



TOWN COUNCIL WORK SESSION MINUTES

Monday, September 11, 2023 @ 6:30pm in Town Hall Conference Room

The following minutes are a summary of items on the agenda. This meeting may be viewed in its entirety by accessing the video of the same date online via the Town’s website at www.frontroyalva.com for a limited time.

Roll Call by Clerk of Council

- PRESENT:
- Mayor Lori A. Cockrell
 - Councilwoman Melissa DeDomenico-Payne
 - Councilman Joshua L. Ingram
 - Councilwoman Amber F. Morris
 - Councilman H. Bruce Rappaport
 - Councilman Duane R. “Skip” Rogers
 - Vice Mayor R. Wayne Sealock

- OTHERS PRESENT:
- Town Manager Joseph E. Waltz
 - Town Attorney George M. Sonnett, Jr.
 - Clerk of Council Tina L. Presley
 - Various members of the staff and public

CLOSED MEETING

Councilwoman DeDomenico-Payne moved seconded by Councilwoman Morris that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purpose: 1) pursuant to §2.2-3711(A)(1) of the Code of Virginia, for the discussion, consideration, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees, or employees of any public body, more specifically, the Planning Commission and FREDA;

Vote: Yes – Councilmembers DeDomenico-Payne, Ingram, Morris, Rappaport, Rogers, Vice Mayor Sealock
 No – N/A
 Absent – N/A Abstain – N/A ROLL CALL

Councilman Ingram moved seconded by Councilwoman Morris that Council certify that to the best of each member’s knowledge, as recognized by each Council member’s affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Councilmembers DeDomenico-Payne, Ingram, Morris, Rappaport, Rogers, Vice Mayor Sealock
 No – N/A
 Absent – N/A Abstain – N/A ROLL CALL

AMP Power Supply Background/Future Purchase Presentation - Director of Energy Service Carey Saffelle introduced Mike Migliore, Vice President of Power Supply Planning with American Municipal Power (AMP) who went through a presentation TOWN OF FRONT ROYAL POWER SUPPLY UPDATE SEPTEMBER 11, 2023 – MIKE MIGLIORE, VP POWER SUPPLY PLANNING – AMP that included 1) Front Royal Monthly Energy (182 million kWh; 2) Peak Demand for years 2023, 2022, 2021 and 2020 (51,000 kW) ; 3) Front Royal 2024 Energy Sources (17% renewable resources 4); Front Royal 2025 Energy Sources; 5) Front Royal 2026 and beyond Energy Sources; 6) Hydro Plants: AMP Hydro (1,800 kW), Meldahl Hydro (1,573 kW) and Greenup Hydro (1,045kW) with an approximate Hydro rate of \$93.00/MWh; 7) Hydro Plants and Ohio River Watershed; 8) Fossil rates: Fremont Energy Center (6,500 kW), Prairie State (1,573 kW) with an approximate fossil rate of \$57.00/MWh; 9) renewable rates: AMP Solar Phase II (2,859 kW) and Locust Ridge Wind (1,000 kW) with an approximate renewable rate of \$41.00/MWh; 10) Front Royal's Energy Purchases; 11) Front Royal 2022 Hourly Load and Long Term Resources; 12) Recommended Purchases; 13) Front Royal Energy Supply: 0.1% Load Growth; 14) 12 Month Price of Wholesale Energy Commodities; 15) PJM Trading Hubs & Load Zones; 16) Delivery of Power; 17) Front Royal Power Pool Agreement; 17) Front Royal Annual Power Rates (\$/MWh); and, 18) Electric Rates & Fees (1,000kWh customer pays \$107/month 10.7 cents/kWh).

It was confirmed that the 17% renewable rate was normal compared to other localities. Councilwoman DeDomenico-Payne questioned whether a contract with a new vendor would create an infrastructure cost for the Town. Mr. Migliore explained that they would deliver to a certain point on the grid and then pay them a monthly fee to use their lines.

Town Manager Joe Waltz explained that the purpose tonight was for Council to approve a resolution at the September 25th regular meeting that would authorize the execution of the 2025-2028 fixed volume energy supply schedule with AMP not to exceed a specific dollar amount. He also pointed out that it was significant that the Town had the 17% renewal rate which was not mandated.

Councilwoman DeDomenico-Payne questioned who defined the geographic boundaries for the hydro plants. Mr. Migliore explained that payment for the grid covers the whole watershed. Mr. Waltz advised that coal and natural gas were 50% of the Town's costs.

Councilman Rapaport questioned the Long-Term Renewable Power Purchase Agreements (PPA). Mr. Waltz advised that the PPAs were a risk, but the United States Department of Agriculture (USDA) was offering up to 25% price reduction for 20 years upon applying for a grant. It was confirmed that the Town should know from the USDA by the end of the year if they were selected to receive the price reduction. Mr. Waltz advised that he would continue to look at the market. He reminded Council that the Town was a member of AMP which was made up of municipalities like the Town and AMP's job was to provide the Town with market purchases at the lowest price.

It was agreed to place the resolution on the consent agenda for September 25th.

CONSENT AGENDA ITEMS FOR THE 25TH

A. Proclamation for Public Power Week – Director of Energy Services Carey Saffelle advised that Council approved the proclamation last year. It was agreed to add to the September 25th meeting.

B. Award of Contract for Installation of Influent Pumps at Wastewater Treatment Plant – Purchasing Manager Michelle Campbell advised that a bid opening was held, and the Town received three responses.

She explained that the equipment was installed in the 1970's, making parts hard to find. It was agreed to add to the consent agenda of September 25th.

C. Award of Contract for Benefits Consulting Services - Director of Human Resources Laura McIntosh advised that the Town held a public proposal opening receiving six proposals with Pierce Group Benefits being selected. She noted that the goal was not only to have insurance but to review all the benefits for the employees. She expressed the need for assistance to look at an overall strategy to retain Town employees. She explained that traditionally government work was favorable due to the benefits they offered; however due to the current diverse work force some value the traditional benefits, while others have different values and she wanted to recognize and explore more comprehensive benefits. She advised that Pierce Group Benefits offered a dedicated call center, microsite, benefits website, mobile app, booklet and many more resources including those available for the Human Resources Department to utilize.

It was agreed to add to the consent agenda on September 25th.

D. Proposed Fiscal Year 2024-2025 Budget Calendar – Director of Finance BJ Wilson briefed Council on the budget calendar noting it was very similar to prior years beginning internally in the next month or two. He suggested that the tax rate discussion be placed on the next Liaison Committee meeting agenda since he had not heard anything from the County. He expressed urgency in Council having the tax information before they voted on the tax rates, noting that having the tax rate information early allows Council enough time to review the budget. The calendar was for information only and did not require Council approval.

E. DMV Matching Grants for Police Department and Budget Amendment – Chief of Police Magalis advised that the grants were for traffic safety and Driving Under the Influence (DUI) enforcement in the expected grant amount of \$23,000. He reminded Council that this was a matching grant for specific overtime.

It was agreed to place on the consent agenda for September 25th.

New Business

A. Request to Vacate a Portion of Alley between N. Royal Avenue & Virginia Ave – Aaron Hike – Town Manager Joe Waltz explained the request from Aaron Hike [1505 N. Royal Avenue] which was north and east of his property with a total of over 15,00 square feet. He noted that comments had been received from staff and listed in the packet for tonight. He advised that the Town currently had a License and (Fence) Encroachment Agreement with Mr. Hike and a Lease (parking) and License Agreement with his neighbor at 1602 N. Royal Avenue that currently encroached on the alley.

Councilwoman Morris questioned who would be liable if something were to happen on the leased portion of the unimproved alleyway. Town Attorney George was asked if something were to occur in the alleyway if it was a liability to the Town. He continued that leasing a public alleyway was not possible because they are to have ingress and egress. Ms. Morris voiced concern with the current [parking] lease since it posed safety issues and after driving by the residence there seemed to be plenty of off-street parking.

During the meeting, Clerk of Council Tina Presley emailed Council, Town Attorney and Town Manager a copy of the [parking] lease. There was much discussion as to why the lease was approved. Mr. Sonnett advised that he would have to review the lease but noted that he would have a problem if the lease was solely to accommodate parking. Mayor Cockrell suggested giving Mr. Sonnet time to review the lease. Mr.

Waltz suggested moving the issues of the encroachment and the lease to the work session in October since they are within the request of vacation and staff needed time to work it out. Mr. Waltz advised that the next steps were to send out letters to the adjoining property owners notifying them of a public hearing on October 23rd, noting that there will be more discussion on the 2nd.

Council questioned the request of Town property in front of Mr. Hike's property. Mr. Waltz advised that it was an unusual piece of property that currently had overhead utilities. There was concern pertaining to the canoe business at the former VFW site and the installation of sidewalks. It was confirmed that the road was not good for sidewalks. Councilman Ingram suggested waiting to hear from the public and find out more information on the other issues.

Councilwoman DeDomenico-Payne questioned the encroachment and if it was a possession of land. Mr. Sonnet advised that public land cannot be acquired by encroachment and therefore the property owner does not acquire a title to use the land. It was agreed to bring back to the October 2nd work session.

CLOSED MEETING

Councilwoman Morris moved seconded by Councilman Ingram that Town Council convene a closed meeting, pursuant to Sections 2.2-3711 and 2.2-3712 of the Code of Virginia, for the following purposes: 1) pursuant to §2.2-3711(A)(1) of the Code of Virginia, for the discussion, consideration, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees, or employees of any public body, more specifically, the Clerk of Council, Planning Commission and FREDAs; and, 2) pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, more specifically, Town of Front Royal v. Front Royal Warren County EDA, et al

Vote: Yes – Councilmembers DeDomenico-Payne, Ingram, Morris, Rappaport, Rogers, Vice Mayor Sealock
 No – N/A Absent – N/A Abstain – N/A ROLL CALL

Councilman Ingram moved seconded by Councilman Rappaport that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Councilwoman Morris left meeting between 9:30pm – 9:33pm. Councilwoman Morris left meeting at 9:50pm for the night.

Vote: Yes – Councilmembers DeDomenico-Payne, Ingram, Rappaport, Rogers, Vice Mayor Sealock
 No – N/A Absent – Councilwoman Morris Abstain – N/A ROLL CALL

Adjourned at 10:10pm

Approved by Town Council

9/25/23
 Date: -----