

TOWN COUNCIL WORK SESSION

Monday, July 21, 2014 @ 7:00pm
Front Royal Administration Building

Town/Staff Related Issues:

1. Henselstone Woods Subdivision Requests for In-Town Water Rates – *Town Manager*
2. The River 95.3 Radio Station Request to Waive Sewer Connection Fee – *Town Manager*
3. Warren County Habitat for Humanity Waiver of Water and Sewer Connection Fees and Planning Fees associated with Building a Home on Cannon Street – *Town Manager*
4. Wastewater Treatment Plant (WWTP) Hydroelectric Turbine Evaluation – *Director of Energy Services*
5. Rappahannock Electric Cooperative (REC) sub-Transmission Project – *Director of Energy Services*
6. Replacing Damaged Storm Drain Pipe on West Commonwealth Drive – *Director of Environmental Services*
7. Deed of Easement for Utilities for Skyline High School – *Town Attorney*

Council/Mayor Related Issues:

8. Business Development Incentives – *Vice Mayor Parker*
9. Consideration of Town Code Amendments to 98-42 – “Fortunetellers and Similar Businesses” and 110-7 “Fortunetelling or Practicing Magic Art” – *Vice Mayor Parker and Councilman Hrbeek*
10. Economic Committee Report – *Mayor Darr*
11. Council Discussion/Goals *(time permitting)*
12. CLOSED MEETING – Personnel Matter

Motions to Go Into Closed Meeting

I move that Council convene and go into Closed Meeting for the purpose of assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of a public body, pursuant to Section 2.2 3711. A. 1. of the Code of Virginia.

Motion to Certify Closed Meeting at its Conclusion [At the conclusion of the Closed Meeting, immediately re-convene in open meeting and take a roll call vote on the following:]

I move 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 Action 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.



Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: Henselstone Woods - Request for In-Town Water Rates

Summary: The Town has received a request from the Henselstone Woods Property Owners' Association to reduce the utility rates for their subdivision. The letter contests the adoption of the Town's Out-of-Town Utility Rate and its application to their subdivision.

Council Discussion: Council is requested to discuss the request for a reduced utility rate.

Staff Evaluation: The Out-of-Town Utility Rate has been established to recover the cost on average for the Town to provide utility service beyond the Town limits.

Budget/Funding: The Finance Director will be available to address fiscal issues.

Legal Evaluation: The Town Attorney will be available to address legal issues.

Staff Recommendations: Staff recommends that the residents of Henselstone Woods request a boundary adjustment to bring their properties into the Town limits to receive In-Town Rates.

Town Manager Recommendation: The Town Manager recommends that the residents of Henselstone Woods request a boundary adjustment to bring their properties into the Town limits to receive In-Town Rates.

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action
Consensus Poll on Action: ____ (Aye) ____ (Nay)



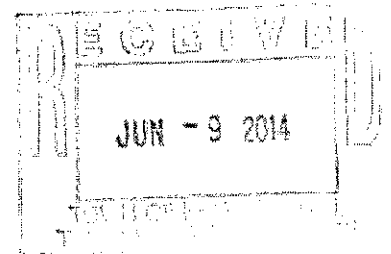
Property Owners'
Association, Inc.

P.O. Box 1975 • Front Royal, VA 22630 • PH: 540-635-2644 •

June 6, 2014

A Formal Request to the Front Royal Town Council:

Gentlemen,



The Board of Directors of the Henselstone Woods Property Owners' Association is requesting, on behalf of the residents of the Henselstone Woods subdivision, that you review the current water/sewer rate for our subdivision and reduce that rate to more accurately reflect the cost of delivering that service to our community. The 110 property owners in our community are currently paying twice the in-town rate, and we feel that rate is unjustifiably high and should be reduced to some rate more comparable to the in-town rate.

Many of our homeowners are low income, elderly, retired, and living on fixed incomes. Some of our homeowners report monthly water bills of \$200 and in some cases in excess of \$300. In some cases, there are only two people living the home. Some of them have requested the utilities department check their meters and check for leaks in their water lines. No problems were found and their monthly bills remain very high. The attached comments from some of our homeowners give a clear picture of how the high water bills are affecting them and of their need for a more reasonable water rate.

The points below justify the lowering of our water rate to a more appropriate rate.

1. The entrance to the Henselstone Woods subdivision is located on W. Duck St. and is located **inside** the Front Royal town limits. That section of our community's Common Area contains our cluster mailboxes, our community information center bulletin board, our community sign, and the dusk-to-dawn security light.
2. While the 110 homes in Henselstone are located outside of the town limits, they are not far enough outside the town to justify our double water rate. The first home in Henselstone is approximately 15 feet outside the town limits. The furthest home is approximately 2000 feet outside the town limits. The owners of homes on streets immediately outside the Henselstone Woods property lines pay in-town rates. Those small distances do not justify a doubling of Henselstone's

water rate just because Henselstone's homes are outside the town limits.

3. Henselstone Woods subdivision and its streets were created in 1987. Most of the homes were built by 1993. All 110 lots in the subdivision are sold and have houses. No more houses can be added and no additional water/sewer lines will be needed in the future. The developer paid for all of the materials and labor to install the water and sewer lines in Henselstone during its development. The developer paid Front Royal a tap fee for each home to be connected to the water/sewer system. Upon completion, those water and sewer lines were turned over to the town.
4. The Town of Front Royal did not invest any money to provide water and sewer lines to Henselstone. Therefore the double water rate for Henselstone cannot be justified by the town's need to recover the infrastructure costs for installing those lines.
5. While the town does have the responsibility of maintaining the water and sewer lines, the cost of maintenance for Henselstone's lines cannot cost twice as much as for lines on in-town streets only several hundred feet from Henselstone.
6. According to the Town of Front Royal Municipal Code page 134-57:

134-31.1 WATER SERVICE RATES

The monthly rates for water service usage shall be as follows:

- C. The rates for water service usage furnished outside of the limits of the Town of Front Royal: one hundred percent (100%) more than the in-town rates as provided above. (Ord. No. 10-93 Added (C) 6-14-93-Effective 7-1-93...)

As this indicates, the decision by the Town Council to apply double water rates to Henselstone was made effective on July 1, 1993. This was after most of the homes in the subdivision were already built and sold. Homeowners in Henselstone had no prior warning that such a change was being considered by the town and there is no record of any discussion of doubling residential rates for out-of-town customers in any Council meeting or public hearing. Thus Henselstone homeowners had no opportunity to present their views on the issue. Furthermore, since Henselstone homeowners are county residents and not town residents, they have no voice or vote in any matters that the Town Council adopts. And they have no vote in the election of members of the Council, and have had no way to influence the Council's votes or decisions on matters like this that affect county residents. In 1993, there was no Town/County Liaison Committee by which the interests, needs, and desires of out-of-town residents could be represented in matters like this.

There is one puzzling aspect of this rate issue. When several of our homeowners purchased their homes prior to 1993, they were told by their realtors and by members of the Front Royal water department that their water rates would be higher than in-town rates for a period of time. Other homeowners only discovered

the rate increase several years after buying their home when their water bills unexpectedly doubled one month. But according to the Municipal Code quoted above, the double water rate was not adopted officially until June of 1993.

7. In the minutes of the Town Council meetings for 1993, a water rate issue was presented at a public hearing on April 26, 1993. The public notice for the hearing published in the Northern Virginia Daily on March 31, 1993 made no mention of the consideration of doubling of residential water rates for out-of-town customers and that issue was not discussed at the hearing. As indicated by the excerpt below, the results of that public hearing had nothing to do with doubling residential water rates for out-of-town customers. It was for discussion of industrial water and sewer rates.

From the meeting minutes of April 26, 1993: Vice Mayor Kitts moved, seconded by Councilman Duncan, that Council adopt **AN ORDINANCE TO AMEND SECTION 134-23 OF THE FRONT ROYAL TOWN CODE PERTAINING TO INDUSTRIAL WATER AND SEWER RATES AND CHARGES.**

On June 14, 1993 the Council held a public hearing on changing in-town residential water rates. The public notices for this hearing published in the Northern Virginia Daily on May 19 and 26, 1993 made no mention of the consideration of doubling of residential water rates for out-of-town customers and according to the minutes of that meeting that issue was not presented or discussed at the hearing. As indicated by the excerpt below, the results of that public hearing had nothing to do with doubling residential water rates for out-of-town customers. And yet, this is the amendment that is credited with the addition of item 134-31.1 (C) to the town's Municipal Code that doubled the residential water rates for out-of-town customers like those in Henselstone.

Apparently the decision to double those rates was made outside of a public meeting or hearing, and county residents had no opportunity to present their opinions to the Council or even know that the issue was being discussed. Because of this lack of notice, the homeowners in Henselstone had no opportunity to negotiate with the town for a fair and equitable rate for their community like commercial and industrial customers can do, and as was done for the Regional Jail.

From the meeting minutes of June 14, 1993: Councilman Blanton moved, seconded by Councilman Duncan, that Council adopt **AN ORDINANCE TO AMEND FRONT ROYAL TOWN CODE SECTION 134-31.1 PERTAINING TO WATER SERVICE RATES.**

8. As noted in court record linked below, in the 2010 ruling of the Virginia Supreme Court in the case of Leesburg adding a 100% surcharge to the bills of Loudoun County residents on the Leesburg water system who live outside the town limits, the Court upheld Leesburg's higher out-of-town rate because it determined that Leesburg had met the state requirement of setting "fair and reasonable" water rates because it paid for a cost-analysis rate study prior to setting the higher

rate for out-of-town customers. The conclusion of the company performing the rate study for Leesburg was that a higher rate was justified for providing service to out-of-town customers in Loudoun County.

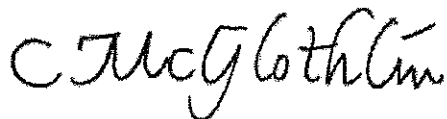
<http://www.courts.state.va.us/opinions/opnscvwp/1091455.pdf>

In the case of Front Royal setting double water rates for out-of-town customers, there is no indication that Front Royal did a cost-analysis rate study prior to making that decision in 1993. There is no reference to such a rate study or any discussion of such a study in the minutes of any Council meeting during that time period that the Council used to justify the double rate, just as there is no record of any discussion in any public meeting of the Council's consideration of establishing that double rate. All indications are that the double rate was set arbitrarily by the Council at some closed meeting with no basis to defend that rate. And it appears that once that decision was made, no effort has been made to review it or determine if it is reasonable.

The recent rate study conducted by Burton & Associates in 2010 addressed the need for increasing in-town rates. But nowhere in that study was anything addressed about out-of-town rates or a defense of the double rate for those customers. It is our contention that such a cost-analysis rate study for Henselstone Woods subdivision should be performed by the Town of Front Royal. It is our belief that such a study would show that it does not cost the Town of Front Royal twice as much to provide and maintain water and sewer service to Henselstone Woods subdivision as it costs to do the same for in-town customers less than one-half mile away.

The homeowners in Henselstone Woods have paid double rates for water and sewer service for 21 years. As Mr. Burke was reported to have said in 2009 regarding water rates, "We're not in this business to make money, we're in this business to provide services." One argument that has been proposed by town officials is that the double rate for out-of-town customers was necessary in order to establish a Reserve Fund for the future maintenance, repair, and addition to the water and sewer lines. After 21 years of our double rates, the money our homeowners have paid into that Reserve Fund should be adequate to service our community's lines in the future. We believe our homeowners have paid double rates long enough, and we ask the Council to reduce our rate to something more "fair and reasonable".

Sincerely,



Charles McGlothlin
President, Board of Directors
Henselstone Woods Property Owners' Association



Town of Front Royal, Virginia
Work Session Agenda Form

Date: July 21, 2014

Agenda Item: River 95.3 Request to Waive Sewer Connection Fee

Summary: The Town has received a request from the operators of the River 95.3 Radio Station to waive the connection fee to connect their existing building to the Town's sewer system. The Radio Station has been part of the community for over 50 years and provide significant community service and assists the Town in communicating local civic and emergency messages.

Council Discussion: Council is requested to discuss the request for waiver of the sewer connection fee

Staff Evaluation: The Radio Station is served by a 3/4" meter for which the sewer connection fee is \$9,750. The Radio Station has historically assisted the Town in communicated emergency notifications to our citizens.

Budget/Funding: The Finance Director will be available to address fiscal issues.

Legal Evaluation: The Town Attorney will be available to address legal issues.

Staff Recommendations: Staff recommends that Council consider the request from the Radio Station.

Town Manager Recommendation: The Town Manager recommends that Council consider the request from the Radio Station.

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action
Consensus Poll on Action: ___(Aye) ___(Nay)



www.theriver953online.com

NBC Sports
RADIO
AM 1450 WFTR

P.O. Box 192
Front Royal, VA 22630
(540) 665-9595 - (540) 635-4121

Mayor Tim Darr
Steve Burke
Front Royal Administration Building
102 E. Main Street
P. O. Box 1560
Front Royal, VA 22630

Tuesday, June 24, 2014

The Honorable Mayor Darr & Mr. Burke:

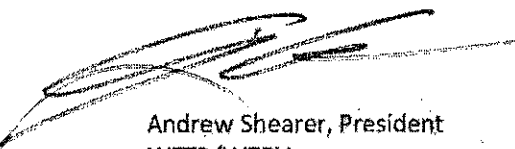
Greetings to each of you and to members of Front Royal's Town Council. I am writing to make a request on behalf of WFTR/WZRV radio.

These stations have served this community since 1948, and been located in the same facility during that entire time. Recently, I began undertaking some badly needed upgrades and physical improvements including a new roof, electric system upgrade, new windows, new carpeting and a new septic system. If I am financially able at the end of this process, I also hope to replace the current AM tower that sits adjacent to Route 55 on the station's property.

At present, the station is not connected to the town sewer system. I am in the process of getting quotes for both an upgraded system or to connect to the town. The town's connection fee is quite steep, in light of the other upgrades and improvements currently underway.

As a faithful community servant for the past 66 years, I am writing to ask to have that connection fee waived. WFTR's positive involvement with positive information dissemination, local education issues, local government programming and more is a source of pride for myself and the entire staff. From the Camping for Hunger outreach efforts to high school sports, WFTR is and continues to be a part of the local fabric of Front Royal and Warren County. And as always, town and county government officials almost without fail have access to this community mouth piece.

I truly appreciate your consideration of my request. WFTR/WZRV looks forward to continuing to serve and service this community. Thank you.


Andrew Shearer, President
WFTR/WZRV


Royal Broadcasting, Inc.
Toll Free (866) 391-9530 - Fax (540) 635-9387



Town of Front Royal, Virginia
Work Session Agenda Form

Date: July 21, 2014

Agenda Item: Habitat for Humanity Request to Waive Water & Sewer Connection Fees & Planning Fees

Summary: The Town has received a request from the Warren County Habitat for Humanity to waive the water and sewer connection fees and Planning permit fees for development of Lot 8 on Cannon Street.

Council Discussion: Council is requested to discuss the request for waiver of the connection and permitting fees.

Staff Evaluation: The residence would most likely be served by a 3/4" meter for which the water connection fee is \$4,340 and sewer connection fee is \$9,750.

Budget/Funding: The Finance Director will be available to address fiscal issues.

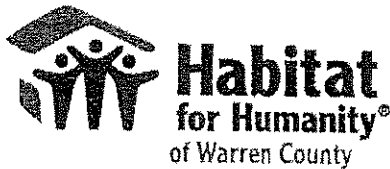
Legal Evaluation: The Town Attorney will be available to address legal issues.

Staff Recommendations: Staff recommends that Council consider the request from Habitat for Humanity

Town Manager Recommendation: The Town Manager recommends that Council consider Habitat for Humanity

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action
Consensus Poll on Action: ____ (Aye) ____ (Nay)

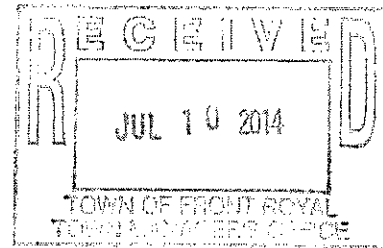


PO Box 323
Front Royal, VA 22630-0007

From: Warren County Habitat for Humanity

Date: July 8, 2014

102 E. Main Street
Town Administration Building
Front Royal, VA 22630



Attn: Town Manager Steven M. Burke and Town Council

The Habitat's organization's goal is to provide affordable homes for area families in the median income range who are unable to qualify for conventional bank mortgages to own a house. The nonprofit organization relies heavily on donors and volunteers to construct homes.

Warren County Habitat Humanity has applied to the Town of Front Royal for a building permit to build a home for a mother and her three children. She lost her husband in October 2013 to cancer.

The reason for this request is for a waiver, this fee would help to lower the mortgage payment which would make it more affordable for this family. The location is Lot 8 on Cannon Street, the tax map ID is 20A131, off of Happy Creek Road.

We are requesting a waiver for the sewer and water hookup and if possible the fees for the building permit.

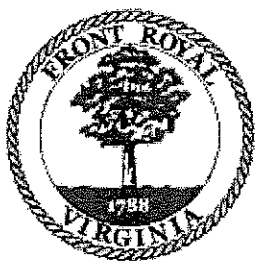
Thank you for considering this request for waiver, if any further information is needed please feel free, call the numbers listed below:

Board Members of Habitat for Humanity

Kim Jones (540) 6716097 or Juanita Blackman (540) 252-2653

Sincerely,

Kim Jones



Item No. 4

Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: WWTP Hydroelectric Turbine Evaluation

Summary: The Town of Front Royal requested GHD to perform a study on the economic feasibility of a hydroelectric turbine located at our wastewater treatment plant (WWTP). There were several factors considered for siting the potential turbine. The turbines' location must maximize flow and pressures, as these two criteria are the basis for creating energy. Additionally, the turbine and related electrical equipment needs to be protected from floodwaters.

Council Discussion:

Staff Evaluation: GHD provided a probable project costs for construction, operation, and maintenance for this project at \$690,000. These costs are based on historical pricing from projects and applications similar in nature.

The potential power generated from the turbine at the present time is 6.1 kW with a potential of 10.4 kW when the flow increase to 5.3 MGD. Given the assumptions above and without any grant funding, the payback period is 100 years. These calculations are in 2014 dollars and do not incorporate inflation rates.

Budget/Funding:

Legal Evaluation:

Staff Recommendations: Due to the flow conditions and available head pressure within the outfall, a reasonable payback period is not achievable at this time. Staff will continue to investigate possible grant opportunities and other considerations to make this project economically feasible.

Town Manager Recommendation:

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action
Consensus Poll on Action: ____ (Aye) ____ (Nay)

Work Session

Town of Front Royal
Energy Services
P.O. Box 1560
Front Royal, Virginia 22630-1560
(540) 635-3027 Fax: (540) 635-5497



Memo

To: Steve Burke, Town Manager
From: Joseph Waltz, Director of Energy Services
Date: July 7, 2014
Re: WWTP Hydroelectric Turbine Evaluation

The Town of Front Royal requested GHD to perform a study on the economic feasibility of a hydroelectric turbine located at our wastewater treatment plant (WWTP). There were several factors considered for siting the potential turbine. The turbines' location must maximize flow and pressures, as these two criteria are the basis for creating energy. Additionally, the turbine and related electrical equipment needs to be protected from flood waters.

GHD provided a probable project costs for construction, operation, and maintenance for this project below. These costs are based on historical pricing from projects and applications similar in nature.

Item	Probable Construction Cost
Hydroelectric Improvements	\$510,000
Contingency (20%)	\$102,000
Engineering (15%)	\$77,000
Total Probable Construction Cost	\$690,000

The following table shows the potential power generated from the turbine and an estimated payback period.

- The turbine's service life is assumed 20 years.
- No economic incentives were found and therefore not included.

- The average increase in WWTP flow is based upon an increase from 3.1 MGD to 5.3 MGD over a 20-year period using a straight linear progression.

Input	Total
• 25 feet of head • 3.1 MGD flow • 60% overall efficiency	6.1 kW generated
• 25 feet of head • 5.3 MGD flow • 60% overall efficiency	10.4 kW generated
• Assume \$0.10 per kWhr payback • 90% run time	\$4,800 per year @ 3.1 MGD \$14,400 per year @ 5.3 MGD
• Project cost from table above • Estimated yearly O&M costs	\$690,000 \$800
• Estimated payback, in years	100

Given the assumptions above and without any grant funding, the payback period is 100 years. These calculations are in 2014 dollars and do not incorporate inflation rates. Major repairs, equipment replacements, and renovations that may be required over the payback period are also not included in this calculation. When including the costs for necessary improvements, the payback period will increase.

Due to the flow conditions and available head pressure available within the outfall, a reasonable payback period is not achievable at this time. Staff will continue to investigate possible grant opportunities and other considerations to make this project economically feasible.

If you have any questions or concerns, please feel free to call me.



Memorandum

May 30, 2014

To Joe Waltz, Town of Front Royal

Copy to Timothy Fristoe, Town of Front Royal

From John Revette

Tel 1 315 679 5877

Subject Technical Memorandum for Front Royal WWTP
Hydroelectric Turbine Evaluation

Job no. 86/14629/

1. Background and Approach

1.1 Project Goal and Background

The Town of Front Royal requests a study to determine the economic feasibility of a hydroelectric turbine located at its wastewater treatment plant (WWTP). Currently, treated effluent discharges into the nearby Shenandoah River via a 24-inch concrete pipe outfall. The outfall is approximately 4,300 feet long. The outfall's elevation at the river is approximately 454 feet above sea level while its elevation at the WWTP is approximately 508 feet above sea level, which yields 54 feet of potential head pressure. Current average day flow is 3.1 million gallons per day (MGD) with a build-out projected flow of 5.3 MGD. Given these conditions, the practical and economic viability of a turbine are evaluated.

1.2 Approach and Design Considerations

Several factors were considered for siting the potential turbine. The turbine's location must maximize flow and pressure as these two criteria are the basis for creating energy. Thus, the turbine's elevation should be at the lowest possible elevation in a network to maximize pressure. The turbine's capacity range should be sufficient to convey flow from normal to peak conditions, to the maximum extent possible, to ensure maximum flow passage and runtime. The site should be accessible for regular maintenance. Close proximity to an existing power distribution system keeps infrastructure costs to a minimum.

Additionally, the turbine and related electrical equipment should be protected from flood waters. The floodway and floodplain of the nearby Leach Run, Happy Creek, and Shenandoah River will affect turbine location. Regulations limit construction of permanent structures within a floodway and, in some cases, it's not permitted. If it were allowable, a No-Rise Certification is necessary to show no impact to the current flood levels. For this project, construction in the floodway is likely not allowed. Based upon prior discussions with the Town, placement within the floodplain is, however, allowable.

Three locations were considered for turbine installation at the Town's WWTP outfall. They are:

1. Location 1 - outfall's point of discharge to the river
2. Location 2 - effluent side of future post aeration tank
3. Location 3 - some location along the outfall pipe

Location 1. While this location creates the largest potential pressure across the turbine, placement of a turbine near the outfall's discharge to the river is not considered practical due to floodway regulations.

Location 2. A turbine located within the future post aeration tanks results in the least amount of pressure to drive the turbine. The turbine's approximate elevation in the effluent channel translates into 5 feet or less of head pressure. When paired with the typical daily flow of 3.1 million gallons, very little energy would be created. This location is not considered economically practical.

Location 3. After analyzing topography and pipe invert elevations from as-built drawings, it was determined that the most feasible location for a turbine is just outside the floodway at the far end of the WWTP property where Leach Run and Happy Creek converge. This location is approximately 1,300 feet from the future post aeration tank. Refer to Figure 1 in Appendix A for site plan and approximate location.

At this location, the outfall's invert elevation ranges from 475 to 480 feet and results in nearly 33 feet of pressure. To account for system headloss, calculations were performed assuming 25 feet of potential head pressure during average conditions. This assumption is based upon the river water levels being below elevation 475. If the river water level increased above elevation 475, river water would back up into the outfall and effectively reduce pressure and generating capacity. Refer to Figure 2 in Appendix A for profile and approximate elevations.

The turbine would be placed in a 10 foot x 13 foot precast concrete structure and extend approximately 19 feet above existing grade. The base flood elevation (BFE) for this area is 499. The structure's top is estimated at 502 to protect equipment from water damage in the event of a flood. While the turbine would be located at the structure's bottom, the generator would be installed at the top of the box with drive shaft connected to the turbine below. The pictures below depict equipment of a similar nature for a project previously designed by GHD.

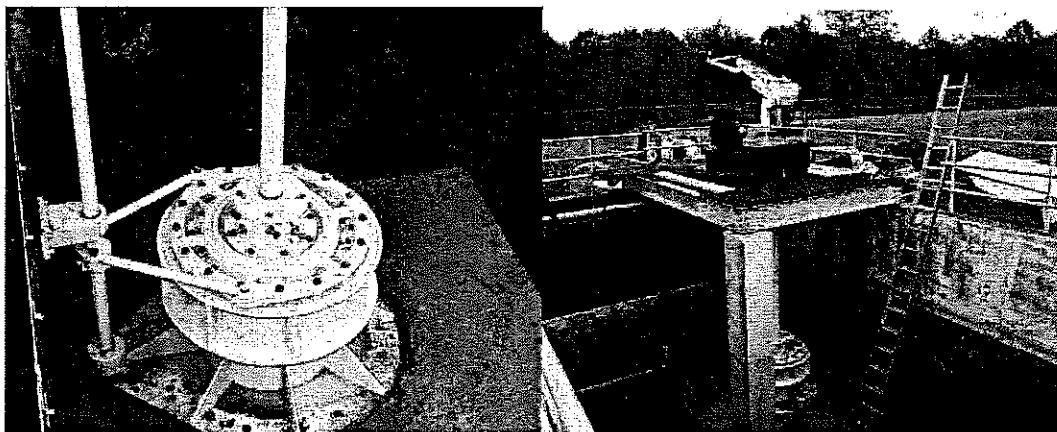


Photo 1.1 above is an example of a similar installation in Warren, Ohio. The picture on the left shows the turbine, the picture on the right shows the generator and equipment located on grating above the turbine.

Figure 3 in Appendix A illustrates the proposed mechanical and yard piping layout. As water flows down the outfall, a closed gate valve would divert water to the turbine structure. Water would pass from the top down through the turbine and out to the outfall, downstream of the gate valve. Sluice gates within the structure would allow isolation of the turbine for maintenance. A weir wall allows diversion of flow in excess of the turbine's capacity to avoid overflow.

2. Electrical Interconnection Requirements

Interconnection requirements will be established by the Town, as it owns-operates the electrical system within the community. An interconnection protection relay, transformers and re-closer mounted on new utility pole will be necessary. The power quality from the turbine should be monitored. The turbine will be removed from the grid if the turbine power quality falls outside of certain parameters or upon loss of grid. The turbine will be specified with a service entrance rated circuit breaker and its own multifunction protective relay. The relay will synchronize the turbine with the grid, protect it from over and under voltage, current, and frequency, and will disconnect the turbine if reverse power is detected.

2.1 Permits

Aside from traditional construction permits (e.g.: local building permit, wetlands, stormwater, etc.), a hydroelectric turbine facility requires a permit from the Federal Energy Regulatory Commission (FERC). The application for approval must be processed through the Hydroelectric Licensing Process. There are three different scenarios for Small Hydro/Low Impact projects. They are license, 5 megawatt exemption and conduit exemption. The conduit exemption is the fastest means of approval. To obtain approval, the conduit (pipe) must have been constructed for a non-hydropower use, the utility must own the powerhouse (turbine building) and land, and electrical generation must be before final discharge of water. The FERC approval process can take 6-12 months. There is also a mandatory public comment period.

3. Economic Evaluation

3.1 Costs and Potential Payback

An opinion of probable project costs for construction and operation and maintenance for this project is provided. These costs are based on historical pricing from projects/applications similar in nature. An opinion of probable construction cost is \$690,000 details for which are summarized in Table 3.1.

Table 3.1 Opinion of Probable Costs

Item	Probable Construction Cost
Hydroelectric Improvements	\$510,000
Contingency (20%)	\$102,000
Engineering (15%)	\$77,000
Total Probable Construction Cost	\$690,000

The following table shows the potential power generated from the turbine and an estimated payback period. The analysis is based upon an average kWhr (kilowatt per hour) rate (using the customer usage rate) and not a rate based upon peak and non-peak periods. Oftentimes, the "buyback rate" is a fraction of the regular customer usage rate, but for this analysis the rates are considered the same. The turbine's service life is assumed 20 years. No economic incentives were found and therefore not included. The average increase in WWTP flow is based upon an increase from 3.1 MGD to 5.3 MGD over a 20-year period using a straight linear progression.

Table 3.2 Power Generated and Payback

Input	Total
• 25 feet of head • 3.1 MGD flow • 60% overall efficiency	6.1 kW generated
• 25 feet of head • 5.3 MGD flow • 60% overall efficiency	10.4 kW generated
• Assume \$0.10 per kWhr payback • 90% run time	\$4,800 per year @ 3.1 MGD \$14,400 per year @ 5.3 MGD
• Project cost from table above • Estimated yearly O&M costs	\$690,000 \$800
• Estimated payback, in years	100

3.2 Summary

Given the assumptions above and without any grant funding, the payback period is 100 years. These calculations are in 2014 dollars and do not incorporate inflation rates. Major repairs, equipment replacements, and renovations that may be required over the payback period are also not included in this calculation. When including the costs for necessary improvements, the payback period will increase.

Due to the flow conditions and available head pressure available within the outfall, a reasonable payback period is not achievable.

GHD

3128 Highwoods Boulevard, Suite 140

Raleigh, North Carolina 27604

T: 919-890-0060 F: 919-890-0601 E: steven.hilderhoff@ghd.com

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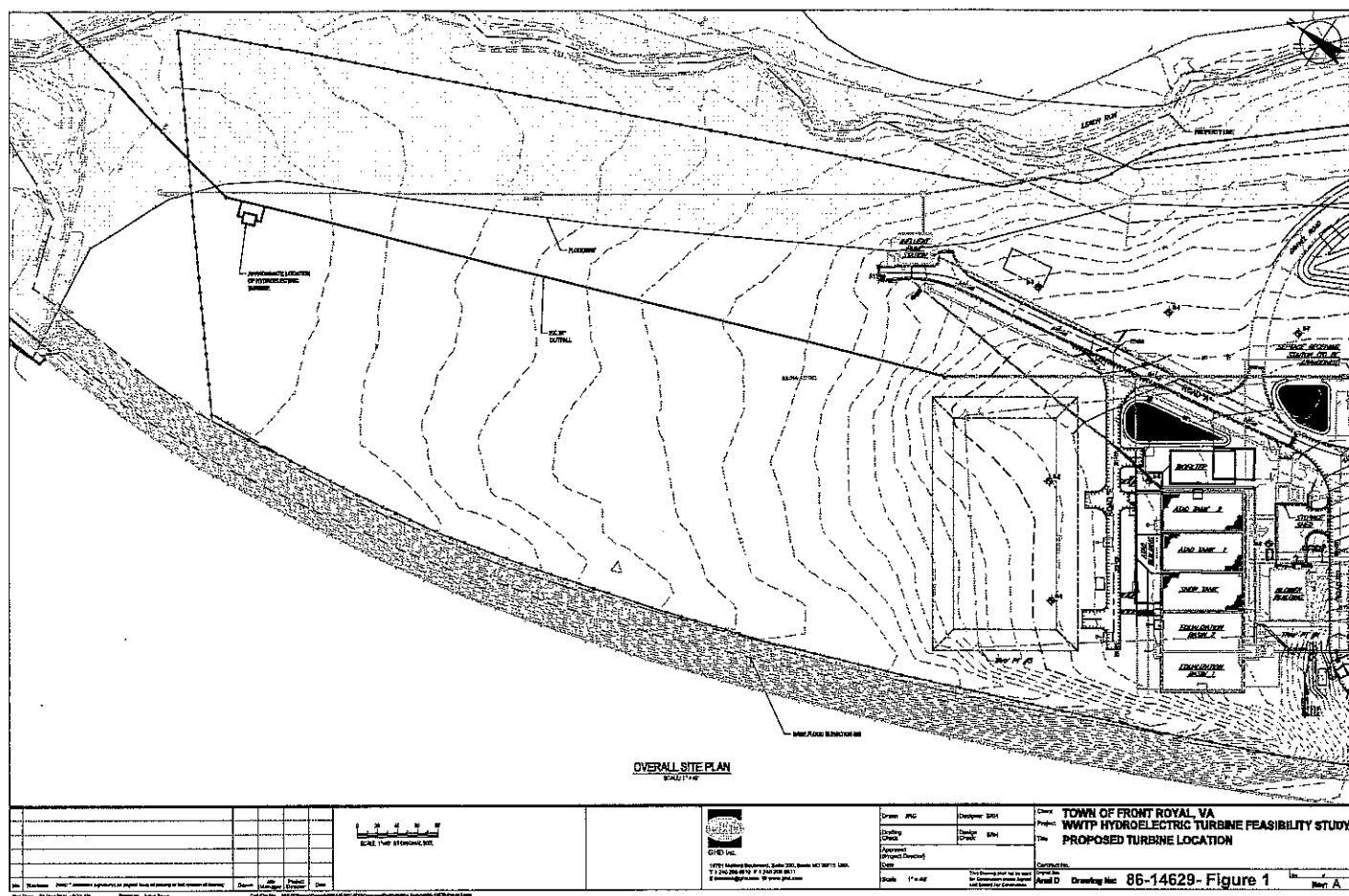
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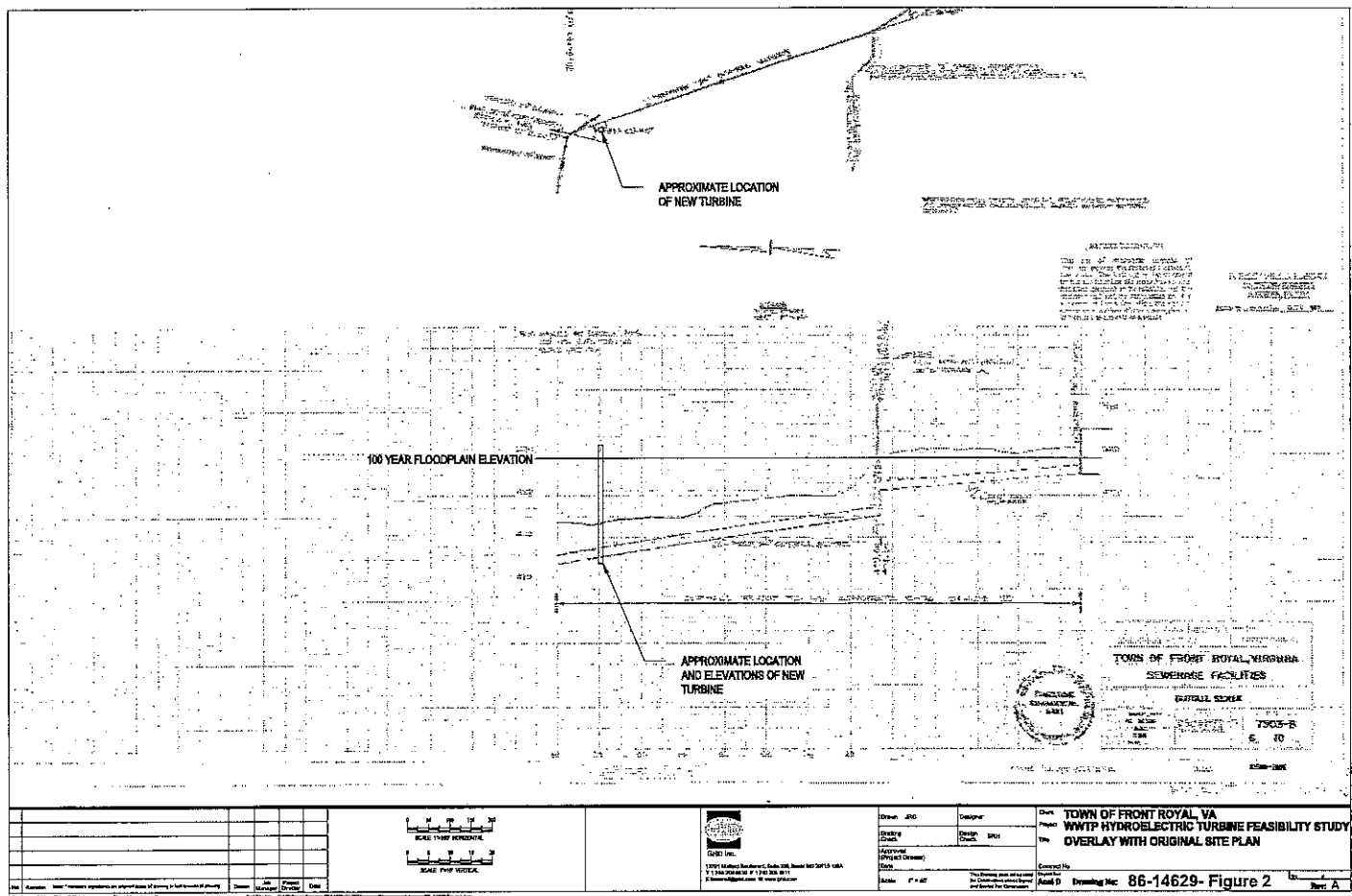
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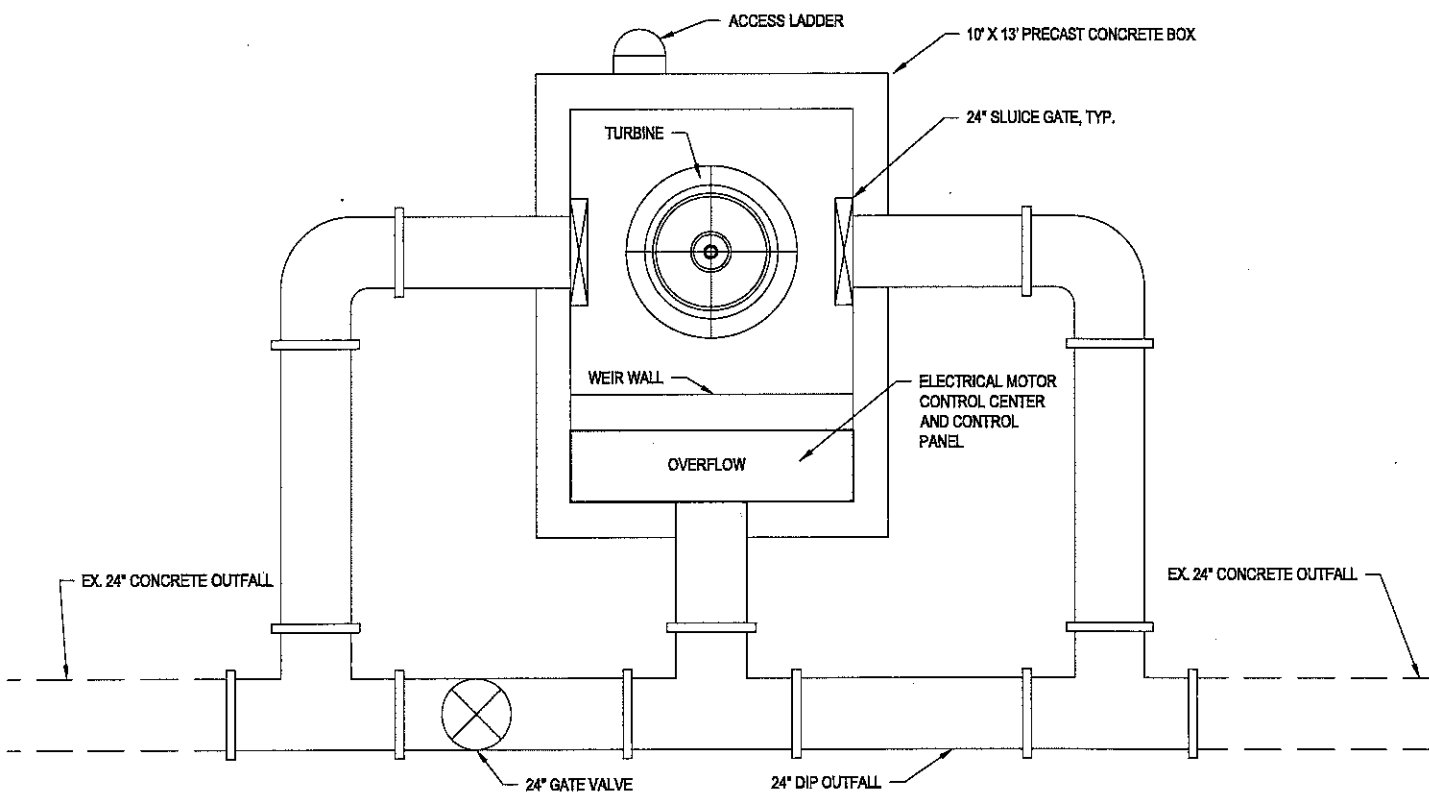
Rev No.	Author	Reviewer		Approved for Issue		
		Name	Signature	Name	Signature	Date
1						
2						

Appendix A

Figures







TURBINE PLAN VIEW
SCALE: 1/4" = 1'

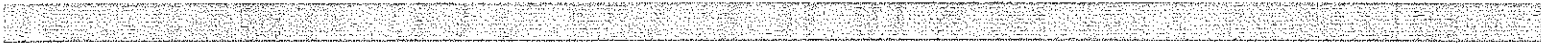
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TOWN OF FRONT ROYAL
WWTP HYDROELECTRIC FEASIBILITY STUDY
MECHANICAL PLAN

Job Number 86-14629
Revision
Date June 2014

Figure 03



Appendix B

Detailed Cost Estimate

Front Royal WWTP
Hydroelectric Analysis
ENGINEER'S ESTIMATE OF PROBABLE COSTS

SITE AND STRUCTURAL WORK

LAST UPDATE: 05/30/2014

Description	Basis	No. Units	Per Unit	Total Cost
Mobilization	LS	1	\$ 3,000	\$ 3,000
Precast Concrete Box	EA	1	\$ 35,000	\$ 35,000
Sluice Gate	EA	2	\$ 12,500	\$ 25,000
24-inch Yard Piping	LF	75	\$ 300	\$ 22,500
24-inch Tee	EA	2	\$ 2,000	\$ 4,000
24-inch 90 Bend	EA	2	\$ 3,000	\$ 6,000
24-inch Gate Valve	EA	2	\$ 10,000	\$ 20,000
Turbine	EA	1	\$ 172,500	\$ 172,500
Controls, Generator, Belt Drive and Switchgear	EA	1	\$ 120,000	\$ 120,000
Electrical Interconnect	LS	1	\$ 100,000	\$ 100,000

Subtotal - Equipment (Rounded) \$ 510,000

Contingency (20 %, Rounded) \$ 102,000

Engineering (15 %, Rounded) \$ 77,000

Total Probable Construction Cost (Rounded) \$ 690,000

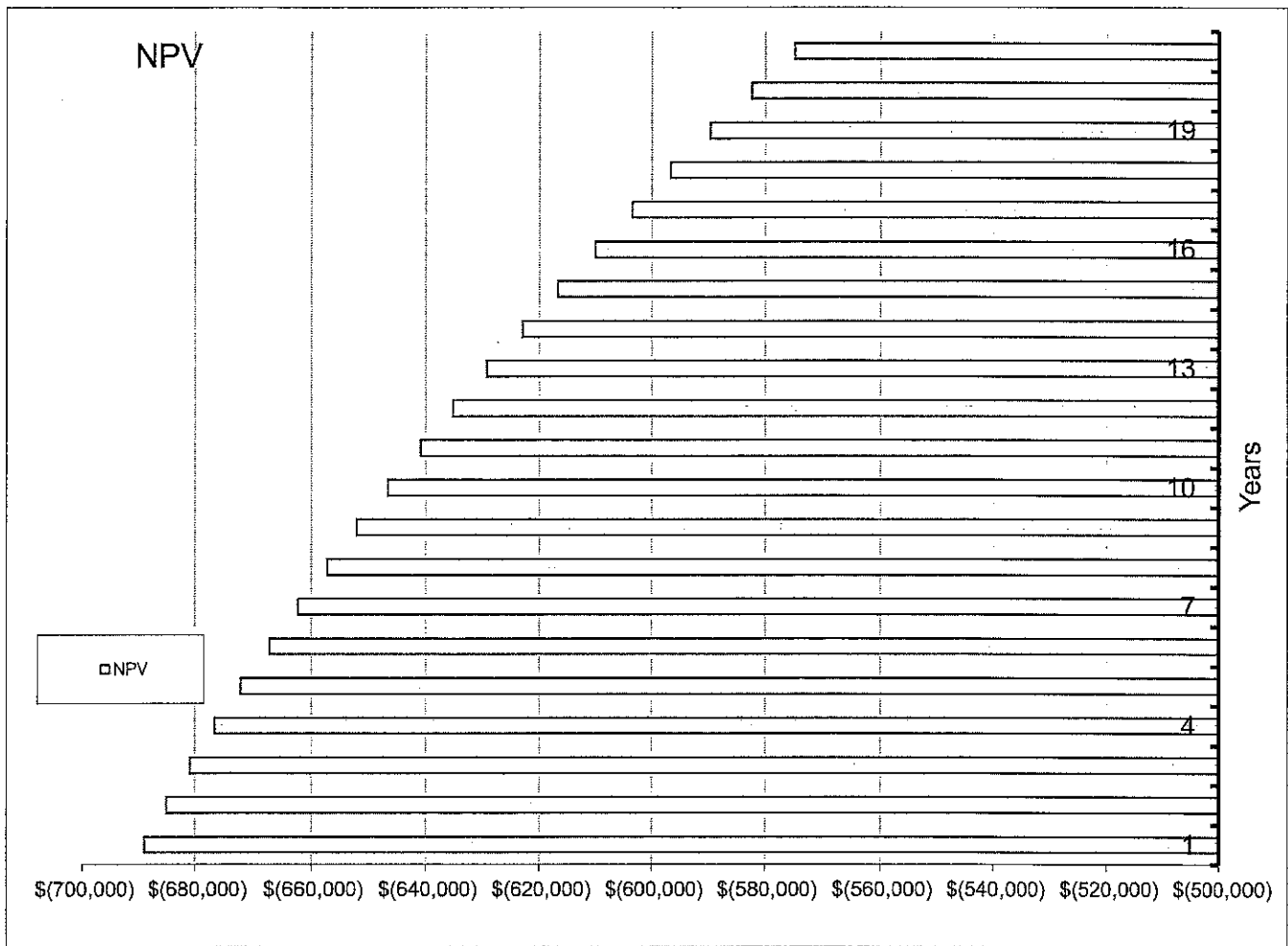
**Front Royal WWTP
Hydroelectric Analysis
Net Present Value Analysis**

LAST UPDATE: 05/30/2014

Current Avg Flow	3.1 mgd	2.2 Total flow increase over 20 year period								
Buildout Flow	5.3 mgd	0.12 Increase per year								
Years until Buildout	20									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Turbine Flow (mgd)	3.1	3.22	3.33	3.45	3.56	3.68	3.79	3.91	4.03	4.14
Turbine Flow (l/s)	135.8	140.9	146.0	151.0	156.1	161.2	166.3	171.3	176.4	181.5
Head (ft)	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Head (m)	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
Efficiency (Turbine)	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Generator Power (kW)	6.1	6.3	6.5	6.8	7.0	7.2	7.5	7.7	7.9	8.1
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Turbine Flow (mgd)	4.26	4.37	4.49	4.61	4.72	4.84	4.95	5.07	5.18	5.3
Turbine Flow (l/s)	186.5	191.6	196.7	201.8	206.8	211.9	217.0	222.1	227.1	232.2
Head (ft)	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Head (m)	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6
Efficiency (Turbine)	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Efficiency (Generator)	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Generator Power (kW)	8.4	8.6	8.8	9.0	9.3	9.5	9.7	10.0	10.2	10.4
Hours per Year Operating	7684	90% run time								
O&M Rate (\$/hr)	\$	0.10 Assumed								
Average Payback Rate	\$	0.10 Assumed								
Inflation (electric and O&M)		0% Assumed								
Construction Cost	\$	510,000								
Engineering Fee - 15%	\$	76,500								
Contingency - 20%	\$	102,000								
Total Construction Cost	\$	690,000								

**Front Royal WWTP
Hydroelectric Analysis
Net Present Value Analysis**
LAST UPDATE: 05/30/2014

Year	Annual kW Hrs Turbine 1	Rate	Energy Credit	O&M Cost	Total Credit	NPV
0						\$(690,000.00)
1	48026.57	0.1000	\$ 4,802.66	\$ (800.00)	\$ 4,002.66	\$(685,997.34)
2	49820.43	0.1000	\$ 4,982.04	\$ (800.00)	\$ 4,182.04	\$(681,815.30)
3	51614.29	0.1000	\$ 5,161.43	\$ (800.00)	\$ 4,361.43	\$(677,453.87)
4	53408.16	0.1000	\$ 5,340.82	\$ (800.00)	\$ 4,540.82	\$(672,913.05)
5	55202.02	0.1000	\$ 5,520.20	\$ (800.00)	\$ 4,720.20	\$(668,192.85)
6	56995.88	0.1000	\$ 5,699.59	\$ (800.00)	\$ 4,899.59	\$(663,293.27)
7	58789.74	0.1000	\$ 5,878.97	\$ (800.00)	\$ 5,078.97	\$(658,214.29)
8	60583.60	0.1000	\$ 6,058.36	\$ (800.00)	\$ 5,258.36	\$(652,955.93)
9	62377.46	0.1000	\$ 6,237.75	\$ (800.00)	\$ 5,437.75	\$(647,518.18)
10	64171.33	0.1000	\$ 6,417.13	\$ (800.00)	\$ 5,617.13	\$(641,901.05)
11	65965.19	0.1000	\$ 6,596.52	\$ (800.00)	\$ 5,796.52	\$(636,104.53)
12	67759.05	0.1000	\$ 6,775.90	\$ (800.00)	\$ 5,975.90	\$(630,128.63)
13	69552.91	0.1000	\$ 6,955.29	\$ (800.00)	\$ 6,155.29	\$(623,973.34)
14	71346.77	0.1000	\$ 7,134.68	\$ (800.00)	\$ 6,334.68	\$(617,538.66)
15	73140.63	0.1000	\$ 7,314.06	\$ (800.00)	\$ 6,514.06	\$(611,124.60)
16	74934.50	0.1000	\$ 7,493.45	\$ (800.00)	\$ 6,693.45	\$(604,431.15)
17	76728.36	0.1000	\$ 7,672.84	\$ (800.00)	\$ 6,872.84	\$(597,558.31)
18	78522.22	0.1000	\$ 7,852.22	\$ (800.00)	\$ 7,052.22	\$(590,506.09)
19	80316.08	0.1000	\$ 8,031.61	\$ (800.00)	\$ 7,231.61	\$(583,274.48)
20	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(575,863.49)
30	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(501,753.54)
40	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(427,643.60)
50	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(353,533.66)
60	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(279,423.72)
70	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(205,313.77)
80	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(131,203.83)
90	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$(57,093.89)
100	82109.94	0.1000	\$ 8,210.99	\$ (800.00)	\$ 7,410.99	\$ 17,016.06
Total	7,870,160.56		\$ 787,016.06	\$ (80,000.00)	\$ 707,016.06	





Item No. 5

Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: Rappahannock Electric Cooperative (REC) sub-Transmission project

Summary: In February 2013, Rappahannock Electric Cooperative (REC) approached the Town of Front Royal about a proposed new project that would overbuild existing Town electrical lines along Kerfoot. The proposed overbuild line will be constructed from our substation on Kendrick Lane to just west of the intersection at Criser Rd. & Mount View Street. REC states that this new power line will improve reliability and accessibility to their customers and employees.

Council Discussion:

Staff Evaluation: During the Town's review of the project we evaluated the engineering and design of the project to ensure no negative impact to our electrical system and not to over-burden the Town's easements along the route. The project is considered a major project that spans over a mile and half to include the following: fifty-three (53) wooden utility poles, three (3) steel utility poles, approximately 8,100 feet of 3-phase 336 ACSR and various crossarms and support facilities.

During the review process, we also addressed other issues in Town with REC pertaining to electrical lines currently crossing residential properties (backyard), consolidating of facilities along 6th Street and the transfer of service area to the Town of the soon to be annexed 604 acres on the east side of Town.

Budget/Funding:

Legal Evaluation:

Staff Recommendations: Staff recommends approval of amendment to the franchise agreement with Rappahannock Electric Cooperative.

Town Manager Recommendation:

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

Consensus Poll on Action: ____ (Aye) ____ (Nay)

Work Session

TOWN OF FRONT ROYAL, VIRGINIA
AMENDMENT TO ORDINANCE

WHEREAS, on or about January 12, 2009, the Town of Front Royal, Virginia (the "Town") did enact that certain ordinance granting The Potomac Edison Company d/b/a Allegheny Power ("Allegheny") and its successors or assigns certain rights and privileges relating to the transmission and distribution of electricity within or outside the corporate limits of the Town, all as more particularly provided in said ordinance, a copy of which is attached hereto and marked as Exhibit A ("Ordinance"); and

WHEREAS, Rappahannock Electric Cooperative ("REC") did acquire (as successor and assignee) a portion of Allegheny's service territory and associated distribution assets, which territory includes the Town, all as provided more particularly in that certain State Corporation Commission Order in Case No. PUE-2009-00101 ("Acquisition"); and

WHEREAS, REC and the Town desire to amend the Ordinance for the purposes expressed more particularly below; and

NOW THEREFORE, in consideration of the mutual promises and conditions expressed hereunder, the Ordinance and other valuable consideration, the receipt of which is hereby acknowledged, the Ordinance shall be amended as follows:

Section 1. The above recitals are incorporated in this amendment to the Ordinance ("Amendment") as material terms and conditions hereunder.

Section 2. The Town hereby reaffirms all rights and privileges granted under the Ordinance for the benefit of REC as successor to Allegheny's service territory under the Acquisition.

Section 3. This Amendment specifically addresses the installation and replacement of utility poles, conductors and facilities within the Town along the locations designated on

Exhibits 1-3, 7 (collectively the "Facilities" or individually "Facility"), which exhibits are incorporated herein by this reference as material conditions and obligations under this Amendment (all of the foregoing under this Section 3 the "Project")

Section 4. REC will transfer all Town facilities from existing poles to new poles as shown on Exhibits 1-3, 7. In this regard, REC will install and construct the Facilities in the locations described on the Exhibits 1-3, 7. The installation will include approximately fifty-three (53) wooden utility poles, three (3) steel utility poles, approximately 8,100 feet of 3-phase 336 ACSR and various crossarms and support facilities. All new steel poles shall have a galvanized finish and be directly imbedded in the ground according to applicable ASCE, ASTM, NESC and ANSI standards. REC will also install all related hardware and materials as may be reasonably required for the Facilities, except for the triplex conductor required on Exhibit 2, from P/S 110 to P/S 230. REC will undertake all efforts pertaining to the Project in a reasonable and diligent manner endeavoring to minimize any disruption to electric services. Prior to any disruption in electric services, except in emergency or unanticipated situations, REC will undertake reasonable efforts to notify Town customers before any outage is required for the construction of a Facility. Before the project described herein commences, REC will mail notice letters (example Exhibit 5) to landowners and/or residents of affected properties indicating the work being performed, and REC contact information for any questions. Prior to undertaking any actions that may likely disrupt services, REC will contact customers in person and/or by hanging outage notification "door knockers" at the residence at a minimum of 24 hours before outage occurs.

Section 5. After successfully energizing the new 34.5kV line, REC will, in regard to the existing dual circuit 34.5kV and 12.5kV overhead utility line section shown on Exhibit 4 and Exhibit 6, de-energize, and remove or abandon all such facilities no longer required for REC

12.5kV distribution services, relocate those portions of the 34.5kV line section that are not currently occupying streets, avenues, alleys, parks, or other public places to a mutually agreed upon route, and thereafter vacate any applicable right of ways, all within a reasonable time period thereafter not to exceed eighteen (18) months.

Section 6. Upon completion of the Project, REC will relinquish ownership of the Facilities and convey and assign said ownership to the Town, except REC will maintain ownership of the conductor, supports and insulators used for 34.5kV REC circuit. Also, where Century Link is present owner of poles (P/S 110-220 Exhibit 2, Sheet 2, 3 & 4), Century Link will retain ownership after completion of project.

Section 7. The Ordinance shall remain in full force and effect except as amended through this Amendment.

Section 8. REC, subject to a separate agreement and in accordance with any applicable state corporation commission and/or local approvals, agrees, in good faith, to evaluate (in cooperation with the Town) the potential of consolidating facilities on 6th Street (within the Town) to the extent that such consolidating does not: (i) impact REC service reliability levels, (ii) place undue financial burden on the Cooperative, and (iii) follows sound engineering and safety standards.

Section 9. REC shall have the right to trim, cut and keep clear of its wires and fixtures the trees in and along the new 34.5kV line, but shall not cut or otherwise injure the trees to any greater extent than is reasonably necessary in the construction, reconstruction, maintenance and operation of the poles, towers, attachments, wires, cable, conduits, fixtures and other structures of the grantee as herein authorized and provided. All tree trimming activities, except in emergency situations, shall be coordinated with and approved by the Town of Front Royal.

This Amended Ordinance was passed by the Town of Front Royal, Virginia, and
approved by the Mayor on ____ day of _____, 2014.

Timothy W. Darr
Mayor of the Council of the Town of Front Royal, Virginia

EXHIBIT A

Ordinance

EXHIBIT 1-4

5793803-1 036860.00002



Item No. 6

Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: W Commonwealth Dr – Replacing Damaged Storm Drain Pipe

Summary: The Department of Environmental Services would like to hire a contractor to replace 120 ft of storm drain pipe that was damaged by the flood that occurred in May 2014.

Council Discussion: Council is requested to review and approve the needed funding to replace the storm drain line located on W Commonwealth Dr.

Staff Evaluation: Environmental Services has received three price quotes from contractors able to complete the work (see attached)

Budget/Funding: To be determined by the Finance Director

Legal Evaluation: The Town Attorney will be able to address any legal questions or concerns

Staff Recommendations: Staff recommends acceptance of the lowest bid of \$9,500 (nine thousand five hundred dollars and zero cents) submitted by Racey Paving & Excavating, LLC

Town Manager Recommendation:

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

Consensus Poll on Action: ____ (Aye) ____ (Nay)

Work Session



MEMORANDUM

Date: July 7, 2014
To: Steve Burke, Town Manager
From: Cindy Hartman, Purchasing Agent
RE: Commonwealth Avenue ^{Drive}

CH

On Thursday, July 3, 2014, I received three (3) quotes from Terry Lewis, DES Manager. These quotes are for the repair of a wash area located on West Commonwealth Drive. The quote is for all labor, materials and equipment needed to perform the work in a professional manner. The work will be to dig out and replace a 30" pipe, approximately 120 feet long, then back fill. There will be rip rap placed at the pipe exit. Approximately 200 yards of fill will be installed to raise the entire ravine up to grade so that the home owner can maintain the area.

The lowest quote submitted was from Racey Paving located in Strasburg. They quoted the project for a total cost of \$9,500.00.

Funding for this project is available in the FY15 DES budget line item 4500-R45471 "Storm Drainage", \$9,407.86 funding carried forward from FY14. The balance of funding, estimated \$92.14, will be drawn from the FY15 DES budget line item 4102-45471 "Storm Drainage".

TOWN OF FRONT ROYAL THREE QUOTE FORM

DEPARTMENT DPS BUYER TOWN OF FRONT ROYAL DATE 26 Jan 14

DESCRIPTION OF COMMODITIES/SERVICES	QTY	VENDOR	VENDOR	VENDOR
REPLACE 120' OF 30"		NACY PAVING		
DRAIN LINE, RAISE			BUSHONG	
AREA w/ fill to A				POE
ROADWAY STATE				
COST OF COMMODITIES/SERVICES (LESS FREIGHT)		\$ 9,500	\$ 9,852	\$
FREIGHT/DELIVERY COST		\$	\$	\$
GRAND TOTAL, NET THIRTY TERMS		\$	\$	\$ 16,730
PRICES FIRM THROUGH				
Quotations on this form have been solicited by the buyer indicated on this form without furnishing any information to a vendor which may afford a vendor an advantage over another vendor. The undersigned has hereby solicited three valid quotations in accordance with the Town of Front Royal's purchasing procedures.	VENDOR NAME			
	FED TAX I.D./SSN#			
	ADDRESS			
	CITY, STATE			
	PHONE/FAX	540-481-0137	540-459-5975	540-635-7700
	CONTACT	WAYNE	AARON	DONALD
BUYERS SIGNATURE				
Number of vendors solicited _____ If none, please state reasons on the back of this form.				

Town of Front Royal, Virginia
Work Session Agenda Form

Date: July 21, 2014

Agenda Item: DEED OF EASEMENT FOR SANITARY SEWER UTILITIES & ACCESS
BETWEEN WARREN COUNTY SCHOOL BOARD AND TOWN OF FRONT ROYAL

Summary: The Warren County School Board built the Skyline High School ("SHS") on Skyline Vista Drive, which is located outside the corporate limits of the Town. Because the SHS is served by Town water and sewer utilities, there needs to be in place a deed of easement for the collection and transmission of these items from the County's property into the Town's utilities systems, and to allow the Town reasonable mode of ingress and egress to these systems on the County's property in order to access them. These easements are shown on the enclosed plat marked "PLAT OF PUBLIC UTILITY EASEMENT, SOUTH RIVER DISTRICT, WARREN COUNTY, VIRGINIA", drawn by Anderson & Associates, Inc.

Council Discussion: Council is requested to consider approving this Deed of Easement so as to formalize the service of this facility with public water and sewer.

Staff Evaluation: Approving this Deed of Easement appears to benefit both the Town and Warren County in appropriately serving the SHS, which also serve the residents of the Town. Staff notes that the Public Safety Building, located across the street from the SHS on Skyline Vista Drive, is also already served by Town water and sewer utilities.

Budget/Funding: Cost of recording the Deed of Easement.

Legal Evaluation: The Deed of Easement appears to be in proper legal form.

Staff Recommendations: Approval of the Deed of Easement appears to be appropriate.

Planning Commission Recommendation: Not applicable.

Town Manager Recommendation: The Town Manager concurs with recommending that approval of this Deed of Easement is appropriate.

Council Recommendation:

☐ Additional Worksession ☐ Regular Meeting ☐ No Action

This deed is exempt from the recordation taxes imposed by §58.1-801 and §58.1-803 of the Code of Virginia, 1950, pursuant to §58.1-811.

Prepared by Blair D. Mitchell
County Attorney

Consideration \$1.00

T. M. 28-128-I

THIS DEED OF EASEMENT FOR SEWER UTILITIES is made and entered into this 19th day of December, 2013, by and between the **WARREN COUNTY SCHOOL BOARD**, a political subdivision of the Commonwealth of Virginia, herein referred to as "**Grantor**", and the **TOWN OF FRONT ROYAL, VIRGINIA**, a Municipal Corporation, herein referred to as the "**Grantee**".

WITNESSETH:

THAT FOR AND IN CONSIDERATION of the sum of ONE DOLLAR (\$1.00) cash in hand paid by the Grantee to the Grantor, receipt whereof is hereby acknowledged, the Grantor grants and conveys unto the Grantee the following rights in real property situated in the **SOUTH RIVER MAGISTERIAL DISTRICT**, Warren County, Virginia, to-wit:

The privilege and easement in perpetuity for rights-of-way to construct, lay, maintain, repair, inspect, improve, and operate within the easement strips hereinafter described and referred to, works and systems for the collection and transmission of water, sewage, and/or waste water, over, upon, across, and under the property of the Grantor known and designated as "20.00' Public Utility Easement as Illustrated Hereon and to be Dedicated by a Deed to be Recorded Herewith", as shown on a plat entitled "Plat of Public Utility Easement, South River Precinct, Warren County, Virginia, attached hereto and made a part hereof. The said easement being located on the west side of Skyline Vista Drive (Route 9418) and being twenty (20) feet in width as shown on the aforesaid plat.

There is also hereby conveyed an easement of ingress, egress, and access from the Grantor's front property line fronting on Skyline Vista Drive

to the above-described easement and sanitary sewer line for the purpose of allowing access to the said line by the Town's employees, agents, and contractors.

It being the same property conveyed unto the Grantor by Deed dated August 2, 2005, from the County of Warren, Virginia, a political subdivision of the Commonwealth of Virginia, recorded as Instrument number 050010595 in the Clerk's Office of the Circuit Court of Warren County, Virginia.

Also known as Warren County Tax Map and Parcel 28-128-I

The further terms and conditions of this grant are as follows:

- (a) That the Grantee may (but is not required to) trim, cut, remove, and keep clear all trees, limbs, undergrowth, and any and all other obstructions, within the said rights-of-way or easement strips, that may in any manner in Grantee's judgment endanger or interfere with the proper and efficient operation of the works and systems therein or thereon and the Grantee shall have all such other rights and privileges as are reasonably necessary or convenient for the full enjoyment and use of the easements herein granted for the aforesaid purpose.
- (b) The granting of the easements hereinafter described neither expressly or impliedly constitutes any payment, nor the waiver of any obligation for the payment, by the Grantor or his successors or assigns, or any cut-in fee or charge, tax, assessment or other charge or obligation whatsoever now due or heretofore due or hereafter to become due and payable to the Grantee or to any person, firm or other corporation whatsoever.
- (c) That Grantee will exercise reasonable care to protect Grantor's property from damage or injury occasioned in the enjoyment of the easements and rights herein granted, and to promptly repair the said property or reimburse the Grantor for any property damaged beyond repair.
- (d) That if Grantee does cut or fell any brush, undergrowth or trees, or should excavations be carried on pursuant to this easement and any large-sized rocks or boulders are unearthed and are not buried in said excavation, such brush, undergrowth, trees, large-sized rocks and boulders shall, at the expense of Grantee be removed from Grantor's property.
- (e) That Grantor shall have no right, title, interest, estate or claim whatsoever in or to any of the lines, pipes, or other equipment and accessories installed by virtue hereof.

Grantor further covenants that it has the right to convey the said easements; that the Grantee shall have quiet and peaceful enjoyment and possession of said easements, and that the Grantor will execute such further assurances of the said grant and easements herein contained as may be requisite.

WITNESS the following signature:

COUNTY OF WARREN, VIRGINIA

By: Catherine Bower (SEAL)
Catherine Bower, Chairman
Warren County School Board

ATTEST:

Pamela M. McInnis
Pamela M. McInnis
Superintendent of Schools

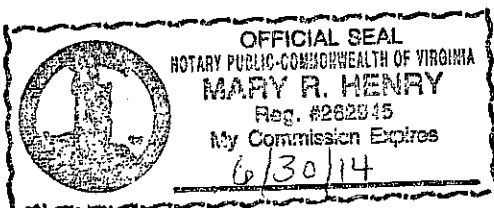
COMMONWEALTH of VIRGINIA
COUNTY OF WARREN, TO-WIT:

I, the Notary Public in and for the Commonwealth of Virginia, at-large, do hereby certify that Catherine Bower, Chairman of the Warren County School Board, and Pamela M. McInnis, School Superintendent, whose names are signed to the foregoing Deed of Easement bearing the date of the 19th day of December, 2013, have this day personally appeared and acknowledged the same before me in my State and in the City/County aforesaid.

Given under my hand this 6th day of January, 2014.

My commission expires: June 30, 2014.

Registration Number 262945.



Mary R. Henry
NOTARY PUBLIC

The foregoing conveyance is hereby accepted by the Town of Front Royal, Virginia, as evidenced by the signature of the undersigned, who is authorized to accept this conveyance on behalf of the Town, as evidenced by a Resolution adopted by the Town Council.

WITNESS the following signature:

TOWN OF FRONT ROYAL, VIRGINIA

BY: _____
Hon. Timothy W. Darr, Mayor

ATTEST:

Jennifer Berry
Clerk of Council

**COMMONWEALTH OF VIRGINIA
COUNTY OF WARREN, TO-WIT:**

I, _____, a Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that Timothy W. Darr, Mayor, and Jennifer Berry, Clerk of Council, whose names are signed on behalf of the Town of Front Royal, Virginia, to the foregoing Deed of Easement bearing the date of the ____ day of _____, 20____, have each this day personally appeared and acknowledged the same before me in my State and in the County aforesaid.

Given under my hand this ____ day of _____, 20____.

My commission expires: _____.

Registration Number _____.

NOTARY PUBLIC



Item No. 8

Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: Business Development Incentives

Summary: Vice Mayor Parker asked that this item be placed on an upcoming work session

Council Discussion: Council takes desired action

Staff Evaluation:

Budget/Funding:

Legal Evaluation:

Staff Recommendations:

Town Manager Recommendation:

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

Consensus Poll on Action: ____ (Aye) ____ (Nay)

Work Session

Business Development Incentive Options

The following programs could be considered by the Town in various funding levels to provide stimulus to business development or redevelopment within the Town limits, as funding is made available. Several of the programs would require the Town to identify and map the locations for certain types of businesses that should be encouraged to locate in particular areas to achieve the Town's economic development goals.

1. **Pre-Development Assistance Program**

The Town could provide grant funding or low interest loans to developers for environmental studies or plan development for redevelopment of properties in designated areas of the Town. Grants can be a percentage of the expense incurred up to a maximum limit. Loans can be at an interest rate determined by the Town to include waiving of the loan amount should the development proceed to construction.

2. **Development/Redevelopment Loan Program**

The Town could provide low interest loans to developers to construct improvements to properties that increase the Town's tax base. The basis of the funding amount would be based upon the increased assessed value of the property. The property owner would then consent to an update to their assessed value being approved by the County outside the normal assessment period. Loans can be at an interest rate determined by the Town, could include interest only payments for the first five years, or could include principal relief after a certain period of time.

3. **Targeted Business Assistance Program**

The Town could provide grant funding or low interest loans to developers of select small businesses in areas that have been identified by the Town for development (Tourism Zones, Technology Zones, etc.) Grants could be a percentage of the expense incurred up to a maximum limit. Loans can be at an interest rate determined by the Town, could include interest only payments for the first five years, or could include principal relief after a certain period of time.

4. **Downtown Redevelopment Assistance Program**

The Town could provide grant funding or low interest loans to developers of businesses in the Downtown Historic area. Grants could be a percentage of the expense incurred up to a maximum limit. Loans can be at an interest rate determined by the Town, could include interest only payments for the first five years, or could include principal relief after a certain period of time.

5. **Building Renovation Assistance Program**

The Town could provide grant funding or low interest loans towards the renovation of building facades, parking areas, or landscaping. The basis of the funding amount would be based upon the increased assessed value of the property. The property owner would then consent to an update to their assessed value being approved by the County outside the normal assessment period. Loans can be at an interest rate determined by the Town, could include interest only payments for the first five years, or could include principal relief after a certain period of time.

6. Financial Assistance Program

The Town could provide grant funding or low interest loans towards the establishment or expansion of a business through the purchase of furniture, fixtures, equipment, or machinery. Grants can be a percentage of the expense incurred up to a maximum limit. Loans can be at an interest rate determined by the Town.

7. Development Utility Payment Offset Program

In lieu of grants or loans prior to the establishment of a business, the Town could offer a program that would offset the utility payments of a new business by a percentage of the investment in the property over a set period of time. For example, a business investment of \$100,000 could equate to a \$5,000 annual rebate of utility payments for 5 years. This program would provide incentive through reduced operating expenses as the business was established.



Item No. 9

Town of Front Royal, Virginia Work Session Agenda Form

Date: July 21, 2014

Agenda Item: Consideration of Town Code Amendments to 98-42 – “Fortunetellers and Similar Businesses” and 110-7 “Fortunetelling or Practicing Magic Art”

Summary: Vice Mayor Parker and Councilman Hrbek asked that this item be placed on an upcoming work session

Council Discussion: Council takes desired action

Staff Evaluation:

Budget/Funding:

Legal Evaluation:

Staff Recommendations:

Town Manager Recommendation:

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action
Consensus Poll on Action: ____ (Aye) ____ (Nay)

Work Session

110-17 FORTUNETELLING OR PRACTICING MAGIC ART

A. It shall be unlawful for any company of gypsies or other strolling company or person to receive compensation or reward for pretending to tell fortunes or to practice any so-called "magic art."

B. Every person violating this section shall be guilty of a misdemeanor and fined not less than five hundred dollars (\$500.) or confined in jail not less than one (1) nor more than six (6) months, or by both such fine and imprisonment.

98-42 FORTUNETELLERS AND SIMILAR BUSINESSES

For every license for a person engaged in business as a fortuneteller, clairvoyant, phrenologist, spirit medium, astrologist, hypnotist or palmist, there shall be paid a license tax of four hundred dollars (\$400.) a year. Such license tax shall not be proratable. A license for a fortuneteller, clairvoyant, phrenologist, spirit medium, astrologist, hypnotist or palmist shall not be transferable.