



TOWN COUNCIL WORK SESSION

Monday, April 17, 2017 @ 7:00pm
Town Hall Conference Room

Town/Staff Related Issues:

1. Request for Letter of Support for Center for Workforce Development - Brooklyn's Marketplace
2. New Website Analytics – *Director of IT*
3. Compensation Study Update – *Director of Human Resources*
4. Shentel Fiber Optic Services Franchise Agreement Extension – *Town Attorney*
5. Power Supply Purchases for 2021-2023 – *Town Manager*
6. Continued Discussion of the Proposed FY18 Budget – *Interim Town Manager/Director of Finance*

Council/Mayor Related Items

7. Council Discussion/Goals *(time permitting)*
8. CLOSED MEETING – Consultation with Legal Counsel

Motions to Go Into Closed Meeting

I move that Council convene and go into Closed Meeting for the following purposes, pursuant to Section 2.2-3711. A. 7. of the Code of Virginia: **(1)** Consultation with legal counsel and briefings by staff members pertaining to actual or probable litigation, where such consultation or briefing in Open Meeting would adversely affect the negotiating or litigating posture of the public body; "probable litigation" meaning litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party; and **(2)** Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel,

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

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

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Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: Request for Letter of Support – Brooklyn’s Marketplace

Summary: Council has received a request from Arlene T. “Brooklyn” Ballou seeking a Letter of Support from the Town for her business “Brooklyn’s Marketplace”. Her organization “Center for Workforce Development, Inc” is purchasing 206 E. Main Street (Kibler Building) to expand her incubator program, Brooklyn’s Marketplace, located at 113 E. Main Street. Her funder United States Department of Agriculture (USDA) Rural Development is requesting a letter from the Town stating that her business is within the Town’s vision of community and economic development. After review of this request from Director of Planning/Zoning and the Director of Community Development/Tourism they both agree on the following:

Brooklyn’s Marketplace conforms to the goals and objectives of the Town’s Vision and Downtown Revitalization Plan.

- As a **business incubator**, Brooklyn’s Marketplace has helped to create numerous small businesses that attract visitors to the downtown and generates revenue for the Town while supporting other local business in the downtown area.
- As an **adaptive reuse**, the expansion of Brooklyn’s Marketplace to 206 E. Main Street will establish a vibrant place for business in a building that has remained vacant or underutilized for an extended period of time. This will help strengthen the economic base of the downtown and help restore a building that is slowly deteriorating due to lack of use.
- As a **business leader**, the owner of Brooklyn’s Marketplace helps participate in local activities and events that draw visitors to the downtown. The owner also played an important role in helping to develop Envision 2.0 on the CDBG project management team.

Council Discussion: If approved, Council will do so in the next regular Council meeting

Staff Evaluation: None

Budget/Funding: Director of Finance will be available

Legal Evaluation: Town Attorney will be available

Staff Recommendations: Staff will be available

Town Manager Recommendation: Town Manager will be available.

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

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

From: "aballou@centersinternational.org" <aballou@centersinternational.org>

Date: Thursday, April 6, 2017 at 10:43 AM

To: Joe Waltz <jwaltz@frontroyalva.com>

Subject: Support Letter

Joe,

I would like to request a letter of support from the Town. I have spoken with Felicia Hart, Jeremy Camp, and Tina and all suggested I send an email to you.

My organization, Center for workforce Development, Inc., a 501 c 3, is purchasing a building at 206 E. Main, Kibler building so we expand our incubator program Brooklyn's Marketplace. We have been operating Brooklyn's for the last five years at 113 E. Main and it is time to expand.

Our funder, USDA, would like a letter from the Town stating that we are within the Town's vision of community and economic development. I believe we are, as we are expanding, we have 30 small businesses currently under Brooklyn's wing, we will be taking part in the Facade Program, and we provide TA to several Main Street businesses. I have attached are business plan which further demonstrates how we fit with the Town's Revitalization Plan.

Please contact me with any questions at 703-973-8055, by email, or come on by to the shop, 113 E. Main....I think this is an exciting time for downtown and full of opportunities for emerging business.

Thank you for your consideration,

Brooklyn

Arlene T Ballou
Executive Director
Center for Workforce Development
45342 Gable Square
Sterling, VA 20164
Tel: 571-353-4384
Cell: 703-973-8055
www.centersinternational.org

April 6, 2017

Joseph W. Boatwright
Rural Business Specialist
USDA Rural Development
650 North Lee Highway, Suite 3
Lexington, VA 2445

Dear Sir/Madam:

Please accept this as our letter of support for the Center for Workforce Development's, CWD, efforts for funding to purchase a property at 206 E. Main Street, Front Royal 22630.

The Town of Front Royal believes the Center for Workforce Development's expansion of their incubator program Brooklyn's Marketplace compliments the Town's Revitalization plan. The Town of Front Royal is currently developing a revitalization plan for our downtown area to bolster community and economic development. Our revitalization plan includes a façade program, branding, signage, street and public area enhancements. These efforts are to bring in new businesses and tourists.

The Center for Workforce Development is creating new small businesses for local residents, artists and craft persons. These new small businesses are developed under the incubator and while operating receive the technical assistance to ensure that they will be succeed. Programs like the Center for Workforce Development is conducting can be vital to the economic development of small towns

If there are any questions, please contact me at.

Sincerely,

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Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: New Website analytics

Summary: Review of the first 2 weeks of the new website analytics. Discussion about further enhancements to analytical processing.

Council Discussion: Review information and discuss further information required from the new website.

Staff Evaluation: Review information with Council on analytics of new website

Budget/Funding: None

Legal Evaluation: Town Attorney will be available

Staff Recommendations: Information and direction for additional information

Town Manager Recommendation: Town Manager will be available

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

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

Work Session

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Item No. __3__

Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: Compensation Study Update

Summary: Council has requested an update regarding the progress of the Compensation study with Paypoint HR.

Council Discussion: Informational update

Staff Evaluation: Staff continues with the compensation study

Budget/Funding: Previously funded.

Legal Evaluation: Town Attorney will be present.

Staff Recommendations: To continue with the Compensation Study.

Town Manager Recommendation: Town Manager will be available

Council Recommendation:

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

Work Session

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Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: Request from Shenandoah Telephone Company ("Shentel") to retroactively extend the term of the Franchise Agreement for Fiber Optic Services through August 14, 2017.

Summary: In 2011, Shentel entered into a five year franchise agreement with the Town to use the public ways to construct, operate and maintain a fiber optic telecommunications system. The franchise was not granted Town-wide, but was limited in scope to individual fiber build projects, with the scope of the franchise to be expanded for additional fiber builds on a case by case basis pursuant to administrative review and approval. Consideration of any future franchise term extension or Town-wide expansion of the franchise should be proceeded by a right-of-way utilization study to determine capacity.

Council Discussion: Town Council is asked to retroactively extend the term of the Franchise Agreement for Fiber Optic Services through August 14, 2017.

Staff Evaluation: The franchise term extension on a short-term basis will allow Shentel to continue to operate its installed fiber optic telecommunication system while allowing the Town to review its right-of-way utilization capacity prior to granting the extension or expansion of existing franchises or granting new franchises. The franchise generates revenue for the Town.

Budget/Funding: None.

Legal Evaluation: The Town Attorney will be available for legal questions.

Staff Recommendations: Staff recommends that Town Council approve the franchise term extension.

Town Manager Recommendation: The Town Manager recommends that Town Council approve the franchise term extension.

Council Recommendation:

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

FRANCHISE AGREEMENT FOR FIBER OPTIC SERVICES

SHENANDOAH TELEPHONE COMPANY

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2011, by and between the **TOWN OF FRONT ROYAL, VIRGINIA**, a Municipal Corporation, (hereinafter called "the Town" or "Town") and **SHENANDOAH TELEPHONE COMPANY**, a corporation authorized to do business in Virginia, also known as **Shentel**, (hereinafter called "Grantee"), the Town and Grantee collectively referred to as "the parties". This Agreement is for the purpose of granting to Shenandoah Telephone Company ("Grantee") the right, for the term and upon the conditions herein stated, to use the streets, alleys and public ways to erect, construct, operate and maintain a fiber optic telecommunication system and to construct, install and maintain fiber optic cable and associated equipment, including, wires, cables, conduits and appurtenances necessary to the sale and distribution of fiber optic telecommunication services in and along the streets, alleys and other public ways in the Town and in and on property of the Town, establishing conditions controlling the exercise of said franchise and regulating the manner of using the streets, alleys, public ways and property.

IT IS HEREBY AGREED between the parties as follows:

Section 1. Definitions.

As used herein, the following words and phrases shall have the following meanings, unless a contrary intent appears from the context of the provision therein used:

- a. "Town" or "the Town" means the Town of Front Royal, Virginia;
- b. "Fiber optic equipment" includes fiber optic cable and associated equipment including wires, cables, conduits and appurtenances necessary to the sale and distribution of telecommunication services in and along the streets, alleys and other public ways in the Town, identified and permitted under the provisions of this franchise and as permitted to be utilized by Grantee by the then existing rules, regulations and laws governing said telecommunication services. It does not include video services or leasing conduit space or fiber optic cable capacity for resale;
- c. "Grantee" or "the grantee" means Shentel;
- d. "Street" or "the streets" means the streets, alleys, avenues, highways and/or other public ways owned by or subject to the control of the Town;
- e. "In the streets" shall be construed and understood to include "under, along or over the streets," when the physical situation so applies;
- f. The term "services" is used in this Agreement in the sense of products or commodities furnished by Grantee and equipment, apparatus, and facilities devoted to the purposes for which Grantee is permitted to be engaged by the then existing regulations and laws governing telecommunication services, and in the manner and as permitted under the provisions of this franchise;

g. "Director of Public Works" means the Director of Public Works, "Director of Energy Resources" means the Director in the Department of Energy Resources, and "P.E" means the Professional Engineer in the Department of Environmental Services, all in the Town of Front Royal or such other officer or official of Town government, or other person, charged by the Town Charter or Town Council with responsibility and authority over the maintenance of public streets and public property in the Town regardless of the title then assigned such person;

h. "Fiber optic cable" means that stranded optical glass carrier fiber and the sheathing used to house such fiber;

i. "Individual service line" means a connection or drop to an individual customer.

Section 2. Grant of Authority.

Subject to the provisions, conditions and restrictions set forth in this Agreement or herein referred to, there is hereby granted to Grantee, for a period of five (5) years from the effective date of this Agreement, the non-exclusive right to use the streets of the Town to operate and maintain a fiber optic telecommunication system within and along the streets of the Town, and, for these purposes, to construct, erect, maintain and use and, if now constructed, to continue to maintain and use and operate, its fiber optic equipment, including necessary manholes, in, under, across, over and along the streets within the corporate limits of the Town provided, however, that initially Grantee shall only be permitted to use the streets identified and particularly described and set forth as "Exhibit A", attached hereto

and incorporated by reference herein. It is specifically understood that the actual location of the fiber optic equipment shall be substantially as set forth in Exhibit A, but may be modified, subject to the approval of the Town Manager, from the location shown on said Exhibit A. Nothing contained herein shall require further approval for the installation of individual service lines which run in or over the public right of way or public property included in the franchise area described in Exhibit A.

Grantee shall only be permitted to operate and maintain a fiber optic telecommunication system in the streets of the Town outside the area identified as "Exhibit A" after appropriate application by Grantee and approval of such additional usage area by the Town Manager upon such terms and conditions as are deemed acceptable by Town, including, without limitation, any additional franchise fee and franchise bond. Such approval shall not be unreasonably withheld.

Upon the expiration of the term for which this franchise is granted, or upon expiration of any renewal or extension of the original term hereof, or upon earlier termination as provided herein, the Grantee shall, upon receipt of the written request of Town, at its own expense, remove all fiber optic equipment from all streets, public ways, within the Town within ninety (90) days after receipt of such request and, should Grantee refuse or fail to comply with this provision, the Town shall have the right to remove said equipment at a cost to be borne by the Grantee and the Town shall not be liable to the Grantee for any damages resulting therefrom, except for damages that may result from any negligent or willful act by the Town, its employees or agents.

Section 3. Territorial Area Involved.

The franchise relates to the present territorial limits of the Town, and to any area henceforth added to the territorial limits of the Town during the term of this franchise, or any renewal or extension thereof.

Section 4. Use of Streets.

a. General Control and Location of Lines and Conduit. The Grantee, in connection with any digging it shall make in the streets in the Town, shall be subject to the provisions of this franchise and to all applicable ordinances, laws and regulations. All fiber optic equipment erected by the Grantee shall be neat and shall be so located as to in no way interfere with the safety or convenience of persons traveling on or over the streets and public places. The Town reserves the right at any time by resolution of Town Council or otherwise through proper representatives of the Town to further or specifically designate the locations of any lines, cables or conduits, with reference to other municipal facilities such as sewer and water mains, signal poles and lines, drainage facilities, and other services, or to other facilities such as gas lines, public electric utilities or railway message, telephone and telegraph lines, signal or power lines in such a manner as to promote the public safety and to protect public property. Failure by the Town to so designate shall not relieve the Grantee of responsibility in matters of public safety as hereinbefore specified. Town further reserves the right to establish by ordinance or resolution, and Grantee hereby agrees to comply with any reasonable regulation necessary for the health, safety and welfare of its citizens as now in effect or as may be adopted in the future, including, without limitation, requiring substitution of underground

conduit for overhead cable or vice-versa, or requiring transfer of cable from the front or rear of property. At least thirty days prior to any installation, removal, or relocation, Grantee shall submit detailed plans of proposed action for approval by the Town Manager. An exception to this requirement for the submission of detailed plans shall be permitted in cases of repair of the fiber optic equipment or emergencies involving public safety. The Town Manager shall approve such plans or communicate reasons for disapproval within thirty days or earlier of submittal. The Grantee shall construct and locate fiber optic equipment so as not to interfere with the construction, location and maintenance of sewer and water service lines or mains. The Town may restrict the location of service lines, appurtenances or facilities of the Grantee from pathways, parkways or parkway drives wherein such would conflict with appearance standards or may require, as an alternate thereto, the construction wholly or in part of underground conduit, appurtenances or facilities.

b. For the purposes of installing, operating and maintaining the wire, cables and appliances, fixtures, and appurtenances necessary to the fiber optic telecommunication system, the Grantee shall be required, whenever reasonably possible, to use the poles and conduits of others. "Others" is defined as public utilities, including the Town, any electrical utility and/or telephone utility having authority or a franchise to construct, install and maintain poles, towers and conduits within the Town.

All underground cables which are required to pass in or under portions of public rights-of-way including, but not limited to, easements, alleys, sidewalks, and streets, shall be housed in conduit not less than two (2) inches in diameter. All

underground cable installed in conduits or ducts shall be of the polyethylene jacketed type or an equivalent direct burial type.

c. Restricted overhead Area. Within all required areas all of the Grantee's cable lines and cable facilities shall be constructed and maintained underground, provided, however, that where poles and overhead lines and cables exist at the time of the award of this franchise, Grantee shall be allowed to construct and maintain overhead facilities in such areas, but, provided further should any or all of such existing overhead facilities in said district, be relocated, replaced or reconstructed underground, Grantee's facilities will also be so relocated. Furthermore, the Town expressly reserves the right and authority in the reasonable exercise of its police power, to remove from the streets, alleys, highways or other public places of the Town, or any part thereof, Grantees poles, wires and other appurtenances, and place the wires and other appurtenances underground in safe and suitable conduits. Nothing herein shall constitute waiver or approval of any type under applicable zoning requirements.

d. Disturbance of Streets - Restoration.

(1) Written permits, in any or all cases shall be obtained by the Grantee from the Director of Public Works and the P.E. of the Town before and whenever it becomes necessary for the Grantee to excavate in the streets of the Town in order to install, repair, replace, construct or extend any of the fiber optic equipment or services therein or thereon. Such permits, further, shall state the particular part or point of the streets where said construction or excavation is to be made and the length of time in which such permits shall authorize such work to be

done. An exception to this requirement for a permit or permits shall be permitted in cases of emergency repair of the fiber optic equipment or emergencies involving public safety. In all such cases, Grantee shall provide appropriate notice as soon as reasonably possible, and in any event no later than the close of business on the next Town working day.

(2) Immediately after fiber optic equipment is installed or repaired by Grantee, the incidental trenches or excavations shall be refilled by the Grantee in a manner acceptable to the Director of Public Works. Pavement, sidewalks, curbs, gutters or other portions of streets or public places destroyed, disturbed or damaged by such work shall be promptly restored and replaced with like materials to their former condition by the Grantee at its own expense; however, where it is necessary, and if expressly permitted by Town, in order to restore disturbed or damaged property to its former condition the Grantee may or shall use materials whose type, specifications or quantities exceed or are different than those used in the original construction or installation and the Grantee at its own expense shall provide such different materials. Where a cut or disturbance is made in a section of sidewalk paving, rather than replacing only the area actually cut, the Grantee shall replace the full width of the existing walk and the full length of the section or sections cut, a section being defined as that area marked by expansion joint or scoring. The Grantee shall, in any street, promptly remove or correct any obstruction or defect therein which may have been caused by the Grantee or its agents in the installation, operation or maintenance of the Grantee's facilities. Any such obstruction or defect which is not promptly removed, repaired or corrected by

the Grantee after proper written notice, given by the Town to said Grantee at Grantee's principal place of business may be removed or corrected by the Town, and costs thereof shall be charged against the Grantee and may be enforced as a lien upon any of its properties or assets. Expenses or damage, relocation or replacement of Town utility lines, sanitary sewers, storm sewer, and storm drains, where such expenses result from construction or maintenance of the Grantee's lines or facilities, shall be borne by the Grantee and any expenses incurred in connection therewith by the Town shall be reimbursed by the Grantee.

(3) The Grantee shall not open, disturb or obstruct, at any one time, any more of such public streets than may, in the opinion of the Director of Public Works or the P.E., be reasonably necessary to enable it to proceed in laying or repairing its fiber optic equipment. Neither shall the Grantee permit any such street, sidewalk or public place, so opened, disturbed or obstructed by it in the installation, construction or repair of its fiber optic equipment, to remain open or the public way disturbed or obstructed by the Grantee, the Grantee shall take all precautions necessary or proper for the protection of the public, shall obtain all required permits and approvals and shall maintain adequate warning signs, barricades, signals and other devices necessary or proper to adequately give notice, protection and warning to the public of the existence of all actual conditions present.

(4) Whenever the Town shall widen, reconstruct, realign, pave or repave any street or public place, or shall change the grade or line of any street or public place or shall construct or reconstruct any conduit, water main, sewer or water connection, or other municipal works or utility, it shall be the duty of the

Grantee, when so requested in writing by the Town, to change its lines, conduits, services and other property in the streets or public places, and/or areas adjacent thereto, at Grantee's sole expense so as to conform to the new widening, location, alignment or grade of such street or public place and so as not to interfere with the conduits, sewers and other mains as constructed or reconstructed. Upon written notice by the Town of its intended work, above specified, the Grantee shall within a reasonable period of time accomplish its obligation in accordance with and to conform to the plans of the Town for such construction, reconstruction or improvements. However, the Grantee shall not be required by the Town to relocate fiber optic lines, whether above or below the ground elevation, when the street or public ground in which they are located is vacated for the convenience of abutting property owners and not as an incident to a public improvement.

(5) The Town Council may require that written permits, in any or all cases, be obtained by the Grantee from the Director of Public Works, the P.E., and the Director of Energy Resources before and whenever it becomes necessary for the Grantee to install, construct, extend any fiber optic equipment or services on, over or under any bridges or viaducts which are part of the street system of the Town; provided, however, that exception to the requirement of permits shall be provided in cases of emergencies involving public safety. In all such cases, Grantee shall provide appropriate notice as soon as reasonably possible, and in any event no later than the close of business on the next Town working day. All provisions of this Agreement shall be applicable to said installation, construction, extension or repair on, over or under any such bridge or viaduct provided that the factors of

appearance and achievement and maintenance of structural design requirements of the bridge or viaduct shall be assured.

Section 5. Use of Town Poles, Conduit.

a. Before making attachment to any pole or poles of Town, Grantee shall make application and receive a permit therefore in the form of "Exhibit B", attached hereto and made a part hereof ("Application"). All attachments made prior to the date of this Agreement will be considered valid permitted attachments.

b. It is understood by Grantee that the Town has heretofore entered into, and may in the future enter into, contractual agreement with other parties for the joint use of its poles. Therefore, any application submitted by Grantee under the terms of this Section and any permission granted by Town shall be subject to the attachment rights which may be exercised by such other parties under such agreements.

c. Town shall permit the joint use of its poles and conduits located in the public rights-of-way by Grantee to the extent lawful and reasonably practicable and upon Application and payment of a reasonable fee as set forth herein.

d. Grantee's cables, wires, and appliances in each and every location shall be erected and maintained in accordance with the requirements and specifications of the current National Electrical Safety Code (NESC), the National Electrical Code, or any amendments or revisions of said codes, practices, or specifications. It is distinctly understood, however, that Town reserves the right to limit the number and character of attachments on any pole or poles, or cabling in conduit. Grantee shall not attach to or otherwise use the existing facilities of the Town other than the pole

or conduit itself, including cross-arms, brackets, guys, anchors, etc., without prior written consent of the Town.

e. Grantee shall, at its own expense, make and maintain said uses and attachments in safe condition, in thorough repair and in a manner in conformance with this Agreement and so they will not conflict with the use of said poles by Town or by other parties using or having reserved the right to use said poles or interfere with the working use of facilities thereon or which may from time to time be placed thereon. Town shall keep the poles in safe condition, in thorough repair and so they will not conflict with the use of said poles by Grantee. Grantee shall at any time, upon twenty (20) working days' notice from Town, re-locate, replace, or renew its facilities placed on said poles, and transfer them to substituted poles, or perform any other work in connection with said facilities that may be required by Town at Town's expense; provided however, that in cases of emergency, Town may arrange to re-locate, replace, or renew the facilities placed on said poles by Grantee, transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or re-location of said poles, the facilities thereon, or which may be placed thereon, or for the service needs of Town, and Grantee shall, on demand, reimburse Town for the actual reasonable expense thereby incurred.

f. In the event that any pole or poles of Town to which Grantee desires to make attachments are inadequate to support the additional facilities of Grantee in accordance with the aforesaid specifications, Town will indicate on said Application the changes necessary to provide adequate poles and the estimated cost reflective of

the cost to replace a pole with a 40 ft class 5 pole ("standard pole size") thereof, except where use of a smaller stub pole which serves a limited number of customers on a spur line would be adequate, to Grantee and return it to Grantee. If Grantee still desires to make the attachments and returns the Application marked to so indicate, Town will replace such inadequate poles with suitable poles of standard pole size, and Grantee will reimburse Town the increased cost of the standard pole size (but if Town requires a pole larger than the standard pole size then the Town will pay the cost of the difference between the cost of a standard pole size and the cost of the larger pole set), the sacrificed life value of the poles removed, the cost of removal less any salvage recovery, and the expense of transferring Town's facilities from the old to the new poles. Where Grantee's desired attachments can be accommodated on present poles of Town by re-arranging Town's and others' facilities thereon, Grantee will on demand compensate Town for the full actual reasonable expense incurred in completing such rearrangements. Any strengthening of poles (guying) required to accommodate the attachments of Grantee shall be provided at the expense of Grantee.

In the event that the Town elects to place its electric service underground, thus removing the poles on which Grantee has attachments of facilities, Grantee will have no claim against the Town for the removal of the pole, Grantee shall have the option to place its lines underground, and any placement of Grantee's facilities underground shall be at the sole cost and expense of Grantee.

g. Town reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such a manner as will be enable it to

fulfill its own service requirements, but in accordance with the specifications hereinbefore referred to. Town shall not be liable, except for gross negligence or willful misconduct in which case the Town will be liable, to Grantee for any interruption to service of Grantee or for interference with the operation of the cables, wires, and appliances of Grantee arising in any manner out of the use of Town's poles hereunder. Town will trim trees and clear rights-of-way to protect its facilities, but does not guarantee Grantee tree clearance of clear rights-of-way for installation, access to, or maintenance of Grantee's facilities.

h. Town will cooperate as far as may be practicable in providing attachment rights for Grantee on its existing poles. Town hereby grants to the extent it has authority to do so, license rights to Grantee to occupy the poles. Town will provide written notice to Grantee in the instance Town is not able to provide attachment rights to Grantee on a pole of Town's that Grantee plans to put attachments on. In such instance Grantee will obtain necessary authorizations to erect and maintain its facilities within public streets, highways and other thoroughfares and shall secure any necessary consent from state, county, or municipal authorities, or from owners of property to construct and maintain facilities at the locations of poles of Town which it desires to use, and will hold Town harmless from any claims for damage of liability whatever nature arising out of failure of Grantee to secure such consents, franchises, or other certificates of convenience and necessity as may be lawfully required.

i. Grantee shall pay to Town, for attachments made to poles owned by the Town under this Agreement, a rental at the rate of **SEVENTEEN DOLLARS**

(\$17.00) per pole, per year, and use of conduit at the rate of **ONE DOLLAR**

(\$1.00) per foot per year, for the term of this Agreement based on the following determination of usage:

Use of poles and conduit shall be determined by a field survey of the poles and conduit used by Grantee pursuant to this Agreement conducted by the Town at intervals of ONE (1) year. Payments shall be due and payable within thirty (30) days of receipt of billing. The annual payment for any year in which a field survey of usage is conducted shall be based on that year's survey.

Upon completion of every field survey during the term of this Agreement, the usage so determined shall be compared with the poles and conduit used from the preceding survey.

The Town will send the invoice to Grantee for the annual pole rental and conduit usage due under this Agreement to the following address:

SHENANDOAH TELEPHONE COMPANY
124 South Main Street
P.O. Box 459
Edinburg, VA 22824

j. During the term of this Agreement, whenever it becomes necessary to replace a pole owned by the Town, or upon request by Grantee for a new pole to be installed by the Town, installation or replacement shall be accomplished by one of the following means, at the sole discretion of the Town, but in all cases replacement poles and new poles will be owned by the Town and the Town will tag them as Town owned poles:

- A) Grantee shall notify Town of a damaged or obsolete pole and request the Town to replace the pole because it has the Town's electric lines and equipment attached to it. Town shall then, at its sole expense and within a reasonable time, obtain and install a replacement pole, which shall be the property of the Town, and shall notify Grantee in writing, by certified mail, return receipt requested, of the placement of the replacement pole. Within twenty (20) business days after Grantee's receipt of such notification, Grantee shall transfer its lines and facilities from the old pole to the replacement pole; provided that in the event of an emergency replacement, Town may also transfer Grantee's facilities and Grantee will reimburse the Town for its actual reasonable costs incurred; or
- B) Grantee shall notify the Town of the need for a new or replacement pole to accommodate its existing facilities. Town shall within twenty (20) business days install and emplace the said pole, re-locate the Town's lines and facilities, if any, and notify Grantee of such installation. In recognition of the value of the Town's installation of said replacement poles for Grantee, during the five (5) years of this Agreement, Grantee shall pay to the Town an installation fee of the actual reasonable cost incurred by the Town, including the cost of the pole.

k. Grantee agrees to take all reasonable precautions by the installation of protective equipment and comply with all applicable laws to protect persons and property against injury or damage that may result from Grantee's attachments to Town's poles. However, Town shall not be considered in any way responsible for the adequacy or inadequacy of such precautions of Grantee.

Section 6. Maps and Plats.

The Grantee shall, upon written and reasonable request at any time from the Town Manager, or other official designated by the Town Manager, make available or furnish to the Town Manager, or other designated official, maps, plats or plans, or copies thereof, showing the location but not necessarily the use of any or all of its fiber optic equipment and other structures located in, under and along the streets and public places of the Town.

Section 6. Taxes.

Nothing in this Agreement shall be construed to prevent the Town, hereafter and from time to time, from levying any lawful tax on the properties of the said Grantee.

Section 7. Safety Methods and Equipment.

The Grantee shall maintain all its property, equipment and facilities, including without limitations its poles, wires, conduits and fiber optic equipment with the Town in good and safe order and operating condition through the term of the franchise.

Section 8. Liability.

a. Damage Claims. Grantee shall indemnify and hold free and harmless the Town, its officials, officers, agents, and employees, from and against any and all loss, cost, or expense, including reasonable attorney's fees, resulting from any claim, whether or not reduced to judgment, and for any liability of any nature whatsoever including, without limitation, injury, death or damage to persons or property, that may arise out of or result from the presence, construction, operation, maintenance or use by Grantee, its agents, employees, or invitees of the fiber optic equipment under the terms and conditions of this franchise or the exercise by Grantee of any right granted by or under this franchise.

b. Insurance. Grantee shall, at its expense, prior to any use or entry upon Town streets or property and at all times during the term of this franchise, maintain and provide Town with suitable evidence of both (1) broad form contractual liability insurance coverage including the indemnification obligation set

forth in Section 8.a. above, and (2) comprehensive general public liability insurance coverage naming Grantee, its employees, affiliates, or contractors as insureds and naming the Town of Front Royal, Virginia, its officers, officials, agents and employees as additional insureds, insuring against on an occurrence basis all claims, loss, cost, damage, expense and liability from loss of life or damage or injury to persons or property arising out of Grantee's use of Town streets or property. Said policies shall have limits of not less than FOUR MILLION DOLLARS (\$4,000,000.00) combined single limit for loss of life or injury to one or more persons and for property damage as a result of one incident.

c. Grantee shall require substantially identical indemnification and insurance coverages as set forth in Sections 8.a. and 8.b. above in favor of the Town of Front Royal, Virginia, its officials, officers, agents and employees, from any independent contractor or other entity working on its behalf in Town right-of-way.

Section 9. Approval of Transfer.

No sale, assignment or lease by the Grantee of the franchise or of the privileges granted hereunder shall be permitted or effective without prior approval by the Town Council. As a condition to consideration by the Council of a sale or assignment, the Grantee shall file with the Town Manager written notice of the proposed sale or assignment and the vendee or assignee shall similarly file an instrument, duly executed, reciting the fact of such proposed sale or assignment, offering to accept the terms of this franchise, and agreeing to perform all of the conditions thereof.

Section 10. Non-Exclusive Franchise.

The rights herein granted the Grantee to construct, maintain or operate its fiber optic telecommunication system in the Town, as set forth herein, or to perform any other act or exercise any other privilege granted or provided for in this franchise shall not be construed as exclusive or as preventing the Town from granting to any other person, firm or corporation the same or similar franchise rights and privileges, to be exercised in or upon its streets and such of the same and parts thereof as the Town may deem best or choose to allow, permit, give or grant.

Section 11. Lien of Town.

All debts, penalties, or forfeitures accruing to the Town under the terms of this Agreement shall constitute a lien upon the property and franchises of the said Grantee within the Town, subject, however, to then-existing prior liens.

Section 12. Jurisdiction of Government Regulatory Commissions.

Where any provision of this franchise is in conflict with any lawful rule of the State Corporation Commission of Virginia, or of any other duly constituted body or commission legally authorized to prescribe rules governing the conduct of the Grantee within the Town, so that the Grantee cannot reasonably comply with both the provisions of this franchise and the rule of such commission or body, then the Grantee shall comply with each and all of the provisions of this franchise where such can be done without violating valid statutes or rules of the said commission or body.

Section 13. General Ordinances of the Town.

The rights and privileges herein granted are expressly subject to the conditions, limitations and provisions contained in the general ordinances of the Town in force relative to the use of streets or public places of the Town, so far as they may be applicable, to the rights and privileges herein granted, and to any and all ordinances which may be hereafter passed by the Town applicable thereto in the exercise of the police power or any other power vested in the Town for the regulation of public service corporations using the streets of the Town; and the Town expressly reserves the right to pass all such reasonable ordinances for the regulation of the use of the streets and public ways and places, and for the exercise of the rights and privileges herein granted.

Section 14. Franchise Fee and Bond.

As a franchise fee for the rights granted herein, Grantee shall pay to the Town of Front Royal the sum of ONE THOUSAND DOLLARS (\$1,000.00) upon the execution and acceptance of this Franchise and each year a sum equal to FIVE HUNDRED DOLLARS (\$500.00) for each mile, or fraction thereof rounded to the nearest tenth of a mile, for its overhead or underground cable in place on, over, under or crossing the public right of way or public property in the Town. Such payments shall be in addition to, and not in lieu of, any business license tax, real or personal property tax, or other tax of general application to which Grantee may be subject. Said annual payments shall commence (*pro rata*) on the 1st day of February, 2011 based upon cable and equipment in place on the 1st day of February, 2011 and in like manner for the term hereof with an assessment of fiber optic cable in place being made on 1st day of January of each succeeding year and the payment

therefor being due on the 1st day of February of the same year as the assessment, with a final payment (*pro rata*) being due on the 1st day of February, 2016.

Grantee shall, upon the effective date of this franchise, deliver to Town and maintain during the term hereof a bond with approved corporate surety or an irrevocable letter of credit with Town as beneficiary in the amount of FIFTY THOUSAND AND 00/100 DOLLARS (\$50,000.00) to insure Grantee's compliance with its performance obligations hereunder including, without limitation, the timeliness and quality of any construction, required repair or restoration work, or removal of Grantee's fiber optic equipment upon expiration or termination of the franchise.

Section 15. Effective Date.

This Agreement shall be in force and effect upon adoption by the Town and acceptance by Grantee.

Section 16. Termination and Forfeiture of Franchise.

a. Upon the termination of this franchise and the rights granted hereunder, whether by expiration or forfeiture, Town Council may direct and require the Grantee to remove its fiber optic equipment from the streets and public ways within ninety (90) days. Should Grantee fail to comply with this provision, the Town shall have the right to remove said equipment at a cost to be borne by the Grantee and the Town shall not be liable to the Grantee for any damages resulting therefrom, except for damages that result from any negligent or willful act by the Town, its employees or agents.

b. In addition to all other rights and powers of the Town by virtue of this franchise or otherwise, the Town reserves the right to terminate and cancel this franchise and all rights and privileges of the Grantee hereunder in the event Grantee:

(1) Violates any provision of this franchise, except where such violation is without fault or through excusable neglect or is in compliance with a valid and enforceable rule, regulation, order or mandate of a State or Federal law or agency which preempts the Town's rule, order or determination.

(2) Becomes insolvent, unable or unwilling to pay its debts, or is adjudged a bankrupt.

(3) Attempts to evade any of the provisions of this franchise or practices any fraud or deceit upon the Town.

c. Upon the happening of an above described event, the Town shall send written notice to the Grantee at the last business address of said Grantee indicating the manner in which the forfeiture or violation has taken place. The notice shall also specify a time and place for a hearing at which the Grantee shall have the opportunity to show cause why said forfeiture or termination should not take place. After such hearing or opportunity for hearing, Town Council may, by resolution, either terminate this franchise or extend the same upon such conditions as it deems correct.

Section 17. Notices.

All notices, requests or other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed first-class, postage prepaid, by certified mail, return receipt requested, addressed to:

a. GRANTEE

**SHENANDOAH TELEPHONE COMPANY
124 South Main Street
P.O. Box 459
Edinburg, VA 22824**

b. TOWN

**TOWN OF FRONT ROYAL
Town Manager
16 North Royal Avenue
P. O. Box 1560
Front Royal, Virginia 22630**

Section 19. Acceptance.

The undersigned, SHENANDOAH TELEPHONE COMPANY, hereby accepts the grant and each and all of the provisions, conditions and limitations of this FRANCHISE AGREEMENT and hereby covenants and agrees that it will perform and discharge each and all of the duties and obligations imposed upon it as Grantee in and under said Agreement, and that it will be bound by each and all of the terms, conditions and provisions therein contained.

IN WITNESS WHEREOF the said SHENANDOAH TELEPHONE COMPANY has caused this written acceptance to be executed in its name by its Vice President thereunto duly authorized, and its corporate seal to be hereunto duly affixed thereunto duly authorized, on the ____ day of _____, 2011.

ACCEPTED:

SHENANDOAH TELEPHONE COMPANY

BY: _____
Date

TOWN OF FRONT ROYAL, VIRGINIA

BY: _____
Hon. Timothy W. Darr, Mayor Date

Teste:

Jennifer E. Berry, Clerk of Council

=====

APPROVED AS TO FORM:

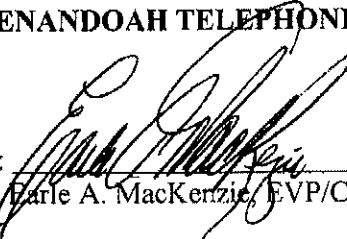
Thomas R. Robinett, Town Attorney

Date: ____ / ____ / ____

ACCEPTED:

SHENANDOAH TELEPHONE COMPANY

BY:


Earle A. MacKenzie, EVP/COO

2/7/11
Date

TOWN OF FRONT ROYAL, VIRGINIA

BY:

Hon. Timothy W. Darr, Mayor

Date

Teste:

Jennifer E. Berry, Clerk of Council

APPROVED AS TO FORM:

Thomas R. Robinett, Town Attorney

Date: ____ / ____ / ____

EXHIBIT A

(10)

No: _____

Date: _____

[] Sketch Attached

Location

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

By: _____

Town of Front Royal, Virginia Cost \$_____

TOWN OF FRONT ROYAL, VIRGINIA SHENTEL

By: _____ By: _____

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Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: Power Supply Purchases for 2021-2023

Summary: During the past year, as new electric and natural gas supply has outpaced demand, long term energy prices have reached all-time lows. The low forward market provides an opportunity for the Town to lock in long term power prices beyond our 2020 contracts.

Council Discussion: Council is requested to consider purchasing an all remaining power contract for 2021-2023 except for 0.5 MW of power be carved out for the anticipation of renewing the Blue Creek Wind Project that currently goes from 2010-2022.

Staff Evaluation: The past two years we seen very little daily and hourly volatility in the power markets. This has lowered the risk premiums that suppliers are adding to load following power supply contracts (remaining requirements deals). The low forward market provides an opportunity to lock in long term power prices.

Budget/Funding: The Finance Director will be available

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

Staff Recommendations: See Town Manager's recommendation

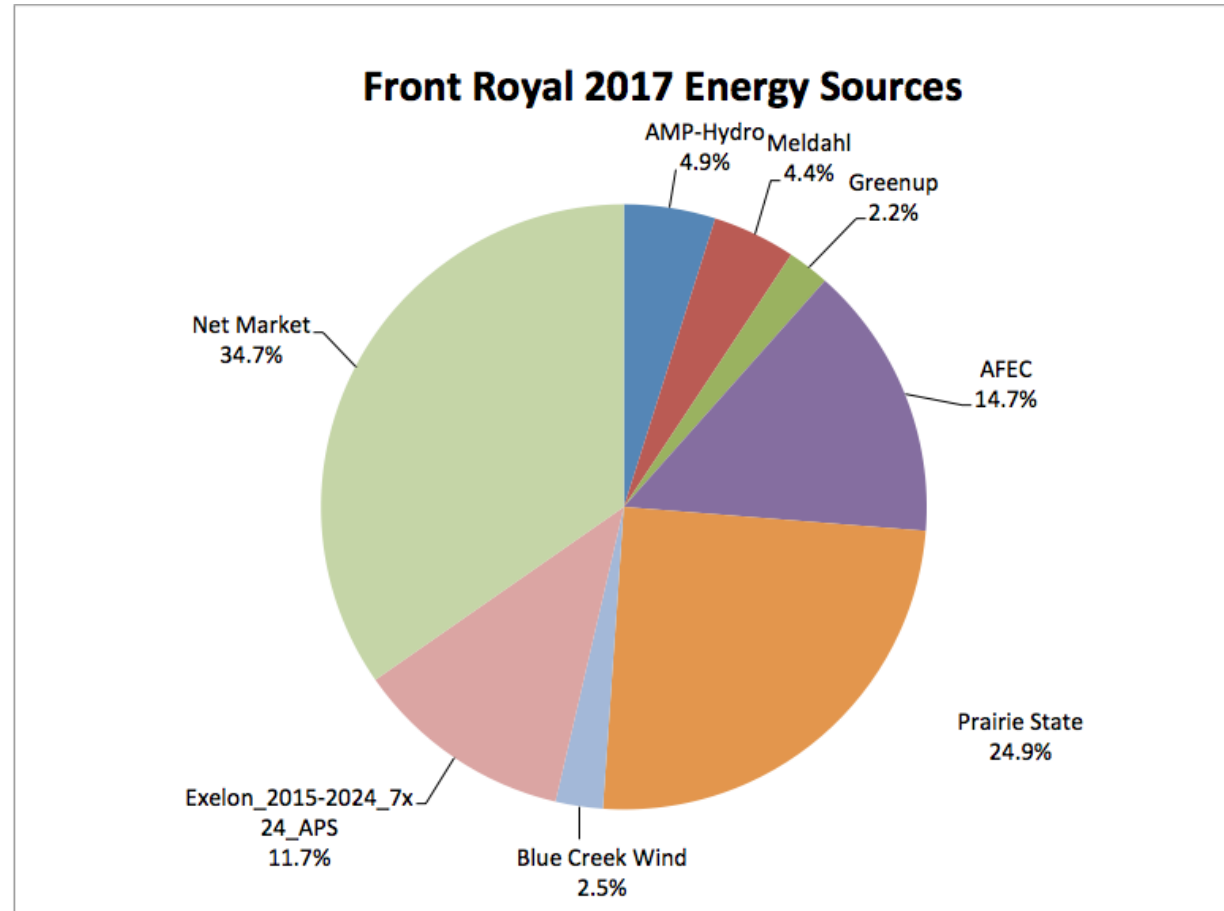
Town Manager Recommendation: Recommends purchasing a 2021-2023 remaining requirements deal at a targeted price of \$45.40/MWh (recommended ordinance up to price of \$50.00/MWh) with 0.5 MW of 7x24 power be carved out for the possible extension of the Blue Creek Wind Farm. The main advantage of load following contracts is to eliminate the risk of buying from the market during times of high prices and selling unneeded power in a low priced market.

Council Recommendation:

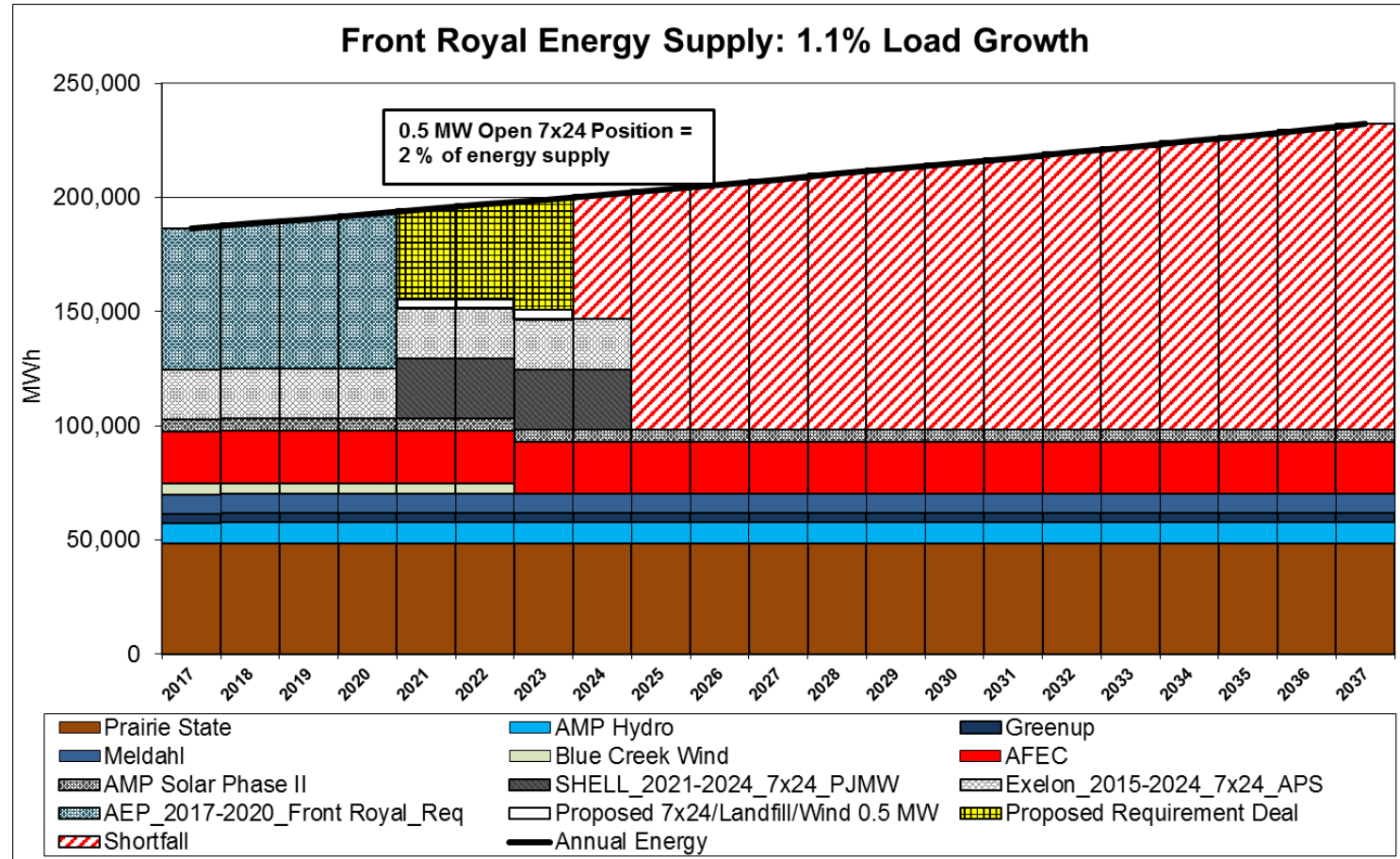
☐ Additional Work Session ☐ Regular Meeting ☐ No Action

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

Current Energy Sources



Proposed Power Purchase FY2021-2023



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Town of Front Royal, Virginia Work Session Agenda Form

Date: April 17, 2017

Agenda Item: Continued discussion of the proposed FY18 Budget

Summary: Staff will be reviewing the Town's enterprise fund expenses in the FY18 proposed budget

Council Discussion: Review of enterprise fund budget and discuss concerns or questions regarding the FY18 proposed budget.

Staff Evaluation: Staff has provided a balanced FY18 proposed budget that has included some staff requests and items requested by council.

Budget/Funding: N/A

Legal Evaluation: N/A

Staff Recommendations: Staff recommends to discuss question or concerns regarding the FY18 budget, discuss any additional information council would like to be provided prior to voting for adoption of a FY18 budget, and selecting a date for the first reading to adopt a FY18 budget.

Town Manager Recommendation: Town Manager will be available

Council Recommendation:

☐ Additional Work Session ☐ Regular Meeting ☐ No Action

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

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