

Stephen F. Owen
City Manager

Birthplace of the
Council-Manager
Form of Government



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October 23, 2015

Patrick J. Coffield
County Administrator
Augusta County Government Center
P.O. Box 590
Verona, VA 24482

Dear Pat:

I provide this letter in response to the "Courts Complex Negotiations" chart I received from you two days ago. While I can appreciate that you have tried to boil down this complex matter into a simple, two-column comparison, your effort is compromised by several errors of fact and ambiguous analysis. You have offered numerous, unsupported, conclusory assertions and have proposed no strategic or helpful solutions to the issues you've identified. One might logically come to the conclusion that the only solution the County is prepared to offer is rejection of the City's proposal. I would go so far as to say that since receiving the City's August 11 proposal, the County has never given the slightest indication that there was any interest whatsoever in seeing how we could move together from a conceptual framework to a mutually beneficial and concrete plan for a judicial complex in Staunton.

Below I respond to the most substantial of your assertions, categorizing my responses under the headings shown:

Financing

- After more than two months and two negotiation sessions, we learn for the first time that Augusta County now believes Staunton should pay 50% of the cost of the project, even though the County's population is more than triple Staunton's, and Staunton is only 19.31 square miles compared to the County's 971. In essence, the County has virtually unlimited growth potential compared to the City. Your chart notes a caseload number for the City of 34%. What your chart does not explain, however, is that that calculation is based on cases reported in 2013, a year in which, according to Judge Goodwin, a Virginia State Police hiring freeze

resulted in a far lower number of citations issued for traffic infractions on I-81 than in years past and, therefore, far fewer cases in the County's general district court. Not tens or hundreds fewer citations, but thousands fewer citations per month. As you know, we have provided a report, based in part on your consultant's work, that shows Staunton's caseload will fall to a level below 18% within about 20 years. In short, Staunton's offer of 25% of the estimated project cost is generous and more than fair, whether based on caseload, population or any other criteria.

- In addition to the allocation of the cost of the project, we are concerned about the proposed treatment of the tax credits, primarily because we are unable to discern the meaning intended by your limited summary in the chart. I reference my prior email to you dated September 28, 2015, by which I communicated the City's concurrence with the computations contained in your "Courthouse Guidance" delivered to me by email on the same date. The City's position remains unchanged and is consistent with the County's understanding of the tax credit treatment as presented in the "Courthouse Guidance."
- Your characterization of the City's position on debt ignores changes in that position since the City's delivery of its August 11 proposal. You will recall, I am sure, that the City and County agreed during the negotiation session on September 24, that each would issue and carry its respective share of debt. This is not an issue.

The Frazier Plan

- Your contentions that the Frazier plan does not adequately address parking for disabled persons visiting the three courts and that employee parking is not acceptable for employees who work at the Cochran Judicial Center are totally unsubstantiated. According to whom? For what reasons? The City cannot evaluate and respond meaningfully to these sorts of conclusory statements. But even if true, these issues could be resolved easily enough with a willingness to engage in good faith discussions, a worthwhile endeavor given the Frazier plan's demonstrated and significant cost savings to both City and County taxpayers.
- You have also indicated in your chart that "[c]ourtroom dimensions are not adequate based on Virginia Court Space Standards or Judges' needs." As we have already stated and our respective judges understand clearly, courtroom dimensions can be adjusted within the conceptual frameworks provided in both the Moseley and Frazier plans. We would hope that the County wouldn't rely on these sorts of "deficiencies" in the Frazier plan as a basis to reject the City's proposal without first affording an opportunity to make those adjustments.

Courts Consolidation

- We have no idea what you are suggesting about “shared use” vs. “consolidation.” To be clear: the City’s proposal is not in reference to “shared use.” The City has previously proposed, and continues to propose, consolidation. Where is the County conceptually on the question of consolidation? The City has never been told.

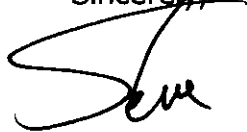
Potential Acquisition of Union Bank Property

- For the first time, you note the purchase price of the Union Bank property is an issue, yet we both know that that figure simply reflects a proposal made by the bank and that negotiations with the bank have not yet even commenced. In the scheme of things, this is another non-issue.

There remain some additional assertions in your chart that I haven’t addressed here, as it seems we could work through the smaller items if there were an agreement in principle to the concept of a consolidated judicial complex in Staunton. Does the County wish to make this work, or is the County simply looking for reasons to walk away from the table?

In conclusion, we are increasingly left with the impression that the County has little or no interest in working with the City on such a consolidated judicial complex. (Cases in point: the County has never agreed to our offer to enter into mediation, nor to use citizen negotiators, as suggested by H.R. Laird and *The News Leader*.) If we are mistaken in our impression, we invite you to correct it and to further explain, to us and to the Board of Supervisors, the deficiencies you have identified in the Frazier plan, so that we can all work constructively to address them. If we are not mistaken—that is, if the County truly does not wish to pursue consolidation—perhaps all of our citizens would be best served by a simple statement on the County’s part to this effect, so that both localities could move on toward addressing the many other challenges that face our communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve", with a stylized flourish extending from the end.

Stephen F. Owen
City Manager

c: Mayor and Members of City Council