



**TOWN OF FRONT ROYAL, VIRGINIA
TOWN COUNCIL MEETING
TUESDAY, May 28, 2013 @ 7:00 p.m.
Warren County Government Center**

1. Pledge of Allegiance
2. Moment of Silence
3. Roll Call
4. Approval of the Regular Council Meeting minutes of May 13, 2013 and Special Meeting Minutes of May 6, 2013.
5. Receipt of Petitions and/or Correspondence from the Public
6. Reports:
 - a. Report of special committees or Town officials and Town Manager.
 1. EDA Report – Executive Director Jennifer McDonald
 2. Warren County Report – County Administrator Doug Stanley
 - 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**

**The nature of a consent agenda is such that discussion of individual items does not occur.*

8. **PUBLIC HEARING** – An Ordinance to Amend Town Code Section 158-6 to Adopt by Reference of the State Motor Vehicular Laws (*1st Reading*)
9. **PUBLIC HEARING** – An Ordinance to Amend Town Code Section 85-3 to Increase Refuse Collection Rates (*1st Reading*)
10. **PUBLIC HEARING** – An Ordinance to Amend Town Code Chapter 134 to Increase Rates and Fees for Water and Sewer Service (*1st Reading*)
11. **PUBLIC HEARING** – Appropriation Ordinance for Fiscal Year Ending June 30, 2014 (*1st Reading*)
12. **COUNCIL APPROVAL** – Bid – Forklift for Energy Services
13. **COUNCIL APPROVAL** – Budget Amendment and Water Treatment Plant Improvements



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

Page 1
Item No. 8

Meeting Date: May 28, 2013

Agenda Item: PUBLIC HEARING – An Ordinance to Amend Town Code Section 158-6 to Adopt by Reference of the State Motor Vehicular Laws (*1st Reading*)

Summary: Council is requested to adopt on its first and final reading an Ordinance to amend Town Code Section 158-6 pertaining to adoption by reference of the State Motor Vehicular Laws. This is the annual adoption of the State Motor Vehicular Laws and once approved will be effective July 1, 2013. For purposes of 4-4(E) of the Town Code, this ordinance is deemed routine.

Budget/Funding: None

Attachments: Ordinance and Section 4-4(E) of Town Code

Meetings: Work Session held April 29, 2013.

Staff

Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council adopt on its first and final reading an Ordinance to amend Town Code Section 158-6 to adopt by reference of the State Motor Vehicular Laws effective July 1, 2013.

ROLL CALL VOTE REQUIRED

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

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

Approved By: JB

**AN ORDINANCE TO AMEND SECTION
158-6 OF THE FRONT ROYAL TOWN CODE
PERTAINING TO ADOPTION BY REFERENCE
OF THE STATE MOTOR VEHICULAR LAWS**

BE IT ENACTED by the Town Council of the Town of Front Royal, Virginia, that Section 158-6 of the Front Royal Town Code is hereby amended and enacted as follows:

Pursuant to the authority of Section 46.2-1313, Code of Virginia, 1950, as amended, all of the provisions and requirements of the laws of the State as of July 1, 2013, contained in Title 46.2, Code of Virginia, 1950, as amended, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia, 1950, as amended, except those provisions and requirements the violation of which constitutes a felony and except those provisions and requirements which, by their very nature, can have no application to or within the Town, are adopted and incorporated by reference and made applicable within the Town. References to "highways of the state" contained in such provisions and requirements hereby adopted shall be deemed to refer to the highways and other public ways within the Town. Such provisions and requirements are hereby adopted, mutatis mutandis, and made part of this chapter as fully as those set forth at length herein; and it shall be unlawful for any person within the Town to violate or fail, neglect or refuse to comply with any provision of Title 46.2, Code of Virginia, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia, which is adopted by this section, provided that in no event shall the penalty imposed for the violation of any provision or requirement adopted exceed the penalty imposed for a similar offense under Title 46.2, Code of Virginia, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia.

For purposes of § 4-4 (E) of the Town Code, this Ordinance is deemed routine, and is effective on **July 1, 2013**.

APPROVE:

Hon. 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 _____, 2013, upon the following recorded vote:

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

A public hearing on the above was held on _____, 2013 having been advertised in the Northern Virginia Daily on _____, 2013 and _____, 2013.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____

4-4 READING AND PUBLICATION OF ORDINANCES; AND EMERGENCY ORDINANCES

A. The Clerk of Council shall, upon receipt of ordinances requiring a public hearing, cause such publication as legally prescribed. The public hearing shall be scheduled for the first available meeting after the completion of the publication requirements.

B. Ordinances, except routine or emergency measures, shall be read at two (2) separate meetings of the Council and may be enacted at the second reading. Ordinances may be read by title only and not verbatim.

C. Ordinances which receive an affirmative vote following the first reading shall be read at a separate meeting of Council. The affirmative vote following the first reading shall be a non-binding vote.

D. Ordinances which fail to pass during the first reading of Council, shall fail at that time and shall not be placed on a subsequent meeting agenda for twelve months unless one of the following occurs: (1) there is a change in the membership of Council, (2) one councilmember who initially voted against the ordinance concurs with its placement on the agenda, (3) an ordinance that was defeated for the lack of a second is again placed on the agenda with the concurrence of any councilman who did not make the initial motion for approval.

E. Ordinances which Council has deemed are of a routine or emergency nature may be adopted at the first reading provided upon the concurrence of four (4) members of the Town Council, who vote to waive the second reading requirement and pass the item on its first and final reading.

(Ord. No. 22-99 Amended 11-22-99-Effective Upon Passage)

F. Emergency ordinances shall take effect immediately upon their passage. An emergency ordinance is an ordinance passed by the Council for the immediate preservation of the public peace, property, health, welfare, safety or morals. No ordinance granting, enlarging or affecting any franchise or amending or repealing any ordinance fixing any property tax rate or assessment shall be an emergency ordinance. Ordinances pertaining to the appropriating of money or levying taxes or licenses, or reconsideration of matters at special meetings shall be considered as provided in Town Charter Section 13.

(Ord. No. 9-95 Amended Entire Section 6-26-95-Effective Upon Passage)

(Ord. No. 22-99 Amended 11-22-99-Effective Upon Passage)

4-5 ATTENDANCE OF WITNESSES & PRODUCTION OF BOOKS AND PAPERS

The Council or any Committee thereof when especially authorized, shall have the power to require the attendance of any person as a witness and the production by any person of all proper books and papers when, in the opinion of such body, such attendance or such production is necessary and proper. Summons to attend as witnesses or produce books or papers shall be in writing signed by the presiding officer of the Council or committee thereof and shall be served by the Chief of Police in the same manner as a process to commence an action at law. Such



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

Page 1
Item No. 9

Meeting Date: May 28, 2013

Agenda Item: PUBLIC HEARING – An Ordinance to Amend Town Code Section 85-3 to Increase Refuse Collection Rates (*1st Reading*)

Summary: Council is requested to affirm on its first reading an ordinance to amend Town Code Section 85-3 pertaining to the increase of refuse collection rates effective July 1, 2013. If approved the following will rates will go into effect:

32-gallon container - \$11.00 to \$12.00 a month
96-gallon container - \$12.00 to \$13.75 a month
Once week pickup on 8-cubic yard container - \$217.00 to \$227.00 a month
Twice week pickup on 8-cubic yard container - \$267.00 to \$277.00 a month

Budget/Funding: None

Attachments: Ordinance

Meetings: Work Session held April 29, 2013.

Staff

Recommendation: Approval ☒ Denial ☐

Proposed Motion: I move that Council affirm on its first reading and ordinance to amend Town Code Section 85-3 to increase refuse collection rates effective July 1, 2013, 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: JB

**AN ORDINANCE TO AMEND AND RE-ENACT FRONT ROYAL TOWN CODE
SECTION 85-3(A) PERTAINING TO REFUSE COLLECTION CHARGES OF
GARBAGE, RUBBISH, REFUSE AND SOLID WASTE**

WHEREAS, the Town Charter and the Code of Virginia at Section 15.2-928, expressly authorizes the Town to regulate the collection of garbage and refuse, and to charge for the collection of these materials; and,

WHEREAS, the Town of Front Royal has realized reduced revenue for collections due to customers leaving dwellings; and,

WHEREAS, the Town of Front Royal has reduced expenses to operate the Solid Waste Management Enterprise to the minimum necessary to continue servicing the Town's customers; and,

NOW THEREFORE, BE IT ENACTED by the Town Council of the Town of Front Royal, Virginia, that Section 85-3(A) of the Front Royal Town Code is hereby amended and re-enacted as follows:

85-3 COLLECTION CHARGES

A. The owner or occupant of each residential unit, office, retail and wholesale business, church, public building, and any other building or unit, provided such structure is connected to the Town's water and sewer system, whether using or not, shall pay a charge to the Town for its collection of solid waste. The owners or occupants of such structures which are not so connected to the water and sewer system may request and pay for refuse collection services from the Town. The collection charge shall be two hundred ~~sixty-seven~~ **seventy-seven** and 00/100 dollars **(\$277.00)** ~~(\$267.00)~~ per month for every customer who requires twice weekly pickup service on an eight (8) cubic yard container; and two hundred **twenty-seven** ~~seventeen~~ and 00/100 dollars **(\$227.00)** ~~(\$217.00)~~ per month for every customer who requires once weekly pickup service on an eight (8) cubic yard container; **thirteen dollars and seventy-five cents** ~~twelve~~ 00/100 dollars **(\$13.75)** ~~(\$12.00)~~ per month for each ninety-six (96) gallon container per customer each week; and **twelve dollars** ~~eleven~~ and 00/100 **(\$12.00)** ~~(\$11.00)~~ dollars per month for each thirty-two (32) gallon container per customer each week.

This ordinance shall become effective July 1, 2013.

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 _____, 2013, upon the following recorded vote:

Thomas H. Sayre Yes/No

Bret W. Hrbek Yes/No

Hollis L. Tharpe Yes/No

Eugene R. Tewalt Yes/No

N. Shae Parker Yes/No

Daryl L. Funk Yes/No

A public hearing on the above was held on _____, 2013 having been advertised in the Northern Virginia Daily on _____, 2013 and _____, 2013.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____



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

Page 1
Item No. 10

Meeting Date: May 28, 2013

Agenda Item: PUBLIC HEARING – An Ordinance to Amend Town Code Chapter 134 to Increase Rates and Fees for Water and Sewer Service (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Ordinance to amend Town Code Chapter 134 to increase rates and fees for water and sewer service effective July 1, 2013, as presented

Budget/Funding: None

Attachments: Ordinance

Meetings: Work Session held April 29, 2013.

Staff Recommendation: Approval ✓ Denial

Proposed Motion: I move that Council affirm on its first reading an Ordinance to amend Town Code Chapter 134 to increase rates for water and sewer service effective July 1, 2013, 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: JB

**AN ORDINANCE TO AMEND AND RE-ENACT FRONT ROYAL TOWN CODE
SECTIONS 134-22(A), 134-22.1 (A)(B), 134-22.4(A), 134-30(A)(B), 134-31.1(A)(B), AND
134-31.2(A) SO THAT RATES, LARGE METER FEES AND CONNECTIONS FEES
FOR BOTH SANITARY SEWER SERVICE AND WATER SERVICE ARE INCREASED**

WHEREAS, the Town of Front Royal is mandated to upgrade the Town of Front Royal's water treatment process to further reduce disinfection by-product issues within the water system; and,

WHEREAS, the Town of Front Royal is mandated to upgrade the Town of Front Royal's wastewater treatment process to reduce nutrient loading discharged to the Chesapeake Bay; and,

WHEREAS, the Town of Front Royal has realized reduced revenue due to reduced user consumption for water and sewer; and,

NOW THEREFORE, BE IT ENACTED by the Town Council of the Town of Front Royal, Virginia that Sections 134-22, 134-22.1, 134-22.4, 134-30, 134-31.1 and 134-31.2 of the Front Royal Town Code is hereby amended and re-enacted as follows:

134-22 CONNECTION FEES

A. The connection charge for sewer service, independent of and in addition to installation costs, will be based on the size of the water meter for water entering the premises from which a sewer connection exits, according to the following:

1. Sewer tap served by three-fourths-inch water meter: nine thousand seven hundred fifty dollars (\$9,750.00) each.

2. Sewer tap served by one-inch water meter: twenty-one thousand nine hundred thirty-eight dollars (\$21,938.00)-each.

3. Sewer tap served by one and one-half-inch water meter: ~~fifty~~ **forty-two** thousand ~~seven~~ **two** hundred ~~fifty~~ dollars **(\$50,700.00)** (\$42,250.00) each.

4. Sewer tap served by two-inch water meter: ~~seventy-nine~~ **sixty-six** thousand ~~nine~~ **six** hundred ~~fifty~~ **twenty-five** dollars **(\$79,950.00)** (\$66,625.00) each.

5. Sewer tap served by three-inch water meter: one hundred ~~fifty-seven~~ **thirty-one** thousand ~~nine~~ **six** hundred ~~fifty~~ **twenty-five** dollars **(\$157,950.00)** (\$131,625.00) each.

6. Sewer tap served by four-inch water meter: two hundred ~~forty-five~~ **four** thousand seven hundred ~~fifty~~ dollars **(\$245,700.00)** (\$204,750.00) each.

7. Sewer tap served by six-inch water meter: four hundred ~~eighty-nine~~ **seven** thousand ~~four~~ **eight** hundred ~~fifty~~ **seventy-five** dollars **(\$489,450.00)** (\$407,875.00) each.

8. Sewer tap served by eight-inch water meter: ~~seven~~ **six** hundred ~~eighty-one~~ **fifty-one** thousand ~~nine~~ **six** hundred ~~fifty~~ **twenty-five** dollars **(\$781,950.00)** (\$651,625.00) each.

9. Sewer tap served by ten-inch water meter: one million ~~one~~ one nine hundred ~~twenty-three~~ twenty-three thirty-six thousand ~~two hundred~~ dollars (\$1,123,200.00) (~~\$936,000.00~~) each.

10. Sewer tap served by twelve-inch water meter: one million ~~four~~ four two hundred ~~sixty-four~~ sixty-four twenty thousand ~~four~~ four three hundred ~~fifty~~ fifty seventy-five dollars (\$1,464,450.00) (~~\$1,220,375.00~~) each.

B. No Change

C. No Change

D. No Change

E. The charges for apartments, condominium units and trailers will be ~~two~~ two one thousand ~~three~~ three nine hundred ~~four~~ four twenty dollars (\$2,304.00) (~~\$1,920~~) for sewer service for each unit after the first unit.

F. No Change

G. Commercial and industrial buildings; hotels, motels, inns and other lodging facilities; dormitories; and nursing care facilities with central dining areas will be charged according to the standard fee schedule charges for each sewer tap made, with an additional charge of three hundred ~~seventy-five~~ seventy-five ~~thirteen~~ dollars (\$375.00) (~~\$313~~) for each water closet.

Single-family and two-family residential dwellings will be charged according to the standard fee schedule charges for each sewer tap made, with additional charge of four hundred ~~eighty-two~~ eighty-two ~~two~~ dollars (\$482.00) (~~\$402~~) for each dwelling unit.

H. No change

I. No change

J. No change

134-22.1 SANITARY SEWER SERVICE RATES

The monthly base rates for sanitary sewer service usage shall be as follows:

A. Base rate, up to three thousand (3,000) gallons per month: ~~fifteen~~ fifteen ~~thirteen~~ dollars and ~~seventy-two~~ seventy-two ~~ten~~ cents (\$15.72) (~~\$13.10~~).

B. All sanitary sewer service usage exceeding three thousand (3,000) gallons per month: ~~thirteen~~ thirteen ~~eleven~~ dollars and ~~fifty-three~~ fifty-three ~~twenty-seven~~ cents (\$13.53) (~~\$11.27~~) per month, for each one thousand (1,000) gallons thereafter.

C. No change

134-22.2 – No Change

134-22.3 – No Change

134-22.4 SEWER SERVICE RATES-COMMERCIAL AND INDUSTRIAL LAUNDRIES

A. In-Town Laundries: The monthly rates for sewer service usage by licensed commercial or industrial laundries located within the corporate limits of the Town of Front Royal shall be as follows:

1. All sanitary sewer service usage for the first one hundred thousand (100,000) gallons: ~~fourteen~~ fourteen ~~twelve~~ dollars and ~~fifty-one~~ fifty-one ~~nine~~ cents (\$14.51) ~~(\$12.09)~~ per one thousand (1,000) gallons.
2. All sanitary sewer usage from one hundred thousand one (100,001) gallons to five hundred thousand (500,000) gallons: ~~thirteen~~ thirteen ~~ten~~ dollars and ~~nineteen~~ nineteen ~~ninety-nine~~ cents (\$13.19) ~~(\$10.99)~~ per one thousand (1,000) gallons.
3. All sanitary sewer service usage above five hundred thousand (500,000) gallons: ~~twelve~~ twelve ~~ten~~ dollars and ~~fifty-three~~ fifty-three ~~forty-four~~ cents (\$12.53) ~~(\$10.44)~~ per thousand (1,000) gallons.

B. No change

134-22.5 through 134.29 – No Change

PROVISIONS APPLICABLE PARTICULARLY TO WATER

134-30 CONNECTION CHARGE ESTABLISHED

A. Connection charge for water service, independent of and in addition to installation costs, will be based on meter size and service line size. The larger size will dictate the fee in conjunction with the following schedule:

1. Three-fourths-inch water tap: four thousand three hundred forty dollars (\$4,340.00) each.
2. One-inch water tap: eight thousand eight hundred sixteen dollars (\$8,816.00) each.
3. One and one-half-inch water tap: ~~twenty~~ twenty ~~sixteen~~ thousand ~~one~~ one ~~two~~ hundred ~~seventy-five~~ dollars (\$20,100.00) ~~(\$16,275.00)~~ each.
4. Two-inch water tap: ~~thirty-one~~ thirty-one ~~twenty-five~~ thousand ~~one~~ one ~~two~~ hundred ~~fifty-four~~ fifty-four ~~twenty-six~~ dollars (\$31,154.00) ~~(\$25,226.00)~~ each.
5. Three-inch water tap: ~~sixty~~ sixty ~~forty-nine~~ thousand ~~six~~ six ~~hundred thirty-four~~ hundred thirty-four ~~ninety-six~~ dollars (\$60,634.00) ~~(\$49,096.00)~~ each.

6. Four-inch water tap: ninety-three seventy-five thousand seven ~~nine~~ hundred ninety-eight fifty dollars (\$93,798.00) (~~\$75,950.00~~) each.

7. Six-inch water tap: one hundred eighty-five fifty thousand nine five-hundred twenty-two forty-four dollars (\$185,922.00) (~~\$150,544.00~~) each.

8. Eight-inch water tap: two hundred ninety-six forty thousand four hundred sixty-nine fifty-six dollars (\$296,469.00) (~~\$240,056.00~~) each.

9. Ten-inch water tap: four three hundred twenty-five forty-four thousand four hundred forty-two eight-eight dollars (\$425,442.00) (~~\$344,488.00~~) each.

10. Twelve-Inch water tap: five four hundred fifty-four forty-eight thousand four nine hundred fifteen nineteen-dollars (\$554,415.00) (~~\$448,919.00~~) each.

B. The connection charge for water service exclusively used for fire-suppression systems will be based on the line size, according to the following fee schedule:

1. Three-inch line or smaller: two one thousand one seven hundred twenty-four dollars (\$2,124.00) (~~\$1,720.00~~), plus thirty-seven dollars and twenty-five sixteen cents (\$37.25) (~~\$30.16~~) per month.

2. Four-inch line: four three thousand two four hundred forty-eight thirty-nine dollars (\$4,248.00) (~~\$3,439.00~~), plus seventy-four sixty dollars and forty-eight thirty cents (\$74.48) (~~\$60.30~~) per month.

3. Six-inch line: eight six thousand four eight hundred ninety-five seventy-nine-dollars (\$8,495.00) (~~\$6,879.00~~), plus one hundred fifty-one twenty-two dollars and sixty-three seventy-eight cents (\$151.63) (~~\$122.78~~) per month.

4. Eight-inch line: twelve ten thousand seven three hundred forty-three eighteen dollars (\$12,743.00) (~~\$10,318.00~~), plus two one-hundred twenty-six eighty-three dollars and eleven eight cents (\$226.11) (~~\$183.08~~) per month.

5. Ten-inch line: sixteen thirteen thousand nine seven hundred ninety-one fifty-eight dollars (\$16,991.00) (~~\$13,758.00~~), plus three two hundred forty-three-dollars and sixty forty cents (\$300.60) (~~\$243.40~~) per month.

6. Twelve-inch line: twenty-one seventeen thousand two one hundred forty ninety-eight dollars (\$21,240.00) (~~\$17,198.00~~), plus three hundred seventy-five three dollars and ten seventy-two cents (\$375.10) (~~\$303.72~~) per month.

C. No change

D. No change

E. No change

F. The charges for apartments, condominium units and trailers will be ~~two one-thousand three~~ nine hundred **seventy-one** twenty dollars **(\$2,371.00)** ~~(\$1,920)~~ for water service for each unit after the first unit.

G. No change

H. Commercial and industrial buildings; hotels, motels, inns and other lodging facilities; dormitories; and nursing-care facilities with central dining areas will be charged according to the standard fee schedule charges for each water tap made, with an additional charge of three hundred ~~eighty-seven~~ **thirteen** dollars **(\$387.00)** ~~(\$313.00)~~ for each water closet.

Single-family and two-family residential dwellings will be charged according to the standard fee schedule charges for each water tap made, with an additional charge of four hundred ~~two~~ **ninety-six** dollars **(\$496.00)** ~~(\$402.00)~~ for each dwelling unit.

I. There will be an additional monthly charge for each water meter exceeding one (1) inch in size according to the following fee schedule:

1. One-and-one-fourth inch meter: ~~sixteen~~ **thirteen** dollars and ~~twenty-nine~~ **nineteen** cents **(\$16.29)** ~~(\$13.19)~~ per month.

2. One-and-one-half inch meter: ~~twenty-one~~ **seventeen** dollars and ~~eighty-five~~ **seventy** cents **(\$21.85)** ~~(\$17.70)~~ per month.

3. Two-inch meter: ~~fifty-one~~ **forty-two** dollars and ~~ninety-four~~ **five** cents **(\$51.94)** ~~(\$42.05)~~ per month.

4. Three-inch meter: two hundred ~~seventy-two~~ **twenty** dollars and ~~forty-six~~ **sixty-one** cents **(\$272.46)** ~~(\$220.61)~~ per month.

5. Four-inch meter: ~~three-two~~ hundred ~~fifty-nine~~ **eighty-six** dollars and ~~twenty~~ **eighty** cents **(\$354.20)** ~~(\$286.80)~~ per month.

6. Six-inch meter: ~~five four~~ hundred ~~forty-four~~ **one** dollars and ~~ninety-one~~ **twenty-three** cents **(\$544.91)** ~~(\$441.23)~~ per month.

J. No changes

K. No changes

L. No changes

134-21 – No Changes

134-31.1 WATER SERVICE RATES

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

A. Base rate, up to three thousand (3,000) gallons per month: nine seven dollars and thirty-one ~~fifty-four~~ cents (\$9.31) ~~(\$7.54)~~ per month.

B. All water service usage exceeding three thousand (3,000) gallons per month: seven ~~six~~ dollars and ninety-nine ~~forty-seven~~ cents (\$7.99) ~~(\$6.47)~~ per month, for each one thousand (1,000) gallons thereafter.

C. No change

134-31.2 WATER SERVICE RATES-COMMERCIAL AND INDUSTRIAL LAUNDRIES

A. In-Town Laundries: The monthly rates for water service usage by licensed commercial or industrial laundries located within the corporate limits of the Town of Front Royal shall be as follows:

1. The first one hundred thousand (100,000) gallons: eight ~~six~~ dollars and fifty-eight ~~ninety-five~~ cents (\$8.58) ~~(\$6.95)~~ per one thousand (1,000) gallons.

2. One hundred thousand one (100,001) gallons to five hundred thousand (500,000) gallons: seven ~~six~~ dollars and seventy-nine ~~thirty-one~~ cents (\$7.79) ~~(\$6.31)~~ per one thousand (1,000) gallons.

3. Above five hundred thousand one (500,001) gallons: seven ~~six~~ dollars and forty-one cents (\$7.41) ~~(\$6.00)~~ per one thousand (1,000) gallons.

This ordinance shall become effective July 1, 2013.

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 _____ 2013, upon the following recorded vote:

Thomas H. Sayre Yes/No

Bret W. Hrbek Yes/No

Hollis L. Tharpe Yes/No

Eugene R. Tewalt Yes/No

N. Shae Parker Yes/No

Daryl L. Funk Yes/No

A public hearing on the above was held on _____, 2013 having been advertised in the Northern Virginia Daily on _____, 2013 and _____, 2013.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____ / ____ / ____



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

Page 1
Item No. 11

Meeting Date: May 28, 2013

Agenda Item: COUNCIL APPROVAL – Appropriation Ordinance for Fiscal year Ending June 30, 2014 on Proposed Budget (*1st Reading*)

Summary: Council is requested to affirm on its first reading an Appropriation Ordinance for Fiscal Year ending June 30, 2014 on the Proposed Fiscal Year 2014 Budget with suggested amendments from the Finance Committee Meeting and Work Session Discussions

Budget/Funding: None

Attachments: Ordinance

Meetings: Work Sessions held April 1, April 15 and April 29, 2013

Staff

Recommendation: Approval ☒ Denial ☐

Proposed Motion: I move that Council affirm on its first reading an Appropriation Ordinance for Fiscal Year ending June 30, 2014 on the Proposed Fiscal Year 2014 Budget with the following amendments

1) that 8101-43002, Planning and Zoning Professional Services, be reduced by \$4,000.00 and that 8104-45504, Boards and Commission Travel and Education, be increased by \$4,000.00 to provide funding for training of Board of Zoning Appeals (BZA) members; and

2) that \$127,035.00 be transferred from 1000-3510110 (General Fund Reserve), \$15,075.00 be transferred from 9401-3510110 (Electric Fund Reserve), \$19,380.00 be transferred from 9601-3510110 (Water Fund Reserve), and \$18,300.00 be transferred from 9801-3510110 (Sewer Fund Reserve), to provide a one-time bonus of \$1000.00 for full-time employees and \$500.00 for part-time employees.

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

APPROPRIATION ORDINANCE

ANNUAL APPROPRIATION ORDINANCE

OF THE

TOWN OF FRONT ROYAL, VIRGINIA

FOR THE FISCAL YEAR ENDING JUNE 30, 2014

**AN ORDINANCE MAKING APPROPRIATIONS OF SUMS OF MONEY FOR ALL
NECESSARY EXPENDITURES OF THE TOWN OF FRONT ROYAL, VIRGINIA FOR THE
FISCAL YEAR ENDING JUNE 30, 2014 TO PRESCRIBE THE PROVISOS, TERMS,
CONDITIONS, AND PROVISIONS WITH RESPECT TO THE TERMS OF
APPROPRIATION AND THEIR PAYMENT, AND TO REPEAL ALL ORDINANCES
WHOLLY IN CONFLICT WITH THIS ORDINANCE, AND ALL PARTS OF ALL
ORDINANCES INCONSISTENT WITH THIS ORDINANCE TO THE EXTENT OF SUCH
INCONSISTENCY.**

BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF FRONT ROYAL, VIRGINIA:

SECTION I

That the following sums of money are hereby appropriated for the general governmental purposes herein specified for the fiscal year ending June 30, 2014

GENERAL FUND EXPENDITURES

General Government	1,032,165
Financial Administration	833,195
Legal	393,330
Law Enforcement Services	4,077,730
General Property Maintenance	1,048,915
Planning and Zoning Administration	447,050
Risk Management/Insurance	580,650
Economic Development	8,300
Information Technology	548,530
Transfers/Contingency Reserve	673,395
TOTAL GENERAL FUND EXPENDITURES	\$9,643,260

STREET FUND EXPENDITURES

Public Works	412,745
State Highway Maintenance System	1,628,650
TOTAL STREET FUND EXPENDITURES	\$2,041,395

ECONOMIC DEVELOPMENT FUND

Principal on Debt	95,150
TOTAL DEBT SERVICE FUND EXPENDITURES	\$95,150

SPECIAL REVENUE FUND

Community Development Projects	159,940
Asset Forfeiture	12,000
TOTAL SPECIAL REVENUE FUND EXPENDITURES	\$171,940

and the following sums of money are hereby appropriated for the enterprise operations specified for the year ending June 30, 2014:

ELECTRIC FUND EXPENDITURES

Operations	2,542,100
Purchase of Bulk Electricity	12,517,200
Transfer to General Fund	1,471,000
TOTAL ELECTRIC FUND EXPENDITURES	\$16,530,300

WATER FUND EXPENDITURES

Administrative Office	127,120
Water Plant Operation	1,704,530
Maintenance of Lines	880,270
Meter Reading	124,310
Debt Service	1,118,905
Contingency and Transfers to Other Funds	623,000
TOTAL WATER FUND EXPENDITURES	\$4,578,135

SEWER FUND EXPENDITURES

Administrative Office	123,785
Wastewater Treatment Plant Operations	2,243,010
Maintenance of Lines	765,970
Debt Service	465,350
Contingency and Transfers to Other Funds	735,200
TOTAL SEWER FUND EXPENDITURES	\$4,333,315

REFUSE FUND EXPENDITURES

Operations	952,790
Transfer to General Fund	30,510
TOTAL REFUSE FUND EXPENDITURES	\$983,300

<u>TOTAL ALL FUNDS EXPENDITURES</u>	\$38,376,795
--	---------------------

**REVENUES
TO BE PROVIDED AS FOLLOWS**

GENERAL FUND

Real Estate Property Tax (\$.0725 Per \$100 assessed valuation)	971,200
Public Service Property Tax & Tax Penalties	41,750
Personal Property Tax (\$.64 per \$100 assessed valuation)	567,000
Other Local Taxes	4,172,000
Permits and Fees	30,000
Fines and Forfeitures	215,000
Revenue from Use of Money and Property	90,250
Public Rights-of-Way Use Fee	50,000
Intergovernmental	619,350
Interfund Transfers:	
Electric Fund	1,471,000
Water Fund	623,000
Sewer Fund	705,200
Refuse Fund	30,510
Miscellaneous Receipts	57,000
TOTAL GENERAL FUND REVENUE	\$ 9,643,260

STREET FUND

State Highway Maintenance Funds	1,500,000
Revenue from Use of Money and Property	9,000
Street, Curb & Gutter Assessments	9,000
Transfers from General Fund	523,395
TOTAL STREET FUND REVENUE	\$2,041,395

ECONOMIC DEVELOPMENT FUND

Real Estate Property Tax (\$.0175 per \$100 assessed valuation)	95,150
TOTAL DEBT SERVICE FUND REVENUE	\$95,150

SPECIAL REVENUE FUND

Asset Forfeiture Grant Funding	12,000
Community Development (\$.0200 per \$100 assessed valuation)	159,940
TOTAL SPECIAL REVENUE FUND	\$171,940

ELECTRIC FUND

Revenue from Use of Money and Property	80,000
Connection Fees	75,000
Internal Loan	150,000

Sale of Service	16,153,900
Miscellaneous Receipts	71,400
TOTAL ELECTRIC FUND REVENUE	\$16,530,300

WATER FUND

Revenue from Use of Money and Property	50,000
Antenna Rentals	65,000
Sale of Service and Commodities	4,233,135
Connection Fees	225,000
Miscellaneous Receipts	5,000
TOTAL WATER FUND REVENUE	\$4,578,135

SEWER FUND

Revenue from Use of Money and Property	46,000
Sale of Service and Commodities	4,067,315
Connection Fees	175,000
Miscellaneous Receipts	45,000
TOTAL SEWER FUND REVENUE	\$4,333,315

REFUSE FUND

Revenue from Use of Money and Property	1,500
Sale of Services/Bags/Recycle Bins/Other	968,800
Sale of Recyclable Materials	13,000
TOTAL REFUSE FUND REVENUE	\$983,300

<u>TOTAL ALL FUNDS REVENUES</u>	\$38,376,795
--	---------------------

SECTION II

All moneys appropriated as shown by the items contained in Section I are appropriated upon the provisos, terms, conditions and provisions hereinafter set forth in connection with said items and those set forth in this section.

Paragraph One

I. To provide for the current and other expenditures of the Town of Front Royal, Virginia; for the fiscal year beginning July 1, 2013 and ending June 30, 2014 the tax rates have been set at:

- A) Upon all real estate the rate shall be set at \$0.11 for each \$100.00 of assessed valuation.
- B) Upon all personal property and machinery and tools the rate shall remain set at \$0.64 for each \$100.00 of assessed valuation. Except, that personal property described in Town of Front Royal Code §75-49(B), that has been specifically accepted for special classification by the designated official, shall remain at \$0.32 for each \$100.00 of assessed valuation for such volunteer fire or rescue members' single vehicle used to respond to calls or perform other official duties.

II. Assessed valuation of property shall be determined and certified to the Town of Front Royal by the Commissioner of the Revenue of Warren County, and the State Corporation Commission on Public Service Corporation Property. All taxes 1st installment shall be due and payable on or before June 5, 2013 and second installment due on or before December 5, 2013. For taxes not paid on or before due date for each installment a penalty of ten percent of the tax due will be added to the tax due. Interest at the annual rate of ten percent of the tax due will be added after December 31, 2013 on all unpaid taxes.

III. Proration of Personal Property Tax.

A. Tax levied and prorated on monthly basis. Tangible personal property tax shall be levied and collected on motor vehicles, trailers, and boats which have acquired a situs within the Town after January 1 of any tax year for the remaining portion of the tax year. When any person acquires a motor vehicle, trailer or boat with situs in the Town after January 1 and situs remains in the Town after such acquisition, the tax shall be assessed against the new owner for the remainder of the tax year. Such tax shall be prorated on a monthly basis. For purposes of proration, a period of more than one-half of a month shall be counted as a full month and a period of less than one-half of a month shall not be counted.

B. Relief or refund. When any motor vehicle, trailer, or boat loses its situs within the Town after January 1 or after the day on which it acquires a situs within the Town (hereafter "situs day"), the tax shall be relieved, prorated on a monthly basis, and the appropriate amount of tax refunded if such tax has already been paid, upon application by the owner to the Commissioner of the Revenue and notice to the Commonwealth of Virginia Department of Motor Vehicles (if applicable); provided however that no refund shall be made if the motor vehicle, trailer, or boat acquires a situs within the Commonwealth in a non-prorating locality.

C. Relief, refund or credit on sale. When any person sells or otherwise transfers title to a motor vehicle, trailer, or boat with a situs in the Town after January 1 or situs day, the tax shall be relieved, prorated on a monthly basis, upon application by the owner to the Commissioner of the Revenue and notice to the Commonwealth of Virginia Department of Motor Vehicles (if applicable), and the appropriate amount of tax already paid refunded or credited by the Treasurer, at the option of the taxpayer, against the tax due on any motor vehicle, trailer, or boat owned by the taxpayer during the same tax year.

D. Time Limitation for refund; minimum refund. Any refund required shall be made within thirty (30) days of the date such tax is relieved. No refund of less than five dollars (\$5.00) shall be issued to a taxpayer, unless specifically requested by the taxpayer.

E. Conditions for certain tax credits. Any person who moves from a non-prorating locality to the Town in a single tax year shall be entitled to a property tax credit in the Town if (i) the person was liable for personal property taxes on a motor vehicle, trailer, or boat and has paid those taxes to a non-prorating locality; and (ii) the owner replaces for any reason the original vehicle, trailer or boat upon which taxes are due to the non-prorating locality for the same tax year. The Town shall provide a credit against the total tax due on the replacement vehicle, trailer, or boat in an amount equal to the tax paid to the non-prorating locality for the period of time commencing with the disposition of the original vehicle, trailer, or boat and continuing through the close of the tax year in which the owner incurred tax liability to the non-prorating locality for the original vehicle, trailer or boat.

F. Exemptions of property for which tax has been paid to another jurisdiction. Tangible personal property which was legally assessed by another jurisdiction in the Commonwealth and on which the tax has been paid is exempt from taxation under this section for the tax year or portion thereof during which such property was legally assessed by other jurisdiction and taxes were paid to that jurisdiction and not refunded in whole or in part.

G. Filing of returns. Filing procedures shall be in compliance with the Warren County Code.

H. Billing for less than full year. Notwithstanding any other date for billings and payment of personal property taxes, the Town may bill all personal property taxes assessed for a portion of the tax year on or after December 15 of each year.

I. Due date of taxes. The taxes shall be due not less than thirty (30) days after the date of the tax bill or due date on the tax bill, whichever is later.

J. Time limit for applications. Any taxpayer entitled to a refund or credit must make application therefore to the Director of Finance no later than three (3) years from the last day of the tax year during which the motor vehicle, trailer or boat lost situs, was sold or had its title transferred.

Paragraph Two

Subject to the qualifications contained in this ordinance all appropriations made out of the General Fund, Street Fund, Economic Development Fund, Special Projects Fund, Service District Fund, Special Revenue Fund, Electric Fund, Water Fund, Sewer Fund, and Refuse Fund are declared to be maximum, conditional and proportionate appropriations, the purpose being to make the appropriations payable in full in the amount named, if necessary, and then only in the event the aggregate revenues collected and available during the fiscal year for which the appropriations are made are sufficient to pay all the appropriations in full. Otherwise the said appropriations shall be deemed to be payable in such proportions as the total sum of all realized revenue of the General Fund, Street Fund, Debt Service Fund, Special Projects Fund, Service District Fund, Special Revenue Fund, Electric Fund, Water Fund, Sewer Fund, and Refuse Fund is to the total amount of revenues estimated to be available in the said fiscal year by the Town Council.

Paragraph Three

All balances of the appropriations payable out of the General Fund, Street Fund, Debt Service Fund, Special Projects Fund, Service District Fund, Special Revenue Fund, Electric Fund, Water Fund, Sewer Fund, and Refuse Fund of the Town Treasury unencumbered at the close of business on the thirtieth day of June, 2013, except as otherwise provided for, are hereby declared to be lapsed into the Town Treasury. Such unencumbered balances shall be used for the payment of the appropriations that may be made in the appropriation ordinance for the fiscal year beginning July 1, 2013. However, nothing in this paragraph shall be construed to be applicable to unencumbered balances remaining to the credit of any Sinking Fund, or any funds created by the setting up of special revenues, but such balances shall be used in financing the proposed expenditures of these funds for the fiscal year beginning July 1, 2013.

Paragraph Four

The director or administrative officer in charge of a department shall have the authority to transfer moneys between line items and categories within the budgeted appropriations of such department. No department receiving appropriations under the provisions of this ordinance shall exceed the total amount of its appropriation except with the prior consent and approval of the Town Council or the Town Manager. Where the Town Manager is the administrative officer in charge of a department, no prior consent or approval shall be required for such department to exceed its appropriation. The Town Manager may transfer moneys within any Fund to provide for such expenditure in excess of a department's budgeted appropriation. No Fund receiving appropriations under the provisions of this ordinance shall exceed the total amount of its appropriation except with the prior consent and approval of the Town Council who may then authorize by resolution the transfer of moneys between the Funds. If any such department or fund shall exceed the amount of its appropriation without such consent and approval, the director or administrative officer, in the discretion of the Town Council, may be deemed guilty of neglect of official duty and may be subject to removal therefore.

Paragraph Five

Nothing in this section shall be construed as authorizing any reduction to be made in the amounts appropriated in this ordinance for the payment of interest, bonds, or contributions to any Sinking Fund on the bonded debt of the Town Government.

Paragraph Six

None of the moneys mentioned in this ordinance in connection with the General Fund, Street Fund, Economic Development Fund, Special Projects Fund, Service District Fund, Special Revenue Fund, Electric Fund, Water Fund, Sewer Fund, and Refuse Fund shall be expended for any purpose other than those for which they are appropriated except as provided in Paragraph Four. It shall be the duty of the Director of Finance to see that this provision is strictly observed and to report to the Town Manager any irregularities.

Paragraph Seven

Allowances out of any of the appropriations made in this ordinance by any or all of the Town departments, bureaus, or agencies to any of their officers and employees for expenses on account of the use of such officers and employees of their personal automobiles in the discharge of their official duties shall not exceed the standard mileage rate as determined by the IRS (55 cents per mile as of January 1, 2009).

Paragraph Eight

All traveling expense accounts shall be submitted on forms and according to regulations prescribed or approved by the Town Manager.

Paragraph Nine

All moneys from the sale of general government real estate or other property shall be set aside in a separate account of the General Fund and subject to expenditure only through appropriate action of the Council. Except, where the Council shall have specified that the moneys from the sale of an item or a class of property shall be paid into a specified account of a Town department.

Paragraph Ten

All moneys collected by any department, bureau, agency or individual of the Town Government shall be paid into the Town Treasury not later than the day immediately following the day of collection.

Paragraph Eleven

The Fund budgets in Section I as included in the general budget are hereby adopted and made the official budget document of the Town of Front Royal. It is expressly provided that the restrictions with respect to the expenditure of the moneys appropriated shall apply only to the lump sum amounts for the classes of expenditures, of Funds, which have been included in this ordinance.

Paragraph Twelve

All ordinances and parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed.

THIS ORDINANCE SHALL BECOME EFFECTIVE JULY 1, 2013.

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 _____ 2013, upon the following recorded vote:

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

A public hearing on the above was held on _____, 2013 having been advertised in the Northern Virginia Daily on _____, 2013.

Approved as to form and legality:

Douglas W. Napier, Town Attorney

Date: ____/____/____



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

Page 1
Item No. 12

Meeting Date: May 28, 2013

Agenda Item: COUNCIL APPROVAL –Bid – Forklift for Energy Service

Summary: Council has received a request from the Purchasing Agent, seeking approval of a bid from Winchester Equipment Company in the amount of \$44,950.00, for the purchase of a Toyota Model 7FGCU45 Lift Truck for the Department of Energy Services.

Budget/Funding: DER FY13 budget line item 9401-47001 "Machinery & Equipment"

Attachments: Memorandum and Tabulation Sheet from the Purchasing Agent

Meetings: None

Staff Recommendation: Approval ☒ Denial ☐

Proposed Motion: I move that Council approve a bid from Winchester Equipment Company in the amount of \$44,950.00, for the purchase of a Toyota Model 7FGCU45 Lift Truck for Department of Energy Services.

ROLL CALL VOTE REQUIRED

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

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

Approved By: JB



TOWN OF FRONT ROYAL

DEPARTMENT OF FINANCE

PURCHASING DIVISION

102 E. MAIN STREET

P.O. BOX 1560

FRONT ROYAL, VIRGINIA 22630-1560

CYNTHIA A. HARTMAN, CPPB

Purchasing Agent

(540) 636-6889

(540) 636-7473 fax

email: cahartman@frontroyalva.com

MEMORANDUM

Date: May 17, 2013
To: Tina Presley, Administrative Assistant
Jennifer Berry, Clerk of Council
From: Cindy Hartman, Purchasing Agent
RE: Agenda Item

On Friday, May 17, I held a bid opening for the purchase of a forklift for the Department of Energy Resources. I received tow (2) bids (see attached tabulation sheet). The responses have been reviewed for conformance to our specifications. Due to the dollar amount, I will need Council approval before moving forward. Please add this item to the May 28 Town council agenda for their action.

Staff recommends the award for the purchase of a Toyota Model 7FGCU45 Lift Truck be made to Winchester Equipment Company in the amount of \$44,950.00.

The funding for this purchase is available in the DER FY13 budget line item 9401-47001 "Machinery & Equipment".

STAMPED: MAY 17 2013

Quotation Tabulation

Quotation #10

Mailed:

Replied 2

WINCHESTER EQUIPMENT	EAHEART INDUSTRIAL SERVICE		
QUOTATION	QUOTATION	QUOTATION	QUOTATION
\$44,950.00	\$49,496.76		
\$44,950.00	\$49,496.76		

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

Witness

Witness

PURCHASING AGENT



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

Page 1
Item No. 13

Meeting Date: May 28, 2013

Agenda Item: COUNCIL APPROVAL – Budget Amendment for Water Treatment Plant Improvements

Summary: Council is requested to approve a Budget Amendment in an amount \$352,900.00 for CHA Scope of Services for Water Treatment Plant Improvements to ensure the Water Treatment Plant complies with all state and federal water quality and performance standards. CHA recommends UV disinfection system and pre-oxidation with chlorine dioxide with a sodium permanganate full-scale pilot study, as presented.

Budget/Funding: Revenue from FY2013 connection fees 9601-3161703
(increase revenue received because of Dominion and Regional Jail
Expense from Water Treatment Expansion 9601-47507

Attachments: Implementation Plan from CHA

Meetings: Work Session held May 6, 2013

Staff Recommendation: Approval ☒ Denial ☐

Proposed Motion: I move that Council approve a Budget Amendment in the amount of \$352,900.00 for CHA Scope of Services to perform Water Treatment Plant Improvements that will comply with all state and federal water quality and performance standards 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:  _____

**Town of Front Royal, Virginia
Additional Disinfection and
Disinfection By-Product Reduction**

**Technical Memorandum No. 7 –
Implementation Plan**

CHA Project Number: 24325

Prepared for:

Town of Front Royal

Prepared by:



*1901 Innovation Drive, Suite 2100
Blacksburg, VA 24060
(540) 552-5548*

April 2013

TABLE OF CONTENTS

7.0	IMPLEMENTATION PLAN	2
7.1	Summary of Recommended Actions	2
7.2	Project capital costs.....	2
7.3	Operation and Maintenance Costs	3
7.4	Financing and Rate Analysis	4
7.5	Pilot testing	9
7.6	Required Permits and Approvals	9
7.7	Schedule.....	9

LIST OF TABLES

Table 7.1 - Engineer's Opinion of Probable Cost	3
Table 7.2 - Annual O&M Costs for Recommended Improvements	4
Table 7.3 – Five-Year Cash Flow Projection.....	5

LIST OF FIGURES

Figure 7.1 - 2013 Fiscal Year Drawdown Schedule	7
Figure 7.2 - 2014 Fiscal Year Drawdown Schedule	8
Figure 7.3 - Proposed Schedule for Project Completion	11

7.0 IMPLEMENTATION PLAN

Now that the project components have been selected, a detailed implementation plan must be developed. This technical memorandum identifies the key components required to implement the project. These components include the capital costs, additional operation and maintenance costs, financing information, impact on rates, required permits/approvals, schedule, and additional pilot testing.

7.1 SUMMARY OF RECOMMENDED ACTIONS

In Technical Memorandum (TM) No. 5, we presented alternatives that would help the Town of Front Royal comply with current and future regulations. After a meeting with Town representatives, chlorine dioxide addition and UV disinfection were selected as the preferred alternatives for complying with the upcoming regulations. TM 6 presented preliminary engineering design for these alternatives. Prior to chlorine dioxide system installation, a sodium permanganate full-scale pilot study will be conducted to evaluate the potential for using sodium permanganate in place of chlorine dioxide addition to decrease TOC levels and reduce DBP formation. If this study demonstrates that sodium permanganate is not a viable solution, a chlorine dioxide addition system will be designed and installed. A UV disinfection system will also be designed and installed to achieve adequate pathogen reduction, as required by the LT2.

7.2 PROJECT CAPITAL COSTS

Table 7.1 outlines the engineer's opinion of probable construction cost for the recommended improvements. As the Town has decided to pursue financing through the Virginia Resource Authority (VRA), the costs have been categorized as required by the VRA application, based on the cost estimate provided in TM No. 6. The total estimated project cost is \$2,542,900. Included in this estimation are administrative costs, design and survey costs, inspection costs, all construction costs (equipment, installation, electrical, contractor profit, mobilization, etc.), and a 10% contingency.

Table 7.1 - Engineer's Opinion of Probable Cost

Item	Cost	Notes
Administrative Expense	\$10,000	Bond Counsel; advertisement costs; legal services
Land & Rights of Way	\$0	None Required
AE Basic Fees		
Survey	\$13,500	Site survey and soil analysis at UV structure
Engineering	\$267,000	Survey, Design, Bidding, and Construction Administration
Project Inspection Fees	\$48,400	Based upon 12 week inspection period
Other		
Easements	\$0	None Required
Pilot Study/Process Evaluation	\$13,000	Full scale evaluation of sodium permanganate as a means to reduce DBPs
O&M Manual Updates	\$12,000	For Model development & calibration, performance assessment
Construction		
General Process Improvements	\$87,000	Site piping and chemical diffusers
DBP Reduction Improvements	\$352,000	Chlorine dioxide feed system and related improvements
UV System Construction	\$1,292,000	6 MGD UV Disinfection System
Distribution System Tank Mixing	\$250,000	Mixing systems at three of the distribution system tanks
Subtotal	\$1,981,000	
Contingency	\$198,000	Based upon 10% of estimated construction cost
Total	\$2,542,900	

7.3 OPERATION AND MAINTENANCE COSTS

The potential operating requirements and ongoing maintenance needs for the recommended improvements are outlined in Table 7.2. This cost estimate is based on the current plant capacity flow of 6 MGD, as well as the projected plant production of 2.5 MGD with the increased demands from Dominion Power in place (assumed to be 0.3 MGD). Costs for chemicals and UV disinfection will increase or decrease proportionally to actual production.

Table 7.2 - Annual O&M Costs for Recommended Improvements

Item	Annual Cost @ 6 MGD	Annual Cost @ 2.5 MGD	Comments
Chlorine Dioxide System	\$28,800	\$12000	\$2,400 / month chemical costs
UV System	\$9,500	\$4000	Includes power and bulb replacement costs
Total Increase in Annual Operating Costs	\$38,300	\$16,000	

7.4 FINANCING AND RATE ANALYSIS

The Town has decided to pursue VRA funding through the Virginia Pooled Financing Program (VPFP). This program offers loans to local governments at 0-5% interest for up to 30 year terms. The Town can select three security options: general obligation, revenue pledge, or lease. The general obligation program does not require the Town to have a yearly reserve of 15% the annual debt service, while the other options do. The next VPFP application cycle is August 2013, with funds available October-November 2013. The Town may want to consider budgeting engineering expenses for the 2013-2014 fiscal year to begin the design process before the VPFP funds become available to ensure the Water Treatment Plant is in compliance by the October 1, 2015 deadline. An evaluation of the revenues and expenses for a period of five years, and the impact the project will have on the rate structure is shown in Table 7.3.

The 2013 Series VRA Bond Debt Service is based on a 20 year loan at 3.5%. The 2012-2013 expenses and expenditures were assumed to be the same as the 2012 Fiscal Report. A 3% annual escalation was included for expenses. No growth in previously documented revenues was assumed. The 2006 Series VRA Bond Debt Service was assumed to be the same for the next 5 years as the 2012 Fiscal Report. Based on information currently available, and assuming a 300,000 gallon per day demand from Dominion Power starting in July 2013, rates will be projected to increase by a small percentage in 2017. The average household currently pays \$65.77 per month for water service.

Table 7.3 - Five year cash flow projection

Item	July 2012 - June 2013	July 2013 - June 2014	July 2014 - June 2015	July 2015 - June 2016	July 2016 - June 2017	July 2017 - June 2018	Notes
Proposed Debt:	\$2,542,900						
Rate:	3.5%						
Term:	20						
Water Fund Expenses							
Water Filtration & Water Distribution	\$2,001,432	\$2,061,475	\$2,123,319	\$2,187,019	\$2,252,629	\$2,320,208	Assumes 3% annual escalation. Includes interfund transfers to Sewer and General Fund.
Additional Operation & Maintenance at 2.5 MGD Water Production	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	
Misc. Capital Improvements	\$536,082	\$536,082	\$536,082	\$536,082	\$536,082	\$536,082	No annual escalation
2006 Series VRA Bonds	\$1,116,827	\$1,116,827	\$1,116,827	\$1,116,827	\$1,116,827	\$1,116,827	Based upon \$2.5 million project, loan terms: 20 year at 3.5%
2013 Series VRA Bonds (proposed)	\$0	\$29,496	\$176,974	\$176,974	\$176,974	\$176,974	Revenue Bond
Required VRA Bond Reserves (15%)	\$0	\$4,424	\$26,546	\$26,546	\$26,546	\$26,546	
Total Water Expenditures	\$3,670,341	\$3,764,304	\$3,995,748	\$4,059,447	\$4,125,058	\$4,192,637	
Water Fund Revenue							
Receipts from customers and users	\$3,222,663	\$3,222,663	\$3,222,663	\$3,222,663	\$3,222,663	\$3,287,116	Based upon 2012 fiscal year, no growth assumed
Revenue from Dominion Power Demand							Based upon 0.3 MGD demand from Dominion Power, \$6.00/thousand gallons rate
Sales of investments	\$189,989	\$657,000	\$657,000	\$657,000	\$657,000	\$657,000	Based upon 2012 fiscal year, no growth assumed
Interest and dividends received	\$72,354	\$189,989	\$189,989	\$189,989	\$189,989	\$189,989	Based upon 2012 fiscal year, no growth assumed
Interfund Transfer	\$13,165	\$72,354	\$72,354	\$72,354	\$72,354	\$72,354	Based upon 2012 fiscal year, no growth assumed
Total Water Revenue	\$3,498,171	\$4,142,006	\$4,142,006	\$4,142,006	\$4,142,006	\$4,206,459	
Surplus/Deficit	-\$172,170	\$377,702	\$146,258	\$82,559	\$16,948	\$13,822	Surplus or deficit amounts are not transferred to next fiscal year
Rate Increase	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	
Accumulated Surplus/Deficit	-\$172,170	\$205,532	\$351,790	\$434,349	\$451,297	\$465,119	

An expected monthly draw of loan funds has been developed and is presented in Figure 7.1 and Figure 7.2. Most of the expenses associated with this project in the 2013 fiscal year are associated with design, surveying, and bond counsel. Construction costs begin in the 2014 fiscal year. A full-scale pilot test and O&M Manual development also occur in the 2014 fiscal year.

Figure 7.1 - 2013 Fiscal Year Drawdown Schedule

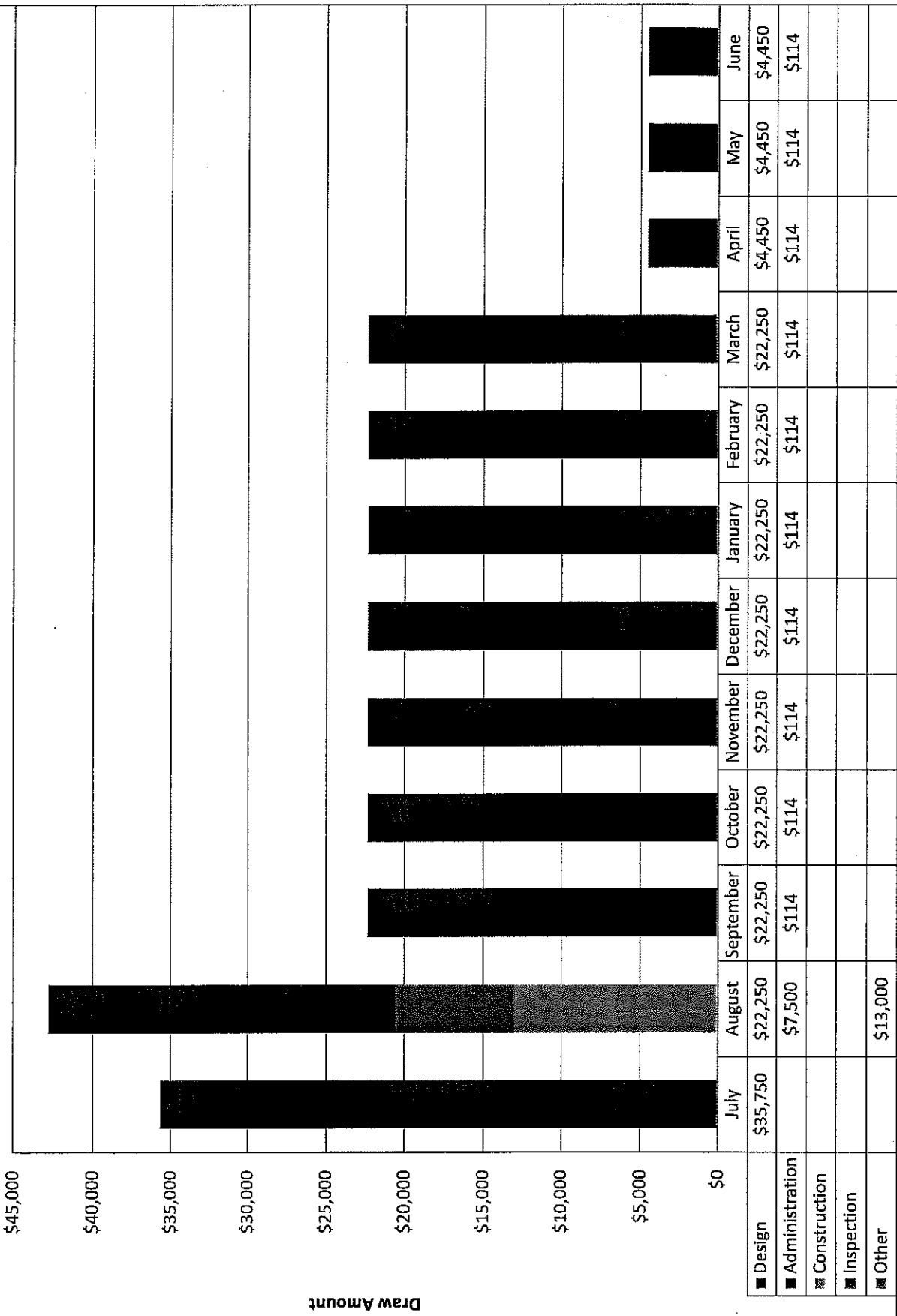
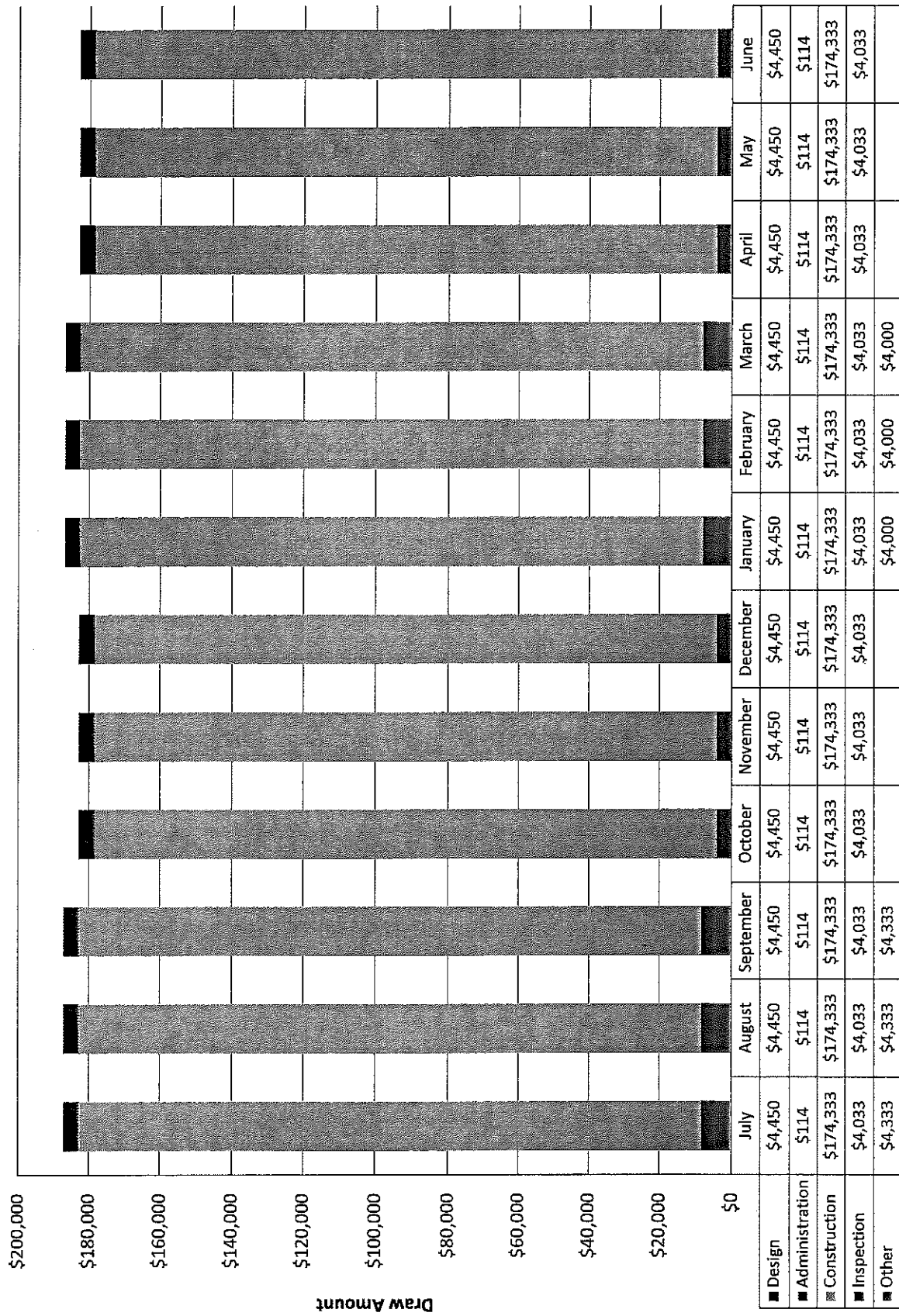


Figure 7.2 - 2014 Fiscal Year Drawdown Schedule



7.5 PILOT TESTING

Pre-oxidation with sodium permanganate was tested as an alternative for DBP reduction as described in TM No. 3. While the bench testing did not indicate substantial reduction in DBP formation resulting from sodium permanganate addition, the nature of the process indicates that full-scale testing may yield different results. Compared with pre-oxidation with chlorine dioxide, sodium permanganate addition would reduce the capitals for DBP reduction by \$234,000 and decrease monthly operating costs by \$5,700. As such, full-scale pilot testing of pre-oxidation with sodium permanganate is warranted.

7.6 REQUIRED PERMITS AND APPROVALS

A number of project permits, approvals, and other regulatory actions will be required to allow completion of the proposed work. These will include, but are not necessarily limited to, the following:

- VDH approval of the Preliminary Engineering Report
- VDH approval of Plans and Specifications for the work together with a DEQ Permit to Construct
- VDH Permit to Operate following completion of construction
- VRA approval and authorization of financing for the project

The majority of these approvals are normal and customary for a project of this type, and there is no reason to believe that there will be any unusual difficulties in securing the required approvals.

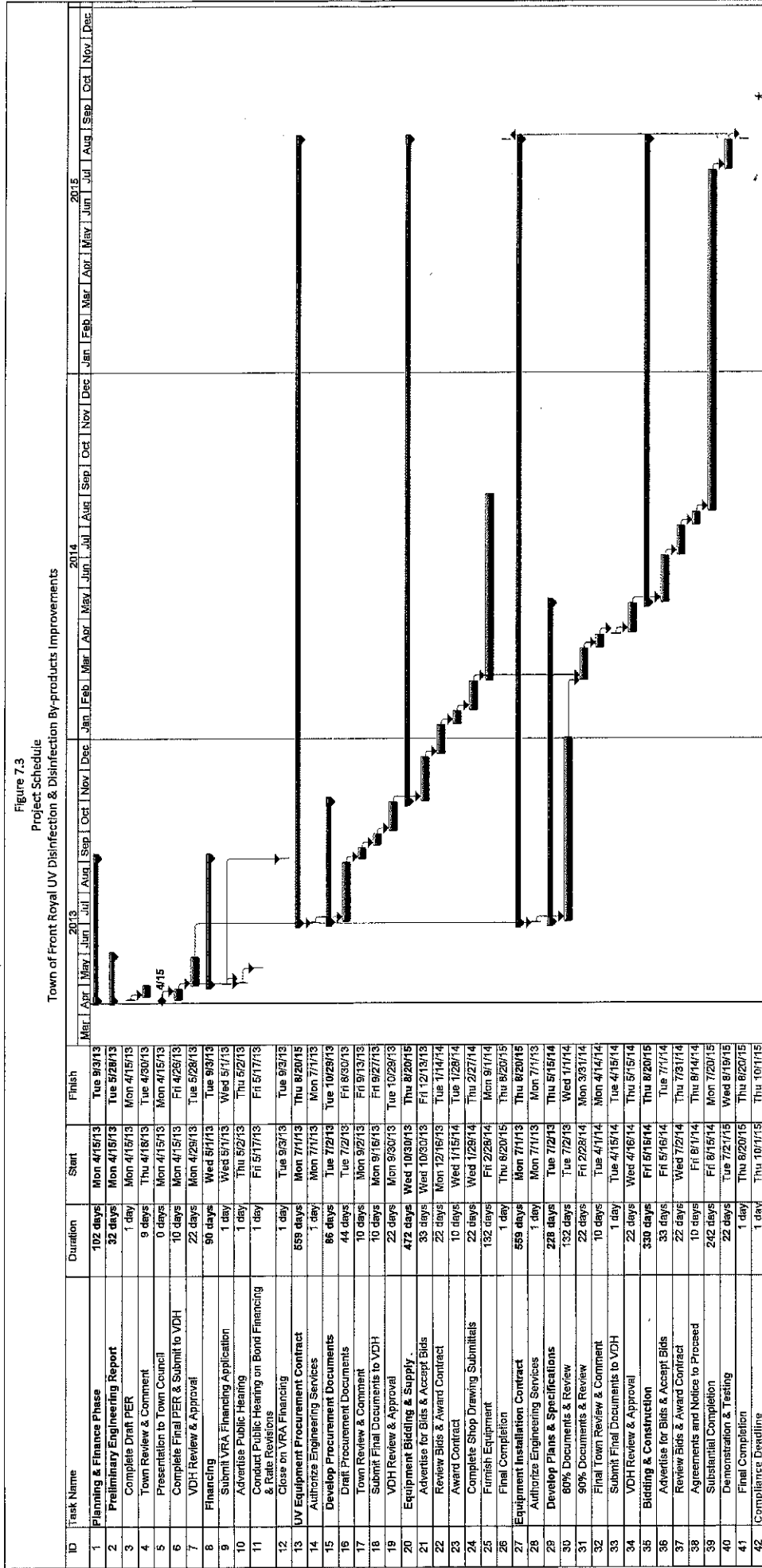
7.7 SCHEDULE

The Town must be in compliance with DBP and LT2 regulations by October 1, 2015. To meet this deadline, the schedule presented in Figure 7.3 is proposed. The completed PER will be submitted to the VDH by April 30, 2013. Once VDH approves the PER, the VRA financing application will be submitted and the necessary public hearings will be held. The design and construction will be divided into two major phases. The first will be the procurement of UV equipment contracts which will entail the development of procurement documents, review by the Town and VDH, and the bid and contract award process. This phase is scheduled to begin July 2013. The second phase is the design and construction of the water treatment systems. This involves the development of plans and specifications, review by the Town and VDH, the bid and contract award process, and construction. Work on this phase is scheduled to begin December

2013. The construction is scheduled to be complete by August 10, 2015, allowing the Town to meet the October 1, 2015 deadline for compliance.

Figure 7.3

Town of Front Royal UV Disinfection & Disinfection By-products Improvements



Task Split Milestone Summary

Project: Front Royal Schedule - Figure 7.3
Date: Fri 4/12/13

Task Summary

Project Summary

External Tasks

External Milestone

Inactive Task

Inactive Milestone

Inactive Summary

Manual Summary Rollup

Manual Summary

Start-only

Finish-only

Progress

Deadline