each day of noncompliance.

8.3 Extraordinary Conditions.

(a) The Grantee may assert and it shall be a defense to any action by the Director to collect a Monetary Assessment or otherwise secure performance of this Agreement that the alleged non-performance was due to Extraordinary Conditions, provided that the Grantee:

(1) takes reasonable measures to effect a cure or to minimize any non-performance with the Agreement, and

(2) provides written notification to the Department of the occurrence of Extraordinary Conditions, together with an explanation of the events or circumstances contributing to such Extraordinary Conditions, no later than 5 days after the discovery of the Extraordinary Conditions and the resulting impacts on performance.

(b) If the Department disagrees that the events or circumstances described by the Grantee constitute Extraordinary Conditions, the Department must provide the Grantee with a written objection within sixty (60) days of Grantee's notice under paragraph 8.3(a)(2), together with an explanation of the basis for its objection.

8.4 Resolution and Remedy. If no resolution is reached by the parties, the Director or Department may immediately pursue any remedy available at law or equity. In any such action, the Grantee shall have the burden of proving that the alleged noncompliance was due to Extraordinary Conditions. In addition to any other remedy that may be available to the Director or the Department, the Director or Department may bring an action in the Circuit Court of the City of Richmond to enforce this Agreement by injunction or mandamus or stipulated penalties or to recover part or all of the grant funds. No such remedy of the Director or Department shall be deemed to be exclusive or to estop any other such remedy or the bringing of an action to enforce this Agreement. The Grantee agrees to venue to any such action in the Circuit Court of the City of Richmond, either north or south of the James River in the option of the Director. The Grantee further agrees that, in light of the public purpose of nutrient removal, any failure of the Grantee to perform its duties under this Agreement and any failure of the Project to meet the requirements of this Agreement or the requirements of any permit that may be issued by the Board regarding the Project constitutes irreparable harm to the Commonwealth for which the Director or Department lacks an adequate remedy at law.

ARTICLE IX GENERAL PROVISIONS

9.0. Effect of the Agreement on Virginia Pollutant Discharge Elimination System (VPDES) Permit. This Agreement shall not be deemed to relieve the Grantee of its obligations to comply with the terms of its VPDES permit issued by the Board.

9.1. Disclaimer. Nothing in this Agreement shall be construed as authority for either party to make commitments which will bind the other party beyond the covenants contained herein.

9.2. Non-Waiver. No waiver by the Director of any one or more defaults by the Grantee in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults of whatever character.

9.3. Integration and Modification. This Agreement constitutes the entire Agreement between the Grantee and the Director. No alteration, amendment or modification of the provisions of this Agreement shall be effective unless reduced to writing, signed by both the parties and attached hereto. The Department and the Grantee shall confer within six months after each reissuance of the Grantee's VPDES permit for the purpose of determining whether this Agreement should be modified or terminated. This Agreement may be modified by agreement of the parties for any purpose, provided that any significant modification to this Agreement must be preceded by public notice of such modification.

9.4. Collateral Agreements. Where there exists any inconsistency between this Agreement and other provisions of collateral contractual agreements which are made a part of this Agreement by reference, the provisions of this Agreement shall control.

9.5. Non-Discrimination. In the performance of this Agreement, the Grantee warrants that it will not discriminate against any employee, or other person, on account of race, color, sex, religious creed, ancestry, age, national origin or other non-job related factors. The Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

9.6. Conflict of Interest. The Grantee warrants that it has fully complied with the Virginia Conflict of Interest Act as it may apply to this Agreement.

9.7. Applicable Laws. This Agreement shall be governed in all respects whether as to validity, construction, capacity, performance or otherwise, by the laws of the Commonwealth of Virginia. The Grantee further agrees to comply with all laws and regulations applicable to the Grantee's performance of its obligations pursuant to this Agreement.

9.8. Records Availability. The Grantee agrees to maintain complete and accurate books and records of the Project Costs, and further, to retain all books, records, and other documents relative to this Agreement for three (3) years after final payment. The Department, its authorized agents, and/or State auditors will have full access to and the right to examine any of said materials during said period. Additionally, the Department and/or its representatives will have the right to access work sites during normal business hours, after reasonable notice to the Grantee, for the purpose of ensuring that the provisions of this Agreement are properly carried out.

9.9. Severability. Each paragraph and provision of this Agreement is severable from the entire Agreement; and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect.

9.10. Notices. All notices given hereunder shall be in writing and shall be sent by United States certified mail, return receipt requested, postage prepaid, and shall be deemed to have been received at the earliest of: (a) the date of actual receipt of such notice by the addressee, (b) the date of the actual delivery of the notice to the address of the addressee set forth below, or (c) five (5) days after the sender deposits it in the mail properly addressed. All notices required or permitted to be served upon either party hereunder shall be directed to:

Department: Virginia Department of Environmental Quality
Chesapeake Bay Program
P.O. Box 1105
Richmond, VA 23218
Attn: WQIF Program Manager

Grantee: Town of Front Royal
102 E. Main Street
Front Royal, VA 22630
Attn: Town Manager

9.11. Successors and Assigns Bound. This Agreement shall extend to and be binding upon the parties hereto, and their respective legal representatives, successors and assigns.

9.12. Exhibits. All exhibits to this Agreement are incorporated herein by reference.

9.13. Termination. This Agreement shall terminate 20 years after the Agreement is executed by both parties or by an earlier date by agreement of the parties; provided, however, that except for termination for cause due to Material Breach, the Director's obligation under Section 4.1 herein to pay the Grant amount shall survive termination if such amount has not been paid in full as of the termination date.

**ARTICLE X
COUNTERPARTS**

10. This Agreement may be executed in any number of Counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

**ARTICLE XI
NUTRIENT CREDITS TO BE MADE AVAILABLE FOR EXCHANGE**

11. To aid in implementing the Nutrient Credit Exchange Program, the Grantee shall make all Point Source Nitrogen and Phosphorus Credits generated in a calendar year available for nutrient allocation compliance. "Point Source Nitrogen Credit" and "Point Source Phosphorus Credit" shall have the meaning as defined in Virginia Code §62.1-44.19:13. The amount of Credits and facilities authorized to generate Credits shall be governed by the Watershed General Permit Regulation for Total Nitrogen and Total Phosphorus Discharges and Nutrient Trading (9 VAC 25-820). The Department shall control Credits not otherwise used by the Grantee for waste load allocations or compliance purposes and will make such Credits reasonably available to other dischargers for nutrient allocation compliance through the Water Quality Improvement Fund. For purposes of this Agreement, "used by the Grantee" shall include any use whereby the Credits are applied to any compliance obligation of the Grantee, included within an individual compliance plan or basin-level compliance plan of the Virginia Nutrient Credit Exchange Association, or traded to and used by the owner or operator of another facility for nutrient allocation compliance.

WITNESS the following signatures, all duly authorized.

DIRECTOR OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY

By: _____

Date: _____

GRANTEE'S AUTHORIZED REPRESENTATIVE

By: _____

Date: _____

EXHIBIT A
PROJECT DESCRIPTION

Grantee: Town of Front Royal

Grant: #440-S-14-08

The Front Royal Wastewater Treatment Plant (WWTP) is a 4.0 million gallon per day (mgd) municipal wastewater treatment plant that currently treats an average flow of 3.25 mgd to typical secondary effluent limits for biological oxygen demand (BOD) and total suspended solids (TSS). Effluent from the facility is discharged to the Shenandoah River.

The Virginia DEQ (VADEQ) has developed a waste load allocation for the Front Royal WWTP, limiting the amount of nitrogen and phosphorus that the plant can discharge annually. These limits are 48,729 lbs/year total nitrogen (TN) and 3,655 lbs/yr total phosphorus (TP) and will go into effect when the VADEQ issues the Certificate to Operate (CTO). The Front Royal WWTP will be required to undergo a plant upgrade in order to comply with this waste load allocation. At the plant expansion capacity of 5.3 mgd, the resulting effluent annual average TN and TP concentration limits will be 3.0 mg/L and 0.22 mg/L, respectively, in order to meet the annual waste load allocation.

Three alternatives were considered for the Front Royal WWTP ENR Upgrade and Expansion. A Four-stage Bardenpho process enhanced with magnetite ballasted settling and followed by secondary clarifiers was selected. This technology which uses magnetite to increase the specific gravity of biological floc. This process allows for higher concentrations of mixed liquor in the aeration tanks (allowing a four-stage process to fit within the same tankage as a conventional MLE) and higher loading rates to the clarifiers (reducing the clarifier surface area required). This process can achieve low levels of effluent TP without downstream filtration.

The following list of improvements is based on the Preliminary Engineering Report (PER):

- New Headworks Building Including Fine Screening – not grant eligible
- New Grit Removal System – not grant eligible
- New Primary Clarifier – partially grant eligible
- Existing Primary Clarifier Improvements – not grant eligible
- New Reactor Flow Distribution Box – partially grant eligible
- Existing Reactor Tank Improvements – partially grant eligible
- New Post Anoxic and Reaeration Reactors – partially grant eligible
- New Process Equipment Building – partially grant eligible
- Parallel Final Clarifier Flow Distribution Box – partially grant eligible
- Existing Final Clarifier Improvements – not grant eligible
- New Final Clarifiers and Return Activated Sludge (RAS) Pumping Station – partially grant eligible
- New UV Structure – not grant eligible
- Chemical Feed Facilities for Alum, Caustic Soda, and Supplemental Carbon – grant eligible
- New Sludge Cake Storage Building – partially grant eligible
- Conversion of Existing Digesters to Auto-Thermal Aerobic Digesters (ATAD) – partially grant eligible
- Second Dewatering Fan Press (to be installed by the Town, not included in primary contract) partially grant eligible

EXHIBIT B

TOTAL PROJECT BUDGET

Grantee: Town of Front Royal
 Grant: #440-S-14-08

The following budget reflects the "engineer's estimated" costs associated with eligible project components.

PROJECT COMPONENT	PROJECT COSTS	% ELIGIBLE	ELIGIBLE PROJECT COSTS	NOTES*
Influent Pumping Station Mods, Headworks/Screening, Grit Removal	\$3,590,000	0.00%	\$0	1
UV System, Plant Water, Post Aeration, Control Building Mods, Septage Receiving	\$5,260,000	0.00%	\$0	1
Flow EQ Distribution Box	\$160,000	50.00%	\$80,000	2
Process Building	\$2,480,000	80.00%	\$1,984,000	2
Reactors and Reactor Equipment	\$5,120,000	55.00%	\$2,816,000	2
Bio Mag Reactor Equipment	\$5,060,000	100.00%	\$5,060,000	2
New Primary Clarifiers & Pump Station	\$1,730,000	20.00%	\$346,000	2
Primary Clarifier Modifications	\$400,000	0.00%	\$0	1
63' Final Clarifiers, Dist Box, BioMag Mods	\$2,020,000	50.00%	\$1,010,000	3
Existing Final Clarifier Modifications (non BioMag)	\$386,000	0.00%	\$0	1
Return Sludge Pumping Station	\$670,000	50.00%	\$335,000	3
Solids Handling Building Mods, Dewatering Fan Press, ATAD Digestion Process, New Cake Storage Building	\$9,030,000	15.00%	\$1,354,500	4
Alum/Caustic/Methanol Feed Systems	\$964,000	100.00%	\$964,000	2
CONSTRUCTION SUBTOTAL	\$36,870,000		\$13,949,500	
Yard Piping	\$2,700,000	37.83%	\$1,021,410	5
Site Work	\$2,080,000	37.83%	\$786,864	5
Electrical	\$6,553,000	37.83%	\$2,479,000	5
TOTAL CONSTRUCTION COSTS	\$48,203,000	37.83%	\$18,236,774	
Design Engineering	\$2,636,000	37.83%	\$997,199	5
Construction Administration	\$3,760,000	37.83%	\$1,422,408	5
Contingency (10% of Construction)	\$4,820,300	37.83%	\$1,823,519	5
TOTAL PROJECT COSTS	\$59,419,300		\$22,479,900	
Grant Percentage			60%	
Proration Based On "Reasonable and Necessary" Expanded Design Flow			88%	6
Grant Amount			\$11,869,387	

*See next page for details about costs attributable to Nutrient Removal Technology.

EXHIBIT B

PROJECT BUDGET
(continued)

Grantee: Town of Front Royal
Grant: #440-S-14-08

Page B-2: Notes on costs attributable to Nutrient Removal Technology (NRT):

1. Not Nutrient Removal Technology, (NRT), ineligible for WQIF cost share.
2. The eligible percentage as outlined in DEQ Guidance Memo 06-2012.
3. A negotiated percentage after using Best Professional Judgment and the eligible percentage as outlined in DEQ Guidance Memo 06-2012.
4. Eligibility based on the percentage increase in annual solids produced as a result of NRT as calculated by the Authority's consulting engineer. $(14,284 \text{ lbs} - 12,150 \text{ lbs}) / 14,284 \text{ lbs} = 15\%$.
5. Eligibility calculated by dividing the total eligible construction cost associated with NRT by the total construction cost.
6. Reasonable flow proration amount of 88% calculated.

EXHIBIT C

PROJECT SCHEDULE

Grantee: Town of Front Royal
Grant: #440-S-14-08

The Grantee has proposed the following schedule of key activities/milestones as a planning tool which may be subject to change. In particular, the Grantee acknowledges that the appropriate approval (Certificate to Construct) must be issued by the Department prior to proceeding with construction. Unless authorized by a grant modification, it is the responsibility of the Grantee to adhere to the anticipated schedule for the project as follows:

Activity	Date/Duration
a. Bid Phase Completion	On or before August 6, 2014
b. Award Bids	On or before October 5, 2014
c. Submit Letter of Substantial Completion	On or before April 2, 2017

EXHIBIT D

REQUISITION FOR REIMBURSEMENT
(To be on Grantee's Letterhead)

Department of Environmental Quality
Clean Water Financing and Assistance Program
P.O. Box 1105
Richmond, VA 23218
Attn.: WQIF Program Manager

RE: **Virginia Water Quality Improvement Fund Grant**
Town of Front Royal WQIF Contract #440-S-14-08
Town of Front Royal Loan # C515529-01

Dear Program Manager:

This requisition, Number _____, is submitted in connection with the referenced Financing Agreements between the Virginia Resource Authority (loan), Director of the Virginia Department of Environmental Quality, and the Town of Front Royal. The effective date of the grant agreement is [insert date of grant agreement] and the effective date of the loan agreement is [insert effective date].

Unless otherwise defined in this requisition, all capitalized terms used herein shall have the meaning set forth in Article I of the Grant Agreement. The undersigned Authorized Representative of the Grantee hereby requests disbursement of grant proceeds under the Grant Agreement in the amount of \$_____ and loan proceed under the Financing agreement in the amount of \$_____, for the purposes of payment of the Eligible Project Costs as set forth on Schedule I attached hereto.

Copies of invoices relating to the items for which payment is requested are attached.

The undersigned certifies that the amounts requested by this requisition will be applied solely and exclusively to the reimbursement of the Grantee for the payment of Eligible Project Costs.

This requisition includes (if applicable) an accompanying Certificate of the Project Engineer as to the performance of the work.

Sincerely,

(Authorized Representative of the Grantee)

Attachments

C. DEQ-Regional CAP Engineer

**SCHEDULE 1
VIRGINIA WATER QUALITY IMPROVEMENT FUND
FORM TO ACCOMPANY REQUEST FOR REIMBURSEMENT**

REQUISITION # _____
 Grantee: Front Royal WWTP
 Grant: #440-S-14-08

CERTIFYING SIGNATURE: _____

TITLE: _____

Cost Category	Total Project Budget	Eligible Project Cost	52.80% WQIF Grant Share (60% x 88%)	Total Expenditures This Period	Previous Grant Disbursements	Grant Disbursement This Period	Grant Balance
		37.83%	\$9,629,017				
Construction	\$48,203,000	\$18,236,774	52.80%	\$0.00	\$0.00	\$0.00	\$9,629,017
		37.83%	\$526,521				
Design Engineering	\$2,636,000	\$997,199	52.80%	\$0.00	\$0.00	\$0.00	\$526,521
		37.83%	\$751,031				
Construction Administration	\$3,760,000	\$1,422,408	52.80%	\$0.00	\$0.00	\$0.00	\$751,031
		37.83%	\$962,818				
Contingency (10% of Construction)	\$4,820,300	\$1,823,519	52.80%	\$0.00	\$0.00	\$0.00	\$962,818
TOTALS:	\$59,419,300	\$22,479,900	\$11,869,387.00	\$0.00	\$0.00	\$0.00	\$11,869,387.00

Total Grant Amount: \$11,869,387.00
 Previous Grant Disbursements: \$0.00
 This Grant Request: \$0.00
 Total Grant Requested to Date: \$0.00
 Grant Proceeds Remaining: \$11,869,387.00

CERTIFICATE OF THE PROJECT ENGINEER
FORM TO ACCOMPANY REQUEST FOR REIMBURSEMENT

Grantee: Town of Front Royal WWTP

Grant: #440-S-14-08

This Certificate is submitted in connection with Requisition Number _____, dated _____, 20__, submitted by the Town of Front Royal County (the "Grantee") to the Virginia Department of Environmental Quality. Capitalized terms used herein shall have the same meanings set forth in Article I of the Grant Agreement referred to in the Requisition.

The undersigned Project Engineer for _____ hereby certifies that insofar as the amounts covered by this Requisition include payments for labor or to contractors, builders or material men, such work was actually performed or such materials, supplies, or equipment were actually furnished to or installed in the Project.

(Project Engineer)

(Date)

EXHIBIT E
REPORTING OF ANALYTICAL RESULTS

Grantee: Town of Front Royal WWTP

Grant: #440-S-14-08

Year: _____

MONTH	PARAMETER	CONCENTRATION (monthly average)	UNITS	FREQUENCY OF ANALYSIS	SAMPLE TYPE
January	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
February	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
March	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
April	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
May	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
June	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
July	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
August	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
September	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
October	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
November	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
December	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		
Annual Average	Total Nitrogen		mg/l		
	Total Phosphorus		mg/l		

EXHIBIT E

REPORTING OF ANALYTICAL RESULTS
(continued)

Grantee: Town of Front Royal
Grant: #440-S-14-08

Data Excluded Due to the Occurrence of Extraordinary Conditions: (if applicable; attach explanation)

Date(s): _____

Operator Responsible for Samples: _____ Date: _____

Telephone: _____ Certificate Number: _____

EXHIBIT F

**FORMULA FOR CALCULATING MONETARY ASSESSMENT
FOR EXCEEDANCE OF
NUMERICAL NITROGEN CONCENTRATIONS**

Grantee: Town of Front Royal

Grant: #440-S-14-08

Section 2: Nitrogen Exceedances

$$CN = (TNe/TNr) \times AnPay \times PerGrant$$

where:

CN	=	Assessment for Nitrogen Exceedance.
TNe	=	Exceedance in tenths of a milligram per liter.
TNr	=	Expected nitrogen removal (difference between "pre-nutrient removal" annual average concentration and 3.0 mg/l limitation) in tenths of a milligram per liter.
AnPay	=	Annual Payment on grant; assumes principal payments amortized over 20 years and an interest rate of 5 percent. Using these assumed values leads to a "cost recovery factor" of 0.0802. The "cost recovery factor" times the grant amount yields the Annual Payment amount.
PerGrant	=	Percentage of grant received by year of exceedance.

Values used for Grant #440-S-14-08:

Pre-Nutrient Removal TN Concentration	=	13.2 mg/l
Effluent TN Concentration Limitation	=	3.0 mg/l
Total Grant Amount for TN Removal	=	\$6,787,046
Useful Service Life	=	20 years
Interest Rate	=	5 percent

Calculated (assumes grant paid 100%):

Expected Removal (TNr)	=	10.2 mg/l
AnPay	=	\$544,300
CN	=	\$5,340 (for each 0.1 mg/l TN exceedance)

EXHIBIT F

**FORMULA FOR CALCULATING MONETARY ASSESSMENT
FOR EXCEEDANCE OF
NUMERICAL PHOSPHORUS CONCENTRATIONS**

Grantee: Town of Front Royal
Grant: #440-S-14-08

Section 2: Phosphorus Exceedances

$$CP = (TPe/TPr) \times AnPay \times PerGrant$$

where:

CP	=	Assessment for Phosphorus Exceedance.
TPe	=	Exceedance in tenths of a milligram per liter.
TPr	=	Expected phosphorus removal (difference between "pre-nutrient removal" annual average concentration and 0.22 mg/l limitation) in tenths of a milligram per liter.
AnPay	=	Annual Payment on grant; assumes principal payments amortized over 20 years and an interest rate of 5 percent. Using these assumed values leads to a "cost recovery factor" of 0.0802. The "cost recovery factor" times the grant amount yields the Annual Payment amount.
PerGrant	=	Percentage of grant received by year of exceedance.

Values used for Grant #440-S-14-08:

Pre-Nutrient Removal TP Concentration	=	1.05 mg/l
Effluent TP Concentration Limitation	=	0.22 mg/l
Total Grant Amount for TP Removal	=	\$5,082,342
Useful Service Life	=	20 years
Interest Rate	=	5 percent

Calculated (assumes grant paid 100%):

Expected Removal (TPr)	=	0.83 mg/l
AnPay	=	\$407,600
CP	=	\$49,110 (for each 0.1 mg/l TP exceedance)

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**Bid for WWTP Upgrade and Expansion
Project**



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 10

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Bid for Wastewater Treatment Plant Upgrade and Expansion Project

Summary: Council is requested to consider approval of a bid from Adams Robinson Enterprises from Dayton, Ohio for the Wastewater Treatment Upgrade and Expansion Project in the total amount of \$46,694,550.00 that represents the bid amount of \$44,471,000 with an additional 5% contingency amount of 2,223,550.00. An additional \$20,000.00 will need approval as part of the construction cost for bond counsel related to the financing of the project.

Budget/Funding: Funding is through Grant and Bond

Attachments: Memorandum from Purchasing Agent, Letters from GHD and Estimated Cost Breakdown

Meetings: Work Session held November 17, 2014

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a bid from Adams Robinson Enterprises from Dayton, Ohio for the Wastewater Treatment Upgrade and Expansion Project in the total amount of \$46,694,550.00 that represents the bid amount of \$44,471,000 with an additional 5% contingency amount of 2,223,550.00. I further move that \$20,000.00 be added to the construction costs for bond counsel that relates to financing of the project.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JTS



MEMORANDUM

Date: December 2, 2014
To: Tina Presley, Senior Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent 
RE: Agenda Item

On Thursday, October 16, 2014, I opened bids for the Wastewater Treatment Upgrade and Expansion project. I received six (6) responses. I then sent a copy of those responses to the Engineer of the project, GHD, to review all responses for conformance to the specifications. I have attached the document of their evaluation. This project will require Town Council approval. Please add this item to the December 8 agenda for their action.

Recommendation has been made for the award of the Wastewater Treatment Upgrade and Expansion project be made to Adams Robinson Enterprises, Dayton, Ohio. This company was the lowest responsive and responsible bidder.

The total dollar amount recommended for the award of this project is \$46,694,550.00. This represents the bid amount of \$44,471,000, with an additional 5% contingency amount of \$2,223,550.00.

An additional \$20,000.00 will also need to be approved as part of the construction costs. This dollar amount will be for bond counsel related to the financing of the project.



November 4, 2014

Town of Front Royal
P.O. Box 1560
Front Royal, VA 22630

Attn: Steve Burke
Town Manager

Re: Bid Evaluation/Recommendation for Award
Town of Front Royal WWTP Upgrade and Expansion
GHD No. 86-14629

Dear Mr. Steve Burke:

Six (6) bids were received and opened for the above referenced project on October 16, 2014. The bids are tabulated below:

Table 1: Bid Results

BIDDER	TOTAL BID
Adams Robinson Enterprises	\$44,471,000.00
English Construction Company	\$45,614,750.00
Allen A. Myers, LP	\$45,700,000.00
Fru-Con Construction Company	\$45,825,000.00
PC Construction Company	\$46,405,000.00
MEB General Contractors	\$48,308,000.00

A canvass of the bids has been prepared and is attached. Adams Robinson Enterprises, 2710 Armstrong Ln, Dayton, OH 45414, is the low bidder at \$44,471,000.00 and is \$1,143,750 (2.5%) less than the next lowest bid, which was \$45,614,750.00. The low bid was approximately 3.5% less than the average of all bids received (\$46,054,000) and approximately 7.0% less than the Engineer's estimate of \$47,811,100.

Based on a review of Adams Robinson Enterprise's bid proposal, the apparent low bidder is deemed to be responsive and responsible to the requirements of the bid documents. In reviewing the Adams Robinson Enterprise's bid package, we were able to verify that they had complied with the following bid proposal requirements:

- Acknowledged Addenda Numbers 1 through 6 in their bid package
- Submitted Major Products Schedule
- Submitted the required Bid Bond
- Submitted Virginia Clean Water Revolving Loan Bidder Compliance Statement/Certification Regarding Equal Employment Opportunity
- Submitted Virginia State Contractor's license

G:\86\14629\Bid Phase\VADEQ Bid Package\TOFR Bid Evaluation Doc\2014.11.04 Bid Evaluation TOFR WWTP Upgrade and Expansion.docx

After the bids, Adams Robinson provided the following documents which GHD has reviewed:

- Submitted the necessary Minority or Women Business Enterprises (MBE/WBE) good faith effort documentation
- Submitted a List of References
- Submitted the American Iron and Steel (AIS) Certification Statement
- Submitted a project cost breakdown by major unit process for funding purposes

References were provided by Adams Robinson Enterprises, some of which were contacted as part of the bid review process. Adams Robinson Enterprises has worked on several municipal water and wastewater projects in the area including in Culpeper and Charlottesville, VA. . Summaries of reference calls are listed below.

<u>Piscataway WWTP Storage and Headworks Improvements</u>			
Owner	WSSC Austin Freeman 828-323-7590	Original Contract Amount	\$41,362,000
Consultant	Hatch Mott MacDonald Daniel Keck 251-210-8782	Completion Date	May 2016
Comments	<p>The following is a review based on a phone conversation with Austin Freeman:</p> <p>Project Overview: The project involved construction of a headworks facility, miscellaneous yard piping, storage facilities, and 5 MGD Flow Equalization Storage.</p> <p>Project Schedule: The project started May of 2014 and is anticipated to finish May, 2016.</p> <p>Project Budget/Change Orders: The change orders to date can be attributed to requested changes by the Contractor.</p> <p>Project Quality: The Contractor's overall project quality to date has been satisfactory</p> <p>Summary: The Owner has been satisfied with the Contractor's work to date and would recommend them to other owners.</p>		

Harford County, MD Sod Run WWTP			
Owner	Harford County David Pergrin, P.E. 803-733-8682	Original Contract Amount	\$36,736,000
Consultant	Black and Veatch Bob Rectanus 301-921-2886	Completion Date	December 2014
Comments	<p>The following is a review based on phone conversation with David Pergrin:</p> <p>Project Overview: The project involved a WWTP ENR Upgrade, with modifications to the aeration system, exiting clarifier, pre-anoxic basin, fermenters, methanol and ferric chloride chemical feed system, and equalization tank for septage treatment.</p> <p>Project Schedule: The project is scheduled to be completed this month November, 2014. The Contractor is in compliance with the project schedule.</p> <p>Claims Filing: The Contractor has filed claims that were appropriate and reasonable for the project.</p> <p>Project Quality: The Owner is extremely satisfied with the Contractor's work quality and knowledge of wastewater treatment plant operations and construction.</p> <p>Summary: Owner would work with the Contractor again and recommend them to other owners</p>		

Charlottesville, VA Moores Creek WWTF			
Owner	Rivanna Water and Sewer Jennifer Whitaker 434-977-2970	Original Contract Amount	\$40,319,000
Consultant	Hazen and Sawyer Todd Johnson 919-833-7152	Completion Date	November 2012
Comments	<p>The following is a review based on a phone conversation with Todd Johnson:</p> <p>Project Overview: The project involved expansion and Improvement of Moores Creek WWTF. Contractor also made improvements to the Moores Creek Pumping Station.</p> <p>Project Schedule: The project started May, 2009 and finished December, 2011. The Contractor finished ahead of schedule.</p> <p>Project Budget/Change Orders: During the project there were several negotiations between the Contractor and Engineer. Some of these negotiations were difficult.</p> <p>Project Quality: The owner was satisfied with the Contractor's work quality.</p> <p>Summary: Engineer would work with Contractor again and recommend them to other Engineers and Owners. Engineer would avoid change order negotiations with Contractor in the future.</p>		

<u>Culpeper, VA Water Pollution Control Facility Upgrade and Expansion</u>			
Owner	Town of Culpeper Chris Hively 540-825-8671	Original Contract Amount	\$27,121,000
Consultant	Hazen and Sawyer Andrew Gregson 703-218-2034	Completion Date	October 2009
Comments	<p>The following is a review based on a phone conversation with Chris Hively:</p> <p>Project Overview: The project involved a 4 MGD to a 6 MGD WWTP upgrade and a 5 stage BNR facility process. The Contractor was in charge of the majority of the project's construction.</p> <p>Project Schedule: Project finished October, 2009. The Contractor finished on schedule.</p> <p>Project Budget/Change Orders: There were few change orders. Most were minor in nature as a result of unforeseen conditions.</p> <p>Project Quality: The Owner was satisfied with the Contractor's work quality. Owner mentioned that Contractor did some repair work for out of warranty items free of charge.</p> <p>Summary: The Owner would hire Contractor again and recommend them to other owners.</p>		

<u>London OH, Wastewater Treatment Plant</u>			
Owner	City of London OH - Wastewater Bill Young 740-852-0279	Original Contract Amount	\$25,119,234
Consultant	BBS Corp./CH2M Hill Gary Long 614-888-3100	Completion Date	February 2009
Comments	<p>The following is a review based on a phone conversation with Gary Long:</p> <p>Project Overview: The project involved doubling the plant's capacity, constructing screening, odor control, egg digesters, earth work, excavation, concrete pouring, fine bubble aeration, air blowers, and expanding the office building.</p> <p>Project Schedule: Engineer did not recall any major schedule complications.</p> <p>Project Budget/Change Orders: The Engineer indicated that change orders were minimal and a result of unforeseen conditions.</p> <p>Project Quality: Engineer was highly satisfied with Contractor's work quality and the project manager.</p> <p>Summary: Engineer would work with Contractor again and recommend them to other owners and engineers.</p>		

Mr. Steve Burke
Town of Front Royal
November 3, 2014
Page 5

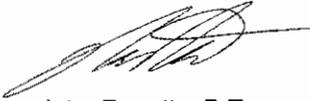
Summary and Recommendation

Based on our review of Adams Robinson Enterprise's bid and surveys of job references, it appears that they are capable of completing a project of this nature and size. We see no reason not to recommend the award of the project in the amount of \$44,471,000 to Adams Robinson Enterprise's.

If you have any questions regarding this bid evaluation and recommendation of award, please feel free to contact either Thor Young or myself. If you are in agreement with the recommendation for award, we will submit to the Virginia DEQ the final grant breakdown for their review and approval.

Sincerely,

GHD INC.



John Revette, P.E.
Project Manager

JOR/jnd

Attachments: Canvass of Bids
 Contractor Bid Documents
 Contractor Backup Documents
 Contractor Cost breakdown by unit process

Canvass of Bids

Estimated Cost Breakdown

	Costs	WQIF (Grant Funds) Rounded	VCWRLF (Loan Funds) Rounded	Town Funds Rounded	Warren County Funds Rounded
As Bid Construction Costs (Less Septage)	\$42,521,000	\$9,865,000	\$32,375,000	\$0	\$0
Septage Receiving Station	\$2,250,000	\$0	\$0	\$0	2,250,000
Dewatering Fan Press	\$300,000	\$25,000	\$0	\$275,000	\$0
Design Engineering	\$2,636,000	\$615,000	\$0	\$1,920,000	\$100,000*
Construction Administration	\$3,739,000	\$870,000	\$2,690,000	\$0	\$180,000*
Contingency	\$2,238,550	\$525,000	1,715,000	\$0	\$0
Total Project Costs	\$53,384,000	11,875,000	\$36,785,000	2,195,000	\$2,530,000

*based on GHD memo dated April 4, 2014 for Septage Receiving Station



November 6, 2014

Mr. Walter Gills
Environmental Quality
Clean Water Financing & Assistance Program
P.O. Box 1105
Richmond, Virginia 23218

Re: Town of Front Royal WWTP Upgrade and Expansion
GHD No. 8614629

Dear Mr. Gills:

This Procurement Package for the Town of Front Royal WWTP Upgrade and Expansion Project is submitted for your review per Virginia DEQ's requirements for projects financed by the Clean Water Revolving Loan Fund. The attached information is organized as follows:

1. Canvass of Bids

Please see the attached Canvass of Bids, indicating the bid tabulations from all six (6) general contractors for each bid item. The Total Bid Price is the last line in the sheet, which is used to determine the apparent low bidder. Per the Canvass of Bids, the apparent low-bidder is Adams Robinson for a Total Bid Price of \$44,471,000.

2. Project Cost Summary

Please see the attached cost estimate summary sheet. The construction costs reflect the actual bid costs provided by the apparent low bidder, Adams Robinson Enterprises.

3. Anticipated Construction Schedule

A copy of the updated project schedule is attached. Assumptions were made for Notice of Award (11/18/14) and Notice to Proceed (01/12/15).

4. Bid Proposal of Low Bidder

a. A copy of Adam Robinson Enterprises' Bid Proposal is attached, which includes:

- Acknowledged Addenda Numbers 1 through 6 in their bid package
- Submitted Major Products Schedule
- Submitted the required Bid Bond
- Submitted Virginia Clean Water Revolving Loan Bidder Compliance Statement/Certification Regarding Equal Employment Opportunity
- Submitted Virginia State Contractor's license

5. Backup Documents of Low Bidder

After the bid, the Low Bidder, Adams Robinson Provided the following information:

a. DBE/MBE/WBE Solicitation Efforts

Please see attached package for DBE/MBE/WBE documentation submitted by the low bidder Adams Robinson Enterprises, which includes the following:

- Fifty (50) Solicitation letters
- Record of Advertisement in three (3) Local Publications
- List of contacted DBE/WBE/MBE Firms

From the responses Adams Robinson received, they can commit to the following supplier:

JSA Door Systems, LLC – SWaM certified - \$116,026.00

Adams Robinson continues to make an effort to contract DBE/WBE/MBE suppliers and subcontractors for additional scopes of work that may evolve after the Award of the Contract.

b. List of references

GHD contacted several of the references as summarized in the letter of recommendation found in attachment 7.

c. American Iron and Steel (AIS) Certification Statement

6. Evidence of Bid Advertisement

Please see the following attachments that summarize the Owner's efforts in soliciting interest in the project prior to bid:

- Copy of Advertisement
- Notification of Bid Advertisement Letter
- List of Contractors Receiving Notification of Bid Advertisement Letter
- Pre-Bid Meeting Sign-In Sheet

The project was also advertised in the local newspapers and the Town's website.

7. Recommendation of Award

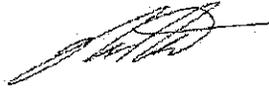
A copy of GHD's letter to the Town of Front Royal regarding the recommendation of award is attached. The letter includes summary of reference surveys completed to date by GHD.

Mr. Walter Gills
Virginia Department of Environmental Quality
November 6, 2014
Page 3

Please contact me if you have any questions or require additional information.

Sincerely,

GHD INC.



John Revette, P.E.
Project Manager

JOR/kab

Attachments: Canvass of Bids
 Project Cost Summary
 Anticipated Construction Schedule
 Bid Proposal of Low Bidder
 Backup Documents of Low Bidder
 Evidence of Bid Advertisement
 Recommendation of Award

Canvass of Bids

Project Cost Summary

SUMMARY OF CONSTRUCTION COSTS

Adams Robinson Enterprises

Project Component	Project Costs
Influent Pumping Station Modifications, Headworks/Screening, Grit Removal	\$2,890,000
UV System, Plant Water, Post Aeration, Control Building Modifications	\$1,556,000
Flow Equalization Distribution Box	\$61,000
Process Building	\$3,057,000
Reactor and Reactor Equipment	\$2,364,000
BioMag Reactor Equipment	\$5,060,000
New Primary Clarifier and Pump Station	\$1,293,000
Existing Primary Clarifier Modifications	\$265,000
63' Final Clarifiers and Distribution Box	\$2,411,000
Existing Final Clarifier Modifications	\$159,000
Return Sludge Pumping Station	\$508,000
Solids Handling Building Modification, ATAD Digestion Process, New Cake Storage Building	\$7,203,000
Alum/Caustic/Methanol Feed Systems	\$375,000
Subtotal Construction Costs	\$27,202,000
Yard Piping	\$4,612,000
Site Work	\$1,510,000
Electrical	\$8,000,000
Septage Receiving Station (Bid Item D)	\$2,250,000
Bid Items Schedules B, C and E	\$897,000
Total Construction Costs	\$44,471,000

SUMMARY OF ESTIMATED WQIF GRANT ELIGIBILITY

Status of Cost Estimate: 100% Design

Grant Funding Eligibility Estimate

Project Components	As-Bid Construction Costs	% Grant Eligible	Grant Eligible Project Costs
Influent pumping Station Mods, Headworks/Screening, Grit Removal	\$ 2,890,000	0%	\$ -
UV System, Plant Water, Post Aeration, Control Building Mods (See Note 1)	\$ 1,556,000	0%	\$ -
Flow EQ Distribution Box	\$ 61,000	50%	\$ 80,000
Process Building	\$ 3,057,000	80%	\$ 1,984,000
Reactor and Reactor Equipment	\$ 2,364,000	55%	\$ 2,816,000
BioMag Reactor Equipment	\$ 5,060,000	100%	\$ 5,060,000
New Primary Clarifier and Pump Station	\$ 1,293,000	20%	\$ 346,000
Primary Clarifier Mods	\$ 265,000	0%	\$ -
63' Final Clarifiers, Dist Box, Biomag Mods	\$ 2,411,000	50%	\$ 1,010,000
Existing Final Clarifier Mods	\$ 159,000	0%	\$ -
Return Sludge PS	\$ 508,000	50%	\$ 335,000
Solids Handling Building Mods, ATAD Digestion Process, New Cake Storage Building	\$ 7,203,000	15%	\$ 1,354,500
Alum/Caustic/Methanol Feed Systems	\$ 375,000	100%	\$ 964,000
Construction Subtotal	\$ 27,202,000	51.28%	\$ 13,949,500
Yard Piping	\$ 4,612,000	51.28%	\$ 1,384,591
Site Work	\$ 1,510,000	51.28%	\$ 1,066,648
Electrical	\$ 8,000,000	51.28%	\$ 3,360,454
Septage Receiving Station (Bid Item D, See Note 1)	\$ 2,250,000	0.00%	\$ -
Dewatering Fan Press (See Note 2)	\$ 300,000	15.00%	\$ 45,000
Bid Items Schedules B,C, and E	\$ 897,000	51.28%	\$ 459,992
Total Construction Costs	\$ 44,771,000		\$ 20,266,185
Design Engineering	\$ 2,644,000	51.28%	\$ 1,351,771
Construction Administration	\$ 3,739,232	51.28%	\$ 1,928,171
Contingency (10% Construction)	\$ 4,477,100	51.28%	\$ 2,471,906
Total Project Costs	\$ 55,631,332		\$ 26,018,033.63
Grant Percentage		60%	
Proration		88%	
		Grant Amount	\$ 13,737,521.76

- 1) Septage receiving station moved to a separate line item as it was bid as an Additive Alternate.
- 2) Dewatering fan press to be completed as a separate project by the Town.

Anticipated Construction Schedule

Front Royal Construction Schedule

	Date
Bid Opening	Thursday, October 16, 2014
Notice of Award	Tuesday, November 18, 2014
Notice to Proceed	Monday, January 12, 2015
Construction Substantial Completion	Monday, July 10, 2017
Construction Final Completion	Friday, September 08, 2017

SUMMARY OF ESTIMATED WQIF GRANT ELIGIBILITY

Status of Cost Estimate: 100% Design

Grant Funding Eligibility Estimate

Project Components	As-Bid Construction Costs	% Grant Eligible	Grant Eligible Project Costs
Influent pumping Station Mods, Headworks/Screening, Grit Removal	\$ 2,890,000	0%	\$ -
UV System, Plant Water, Post Aeration, Control Building Mods (See Note 1)	\$ 1,556,000	0%	\$ -
Flow EQ Distribution Box	\$ 61,000	50%	\$ 30,500
Process Building	\$ 3,057,000	80%	\$ 2,445,600
Reactor and Reactor Equipment	\$ 2,364,000	55%	\$ 1,300,200
BioMag Reactor Equipment	\$ 5,060,000	100%	\$ 5,060,000
New Primary Clarifier and Pump Station	\$ 1,293,000	20%	\$ 258,600
Primary Clarifier Mods	\$ 265,000	0%	\$ -
63' Final Clarifiers, Dist Box, Biomag Mods	\$ 2,411,000	50%	\$ 1,205,500
Existing Final Clarifier Mods	\$ 159,000	0%	\$ -
Return Sludge PS	\$ 508,000	50%	\$ 254,000
Solids Handling Building Mods, ATAD Digestion Process, New Cake Storage Building	\$ 7,203,000	15%	\$ 1,080,450
Alum/Caustic/Methanol Feed Systems	\$ 375,000	100%	\$ 375,000
Construction Subtotal	\$ 27,202,000	44.15%	\$ 12,009,850
Yard Piping	\$ 4,612,000	44.15%	\$ 2,036,226
Site Work	\$ 1,510,000	44.15%	\$ 666,674
Electrical	\$ 8,000,000	44.15%	\$ 3,532,049
Septage Receiving Station (Bid Item D, See Note 1)	\$ 2,250,000	0.00%	\$ -
Dewatering Fan Press (See Note 2)	\$ 300,000	15.00%	\$ 45,000
Bid Items Schedules B,C, and E	\$ 897,000	44.15%	\$ 396,031
Total Construction Costs	\$ 44,771,000		\$ 18,685,831
Design Engineering	\$ 2,636,000	44.15%	\$ 1,163,810
Construction Administration	\$ 3,739,232	44.15%	\$ 1,650,894
Contingency (5% Construction)	\$ 2,238,550	44.15%	\$ 988,334
Total Project Costs	\$ 53,384,782		\$ 22,488,868.34
Grant Percentage		60%	
Proration		88%	
		Grant Amount	\$ 11,874,122.48

- 1) Septage receiving station moved to a separate line item as it was bid as an Additive Alternate.
- 2) Dewatering fan press to be completed as a separate project by the Town.

11

**Amendment to Agreement with GHD for the
WWTP Upgrade and Expansion Project**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 11

Meeting Date: December 8, 2014

-
- Agenda Item:** COUNCIL APPROVAL – Amendment to Agreement with GHD for the Wastewater Treatment Plant Upgrade and Expansion Project – Clerk of the Works
- Summary:** Council is requested to consider an amendment to the September 17, 2014 Agreement with GHD,, to approve GHD to perform the construction phase engineering services, “Clerk of the Works” for the Wastewater Treatment Plant Upgrade and Expansion Project at a cost of \$3,739,232.00.
- Budget/Funding:** Funding is through Grant and Bond
- Attachments:** Memorandum from Purchasing Agent, Amendment No. 4 to Agreement between GHD and the Town and Construction Administration (GHD) Task Chart
- Meetings:** Work Sessions held November 17, 2014
- Staff Recommendation:** Approval ✓ Denial
- Proposed Motion:** I move that Council approve an amendment to the September 17, 2014 Agreement with GHD,, to approve GHD to perform the construction phase engineering services, “Clerk of the Works” for the Wastewater Treatment Plant Upgrade and Expansion Project at a cost of \$3,739,232.00.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JB



AMENDMENT NO. 4

TO AGREEMENT BETWEEN
TOWN OF FRONT ROYAL, VIRGINIA
AND
GHD INC.

WHEREAS, GHD Inc. (ENGINEER) and the Town of Front Royal, Virginia (OWNER) entered into an Agreement dated September 17, 2007 to perform Design and Bidding of the Town of Front Royal Wastewater Treatment Plant Upgrade and/or Expansion Project; and

WHEREAS, the OWNER has requested ENGINEER to perform the Scope of Services outlined below; and

NOW, THEREFORE, ENGINEER and OWNER agree to amend the Agreement as follows.

SCOPE OF SERVICES

TASK 1: CONSTRUCTION PHASE ENGINEERING SERVICES

- A. Contract Coordination and Project Management: Contract coordination will involve routine communication with the OWNER, OWNER's Authorized Representative, and Contractor to discuss overall project issues, help resolve conflicts or discrepancies, make contract interpretations, and assist in resolution of certain field-related construction issues. Project management tasks include contract administration, invoicing, resource scheduling, and communications.
- B. Construction Meetings: Attend pre-construction meeting (1), monthly construction progress meetings (32), pre-final inspection meeting (1), and final inspection meeting (1) with the Contractor and Owner. Prepare agenda and minutes.
- C. Preliminary Submittals: Review the Contractor's required preliminary submittals (including the progress schedule, shop drawing schedule, and schedule of values) for conformance with Contract Documents. Request modifications, where required.
- D. Shop Drawings and Submittals: Review shop drawings and submittals for conformance with Contract Documents. Request modifications, where required. Submittals will be stored and tracked using a software database hosted by ENGINEER, which will be accessible via the World Wide Web.
- E. Requests for Information (RFI): Respond to Contractor's written requests for clarification in a written format. RFI's will also be stored and tracked using a software database hosted by ENGINEER, which will be accessible via the World Wide Web.
- F. Operations & Maintenance (O&M) Submittals: Review operations and maintenance submittals furnished by the Contractor for conformance with Contract Documents. Request modifications, where required. Three separate stages of O&M manuals are required including Preliminary O&M manuals, Final Draft O&M manual, and Final O&M manual.
- G. Materials Testing Results: ENGINEER will review and analyze the results of field and materials testing results. The field testing requirements will be coordinated with the ENGINEER's Resident Project Representative.
- H. Proposed Change Orders and Change Orders: Review proposed change order (PCO) requests. Provide written response to the PCOs including recommendations for the OWNER to approve or reject. When the amount of PCOs reaches an agreed upon amount, ENGINEER will issue a formal change order to the OWNER for review and approval. The project price will be adjusted per the General Conditions.
- I. Training: Provide five (5) days of interactive on-site training for OWNER operations staff on the operation of the facility including overviews of each process, training sessions on biological nitrogen removal and advanced aerobic digestion, and review of recommended field data collection procedures.
- J. Record Drawings: Modify bid drawings at the completion of the project and produce a Record Drawing set for the OWNER's use based on red-line drawings provided by the Contractor. Three (3) sets of Record Drawings will be provided to the OWNER along with electronic AutoCAD files.
- K. Witness Factory Acceptance Test for Process Control Systems: ENGINEER will witness Factory Acceptance Testing of critical Process Control Systems at the Control System Integrator's panel



fabrication facility. The Factory Acceptance Test shall be successfully completed when all of the required functions have been demonstrated to ENGINEER and ENGINEER will sign off the acceptance documents for system delivery to project site.

- L. DEQ Coordination: Coordination with VADEQ for grant and loan funding requirements.

TASK 2: OWNER'S AUTHORIZED REPRESENTATIVE

- A. OWNER's Authorized Representative (Resident Project Representative): ENGINEER will provide two full time Resident Project Representatives (RPRs) to serve as the OWNER's Authorized Representative during construction activities. The lead RPR shall work out of the ENGINEER's field trailer and shall be onsite for 40 hours per week (except for Town holidays) for 32 months following Notice to Proceed. The assistant RPR shall also work out of the ENGINEER's field trailer and shall be onsite for 40 hours per week (except for Town holidays) for 29 months beginning 3 months after Notice to Proceed. In addition, ENGINEER will also provide one part time electrical RPR who will specialize in the review of electrical and instrumentation systems. The electrical RPR will be onsite an average of one day per week for the last 24 months of construction. The RPR responsibilities shall be as outlined in Article 2 of the General Conditions of the Contract Documents for Construction and as described below:
1. RPR will be Engineer's employee or agent at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR's actions. RPR's dealings in matters pertaining to the Work in general shall be with Engineer and Contractor. RPR's dealings with Subcontractors shall be through or with the full knowledge and approval of Contractor. The RPR shall:
 - a. *Schedules*: Review the progress schedule, schedule of Shop Drawing and Sample submittals, and schedule of values prepared by Contractor and consult with ENGINEER concerning acceptability.
 - b. *Conferences and Meetings*: Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences and other project-related meetings, and circulate copies of minutes thereof.
 - c. *Liaison*:
 - 1) Serve as ENGINEER's liaison with Contractor, working principally through Contractor's authorized representative, assist in providing information regarding the intent of the Contract Documents.
 - 2) Assist ENGINEER in serving as Owner's liaison with Contractor when Contractor's operations affect OWNER's on-site operations.
 - 3) Assist in obtaining from OWNER additional details or information, when required for proper execution of the Work.
 - d. *Interpretation of Contract Documents*: Report to ENGINEER when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by ENGINEER.
 - e. *Shop Drawings and Samples*:
 - 1) Record date of receipt of Samples and approved Shop Drawings.
 - 2) Receive Samples which are furnished at the Site by Contractor, and notify ENGINEER of availability of Samples for examination.
 - f. *Modifications*: Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report such suggestions, together with RPR's recommendations, to ENGINEER. Transmit to Contractor in writing decisions as issued by Engineer.
 - g. *Review of Work and Rejection of Defective Work*:
 - 1) Conduct on-site observations of Contractor's work in progress to assist ENGINEER in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - 2) Report to ENGINEER whenever RPR believes that any part of Contractor's work in progress will not produce a completed Project that conforms generally to the Contract Documents or will imperil the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract



Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise ENGINEER of that part of work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.

- 3) Inspections, Tests, and System Startups:
 - a) Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate OWNER's personnel, and that Contractor maintains adequate records thereof.
 - b) Observe, record, and report to ENGINEER appropriate details relative to the test procedures and systems start-ups.

8. *Records:*

- 1) Record names, addresses, fax numbers, e-mail addresses, web site locations, and telephone numbers of all Contractors, Subcontractors, and major Suppliers of materials and equipment.
- 2) Maintain records for use in preparing Project documentation.

9. *Reports:*

- 1) Furnish to ENGINEER periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- 2) Draft and recommend to ENGINEER proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.
- 3) Immediately notify ENGINEER of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, damage to property by fire or other causes, or the discovery of any Hazardous Environmental Condition.

10. *Payment Requests:* Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to ENGINEER, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

11. *Certificates, Operation and Maintenance Manuals:* During the course of the Work, verify that materials and equipment certificates, operation and maintenance manuals and other data required by the Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to ENGINEER for review and forwarding to OWNER prior to payment for that part of the Work.

12. *Completion:*

- 1) Participate in a Substantial Completion inspection, assist in the determination of Substantial Completion and the preparation of lists of items to be completed or corrected.
- 2) Participate in a final inspection in the company of ENGINEER, OWNER, and Contractor and prepare a final list of items to be completed and deficiencies to be remedied.
- 3) Observe whether all items on the final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance and issuance of the Notice of Acceptability of the Work.

B. The RPR shall not:

1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).
2. Exceed limitations of ENGINEER's authority as set forth in the Contract Documents.
3. Undertake any of the responsibilities of Contractor, Subcontractors, Suppliers, or Contractor's superintendent.



4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of Contractor's work unless such advice or directions are specifically required by the Contract Documents.
5. Advise on, issue directions regarding, or assume control over safety practices, precautions, and programs in connection with the activities or operations of OWNER or Contractor.
6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by ENGINEER.
7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.
8. Authorize OWNER to occupy the Project in whole or in part.

TASK 3: MATERIALS TESTING AND SPECIAL INSPECTIONS

- A. ENGINEER will contract Triad Engineering to complete concrete testing, soils testing, and Special Inspections as necessary to meet the requirements of the Contract Documents.
- B. Field and laboratory services performed by Triad Engineering will be billed to the OWNER at direct cost under an Allowance for this item.
- C. Final allowance will be adjusted up or down by Addendum to reflect actual final cost of field and laboratory services.

TASK 4: PLC PROGRAMMING/PROCESS CONTROL SYSTEM DEVELOPMENT

- A. *Deliverables:* ENGINEER will provide the following deliverables for the control systems:
 1. Complete and Annotated PLC Logic
 2. Complete and Annotated Supervisory Software Development
 3. Specific Ancillary Software Programming
 4. Preliminary Testing
 5. Startup/Commissioning
 6. Software Training
- B. *PLC Logic Development:* ENGINEER will develop the PLC programs for the complete control system as shown on the Contract Documents. These PLC's include:
 1. PLC-IPS (Influent Pumping Station PLC)
 2. PLC-CLB (Control Building PLC)
 3. PLC-HWB (Headworks Facility PLC)
 4. PLC-PRB (Process Building PLC)
 5. PLC-RPS2 (Recirculation Pumping Station 2 PLC)
 6. PLC-RPS3 (Recirculation Pumping Station 3 PLC)
 7. PLC-SPR (Septage Receiving Building PLC)
 8. PLC-CB (Chemical Building PLC)
 9. PLC-SDT (ATAD Building PLC)
 10. PLC-BLB (Blower Building PLC)
 11. PLC-SHB (Solids Handling Building PLC)

The above PLCs will be programmed by ENGINEER. The logic will be based on the control system descriptions developed by the project team. ENGINEER will continue modifications of the control logic during the startup period based on information provided by the project team. The programming effort will be a dynamic effort, which expands to provide the facility a control system to satisfy the requirements necessary for plant automation.
- C. *Packaged Control Systems:* This project includes multiple PLC-based control systems that are specified in the Contract Documents to be performance-based systems. The supplying manufacturer, or OEM, is responsible for programming the supplied PLCs and Operator Interface Terminals (OITs) accompanying the respective packaged control system. While the respective OEM is responsible for the performance and extent of automation of their system, ENGINEER will integrate data obtained from each OEM system into the plant's new supervisory application.
 1. Tablet Chlorination System
 2. Rotary Drum Thickener
 3. UV Disinfection System



4. Fine Screens 1 and 2 Control Panels
 5. Screenings Conveyor/Wash Press Control Panel
 6. Grit Removal System 1 Control Panel
 7. ATAD System
 8. BASP System
- D. *Supervisory Software Development:* ENGINEER will configure the supervisory software, which includes database development, graphics development, alarming, data logging/historization, and report development for the facility. The supervisory software program shall be Wonderware System Platform or GE iFIX and shall be furnished by the Contractor under a software allowance specified in the Contract Documents. As with the PLC program, a preliminary configuration will be developed for review and approval by the project team. Revisions will be implemented into the supervisory configuration, based on the preliminary review comments, and a final configuration will be developed. Also, as with the PLC programming, a close relationship with the OWNER and ENGINEER will be necessary to provide configuration of the supervisory system during this phase.
- E. *Ancillary Software:* One (1) licensed copy of reporting software and one (1) licensed copy of a software-based autodialer program will be supplied by the Contractor under a software allowance specified in the Contract Documents. ENGINEER will configure the reporting software to generate up to ten (10) reports. Report content and format will be coordinated with the OWNER during construction. Reporting software shall be SyTech XLReporter. ENGINEER will configure the software-based autodialer program to notify the OWNER personnel of up to 200 alarms via cell phone, text messaging, and email notification, as selected by the OWNER. Alarms, contact information, alarm priority, and alarm voice message will be coordinated with the OWNER during construction. Dialer software shall be Specter Instruments, WIN-911.
- F. *Preliminary Testing:* ENGINEER will perform in-house simulation of PLC and supervisory programs to validate programs are ready for onsite deployment. Upon confirmation by the Construction Manager that all point-to-point testing required in the Contract Documents has been fully and successfully demonstrated by the Contractor, ENGINEER will commit to a startup schedule for the confirmed system(s).
- G. *Startup/Commissioning:* ENGINEER will perform the field testing of the control system for each process. Site visits will be based on the progress of construction and the needs of individual systems. ENGINEER will assist the project team in verification and startup of the PLCs and supervisory software programmed by the ENGINEER. ENGINEER will provide the programming necessary to facilitate monitoring and control as designed, which includes tuning of the programs to resolve nuisance operation incurred by the PLC or supervisory programs.
- H. *Training:* ENGINEER will provide the operations staff training on use of the supervisory software, reporting software, and software-based dialer software. The final, comprehensive training session will be video recorded and stored on the SCADA computer for future viewing by the OWNER. Training will be provided in multiple sessions as distinct milestones are accomplished during construction. Four days of training are budgeted followed up by one, final comprehensive training session. Training on use of the OEM systems will be provided by the respective OEM.

TASK 5: PLANT ELECTRONIC OPERATIONS AND MAINTENANCE INFORMATION SYSTEM

- A. Provide a Plant Electronic Operations and Maintenance Information System (EOMIS) that would integrate plant operational data and procedures developed by ENGINEER, vendor O&M manuals, record drawings, training videos, and OWNER and regulatory documents into a single, electronic, web-based user-friendly tool. The EOMIS will include all major unit processes and major equipment at the Front Royal WWTP including new processes and equipment provided under the Upgrade and Expansion Contractor as well as existing processes and equipment to be retained following the Upgrade and Expansion project. Plant Operations and Maintenance personnel will be engaged to discuss and review standard operating procedures (SOPs). The EOMIS will be designed to allow for future modifications and additions of components and equipment to the treatment plant. Information on existing equipment will be limited to that which can be provided by the OWNER. Linked documents such as permits shall be in a format which is easily replaceable with updated versions by OWNER staff. Training will be provided for plant operations and maintenance staff regarding use of the EOMIS and how to replace linked documents with updated



versions. The EOMIS shall be provided in an electronic format which can be loaded into the OWNER's server or local computer hard drives. The EOMIS shall include the following features:

1. Plant operational data and procedures accessed via a graphical navigator and drop down menus.
2. Photographs of actual plant processes and equipment with call-outs to identify major components.
3. Links to video-taped vendor-provided equipment training sessions conducted as part of the construction contract.
4. Links to PDF versions of all manufacturer pump and blower curves.
5. Links to PDF versions of final "As-Built" drawings produced by ENGINEER and scanned versions of available "As-Built" drawings from prior construction contracts.
6. Links to PDF versions of manufacturer provided operations and maintenance manuals for each equipment.
7. Links to PDF version of MCC and control panel layout diagrams.
8. Links to PDF version of ladder logic diagrams for PLCs.
9. Links to standard worksheets, sampling schedules, laboratory procedures, or safety manuals developed by plant operations staff.
10. Links to effluent permit, generator permit, sludge hauling permit, and other applicable permits provided by the OWNER.

The following Table of Contents is anticipated for the EOMIS.

1. Overview
 - Project Background
 - Liquid Process Flow Diagram
 - Solids Process Flow Diagram
 - Design Criteria
 - Operating Procedures Overview
2. Preliminary Treatment
 - Influent Pumping
 - Screening
 - Grit Removal
3. Flow Equalization
 - Flow Equalization
4. Primary Treatment
 - Primary Clarifiers
 - Primary Sludge Pumping
 - Primary Scum Pumping
5. Secondary Treatment
 - Biological Reactors and Equipment
 - Biological Aeration System
 - Magnetite Recovery System
 - Secondary Clarifiers
 - Return Sludge Pumping
 - Waste Activated Sludge Pumping
 - Secondary Scum Removal
6. Tertiary Treatment
 - UV Disinfection
 - Post Aeration
7. Auxiliary/Ancillary Systems
 - Supplemental Carbon
 - PAC Feed System
 - Soda Ash Feed System
 - Sodium Hypochlorite Feed System
 - Polymer Feed System



8.
 - Plant Water System
 - Solids Treatment
 - Gravity Thickening
 - WAS Thickening
 - ATAD
 - Dewatering
9.
 - Power Distribution
 - Primary Power Distribution
 - Secondary Power Distribution
 - Emergency Power Generation
10.
 - Plant Process Control
 - PCS/SCADA

Each individual process section will generally contain the following components:

- Simplified Process & Instrumentation Diagram
- Process Description
- Design Criteria
- Major System Components
- Instrumentation
- Operational Overview
- Standard Operating Procedures
 - Manual Operation
 - Automatic Operation
 - Emergency/Maintenance Operation
- Controls and Interlocks
- Manufacturer/supplier contact information for major equipment

TASK 6: BALLASTED ACTIVATED SLUDGE PROCESS SECOND EFFLUENT WARRANTY TEST COORDINATION AND REVIEW

- A. Assist with the coordination and review of the Second Effluent Warranty Test defined in the Process Performance Guarantee for the Ballasted Activated Sludge Process. This task shall include the following:
 1. Hold two preliminary meetings with the OWNER and Evoqua to review and discuss planning for the Second Warranty Test. The purpose of the meetings will be to obtain agreement from all parties on the testing schedule and procedures for the test. ENGINEER will run the meetings and will distribute meeting minutes to all parties for comment. The first meeting shall be held approximately one month prior to the start of the Second Effluent Warranty Test. The second meeting shall be held the week before commencing the Second Effluent Warranty Testing period.
 2. Hold weekly update meetings on-site with the OWNER and Evoqua (total of 4 meetings). The results of the prior week's testing shall be reviewed and procedures for the following week discussed. Any identified issues from the previous week will be discussed and a plan for resolution developed. Minutes from each meeting shall be prepared.
 3. Review data collected and analyzed by the OWNER during the 30 day testing period to analyze performance and determine whether the performance demonstrated during the Second Effluent Performance Test meets standards defined in the Process Performance Guarantee.
 4. Provide five (5) copies of a written summary report to the OWNER and Evoqua for the Second Effluent Warranty Test. Provide recommendations to the OWNER for acceptance or failure of the test. If necessary, make recommendations for additional testing.



PROJECT COSTS

ENGINEER will complete the services outlined above as follows:

A.	Task 1: Construction Phase Engineering Services	\$1,845,345	LUMP SUM
B.	Task 2: Owner's Authorized Representative	\$1,172,633	LUMP SUM
C.	Task 3: Materials Testing and Special Inspections	\$ 125,000	ALLOWANCE
D.	Task 4: PLC Programming/Process Control System Development	\$ 296,834	LUMP SUM
E.	Task 5: Plant Electronic Operations and Maintenance Information System	\$ 249,204	LUMP SUM
F.	Task 6: Second Effluent Warranty Test	\$ 50,216	LUMP SUM
	TOTAL	\$3,739,232	

PROJECT SCHEDULE

- A. This Amendment is based on a construction contract duration of 30 months from Notice to Proceed to Substantial Completion and two (2) additional months to Final Completion. The scope of services and price will have to be adjusted by Amendment if the construction contract duration varies from this assumption.
- B. This Amendment is based on the two Owner's Authorized Representatives on site an average of 40 hours per week each (except for Town holidays). The two Owner's Authorized Representatives will stagger work hours to provide extended on-site coverage if the Contractors normal work hours are greater than 40 hours per week. Contract Documents for Construction require the Contractor to reimburse the Owner by Change Order should Contractor's working hours extend outside normal working hours including all costs for weekend, holiday, and/or overtime services of Owner's Authorized Representative. Engineering cost for providing these additional Owner's Authorized Representative services will be adjusted by Amendment.
- C. Preparation of As-Built drawings based on red-line drawings provided by the General Contractor: As-Built drawings will be provided eight (8) weeks following receipt of all red-line drawings from the Contractor.
- D. Plant Electronic Operations and Maintenance Information System (EOMIS) will be provided for Town review 12 weeks after Contractor's final completion and the receipt of all input documents (final O&M manuals, as-built drawings, training videos, etc.). Final EOMIS will be provided in 12 weeks following receipt of Town comments on the draft EOMIS.



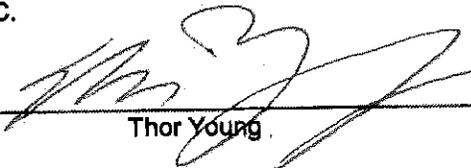
AUTHORIZATION

The return of one signed copy of this Amendment No. 4 constitutes acceptance of this Amendment and shall be written authorization for ENGINEER to proceed with the Scope of Service outlined above.

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment No. 4 as of the last date entered below.

ENGINEER:

GHD INC.

By: 
Thor Young

Title: Principal

Date: 11/4/14

TAY/kab

OWNER:

TOWN OF FRONT ROYAL, VIRGINIA

By: _____

Title: _____

Date: _____

Construction Administration (GHD)

- Task 1 – Construction Phase Engineering
 - Shop drawings/RFI's/Change Order Review
- Task 2 – Owner's Authorized Representative
 - Two full time site representatives
- Task 3 – Materials Testing and Special Inspections
 - Concrete and soils testing
- Task 4 – PLC Programming
- Task 5 – Plant Operations Manual
- Task 6 – Process Warranty Testing Coordination

12

Write off for Bad Debt



Town of Front Royal, Virginia
Council Agenda Statement

Page 1
Item No. 12

Meeting Date: December 8, 2014

-
- Agenda Item:** COUNCIL APPROVAL – Write Off for Bad Debt
- Summary:** Council is requested to approve the removal of seven years or older of outstanding accounts receivable (bad debts) on the Town's ledger in the amount of \$144,049.31 from the electric, water, sewer, solid waste and general fund accounts. The dollar value includes 298 utility and miscellaneous billing accounts.
- Budget/Funding:** No funding is needed since this journal entry will effect balance sheet lines only.
- Attachments:** List of Amounts from the Finance Department and Town's Bad Debt Policy
- Meetings:** Work Session held December 1, 2014
- Staff Recommendation:** Approval Denial
- Proposed Motion:** I move that the Town Council approve the removal of seven years or older of outstanding accounts receivable (bad debts) on the Town's ledger in the amount of \$144,049.31 from the electric, water, sewer, solid waste and general fund accounts, as presented.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: 

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date	Misc. Billing Account
1,751.49	722 W 15 ST	9/17/2006	Misc. Billing Account
326.14	336 W. STRASBURG RD.	1/16/2007	
144.20	1217 KESLER RD.	6/8/2007	
95.40	52 W. STRASBURG RD.	6/8/2007	
116.70	84 E. STRASBURG RD. #4	3/15/2003	
27.02	1422 RUGBY RD.	9/14/2007	
656.02	140 RUGBY RD	10/2/2007	
115.25	1408 CEDAR DR.	8/24/2007	
216.62	605 W DUCK ST	8/24/2007	
342.03	1502 MALLARD PL	3/26/2007	
667.57	1516 MALLARD PL	2/10/2007	
194.74	114 W. 18TH ST.	9/14/2007	
336.84	12 W. 18TH ST.	2/10/2007	
32.03	215 E. 19TH ST.	6/30/2007	
1,769.46	41 CRESTVIEW DR.	5/8/2007	
267.59	1345 EDGEMONT AVE.	5/8/2007	
227.41	140-A W. 17TH ST.	5/8/2007	
153.76	140-A W. 17TH ST.	8/24/2007	
203.53	140-B W. 17TH ST.	8/24/2007	
373.13	827 W. 16TH ST.	9/14/2007	
95.27	1416 N. SHENANDOAH AVE. #8	2/10/2007	
1,109.12	513 W. 13TH ST.	1/16/2007	
2,049.82	404 W. 14TH ST.	2/10/2007	
1,344.20	403 W. 12TH ST.	1/16/2007	
1,261.81	403 W. 12TH ST.	6/8/2007	
54.12	403 W. 12TH ST.	8/24/2007	
1,304.04	1206 N. SHENANDOAH AVE. #1	8/24/2007	
694.18	115 W. 13TH ST.	8/24/2007	
2,084.43	1330 BELMONT AVE.	5/8/2007	
452.09	1340 BELMONT AVE.	7/20/2007	
1,750.20	1207 N ROYAL AVE STORE	3/26/2007	
313.15	15-A W. 12TH ST.	6/30/2007	
683.47	111 W. 12TH ST. #3	5/8/2007	
405.47	1095 N. ROYAL AVE. #21	5/8/2007	
135.79	1095 N. ROYAL AVE. #17	1/16/2007	
390.76	1095 N. ROYAL AVE. #14	5/8/2007	
230.22	1095 N. ROYAL AVE. #1	1/16/2007	
285.19	1095 N ROYAL AVE #3	5/8/2007	
215.46	319 W. 11TH ST.	6/30/2007	
168.26	1020 N. SHENANDOAH AVE. #2	3/26/2007	
83.24	324 W. 10TH ST.	10/2/2007	
750.98	324 W. 9TH ST.	1/16/2007	
288.10	127 W. 8TH ST. #1	6/30/2007	
848.60	930 VIRGINIA AVE	5/8/2007	
349.79	904 VIRGINIA AVE. #1	6/8/2007	
1,245.38	603 W. 11TH ST.	5/8/2007	
306.27	733 W. 14TH ST.	2/10/2007	
581.67	737 W. 14TH ST.	1/16/2007	

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
566.88	753 W. 14TH ST.	10/2/2007
260.56	802 W. 14TH ST.	2/10/2007
144.53	722 W. 14TH ST.	10/2/2007
888.43	703 W. 13TH ST.	2/10/2007
348.56	703 W. 13TH ST.	5/8/2007
530.19	823 W. 13TH ST.	3/26/2007
487.43	842 W. 11TH ST.	8/10/2007
605.65	842 W. 11TH ST.	1/16/2007
234.52	708 W. 11TH ST. #2	7/20/2007
385.10	650-F W. 11TH ST.	6/8/2007
71.13	648-A W. 11TH ST.	1/16/2007
149.54	343 KENDRICK LN. #13	1/16/2007
555.85	343 KENDRICK LN. #9	4/20/2007
181.60	343 KENDRICK LN. #10	3/26/2007
374.92	343 KENDRICK LN. #5	8/10/2007
308.91	343 KENDRICK LN. #7	5/8/2007
333.03	343 KENDRICK LN. #8	8/24/2007
127.20	343 KENDRICK LN. #4	2/10/2007
149.65	353 KENDRICK LN. #39	5/8/2007
95.65	353 KENDRICK LN. #32	1/16/2007
380.06	363 KENDRICK LN. #58	3/26/2007
444.23	363 KENDRICK LN. #59	5/8/2007
493.92	363 KENDRICK LN. #54	6/8/2007
90.31	363 KENDRICK LN. #49	2/10/2007
772.31	363 KENDRICK LN. #52	5/8/2007
373.24	641 W. 11TH ST.	8/24/2007
635.36	1206 MASSANUTTEN AVE. #1	1/16/2007
176.52	1212 MASSANUTTEN AVE.	9/14/2007
677.13	1400 MASSANUTTEN AVE. #4	5/8/2007
2,325.60	363 W. 9TH ST.	6/30/2007
288.30	822 COMMERCE AVE.	1/31/2007
305.98	915-D N. ROYAL AVE.	2/10/2007
87.91	406 N. ROYAL AVE. #3	1/16/2007
38.93	406 N. ROYAL AVE. #8	6/8/2007
205.80	229 VIRGINIA AVE.	7/21/2004
1,035.48	315-A VIRGINIA AVE.	5/8/2007
1,177.69	415-B VIRGINIA AVE. UPSTAIRS	5/8/2007
568.27	18 W. 5TH ST.	1/16/2007
934.71	501 VIRGINIA AVE	2/10/2007
175.37	21-C W. 6TH ST.	7/27/2003
257.73	21 W. 6TH ST. #E	6/30/2007
40.87	21-G W. 6TH ST.	10/5/2007
271.94	626 VIRGINIA AVE	6/8/2007
516.39	700 VIRGINIA AVE	6/30/2007
1,815.04	516 VIRGINIA AVE. #1	7/20/2007
488.98	502 VIRGINIA AVE. #12	6/8/2007
467.74	120 W. 6TH ST. #4	4/20/2007
305.69	526 VILLA AVE.	9/14/2007

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
381.57	320 VIRGINIA AVE.	10/2/2007
484.62	401 VILLA AVE.	7/31/2007
143.63	204 VIRGINIA AVE. #2	5/8/2007
225.55	22 W. 1ST ST. #1	1/31/2007
31.86	22 W. 1ST ST. #4	5/8/2007
285.99	144 CHESTER ST. #1	2/10/2007
1,253.73	27 CRESCENT ST.	9/14/2007
469.65	16 CHESTER ST.	5/8/2007
173.12	8-A CHESTER ST.	10/12/2007
397.69	420 LAURA VIRGINIA HALE PL. #2 UPSTAIRS	6/30/2007
80.14	29 CHESTER ST. COTTAGE	6/8/2007
378.43	540 MANASSAS ST.	1/2/2007
107.07	210-B E 4TH ST	5/8/2007
455.99	210 E 4TH ST	5/8/2007
262.47	117 E. 2ND ST.	6/30/2007
270.48	124 E. 4TH ST.	3/31/2007
295.52	112 E. 4TH ST.	6/30/2007
34.84	425 WARREN AVE.	9/14/2007
166.01	402 WARREN AVE.	2/10/2007
37.24	718 WARREN AVE. #4	8/24/2007
364.37	718 WARREN AVE. #2	6/8/2007
173.81	718 WARREN AVE. #6	2/10/2007
691.19	624 WARREN AVE.	5/8/2007
405.79	508-B WARREN AVE.	10/2/2007
324.05	713 WARREN AVE	9/16/2002
318.68	411 COMMERCE AVE.	1/16/2007
528.61	209-A E 6TH ST	8/24/2007
457.02	300 E MAIN ST	8/5/2006
1,874.91	216 E MAIN ST	6/8/2007
48.80	130 E. MAIN ST. #3	5/8/2007
140.54	130 E. MAIN ST. #2	1/16/2007
439.69	130 E. MAIN ST. #2	6/8/2007
240.42	128 E. MAIN ST. #2	5/8/2007
43.70	126 E. MAIN ST. #4	6/30/2007
150.79	112 E. MAIN ST. #5	1/16/2007
41.10	112 E. MAIN ST. #5	7/20/2007
66.24	112 E MAIN ST	5/8/2007
1,249.67	422 VISCOSE AVE. #3	6/30/2007
1,419.08	418 VISCOSE AVE.	6/30/2007
199.94	518 W. MAIN ST. #3	2/10/2007
358.87	518 W. MAIN ST. #1	5/8/2007
311.61	212 W. MAIN ST.	10/2/2007
729.02	140-C W. MAIN ST.	1/16/2007
281.21	128 W MAIN ST #2	2/10/2007
191.11	11 S. ROYAL AVE. REAR	6/8/2007
210.63	117 E. MAIN ST. #2	8/24/2007
213.89	117 E MAIN ST	10/21/2004
60.52	205 E. MAIN ST. #3	3/26/2007

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
173.73	205 E MAIN ST #4	5/8/2007
202.37	221-22 E. MAIN ST. #1	6/30/2007
211.48	303 E. MAIN ST. #2	3/26/2007
144.09	15-A HIGH ST.	7/13/2005
332.28	529 E. MAIN ST. #10	2/10/2007
115.00	529 E. MAIN ST. #12	6/8/2007
82.68	9 S. ROYAL AVE. #1	10/12/2007
322.15	19 S. ROYAL AVE. #4	6/8/2007
228.07	19 S. ROYAL AVE. #8	6/8/2007
173.31	19 S. ROYAL AVE. #12	2/10/2007
253.27	505 POW MORR DR	6/8/2007
365.06	619 CRESTHAVEN CT.	8/24/2007
76.95	134 AY-VIEW DR.	8/31/2006
177.64	146 ELSIA DR.	5/8/2007
344.06	539 S ROYAL AVE #3	10/2/2007
277.24	539 S. ROYAL AVE. #4	2/10/2007
40.12	477-B SOUTH ST.	2/10/2007
1,280.13	24-B W. STONEWALL DR. UPSTAIRS	6/8/2007
204.91	20 W. STONEWALL DR. #5	6/8/2007
45.07	127 LEE ST. #2 UPSTAIRS	9/14/2007
65.07	120 W. STONEWALL DR.	10/12/2007
1,478.82	237 ORCHARD ST.	7/20/2007
226.73	252 ORCHARD ST.	1/16/2007
1,289.48	309 SKYLINE PI	5/8/2007
1,229.50	325 SKYLINE PL.	8/24/2007
384.16	124 S. SHENANDOAH AVE	1/16/2007
225.22	115-B S. SHENANDOAH AVE.	7/20/2007
808.97	117-B S. SHENANDOAH AVE.	5/8/2007
730.40	117-B S. SHENANDOAH AVE.	1/2/2007
250.81	209-A S. SHENANDOAH AVE.	10/2/2007
219.03	327 S. SHENANDOAH AVE.	5/8/2007
1,059.17	711 RIVER DR.	7/20/2007
79.49	316 DUNCAN AVE. LOT #41A	10/12/2007
445.35	102 KERFOOT AVE. LOT 2B	5/8/2007
302.48	416 DUNCAN AVE.	6/8/2007
56.31	418 DUNCAN AVE.	8/24/2007
822.98	340 CHERRYDALE AVE.	5/8/2007
709.68	336 CHERRYDALE AVE	1/16/2007
164.30	325 CHERRYDALE AVE. #11	8/30/2004
451.03	325 CHERRYDALE AVE. #11	6/8/2007
480.98	409 CHERRYDALE AVE	2/28/2006
206.44	378 CHERRYDALE AVE.	8/24/2007
208.19	402 CHERRYDALE AVE.	2/10/2007
674.87	468 CHERRYDALE AVE.	8/10/2007
1,299.51	417 OVERLOOK DR.	5/8/2007
1,053.29	445 OVERLOOK DR.	6/8/2007
744.96	124 W. JACKSON ST. #6	5/8/2007
57.40	403 E. CRISER RD. #204	6/30/2007

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
482.33	405 E. CRISER RD. #302	10/12/2007
178.58	405 E. CRISER RD. #304	5/8/2007
229.02	413 E. CRISER RD. #202	10/2/2007
88.87	417 E. CRISER RD. #302	6/8/2007
223.97	409 E. CRISER RD. #203	6/8/2007
158.65	409 E. CRISER RD. #302	10/2/2007
150.14	411 E. CRISER RD. #303	4/20/2007
736.31	115 MCLENDON ST.	10/2/2007
769.38	105 BEEDEN LN	5/8/2007
600.23	125 BEEDEN LN.	10/12/2007
1,582.54	422 ACTON ST.	9/14/2007
1,304.93	239-E SOUTH ST.	3/26/2007
333.44	5 SHENANDOAH COMMONS WAY #201	5/8/2007
326.40	5 SHENANDOAH COMMONS WAY #301	6/8/2007
181.55	11 SHENANDOAH COMMONS WAY #104	6/8/2007
168.26	15 SHENANDOAH COMMONS WAY #202	12/30/2005
125.44	15 SHEN.COMMONS WAY #302	3/26/2007
158.32	19 SHENANDOAH COMMONS WAY #103	6/8/2007
327.63	19 SHENANDOAH COMMONS WAY #104	10/2/2007
159.28	19 SHEN COMM WAY #304	5/8/2007
63.58	23 SHENANDOAH COMMONS WAY #103	2/15/2003
216.85	23 SHENANDOAH COMMONS WAY #302	3/26/2007
368.52	21 SHENANDOAH COMMONS WAY #201	9/14/2007
74.16	17 SHENANDOAH COMMONS WAY #103	9/14/2007
61.42	17 SHEN COMMONS WAY #301	4/15/2006
118.93	15 BEAU LANE	3/26/2007
170.94	918 JOHN MARSHALL HWY. #4	2/10/2007
411.12	707 STONEWALL DR.	2/10/2007
1,153.71	605 RANDOLPH AVE.	10/2/2007
179.79	609 RANDOLPH AVE.	5/8/2007
676.66	630 BEL AIR AVE.	5/8/2007
1,007.88	705 NEW AVE	6/8/2007
552.40	705 NEW AVE	2/10/2007
319.85	314 E. 7TH ST.	2/10/2007
198.19	246 E. 6TH ST. #7	2/10/2007
679.21	1002 STUART DR.	10/2/2007
286.72	997 VIEW CREST CT.	9/14/2007
300.00	1497 HAPPY CREEK RD.	10/20/2006
835.11	844 SHENANDOAH SHORES RD.	5/8/2007
281.15	707 SHENANDOAH SHORES RD.	7/20/2007
411.37	625 HIGHVIEW ST	8/24/2007
242.40	111 STEELE AVE	10/12/2007
333.87	119 STEELE AVE.	2/10/2007
602.14	516 PROCTOR LN.	2/10/2007
311.53	512 PROCTOR LN.	9/14/2007
1,019.37	15 E. PROSPECT ST.	6/8/2007
683.43	202 S. ROYAL AVE. REAR APT.	6/30/2007
225.69	120-C S. ROYAL AVE.	2/10/2007

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Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
440.70	120-E S ROYAL AVE	5/8/2007
364.99	118-A S ROYAL AVE	2/10/2007
391.47	116-A S. ROYAL AVE.	2/10/2007
227.08	110 S. ROYAL AVE	6/5/2007
734.34	215 CHURCH ST.	8/24/2007
632.52	313 PINE ST	6/8/2007
1,935.57	334 PINE ST.	6/8/2007
1,860.22	341 OSAGE ST	6/8/2007
895.07	347 OSAGE ST. #2	5/8/2007
176.81	208 CHURCH ST.	6/26/2005
401.90	341 CLOUD ST. #2	5/8/2007
87.08	341 CLOUD ST. #2	10/12/2007
119.29	234 SOUTH ST. #1	5/8/2007
412.83	241 SHORT ST.	10/2/2007
341.26	218 CLOUD ST.	10/12/2007
1,560.21	208-A CLOUD ST.	4/20/2007
97.03	208-A CLOUD ST.	10/12/2007
345.63	329 BLUE RIDGE AVE.	8/24/2007
58.74	355 BLUE RIDGE AVE. #3	9/14/2007
311.66	352 BLUE RIDGE AVE. #2	7/20/2007
274.33	336 BLUE RIDGE AVE. #1	1/16/2007
191.93	312 FRAZIER PL.	6/8/2007
711.50	510 STONEWALL DR.	5/8/2007
155.19	221 FLETCHER ST. #1	5/31/2007
94.11	326 RITENOUR ST.	1/16/2007
304.94	548 PROSPECT ST	7/20/2007
755.89	345 RITENOUR ST.	4/30/2007
5,290.07	411 SHORT ST	5/8/2007
114.50	524 SHORT ST.	1/16/2007
889.47	524 SHORT ST.	6/30/2007
555.65	839 WILLIAM ST.	3/1/2007
411.85	839 WILLIAM ST.	5/8/2007
140.84	111 ACCOMAC RD.	6/26/2005
2,620.44	203 JAMESTOWN RD.	10/12/2007
902.92	62 S. CHARLES ST.	5/8/2007
377.61	1002 STONEWALL DR.	5/8/2007
148.70	1002 STONEWALL DR.	10/12/2007
317.65	27 ROYAL LN #11	2/10/2007
361.06	35 ROYAL LN. #11	8/24/2007
1,731.00	35 ROYAL LANE #12	5/8/2007
232.63	75 ROYAL LN. #11	3/26/2007
377.71	79 ROYAL LN. #8	7/20/2007
67.68	125 BIGGS DR. #1	4/20/2004
1,888.31	1315 ROBIN HOOD LN.	10/12/2007
263.39	1323 ROBIN HOOD LN.	10/12/2007
345.46	14 LAKE AVE. TR #14	10/2/2007
301.73	1498 JOHN MARSHALL HWY.	10/2/2007
688.86	1488 JOHN MARSHALL HWY.	2/10/2007

<Type here to customize title>

Date: 10/29/2014

Balance	Service Address	Final Bill Due Date
239.23	1403 LINDEN ST	10/20/2006
183.24	1420 JOHN MARSHALL HWY.	5/8/2007
35.93	1408 JOHN MARSHALL HWY.	1/16/2007
283.23	1408 JOHN MARSHALL HWY.	6/30/2007
623.18	510 ROSS AVE.	2/10/2007
775.47	227 MANASSAS AVE.	3/26/2007
674.75	227 MANASSAS AVE	3/11/2004
938.24	215 WASHINGTON AVE.	2/10/2007
155.07	713 BRAXTON RD.	7/20/2007
237.95	733 STOCKTON RD.	10/12/2007

144,049.31

Town of Front Royal Bad Debt [Write-off] Policy

BACKGROUND:

The Town of Front Royal has a large dollar value of uncollectible "bad debt" recorded yearly on the Town's ledger, due to non-payment of utility bills, also due to the fact this issue has not been addressed in over 30 years. The Town's auditing firm, Mitchell & Co, has requested that the Council move forward with a policy that will allow the Finance Department to complete an annual review of outstanding uncollectibles, and abate them from our ledgers when the Department has exhausted all avenues of collections.

PURPOSE:

To have a written policy to write off bad debt when it has become uncollectable and meets all criteria established to otherwise collect the existing debt. This should result in less bad-debt value on the Town's ledger and may have an effect on the overall utility rates for each service.

Account is determined uncollectible if it meets the following criteria:

1. No activity on a closed account for at least 7 years.
2. Account has entered a status of "bankruptcy" with no activity for 5 years.
3. All other methods of collection have been exhausted.

Program will be presented to Council once a fiscal year to include the total value of write-off, with a summarization report provided by the Finance Department. With the understanding that the first year this program is implemented the value will be high.

The Finance Department will maintain a listing per account of each step it has taken for collection of bad-debt, before moving it to a status of write-off.

Internal Controls for Uncollectible Utility Bills

1. Use advance search for identifying unpaid Final bills [to include use of SS# and/or Driver's License #]
2. Second notice will be mailed for Final bill's 30 days delinquent
3. Final bills will be reviewed to make sure all charges are accurate and collectible
4. Customer service staff will continually try to cross reference closed accounts to active ones and apply balances when possible

Outside programs available for uncollectible process

1. Virginia Department of Taxation – Debt set off program –
The Town will move forward with implementation of this program, It was used numerous years ago, but was stopped due to lack of staffing in the Finance Department. This program will also be used for uncollected Personal Property and/or Real Estate taxes.
2. DMV Stop program – this program can be used for collection of Personal Property taxes due to the Town. There is a cost factor involved and the Finance Department will continue to place a value on our collections vs. cost if we move forward with this program

TOWN OF FRONT ROYAL
FISCAL POLICIES

of operating expenditure reserves is not adequate, the Finance Director shall propose an amendment to these policies.

CAPITAL IMPROVEMENTS PLANNING

Capital Improvement Program

In order to prepare and plan for upcoming capital needs, comply with debt ratio targets, schedule debt issuance, and systematically improve capital infrastructure, the Town will annually prepare and adopt a minimum five-year Capital Improvement Plan. The adopted Capital Improvement Plan will include major capital improvements and identify estimated revenue sources and annual operational costs for facilities to include anticipated debt service requirements.

Capital improvements do not include routine maintenance on existing capital assets.

DEBT

The Town Council generally follows the guidelines listed below in making financial decisions on debt issuance. Adherence to these guidelines allows the Town to plan for the necessary financing of capital projects while maintaining credit worthiness. In addition, continued adherence to these policies will ensure the Town's strong financial position.

The Town shall use an objective analytical approach to determine whether it can afford new or additional general purpose debt. This process shall use the Town's standards of affordability. These standards include the measures of debt service payments as a percent of current expenditures and debt as a percent of taxable real estate value.

Letters of Credit

The Town may enter into a letter-of-credit (LOC) agreement when such an agreement is deemed prudent and advantageous. The Town will prepare and distribute a request for proposals to qualified banks which includes terms and conditions that are acceptable to the Town.

Lease Purchase Obligations

Lease purchase and master lease obligations, including certificates of participation or lease revenue bonds, shall be considered as an alternative to long-term vendor leases. Such debt shall be subject to annual appropriation.

Compliance with Legal Requirements

Pursuant to the Code of Virginia and the Town's Charter, the Town is authorized to issue bonds secured by a pledge of its full faith and credit and unlimited taxing power.

Long Term Debt Policy

The Town will use debt financing for capital improvement projects and unusual equipment purchases under the following circumstances:

TOWN OF FRONT ROYAL
FISCAL POLICIES

- A. When the project is included in the Town's capital improvement program and/or is generally in conformance with the Town's Comprehensive Plan.
- B. When the project is not included in the Town's Capital Improvement Program, but it is an emerging critical need whose timing was not anticipated in the Capital Improvement Program, or it is a project mandated immediately by state or federal requirements.
- C. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
- D. When there are designated revenues sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost sharing revenues.

The following criteria will be used to evaluate funding options for capital improvements:

- A. Factors that favor pay-as-you-go:
 1. Current revenues and adequate fund balances are available.
 2. Project phasing is feasible.
 3. Debt levels would adversely affect the Town's credit rating.
 4. Financial market conditions are unstable or present difficulties in marketing the sale of long-term financing investments.

- B. Factors that favor long-term financing:
 1. Revenues available for debt service are considered sufficient and reliable so that long-term financing can be marketed with the highest possible credit rating.
 2. The project for which financing is being considered is of the type that will allow the Town to maintain the highest possible credit rating.
 3. Market conditions present favorable interest rates and demand for municipal financings.
 4. A project is mandated by state or federal requirements and current revenues and fund balances are insufficient to pay project costs.
 5. A project is immediately required to meet or relieve Town needs.

There are many different types of long-term debt instruments available. Depending on the specific circumstances, the Town will consider using the following types of financing instruments:

- General Obligation Bonds
- Revenue Bonds
- Certificates of Participation
- Lease Revenue Bonds
- Selected State Pooled-Borrowing Programs for Utility Revenue Bonds, Including Those of the Virginia Resources Authority.

Refinanced Outstanding Debt

The Director of Finance with assistance from the Town's Financial Advisor will have the responsibility to analyze outstanding bond issues for refunding opportunities. The Town will consider the following issues when analyzing possible refunding opportunities:

1. Refunding Policy. The Town establishes a minimum aggregate present value savings threshold of 3% of the refunding bond principal amount. The present value savings will be net of all costs related to the refinancing. Debt service savings may be taken in equal amounts over time or on an upfront or deferred basis, at the Town's discretion.
2. Restructuring. The Town will refund debt when it is in the best financial interest of the Town to do so. Such refunding will be limited to restructuring to meet unanticipated revenue

13

**Resolution to Dedicate Administration
Building Time Capsule**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 13

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Resolution to Dedicate Administration Building Time Capsule

Summary: Council is requested to consider a Resolution dedicating the placement of a Time Capsule in the Front Royal Administration Building on December 8, 2014.

Budget/Funding: None

Attachments: Resolution

Meetings: None

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a Resolution dedicating placement of a Time Capsule in the Front Royal Administration Building on December 8, 2014.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JTB



Town of Front Royal, Virginia



**RESOLUTION
DEDICATING ADMINISTRATION
BUILDING TIME CAPSULE**

December 8, 2014

WHEREAS, the Town of Front Royal was incorporated on November 15, 1788; and,

WHEREAS, municipal services were conducted in the Town Hall located at 16 North Royal Avenue from 1937 until 2013; and,

WHEREAS, the Town opened the time capsule contained in the cornerstone of Town Hall as part of the celebration of the 225th Anniversary of incorporation as a Town; and,

WHEREAS, the Town Council desires to continue the tradition of preserving our history by establishing a time capsule in the front foyer at the new Front Royal Administration Building located at 102 East Main Street; and,

WHEREAS, materials from various schools and organizations have been submitted for inclusion in the Town's time capsule;

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Town of Front Royal, Virginia that the time capsule at the Front Royal Administration Building be authorized and sealed this 8th day of December, 2014 to be opened by Town Officials in the year 2055. A list of these items shall be kept in the Town Manager's Office.

Adopted this 27th day of October, 2014

APPROVED:

Timothy W. Darr, Mayor

Attest:

Jennifer E. Berry, CMC, Clerk of Council

THIS RESOLUTION was approved at the Regular Meeting of the Town of Front Royal, Virginia
Town Council on _____ 2014, upon the following recorded vote:

Thomas H. Sayre	Yes/No	Bret W. Hrbek	Yes/No
Hollis L. Tharpe	Yes/No	Eugene R. Tewalt	Yes/No
N. Shae Parker	Yes/No	Daryl L. Funk	Yes/No

Approved as to Form and Legality:

Douglas W. Napier, Esq., Town Attorney

Date: _____

14

**Resolution to Approve PPEA Policy
Guidelines**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 14

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Resolution to Approve PPEA Policy Guidelines

Summary: Council is requested to approve a Resolution to approve the Public-Private Education Facilities and Infrastructure Act of 2002, as amended, Policy Guidelines for the Town of Front Royal, Virginia.

Budget/Funding: None

Attachments: Resolution

Meetings: Work Sessions held October 20 and December 1, 2014.

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a Resolution to approve the Public-Private Education Facilities and Infrastructure Act of 2002, as amended, Policy Guidelines for the Town of Front Royal, Virginia.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council,
proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JTB

TOWN COUNCIL OF THE TOWN OF FRONT ROYAL, VIRGINIA

**A RESOLUTION TO APPROVE THE PUBLIC-PRIVATE EDUCATION
FACILITIES AND INFRASTRUCTURE ACT OF 2002, AS AMENDED, POLICY
GUIDELINES, FRONT ROYAL, VIRGINIA**

WHEREAS, The Public-Private Education Facilities and Infrastructure Act of 2002 (the "PPEA") grants responsible public entities the authority to create public-private partnerships for the development of a wide range of projects for public use if the public entity determines there is a need for the project and that private involvement may provide the project to the public in a timely or cost-effective fashion. The PPEA defines "responsible public entity" to include any public entity that "has the power to acquire, design, construct, improve, renovate, expand, equip, maintain, or operate the applicable qualifying project." Individually negotiated comprehensive agreements between an operator and a responsible public entity will define the respective rights and obligations of the responsible public entity and the private operator.

WHEREAS, In order for a project to come under the PPEA, it must meet the definition of a "qualifying project." The PPEA contains a broad definition of qualifying project that includes public buildings and facilities of all types; and

WHEREAS, in particular, Va. Code § 56-575.3:1 of the PPEA states that prior to entering into a PPEA agreement, the responsible public entity must have adopted publically available guidelines, or policy, that enable the responsible public entity to comply with the PPEA.; and

WHEREAS, the Town Council of the Town of Front Royal (Town Council) has considered and does hereby act to resolve to adopt such publically available guidelines, or policy, that enable the Town of Front Royal, Virginia (the Town), as a responsible public entity, to comply with the PPEA; and

WHEREAS, Daryl L. Funk, Bret W. Hrbek, N. Shae Parker Thomas H. Sayre, Eugene R. Tewalt, and Hollis L. Tharpe, are all of the currently elected and current sitting Town Councilmen of the Town of Front Royal; and

WHEREAS, Town Council, having received much information and input as to the desirability and advisability to the Town of being able, as expressed by the Virginia General Assembly in the PPEA, to meet, through procurement methods expressed by means of the PPEA, the Town's public needs for timely acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, operation, implementation, or installation of public facilities, technology infrastructure and other public infrastructure and government facilities within the Town that serve a public need and purpose; and said Town Council determining that it is in the best interests of the Town to so adopt these PPEA Policy Guidelines, the Town Council does, on December 8, 2014, approve by a vote of

six (6) yeases, no (0) noes, and no (0) abstentions, with all Town Council Members being present and voting, as follows:

BE IT HEREBY RESOLVED AND ENACTED by the Town Council of the Town of Front Royal, Virginia, as follows:

- 1) The attached copy of the Public-Private Education Facilities and Infrastructure Act of 2002, as Amended, (PPEA) Policy Guidelines, Front Royal, Virginia, Effective Date December 8, 2014 ("PPEA Guidelines") is hereby adopted, incorporated by reference herein, made a part hereof, and shall be made publicly available in accordance with the requirements of the PPEA.
- 2) The PPEA Guidelines shall be posted on the Town's Municipal website, as well as be made publically available in the Office of the Town Manager during normal business hours.

This Resolution shall be effective immediately upon enactment.

THIS RESOLUTION was adopted by the Members of the Town Council voting "Yes" below at a Regular Meeting of the Town Council of Front Royal, Virginia, on December 8, 2014, upon the following recorded vote:

Motion to Approve by: _____

Seconded by: _____

Votes:

Daryl L. Funk,	_____	N. Shae Parker,	_____
Bret W. Hrbek,	_____	Hollis L. Tharpe,	_____
Thomas H. Sayre,	_____	Eugene R. Tewalt	_____

APPROVED AS TO FORM AND LEGALITY:

Douglas W. Napier,
Town Attorney

Date

**Public-Private Education Facilities and Infrastructure Act
Of 2002, as amended, (PPEA) Policy Guidelines
Front Royal, Virginia**

Policy Title: PPEA Policy Guidelines

Effective Date: 12/ 08/2014

I. INTRODUCTION:

These Policy Guidelines (“policy”, “Policy”, “Guidelines”, “guidelines”, “policy guidelines”, or “Policy Guidelines”) sets forth the legal authority and responsibility for projects proposed pursuant to the Public-Private Education Facilities and Infrastructure Act of 2002, as amended (Va. Code §§ 56-575.1 to 56-575.18) (“PPEA”), and serves as the required guidelines as referenced in §56-575.1 of the PPEA. Terms used in this policy shall have the definitions set forth in Appendix C to this policy.

II. PURPOSE:

The Public-Private Education Facilities and Infrastructure Act of 2002, Va. Code §§ 56-575.1 to 56-575.18 (the “PPEA”, or the “Act”) grants the Town of Front Royal, Virginia (the “Town”), a responsible public entity as defined in the Act, the authority to create public-private partnerships for the development of a wide range of projects for public use if the Town determines there is a public need for the project and that private involvement may provide the project to the public in a timely or cost-effective fashion. Individually negotiated comprehensive agreements between a private entity, as defined in the Act, and the Town will define the respective rights and obligations of the Town and the private entity. Although guidance with regard to the application of the PPEA is provided herein, it will be incumbent upon the Town and all private entities to comply with the provisions of the PPEA as applicable and as may be amended. Further definition of terms is found in Appendix C.

III. GENERAL PROVISIONS:

A. Application.

1. In order for a project to come under the terms of the PPEA, it must meet the definition of a "qualifying project" as defined in the Act as meaning (i) any education facility, including, but not limited to a school building, any functionally related and subordinate facility and land to a school building (including any stadium or other facility primarily used for school

events), and any depreciable property provided for use in a school facility that is operated as part of the public school system or as an institution of higher education; (ii) any building or facility that meets a public purpose and is developed or operated by or for any public entity; (iii) any improvements, together with equipment, necessary to enhance public safety and security of buildings to be principally used by a public entity; (iv) utility and telecommunications and other communications infrastructure; (v) a recreational facility; (vi) technology infrastructure, services, and applications, including, but not limited to, telecommunications, automated data processing, word processing and management information systems, and related information, equipment, goods and services; (vii) any services designed to increase the productivity or efficiency of the responsible public entity through the use of technology or other means, (viii) any technology, equipment, or infrastructure designed to deploy wireless broadband services to schools, businesses, or residential areas; (ix) any improvements necessary or desirable to any unimproved locally- or state-owned real estate; or (x) any solid waste management facility as defined in Va. Code § 10.1-1400 that produces electric energy derived from solid waste.

2. The Act establishes requirements that the Town must adhere to when reviewing and approving proposals received pursuant to the PPEA. In addition, the Act specifies the criteria that must be used to select a proposal and the contents of the comprehensive agreement detailing the relationship between the Town and the private entity. Any proposal received or solicited by the Town pursuant to the PPEA will be reviewed in accordance with the provisions of the applicable Act and this policy as they may apply.
3. The Town has adopted these policy guidelines to implement the PPEA by Town of Front Royal Town Council resolution dated December 8, 2014. This policy applies to all procurements under the PPEA where the Town is the "responsible public entity" or where the Town is the "affected local jurisdiction" within the meaning of Va. Code § 56-575.1. For purposes of this policy, unless otherwise indicated, "Town Council" means the Town Council of the Town of Front Royal, Virginia, as applicable, "Town Manager" means the Town Manager of the Town of Front Royal, Virginia, as applicable, and "Town" means the Town of Front Royal, Virginia, or the Town Council of the Town of Front Royal, Virginia, depending upon the context, and as applicable.
4. The Town Manager, or if so decided by Town Council, the Town Council, are authorized to designate a working group to be responsible for evaluating proposals and negotiating the comprehensive agreement.
5. The individual designated by the Town Manager to serve as the point of contact for implementation of procedures, to receive proposals submitted under the PPEA and to respond to inquiries regarding the PPEA or this adopted policy shall be the Purchasing Agent; or such other person as shall be designated in writing from time to time by the Town Manager or the Town Council.
6. This policy may only be revised by an amendment adopted by the Town Council.

7. The Town Council shall have overall responsibility and be the primary contact for implementation of this policy.

B. Effective Date.

Contracts entered into prior to passage of this policy shall continue to be governed by the policies and regulations of the Town and Commonwealth of Virginia in effect at the time those contracts were executed.

C. Severability.

If any provision of this policy or any application thereof is held invalid, such invalidity shall not affect other provisions or applications of this policy which can be given effect without the invalid provision or application, and to this end the provisions of this policy are declared to be severable.

IV. PROPOSAL PROVISIONS:

A. Proposal Submissions in General.

1. A proposal under this Act may be either solicited by the Town ("Solicited Bid/Proposal") or delivered by a private entity on an unsolicited basis ("Unsolicited Proposal"). In either case, any such proposal shall be clearly identified as a "PPEA Proposal". Proposers ("Proposer" or "Proposers") may be required to follow a two-part proposal submission process consisting of a conceptual phase and a detailed phase, as described herein.
2. The requirements for any particular Solicited Bid/Proposal shall be as specified in the solicitation by the Town for that particular proposal and shall be consistent with all applicable provisions of the PPEA.
3. The Act allows private entities to include innovative financing methods, including the imposition of user fees or service payments, in a proposal. Such financing arrangements may include the issuance of debt instruments, equity or other securities or obligations.
4. Proposals should be prepared simply and economically, following the format provided herein and providing a concise description of the Proposer's capabilities to complete the proposed qualifying project and the benefits to be derived from the project by the Town. Project benefits to be considered are those occurring during the construction, renovation, expansion or improvement phase and during the life cycle of the project. Proposals also should include a comprehensive scope of work and a financial plan for the project, containing enough detail to allow an analysis by the

Town of the financial feasibility of the proposed project. The Town may, at any time, require the Proposer to provide additional information and clarification to the submission.

5. The Town may require that any proposal be clarified. Such clarification may include, but is not limited to, submission of additional documentation, responses to specific questions, and interviews with potential project participants.

A. Affected Local Jurisdictions

1. The term "affected local jurisdiction" means any county, city or town in which all or a portion of a qualifying project is located.
2. Any private entity requesting approval from or submitting a conceptual or detailed proposal to the Town must provide any other affected jurisdiction with a copy of the private entity's request or proposal by certified mail, express delivery or hand delivery within five (5) business days of submission of the proposal to the Town. The private entity is responsible for documenting evidence of the delivery of the request for proposals to any other affected local jurisdiction and providing same to the Town within five (5) business days of such delivery. Any affected jurisdiction shall have sixty (60) days from the receipt of the request or proposal to submit written comments to the Town and to indicate whether the proposed qualifying project is compatible with the (i) jurisdiction's comprehensive plan, (ii) jurisdiction's infrastructure development plans, and (iii) jurisdiction's capital improvements budget or (iv) other government spending plan. Comments received within the sixty (60)-day period shall be given consideration by the Town, and no negative inference shall be drawn from the absence of comment by an affected jurisdiction. The Town may begin or continue its evaluation of any such proposal during the sixty (60)-day period for the receipt of comments from other affected local jurisdictions.

B. Proposal Review Fee

Unless otherwise specified by the Town, for unsolicited proposals and unsolicited competing proposals, the Town will require an initial processing fee of \$5,000 with an additional proposal fee of \$10,000 to be charged should the project proceed beyond the initial review. The initial processing fee shall be submitted with the initial proposal or competing proposal. The Town will refund any portion of fees paid in excess of its direct costs which include, but are not limited to, all staff costs, and outside consultants, financial advisors, engineers and attorney's fees, associated with evaluating the proposal. In the event either the initial processing fee of \$5,000 or the additional proposal fee of \$10,000 is insufficient to cover all of the direct costs incurred by the Town, the Proposer shall pay such additional direct costs incurred by the Town in reviewing the proposal.

C. Freedom of Information Act

1. Generally, proposal documents submitted by private entities are subject to the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 to 2.2-3714 ("FOIA"). Except as provided by Va. Code § 2.2-3705.6 (11) of FOIA, such documents are subject to release by the Town if requested by a third party, except to the extent that they relate to (i) confidential proprietary records, voluntarily provided by private business pursuant to a promise of confidentiality from the Town, used by the public body for business, trade and tourism development or retention; and memoranda, working papers or other records related to businesses that are considering locating or expanding in Virginia, prepared by the Town, where competition or bargaining is involved and where, if such records are made public, the financial interest of the Town would be adversely affected.
2. Va. Code § 56-575.4 (G) of the PPEA imposes an obligation on the Town and any affected jurisdiction to take appropriate action to protect confidential and proprietary information submitted by a private entity or operator pursuant to Va. Code § 2.2-3705.6 (11). When the private entity requests that the Town not disclose information, the private entity must (i) invoke the exclusion when the data or materials are submitted to the Town or before such submission, (ii) identify the data and materials for which protection from disclosure is sought, and (iii) state why the exclusion from disclosure is necessary. A private entity may request and receive a determination from the Town as to the anticipated scope of protection prior to submitting the proposal. The Town is authorized and obligated to protect only confidential and proprietary information, and thus will not protect any portion of a proposal from disclosure if the entire proposal has been designated confidential and proprietary by the Proposer without reasonably differentiating between the proprietary and non-proprietary information contained therein.
3. Upon receipt of a request that designated portions of a proposal be protected from disclosure as confidential and proprietary, the Town shall determine whether such protection is appropriate under applicable law and, if appropriate, the scope of such appropriate protection, and shall communicate its determination to the Proposer. If the determination regarding protection or the scope thereof differs from the Proposer's request, then the Town will accord the Proposer a reasonable opportunity to clarify and justify its request. Upon a final determination by the Town to accord less protection than requested by the Proposer, the Proposer will be accorded an opportunity to withdraw its proposal. A proposal so withdrawn should be treated in the same manner as a proposal not accepted for publication and conceptual-phase consideration as provided below.

D. Use of Public Funds

Virginia constitutional and statutory requirements and Town ordinances and policies as they apply to appropriation and expenditure of public funds apply to any comprehensive agreement entered into under the Act. Accordingly, the processes and procedural requirements associated with the expenditure or obligation of public funds shall be incorporated into planning for any PPEA project or projects.

E. Posting of Proposals

Proposals (solicited or unsolicited) submitted in accordance with the requirements herein shall be posted by the Town within ten (10) business days after acceptance such proposals by the Board. Posting shall be on the Town's website for a minimum of ten (10) calendar days, and by publication, in a newspaper of general circulation in the area in which the contract is to be performed with a summary of the proposal(s) and the location where copies of the proposal(s) are available for inspection. A copy of the proposal(s) may also be posted for public inspection on the Commonwealth of Virginia's Department of General Service's centralized electronic procurement website. Provided, however, trade secrets, financial records, or other records of the private entity excluded from disclosure under the provisions of Va. Code § 2.2-3705.6 (11) shall not be required to be posted, except as otherwise agreed by the responsible public entity and the private entity. Any inspection of procurement transaction records shall be subject to reasonable restrictions to ensure the security and integrity of the records.

F. Applicability of Other Laws

Nothing in the PPEA shall affect the duty of the Town to comply with all other applicable laws not in conflict with the PPEA. The applicability of the Virginia Public Procurement Act (the "VPPA") is as set forth in the PPEA.

V. SOLICITED PROPOSALS:

- A. The Town may solicit proposals from private entities to develop, acquire, design, construct, improve, renovate, expand, equip, maintain or operate qualifying projects or qualifying transportation facilities. The Town may use a two-part process consisting of an initial conceptual phase and a detailed phase. The Town will set forth in the solicitation the format and supporting information that is required to be submitted, consistent with the provisions of the applicable Act.

- B. The solicitation will specify, but not necessarily be limited to, information and documents that must accompany each proposal and the factors that will be used in evaluating the submitted proposals. The solicitation will be posted in such public areas as are normally used for posting of the Town's notices, including the Town's website. The solicitation will also contain or incorporate by reference other applicable terms and conditions, including any unique capabilities or qualifications that will be required of the private entities submitting proposals. Pre-proposal conferences may be held as deemed appropriate by the Town.
- C. The requirements for any particular Bid/Proposal shall be as specified in the solicitation by the Town for that particular proposal and shall be consistent with all applicable provisions of the PPEA and any other applicable law. All such solicitations shall be by issuance of a written Invitation to Bid ("ITB") or Request for Proposal ("RFP") within the meaning of "competitive sealed bidding" and "competitive negotiation" as used in the Town of Front Royal Procedures For Purchasing and Procurement Manual and the Virginia Public Procurement Act, Va. Code §§ 2.2-4300 to 2.2-4377.
- D. Any proposal submitted pursuant to the PPEA that is not received in response to the Town's ITB or RFP shall be deemed an unsolicited proposal under this PPEA Policy, including but not limited to (a) proposals received in response to a notice of the prior receipt of another unsolicited proposal as provide for below in § IV "Unsolicited Proposals" below, and (b) proposals received in response to publicity by the Town concerning particular needs when the Town has not issued a corresponding ITB or RFP, even if the County otherwise has encouraged the submission of proposals pursuant to the PPEA that address those needs.

VI. UNSOLICITED PROPOSALS:

- A. The PPEA permits the Town to receive and evaluate unsolicited proposals from private entities to acquire, design, construct, improve, renovate, expand, equip, maintain, or operate a qualifying project. The Town may publicize its needs and may encourage or notify interested parties to submit proposals subject to the terms and conditions of the PPEA. When such proposals are received without issuance of a solicitation, the proposal shall be treated as an unsolicited proposal.
- B. Proposals should be prepared simply and economically, following the format provided herein and providing a concise description of the Proposer's capabilities to complete the proposed qualifying project and the benefits to be derived from the project by the Town. Project benefits to be considered are those occurring during the construction, renovation, expansion or improvement phase and during the life cycle of the project. Proposals also should include a

comprehensive scope of work and a financial plan for the project, containing enough detail to allow an analysis by the Town of the financial feasibility of the proposed project. The Town may, at any time, require the Proposer to provide additional information and clarification to the submission.

- C. An unsolicited proposal must contain the information required in § VII. "PPEA Proposal Preparation and Submission (Solicited and Unsolicited)" as set forth below.
- D. The Town may require additional submissions to clarify information previously provided or to address other areas of concern to the Town.
- E. All unsolicited proposals shall be submitted to the Town by delivering ten (10) complete copies. For unsolicited proposals and unsolicited competing proposals, the Town will require an initial processing fee of \$5,000 with an additional proposal fee of \$10,000 to be charged should the project proceed beyond the initial review. The initial processing fee shall be submitted with the initial proposal or competing proposal. The Town will refund any portion of fees paid in excess of its direct costs which include, but are not limited to, all staff costs, and outside consultants, financial advisors, engineers and attorney's fees, associated with evaluating the proposal. In the event either the initial processing fee of \$5,000 or the additional proposal fee of \$10,000 is insufficient to cover all of the direct costs incurred by the Town, the Proposer shall pay such additional direct costs incurred by the Town in reviewing the proposal.
- F. The Town may engage the services of qualified professionals, which may include but not be limited to architects, professional engineers, certified public accountants, not otherwise employed by the Town, to provide independent analysis regarding the specifics, advantages, disadvantages, and the long-and short-term costs of any request by a private entity for approval of a qualifying project, and the Town may apply the initial or any additional processing or proposal fee to the cost of the services of such qualified professionals, unless the Town determines that such analysis of a request for approval of a qualifying project shall be performed by an employee of the Town.
- G. Upon receipt of any unsolicited proposal or group of proposals accompanied a payment of the required fee or fees by the Proposer or Proposers, the Town will determine whether to accept the unsolicited proposal for publication and conceptual-phase consideration. If the Town determines not to accept the proposal and not to proceed to publication and conceptual-phase consideration, it shall return the proposal, together with all fees and accompanying documentation, to the Proposer(s).
- E. If the Town chooses to accept an unsolicited proposal for conceptual-phase consideration, it shall post a notice within ten (10) working days in a public area regularly used by the Town for posting of public notices for a period of not less than forty-five (45) days. The Town shall

also publish the same notice in one or more newspapers or periodicals of general circulation in the Town to notify any parties that may be interested in submitting competing unsolicited proposals. Interested parties shall have forty-five (45) days from the date the notice is published to submit competing unsolicited proposals. The notice shall state that the Town (i) has received and accepted an unsolicited proposal under the PPEA, (ii) intends to evaluate the proposal, (iii) may negotiate a comprehensive agreement with the Proposer based on the proposal, and (iv) will accept for simultaneous consideration any competing proposals that comply with the policy adopted by the Town and the PPEA. The notice also shall summarize the proposed qualifying project or projects, and identify their proposed locations.

- F. One copy of accepted unsolicited proposal(s) shall be made available for public inspection in accordance with the provisions of § IV.E, above.
- G. The Town reserves the right to reject any and all proposals at any time. If the Town rejects a proposal by a private entity that purports to develop specific cost savings, the Town shall specify the basis for rejection.

VII. PPEA PROPOSAL PREPARATION AND SUBMISSION (UNSOLICITED AND SOLICITED)

A. Format for Submissions at the Conceptual Stage

The Town will require that all proposals (both solicited and unsolicited) at the conceptual stage contain the following information in the following format plus such other information as the Town may reasonably request to complete its review or to comply with the requirements of the PPEA:

1. Completion and inclusion of a Proposer's Certification which is found as Appendix A to this policy.
2. Qualifications and Experience
 - a. Identify the legal structure of the firm or consortium of firms making the proposal. Identify the organizational structure for the project, the management approach and how each partner and major subcontractor in the structure fits into the overall team.

- b. Describe the experience of the firm or consortium of firms making the proposal, the key principals and project managers involved in the proposed project including experience with projects of comparable size and complexity, including prior experience bringing similar projects to completion on budget and in compliance with design, land use, service and other standards. Describe the length of time in business, business experience, public sector experience and other engagements of the firm or consortium of firms. Include the identity of any firms that will provide design, construction and completion guarantees and warranties and a description of such guarantees and warranties.
 - c. Provide the names, prior experience, addresses, telephone numbers and e-mail addresses of persons within the firm or consortium of firms who will be directly involved in the project or who may be contacted for further information.
 - d. Provide a current or most recently audited financial statement of the firm or firms and each partner with an equity interest of twenty percent or greater.
 - e. Identify any persons known to the Proposer who would be obligated to disqualify themselves from participation in any transaction arising from or in connection to the project pursuant to The Virginia State and Local Government Conflict of Interest Act, Chapter 31 (Va. Code § 2.2-3100 *et seq.*) of Title 2.2 of the Code of Virginia.
3. Project Characteristics
- f. Provide a description of the project, including the conceptual design. Describe the proposed project in sufficient detail so that type and intent of the project, the location, and the communities that may be affected are clearly identified.
 - g. Identify and fully describe any work to be performed by the Town or any other public entity.

- h. Include a list of all federal, state and local permits and approvals required for the project and a schedule for obtaining such permits and approvals.
- i. Identify any anticipated adverse social, economic, environmental and transportation impacts of the project measured against the Town's comprehensive land use plan and applicable ordinances and design standards. Specify the strategies or actions to mitigate known impacts of the project.
- j. Identify the projected positive social, economic, environmental and transportation impacts of the project measured against the Town's comprehensive land use plan and applicable ordinances and design standards.
- k. Identify the proposed schedule for the work on the project, including sufficient time for the Town's review and the estimated time for completion.
- l. Propose allocation of risk and liability, and assurances for timely completion of the project.
- m. State assumptions related to ownership, legal liability, law enforcement and operation of the project and the existence of any restrictions on the Town's use of the project.
- n. Provide information relative to phased openings of the proposed project.

4. Project Financing

- a. Provide a preliminary estimate and estimating methodology of the cost of the work by phase, segment, or both.
- b. Submit a plan for the development, financing and operation of the project showing the anticipated schedule on which funds will be required. Describe

the anticipated costs of and proposed sources and uses for such funds, including any anticipated debt service costs. The operational plan should include appropriate staffing levels and associated costs based upon any Town's stated or adopted operational standards.

- c. Include a list and discussion of assumptions underlying all major elements of the plan.
- d. Identify the proposed risk factors and methods for dealing with these factors. Describe methods and remedies associated with any financial default.
- e. Identify any local, state or federal resources that the Proposer contemplates requesting for the project along with an anticipated schedule of resource requirements. Describe the total commitment, if any, expected from governmental sources and the timing of any anticipated commitment, both one-time and on-going.
- f. Identify the need, if any, for the Town to provide either its general obligation or moral obligation backing. The underlying assumptions should address this need and/or state that the credit would be via a "Service Agreement", for example. Any debt issuance should be expected to receive an investment grade rating from a nationally recognized statistical rating agency. If the natural rating is not investment grade, the Town may require the use of credit enhancements.
- g. Outline what impact, if any, a drop in interest rates would have on the ultimate annual project cost. Indicate if there is a method to refinance for cost savings or, conversely, if the firm is to receive the sole or primary benefit of this potential.
- h. Outline the financial penalties, if any, that would result should the Town wish to terminate a project early or restructure the cash flows for some reason of its own choosing. The firm should be specific on this point.
- i. Provide a breakout of the fees to any underwriting firm(s) and the type of obligation the firm(s) are using with a financing component. Be specific as to tax-exempt, taxable, floating rate, fixed rate, etc.

5. Project Benefit and Compatibility

- a. Identify who will benefit from the project, how they will benefit and how the project will benefit the Town and the overall community.
- b. Identify any anticipated public support or opposition, as well as any anticipated government support or opposition (including that in any affected jurisdiction), for the project.
- c. Explain the strategy and plans, including the anticipated timeline that will be carried out to involve and inform the general public, business community, and governmental agencies in areas affected by the project.
- d. Describe any anticipated significant benefits to the community and the Town, including anticipated benefits to the economic, social, environmental, transportation, etc., condition of the Town and whether the project is critical to attracting or maintaining competitive industries and businesses to the Town.
- e. Compatibility with the Town's and/or affected jurisdiction's local comprehensive plan (including related environmental, land use and facility standards ordinances, where applicable), infrastructure development plans, transportation plans, the capital improvements plan and capital budget or other government spending plan.

6. Additional material and information as the County may reasonably request.

B. Format for Submissions at the Detailed Stage

If the Town decides to proceed to the detailed phase of review with one or more proposals, the following information should be provided by the private entity unless waived by the County:

1. A topographical map (1:2,000 or other appropriate scale) depicting the location of the proposed project or facility.

- 2.A description of the qualifying project, including the conceptual design of such facility or facilities or a conceptual plan for the provision of services or technology infrastructure, and a schedule for the initiation of and completion of the qualifying project to include the proposed major responsibilities and timeline for activities to be performed by both the public and private entity;
- 3.A list of public utility facilities, if any, that will be crossed by the qualifying project and a statement of the plans of the Proposer to accommodate such crossings.
- 4.Information relating to the current plans for development of facilities to be used by a public entity that are similar to the qualifying project being proposed by the private entity, if any, of each affected jurisdiction.
- 5..A statement and strategy setting out the plans for securing all necessary property interests and/or easements required for the project. The statement must include the names and addresses, if known, of the current owners of the subject property as well as a list of any property the Proposer intends to request the Town or affected jurisdiction to condemn.
- 6.A detailed listing of all firms, along with their relevant experience and abilities, that will provide specific design, construction and completion guarantees and warranties, and a brief description of such guarantees and warranties along with a record of any prior defaults for performance.
- 7.If relevant, information relating to the current plans for development of facilities or technology infrastructure to be used by the Town that are similar to the qualifying project being proposed by the private entity, if any, of each affected local jurisdiction;
- 8.A list of all permits and approvals required for the qualifying project from local, state, or federal agencies and a projected schedule for obtaining such permits and approvals;

9. A statement setting forth the private entity's general plans for financing the qualifying project including the sources of the private entity's funds and identification of any dedicated revenue source or proposed debt or equity investment on the behalf of the private entity;

10. A total life-cycle cost, including maintenance, specifying methodology and assumptions of the project or projects including major building systems (e.g., electrical, mechanical, etc.), and the proposed project start date. Include anticipated commitment of all parties; equity, debt, and other financing mechanisms; and a schedule of project revenues and project costs. The life-cycle cost analysis should include, but not be limited to, a detailed analysis of the projected return, rate of return, or both, expected useful life of facility and estimated annual operating expenses using Town adopted service levels and standards.

11. A detailed discussion of assumptions about user fees or rates, lease payments and other service payments over the term of the interim or comprehensive agreement, and the methodology and circumstances for changes to such user fees, lease payments, and other service payments over time, and usage of the projects over the useful life of the projects.

12. Identification of any known government support or opposition, or general public support or opposition for the project. Government or public support should be demonstrated through resolution of official bodies, minutes of meetings, letters, or other official communications.

13. Demonstration of consistency with appropriate Town and/or affected jurisdiction comprehensive plans (including related environmental, land use and facility standards ordinances, where applicable), infrastructure development plans, transportation plans, the capital improvement plan and capital budget, or indication of the steps required for acceptance into such plans.

14. Explanation of how the proposed project would impact the Town's or affected jurisdiction's (jurisdictions') development plans.

15. The names and addresses of the persons who may be contacted for further information concerning the request;

16. Identification of any known conflicts of interest or other factors that may impact the Town's consideration of the proposal, including the identification of any persons known to the Proposer who would be obligated to disqualify themselves from participation in any transaction arising from or in connection to the project pursuant to The Virginia State and Local Government Conflict of Interest Act, Chapter 31 (Va. Code § 2.2-3100 *et seq.*) of Title 2.2.

17. Additional material and information as the Town may reasonably request.

VIII. PROPOSAL EVALUATION AND SELECTION CRITERIA

A. Initial Review at the Conceptual Stage

1. Only proposals complying with the requirements of the PPEA that contain sufficient information for a meaningful evaluation and that are provided in an appropriate format will be considered by the Town for further review at the conceptual stage.

2. The Town will determine at this initial stage of review whether it will proceed using:
 - a. Standard "competitive sealed bidding" procurement procedures consistent with the VPPA; or

 - b. Procedures developed by the Town that are consistent with procurement of other than professional services through "competitive negotiation" as the term is defined in Va. Code § 2.2-4301. The Town may proceed using competitive negotiation procedures only if it makes a written determination that doing so is likely to be advantageous to the Town and the public based upon either (1) the probable scope, complexity or urgency of need, or (2) the

risk sharing, added value, increase in funding or economic benefit from the project would otherwise not be available.

3. After reviewing the original proposal(s) submitted during the appropriate notice period(s), the Town may determine:
 - a. not to proceed further with any proposal (solicited or unsolicited),
 - b. to proceed to the detailed phase of review with the original unsolicited proposal,
 - c. to proceed to the detailed phase with a competing unsolicited proposal, or
 - d. to proceed to the detailed phase with one or more solicited or unsolicited proposals.

B. In evaluating any request for proposal, the Town may rely upon internal staff reports or the advice of outside advisors or consultants. Some or all of the following items, along with the specified information required herein, shall be considered in the evaluation and selection of PPEA proposals. The Town, however, reserves and retains the right to reject any request for proposal at any time for any reason whatsoever.

1. Qualifications and Experience

Factors to be considered in either phase of the Town's review to determine whether the Proposer possesses the requisite qualifications and experience may include, but are not necessarily limited to:

- a. Experience with similar projects;
- b. Demonstration of ability to perform work;
- c. Leadership structure;

- d. Project manager's experience;
- e. Management approach;
- f. Financial condition; and
- g. Project ownership.

2. Project Characteristics

Factors to be considered in determining the project characteristics may include, along with the specified information required herein, but are not necessarily limited to, the following:

- a. Project definition;
- b. Proposed project schedule;
- c. Operation of the project;
- d. Technology; technical feasibility;
- e. Conformity to State, Town or affected jurisdiction laws, regulations, and standards;
- f. Environmental impacts;
- g. Condemnation impacts;
- h. State and local permits; and
- i. Maintenance of the project.

3. Project Financing

Factors to be considered in determining whether the proposed project financing allows adequate access to the necessary capital to finance the project may include, along with the specified information required herein, but are not necessarily limited to, the following:

- a. Cost and cost benefit to the Town;
- b. Financing and the impact on the debt or debt burden of the Town;
- c. Financial plan including default implications;
- d. Estimated cost; including debt source, operating costs, etc.; and
- e. Life-cycle cost analysis.

4. Project Benefit and Compatibility

Factors to be considered in determining the proposed project's compatibility with the Town's, affected jurisdiction's or regional comprehensive or development plans may include, along with the specified information required herein, but are not necessarily limited to, the following:

- a. Community benefits;
- b. Community support or opposition, or both;
- c. Public involvement strategy;

- d. Compatibility with existing and planned facilities;
- e. Compatibility with Town, regional, and state economic development efforts; and
- f. Compatibility with the land use and/or transportation plans of the Town and/or those of any affected jurisdiction.

IX. COMPREHENSIVE AND INTERIM AGREEMENTS

- A. At least thirty (30) days prior to entering into an interim or comprehensive agreement a public hearing must be held on the proposals. The Town shall give notice of such hearing by posting on the Town's website and in a newspaper of general circulation in the area where the contract is to be performed, a summary of the proposed agreements and the location where copies of the proposals and proposed agreement are available for public inspection. The Notice shall be provided at least ten (10) days prior to the date of the public hearing.
- B. Prior to acquiring, designing, constructing, improving, renovating, expanding, equipping, maintaining, or operating the qualifying project, the selected Proposer shall enter into a Comprehensive Agreement with the Town. Each contract shall define the rights and obligations of the Town and the selected Proposer with regard to the project.
- C. The terms of the Comprehensive Agreement shall be tailored to address the specifics of the project and shall include but not be limited to:
 - 1. The delivery of maintenance, performance and payment bonds or letters of credit in connection with any acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, or operation of the qualifying project; in a form and amount satisfactory to the County and on a form provided by the Town.
 - 2. The review and approval of plans and specifications for the qualifying project by the Town;
 - 3. The rights of the Town to inspect the qualifying project to ensure compliance with the contract;

4. The maintenance of a policy or policies of liability insurance or self-insurance reasonably sufficient to insure coverage of the project and the tort liability to the public and employees and to enable the continued operation of the qualifying project;
5. The monitoring of the practices of the operator by the Town to ensure proper maintenance, safety, use and management of the qualifying project;
6. The terms under which the operator will reimburse the Town for services provided;
7. The policy and procedures that will govern the rights and responsibilities of the Town and the operator in the event that the contract is terminated or there is a material default by the operator including the conditions governing assumption of the duties and responsibilities of the operator by the Town and the transfer or purchase of property or other interests of the operator by the Town;
8. The terms under which the operator will file appropriate financial statements on a periodic basis.
9. The mechanism by which user fees, lease payments, or service payments, if any, may be established from time to time upon agreement of the parties. Any payments or fees shall be the same for persons using the facility under like conditions and that will not materially discourage use of the qualifying project;
 - a. A copy of any service contract shall be filed with the Town.
 - b. A schedule of the current user fees or lease payments shall be made available by the operator to any member of the public upon request.
 - c. Classifications according to reasonable categories for assessment of user fees may be made.
10. The terms and conditions under which the Town will contribute financial resources, if any, for the qualifying project; and

11. Other requirements of the PPEA or provisions that the Town determines serve the public purpose of the PPEA.
- D. Prior to or in connection with the negotiation of the comprehensive agreement, the Town may enter into an interim agreement with the private entity proposing the development or operation of the qualifying project. The scope of an interim agreement may include, but is not limited to:
1. Project planning and development;
 2. Design and engineering;
 3. Environmental analysis and mitigation;
 4. Survey;
 5. Ascertaining the availability of financing for the proposed facility through financial and revenue analysis;
 6. Establishing a process and timing of the negotiation of the comprehensive agreement; and
 7. Any other provisions related to any aspect of the development or operation of a qualifying project that the parties may deem appropriate prior to the execution of a comprehensive agreement.
- E. Once negotiations have concluded, the following shall occur:
1. The Town shall make the proposed agreement available on the Town's website and in the offices of the Town Manager or the Town's Finance Department for at least 10 business days prior to the public hearing to be held by the Town.
 2. At least thirty (30) days prior to entering into an interim or comprehensive agreement a public hearing must be held on the proposals. Such hearing may coincide with a regularly scheduled meeting of the Town Council; comments may be submitted to the Town at any time during the notice period and prior to the public hearing. After the public hearing and the end of the public comment period, no additional posting shall be required based on any public comment received.
 3. The proposed agreement shall be posted in the following manner:

- a. On the Town's website.
 - b. In addition to the posting requirements, a copy of the proposals shall be made available for public inspection in the offices of the Town Manager or Town's Finance Department. Trade secrets, financial records, or other records of the private entity excluded from disclosure under the provisions of subdivision 11 of Va. Code §2.2-3705.6 shall not be required to be posted, except as otherwise agreed to by the Town and the private entity.
 - c. Any studies and analyses considered by the Town in its review of a proposal shall be disclosed at some point prior to the execution of an interim or comprehensive agreement.
 - d. Once an interim agreement or a comprehensive agreement has been entered into, the Town shall make procurement records available for public inspection, upon request.
 - e. Such procurement records shall include documents protected from disclosure during the negotiation phase on the basis that the release of such documents.
- F. Any comprehensive agreement, interim agreement, and any amendments thereto shall first be approved by the Town Council and then executed in writing by persons having the authority to do so. For a mixed project involving both public schools and other facilities, the Town Council, Warren County Board of Supervisors and Warren County School Board, may in their discretion, both enter into the same comprehensive agreement with the operator for the entire mixed project, with their respective responsibilities delineated in the agreement.
- G. As required by Va. Code § 56-575.9.F., when the Town enters into an agreement pursuant to the PPEA, a copy should be submitted to the Auditor of Public Accounts within 30 days thereafter at the following address:

Audit of Public Accounts

P.O. Box 1295

Richmond, VA 23218

The copy should be sent by certified-mail, return receipt requested, with a copy of the forwarding letter and return-receipt kept in the procurement file.

X. PROTESTS OF PPEA PROCUREMENTS:

The following are the exclusive procedures for contesting or challenging (protesting) (a) the terms or conditions of any solicitation of proposals by the Town pursuant to the PPEA, (b) nonselection of a PPEA proposal for further consideration, and (c) the selection of any PPEA proposal for entry into an Interim and/or Comprehensive agreement or the entry into an Interim and/or Comprehensive agreement under the PPEA:

- A. Any protest to any term or condition of a solicitation must be made in writing and delivered to the Town Manager so it is received by the Town Manager before proposals are due under the solicitation. Any protest not received in this manner shall be deemed to be waived.

- B. A protest of a Town decision not to select a PPEA proposal for further consideration may only be made by the entity who submitted the proposal at issue. A protest of a Town decision to select a PPEA proposal for entry into an agreement or to enter into an agreement may only be made by an entity who submitted a proposal for the procurement at issue and who was reasonably likely to have its proposal accepted but for the Town's decision. Protests shall only be granted if (1) the protester has complied fully with this paragraph X and there has been a violation of law, this policy, or mandatory terms of the solicitation that clearly prejudiced the protester in a material way, or (2) a statute requires voiding of the decision.

- C. Any entity desiring to protest a Town decision not to select a PPEA proposal for further consideration, to select a PPEA proposal for entry into an agreement, or to enter into an agreement shall submit the protest in writing and deliver it so that it is received by the Town Manager not later than 10 business days after announcement of the decision. Any protest not received in this manner shall be deemed to be waived.

- D. The Town Manager shall issue a written decision on a protest within 10 days of its receipt by the Town Manager.

- E. If the protest is denied, the protester may only appeal the denial or otherwise contest or challenge the procurement by then filing suit in the Circuit Court of Warren County and serving the Town with such suit within 10 days of such denial. Otherwise, the protester's right to appeal the denial or to otherwise contest or challenge the procurement shall be deemed to be waived.

- F. The exclusive relief allowed if a protest is granted is to void the decision being protested. Under no circumstances will any monetary relief be allowed.

- G. Strictly following these procedures shall be a mandatory prerequisite for any challenge of any nature to a decision by the Town relating to terms and conditions of a PPEA solicitation, nonselection of a PPEA proposal for further consideration, selection of a PPEA proposal, or entry into an interim and/or comprehensive agreement. A failure to follow all these procedures strictly shall constitute a waiver of any right to challenge judicially a Town decision (a) as to terms or conditions in a PPEA solicitation, (b) not to select a PPEA proposal for further consideration, (c) to select a PPEA proposal, or (d) to enter into an interim and/or comprehensive agreement.

XI. NOTICE AND POSTING REQUIREMENTS.

See Appendix B for an outline of these requirements and the associated timelines.

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APPENDIX A

Proposer's Certification

Proposer's Name: _____

Proposer's Address

Proposer's:

_____ Telephone No.: _____

_____ Facsimile No.: _____

_____ E-mail Address: _____

Proposer's or Proposer's Contractor's Virginia Class A General Contractor's License Number

Proposer's or Proposer's Architects and Engineers Virginia Registration Numbers:

After first being placed under oath, I hereby certify that I have authority to submit this proposal on behalf of the Proposer whose name appears above, that I am a principal of the Proposer, that the Proposer hereby agrees to all of the terms and conditions in the Town of Front Royal PPEA Policy, as amended, that neither the Proposer nor any member of its team or their principals is currently suspended or debarred from public contracting by any federal, state or local government entity, that I have taken reasonable steps to ascertain

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the accuracy of all the information contained in this proposal and this certification, and that the information in this proposal and certification is accurate to the best of my knowledge or information and belief.

Signature

Printed/Typed Name

Title (Principal of Proposer)

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Commonwealth of Virginia :
: to wit
County/City of _____ :

On _____, (same name as above) appeared before me, and after satisfying me of his/her identity and after being placed under oath, swore to the truthfulness of the above statement.

Notary Public

My commission expires: _____

(If applicable) the Proposer acknowledges receipt of the following addenda:

Addendum No.:	_____	Dated:	_____
Addendum No.:	_____	Dated:	_____
Addendum No.:	_____	Dated:	_____
Addendum No.:	_____	Dated:	_____

APPENDIX B

NOTICE AND POSTING REQUIREMENTS

Requirement	Responsible Party	Unsolicited	Solicited
Provide any affected jurisdiction with a copy of proposal within five (5) business days of proposal to Town	Private Entity	✓	
Any affected jurisdiction shall have sixty (60) days from receipt of proposal to provide comments to the Town	Other affected jurisdictions	✓	
Town may begin or continue evaluation during the sixty (60) day review period	Town	✓	
Post proposals within ten (10) business days of acceptance	Town	✓	✓
Posting shall continue for ten (10) business days	Town		✓
Posting shall continue for not less than forty-five (45) days	Town	✓	
Competing Proposals may be submitted within the forty-five (45) day posting window	Private Entities	✓	
Provide ten (10) day notice of public hearing required for entering into agreement	Town	✓	✓
Public hearing must be held at least thirty (30) days prior to entering into a comprehensive or interim agreement	Town	✓	✓

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Effective Date: 12 / 08/2014

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Summary:

Acceptance of unsolicited proposals will generally require a minimum of 150 days from receipt of proposal to signature of interim or comprehensive agreement. This estimate does *not* include time required for review and evaluation of proposals.

Solicited proposals will generally require a minimum of 60 days from date of issuance of RFP to signature of interim or comprehensive agreement. This estimate does *not* include time required for creation of RFP, posting and distribution of RFP, receipt of proposals, review and evaluation of proposals.

APPENDIX C

Terms and Definitions

"Act" means the Public-Private Education Facilities and Infrastructure Act of 2002, as amended, Va. Code §§ 56-575.1 to 56-575.18.

"Affected jurisdiction" means any county, city, or town in which all or a portion of a qualifying project is located.

"Appropriating body" means the body responsible for appropriating or authorizing funding to pay for a qualifying project.

"Comprehensive agreement" means the comprehensive agreement between the private entity and the responsible public entity that is required prior to the development or operation of a qualifying project.

"Conceptual stage" means the initial phase of project evaluation when the public entity makes a determination whether the proposed project serves a public purpose, meets the criteria for a qualifying project, assesses the qualifications and experience of a private entity Proposer, reviews the project for financial feasibility, and warrants further pursuit.

"Cost-benefit analysis" means an analysis that weighs expected costs against expected benefits in order to choose the best option. For example, a city manager may compare the costs and benefits of constructing a new office building to those of renovating and maintaining an existing structure in order to select the most financially advantageous option.

“Detailed stage” means the second phase of project evaluation where the public entity has completed the conceptual stage and accepted the proposal and may request additional information regarding a proposed project prior to entering into competitive negotiations with one or more private entities to develop an interim or comprehensive agreement.

“Develop” or **“development”** means to plan, design, develop, finance, lease, acquire, install, construct, or expand.

“Interim agreement” means an agreement between a private entity and a responsible public entity that provides for phasing of the development or operation, or both, of a qualifying project. Such phases may include, but are not limited to, design, planning, engineering, environmental analysis and mitigation, financial and revenue analysis, or any other phase of the project that constitutes activity on any part of the qualifying project.

“Lease payment” means any form of payment, including a land lease, by a public entity to the private entity for the use of a qualifying project.

“Lifecycle cost analysis” means an analysis that calculates cost of an asset over its entire life span and includes the cost of planning, constructing, operating, maintaining, replacing, and when applicable, salvaging the asset. Although one proposal may have a lower initial construction cost, it may not have the lowest lifecycle cost once maintenance, replacement, and salvage value is considered. Public-Private Education Facilities and Infrastructure Act of 2002, as amended,
Commonwealth of Virginia Procedures Revised

“Material default” means any default by the private entity in the performance of its duties that jeopardizes adequate service to the public from a qualifying project.

“Operate” means to finance, maintain, improve, equip, modify, repair, or operate.

"Opportunity cost" means the cost of passing up another choice when making a decision or the increase in costs due to delays in making a decision.

"PPEA" means the Public-Private Education Facilities and Infrastructure Act of 2002, as amended, Va. Code §§ 56-575.1 to 56-575.18.

"Private entity" means any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, or other business entity.

"Public entity" means the Commonwealth and any agency or authority thereof, any county, city or town and any other political subdivision of the Commonwealth, any public body politic and corporate, or any regional entity that serves a public purpose.

"Qualifying project" means (i) any education facility, including, but not limited to a school building, any functionally related and subordinate facility and land of a school building (including any stadium or other facility primarily used for school events), and any depreciable property provided for use in a school facility that is operated as part of the public school system or as an institution of higher education; (ii) any building or facility that meets a public purpose and is developed or operated by or for any public entity; (iii) any improvements, together with equipment, necessary to enhance public safety and security of buildings to be principally used by a public entity; (iv) utility and telecommunications and other communications infrastructure; (v) a recreational facility; (vi) technology infrastructure and services, including, but not limited to, telecommunications, automated data processing, word processing and management information systems, and related information, equipment, goods and services; (vii) any technology, equipment, or infrastructure designed to deploy wireless broadband services to schools, businesses, or residential areas; or (viii) any improvements necessary or desirable to any unimproved locally- or state-owned real estate.

"Responsible public entity" means a public entity that has the power to develop or operate the applicable qualifying project.

"Revenues" means all revenues, income, earnings, user fees, lease payments, or other service payments arising out of or in connection with supporting the development or operation of a qualifying project, including without limitation, money received as grants or otherwise from the United States of America, from any public entity, or from any agency or instrumentality of the foregoing in aid of such facility.

"Service contract" means a contract entered into between a public entity and the private entity pursuant to § 56-575.5. Public-Private Education Facilities and Infrastructure Act of 2002, as amended Commonwealth of Virginia Procedures Revised January 17, 2008 -30-

"Service payments" means payments to the private entity of a qualifying project pursuant to a service contract.

"State" means the Commonwealth of Virginia.

"Town" means the Town of Front Royal, Virginia, a municipal corporation and body politic.

"Town Council" means the Town Council of the Town of Front Royal, Virginia.

"Town Manager" means the Town Manager of the Town of Front Royal, Virginia.

"User fees" " mean the rates, fees, or other charges imposed by the private entity of a qualifying project for use of all or a portion of such qualifying project pursuant to the comprehensive agreement pursuant to Va. Code § 56-575.9.

Policy Title: PPEA Policy Guidelines

Effective Date: 12 / 08/2014

15

**Resolution to General Assembly to Grant
Towns the Same Authority as Cities to
Regulate Dilapidated Buildings**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 15

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPROVAL – Resolution to General Assembly to Grant Towns the Same Authority as Cities to Regulate Dilapidated Buildings

Summary: Council is requested to approve a Resolution requesting the General Assembly to Enact Legislation granting Towns the same authority as cities to regulate and abate dilapidated, blighted, and deteriorated properties, buildings and structures and to abolish any distinction between their authorities. It has been requested to send the Resolution to the local Delegates, Senators and Virginia Municipal League Representative Mary Jo Fields.

Budget/Funding: None

Attachments: Resolution

Meetings: Work Session held December 1, 2014

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a Resolution requesting the General Assembly to Enact Legislation granting Towns the same authority as cities to regulate and abate dilapidated, blighted, and deteriorated properties, buildings and structures and to abolish any distinction between their authorities. I further move that staff send the approved and signed Resolution to the local Delegates, Senators and Virginia Municipal League Representative Mary Jo Fields.

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JTB

TOWN COUNCIL OF THE TOWN OF FRONT ROYAL, VIRGINIA

A RESOLUTION TO REQUEST THE GENERAL ASSEMBLY TO ENACT LEGISLATION GRANTING TOWNS THE SAME AUTHORITY AS CITIES TO REGULATE AND ABATE DILAPIDATED, BLIGHTED, AND DETERIORATED PROPERTIES, BUILDINGS AND STRUCTURES AND TO ABOLISH ANY DISTINCTION BETWEEN THEIR AUTHORITIES WITH RESPECT THERETO

The Town Council of the Town of Front Royal, Virginia, by unanimous vote of all of its Members, with all Members present and voting, does, at its regular Meeting held on the 8th day of December, 2014, make the following findings and conclusions:

WHEREAS, dilapidated, blighted, and deteriorated properties, buildings and structures create potential nuisances and can become a convenient haven for criminal activities; and

WHEREAS, the presence of dilapidated, blighted and deteriorated properties, buildings and structures impair economic growth of municipalities and development of neighborhoods and often lead to an exodus of current and businesses and residents, threatening the spread of blight to other properties and neighborhoods; and

WHEREAS, vandalism of even a single property, building, or structure can have a significant negative economic and environmental impact on an entire neighborhood; and

WHEREAS, many towns in the Commonwealth of Virginia, including but not limited to the Town of Front Royal, are as large or larger in population, with population densities as dense or denser, than many cities in the Commonwealth; and

WHEREAS, the problems associated with dilapidated, blighted, and deteriorated properties, buildings, and structures are the same with respect to towns as they are to cities; and

WHEREAS, the Code of Virginia currently gives cities certain powers and authorities to regulate and abate dilapidated, blighted, and deteriorated properties, buildings and structures, that are not granted to towns, including the Town of Front Royal, as an example being Va. Code § 15.2- 1127, and the Town Council of the Town of Front Royal finds that such differences to not be well-grounded in fact or in policy and inimical to the welfare and good policy of the Commonwealth of Virginia when applied to Towns such as Front Royal; and

WHEREAS, the Code of Virginia contains too many constraints upon all municipalities to regulate and abate dilapidated, blighted, and deteriorated properties, buildings, and structures, especially by for all meaningful purposes restricting the ability of smaller municipalities which have not hired building officials and property maintenance codes because of budgetary constraints to abate dilapidated, blighted, and deteriorated properties, buildings, and structures unless the same endanger minimum public health or safety standards, beyond repair, or unfit for human occupancy or use; and

WHEREAS, the Code of Virginia ought to be amended so as to permit all municipalities the ability to regulate and abate dilapidated, blighted, and deteriorated properties by expanding the definition of "dilapidated", "blighted", "deteriorated", and "public nuisance" with respect to properties, buildings, and structures the in the Code of Virginia to encompass same which negatively and materially impact the economic and financial values of surrounding properties as measured by an impartial appraisal, which negative and material impact is not rectified by the owner of such dilapidated, blighted, or deteriorated property, building, or structure within a one (1) year time period after notice given the owner of record thereof by the local government.

WHEREAS, Timothy W. Darr is the currently elected Mayor of the Town of Front Royal, and N. Shae Parker (also the Town's Vice-Mayor), Daryl L. Funk, Bret W. Hrbek, Thomas H. Sayre, Hollis L. Tharpe, and Eugene R. Tewalt, are all of the currently elected Town Councilmen of the Town of Front Royal, ; and

WHEREAS, the Town Council of the Town of Front Royal, Virginia, after much discussion, thought and study over many years, having determined that it is in the best interests of said Town of Front Royal and its inhabitants to do so, and does believe the same to be in the best interests of the Commonwealth of Virginia thereby, the Town Council does hereby on December 8, 2014, approve by a vote of six (6) yeses, no (0) nos, and no (0) abstentions, with all Town Council Members being present and voting:

HEREBY RESOLVE AND ENACT by N. Shae Parker (who is also Vice-Mayor), Daryl L. Funk, Bret W. Hrbek, Thomas H. Sayre, Eugene R. Tewalt, and Hollis L. Tharpe, being all the Members of the Town Council of the Town of Front Royal, Virginia, a Municipal Corporation and a political subdivision of the Commonwealth of Virginia, as follows:

- A. Request the Town of Front Royal's representatives in the General Assembly, the Honorable Mark D. Obenshain, Senator, the Honorable Mark J. Berg, the Honorable C. Todd Gilbert, Delegate, and the Honorable Michael J. Webert, to sponsor legislation in the 2015 Session of the General Assembly to
 - 1) Give all municipalities, towns, including the Town of Front Royal, as well as cities, the same powers and authorities to regulate and abate dilapidated, blighted, and deteriorated properties, buildings and structures; and
 - 2) Amend the Code of Virginia in all particulars so as to permit all municipalities, towns, including the Town of Front Royal, the ability to regulate and abate dilapidated, blighted, and deteriorated properties by expanding the definition of "dilapidated", "blighted", "deteriorated", and "public nuisance" with respect to properties, buildings, and structures the in the Code of Virginia to encompass same which negatively and materially impact the economic and financial values of surrounding properties as measured by an impartial appraisal, which negative and material impact is not rectified by the owner of such dilapidated, blighted, or deteriorated property, building, or structure within a one (1) year time period after notice given the owner of record thereof by the local government.

B. Request the assistance of the Virginia Municipal League in securing passage of said legislation and in any related legislation necessary or appropriate to help the Town of Front Royal, and towns and municipalities throughout the Commonwealth of Virginia, accomplish the goals and objectives that the Town Council of the Town of Front Royal has manifested by this Resolution.

This Resolution shall be effective immediately upon enactment.

THIS RESOLUTION was adopted by unanimous vote of the Mayor and all Members, including the Vice-Mayor, all of whom were present and voting, of Town Council voting "Yes" below at a Regular Meeting of the Town Council of Front Royal, Virginia, on December 8, 2014, upon the following recorded vote:

Motion to Approve by: _____

Seconded by: _____

Votes:

Timothy W. Darr, Mayor, _____

Town Council Members

Daryl L. Funk,	_____	N. Shae Parker	_____
Bret W. Hrbek,	_____	Hollis L. Tharpe	_____
Thomas H. Sayre	_____	Eugene R. Tewalt	_____

APPROVED AS TO FORM AND LEGALITY:

Douglas W. Napier,
Town Attorney

Date

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**Resolution Authorizing the Execution of
Energy Purchase Supply Schedule with AMP**



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 16

Meeting Date: December 8, 2014

-
- Agenda Item:** COUNCIL APPROVAL – Resolution Authorizing the Execution of Energy Purchase Supply Schedule with AMP
- Summary:** Council is requested to approve a Resolution authorizing the execution of energy purchase supply schedule with American Municipal Power, Inc. (“AMP”).
- Budget/Funding:** None
- Attachments:** Resolution and Energy Purchase Supply Schedule
- Meetings:** Work Session held November 17, 2014

Staff Recommendation: Approval Denial

Proposed Motion: I move that Council approve a Resolution authorizing the execution of energy purchase supply schedule with American Municipal Power, Inc. (“AMP”).

ROLL CALL VOTE REQUIRED

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: 

TOWN OF FRONT ROYAL

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE EXECUTION
OF ENERGY PURCHASE SUPPLY SCHEDULE
WITH AMERICAN MUNICIPAL POWER, INC. ("AMP")**

WHEREAS, the Town of Front Royal, Virginia (the "Municipality") which owns and operates an electric utility system for the sale of electric power and associated energy for the benefit of its citizens and customers; and

WHEREAS, in order to satisfy the electric energy requirements of its electric utility system, the Municipality has heretofore purchased economical and reliable energy from AMP, an Ohio non-profit corporation, of which the Municipality is a member, or has heretofore purchased power arranged by AMP; and

WHEREAS, the Municipality, acting individually and, along with other municipalities which own and operate electric utility systems, jointly through AMP, endeavors to arrange for reliable, reasonably priced supplies of electric energy for ultimate delivery to its customers; and

WHEREAS, Municipality has executed a Master Services Agreement with AMP which sets forth the general terms and conditions for the provision of power supply and other services by AMP to the Municipality; and

WHEREAS, AMP will negotiate with one or more reputable and financially sound third party power suppliers to enter into an agreement(s) to purchase electric energy for a term of no longer than four years, which will provide an economical source of electric energy (herein "Long Term Energy Purchase(s)") for Municipality and other AMP Members; and

WHEREAS, AMP, on behalf of the Municipality, desires to purchase from third party supplier(s) and then to resell the energy available from these Long Term Energy Purchase(s) on a long term basis to Municipality at contract cost (excluding any taxes, transmission costs, replacement energy, losses, congestion costs, or AMP service fees) not to exceed \$55 per MWh; and

WHEREAS, AMP, has prepared and delivered to the Municipality the form of an Energy Purchase Supply Schedule, pursuant to which the Municipality may purchase electric energy; and

WHEREAS, AMP has provided and will continue to provide appropriate personnel and information regarding the Long Term Energy Purchase(s) to the Municipality, as such officers and representatives of the Municipality deem necessary or appropriate, to enable the Municipality to evaluate the benefits and risks of the Long Term Energy Purchase(s), to take actions contemplated by the Resolution hereinafter set forth and to determine that the same are in the public interest; and

WHEREAS, in recognition of the unique nature of the Purchases described herein, competitive bidding is not required on the Municipality's purchase of energy, through the Energy Purchase Supply Schedule, however, any competitive bidding requirement that might otherwise be applicable for the purchase of any energy through the execution of the Energy Purchase Supply Schedule authorized by this Resolution, should be waived; and

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF FRONT ROYAL, VIRGINIA.

SECTION 1. That the form of the Energy Purchase Supply Schedule between this Municipality and AMP, substantially in the form attached hereto as Exhibit 1, is approved, subject to and with any and all changes provided for herein and therein.

SECTION 2. That the Town Manager or the Town Manager's designee are hereby authorized to execute the Energy Purchase Supply Schedule and to acquire the Municipality's energy from Long Term Energy Purchase, with a term of up to fifty two months, and with a third party contract price (excluding any taxes, transmission costs, replacement energy, losses, congestion costs, or AMP service fees) not to exceed \$55 per MWh, and is further authorized to execute and deliver any and all documents necessary to participate in Long Term Energy Purchase, pursuant to the conditions set forth herein for a term of no more than four (4) years, as set forth in the Energy Purchase Supply Schedule.

SECTION 3. That competitive bidding is not required on the Municipality's acquisition of its right to secure energy under the Energy Purchase Supply Schedule, and in the event any competitive bidding requirements are applicable, any such competitive bidding requirement that might otherwise be applicable, are hereby waived.

SECTION 4. That is it found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of a quorum of the Council, and that all deliberations of this Council and of any its committees that resulted in such formal action, were held in meetings open to the public, in compliance with all legal requirements.

SECTION 5. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 6. That this Resolution shall take effect at the earliest date allowed by law.

APPROVED:

Timothy W. Darr, Mayor

ATTEST:

Jennifer E. Berry, Clerk of Council

THIS RESOLUTION was approved at the Regular Meeting of the Town of Front Royal, Virginia on its first reading, conducted _____ 2013, upon the following recorded vote:

Thomas H. Sayre	Yes/No	Bret W. Hrbek	Yes/No
Hollis L. Tharpe	Yes/No	Eugene R. Tewalt	Yes/No
N. Shae Parker	Yes/No	Daryl L. Funk	Yes/No

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____

TOWN OF FRONT ROYAL
ENERGY PURCHASE SUPPLY SCHEDULE
AMP Contract No. 2014-001281-SCHED
A Schedule to
American Municipal Power, Inc.
and
Town of Front Royal, Virginia
Master Service Agreement No. C-12-2007-6255

WHEREAS, the Town of Front Royal, Virginia ("Municipality") and American Municipal Power, Inc. ("AMP") collectively ("Parties") have entered into a Master Service Agreement ("Agreement") under which certain services may be provided under schedules thereto;

WHEREAS, in order to obtain economical electric energy the Municipality desires to purchase electric energy from AMP or have AMP arrange for the same on behalf of the Municipality;

WHEREAS, AMP will negotiate with one or more reputable and financially sound third party power suppliers to enter into an agreement(s) to purchase electric energy for a term beginning on January 1, 2017 and ending December 31, 2020, which will provide an economical source of electric energy (herein "Long Term Energy Purchase(s)") for Municipality; and

NOW, THEREFORE, in consideration of the conditions, terms and covenants hereinafter contained, the Parties hereto do hereby mutually agree as follows:

ARTICLE I
TERM

Subject to the conditions contained herein, this Schedule shall be for a term beginning on January 1, 2017 and ending December 31, 2020.

ARTICLE II
CONTRACT QUANTITIES AND RATE

SECTION 201 - CONTRACT QUANTITIES: For the compensation hereinafter set forth, and pursuant to the terms and conditions contained herein, AMP shall arrange for the delivery of energy to the Municipality. The Municipality shall be invoiced and responsible for paying, and AMP is entitled to receive as compensation, the following:

- A. Actual monthly transmission fees, congestion charges, ancillary services, unforced capacity charges, losses, customer charges, replacement energy, and taxes or other such costs incurred by AMP to deliver the energy to the Municipality's Delivery Point; and
- B. AMP's Service Fee B, as defined in the Agreement, for all energy sold or arranged for and delivered pursuant to this Schedule, unless the same is paid for under another power supply schedule; and
- C. The contract rates or fees that AMP pays or incurs for each MW or MWh of energy supplied to the Municipality, as set forth in the transaction confirmation set forth in the Appendix A.

The long term energy purchases anticipated to be executed as a transaction confirmation between AMP and third party power suppliers for the benefit of Municipality will be a remaining requirements product (subject to final pricing upon execution). The

Municipality authorizes AMP to purchase the remaining requirements energy on behalf of the Municipality with a term beginning on January 1, 2017 and ending December 31, 2020, so long as the third party energy supply contract price for energy purchased under this Schedule (excluding any taxes, transmission costs, replacement energy, losses, congestion costs, or AMP service fees) does not exceed \$55 per MWh.

SECTION 202 – PROCEDURES FOR POWER SUPPLY ACQUISITION AND SALE:

It is understood and anticipated that AMP may throughout the term of this Schedule, enter into energy purchase transaction confirmations or other arrangements on behalf of the Municipality, subject to the approval of Municipality's Authorized Representative, to implement the Long Term Energy Purchases contemplated in Section 201 of this Schedule. The steps that will be followed in securing such Long Term Energy Purchases are set forth below.

At the time that AMP recommends that a Long Term Energy Purchase should be finalized, the following shall take place:

1. Authorized personnel of AMP shall confer with the Municipality's Authorized Representative (or his/her designee) on a recorded telephone line or through E-mail, regarding AMP's recommended Long Term Energy Purchases that meet the requirements of Section 201 prior to executing a transaction confirmation with a third party power supplier. AMP will provide power supply recommendations to Municipality's Authorized Representative based upon the best market information available to AMP at the time any conferring takes place.

2. If the Municipality's Authorized Representative approves AMP's recommendation and authorizes acquisition of the Long Term Energy Purchase

over a recorded telephone line or through E-mail, then AMP shall acquire the Long Term Energy Purchase on behalf of the Municipality subject to the effective date and other terms and conditions approved by the Municipality's Authorized Representative.

3. AMP will enter into a transaction confirmation or other arrangement with the authorized and approved third party power supplier as soon as reasonably possible after approval is received as set forth above.

4. Once a Long Term Energy Purchase is finalized and transaction confirmation executed, a copy of the transaction confirmation between the supplier and AMP shall be added to Appendix A and become part of this Schedule.

5. Municipality's Authorized Representative shall execute a transaction confirmation with AMP. A copy of the Member transaction confirmation shall be added to Appendix A and become part of this Schedule.

ARTICLE III **DELIVERY POINT**

The delivery point(s) for electric energy to be delivered hereunder ("Point of Delivery" or "Delivery Point") shall be the Municipality's interconnections with PJM, or its successor.

ARTICLE IV **GENERAL**

SECTION 401 - FIRMNESS OF SUPPLY: Firmness of supply under this Schedule shall be equal to the firmness provided by the power supply schedules and transmission service arrangements executed by AMP, which are utilized to provide energy under this

Schedule.

AMP's obligations hereunder are specifically dependent upon the performance of the suppliers listed in Appendix A or otherwise agreed to by the Parties. In the event of default of a power supplier, AMP shall provide replacement energy to Municipality and Municipality shall pay any cost difference (if any) of the replacement energy (or, if the cost of replacement energy is less, then Municipality shall pay that lower cost). Should a third party supplier default to such a degree that the agreement by and between that third party supplier and AMP is terminated, AMP shall use its best efforts to execute an alternate energy supply agreement, with another supplier unless otherwise agreed to in writing by Municipality.

Notwithstanding the foregoing, AMP agrees that it will notify Municipality promptly of any default by a supplier which may result in AMP's purchase of replacement energy for Municipality (hereinafter "Supplier Default"). AMP also agrees that in an event of a Supplier Default, AMP shall take all appropriate legal action to enforce the terms of AMP's contracts with the defaulting supplier and/or seek appropriate damages from supplier on Municipality's behalf. Municipality is, and shall be, third party beneficiary of such legal action and will be reimbursed or credited by AMP a *pro rata* share of any net recoveries against the defaulting supplier or Municipality's increased costs occasioned by the Supplier Default, whichever is less.

Municipality specifically acknowledges that although energy made available from the supplies listed in Appendix A or otherwise agreed to by the Parties are intended to be the primary source of energy pursuant to this Schedule, AMP may, from time to time, substitute for actual delivery purposes, other energy; provided that such substitute energy be of a

similar firmness and reliability as that made available under the third party power supplier transaction confirmation(s) and further provided that such substitution does not result in increased costs to Municipality.

When third parties providing firm transmission service interrupt deliveries from AMP to Municipality, AMP will use commercially reasonable efforts to deliver energy across other parties' transmission systems if interruptions occur from the primary firm transmission provider's system.

All other terms and conditions of the Agreement between AMP and the Municipality that are not consistent with the terms and conditions of this Schedule shall be applicable as if fully restated herein.

SECTION 402 – AUTHORIZED REPRESENTATIVE: The Municipality's Representative shall be the Town Manager until modified by written notice to AMP by the Municipality.

**TOWN OF FRONT ROYAL,
VIRGINIA**

By: _____

Title: _____

Date: _____

AMERICAN MUNICIPAL POWER, INC.

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Legal Counsel

APPROVED AS TO FORM:

John W. Bentine
Senior VP / General Counsel

APPENDIX A

4818-4096-8992, v. 1

17

Council Appointments - UFAC



**Town of Front Royal, Virginia
Council Agenda Statement**

Page 1
Item No. 17

Meeting Date: December 8, 2014

Agenda Item: COUNCIL APPOINTMENTS – Urban Forestry Advisory Commission (UFAC)

Summary: Council is requested to make one re-appointment and one appointment to the Urban Forestry Advisory Commission (UFAC), said terms to expire December 20, 2018.

Budget/Funding: None

Attachments: None

Meetings:

**Staff
Recommendation:** Approval Denial

Proposed Motion: I move that Council re-appoint _____ and appoint _____ to the Urban Forestry Advisory Commission (UFAC), said terms to expire December 20, 2018.

*Note: Motions are the formal & final proposal of Council, proposed motions are offered by Staff for guidance
*To be clear and concise, motions should be made in the positive

Approved By: JB