



TOWN OF FRONT ROYAL, VIRGINIA TOWN COUNCIL MEETING

Monday, July 13, 2015 @ 7:00pm in the Warren County Government Center

1. Pledge of Allegiance
2. Moment of Silence
3. Roll Call
4. Approval of the Regular Council Meeting minutes of June 22, 2015
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 Northern Shenandoah Valley Regional Commission – Martha Shickle
 - b. Requests and inquiries of Council members.
 - c. Report of the Mayor
 - d. Proposals for addition/deletion of items to the Agenda.
7. **CONSENT AGENDA ITEMS** – (ROLL CALL VOTE REQUIRED) - NONE
8. **PUBLIC HEARING** – Ordinance Amendment to Town Code Section 142-20 Pertaining to Banner Poles (*1st Reading*)
9. **PUBLIC HEARING** – Ordinance Amendment to Town Code Sections 98-3 and 98-15 Pertaining to Minimum BPOL (*1st Reading*)
10. **PUBLIC HEARING** – Ordinance and Resolution to Approve and Execute a Power Sales Contract with AMP along with Interconnection Agreement and Solar Project Lease Agreement (*1st Reading*)
11. **PUBLIC HEARING** – Ordinance to Amend and Re-enact Town Code Sections 75-5 through 75-57 “Front Royal Enterprise Zone” (*1st Reading*)
12. **COUNCIL APPROVAL** – Resolution for the Declaration of a Front Royal Enterprise Zone
13. **COUNCIL AUTHORIZATION TO ADVERTISE FOR PUBLIC HEARING** to receive Public Input on the Vacation of a Town Right-of-Way
14. **COUNCIL APPROVAL** – Budget Amendment and Acceptance of Bid for an Electric System Coordination and Ten-Year Systems Study
15. **COUNCIL APPROVAL** – Budget Amendment and Acceptance of Bid for Renovation Construction Services to the Energy Services Department’s Warehouse Building
16. **COUNCIL APPROVAL** – Main Street Canopy Lighting Project

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

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Item No. 8

Meeting Date: July 13, 2015

Agenda Item: PUBLIC HEARING – Ordinance to Amend Town Code Chapter 142-20
Pertaining to Town Banner Poles (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Ordinance to Amend Town Code Chapter 142-20 pertaining to Town banner poles. If approved, an increase in metal grommets and wind flaps will be required in banners that are hung on the Town's banner poles located on N. Royal Avenue and John Marshall Highway and would be effective upon passage, as presented.

Budget/Funding: None

Attachments: Proposed Amendment to Ordinance

Meetings: Work Session held May 18, 2015

**Staff
Recommendation:** Approval ✓ Denial

Proposed Motion: I move that Council affirm on its first reading an Ordinance to Amend Town Code Chapter 142-20 pertaining to Town banner poles, as presented and effective upon passage.

*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: SB

AN ORDINANCE TO AMEND FRONT ROYAL TOWN CODE CHAPTER 142-20 PERTAINING TO TOWN BANNER POLES

WHEREAS, the Town has had numerous issues over the past year with banners being damaged due to wind, which has resulted in additional overtime and damage to private property; and,

WHEREAS, Staff has evaluated the situation and recommends changes to the Town Code to protect public safety and property; and,

NOW THEREFORE, BE IT ENACTED, by the Town Council of the Town of Front Royal, Virginia, that 142-20.6. of the Front Royal Town Code is hereby amended as follows:

142-20 TOWN BANNER POLES

The Town has installed banner poles at various locations on arterial roads to inform citizens and visitors of civic events. Reservation of space to display a banner shall be regulated as follows:

1. Applications to display banners shall be submitted to the Town Manager and shall include the following information:
 - a. Name of Requesting Organization
 - b. Contact Name
 - c. Contact Phone Number
 - d. Requested Dates for Display
 - e. Banner Message and Description of Display
2. Applications shall be accepted beginning January 1 for placement that year.
3. Priority of display shall be granted to the Chamber of Commerce Wine & Craft Festival and to the Warren County Heritage Society Festival of Leaves subject to request being received within the first five (5) business days of January. Similar priority shall be granted to organization requests for events conducted at the same time period for a least five (5) consecutive years.
4. Display shall be for up to fourteen (14) calendar days. Extensions of up to fourteen (14) calendar days may be requested thirty (30) days prior to the approved date for display if no other display requests have been approved.
5. Banners size shall be a maximum of thirty (30) feet long by three (3) feet tall. Organizations requesting banner display shall be responsible to ensure banner can be connected to the existing hardware installed by the Town.

6. Banners shall be constructed of heavy-duty canvas, plastic tarpaulin material, or netting. Metal grommets shall be imbedded near each of the four (4) corners and along the top and bottom edges. **with two (2) feet intervals** . ~~The top and bottom edges shall have at least six (6) grommets. Wind relief flaps or other wind pressure release options shall be evenly distributed throughout the banner.~~ **The banner shall also have wind-relief flaps that are six (6) inch diameter half-circles and at least one (1) for every four (4) square foot of total area.**

7. In the event that display date request conflict, the Town Manager or designee shall determine resolution of conflict. Display requests determined by the Town Manager or designee can be appealed to Town Council a minimum of forty-five (45) days prior to the requested date for display.

This ordinance shall become effective upon passage.

APPROVED:

Timothy W. Darr, Mayor

ATTEST:

Jennifer E. Berry, Clerk of Council

THIS ORDINANCE was approved at the Regular Meeting of the Town of Front Royal, Virginia on its second reading, conducted _____, 2015, upon the following recorded vote:

John P. Connolly	Yes/No	Bret W. Hrbek	Yes/No
Hollis L. Tharpe	Yes/No	Eugene R. Tewalt	Yes/No
Bébhinn C. Egger	Yes/No	Daryl L. Funk	Yes/No

A public hearing on the above was held on _____, 2015 having been advertised in the Northern Virginia Daily on _____, 2015 and _____, 2015.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____

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Town of Front Royal, Virginia Council Agenda Statement

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Item No. 9

Meeting Date: July 13, 2015

Agenda Item: PUBLIC HEARING – Ordinance to Amend Town Code Sections 98-3 and 98-15 Pertaining to Minimum BPOL (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Ordinance to amend Town Code Sections 98-3 and 98-15 pertaining to minimum Business Professional Occupational License (BPOL) Fee and Failure to Obtain a Proper License. If approved, a minimum fee of \$10.00 will be established for those obtaining a BPOL. The minimum fee would not apply to those businesses who qualify for an exemption. The amendment would also add the wording “to obtain or” so that the Town Code addresses not only exhibiting a business license but also obtaining one. Upon adoption this ordinance would be effective upon passage.

Budget/Funding: None

Attachments: Proposed Ordinance Amendment

Meetings: Work Session held June 1, 2015

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 affirm on its first reading an Ordinance to amend Town Code Sections 98-3 and 98-15 pertaining to minimum Business Professional Occupational License (BPOL) Fee and Failure to Obtain a Proper License, as presented and effective upon passage.

*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: SB

**AN ORDINANCE TO AMEND FRONT ROYAL TOWN CODE SECTIONS 98-3 and
98-15 PERTAINING TO MINIMUM (BPOL) BUSINESS PROFESSIONAL
OCCUPATIONAL LICENSE FEE AND FAILURE TO OBTAIN A PROPER LICENSE**

WHEREAS, Chapter 98 “Business Professional Occupational Licensing” of the Front Royal Municipal Town Code currently does not have a minimum licensing fee; and,

WHEREAS, the proposed amendment to 98-3 “License Requirement” would create a minimum fee and the proposed amendment to 98-15 “Keeping and Exhibiting of License” would add wording to address failure to obtain a proper license.

NOW THEREFORE, BE IT ENACTED by the Town Council of the Town of Front Royal, Virginia that Sections 98-3 and 98-15 of the Front Royal Town Code is hereby amended as follows:

98-3 LICENSE REQUIREMENT

Every person shall apply for a license for each business, trade, profession, occupation or calling (collectively hereinafter "a business"), unless otherwise exempted by law, when engaging in a business in the Town of Front Royal if **(i)** the person has a definite place of business in this jurisdiction; **(ii)** there is no definite place of business anywhere and the person resides in this jurisdiction; or **(iii)** there is no definite place of business in this jurisdiction but the person operates amusement machines or is classified as an itinerant merchant, peddler, carnival, circus, contractor subject to Virginia Code Section 58.1-3715, or public service corporation. A separate license shall be required for each definite place of business and for each business. A person engaged in two or more businesses or professions carried on at the same place of business may elect to obtain one license for all such businesses and professions if all of the following criteria are satisfied: **(i)** each business or profession is subject to licensure at the location and has satisfied any requirements imposed by state law or other provisions of the ordinances of the Town of Front Royal; **(ii)** all of the businesses or professions are subject to the same tax rate, or, if subject to different tax rates, the licensee agrees to be taxed on all businesses and professions at the highest rate; and **(iii)** the taxpayer agrees to supply such information as the assessor may require concerning the nature of the several businesses and their gross receipts.

Every person and business entity engaged in any business in the Town of Front Royal shall obtain a license from the Town of Front Royal Department of Finance before the commencement of such business, the minimum fee for which shall be ten dollars (\$10.00), unless exempt from licensing. Each year thereafter, such persons and entities shall pay an annual minimum license fee of ten dollars (\$10.00). In no instance shall this minimum fee create a refund.

98-15 KEEPING AND EXHIBITING OF LICENSE

Every person or business required to obtain a license shall keep the license in a place where it may be exhibited immediately upon demand of any representative of the Town. No license measured by volume of business shall be required to be publicly displayed. Failure to obtain or to exhibit

the license upon demand of a Town representative or failing to display properly any license tag required under this chapter or Chapter 37 of the Code of Virginia, 1950, as amended, shall be guilty of a misdemeanor and, upon conviction thereof, be punished as provided in Chapter 1, Article II, Penalties, of this Code.

This ordinance shall become effective upon passage.

APPROVED:

Timothy W. Darr, Mayor

ATTEST:

Jennifer E. Berry, Clerk of Council

THIS ORDINANCE was approved at the Regular Meeting of the Town of Front Royal, Virginia on its second reading, conducted _____, 2015, upon the following recorded vote:

John P. Connolly	Yes/No	Bret W. Hrbek	Yes/No
Hollis L. Tharpe	Yes/No	Eugene R. Tewalt	Yes/No
Bébhinn C. Egger	Yes/No	Daryl L. Funk	Yes/No

A public hearing on the above was held on _____, 2015, having been advertised in the Northern Virginia Daily on _____, 2015 and _____, 2015.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____

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Town of Front Royal, Virginia Council Agenda Statement

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Item No. 10

Meeting Date: July 13, 2015

Agenda Item: PUBLIC HEARING – Ordinance and Resolution to Approve and Execute a Power Sales Contract with AMP along with Interconnection Agreement and Solar Project Lease Agreement (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Ordinance/Resolution to Approve and Execute a Power Sales Contract with American Municipal Power, Inc. (AMP), as well as, an Interconnection Agreement with AMP and a Solar Project Lease Agreement with AMP for the Solar Phase II Project at 3,000 kilowatts, as presented. Council is also requested to consider granting the Solar Project Lease Agreement with AMP for a term of five years, renewal for additional five year terms. Since AMP will be constructing structures and other work on Town real property, it would be deemed “construction” under the Public Procurement Act, and thus subject to the Act’s provisions; however, competitive sealed bidding and competitive negotiation are not fiscally advantageous to the public because the Town purchases electric utility services through AMP, an association that was formed and is maintained for the purpose of promoting the interest and welfare of and developing close relationships with similar public bodies. Council is further requested to authorize the Town Manager to sign all necessary documents.

Budget/Funding: None

Attachments: Proposed Ordinance/Resolution, Agreements and Contract

Meetings: Work Session held June 1 and July 6, 2015.

Staff

Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council affirm on its first reading an Ordinance/Resolution to Approve and Execute a Power Sales Contract with American Municipal Power, Inc. (AMP) for the Solar Phase II Project at 3,000 kilowatts as presented, as well as, an Interconnection Agreement. I further move that Council approve a Solar Project Lease Agreement for a term of five years, renewal for additional five year terms and that the constructing of structures on Town real property by AMP would not adhere to the Public Procurement Act since competitive sealed bidding and competitive negotiation are not fiscally advantageous to the public because the Town purchases electric utility services through AMP, an association that was formed and is maintained for the purpose of promoting the interest and welfare of and developing close relationships with similar public bodies. I continue to further move that Council authorize the Town Manager to sign all necessary documents.

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: SB

TOWN OF FRONT ROYAL, VIRGINIA

[ORDINANCE/RESOLUTION] NO. _____

**AN [ORDINANCE/RESOLUTION] TO APPROVE THE FORM
AND AUTHORIZE THE EXECUTION OF A POWER SALES CONTRACT
WITH AMERICAN MUNICIPAL POWER, INC.
AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH
REGARDING PARTICIPATION IN
THE AMP SOLAR PROJECT II;
AND DECLARING AN EMERGENCY.**

WHEREAS, the Town of Front Royal, Virginia (the “Municipality”) is a political subdivision organized and existing pursuant to the laws of the Commonwealth of Virginia which owns and operates an electric utility system for the sale of electric capacity and associated energy for the benefit of its citizens and customers;

WHEREAS, in order to satisfy the electric capacity and associated energy requirements of its electric utility system, the Municipality has heretofore purchased, or desires to do so in the future, economical and reliable electric capacity and associated energy from, or arranged by, American Municipal Power, Inc. (hereinafter, “AMP”), an Ohio non-profit corporation, of which the Municipality is a AMP Member;

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

WHEREAS, it is efficient and economical to act jointly in such regard;

WHEREAS, AMP is an Ohio nonprofit corporation, organized to own and operate facilities, or to provide otherwise for the generation, transmission or distribution of electric power and energy, or any combination thereof, and to furnish technical services on a cooperative, nonprofit basis, for the mutual benefit of its

Members, such Members, including the Municipality, being, and to be, political subdivisions of their respective states that operate electric systems in, as of the date of adoption hereof, Delaware, Indiana, Kentucky, Maryland, Michigan, Ohio, Pennsylvania, Virginia, and West Virginia;

WHEREAS, Municipality has determined it requires additional long-term sources of reliable, environmentally sound and reasonably priced electric capacity and energy and has requested that AMP arrange for the same;

WHEREAS, in furtherance of such purpose, Municipality, along with other Members (collectively, "Participants") requested and AMP agreed that it will either directly by itself or otherwise arrange for the financing, acquisition, construction, operation and ownership, in whole or in part, of solar generation at agreed upon solar sites and possible additional solar sites having an expected net rated electric generating capacity of up to an aggregate total of a nominal 75 MW (or such larger amount as approved or set forth in the AMP Solar Project II Power Sales Contract (hereafter "PSC")) capacity (to be known collectively as the "AMP Solar Project II");

WHEREAS, AMP has resolved, in accordance with the PSC, to develop, including, as appropriate, the financing, acquisition, construction, ownership and operation of, and arrangements for the acquisition, financing, and payment for the AMP Solar Project II as well as other arrangements related thereto, which AMP and, in certain cases, the Participants, deem necessary to enable AMP to fulfill its obligations hereunder to sell and transmit, or otherwise make available, electric capacity and energy to the Participants;

WHEREAS, the PSC between AMP and Municipality, a copy of the form of which is on file with the Clerk, sets forth the terms and conditions, rights, duties, obligations, and covenants of the parties with respect to the AMP Solar Project II;

WHEREAS, in order to lower the Project costs to the Municipality and other Participants, AMP is investigating utilizing a "tax equity investor" structure for Solar Project II as contemplated in the PSC;

WHEREAS, AMP has provided appropriate information regarding the AMP Solar Project II, as such officers and representatives of the Municipality deem necessary or appropriate, to enable the Municipality to evaluate the benefits and risks of the AMP Solar Project II, to take actions contemplated by the [Ordinance/Resolution] hereinafter set forth and to determine that the same are in the public interest;

WHEREAS, the proposed form of the PSC has been reviewed by this body and this body has been advised on the same;

WHEREAS, in order to obtain such sources of electric capacity and energy, the Participants are willing to pay AMP for their respective rights to such electric capacity and energy and transmission service at rates that are sufficient, but only sufficient, to enable AMP to (i) recover all costs and expenses incurred with respect to, and arrangements for the acquisition, financing, and payment for the Project as set forth herein, and related service arrangements undertaken by AMP to enable it to fulfill its obligations hereunder, and (ii) recover any other expenditures or revenues authorized hereunder as more fully set forth in the PSC;

WHEREAS, AMP and certain Members have determined that the AMP Solar Project II is an appropriate and reasonable option for AMP Members and it is necessary and desirable for this body to approve AMP Solar Project II and the form of the PSC; and

NOW THEREFORE, BE IT RESOLVED BY THE [LEGISLATIVE BODY] OF THE TOWN OF FRONT ROYAL, VIRGINIA.

SECTION 1. That the PSC, substantially in the form on file with the Clerk, including Appendices thereto is approved, and the [Insert Officials Title] or the [Insert Official's Title]'s designee is hereby authorized to execute and deliver such PSC, with such changes or modifications as the [Insert Officials Title] or the [Insert Officials Title]'s designee may approve as neither inconsistent with this [Ordinance/Resolution] nor materially detrimental to the Municipality, execution of the PSC to be conclusive evidence of such approval, including without limitation, PSC modifications designed to

accommodate a tax equity investor should the Participants and AMP find it advantageous to the Participants to structure the AMP Solar Project II or its ownership with a tax equity investor.

SECTION 2. That the [Insert Officials Title] is hereby authorized to acquire on behalf of the Municipality, as a Participant, as defined in the PSC, a Project Share as defined in the PSC, without bid, from AMP of up to 4460 kW and to execute and deliver any and all documents necessary to become a Participant in the AMP Solar Project II pursuant to the conditions set forth herein and in the PSC and to carry out its obligations thereunder as the [Insert Officials Title] deems in the best interests of the Municipality.

SECTION 3. That the [Insert Officials Title] of this Municipality, as a part of such officer's official duties, is hereby appointed as Municipality's representative for any meetings or determinations of the Participants or the Participants Committee pursuant to the PSC and is authorized and directed, acting for, in the name of and on behalf of this Municipality, to vote Municipality's Project Share with regard to any determinations regarding the AMP Solar Project II as set forth in the PSC.

SECTION 4. That the [Insert Officials Title] may appoint, in writing from time to time as necessary, another representative of the Municipality as his or her alternate to carry out the duties set forth in Section 3 hereof.

SECTION 5. That is it found and determined that all formal actions of this body concerning and relating to the adoption of this [Ordinance/Resolution] were adopted in an open meeting of a quorum of this body, and that all deliberations of this body 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 6. If any section, subsection, paragraph, clause or provision or any part thereof of this [Ordinance/Resolution] shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this [Ordinance/Resolution] shall be unaffected by such adjudication and all the remaining provisions of this [Ordinance/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 7. [Optional] That this [Ordinance/Resolution] is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety and welfare of the citizens of Municipality, the emergency being the deadline for AMP to meet the subscription minimums to proceed with the AMP Solar Project II that is the subject of this [Ordinance/Resolution]; and provided it receives the majority vote of two-thirds or more of those elected to this body, it shall go into full force and effect from and immediately after its passage and its approval by the [Insert Officials Title]; otherwise it shall take effect at the earliest period allowed by law.

AMP CONTRACT NO. _____

**INTERCONNECTION AGREEMENT
BETWEEN
THE _____ OF _____,
AND
AMERICAN MUNICIPAL POWER, INC.**

THIS INTERCONNECTION AGREEMENT ("Agreement") is made this _____ day of _____, 2015 by and between American Municipal Power, Inc. ("AMP") and the _____ of _____, _____ an AMP member political subdivision duly organized and existing under and by virtue of the laws of the _____ of _____ that owns and operates an electric utility system ("Host").

WHEREAS AMP and Host have entered into a Power Sales Contract regarding the AMP Solar Project II dated as of _____, 2015 ("Solar Project II PSC");

WHEREAS AMP intends to install and operate a solar generation facility (the "Project Unit") to be built on a site [owned by or leased to] AMP, located at _____. The Project Unit is projected to have an export capacity of approximately ____ megawatts ("MW") but shall not be more than ____ MW of export capacity; and,

WHEREAS AMP and Host desire to enter into this Agreement for the purposes of interconnecting the Project Unit to Host's electric utility system through the Interconnection Facilities (hereinafter defined) in order to enable AMP to make available, or from time to time deliver, electric capacity and energy from the Project Unit into the Host's electric system in accordance with this Agreement and the Solar Project II PSC provisions regarding a Host Participant.

NOW THEREFORE, the Parties agree as follows:

I. Definitions.

The definitions shall be as set forth in the Solar Project II PSC, in addition to those noted below.

A. Host shall mean the Host Participant noted above.

B. Interconnection Facilities shall mean the equipment on both sides of the Point of Interconnection that is presently in place or has been mutually determined is necessary in order to interconnect with and deliver capacity and energy from the Project Unit to Host's distribution system, as set forth in Appendix A hereto. Interconnection Facilities include the additions, modifications, and/or reinforcements to Host's distribution system that Host, in the exercise of its reasonable judgment and consistent with Good Utility Practice, deems necessary to support receipt and subsequent distribution of capacity and energy from the Project Unit.

C. Point of Interconnection shall mean the point at which the facilities of the Project Unit interconnect with the facilities of Host as specified in Appendix A.

II. Term.

Subject to the conditions contained herein, this Agreement shall become effective upon execution and shall remain in effect through December 31, 2047. Notwithstanding the foregoing, this Agreement shall terminate on the date of termination or expiration of the Lease.

III. Interconnection Service.

A. AMP Responsibilities.

1. AMP shall be responsible for all costs of design, construction, installation, and maintenance of the Interconnection Facilities set forth in Appendix A. Such design, construction, installation, and maintenance shall be in accordance with Prudent Utility Practice. AMP shall be solely responsible for the construction and installation of the Interconnection Facilities. Any Interconnection Facilities listed in Appendix A that are installed on Host's side of the Point of Interconnection shall become the property of Host on the Commercial Operation Date, with Host possessing full and unencumbered title thereto.

2. AMP shall provide Host access to AMP site and Interconnection Facilities at no cost to Host for the purpose of ensuring safe and reliable operations of Host's system.

3. AMP shall be responsible for procuring and paying for all ancillary services it requires with respect to bidding capacity available from and scheduling the energy produced by the Project Unit.

4. AMP shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity, associated energy and reactive power made available or delivered to Host's system. Host shall have access to such metering data.

B. Host Responsibilities.

1. Subject to Article III (A)(1), Host shall operate and maintain the Interconnection Facilities on its side of the Point of Interconnection. Host agrees to operate and maintain those Interconnection Facilities in accordance with Prudent Utility Practice.

2. Host shall timely review and have the right to approve, such approval not to be unreasonably conditional or withheld, the design, construction and installation of the Interconnection Facilities and the in service date thereof.

C. Mutual Responsibilities.

1. During the term of this Agreement, each Party shall inform the other of any changes to its respective facilities that might reasonably be expected to affect the operation of the other Party's facilities.

2. Host and AMP shall cooperate in connection with the testing and start-up of the Project Unit.

D. Terms and Conditions

1. Continuity of Service. Host may require AMP to curtail, interrupt or reduce deliveries of capacity and energy if, in the exercise of Host's reasonable judgment exercised in accordance with Prudent Utility Practice, such delivery of capacity and energy would have a material adverse impact on the quality of service rendered by Host to its customers by interfering with the safe and reliable operation of Host's system, until the condition has been corrected. Host shall use all reasonable

efforts to mitigate the extent and duration of such curtailment, interruption or reduction. Except in the case of an Emergency, Host shall give AMP reasonable notice prior to any curtailment, interruption or reduction, the reason for its occurrence and its probable duration.

2. Disconnection. Host shall have the right to disconnect the Interconnection Facilities from Host facilities, if in the exercise of its reasonable judgment exercised in accordance with Prudent Utility Practice, it determines that an Emergency exists that is likely to adversely affect or impair the reliability of the Project Unit or facilities on Host's side of the Point of Interconnection. Host shall reconnect to its system as soon as is practicable consistent with Prudent Utility Practice.

3. Interconnection Equipment Modifications.

a. AMP shall pay or reimburse Host for the cost of any necessary modifications to the Interconnection Facilities consistent with Prudent Utility Practice to maintain interconnection service to the Project Unit that Host would not have incurred but for the interconnection of the Project Unit.

b. AMP shall provide Host reasonable written prior notice of any additions, modifications and/or reinforcements to the Interconnection Facilities that AMP has reasonably determined to be necessary consistent with Prudent Utility Practice.

IV. Operating Committee.

Each Party shall appoint one (1) representative to an operating committee (the "Operating Committee") which shall meet, at the reasonable request of either Party, as often as necessary to provide information regarding the operations and obligations hereunder but in no event less than once a year, and to discuss and act upon such other matters as are appropriate and convenient. The Operating Committee shall act only by unanimous agreement and shall keep written minutes of its meetings and actions. Although there is no contemplation that Host will enter into an Agreement with AMP to operate the Solar Facility, if during the term of this Agreement, Host and AMP enter into such an agreement, Host may appoint one (1) additional representative to the

Operating Committee to act on behalf of the Host with respect to matters relating to the operation and maintenance of the Project Unit.

V. Event of Default. Any one (1) or more of the following events shall constitute an event of default hereunder:

A. Either Party's failure to observe or perform or cause to be observed or performed any other term, covenant, agreement under this Agreement, and continuation of this failure for a period of thirty (30) days after either Party's written notice to the other specifying the nature of such Party's failure, provided, however, that such failure shall not constitute a default if it is curable but cannot with reasonable diligence be cured by such Party within a period of sixty (60) days, provided such Party proceeds to cure the failure with reasonable diligence and in good faith;

B. AMP's abandonment of the Project Unit; or,

C. The filing of a petition in bankruptcy or insolvency, for reorganization or the appointment of a receiver or trustee of all or a portion of AMP's property, by or against AMP in any court pursuant to any statute either of the United States or of any state; and AMP's failure to secure a dismissal of the petition within one hundred twenty (120) days after its filing.

VI. Compensation.

As Host is provided significant benefits from acting as a Host Participant, no additional compensation shall be required hereunder.

VII. Limitations and Other General Provisions.

A. Standard of Care. Each Party to this Agreement shall use reasonable commercial efforts to provide the services and perform the obligations required to be provided and performed pursuant to this Agreement and shall act at all times in a manner consistent with Prudent Utility Practice.

B. Limitation of Remedies, Liability and Damages. Neither Party shall have any liability to the other for any costs, damages or liability arising from its failure to provide such services or perform such obligations absent willful and wanton misconduct

by such Party. THE PARTIES AGREE THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, SUCH PARTY'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY HEREIN PROVIDED, SUCH PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. Each Party agrees that it will carry or cause to be carried such insurance as is customary in the electric utility industry to protect it against losses and damages that may arise in connection with the ownership, operation and maintenance of solar facilities. Each Party shall pay all costs and expenses, including reasonable attorneys' fees, related to such Party's failure to comply with the provisions of this Agreement.

C. Force Majeure. Neither Host nor AMP shall be considered in default under this Agreement if prevented from fulfilling any obligation due to an event of *Force*

Majeure. The Party unable to perform shall: (i) notify the other Party in writing, by telephone or electronic transmission within a reasonable time after the occurrence of the event; (ii) be excused only while such *Force Majeure* event exists; and, (iii) make good faith efforts to expeditiously alleviate such situation. Neither Party shall be required by the foregoing provisions to settle a strike, lockout or other labor dispute affecting it except when, according to its own best judgment, such a settlement is advisable.

D. Amendments. This Agreement may be amended only in writing signed by both Parties hereto.

E. Assignment. This Agreement shall not be assigned by a Party without the consent of the other Party, which consent may be withheld in the sole discretion of the Party whose consent is requested.

F. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one (1) and the same instrument.

G. Entire Agreement. This Agreement contains the entire agreement between AMP and Host with respect to the matters provided herein, and any agreement made after the execution of this Agreement between AMP and Host shall be ineffective to change, modify, waive, release, discharge, or terminate this Agreement, in whole or in part, unless that agreement is in writing and signed by the Party against whom enforcement is sought.

H. No Waiver of Breach. The failure of either Party to seek redress for violation of, or to insist on the strict performance of any covenant, agreement, term, provision, or condition of this Agreement shall not constitute a waiver of the covenant, agreement, term, provision, or condition. The receipt or payment hereunder with knowledge of the breach of any covenant, agreement, term, provision, or condition of this Agreement shall not be deemed a waiver of that breach.

I. No Third Party Beneficiaries. Nothing in this Agreement is intended or shall be construed to give any person, other than the Parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision

contained herein. Nothing in this Agreement shall be construed to create any duty, standard of care or liability to any person not a Party to this Agreement.

J. Headings. The section and subsection headings and captions appearing in this Agreement are inserted only as a matter of convenience and shall not be given any legal effect.

K. Severability. If any restriction, covenant or provision of this Agreement shall be adjudged by a court of competent jurisdiction to be void as going beyond what is reasonable in all the circumstances for the protection of the interests of the Party seeking to enforce such restriction, covenant or provision, the provisions of this Agreement shall be interpreted to carry out to the greatest extent possible the intent of the Parties and to provide to each party a reasonable approximation of the benefits such Party would have received under this Agreement if such restriction, covenant or provision had been enforceable.

L. Officials Not Liable. No official or employee of either Party shall be personally liable for any matter arising from or in any way connected to this Agreement.

M. Notices.

All Notices given by Host to AMP shall be directed to:

Attention: President/CEO
American Municipal Power, Inc.
1111 Schrock Rd., Suite 100
Columbus, OH 43229

With a copy to:

Attention: General Counsel
American Municipal Power, Inc.
1111 Schrock Rd, Suite 100
Columbus, OH 43229

All Notices given by AMP to Host shall be directed to:

Attention: [TITLE]

[TO COME]

All Notices shall be given in accordance with the Solar Phase II PSC.

N. Governing Law. The terms and provisions of the Agreement and the rights and obligations of the Parties hereto shall be in accordance with the Solar Phase II PSC and shall be governed by and construed in accordance with the laws of the State of Ohio.

O. Limited Obligation. The obligations of the Host under this Agreement are limited obligations of the Host, payable solely from the revenues of the Host's electric utility system.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed.

AMERICAN MUNICIPAL POWER, INC.

[HOST NAME]

By: _____
Marc S. Gerken, P.E.
President/CEO

By: _____
[SIGNATOR'S NAME]
[SIGNATOR'S TITLE]

Approved as to Form and Attest:

Approved as to Form and Attest:

By: _____
John W. Bentine
SVP and General Counsel

By: _____
[HOST LEGAL ADVISOR]

APPENDIX A

INTERCONNECTION FACILITIES

[TO COME]

**SOLAR PROJECT
LEASE AGREEMENT**

This Lease Agreement (this "Lease") is made and entered into as of the ____ day of ____, ____, ("Effective Date") by and between the _____ of ____, ____, a municipal corporation ("Lessor"), with an office at _____, and _____, with an office at _____ ("Lessee").

WITNESSETH:

WHEREAS, the Lessor owns property commonly known as _____ in _____, _____ and more particularly described on Exhibit A and depicted in Exhibit A-1 attached hereto and made a part hereof (the "Premises"); and

WHEREAS, Lessee desires to lease the Premises for the purpose of placing on it a solar photovoltaic electronic generating facility with a nameplate rating of approximately up-to _____ megawatts ac and ancillary or related services and facilities thereto (the "Solar Electric Facility" as further described on Exhibit B hereto) used in the provision of reliable and reasonably priced electric power to certain members of Lessee; and

WHEREAS, Lessee will sell the electric energy and certain related products produced by the Solar Electric Facility, among other such facilities, to Lessor [and has or will enter into an interconnection agreement with the Lessor regarding the electric interconnection of the Solar Electric Facility with Lessor's electric utility system ("Interconnection Agreement")]; and

WHEREAS, the Lessee has agreed to cause the Solar Electric Facility, as hereinafter defined, to be constructed, improved, repaired, replaced and operated on the Premises; and

WHEREAS, Lessor and Lessee desire to set forth in writing the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the mutual obligations, representations and promises contained in this Lease, the parties hereto agree as follows:

1. DESCRIPTION

1.01 Lessor hereby leases to Lessee and Lessee rents from Lessor the Premises. This Lease and the Premises are subject to all liens, encumbrances, conditions, rights, easements, restrictions, rights-of-

way, covenants, other matters of record and zoning and building laws, ordinances, regulations and codes governing the Premises.

2. TERM AND RENT

2.01 Term. Lessee's obligation to pay rent and occupy the Premises in accordance with this Lease shall begin on the Effective Date and be co-terminus with the length of the Power Sales Contract approved by Lessor in duly enacted [Ordinance/Resolution] No. _____ and designated as AMP Contract No. _____ and for six (6) months thereafter ("Lease Term"), unless terminated earlier for any reason set forth in this Lease.

2.02 Rent. During the Lease Term, Lessee shall pay rent to Lessor, without notice or demand and without abatement, reductions, or set-off for any reason, at Lessor's office at _____. Rent shall be payable as follows: [One Dollar (\$1.00)] on the date this Lease is signed by both parties covering the period from such date to the end of the Lease Term.

2.03 Taxes. Lessee shall be responsible for and pay any and all property taxes and assessments levied against the land, project rights or equipment as may accrue during the Lease Term.

3. USE OF PREMISES

3.01 Lessee shall have the right to use the Premises for the construction, operation and maintenance of the following items: Solar Electric Facility and facilities connecting the Solar Electric Facility and all necessary and reasonable purposes associated therewith, [except that, any use shall be subject to Sec. 11.23 of this Lease]. Lessee shall make no alterations, or actions to the Premises without permission of Lessor, except as may be provided herein. Lessor has no right and shall not claim a right in any fixture placed on the Premises, except as may be claim as a result of abandonment, default or termination of this Lease as herein provided. Lessor shall mow and maintain the Property and keep the Premises free from becoming a nuisance condition during the Lease Term.

4. LAWS AND REGULATIONS

4.01 Compliance with Legal Requirements. Lessee shall promptly comply with all laws and ordinances, and all orders, rules, regulations, and requirements of federal, state, and municipal governments and appropriate departments, commissions, boards, and offices of these governments ("Legal Requirements") throughout the term of this Lease, and without cost to Lessor. Lessee shall promptly comply with these Legal Requirements whether they are foreseen or unforeseen, or ordinary or

extraordinary, except that any compliance with Legal Requirements associated with Lessor's use of the Property prior to the effective date of this Lease shall be the sole responsibility of the Lessor.

4.02 Contest of Legal Requirements. Lessee shall have the right, after prior written notice to Lessor, to contest the validity of any Legal Requirements by appropriate legal proceedings, provided Lessor shall not be subject to any criminal or civil liability as a result of any legal contest. Lessee shall indemnify and hold Lessor harmless from all loss, claims, and expenses, including reasonable attorneys' fees, as a result of Lessee's failure to comply with Legal Requirements or any contest relating to Legal Requirements, except any contest of any Legal Requirement enacted by Lessor, subsequent to the effective date hereof.

5. LIENS AND ENCUMBRANCES

5.01 Creation Not Allowed. Lessee shall not create, permit or suffer any mechanics' or other lien or encumbrance on or affecting the Premises or the fee estate or reversion of Lessor except as may be specifically permitted in this Lease.

5.02 Lessor Not Liable For Labor, Services, or Materials Furnished to Lessee. Lessor shall not be liable for any labor, services, or materials furnished to or to be furnished to Lessee or any sublessee in connection with any work performed on or at the Premises after the execution of this Lease and no mechanics' liens or other lien or encumbrance for any labor, services, or materials shall attach to or affect Lessor's fee estate or reversion in the Premises.

6. INSURANCE AND INDEMNITY

6.01 Fire and Extended Coverage Insurance. At all times during the term of this Lease, Lessee shall maintain, at its sole cost, insurance or self-insurance covering its property located on the Premises.

6.02 Property and Personal Injury Liability Insurance. At all times during the Lease Term, Lessee shall maintain, at its sole cost, commercial general public liability insurance against claims and liability for personal injury, death, and property damage arising from the use, occupancy, disuse, or condition of the Premises, Lessee's property located thereon and Lessee's activities thereon. The insurance shall be carried by insurance companies authorized to transact business in [____], selected by Lessee and approved by Lessor, with such approval to not be unreasonably withheld. In addition, the following conditions shall be met:

- a) The insurance provided pursuant to this Paragraph 6.02 shall be in an amount equal

to the value of the property for damage, and in an amount equal to Lessee's liability coverage currently in effect under an umbrella liability policy maintained by Lessee for personal and accident injury, which amount is currently in excess of [_____] Dollars.

b) The insurance shall be maintained for the mutual benefit of Lessor and Lessee, any succeeding owners of the fee title in the Premises and any successors and assigns of this Lease. The insurance policy or policies shall name both Lessor and Lessee as insured.

c) The amounts of insurance shall be increased as Lessor may reasonably require from time to time to account for inflation, or generally increased insurance settlements or jury verdicts.

6.03 Indemnification. Lessor shall not be liable for any loss, damage, or injury of any kind or character to any person or property arising from Lessee's use of the Premises or any property on the Premises, or caused by or arising from any act or omission of Lessee, or any of its agents, employees, licensees, or invitees, or by or from any accident, fire, or other casualty on the Premises, or occasioned by the failure of Lessee to maintain the Premises in safe condition. Lessee waives all claims and demands on its behalf against Lessor for any loss, damage or injury not caused by Lessor's negligent or intentional acts or omissions, and agrees to indemnify and hold Lessor entirely free and harmless from all liability for any loss, damage, costs, or injury of other persons, and from all costs and expenses arising from any claims or demands of other persons concerning any loss, damage, or injury, caused other than by the negligent or intentional act or omission of Lessor.

7. CONDEMNATION

7.01 Although the parties agree that the Premises are and will continue to be dedicated to public use, nonetheless it is possible that the state and federal governments may attempt to acquire all or any part of the Premises for other public or quasi public purposes by condemnation in an action or proceeding in eminent domain. Upon such taking, should such taking destroy the current use, this Lease shall terminate and Lessor shall be entitled to receive the entire award or compensation for the taking of the Premises or any part of the Premises, except Lessee shall be entitled to any damages specifically awarded to it.

8. MORTGAGES NOT PERMITTED

8.01 Lessee shall not be permitted to mortgage or otherwise encumber Lessee's leasehold

interest in the Premises without Lessor's prior written consent.

9. **DEFAULT**

9.01 **Events of Default.** Any one or more of the events listed in Sub-paragraphs (a) through (e) of this Paragraph 9.01 shall constitute a default under this Lease (each, an "Event of Default").

- a) Lessee's failure to pay rent within forty-five (45) days after the rent becomes due and payable in accordance with the terms, covenants and agreements of this Lease.
- b) Lessee's failure to observe or perform or cause to be observed or performed any other term, covenant, or agreement under this Lease, and continuation of this failure for a period of thirty (30) days after Lessor's written notice to Lessee specifying the nature of Lessee's failure; however, a failure as described in this Subparagraph (c) shall not constitute a default if it is curable but cannot with reasonable diligence be cured by Lessee within a period of thirty (30) days, and if Lessee proceeds to cure the failure with reasonable diligence and in good faith,
- c) Lessee's abandonment of the Premises and improvements. For the purposes of this Lease, "abandonment" shall be defined as vacating the Premises with the intention of not returning.
- d) The occurrence of both the following events at the date of the commencement of this Lease or during the Term:
 - i) Filing of a petition in bankruptcy or insolvency, for reorganization or the appointment of a receiver or trustee of all or a portion of Lessee's property, by or against Lessee in any court pursuant to any statute either of the United States or of any state.
 - ii) Lessee's failure to secure a dismissal of the petition within sixty (60) days after its filing.
- e) Lessee's assignment of the leasehold interest under this Lease for the benefit of creditors.

9.02 **Notice of Election to Terminate Lessee's Possession.** If any Event of Default occurs, Lessor may elect to terminate Lessee's right of possession under this Lease after thirty (30) days from the

date of service of notice of the election. If this notice is given, then at the expiration of the thirty (30) days all Lessee's rights, title and interest in the Premises shall expire completely, and Lessee shall quit and surrender the Premises to Lessor without penalty or recourse whatsoever.

9.03 Lessor's Entry After Termination of Lessee's Possession. At any time after the termination of Lessee's right of possession under this Lease, Lessor may enter and possess the Premises by summary proceedings, ejectment, or otherwise, and Lessor may remove Lessee and all other persons and property from the Premises. If Lessor takes the actions described in this Paragraph 9.03, Lessor may then possess the Premises.

9.04 Rent on Expiration or Termination. The expiration of this Lease or termination of Lessee's right of possession shall not relieve Lessee of its liability and obligation to pay the rent and any other charges accrued prior to these events, or relieve Lessee of liability for damages for breach. These liabilities and obligations of Lessee shall survive any expiration or termination of the Lease or any entry and possession by Lessor. Upon expiration or termination, Lessor shall be entitled to keep all prepaid rent and Lessee waives any claim therefore.

9.05 Costs Incurred Due to Breach. Lessee expressly agrees to pay all expenses that Lessor may incur for reasonable attorney's fees or brokerage commissions, and all other costs paid or incurred by Lessor for enforcing the terms and provisions of this Lease restoring the Premises to good order and condition, or otherwise repairing the same and for maintaining the Premises and any of Lessee's property left on the Premises, or for disposing of any of Lessee's property left on the Premises.

10. EXPIRATION OF TERM

10.01 Lessee's Delivery of Possession after Termination or Expiration. On the expiration date of this Lease, or the termination of Lessee's possession under this Lease, or any entry or possession of the Premises by Lessor after a default (collectively referred to as the "Expiration Date"), Lessee shall promptly quit and surrender the Premises, remove its property and deliver to Lessor actual possession and ownership of the Premises in good order, condition and repair. Lessee shall remove its property from the Premises and dispose of it in accordance with generally recognized engineering principles at the time the property is removed and in accordance with all applicable laws, rules and regulations. Lessee shall be responsible for any cleaning of waste, hazardous waste, or other substance placed on the Premises during the Term and repair any surface damage; further, if clean up of the Premises is recommended or ordered by EPA or other governmental officials, including local, state or federal, as a result of Lessee's action or

omission during the Term, Lessee will indemnify Lessor for and defend Lessor against all claims made and fines assessed in regard thereto, including reasonable attorney fees associated therewith. Finally, in the event decommissioning is required, Lessee shall cause the decommissioning at its expense and post any required bond or security associated therewith.

11. GENERAL PROVISIONS

11.01 No Waiver of Breach. The failure of either party to seek redress for violation of, or to insist on the strict performance of any covenant, agreement, term, provision, or condition of this Lease shall not constitute a waiver of the covenant, agreement, term, provision, or condition. The receipt or payment of rent with knowledge of the breach of any covenant, agreement, term, provision, or condition of this Lease shall not be deemed a waiver of that breach.

11.02 Waiver of Any Provision Must Be Written. No provision of this Lease shall be deemed to have been waived, unless the waiver is in writing and signed by the party against whom enforcement is sought. Each right and remedy of Lessor provided for in this Lease shall be cumulative and in addition to every other right or remedy provided for in this Lease, or now or later existing at law, in equity, by statute or otherwise.

11.03 Entire Agreement. This Lease contains the entire agreement between Lessor and Lessee, and any agreement made after the execution of this Lease between Lessor and Lessee shall be ineffective to change, modify, waive, release, discharge, terminate, or effect a surrender or abandonment of this Lease, in whole or in part, unless that agreement is in writing and signed by the party against whom enforcement is sought.

11.04 Notices. All notices and demands of any kind that either party may be required or may desire to give to the other in connection with this Lease must be given by certified mail, return receipt requested, with postage fully prepaid, and addressed to the party to be served at the party's address as set forth above. Any notice shall be deemed received on first attempted delivery. Any party may change the address to which notices to that party are to be directed by notice given in the manner provided in this Paragraph 11.04.

11.05 Lessor's Entry and Inspection of Premises. Lessor, or its agents or designee, shall have the right to enter the Premises during reasonable business hours for inspection, or to complete any work that may be necessary because of Lessee's default under any of the terms, covenants, and conditions of this

Lease continuing beyond the applicable periods of grace. Any entry by Lessor shall be made pursuant to Lessee's safety and security procedures.

11.06 Partial Invalidity or Unenforceability. If any term, covenant, or condition of this Lease shall be invalid or unenforceable to any extent, the remainder of the terms, covenants, and conditions of this Lease shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

11.07 Individuals Benefited by Lease. This Lease shall inure to the benefit of and be binding on Lessor and Lessee and their respective successors, and assigns except as otherwise provided in this Lease.

11.08 Effective Date. This Lease shall be effective and the term shall commence on the Effective Date.

11.09 Authority. The undersigned specifically represent that they are authorized to execute this Lease and that the parties have the right and capacity to perform the acts contemplated by this Lease.

11.10 Engineering Standards and Laws. Lessee shall conduct its activities on the Premises in a good and workmanlike manner and in accordance with acceptable construction and engineering standards and in compliance with all applicable federal, state and local laws, rules and regulations.

11.11 No Warranty. Lessor does not warrant or represent that the Premises are safe, healthful or suitable for the purposes for which it is permitted to be used under the terms of this Lease.

11.12 City Officials Not Liable. No city official or employee shall be personally liable for any matter arising from or in any way connected to this Lease.

11.13 Memorandum of Lease. If Lessee desires to record a Memorandum of Lease, Lessee shall pay for its preparation and recordation.

11.14 Utilities. Lessee shall pay all utility charges, if any, including, but not limited to water, gas, electricity and sewer, used in and about the Leased Premises, all such charges to be paid by Lessee to the utility company or municipality furnishing the same before the same shall become delinquent.

11.15 Transfer, Assign or Sublet. Lessee may not transfer, assign or sublet this Lease or any sublease without written consent of Lessor, which consent shall not be unreasonably withheld.

11.16 Mutual Waiver of Subrogation. Each party hereby waives any and all claims which arise or which may arise in its favor and against the other party hereto during the Lease Term or any extension or renewal thereof for any and all loss of, or damage to, any of its property located within or upon or

constituting a part of the Solar Electric Facility, to the extent that such loss or damage is recovered under an insurance policy or policies and to the extent such policy or policies contain provision(s) permitting such waiver of claims. Each party agrees to request its insurers to issue policies containing such provisions.

11.17 Estoppel Certificate. Lessor and Lessee shall execute and deliver to each other, within 15 business days after request therefor by the other party, a certificate addressed as indicated by the requesting party and stating:

- (a) whether or not this Lease is in full force and effect;
- (b) whether or not this Lease has been modified or amended in any respect, and submitting copies of such modifications or amendments;
- (c) whether or not there are any existing defaults or Events of Default hereunder known to the party executing the certificate, and specifying the nature thereof;
- (d) whether or not any particular Article, Section, or provision of this Lease has been complied with; and
- (e) such other matters as may be reasonably requested by the requesting party.

11.18 Counterparts. This Lease may be executed in counterparts, each of which shall constitute original documents, but all of which together shall constitute one and the same instrument.

11.19 Applicable Law. This Lease shall be interpreted and enforced in accordance with the laws of the State of [_____].

11.20 Headings. The headings of the several sections hereof are inserted for convenience only and shall not control or affect the interpretation of the provisions hereof.

11.21 Force Majeure. If Lessor or Lessee shall be delayed, hindered in or prevented from the performance of any acts required hereunder, other than the payment of Rent, by reason of an event of force majeure, then performance of such acts shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equal to the period of such delay.

11.22 No Joint Venture. Nothing contained in this Lease shall be interpreted as creating a joint venture, partnership, or any other relationship between the parties, other than the relationship described in this Lease.

11.23 [Reserved for Any Applicable Environmental Restrictions]

11.24 Quiet Enjoyment and Warranty of Title. Lessor covenants that Lessee, upon payment of the rentals reserved herein and the performance of each and every one of the covenants, agreements and conditions on the part of Lessee to be observed and performed, shall and may, peaceably and quietly, have, hold and enjoy the Premises for the term aforesaid, free from molestation, eviction or disturbance (except as allowed or permitted by this Lease). Lessor warrants that Lessor holds a fee simple interest in the Premises and that the Premises are free of any liens, encumbrances or restrictions of any kind that may interfere with Lessee's anticipated use of the Premises.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the Effective Date.

_____ **AMERICAN MUNICIPAL POWER, INC.**

By: _____

Name: _____

Title: _____

By: _____

Marc S. Gerken, P.E.

President / CEO

Approved as to Form:

By: _____

John W. Bentine

Senior VP and General Counsel

EXHIBIT A

PREMISES DESCRIPTION

[Legal Description to be inserted.]

EXHIBIT A-1

PREMISES DEPICTION

[Depiction of Premises to be inserted.]

EXHIBIT B

PROJECT DESCRIPTION

Up to _____ kW ac of solar generation facilities electrically connected to the _____, _____
distribution system and located at _____, _____, _____.

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

Page 1
Item No. 11

Meeting Date: July 13, 2015

Agenda Item: PUBLIC HEARING – Ordinance to Amend and Re-enact Town Code Section 75-51 through 75-57 “Front Royal Enterprise Zone” (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Ordinance to Amend and Re-enact Town Code Section 75-51 through 75-57 “Front Royal Enterprise Zone”. If approved, an application will be submitted to the Virginia Governor’s Office for consideration. All incentives are only available upon approval of the application.

Budget/Funding: None

Attachments: Proposed Ordinance Amendment

Meetings: Work Session held June 22, 2015

Staff Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council affirm on its first reading an Ordinance to Amend and Re-enact Town Code Section 75-51 through 75-57 “Front Royal Enterprise Zone”, effective upon passage.

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: SB

ORDINANCE TO AMEND AND RE-ENACT TOWN CODE 75-51 THROUGH 75-57
“FRONT ROYAL ENTERPRISE ZONE”

WHEREAS, the Superfund Site known as the Avtex Property has been delisted by the Environmental Protection Agency (EPA); and,

WHEREAS, the Economic Development Authority (EDA) has been marketing the property for redevelopment as commercial and light industrial property; and,

WHEREAS, the Town of Front Royal is committed to the full redevelopment of this property and desires to assist the EDA to secure sound, long-term business to the site; and,

NOW, THEREFORE BE IT RESOLVED by the Mayor and Town Council of the Town of Front Royal, Virginia, that Town Code Sections 75-51 through 75-57 are hereby amended and re-enacted as follows:

FRONT ROYAL ENTERPRISE ZONE

75-51 FRONT ROYAL ENTERPRISE ZONE - STATEMENT OF PURPOSE

The Virginia Enterprise Zone Grant Act, Section 59.1-538, et seq, of the Code of Virginia, as amended, authorizes the Town of Front Royal to make written application to the Department of Housing and Community Development for the declaration of an area within the corporate limits as an enterprise zone. It is the purpose of the Enterprise Zone Act, and of this Article, to stimulate business and industrial growth within the area so designated as the Front Royal Enterprise Zone by means of state income tax credits, state sales tax exemptions and local incentives more particularly set forth herein.

75-52 FRONT ROYAL ENTERPRISE ZONE – BOUNDARIES

The boundaries of the Front Royal Enterprise Zone are as set forth on that map titled “Front Royal Enterprise Zone, Proposed Boundaries” and includes those properties shown on the Map within the Royal Phoenix business park site (former Avtex site), the Old Virginia Industrial Park, Royal Village commercial and residential properties, and Viscose City properties. It is the purpose of this Article to help stimulate real property improvements and new job creation by, among other things, one or more of the following: the reduction of permit fees; the reduction of user fees; the reduction of business, professional and occupational license tax; partial exemption from taxation of substantially rehabilitated real estate pursuant to Va. Code § 58.1-3221; adoption of a local enterprise zone development taxation program pursuant to Article 4.2 of Chapter 32 of Title 58.1 of the Code of Virginia; and by other local incentives as allowed by Va. Code § 59.1-543.



75-53 FRONT ROYAL ENTERPRISE ZONE - DEFINITIONS

As used in this Article, the following definitions shall apply:

BUSINESS FIRM - Any business entity authorized to do business in the Commonwealth of Virginia, including those entities subject to the state income tax on net corporate rate income (Section 58.1-400 et seq.), a public service company subject to a franchise or license tax on gross receipts, a bank, mutual savings bank, savings and loan association, and partnerships and sole proprietorship. A "business firm" includes partnerships and small business corporations electing to be taxed under Subchapter S of the Federal Internal Revenue Code, and which are not subject to state income taxes as partnerships or corporations, and includes limited liability companies, the taxable income of which is passed through to and taxed on individual partners and shareholders. However, a "business firm" does not include organizations which are exempt from state income tax on all income except unrelated business taxable income as defined in the Federal Internal Revenue Code, 26 U.S.C. § 512, nor does it include homeowners' associations as defined in the Federal Internal Revenue Code, 26 U.S.C. § 528.

ENTERPRISE ZONE – The Front Royal Enterprise Zone, an area declared or to be applied for declaration by the Governor of the Commonwealth of Virginia to be eligible for the benefits accruing under the Virginia Enterprise Zone Act, Va. Code § 59.1-539, et. seq.

EQUIVALENT EMPLOYMENT OR JOB - Forty (40) hours per week of an hourly week (or the salaried equivalent). A single "equivalent job" may be represented by one (1) employed individual, or by multiple employed individuals whose aggregate hours of employment (or salaried equivalent) equal forty (40) hours per week.

EXISTING BUSINESS - Any business firm operating or located within the Enterprise Zone on [DATE], or within the corporate limits of the Town of Front Royal prior to its location within the Enterprise Zone. A business which retains the same ownership and which was operating or located within the Enterprise Zone on [DATE], or within the corporate limits of the Town of Front Royal prior to location within the Enterprise Zone shall not be defined as a new business, even if the name or entity (corporate or otherwise) has changed.

NEW BUSINESS - A business firm operating within the Enterprise Zone after [DATE], having had no prior business located within the corporate limits of the Town of Front Royal.

TOWN - The Town of Front Royal, Virginia.

75-54 FRONT ROYAL ENTERPRISE ZONE - QUALIFICATION FOR BENEFITS

In order to qualify for any local incentives under this Article, a business firm must be a new business located within the boundaries of the Enterprise Zone, and not an existing business, and must provide the following (and thereby, upon the accomplishment of 1. and 2. below, hereinafter become a "Qualified Business" for purposes of this Article):

1. Said new business firm must provide and hire in said business at least twenty-five (25) full-time equivalent jobs. Said employment shall represent new jobs, not positions previously established within the town's corporate limits.
2. Said new business firm must invest a minimum of five hundred thousand dollars (\$500,000.00) in the rehabilitation, renovation, new construction or other building or site improvements in said new business in the Enterprise Zone.

75-55 FRONT ROYAL ENTERPRISE ZONE - LOCAL ENTERPRISE ZONE INCENTIVES

A. Rebate Credit of business and occupational license fees and exemptions from machinery and tools taxes, as applicable: Qualified Business firms shall be entitled to a rebate credit of Town business and occupational license fees, and a partial exemption from the Town machinery and tools taxes if applicable, for a five (5) year period while the Qualified Business firm is located within the Enterprise Zone, provided the Qualifying Business applies for such rebate credit or exemption as applicable within the first three (3) years of such Qualifying Business firm's operation as a new business firm showing compliance with the qualifying requirements of this Article. During the first year following application approval, the Qualifying Business firm shall be entitled to an eighty percent (80%) credit of its business and occupational license fees. During the second year, the Qualifying Business firm shall be entitled to a sixty percent (60%) credit. During the third year, the Qualifying Business firm shall be entitled to a forty percent (40%) credit. During the fourth year, the Qualifying Business firm shall be entitled to a twenty percent (20%) credit. During the fifth year, the Qualifying Business firm shall be entitled to a twenty percent (20%) credit.

B. Water and sewer connection charges (tap fee) and building permit fees incentives. Qualified Business firms located within the Enterprise Zone shall be entitled to a reduction of fifty percent (50%) of all municipal water and sewer connection charges (tap fees) and a reduction of fifty percent (50%) reduction of building permit fees if applicable applied for during the first five (5) years that the Qualified Business firm is located within the Enterprise Zone, provided the Qualifying Business firm applies for such reductions as applicable within the first five (5) years the Qualifying Business Firm is located in the Enterprise Zone.

C. Water and sewer line extension benefits. Qualified Business firms located within the Enterprise Zone shall be entitled without assessment or cost to water and sewer line extensions to the property line of the business firm during the entire time that said Qualified Business firm is located within the Enterprise Zone, so long as the Enterprise Zone remains in effect. The property line shall refer only to a lot or parcel recorded in the land records on or before [DATE]. The Town shall retain discretion as to the location of all water and sewer line extensions, and the number and size of all line extensions provided hereby.

D. Rehabilitated real estate tax exemption. Qualified Business firms located within the Enterprise Zone shall receive a rehabilitated real estate tax exemption on the increase in assessed property value resulting from rehabilitation of commercial and industrial real estate and facilities, if applicable, which qualify under the provisions of Va. Code § 58.1-3220, as amended. The

rehabilitated real estate tax exemption shall be extended for a five (5) year period, upon application showing compliance with the qualifying requirements, on the following basis:

1. An eighty percent (80%) exemption the first year.
2. A sixty percent (60%) exemption the second year.
3. A forty percent (40%) exemption the third year.
4. A twenty percent (20%) exemption the fourth year.
5. A twenty percent (20%) exemption the fifth year.

E. All license fees, building permit fees and water and sewer tap fees shall initially be paid in full by the Qualified Business firm. The Qualified Business firm shall then apply for an exemption or rebate credit hereunder, and, upon approval of the application, the Qualified Business firm will receive a credit on its prepaid fees or taxes.

75-56 FRONT ROYAL ENTERPRISE ZONE - APPLICATION

Any new business firm seeking to receive local Enterprise Zone incentives shall make application to the Enterprise Zone Administrator on forms provided by the Front Royal/Warren County Industrial Development Authority, dba the Economic Development Authority (“EDA”). The Enterprise Zone Administrator may require the new business firm to provide documentation establishing that said new business firm has met the requirements for the receipt of local Enterprise Zone incentives. Failure to provide requested documentation shall result in a denial of the new business firm's application for local incentives. Upon approval of any new business firm application for local Enterprise Zone incentives, the Enterprise Zone Administrator shall submit a written report to the Town Finance Director indicating the name and address of the qualifying business firm and the local Enterprise Zone incentives for which it is qualified. The Enterprise Zone Administrator may require the new business firm to provide additional documentation from time to time to assure that said new business firm retains the requisite qualifications for the receipt of local Enterprise Zone incentives. In the event that any new business firm fails to maintain the requisite qualifications for the receipt of local Enterprise Zone incentives, the Enterprise Zone Administrator shall inform the new business firm, in writing, that it is no longer qualified for the receipt of local incentives and shall send a copy of said notice to the Town Finance Director.

75-57 FRONT ROYAL ENTERPRISE ZONE ADMINISTRATOR

The Enterprise Zone Administrator shall be the Executive Director of the Front Royal/Warren County Industrial Development Authority.

This ordinance shall become effective upon passage.

APPROVED:

Timothy W. Darr, Mayor

ATTEST:

Jennifer E. Berry, Clerk of Council

THIS ORDINANCE was approved at the Regular Meeting of the Town of Front Royal, Virginia on its second reading, conducted _____ 2015, upon the following recorded vote:

John P. Connolly	Yes/No	Bret W. Hrbek	Yes/No
Hollis L. Tharpe	Yes/No	Eugene R. Tewalt	Yes/No
Bébhinn C. Egger	Yes/No	Daryl L. Funk	Yes/No

A public hearing on the above was held on _____, 2015 having been advertised in the Northern Virginia Daily on _____, 2015 and _____, 2015.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____

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

Page 1
Item No. 12

Meeting Date: July 13, 2015

Agenda Item: COUNCIL APPROVAL – Resolution for the Declaration of a Front Royal Enterprise Zone

Summary: Council is requested to approve a Resolution declaring a Front Royal Enterprise Zone in the Town of Front Royal, as presented.

Budget/Funding: None

Attachments: Resolution

Meetings: Work Session held June 22, 2015

Staff Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council approve a Resolution declaring a Front Royal Enterprise Zone in the Town of Front Royal, 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: SB

RESOLUTION

WHEREAS, the Virginia Enterprise Zone Grant Act, Va. Code § 59.1-538 *et seq.*, authorizes the governing body of any town to make a written application for the declaration of an enterprise zone in a designated area within the town limits; and

WHEREAS, local governments submitting applications for enterprise zone designation shall propose local incentives that address the economic conditions within their locality and that will help stimulate real property improvements and new job creation. Such local incentives include, but are not limited to: (i) reduction of permit fees; (ii) reduction of user fees; (iii) reduction of business, professional and occupational license tax; (iv) partial exemption from taxation of substantially rehabilitated real estate pursuant to current Va. Code § 58.1-3221; and (v) adoption of a local enterprise zone development taxation program pursuant to current Article 4.2 (§ 58.1-3245.6 *et seq.*) of Chapter 32 of Title 58.1 of the Code of Virginia. The extent and duration of such incentives shall conform to the requirements of the Constitution of Virginia and the Constitution of the United States. In making application for designation as an enterprise zone, the application may also contain proposals for regulatory flexibility, including but not limited to: (a) special zoning districts, (b) permit process reform, (c) exemptions from local ordinances, and (d) other public incentives proposed in the locality's application which shall be binding upon the locality upon designation of the enterprise zone. Additionally, a locality may establish eligibility criteria for local incentives that differ from the criteria required to qualify for the incentives provided in the current Chapter 49, Title 59.1, of the Code of Virginia.

WHEREAS, in addition, qualified business firms and qualified zone investors may be eligible to receive enterprise zone incentive grants provided for in current Chapter 49, Title 59.1, of the Code of Virginia to the extent that they apply for and are approved for grant allocations through the Virginia Department of Housing and Community Development.

WHEREAS, the Town of Front Royal, Virginia, desires to apply to the Virginia Department of Housing and Community Development for the creation and declaration of an enterprise zone within the corporate limits of the Town of Front Royal.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Front Royal, Virginia, that the Town of Front Royal, a municipal corporation and body politic, shall make written application to the said Virginia Department of Housing and Community Development for the declaration of an enterprise zone within the corporate limits of the Town of

Front Royal, to be designated as the Front Royal Enterprise Zone. The location of the Front Royal Enterprise Zone is more particularly set forth on the map titled "FRONT ROYAL ENTERPRISE ZONE, PROPOSED BOUNDARIES", attached hereto and made a part of this Resolution.

BE IT FURTHER RESOLVED that the said Front Royal Town Council specifically authorizes the Town Manager of the Town of Front Royal to submit any and all or additional information needed to apply for enterprise zone designation, and to submit and meet any other program, administrative or reporting requirements that may pertain thereto.

This Resolution shall be effective immediately upon enactment.

THIS RESOLUTION was adopted by unanimous vote of 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 July 13, 2015, upon the following recorded vote:

Motion to Approve by: _____

Seconded by: _____

Votes:

Town Council Members

John P. Connolly _____ Bébhinn C. Egger _____

Daryl L. Funk _____ Bret W. Hrbek _____

Eugene R. Tewalt _____ Hollis L. Tharpe _____

APPROVED AS TO FORM AND LEGALITY:

Douglas W. Napier, Date
Town Attorney



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

Page 1
Item No. 13

Meeting Date: July 13, 2015

Agenda Item: COUNCIL AUTHORIZATION TO ADVERTISE FOR PUBLIC HEARING to Receive Public Input on the Vacation of Town Right-of-Way

Summary: Council is requested to authorize staff to advertise for a public hearing to receive comments and concerns from the public regarding a possible vacation of a 6,346 square foot portion of South Fork Drive public right-of-way located at the intersection with Kesler Road in the North Magisterial District of the Town. Council is also requested to consider approval of a Resolution for the possible sale of said property by means of Town bids to a private owner, pursuant to Town Code Section 1-22.A.

Budget/Funding: None

Attachments: Resolution

Meetings: None

Staff

Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council authorize staff to advertise for a public hearing to receive comments and concerns from the public regarding a possible vacation of a 6,346 square foot portion of South Fork Drive public right-of-way located at the intersection with Kesler Road in the North Magisterial District of the Town. I further move that Council approve a Resolution for the sale of said property by means of Town bids to a private owner, pursuant to Town Code Section 1-22.A.

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: SB

**RESOLUTION
SALE OF TOWN PROPERTY**

WHEREAS, at its regular meeting held on July 13, 2015, the Town Council of the Town of Front Royal, Virginia ("Town Council") received comments and concerns from the public that the public may have as to the possible vacation of a 6,346 sq. ft. portion of South Fork Drive public right of way (the Property), at its intersection with Kesler Road, located in North River Magisterial District, Town of Front Royal, Warren County, Virginia, per plat dated 10/10/14, prepared by Joseph G. Brogan, Sr., Land Surveyor, recorded in the Warren County Circuit Court Clerk's Office in Slide 154 C, and to consider the possible sale of said Property by means of the receipt by the Town of bids for the sale thereof to a private owner, pursuant to Town Code Section 1-22. A. and the Town's written Vacation of Streets/Alleys policy; and

WHEREAS, at the conclusion of which public hearing at the Town Council determined that the Town has no foreseeable use for said Property and its vacation and sale to a private owner would not inconvenience the public.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Town Council of the Town of Front Royal, Virginia, in accordance with Section 1-22 of the Code of the Town of Front Royal, as follows:

The Town Council may authorize the acceptance, or rejection, of the best bid offered by members of the public during a regular meeting, with a date to be determined later. Publication of this bid will be advertised on the Town website, www.frontroyalva.com, and in the Public Notices section of the Northern Virginia Daily.

APPROVED:

Mayor Timothy W. Darr

ATTEST:

Jennifer E. Berry, CMC, Clerk of Council

THIS RESOLUTION was adopted by unanimous vote of 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 _____, 2015, upon the following recorded vote:

Motion to Approve by: _____

Seconded by: _____

Votes:

Town Council Members

John P. Connolly _____ Bébhinn C. Egger _____

Daryl L. Funk _____ Bret W. Hrbek _____

Eugene R. Tewalt _____ Hollis L. Tharpe _____

APPROVED AS TO FORM AND LEGALITY:

Douglas W. Napier, Date
Town Attorney

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Town of Front Royal, Virginia Council Agenda Statement

Page 1
Item No. 14

Meeting Date: July 13, 2015

Agenda Item: COUNCIL APPROVAL – Budget Amendment and Acceptance of Bid for an Electric System Coordination and Ten-Year Systems Study

Summary: Council is requested to approve a budget amendment in the amount of \$45,000 and a bid from Southeastern Consulting Engineers, Inc. in the amount of \$45,000 for an Electric System Coordination and Ten-Year System Study. The study will cover a SynerGEE Electric Model, a System Coordination Study and a Ten-year Load Analysis.

Budget/Funding: Funding 9401-R43002 - professional services
This project was funded with FY15 funds with a start date to begin in FY16

Attachments: Memos from Director Energy Services and Purchasing Agent and Contract

Meetings: Work Session held July 6, 2015

Staff

Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council approve a budget amendment in the amount of \$45,000 and a bid from Southeastern Consulting Engineers, Inc. in the amount of \$45,000 for an Electric System Coordination and Ten-Year System Study. The study will cover a SynerGEE Electric Model, a System Coordination Study and a Ten-year Load Analysis.

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: SB



MEMORANDUM

Date: July 7, 2015
To: Tina Presley, Senior Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

During their July 6, 2015 work session, Town Council directed staff to move forward with a proposal submitted by Southeastern Consulting Engineers. The proposal is for a ten (10) year system study, and an electric system coordination study, based on up-to-date system maps provided by the Town of Front Royal Department of Energy Services. Southeastern submitted a quotation of \$45,000.00 for this project. This project will cover the creation of a SynerGEE Electric Model, a System Coordination Study, and a Ten Year Load Analysis. The project will also cover the preparation and presentation of three (3) bound copies of the report, which will present the findings of the study, a guideline for the overcurrent protective device coordination, a system expansion plan, and cost estimates for proposed expansion of facilities over the ten (10) year period. This study is to be complete within one hundred twenty (120) days from the completion of the system maps.

Due to the dollar amount, I will need Town Council approval before generating a contract with Southeastern. Please add this item to the July 13, 2015 agenda for their action.

Staff recommends an award for an electric system coordination study and a ten year system study be made to Southeastern Consulting Engineers in the amount of \$45,000.00.

Funding for this study is available in the FY16 Department of Energy Services budget line item 9401-R43002 "Professional Services". This line item is funding carried forward from the FY15 budget.

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



Memo

To: Cindy Hartman, Purchasing Manager
From: Joseph Waltz, Director of Energy Services
Date: July 7, 2015
Re: Approval of the Electric System Coordination Study

At the July 6th work session, staff and Southeastern Consulting discussed the process and the proposal on the Electric System Coordination Study with Town Council. After questions, Council directed staff to move contract proposal to a Council Meeting for approval.

Please place this item on the July 13th Council meeting for approval. If you need additional information or have any questions, please let me know.

STATE OF VIRGINIA,
COUNTY OF WARREN

CONTRACT FOR ENGINEERING SERVICES
CONTRACT NO. _____

THIS CONTRACT made effective this the _____ day of _____, 2015, by and between the **TOWN OF FRONT ROYAL, VIRGINIA** hereinafter referred to as the "Town", and **SOUTHEASTERN CONSULTING ENGINEERS, INC.** of Charlotte, North Carolina, hereinafter referred to as the "Engineer".

W I T N E S S E T H:

WHEREAS, Town wishes to have prepared an electric system coordination study and ten year system study;

WHEREAS, Engineer has the expertise to prepare such plans, specifications and documents; and

WHEREAS, the Town desires to obtain the services of Engineer for such purposes;

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I - SCOPE OF SERVICE FOR ELECTRIC SYSTEM
COORDINATION STUDY AND TEN YEAR SYSTEM STUDY**

A. System Maps

The study will require the use of up-to-date system maps. The Town plans to provide updated map information. System loading records for each substation and circuit will also be furnished by Town.

Using the system information discussed above, we propose to provide the following services:

B. Create a SynerGEE Electric Model

1. Create a SynerGEE electric model using the Town's updated system maps.

C. System Coordination Study

1. Run Fault Analysis for all circuits using SynerGEE Electric software.
2. Recommend sectionalizing equipment as needed. (i.e. reclosers)
3. Recommend substation equipment upgrades. (i.e. circuit breakers and relays)

4. Analyze existing relay settings for coordination with the Town's standard fuse sizes and reclosers.
5. Preparation of a recommended standard operating procedure for fusing:
 - a. Overhead Circuits
 - b. Underground Circuits
 - c. Transformers (overhead and padmounts)
 - d. Switchgear

D. Ten Year Load Analysis

1. Projection of system load growth over the next ten years based on present loading and growth patterns.
2. Analysis of the existing electric system including:
 - a. Delivery Stations.
 - b. Substation Transformer Loads.
 - c. Voltage Drop.
 - d. Conductor Loading.
 - e. Per Phase Load Balancing.
 - f. Power Factor Review/Capacitor Placement.
3. Preparation of a system expansion plan for servicing the projected system loads. Recommend additional facilities as necessary.
 - a. Substations.
 - b. Delivery Stations.
 - c. Distribution Tie Lines.

E. Deliverables

This proposal includes the preparation and presentation of three durably bound copies of the report. The report will present the findings of the system coordination study, a guideline for overcurrent protective device coordination, system expansion plan, and cost estimates for the proposed expansion facilities over the study period. The report will be reviewed in detail with the Town's personnel at their convenience.

ARTICLE II - TIME OF COMPLETION.

The Engineer shall complete Items B through E within one hundred twenty (120) days of the completion of System Maps.

ARTICLE III - COMPENSATION.

The Town shall pay the Engineer for services outlined in the preceding Article I under Items B through E, the lump sum amount of Forty-Five Thousand Dollars (\$45,000.00).

Additional engineering support outside of the scope identified herein is available in accordance with the attached schedule of per-diem rates for the work performed. These services will be provided only at the request of the Town.

The Engineer shall submit monthly invoices commensurate with the progress of the engineering services described in Article I. Engineer's invoices for per-diem charges will include itemized details of work performed, dates, and personnel. The Town agrees to make payment within thirty (30) days after receipt of the Engineer's invoice.

ARTICLE IV - GENERAL OBLIGATIONS OF THE ENGINEER.

The Engineer shall exercise the care, skill, and diligence customarily provided by a professional engineer in the performance of such Services for projects similar to the project contemplated hereunder. If any deficiencies are identified in the maps and study provided by the Engineer, the Engineer shall correct such deficiencies at no cost to the Town.

ARTICLE V - DEFAULT.

1. By written notice of default to the Engineer, the Town may terminate the whole or any part of this contract in any one or more of the following circumstances;

(a) If the Engineer fails to perform in a timely manner the services required hereunder within the time specified in the proposal or any extension in writing thereof; or

(b) If Engineer fails to perform any other provisions of this contract, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of thirty (30) days after receipt of notice from Town specifying such failure.

2. The rights and remedies of Town provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

ARTICLE VI - INDEPENDENT CONTRACTOR.

The Engineer undertakes the performance of this Contract as an independent contractor and shall be wholly responsible for the methods followed in the performance of the Services. The Engineer shall work closely with the Town in performing Services under this Contract.

ARTICLE VII - COMPLIANCE WITH LAWS.

The Engineer will comply with all applicable regulatory requirements including federal, state, and local laws, rules and regulations, codes, criteria, and standards.

The engineer will comply with the provisions of the Americans with Disabilities Act (ADA) and all rules and regulations promulgated thereunder. The engineer hereby agrees to indemnify the Town from and against all claims, suits, damages, costs, losses and expenses in any manner arising out of or connected with the failure of the engineer, its subcontractors, agents, successors, assigns, officers or employees to comply with the provisions of the ADA or the rules and regulations promulgated thereunder.

ARTICLE VIII - INSURANCE.

During the performance of the Services under this Contract, the Engineer, for the protection of the Town, shall maintain the following insurance.

(1) Comprehensive General Liability Insurance with bodily injury limits of not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate, and with property damage limits of not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate.

(2) Worker's Compensation Insurance in accordance with statutory requirements and Employers Liability Insurance with limits of not less than \$500,000 for each accident.

(3) Automobile Insurance with bodily injury and property damage of \$500,000 inclusive.

(4) Excess Liability Insurance with limits not less than \$1,000,000 in excess of the underlying coverages in paragraphs (1), (2), and (3) above.

(5) Professional Liability Insurance including completed Operations and Pollution Liability coverages of not less than \$3,000,000 for all claims during the term of the policy.

(6) The following conditions will be in effect during the term of this Contract:

- a. The Town, its officials, and employees to be named on all liability policies described above as Additional Insureds as respects: (a) activities performed for the Town by or on behalf of the Engineer, (b) products and complete operations of the Engineer, and (c) premises owned, leased or used by the Engineer.

- b. The Insurance Carrier shall list the Town as a Certificate Holder and shall mail to the Town 30 days written notice of cancellation or reduction of coverage or limits on any of the above described policies.

ARTICLE IX - INDEMNIFICATION

(1) Professional Liability. Engineer agrees to indemnify, defend and hold harmless Town, and its officers, agents and employees from and against any and all damages, losses, liabilities, fines, penalties and costs, or expenses (including attorneys' fees) where liability in the performance of the services under this Agreement is caused by the negligent error, act or omission of Engineer or any person or organization for whom Engineer is legally liable.

(2) Other Liability. In addition to Subarticle IX (1), Professional Liability, Engineer agrees to indemnify, defend and hold harmless Town, and its officers, agents and employees from and against any and all damages, losses, liabilities, fines, penalties and costs, or expenses (including attorneys' fees) because of death, bodily injury or property damage caused by the negligent act, error or omission of the Engineer or any person or organization for whom the Engineer is legally liable related to the performance of the services under this Agreement by the Engineer.

ARTICLE X - LIMITATION OF LIABILITY - ENGINEERS OMISSIONS & ERRORS

To the fullest extent permitted by law, the total liability, in the aggregate, of engineer and engineer's officers, directors, employees, agents and independent professional associates and consultants, and any of them, to Town and anyone claiming by, through or under Town, for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to engineer's services, the project or this agreement from any cause or causes whatsoever, including but not limited to the negligence, errors, omissions, strict liability or breach of contract of Engineer or Engineer's Officers, Directors, Employees, Agents or Independent Professional Associates or Consultants, or any of them shall be limited to Engineer's insurance coverage including only amounts in effect during the term of this Agreement. Professional Liability insurance coverage at the time of execution of this agreement is \$3,000,000. Commercial Umbrella Policy coverage for General Liability in excess of underlying coverages at the time of execution of this Agreement is \$2,000,000. The Engineer warrants that coverages of no less than these amounts will be maintained during the term of the subject project and for a period of three years following completion of the project.

ARTICLE XI - TOWN'S RESPONSIBILITIES.

The Town shall supply to the Engineer, either directly or indirectly from others, all available information and data which is required by the Engineer. The Town will be responsible for the following:

- (1) Approve all procedures established to govern the relationships among the Town, the Engineer, and third parties.
- (2) Make final planning decisions utilizing information supplied by the Engineer.
- (3) Provide designated personnel to represent the Town in matters involving the Engineer.
- (4) Provide general assistance in the conduct of the investigations required of Engineer in order to perform this Agreement.

ARTICLE XII - OWNERSHIP OF DOCUMENTS.

Reports, summaries, plans, and other documents arising out of this Agreement shall be made available and supplied to the Town for their use.

Original notes, calculations and investigative information, and copies of other documents shall remain in the files of the Engineer.

ARTICLE XIII - TERMINATION OF CONTRACT.

The Town shall have the right to terminate this Contract upon written notice to the Engineer pursuant to Article V, and the Engineer shall terminate performance of Services on a schedule acceptable to the Town subject to the provisions of Article III of this Agreement. In the event of termination, the Town shall pay the Engineer for only the Services actually performed and accepted by the Town.

ARTICLE XIV - ASSIGNMENT.

This Agreement shall not be assigned in whole or part except as may be approved in writing by the Town.

ARTICLE XV - INTERPRETATION.

This Agreement shall be deemed to have been made in the Commonwealth of Virginia, and its validity, construction and effect shall be governed by the laws of the Commonwealth of Virginia.

ARTICLE XVI - WAIVER.

Failure or delay on the part of the Engineer or Town to exercise any right, remedy, power or privilege hereunder shall not operate as a waiver on any other default or of the same type default on a future occasion.

ARTICLE XVII - NOTICES.

Any notice under this Agreement must be in writing and must be sent by certified mail to the last known address of the party to whom the notice is to be given, as designated by such party in writing. Engineer hereby designates its address as P. O. Box 240436, Charlotte, North Carolina 28224. Town hereby designates its address as P. O. Box 1560, Front Royal, Virginia 22630. Any notice or demand shall be deemed to have been given or made at the time it has been deposited in the United States Post Office. Engineer or Town from time to time may designate other addresses for this purpose by written notice to the other party.

ARTICLE XVIII - AMENDMENT.

No revision to this Contract shall be valid unless made in writing and signed by an officer of Engineer and an authorized official of the Town.

ARTICLE XIX - PRIOR NEGOTIATIONS.

This Agreement, with exhibits and all instruments and documents incorporated herein by reference, constitutes the entire agreement of the parties hereto and supersedes all prior offers, negotiations and agreements.

ARTICLE XX - COUNTERPARTS.

This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

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

Page 1
Item No. 15

Meeting Date: July 13, 2015

Agenda Item: COUNCIL APPROVAL – Budget Amendment and Acceptance of Bid for Renovation Construction Services to the Energy Services Department's Warehouse Building

Summary: Council is requested to approve a budget amendment in the amount of \$348,000 to accept a bid from LCW, Lantz Construction Winchester in the amount of \$348,000 (renovation construction - \$345,000 and network drops - \$3,000) to the Department of Energy Services' warehouse building located at 1100 Manassas Avenue Extended that will accommodate office and warehouse space once completed.

Budget/Funding: Total project \$348,000

Budget amendment for \$226,000 FY15 funds - 9401-R47009

Funding for project 9401-R47009 226,000.00 Buildings and Structures
9401-47009 122,000.00 Buildings and Structures

Attachments: Memos from Director of Energy Services and Purchasing Agent, Tabulation Quotation, Contract

Meetings: Work Session held July 6, 2015

Staff

Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council approve a budget amendment in the amount of \$348,000 to accept a bid from LCW, Lantz Construction Winchester in the amount of \$348,000 to the Department of Energy Services' warehouse building located at 1100 Manassas Avenue Extended that will accommodate office and warehouse space once completed.

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: SB



MEMORANDUM

Date: July 7, 2015
To: Tina Presley, Senior Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

On Thursday, June 11, 2015, I opened bids for the renovation of the Department of Energy Services warehouse located at the end of Manassas Avenue. Baughan & Baukhage, an architectural firm located in Luray, developed the specifications for this renovation. I received six (6) quotations (see attached tabulation). The lowest quote was received from LCW, Lantz Construction Winchester, in the amount of \$345,000 for renovation construction, and \$3,000.00 for network drops within the building. Town Council discussed this project during their July 6, 2015 work session.

Due to the dollar amount, I will need Town Council approval before moving forward. Please add this to the July 13, 2015 agenda for their action.

Staff recommends the award for renovation construction services for the Energy Services warehouse building be awarded to LCW, in the amount of \$348,000.00.

Funding is available in the FY16 Department of Energy Services budget line item 9401-R47009 "Buildings & Structures", \$226,000.00, which is funding carried forward from the FY15 budget for this project. The balance of the funding, \$122,000.00, will be drawn from the FY16 Energy Services budget line item 9401-7009.

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



Memo

To: Cindy Hartman, Purchasing Manager
From: Joseph Waltz, Director of Energy Services
Date: July 7, 2015
Re: Approval of the Renovations for Offices and Warehouse

At the July 6th work session, staff discussed the renovation project of the existing metal building to accommodate offices and warehouse to allow the Energy Services department to continue with the consolidation of facilities. After discussion and questions, Council directed staff to move contract proposal to a Council Meeting for approval.

Please place this item on the July 13th Council meeting for approval. If you need additional information or have any questions, please let me know.

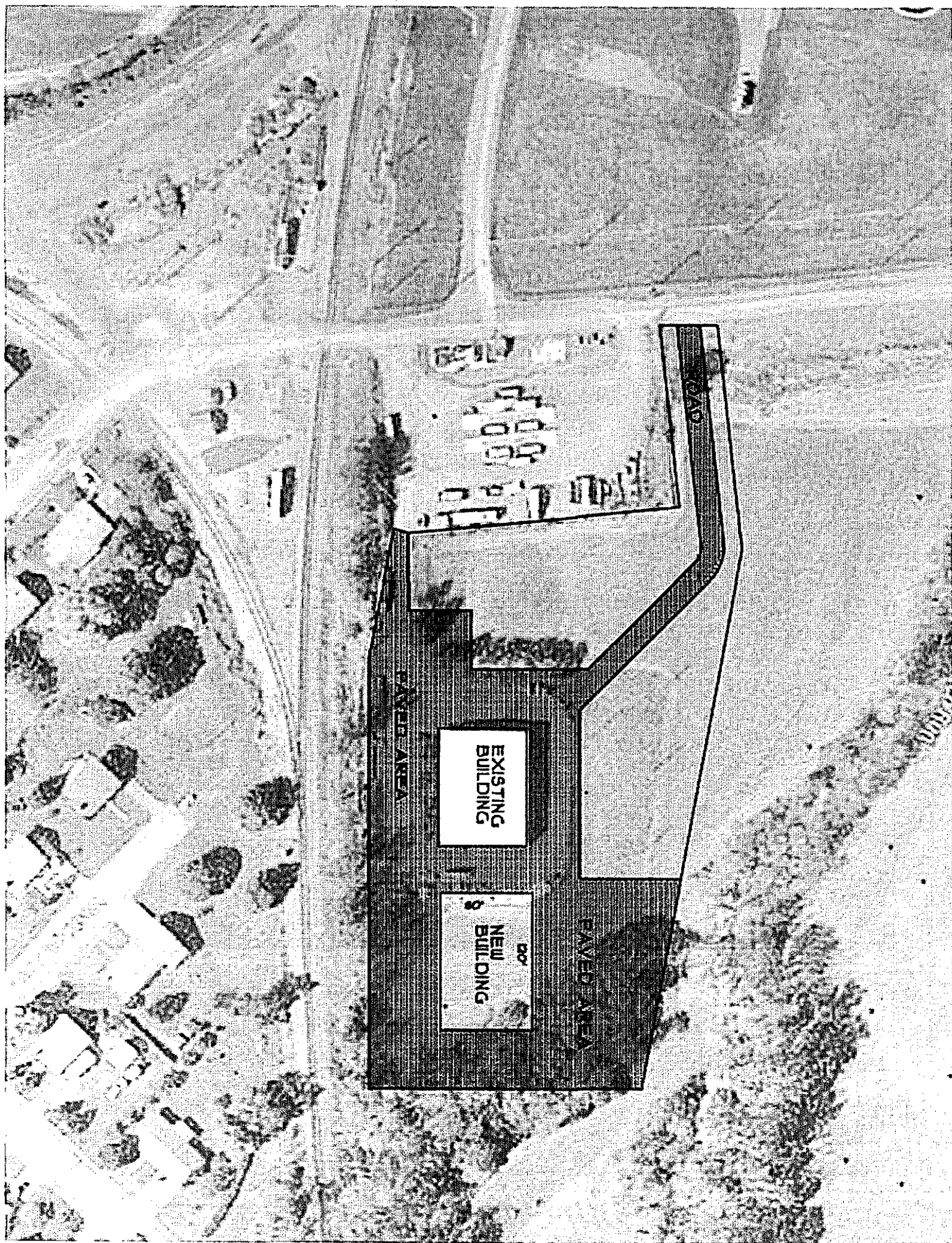
Quotation Tabulation

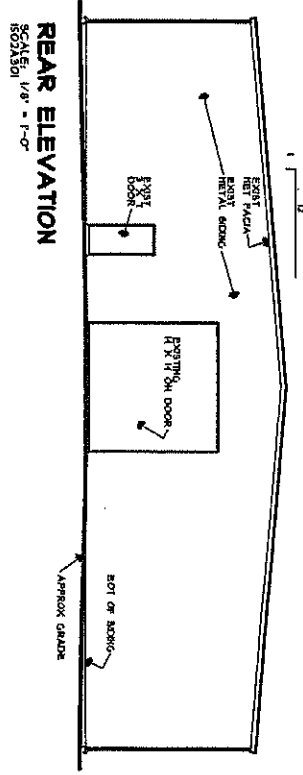
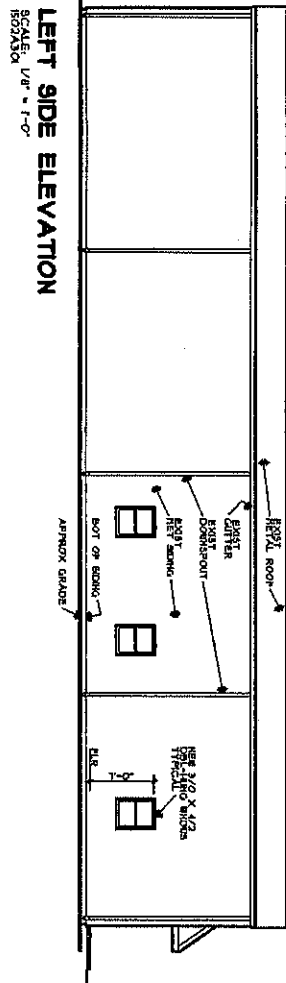
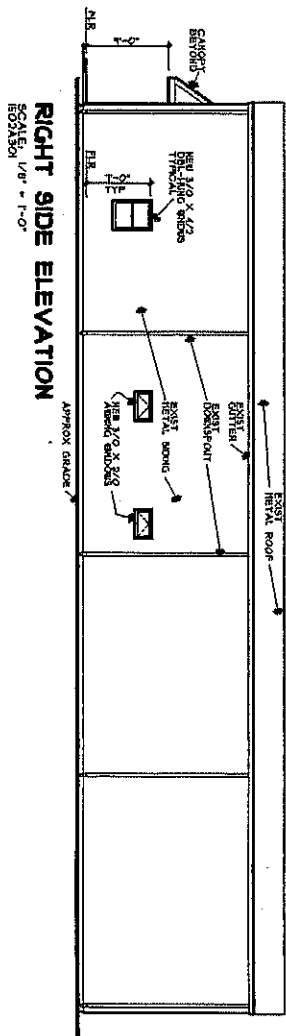
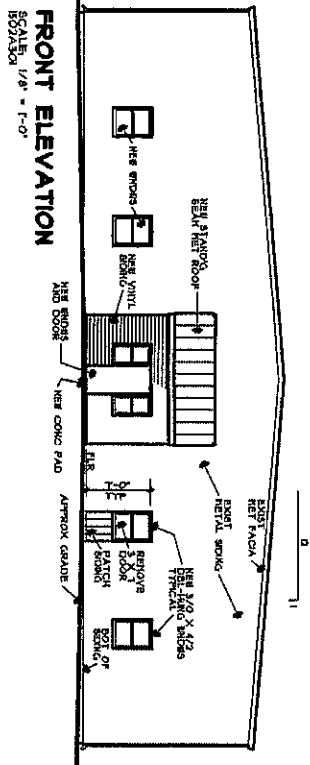
Quotation	N/A
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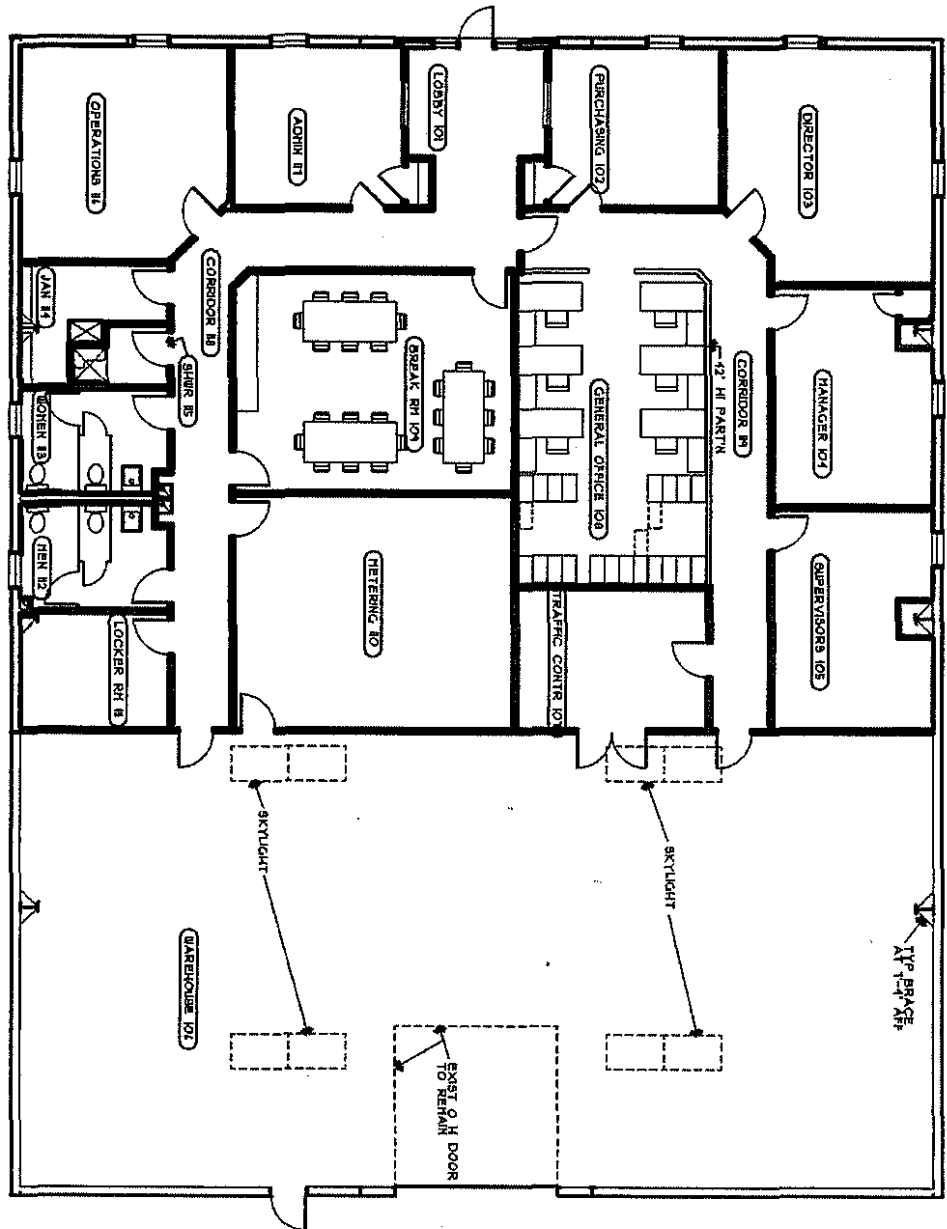
Replied 6

The above quotations have been verified for compliance with the terms and conditions of the specifications.

Purchasing Agent







FLOOR PLAN
 SCALE: 1/8" = 1'-0"
 1502A101

TOWN OF FRONT ROYAL, VIRGINIA

Quotation Tabulation

Item: ELECTRIC DEPARTMENT RENOVATIONS FOR OFFICES & WAREHOUSE

Quotation N/A

Date: June 11, 2015

Replied 6

Vendor Quotation						
	LCW (LANTZ OF WINCHESTER)	LANTZ CONSTRUCTION	BAUGHAN CONSTRUCTION COMPANY	LOUDIN BUILDING SYSTEMS	HAMMERHEAD CONSTRUCTION	KEE CONSTRUCTION
QUANTITY	WINCHESTER QUOTATION	BROADWAY QUOTATION	LURAY QUOTATION	LOUISA QUOTATION	DULLES QUOTATION	QUOTATION
RENOVATIONS FOR OFFICES AND WAREHOUSE FOR THE DEPARTMENT OF ENERGY SERVICES	\$345,000.00	\$362,867.00	\$388,000.00	\$419,000.00	\$419,000.00	\$429,101.00
ALTERNATE #1 - COST TO ADD NETWORK DROPS TO PROJECT	\$3,000.00	\$3,000.00	\$2,903.00	\$6,600.00	\$3,200.00	\$3,479.00
TOTAL QUOTATION						

The above quotations have been verified for compliance with the terms and conditions of the specifications.


 Purchasing Agent

PROPOSAL

TO: Town of Front Royal
520 East 6th Street
Front Royal, Virginia 22630

Attention: Cindy Hartman

The undersigned has received the Documents titled Renovations for Offices and Warehouse for Front Royal Energy Services, 1100 Manassas Avenue, Front Royal, Virginia 22630.

I have also received Addenda Nos. 1, 2 and have included their provisions in my Proposal. I have examined both the documents and the site and propose to furnish all labor, materials, equipment and services necessary to perform the work for Renovations for Offices and Warehouse for Front Royal Energy Services, 1100 Manassas Avenue, Front Royal, Virginia 22630 in strict accordance with Drawings, Documents and Specifications prepared by Baughan & Baukhages, Architects, AIA dated May 20, 2015.

In submitting this Proposal, I agree:

1. To hold my bid open until August 10, 2015
2. To enter into and execute a Contract, if awarded on the basis of this Proposal, and to furnish Guarantee Bonds in accord with the General Conditions of this Contract, and the Supplementary Instructions to Bidders.
3. To accomplish the work in accord with Contract Documents.

I will construct this Project as outlined as the Contract Sum of the General Conditions for the lump sum of

Three hundred forty five thousand dollars & no cents
DOLLARS (\$ 345,000.00).

I submit the following to be added or deducted from the Base Bid if any or all of the listed Alternates are elected by the Owner. See Division 1, Section 01030 - Alternates:

	<u>Add to</u> <u>Base Bid</u>	<u>Deduct from</u> <u>Base Bid</u>
If Alternate No. 1 is accepted by Owner.	\$ <u>3000.00</u>	\$ <u>N/A</u>

The undersigned designates his office of record, to which notices may be mailed as:

LCW Construction
221 Aviation Drive
Winchester, VA 22602

I propose to complete the Project in One Hundred and (120) calendar days.
Twenty

I am registered as a Contractor under Title 54, Chapter 7, Code of Virginia, 1950, Certificate No.
2701 027775, 2016.

I have attached Certified Check or Bid Bond in the amount of 5% to this Proposal. The Base Bid stated includes all sales taxes, excise taxes, and other taxes for all materials, appliances, and services subject to and upon which taxes are levied.

SIGNED: Steven L. Diehl, Vice President

BY: Steven L. Diehl, Vice President

BUSINESS ADDRESS: 221 Aviation Drive
Winchester, VA 22602

DATE: June 11, 2015

END OF SECTION 00401

Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

Bid Bond

CONTRACTOR:

(Name, legal status and address)

Lantz Construction Company of Winchester, Inc.
221 Aviation Drive
Winchester, VA 22602

SURETY:

(Name, legal status and principal place of business)

Fidelity and Deposit Company of Maryland
1400 American Lane, Tower I, 18th Floor
Schaumburg, IL 60196-1056

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

OWNER:

(Name, legal status and address)

Town of Front Royal
102 East Main Street
Front Royal, VA 22630

BOND AMOUNT: \$ 5%

Five Percent of Amount Bid

PROJECT:

(Name, location or address, and Project number, if any)

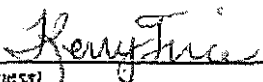
Renovations for Offices and Warehouse, Front Royal Energy Services - Interior remodeling and alterations

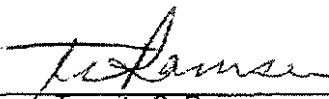
The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

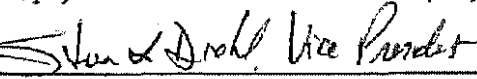
When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 11th day of June, 2015


(Witness)


(Witness) Teresita C. Ramseur

Lantz Construction Company of Winchester, Inc.
(Principal) (Seal)

By: 
(Title) Vice President

Fidelity and Deposit Company of Maryland
(Surety) (Seal)

By: 
(Title) Leonard Gemma Attorney-in-Fact

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by **GEOFFREY DELISIO, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Robert CONNOLLY, Douglas A. CROWE, Brian L. MACK, Teresita C. RAMSEUR, Leonard GEMMA and Stephen B. ARNOLD**, all of Washington, District of Columbia, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 14th day of May, A.D. 2014.

ATTEST:

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: *Gerald F. Haley*
Assistant Secretary
Gerald F. Haley

Geoffrey Delisio
Vice President
Geoffrey Delisio

State of Maryland
County of Baltimore

On this 14th day of May, A.D. 2014, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **GEOFFREY DELISIO, Vice President, and GERALD F. HALEY, Assistant Secretary**, of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Maria D. Adamski

Maria D. Adamski, Notary Public
My Commission Expires: July 8, 2015



RETURN OF THIS PAGE IS REQUIRED.

PLEASE NOTE: State Corporation Commission (SCC) registration requirements effective July 1, 2010 require that your proposal include the identification number issued by the State Corporation Commission as proof of registration or justification for non-registration, per the requirements in Sections 6.31 and 9.21. Please complete the Proof of Authority to Transact Business in Virginia form on page 32 of this solicitation and submit it with your proposal. Failure to provide this information or providing inaccurate or purged information shall result in your proposal being rejected.

State Corporation Commission Form

Virginia State Corporation Commission (SCC) Registration Information

Pursuant to VPPA §2.2-4311.2, the bidder must include the following information:

- ☒ is a corporation or other business entity with the following SCC identification number:
02794980 -OR-
- ☐ is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust -OR-
- ☐ is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the bidder in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder's out-of-state location) -OR-
- ☐ is an out-of-state business entity that is including with this proposal an opinion of legal counsel which accurately and completely discloses the undersigned bidder's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia. Attach opinion of legal counsel to this form.
- ☐ **NOTE:** Check this circle if you have not completed any of the foregoing options but currently have pending before the SCC and application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for proposals. (The Town of Front Royal reserves the right to determine in its sole discretion whether to allow such waiver).

I certify the accuracy of this information.

Signed: Steven L. Diehl Title: Vice President Date: 6/11/2015

THIS PAGE MUST BE COMPLETED, SIGNED, AND RETURNED WITH PROPOSAL

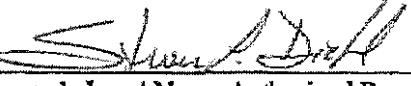
In compliance with this Invitation for Bid and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal.

LEGAL NAME & ADDRESS OF FIRM:

Lantz Construction Company of Winchester, Inc.

221 Aviation Drive

Winchester, VA 22602

By: 

Company's Legal Name Authorized Representative - Signature in Ink

Printed Name: Steven L. Diehl

Title: Vice President

Date: June 11, 2015

Phone: 540-665-0130

Email: sdiehl@lcwconstruction.com

Fax: 540-771-2818

VA SCC Business Registration # 02794980

"Proof of Authority to Transact Business in VA"

*****CORPORATE SEAL*****

Client#: 641947

60LANTZCON

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER BB&T Insurance Services, Inc. 24 Rouse Avenue Winchester, VA 22601 540 662-3865	CONTACT NAME: PHONE (A/C, Ho, Ext): 540 662-3865 FAX (A/C, No): (888)328-1325 E-MAIL: ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Cincinnati Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 10677
INSURED Lantz Construction Co of Winchester Inc 221 Aviation Drive Winchester, VA 22602		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	YWD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PROJECT ☐ LOC			EPP0172166	01/08/2013	01/08/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ALL OWNED AUTOS ☒ HIRED AUTOS SCHEDULED AUTOS NON-OWNED AUTOS			EPP0172166	01/08/2013	01/08/2016	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR EXCESS LIAB CLAIMS-MADE DED ☒ RETENTION \$0			EPP0172166	01/08/2013	01/08/2016	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y ☒ N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC192386998	01/08/2015	01/08/2016	☒ WC STATUTORY LIMITS ☐ OTHER EL EACH ACCIDENT \$100,000 EL DISEASE - EA EMPLOYEE \$100,000 EL DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Lantz Construction Co. of Winchester, Inc. 221 Aviation Drive Winchester, VA 22602	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE James J. Young
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ACORD 25 (2010/05) 1 of 1
#S13504905/M13362362

The ACORD name and logo are registered marks of ACORD

TLS

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
COMMONWEALTH OF VIRGINIA

EXPIRES ON
04-30-2016

8980 Mayland Dr., Suite 400, Richmond, VA 23233
Telephone: (804) 367-8500

NUMBER
2701027775

BOARD FOR CONTRACTORS
CLASS A CONTRACTOR
CLASSIFICATIONS BLD

LANTZ CONSTRUCTION CO OF WINCHESTER INC
221 AVIATION DRIVE
WINCHESTER, VA 22602



James W. DeBor
J. W. DeBor, Director

ALTERATION OF THIS DOCUMENT, USE AFTER EXPIRATION, OR USE BY PERSONS OR FIRMS OTHER
THAN THOSE NAMED MAY RESULT IN CRIMINAL PROSECUTION UNDER THE CODE OF VIRGINIA.

(SEE REVERSE SIDE FOR NAME AND/OR ADDRESS CHANGE)



PROPOSAL

To: Town of Front Royal
520 East 6th Street
Front Royal, Virginia 22630
Attention: Cindy Hartman

The undersigned has received the Documents titled Renovations for Offices and Warehouse for Front Royal Energy Services, 1100 Manassas Avenue, Front Royal, Virginia 22630.

I have also received Addenda Nos. 1, 2 and have included their provisions in my Proposal. I have examined both the documents and the site and propose to furnish all labor, materials, equipment and services necessary to perform the work for Renovations for Offices and Warehouse for Front Royal Energy Services, 1100 Manassas Avenue, Front Royal, Virginia 22630 in strict accordance with Drawings, Documents and Specifications prepared by Baughan & Baukhages, Architects, AIA dated May 20, 2015.

In submitting this Proposal, I agree:

1. To hold my bid open until AUGUST 11, 2015
2. To enter into and execute a Contract, if awarded on the basis of this Proposal, and to furnish Guarantee Bonds in accord with the General Conditions of this Contract, and the Supplementary Instructions to Bidders.
3. To accomplish the work in accord with Contract Documents.

I will construct this Project as outlined as the Contract Sum of the General Conditions for the lump sum of

THREE HUNDRED SIXTY-TWO THOUSAND EIGHT HUNDRED SIXTY-SEVEN AND 00/100
DOLLARS (\$ 362,867.00).

I submit the following to be added or deducted from the Base Bid if any or all of the listed Alternates are elected by the Owner. See Division 1, Section 01030 - Alternates:

	Add to Base Bid	Deduct from Base Bid
If Alternate No. 1 is accepted by Owner.	\$ <u>3,000.00</u>	\$ _____

The undersigned designates his office of record, to which notices may be mailed as:

539 South Main Street
Broadway, VA 22815

I propose to complete the Project in _____ () calendar days.

I am registered as a Contractor under Title 54, Chapter 7, Code of Virginia, 1950, Certificate No.

2701 006397, 20____.

I have attached Certified Check or Bid Bond in the amount of 5% to this Proposal. The Base Bid stated includes all sales taxes, excise taxes, and other taxes for all materials, appliances, and services subject to and upon which taxes are levied.

SIGNED: Douglas G. Driver

BY: Douglas G. Driver

BUSINESS ADDRESS: 539 South Main Street
Broadway, VA 22815

DATE: 6/11/2015

Lantz Construction Company
539 South Main Street
Broadway, VA 22815-0515
540.896.8911 Tel
866.526.8922 Toll free
540.896.6502 Fax

RETURN OF THIS PAGE IS REQUIRED.

PLEASE NOTE: State Corporation Commission (SCC) registration requirements effective July 1, 2010 require that your proposal include the identification number issued by the State Corporation Commission as proof of registration or justification for non-registration, per the requirements in Sections 6.31 and 9.21. Please complete the Proof of Authority to Transact Business in Virginia form on page 32 of this solicitation and submit it with your proposal. Failure to provide this information or providing inaccurate or purged information shall result in your proposal being rejected.

State Corporation Commission Form

Virginia State Corporation Commission (SCC) Registration Information

Pursuant to VPPA §2.2-4311.2, the bidder must include the following information:

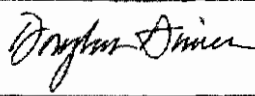
- ☒ is a corporation or other business entity with the following SCC identification number:
0086852-1 -OR-
- ☐ is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust -OR-
- ☐ is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the bidder in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder's out-of-state location) -OR-
- ☐ is an out-of-state business entity that is including with this proposal an opinion of legal counsel which accurately and completely discloses the undersigned bidder's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia. Attach opinion of legal counsel to this form.
- ☐ **NOTE:** Check this circle if you have not completed any of the foregoing options but currently have pending before the SCC and application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for proposals. (The Town of Front Royal reserves the right to determine in its sole discretion whether to allow such waiver).

I certify the accuracy of this information.

Signed:  Title: President Date: 6/11/2015

THIS PAGE MUST BE COMPLETED, SIGNED, AND RETURNED WITH PROPOSAL

In compliance with this Invitation for Bid and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal.

LEGAL NAME & ADDRESS OF FIRM:Lantz Construction Company539 South Main StreetBroadway, VA 22815By: 

Company's Legal Name Authorized Representative - Signature in Ink

Printed Name: Douglas G. DriverTitle: PresidentDate: 6/11/2015Phone: (540) 896-8911Email: ddriver@lantzcc.comFax: (540) 896-6502VA SCC Business Registration # 0086852-1*"Proof of Authority to Transact Business in VA"*

CORPORATE SEAL

AIA Document 310 - 2010 Bid Bond

CONTRACTOR (Name, legal status and address):

Lantz Construction Company

539 S. Main St.

Broadway, VA 22815

SURETY (Name, legal status and principal place of business):

Fidelity and Deposit Company of Maryland

1400 American Way

Schaumburg, IL 60196

OWNER (Name, legal status and address):

Town of Front Royal

102 East Main St.

Front Royal, VA 22630

Bond Amount: Five Percent of Total Bid Amount

PROJECT : (Name, location or address, and Project number, if any):

Renovations for Offices and Warehouse for Front Royal Energy Services

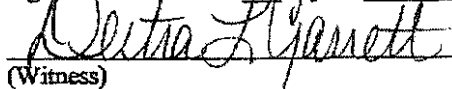
Interior Renovations of an existing 8,000 SF PEMB located at 1100 Manassas Ave. Front Royal, VA 22630

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters in to a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed by the Contractor.

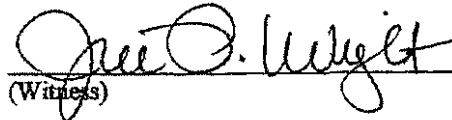
When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 9th day of June, 2015.



(Witness)

(Seal)



(Witness)

(Seal)

Lantz Construction Company

(Principal)



(Title)

Fidelity and Deposit Company of Maryland

(Surety)



(Title)

Beth A. Martin, Attorney in Fact

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by **GEOFFREY DELISIO, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Ruth M. WRIGHT, Jill P. WRIGHT, Norma T. LEE and Beth A. MARTIN**, all of Harrisonburg, Virginia, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York, the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland, and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland, in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 3rd day of October, A.D. 2012.

ATTEST:

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



By: *Eric D. Barnes*
Assistant Secretary
Eric D. Barnes

Geoffrey Delisio
Vice President
Geoffrey Delisio

State of Maryland **FOR YOUR PROTECTION,**
City of Baltimore **LOOK FOR THE ZURICH WATERMARK**

On this 3rd day of October, A.D. 2012, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **GEOFFREY DELISIO, Vice President**, and **ERIC D. BARNES, Assistant Secretary**, of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Maria D. Adamski

Maria D. Adamski, Notary Public
My Commission Expires: July 8, 2015



AIA[®] Document A305[™] - 1986

Contractor's Qualification Statement

The Undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

SUBMITTED TO: Baughan & Baukhages, PLLC

ADDRESS: 1 Cave Street
Luray, VA 22835

SUBMITTED BY: Lantz Construction Co. of Winchester, Inc.

NAME: Lantz Construction Co. of Winchester, Inc.

ADDRESS: 221 Aviation Drive, Winchester, VA 22602

PRINCIPAL OFFICE:

- ☒ [X] Corporation
- ☐ [] Partnership
- ☐ [] Individual
- ☐ [] Joint Venture
- ☐ [] Other

NAME OF PROJECT: (If applicable) Renovations for Offices and
Warehouse - Front Royal Energy Svc.
TYPE OF WORK: (file separate form for each Classification of Work)

- ☒ [X] General Construction
- ☐ [] HVAC
- ☐ [] Electrical
- ☐ [] Plumbing
- ☐ [] Other: (Specify)

§1 ORGANIZATION

§1.1 How many years has your organization been in business as a Contractor? 31

§1.2 How many years has your organization been in business under its present business name? 29

§1.2.1 Under what other or former names has your organization operated?

Lantz Construction Company

§1.3 If your organization is a corporation, answer the following:

§1.3.1 Date of incorporation: 1986

§1.3.2 State of incorporation: Virginia

§1.3.3 President's name: Max Clauerbuck

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This form is approved and recommended by the American Institute of Architects (AIA) and The Associated General Contractors of America (AGC) for use in evaluating the qualifications of contractors. No endorsement of the submitting party or verification of the information is made by AIA or AGC.

§ 1.3.4 Vice-president's name(s)

Steven L. Diehl

§ 1.3.5 Secretary's name: Steven L. Diehl

§ 1.3.6 Treasurer's name: Allen D. Ervin

§ 1.4 If your organization is a partnership, answer the following:

§ 1.4.1 Date of organization:

§ 1.4.2 Type of partnership (if applicable):

§ 1.4.3 Name(s) of general partner(s)

§ 1.5 If your organization is individually owned, answer the following:

§ 1.5.1 Date of organization:

§ 1.5.2 Name of owner:

§ 1.6 If the form of your organization is other than those listed above, describe it and name the principals:

§ 2 LICENSING

§ 2.1 List jurisdictions and trade categories in which your organization is legally qualified to do business, and indicate registration or license numbers, if applicable.

Virginia License Number: 2701 027775 "A" Contractor

West Virginia License Number: WV002797

Maryland License Number: 10553266

§ 2.2 List jurisdictions in which your organization's partnership or trade name is filed.

§ 3 EXPERIENCE

§ 3.1 List the categories of work that your organization normally performs with its own forces.

Carpentry, Concrete, Masonry, Insulation
Metal-Steel Erection, Structural Steel, Pre-Engineered Metal Buildings
Site Work, Acoustical Ceilings, Light Gage Metal Framing

§ 3.2 Claims and Suits. (If the answer to any of the questions below is yes, please attach details.)

§ 3.2.1 Has your organization ever failed to complete any work awarded to it?

No

§ 3.2.2 Are there any judgments, claims, arbitration proceedings or suits pending or outstanding against your organization or its officers?

No

§ 3.2.3 Has your organization filed any law suits or requested arbitration with regard to construction contracts within the last five years?

No

§ 3.3 Within the last five years, has any officer or principal of your organization ever been an officer or principal of another organization when it failed to complete a construction contract? (If the answer is yes, please attach details.)

No

§ 3.4 On a separate sheet, list major construction projects your organization has in progress, giving the name of project, owner, architect, contract amount, percent complete and scheduled completion date.

See Attached

§ 3.4.1 State total worth of work in progress and under contract:

\$ 9,800,000

§ 3.5 On a separate sheet, list the major projects your organization has completed in the past five years, giving the name of project, owner, architect, contract amount, date of completion and percentage of the cost of the work performed with your own forces.

See Attached

§ 3.5.1 State average annual amount of construction work performed during the past five years:

\$ 18,200,000

§ 3.6 On a separate sheet, list the construction experience and present commitments of the key individuals of your organization.

See Attached Resumes

§ 4 REFERENCES

§ 4.1 Trade References:

Construction Materials Group
240 Lenoir Drive
Winchester, VA 22603
540-574-4821

Frederick Block
P.O. Box 696
Winchester, VA 22601
540-667-1261

Winchester Rental LLC
2641 Papermill Road
Winchester, VA 22601
540-450-2121

§ 4.2 Bank References:

BB&T
115 N. Cameron Street
Winchester, VA 22601
Attn: John Keller

Wells Fargo
201 N. Loudoun Street
Winchester, VA 22601
Attn: Ronda Gross

§ 4.3 Surety:

§ 4.3.1 Name of bonding company:

Fidelity & Deposit Company of Maryland

§ 4.3.2 Name and address of agent:

Steven Arnold
Lockton Companies
12150 Monument Drive
Fairfax, VA 22033

§ 5 FINANCING

§ 5.1 Financial Statement.

§ 5.1.1 Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items:

Current Assets (e.g., cash, joint venture accounts, accounts receivable, notes receivable, accrued income, deposits, materials inventory and prepaid expenses);

Net Fixed Assets;

Other Assets;

Current Liabilities (e.g., accounts payable, notes payable, accrued expenses, provision for income taxes, advances, accrued salaries and accrued payroll taxes);

Other Liabilities (e.g., capital, capital stock, authorized and outstanding shares par values, earned surplus and retained earnings).

§ 5.1.2 Name and address of firm preparing attached financial statement, and date thereof:

Yount, Hyde, & Barbour, P.C. 12/31/2014

§ 5.1.3 Is the attached financial statement for the identical organization named on page one?

Yes

§ 5.1.4 If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g., parent-subsidiary).

§ 5.2 Will the organization whose financial statement is attached act as guarantor of the contract for construction?

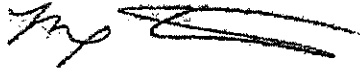
Yes

§ 6 SIGNATURE

§ 6.1 Dated at Winchester VA this 15th day of March 2015

Name of Organization: Lantz Construction Co. of Winchester

By: Max Clatterbuck



Title: President

§ 6.2

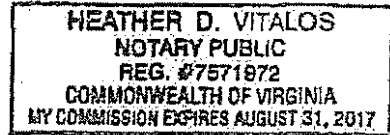
Mr. Max Clatterbuck being duly sworn deposes and says that the information provided herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this 15th day of March 2015

Notary Public: Heather Vitalos 7571972

Heather D. Vitalos

My Commission Expires: 9/31/2017





PROJECTS IN PROGRESS

- 1) **Name of Project:** Western Loudoun Sheriff Station
Address: 47 W. Loudoun St., Round Hill, VA 20142
Owner Name: Loudoun County Board of Supervisors
Address: 801 Sycolin Road S.E., Suite 310, Leesburg, VA 20175
Contact: Dany Ramia
Phone Number: 571-258-3446
Engineer/Architect: Dewberry
Address: 8401 Arlington Blvd, Fairfax, VA 22031
Contact: Mark Kuczynski
Phone Number: 703-849-0100
Contract Amount: \$4,373,300
Percent Complete: 25%
Start Date: January 2015
Finish Date: May 2016
Description: A LEED certified project for the construction of a new 8,775 SF, single-story load bearing masonry structure with light gauge metal trusses consisting of administrative offices, secure detention facilities, Sally Port, support facilities, and community room. Site development work includes structural demolition, earthwork, utility installation, storm drainage and detention pond, site concrete, asphalt paving, GEOPave porous pavement system, and high speed electronic security gates.

- 2) **Name of Project:** Warren County Health & Human Services Improvements
Address: 465 West 15th St., Front Royal, VA 22630
Owner Name: Warren County, VA
Address: 220 North Commerce St., Front Royal, VA 22630
Contact: Doug Stanley
Phone Number: 540-636-4600
Engineer/Architect: Moseley Architects
Address: 50 West Market Street, Harrisonburg VA 2801
Contact: Anthony Bell
Phone Number: 540-434-1346
Contract Amount: \$5,510,000
Percent Complete: 55%
Start Date: November 2014
Finish Date: November 2015
Description: Redo 6.48 Acre parking lot include new storm sewer, new water main and branch lines, new sanitary sewer laterals, new underground electrical service, new lighting, new curb and gutter and sidewalks, new asphalt paving, and bio retention filters. Interior and exterior modifications to old school with complete MEP systems replacements.
- 3) **Name of Project:** Burke & Herbert Bank
Address: Crystal City
Owner Name: Burke & Herbert Bank
Address: 2836 Duke St., Alexandria, VA 22150
Contact: Adrian Williams
Phone Number: 571-447-0519
Engineer/Architect: Architect Group Practice
Address: 415 North Alfred Street, Alexandria, VA 22314
Contact: Andy Schiefer
Phone Number: 703-549-0809
Contract Amount: \$ 330,000
Percent Complete: 75 %
Start Date: March 2015
Finish Date: June 2015
Description: Interior renovations to existing bank

4) Name of Project: Popeye's Spring Mills
Address: Intersection of I81 and WV Route 901
Owner Name: ZJZL Inc.
Address: 160 Inez LN, Stephens City, VA
Contact: Christina Tu
Phone Number: 540-550-8920
Engineer/Architect: Architrave
Address: 157 Broad Street, Red Bank, NJ
Contact: Jose Santos
Phone Number: 732-212-0007
Contract Amount: \$850,000
Percent Complete: 50%
Start Date: April 2014
Finish Date: July 2014
Description: Site development and base build of a new Popeyes restaurant.

5) Name of Project: East Broad Way Streetscape
Address: East Broad Way Street, Lovettsville, VA
Owner Name: Town of Lovettsville
Address: 6 East Pennsylvania Ave., Lovettsville, VA
Contact: Karin Fellers
Phone Number: 540-822-5788
Engineer/Architect: Pennoni Associates
Address: 208 Church St., SE Leesburg, VA
Contact: Karl Schaeffer
Phone Number: 540-421-4936
Contract Amount: \$1,500,000
Percent Complete: 50 %
Start Date: March 2015
Finish Date: September 2015
Description: Redo 1400 LF of street to include new storm sewer, new water main and branch lines, new lighting, new curb and gutter and sidewalks, and new asphalt paving.

7) **Name of Project:** Utopia interior build-out
 Address: Stonewall Plaza, Winchester, VA 22604
 Owner Name: Utopia Salon
 Address: 343 Sunnyside Plaza, Winchester, VA 22604
 Contact: Laura Kline
 Phone Number: 540-409-7063
 Engineer/Architect: Design/Build
 Address: N/A
 Contact: N/A
 Phone Number: N/A
 Contract Amount: \$ 186,800.00
 Percent Complete: 90%
 Start Date: March 2015
 Finish Date: June 2015
 Description Complete interior build-out(2700 sqft) of unoccupied space for
 use as a Salon & Treatment center

8) **Name of Project:** Dominion Power build-out
 Address: Herndon, VA
 Owner Name: Dominion Power
 Address: 709 East Main Street- 12th Floor, Richmond, VA 23219
 Contact: Tim Crowder
 Phone Number: 804-921-1855
 Engineer/Architect: Loch Design
 Address: PO Box 26286, Richmond, VA 23260
 Contact: Bill Church
 Phone Number: 804-767-5470
 Contract Amount: \$ 214,400.00
 Percent Complete: 75 %
 Start Date: April 2015
 Finish Date: June 2015
 Description completed interior build-out (2,500) of unoccupied space for
 use as office space



LIST OF COMPLETED PROJECTS- LAST SEVEN YEARS
(similar & local projects)

- 1) Name of Project:** Warren Memorial Hospital Ambulatory Care Center
Address: 120 N. Commerce Ave.
Owner Name: Valley Health
Address: 1836 Amherst Street
Winchester, VA 22601
Contact: Mike Albright
Phone Number: 540-536-4537
Engineer/Architect: Cornerstone Architects
Address: 23 West Broad Street, Suite 200
Richmond, VA 23220
Contact: Rick Peterson
Phone Number: 804-264-2228
Contract Amount: \$6,452,932
Start Date: July 2006
Finish Date: March 2008
Description: New two story, 39,000 square feet structural steel and masonry office building.

- 2) Name of Project:** Apple Pie Ridge Elementary School
Address: 349 Apple Pie Ridge Road
Winchester, VA 22603
Owner Name: Frederick County Public Schools
Address: 1415 Amherst Street
Winchester, VA 22601
Contact: Larry Rickard
Phone Number: 540-667-4865
Engineer/Architect: OWPR
Address: 200 Country Club Drive, SW
Plaza One, Building E
Blacksburg, VA 24060
Contact: Randy Jones
Phone Number: 540-951-0219
Contract Amount: \$558,153
Start Date: June 2008
Finish Date: August 2008
Description: Complete interior demolition and reconstruction of 9,361 SF of classroom space.

3) Name of Project: Lester & Mowery Pharmacy
Address: 20 South Street
Front Royal, VA 22630
Owner Name: Lester & Mowery Pharmacy
Address: 413 A&B South Street
Front Royal, VA 22630
Contact: Scott Lester / Brian Mowery
Phone Number: 540-622-2307
Engineer/Architect: S.E. Wagner, Architect
Address: 6381 Stuart Street
The Plains, VA 20198
Contact: Steve Wagner
Phone Number: 540-364-6399
Contract Amount: \$557,177
Start Date: April 2008
Finish Date: October 2008
Description: Construction of a 3,600 SF pharmacy building. Type of construction is wood frame with brick veneer and EIFS. Roof structure is wood trusses with a flat, TPO roof.

4) Name of Project: American Public University – Bldg 203
Address: 203 South George Street
Charles Town, WV 25414
Owner Name: American Public University
Address: 111 West Congress Street
Charles Town, WV 25414
Contact: Joseph Sladki
Phone Number: 304-724-3749
Engineer/Architect: N.A.
Address: N.A.
Contact: N.A.
Phone Number: N.A.
Contract Amount: \$143,200
Start Date: August 2008
Finish Date: November 2008
Description: Exterior renovation of 2 story historic house.

- 5) **Name of Project:** American Public University – Bldg 661
Address: 661 South George Street
Charles Town, WV 25414
Owner Name: American Public University
Address: 111 West Congress Street
Charles Town, WV 25414
Contact: Joseph Sladki
Phone Number: 304-724-3749
Engineer/Architect: Gaudreau Inc.
Address: 810 Light Street
Baltimore, MD 21230
Contact: Jung Han
Phone Number: 410-837-5040
Contract Amount: \$1,128,900
Start Date: August 2008
Finish Date: December 2008
Description: Renovation of existing 12,000 square foot building for office/
educational use.
- 6) **Name of Project:** Randolph Macon Academy, Stan Fulton Classroom Building
Address: 200 Academy Drive
Front Royal, VA 22630
Owner Name: Randolph Macon Academy
Address: 200 Academy Drive
Front Royal, VA 22630
Contact: Henry M. Hobgood, USA (Ret.) Maj. Gen.
Phone Number: 540-636-5201
Engineer/Architect: Alan E. Adler, Architect
Address: 9433 Bee Caves Rd., Bldg. II, Suite 202
Austin, TX 78733
Contact: Alan Adler
Phone Number: 512-263-1999
Contract Amount: \$5,390,312
Start Date: January 2008
Finish Date: April 2009
Description: Construction of a 3-story, 32,000 SF classroom building with
Classrooms, Dean's offices, Photo Lab, and Infirmary. Type of
construction is concrete foundation walls and structural steel,
light gauge framing, and light gauge roof trusses. Exterior
veneer is brick with intricate Azek cornice and standing seam
metal roof. The project also includes the follow-on demolition
of an existing 2-story, 9,900 SF classroom building and site
improvements to this area.

7) Name of Project: American Public University
Address: 203 South George Street
Charles Town, WV 25414
Owner Name: American Public University
Address: 111 West Congress Street
Charles Town, WV 25414
Contact: Joseph Sladki
Phone Number: 304-724-3749
Engineer/Architect: Lantz Construction Co. of Winchester, Inc.
Address: 221 Aviation Drive
Winchester, VA 22602
Contact: N.A.
Phone Number: N.A.
Contract Amount: \$120,890
Start Date: January 2009
Finish Date: May 2009
Description: Interior demolition and interior building upgrades.

8) Name of Project: Baugh NE – Exercise Room
Address: 1000 Baugh Drive
Front Royal, VA 22630
Owner Name: Baugh NE
Address: 1000 Baugh Drive
Front Royal, VA 22630
Contact: Robert Finch
Phone Number: 540-631-2310
Engineer/Architect: Lantz Construction Co. of Winchester, Inc.
Address: 221 Aviation Drive
Winchester, VA 22602
Contact: William Bowmaster
Phone Number: 540-665-0130
Contract Amount: \$66,859
Start Date: April 2009
Finish Date: May 2009
Description: Build out of a 1394 SF exercise room in unfinished office space.

- 9) **Name of Project:** Samuels Public Library
Address: 330 E. Criser Road
Front Royal, VA 22630
Owner Name: Samuels Library Board of Trustees
Address: 538 Villa Avenue
Front Royal, VA 22630
Contact: Eileen Grady
Phone Number: 540-635-3153
Engineer/Architect: The Lukemire Partnership
Address: 2700 South Quincy Street, Suite 300
Arlington, VA 22206
Contact: Nick Germano
Phone Number: 703-998-0101
Contract Amount: \$5,149,962
Start Date: May 2008
Finish Date: June 2009
Description: Construction of a new 30,000 square foot public library. Structural steel super structure with masonry & precast veneer. Architecturally impressive interior finishes.
- 10) **Name of Project:** Rappahannock Electric Co-op Blue Ridge District Office
Address: 137 Kelly Court
Front Royal, VA 22630
Owner Name: Rappahannock Electric Co-op
Address: PO Box 7388
Fredericksburg, VA 22404
Contact: John Mitchell
Phone Number: 540-891-5803
Engineer/Architect: MCA Architecture
Address: 28 Agora Place
Greenville, SC 29615
Contact: Georgia Coundoussias
Phone Number: 864-232-8204
Contract Amount: \$1,551,500
Start Date: January 2010
Finish Date: October 2010
Description: Conversion of an existing 30,000 SF warehouse into an office building with a new 300 Ft x 35 Ft canopy, and a new 3 acre parking lot/staging area.

11) Name of Project: Lord Fairfax Community College, Smith Building Renovations
Address: 173 Skirmisher Lane
Middletown, VA 22645
Owner Name: Virginia Community College System
Address: 101 North 14th Street, 16th Floor
Richmond, VA 23219
Contact: Paul Sweet
Phone Number: 804-819-4913
Engineer/Architect: Little Diversified Architectural Consulting
Address: 4501 North Fairfax Drive, Suite 120
Arlington, VA 22203
Contact: Richard Naab
Phone Number: 703-903-4501
Contract Amount: \$966,080
Start Date: May 2010
Finish Date: December 2010
Description: Renovation of approximately 6800 SF in the Smith Building. Construction includes installing a new main entrance into the building, complete renovations to the dental hygiene clinic, and theater renovations including new performance sound and lighting equipment. The dental clinic work is to start after the spring semester in May and be ready for the start of the fall semester in August 2010.

12) Name of Project: BB&T Bank
Address: 137 Crooked Run Plaza
Front Royal, VA 22630
Owner Name: Branch Banking and Trust
Address: 2828 Reynolda Rd
Winston-Salem, NC 27106
Contact: Bobby Fulk
Phone Number: 336-978-2143
Engineer/Architect: Lambert Architecture
Address: 2400 Reynolds Road, Suite 202
Winston-Salem, NC 27106
Contact: James Mancari
Phone Number: 336-777-3657
Contract Amount: \$1,084,880
Start Date: June 2011
Finish Date: October 2011
Description: New construction, on an undeveloped site, of an approximately 5,113 square foot facility. Structure is steel with wood framing. Exterior finish is masonry veneer and EIFS.

13) Name of Project: Burke & Herbert Landmark Renovations
Address: 155 N Paxton St.
Alexandria, VA 22314
Owner Name: Burke & Herbert Bank
Address: 2836 Duke St.
Alexandria, VA 22314
Contact: Bob Korman
Phone Number: 703-837-3778
Engineer/Architect: Architects Group Practice
Address: 415 North Alfred St.
Alexandria, VA 22314
Contact: Andy Schiefer
Phone Number: 703-549-0809
Contract Amount: \$250,000
Percent Complete: 0 %
Start Date: February 2013
Finish Date: April 2013

Description: Limited area renovations to 1000 SF bank space. Work includes structural steel modifications, new storefronts, new casework, new sidewalks, masonry infill, and new ceilings, flooring, and paint. Bank will remain open during

- 13) Name of Project:** Mt. Jackson
Address: 5173 Main Street
Mount Jackson, VA 22842
Owner Name: Valley Health
Address: 1836 Amherst Street
Winchester, VA 22601
Contact: Dean Kline
Phone Number: 540-536-4536
Engineer/Architect: Baskerville Architects, Engineers, and Interior Designers
Address: 101 S. 15th Street, Suite 200
Contact: Bruce Brooks
Phone Number: 804-343-1010
Contract Amount: \$276,414
Start Date: October 2008
Finish Date: April 2009
Description: Addition of 1,600 square foot to existing family practice medical building.
- 14) Name of Project:** Lee Trace Apartment Complex
Address: 2407 Delmar Orchard Road
Martinsburg, WV 25403
Owner Name: Lee Trace LLC
Address: 410 Pine Street, SE, Suite 300
Vienna, VA 22180
Contact: Robert A. Cocker
Phone Number: 703-242-1100
Engineer/Architect: Charles W. Englehart, Architect
Address: P.O. Box 328
Marshall, VA 20116
Contact: Charles Englehart
Phone Number: 540-364-4198
Contract Amount: \$13,017,334
Start Date: March 2009
Finish Date: April 2009
Description: Site work and construction of (156) apartment units and (1) club house with swimming pool.

MAX A. CLATTERBUCK, P.E.

221 Aviation Drive, Winchester, VA 22602

SUMMARY OF QUALIFICATIONS

A Professional Engineer registered in Maryland and Virginia with over 30 years of design and construction experience. After working as a consulting structural engineer in the Washington D.C. area for 15 years, Mr. Clatterbuck returned to his Shenandoah Valley roots and joined LCW-Lantz Construction Company of Winchester, Inc.

Mr. Clatterbuck's philosophy is that success comes when a company works together as a TEAM to provide a quality construction project which is completed safely and on schedule and on budget.

WORK EXPERIENCE

Comprehensive construction experience includes:

- Construction Management
- Construction Scheduling
- Cost Estimating
- Structural Engineering
- Experience with renovation and restoration projects
- OSHA Safety Training

EDUCATION

Bachelor of Science, Civil Engineering, Virginia Polytechnic Institute,
Blacksburg, VA, 1982

Professional Engineer: Licensed in Virginia & Maryland

OSHA Training

MEMBERSHIPS

American Institute of Steel Construction (AISC)

American Concrete Institute (ACI)

American Wood Council (AWC)

Associated General Contractors (AGC)

Green Building Council

Kiwanis

STEVEN L. DIEHL

221 Aviation Drive, Winchester, VA 22602

SUMMARY OF QUALIFICATIONS

A life-long resident of the Shenandoah Valley, from concept through implementation, he exemplifies excellent customer service. He takes great pride in establishing **trust, integrity and value** through his interpersonal skills. With his 25 plus years of construction experience, Steve brings to the table a wealth of construction estimating knowledge which enables him to provide the Owner and Architect with excellent value engineering & constructability reviews for their particular project.

He has handled commercial construction estimates leading to contracts ranging in value from \$ 100,000 to \$16,700,000. Projects include new construction, building additions and building renovations.

WORK EXPERIENCE

LCW-Lantz Construction Winchester

- Vice President, Marketing & Estimating – over 15 years
- Lead Estimator – 25 years

Lord Fairfax Community College

- Instructor
 - Construction Estimating
 - Construction Certification

EDUCATION

Business Administration - James Madison University – Harrisonburg, VA

Lord Fairfax Community College – Middletown, VA

Star Manufacturing Estimating School – Oklahoma City, OK

American Building Systems Product & Pricing School – Atlanta, GA

Nucor Building Systems Product, Engineering & Pricing School – Columbia, SC

WILLIAM BOWMASTER JR, LEED AP

57 Red Bud Lane, Bluemont, VA 20135

SUMMARY OF QUALIFICATIONS

Committed to excellence through self-discipline, organization, communication, and efficiency. Manages large and small scale construction projects to include design build construction, hard bid construction, and negotiated construction. Past and current projects include new construction and renovations of public and private educational, industrial, financial, recreational, dining, judicial, security, business, institutional, maintenance, fitness, religious, and medical facilities. Experienced with steel, wood, masonry and reinforced concrete structures. Proficient at coordinating with subcontractors, negotiating contracts, estimating, budgeting, scheduling, purchasing, processing submittals, preparing payment applications, managing progress and preconstruction meetings, job site safety inspections, and permitting. Maintains excellent relationships with Owners and Architects resulting in repeat opportunities. Possesses strong ability to work through problems to ensure projects are completed on time. Prides himself on a record of 100% on time or early project delivery.

EDUCATION

Bachelor of Science, Environmental Science, George Mason University, 2006
Post-Baccalaureate Certificate Environmental Management

Additional Training/Certification:

- LEED AP
- Commonwealth of Virginia Erosion and Sediment Control Responsible Land Disturber
- OSHA 10 Hour

WORK EXPERIENCE

- 2012 – Present: LCW – Lantz Construction Winchester Winchester, VA
General Manager
- Popeye's Louisiana Kitchen – Site development and construction of a new 2500 SF wood framed building with EIFS and stone exterior finishes, CT < FRP, painted GWB, and ACT interior finishes. \$950,000 5/13
 - Burke & Herbert Bank – Landmark location renovations consisting of new storefronts, sidewalks, teller line, flooring, ceilings, HVAC units, and light fixtures. \$260,000, 4/13
 - Don Beyer Volkswagen – Site development and construction of a 6000 SF steel structured building with composite metal panel, storefront, and EIFS exterior finishes with EPDM roof. Interior finishes consist of CT, vinyl flooring, wood flooring, painted GWB, acoustical ceilings, p-lam casework, and structural glazing partitions. \$1,300,000. 1/13
 - Winchester Orthopaedic X-ray Room Expansion – Expansion of an existing x-ray room, and coordination of replacement of Owner supplied x-ray room equipment, \$59,000, 9-12
 -
- 2007 – 2012: LCW – Lantz Construction Winchester Winchester, VA
Project Manager for the following:
- Virginia Regional Transit Gateway Facility – Site development and

- construction of a 6500 SF masonry structured building, \$1,800,000, 7-12
- Virginia Regional Transit Operations Building Second Addition – 7500 SF steel structured second level addition with complete 7500 SF first level renovations. Exterior finishes were split faced masonry standing seam metal roof. Interior finishes were CT, painted GWB, and acoustical ceilings. \$1,800,000, 1-12
- Providence Baptist Church – Site development and construction of a 3500 SF wood framed addition, \$400,000, 4-12
- Sysco – Hydrogen Storage Facility Site Development, \$250,000, 11-11
- Galaria Plastic Surgery – 2500 SF white box fit-out to create plastic surgery clinic finished with wood and VCT flooring, ACT, painted GWB, and custom wood casework, \$290,000, 11/11
- BB&T Bank Front Royal – New construction of a 6,000 SF steel structured, masonry veneered bank, \$1,100,000, 10-11
- NW Works – 60,000 SF renovation, \$1,200,000, 12-10
- Rappahannock Electric Co-op – Conversion of an existing 30,000 SF warehouse to office building, addition of a 10,500 SF pre-engineered canopy, \$1,500,000, 9-10
- Rappahannock Electric Co-op – Construct two 15,000 SF pre-engineered metal buildings. \$670,000, 6-10
- BB&T Bank Haymarket – Site development and construction of a 5,000 SF steel structured, masonry veneered bank, \$1,100,000, 1-10
- Lee Trace Apartment Complex – Site development and construction of a 173,500 SF apartment complex consisting of thirteen apartment buildings (156 units), club house, swimming pool, wood construction, \$15,000,000, 4-09
- Winchester Medical Center Imaging Holding Renovations – Complete renovations to a 1500 SF area consisting of GWB assemblies, flooring, ACT, painted GWB, doors & hardware, and a new bathroom, \$291,000, 12-09
- Winchester Medical Center Garden Level Core Upfit – Complete 2800 SF renovation consisting of GWB assemblies, flooring, ACT, painted GWB, doors & hardware, and new VAV's, \$388,000, 9-09
- Winchester City Bus Garage – Site development and construction of one 7500 SF pre-engineered building, \$469,000, 4/09
- Charles Town Races & Slots (TT Center) – Complete Renovation and Expansion: metal frame construction, HVAC & Electrical upgrades, \$283,000, 10-09
- Apple Pie Ridge Elementary School – Complete renovation of classroom areas, 9,600 SF, \$550,000, 8-08
- C-5 Hangar – Interior Finishes: metal stud and steel construction, \$527,000, 3-08
- Shenandoah University – Tenant Fit-out: 4,500 SF, \$486,000, 2-08
- Arby's – New Construction: wood and masonry construction, commercial kitchen, 1,350 SF, \$1,010,000, 8-07

2005 - 2007:

West Properties

Falls Church, VA

- Labor & coordination of daily construction activities

2000 - 2004:

United States Air Force

- Performed maintenance/repairs on C130 and A10 aircraft support equipment
- Certified in EPU-6/E Frequency Converter, A/M32A-86 Diesel Generator, A/M32A-95 Gas Turbine Compressor, -60 Turbine generator, Hydraulic test

stands, Self generation nitrogen carts, MA-39 Air Conditioner, H-1 Heater, MHU-83C/E bomb lift, electrical load banks, transformer rectifiers.

- Security Clearance

Current Status

- Completing February 2014 – Berkeley County Public Sewer Water District. New construction of a 21,500 SF steel and masonry structured building with composite metal panel and brick exterior finishes with standing seam and EPDM roofs. Interior finishes consist of CT, carpet, VCT, painted GWB, and acoustical ceilings. \$5,000,000
- Completing May 2013 – Winchester Orthopaedic. Extension of the existing parapets by two feet and replacement of the siding with EIFS. New exterior lighting will be added, a barrel shaped steel canopy with standing seam roof will be extended out to the drive lane for patient drop off, and an additional handi-cap ramp will be installed

Medical Experience

- Winchester Orthopedic X-Ray Room Expansion
 - Spine & Sport Physical Therapy Center
 - Galaria Plastic Surgery
 - Winchester Medical Center Imaging Holding
- Winchester Medical Center Garden Level Core Upfit

LANTZ CONSTRUCTION CO. OF WINCHESTER, INC.

Balance Sheets December 31, 2014 and 2013 See Independent Accountant's Review Report

Assets	2014	2013
Current Assets		
Cash and cash equivalents	\$ 935,436	\$ 464,340
Contracts receivable	1,588,381	1,786,696
Prepaid expenses	10,573	23,832
Inventory	9,904	69,836
Costs and estimated earnings in excess of billings on uncompleted contracts	152,431	243,955
Other receivables	8,922	12,528
Due from stockholders	147,135	143,856
Notes receivable	184,645	255,366
Total current assets	<u>\$ 3,037,427</u>	<u>\$ 3,000,409</u>
Cash Value of Life Insurance	<u>\$ 276,624</u>	<u>\$ 258,053</u>
Property and Equipment		
Machinery and equipment	\$ 2,218,346	\$ 2,070,474
Rental property	579,089	571,257
Less accumulated depreciation	<u>(1,756,795)</u>	<u>(1,773,581)</u>
	<u>\$ 1,040,640</u>	<u>\$ 868,150</u>
	<u>\$ 4,354,691</u>	<u>\$ 4,126,612</u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 705,780	\$ 1,249,111
Accrued expenses	173,032	148,291
Due to affiliate	--	28,354
Current maturities of long-term debt	55,397	44,574
Billings in excess of costs and estimated earnings on uncompleted contracts	290,238	59,303
Total current liabilities	<u>\$ 1,224,447</u>	<u>\$ 1,529,633</u>
Long-Term Debt, less current maturities	<u>\$ 185,057</u>	<u>\$ 193,632</u>
Stockholders' Equity		
Common stock, par value \$1 per share; authorized 15,000 shares; issued and outstanding 619 shares	\$ 619	\$ 619
Additional paid-in capital	152,768	152,768
Retained earnings	2,791,800	2,249,960
	<u>\$ 2,945,187</u>	<u>\$ 2,403,347</u>
	<u>\$ 4,354,691</u>	<u>\$ 4,126,612</u>

See Notes to Financial Statements.

LANTZ CONSTRUCTION CO. OF WINCHESTER, INC.

Statements of Income
Years Ended December 31, 2014 and 2013
See Independent Accountant's Review Report

	<u>2014</u>	<u>2013</u>
Contract revenue earned	\$ 12,004,799	\$ 13,152,233
Cost of revenue earned	<u>10,010,947</u>	<u>12,038,410</u>
Gross profit	\$ 1,993,852	\$ 1,113,823
General and administrative expenses	<u>1,388,314</u>	<u>1,087,069</u>
Operating income	<u>\$ 605,538</u>	<u>\$ 26,754</u>
Financial income (expense):		
Interest income	\$ 3,949	\$ 4,564
Interest expense	<u>(9,339)</u>	<u>(9,911)</u>
	<u>\$ (5,390)</u>	<u>\$ (5,347)</u>
Nonoperating income:		
Gain on sale of equipment	\$ 4,000	\$ 500
Rental income	16,000	20,400
Other	<u>18,571</u>	<u>17,424</u>
	<u>\$ 38,571</u>	<u>\$ 38,324</u>
Net income	<u>\$ 638,719</u>	<u>\$ 59,731</u>

See Notes to Financial Statements.

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

Page 1
Item No. 16

Meeting Date: July 13, 2015

Agenda Item: COUNCIL APPROVAL – Main Street Canopy Lighting Project

Summary: Council is requested to approve a bid from Dan Hotek, President/Structural Engineer of Engineering Techniques in an amount not to exceed \$6,000 for engineering services related to the Main Street Canopy Lighting Project.

Budget/Funding: Canopy lights 9401-3002 [professional services]
The Town will seek reimbursements from merchants on Main Street when it has been determined the project will move forward.

Attachments: Memo from Purchasing Agent, Director of Energy Services and Scope of Services

Meetings: Work Session held July 6, 2015

Staff Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council approve the bid from Dan Hotek, President/Structural Engineer of Engineering Techniques in an amount not to exceed \$6,000 for engineering services related to the Main Street Canopy Lighting 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: SB



MEMORANDUM

Date: July 7, 2015
To: Tina Presley, Senior Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

Monday, May 18, 2015 was the deadline for receipt of proposals for engineering services related to the Main Street Canopy Lighting project. I received only one (1) proposal for this service, submitted by Dan Hotek, President/Structural Engineer of Engineering Techniques here in Front Royal. Department of Energy Services staff met with Mr. Dan Hotek to negotiate the cost for this service, and received a proposal of an amount not to exceed \$6,000.00. During their July 6, 2015 work session, Town Council directed staff to move forward with this project.

I will need Town Council approval before generating a contract with Engineering Techniques. Please add this item to the July 13, 2015 agenda for their action.

Staff recommends an award for engineering services related to the Main Street Canopy Lighting Project be made to Engineering Techniques in an amount not to exceed \$6,000.00.

Funding for this study is available in the FY16 Department of Energy Services budget line item 9401-3002 "Professional Services".

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

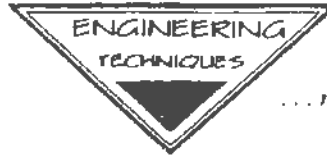


Memo

To: Cindy Hartman, Purchasing Manager
From: Joseph Waltz, Director of Energy Services
Date: July 7, 2015
Re: Contract approval with Engineering Techniques for the Main Street Lights project

At the July 6th work session, staff discussed the engineering proposal from Engineering Techniques to design the canopy light attachment points along Main Street. After discussion and questions, Council directed staff to move contract proposal to a Council Meeting for approval.

Please place this item on the July 13th Council meeting for approval. If you need additional information or have any questions, please let me know.



... making the most of His creation!

June 8, 2015

Pg 1 of 4

Mr. Joseph E. Waltz
Director
Energy Services
Po Box 1560
Front Royal, Virginia 22630

Project: Design of Exterior Light Connections, ET15-085
Subject: Proposal for Engineering Services

Dear Mr. Waltz:

Engineering Techniques, Inc. is pleased to present this proposal for professional engineering services for the above stated project. Our proposed scope of services is based upon the requirements noted in the RFP, dated May 4, 2015, and our meeting at the Department of Energy Services Building on June 3, 2015. The proposal assumes designing 12 separate connections to the structures along Main Street in Front Royal.

SCOPE OF SERVICES

1. Field Inspections: The connection points to the proposed existing structures will be determined in coordination with the Town staff. The buildings will then be inspected by a registered professional engineer with expertise in structures to gather data for the development of connection drawings. This would include retrieval of all geometric information and all the structural information possible through existing openings or access panels. It is estimated two separate 3 hour site visits will be required.

2. Evaluation/Design: Upon completion of the Field Inspections, an evaluation of the data will be made. Calculations will be generated as required. The connections will be designed in accordance with the data, utilizing hardware as suggested by the Energy Services as much as possible, and in accordance with good engineering practice.

3. Construction Drawings: The outcome of steps 1. and 2. will be a set of drawings specifying the hardware materials and locations utilized to connect the lighting support wires to the existing structures.

All documents will be signed and sealed by a professional engineer registered in the Commonwealth of Virginia.

SERVICES NOT PROVIDED IN CONTRACT

- Creation and repair of access ports for viewing the structural elements of the building.
- Design of temporary structures or shoring.*
- Inspections or certifications of work performed.*
- Evaluation of hidden foundation system elements.*
- Site visits beyond those stipulated above.*
- Additional connection designs*
- **Obtaining building permits.**

* This can be added as part of an additional contract item if needed and desired.

CONSULTING FEE

The fees for the above stated services are estimated as follows, but not to exceed \$6,000:

1. Initial Field Inspections (2):	\$900
2. Evaluation:	\$1,200
3. Drawings:	<u>\$2,400</u>
Total:	\$4,500

This fee does not include submission, inspection and other related fees to the jurisdiction in which the project is located. In addition, reimbursables for prints, delivery services, etc. to Engineering Techniques, Inc. are not included in the fee. If additional engineering services are desired beyond the scope of the existing contract, a detailed listing of our hourly fees is provided below for your reference.

HOURLY RATES

Position	Hourly Rate
Principle/Structural Engineer	\$150/hr.
E.I.T./CAD Technician	\$75/hr.
Administration	\$40/hr.