

Regular Meeting, Wednesday, February 11, 2015, 7:00 p.m. Government Center, Verona, VA.

PRESENT: Michael L. Shull, Chairman
David A. Karaffa, Vice-Chairman
Carolyn S. Bragg
Jeffrey A. Moore
Marshall W. Pattie
Tracy C. Pyles, Jr.
Larry J. Wills
Timmy Fitzgerald, Director of Community Development
Jennifer M. Whetzel, Director of Finance
Patrick J. Coffield, County Administrator
Rita R. Austin, CMC, Executive Secretary

VIRGINIA: At a regular meeting of the Augusta County Board of Supervisors held on Wednesday, February 11, 2015, at 7:00 p.m., at the Government Center, Verona, Virginia, and in the 239th year of the Commonwealth....

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Chairman Shull welcomed the citizens present.

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The following students from the Shenandoah Valley Governor's School, led us with the Pledge of Allegiance:

Eric Alanko, a STEM student and a junior at Riverheads High School, hopes to go to Virginia Tech or Georgia Tech to become an Engineer; he is on the Debate Forensics; Academic and Tennis team.

Allyson Clawson, an Arts & Humanities student and a junior at Stuarts Draft High School, would like to study English in college.

Haley Stewart, a STEM student and a junior at Buffalo Gap High School, loves running and participates in Cross Country and Track and plans on being an Environmental Engineer and hopes to attend either Virginia Tech or University of Virginia.

Clara Breeding, a STEM student and a junior at Fort Defiance High School, plans on going into the medical field. She participates in the Marching Band; Academic Team; SCA; and FH.

Christopher Puzio, a STEM student and a junior at Wilson Memorial High School, is on the Tennis Team; National Honor Society; Marching Band and is interested in Economics. He is considering applying to Catholic Seminary.

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Tracy C. Pyles, Jr., Supervisor for the Pastures District, delivered invocation.

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ORDINANCE AMENDMENT – LICENSE FEES

This being the day and time advertised to consider an ordinance to amend Sections 12-51, 12-81, and 12-84 of the Code of the County of Augusta, Virginia. The proposed amendment adjust license taxes for breweries to fees allowable under the Sate Code and provides that the license fees for businesses engaged in house or apartment rentals shall be assessed based on gross income of the business.

Patrick J. Coffield, County Administrator, advised that Jean Shrewsbury, Commissioner of Revenue, was available to answer any questions the Board may have. According to the Commissioner of Revenue and the County Attorney, this ordinance is basically a housekeeping matter to comply with the State Code. Under the old State Code, the number of rental units triggered the BPOL Tax. The new Code sets the gross receipts threshold of \$100,000 before a tax is incurred.

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ORDINANCE AMENDMENT – LICENSE FEES (cont'd)

Anything under that, there would be no charge. Jean Shrewsbury, Commissioner of Revenue, added that she viewed Augusta County as a “business-friendly environment”. When the threshold starts at \$100,000, before you have to pay a license tax, that gives small businesses an opportunity to operate and grow before they would have to pay a tax on their gross receipts.

Ms. Bragg stated that she owned rental property in Augusta County but felt that this would not affect her decision tonight.

Ms. Shrewsbury further explained that the ordinance covered “brewery fees”. She stated that Augusta County has had a section in the local ordinance for breweries as long as she has been Commissioner; however, they did not have brewery in Augusta County until this past December. In speaking with the owners, it was discovered that the local ordinance was “out of sync” with the State Code where nothing was mentioned about breweries that produced 500 barrels or less. This is basically a housekeeping matter, also, for small micro-breweries.

Dr. Pattie mentioned that the owner of the new brewery was in his class at James Madison University. Ms. Shrewsbury added that she attended the grand opening and said that it was a “good addition to the community”.

The Chairman declared the public hearing open.

There being no one present to speak for or against, the chairman declared the public hearing closed.

Mr. Karaffa moved, seconded by Ms. Bragg, that the Board adopt the following ordinance:

**AN ORDINANCE TO AMEND SECTIONS 12-51, 12-81, and 12-84 OF
THE CODE OF THE COUNTY OF AUGUSTA, VIRGINIA,**

WHEREAS, Chapter 2, of Title 4.1 of the Code of Virginia authorizes the Board of Supervisors to establish license fees for real estate rental business and for sales of certain alcoholic beverages; and

WHEREAS, from time to time the Board of Supervisors finds it desirable to adjust the ordinance language and fee schedule to affect changes in State law;

NOW, THEREFORE, BE IT ORDAINED by the Board of Supervisors of Augusta County, Virginia, that Sections 12-51, 12-81, and 12-84 of the Code of Augusta County are hereby amended to read as follows:

§ 12-51. Financial, real estate and professional services.

A. Unless otherwise provided herein or by general law, the license tax on persons, firms and corporations providing financial, real estate or professional services in the county shall be thirty dollars or thirty cents for each \$100 of gross receipts during the preceding fiscal or calendar year, whichever is higher.

B. Renting by owner of houses, apartments or commercial establishments.

1. Every person who, as principal, shall engage in the business of renting houses, apartments or commercial property in the county shall pay for the privilege of doing business an annual license tax of twenty cents (\$0.20) on each one hundred dollars (\$100.00) of gross receipts from the rental of all commercial establishments, apartments units or dwelling units during the preceding fiscal or calendar year. ~~Persons engaged in the business of renting houses or apartments, or both, shall not be affected by, or come within the provisions of this section unless such person is engaged in the business of renting in excess of two (2) separate dwelling units.~~ The minimum annual license tax shall be twenty dollars (\$20.00).

2. "The business of renting houses and apartments," as used in this section, shall be construed to mean the rental of a building or portion thereof designed exclusively for residential occupancy, including one-family, two-family and multifamily dwellings, but not including hotels, boardinghouses and rooming houses.

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ORDINANCE AMENDMENT – LICENSE FEES (cont'd)

3. The words "dwelling unit" are defined to mean one or more rooms in a dwelling house or apartment designed for occupancy by one family for living purposes and having cooking facilities.

§ 12-81. Local license required.

In addition to applicable state licenses, the county shall issue licenses, and charge and collect license taxes therefor, to persons licensed by the Virginia Alcoholic Beverage Control Board to manufacture, bottle or sell alcoholic beverages within the county. The license taxes shall be charged and collected with respect to each such state licensee as follows:

A. For each distiller's license, \$1,000 per annum; except that no license shall be required for any person who shall manufacture not more than 5,000 gallons of alcohol or spirits or both during such license year.

B. For each winery or farm winery license, \$50 per annum.

C. For each brewery license if no more than 500 barrels are manufactured during the year in which the license is granted, \$250.

CD. For each brewery license if more than 500 barrels are manufactured during the year in which the license is granted, \$1,000 per annum.

DE. For each bottler's license, \$500 per annum.

EF. For each retail on-premises wine and beer license for a hotel, restaurant or club; and for each retail off-premises wine and beer license, including each specialty shop and convenience grocery store license, \$37.50 per annum.

FG. For each retail on-premises beer license for a hotel, restaurant or club and for each retail off-premises beer license, ~~\$20~~ \$25 per annum.

H. Gourmet Brewing Shop License, \$150.

§ 12-84. Same; when payable; proration of tax; refunds.

A. All license taxes imposed by this article shall become due and payable on or before the day license taxes are due under § 12-12(C) of this chapter in the case of licenses not based on gross receipts. The annual license tax year shall begin with January 1 of each year and end the following December 31.

B. **Except for license taxes imposed in §12-81**, the tax imposed by this article on each such license shall be subject to proration to the following extent: If the license is issued in the second quarter of any year, the tax shall be decreased by one-fourth; if issued in the third quarter of any year, the tax shall be decreased by one-half; and if issued in the fourth quarter of any year, the tax shall be decreased by three-fourths. **License taxes imposed in §12-81 shall not be prorated.**

C. No refunds of license taxes imposed by this article based on licensee going out of business or on loss of state license shall be made.

Vote was as follows: Yeas: Pattie, Shull, Wills, Moore, Bragg, Karaffa and Pyles

Nays: None

Motion carried.

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VOTING PRECINCT RELOCATION – ORDINANCE

This being the day and time advertised to consider an ordinance to amend Section 8-32 in Augusta County Code regarding a new polling place in the Stuarts Draft Rescue Voting Precinct from the rescue squad building to the Ridgeview Christian School.

Tom Long, Board of Elections member, along with Ruth Talmage and Brandi Lilly, Registrar, were present tonight to discuss the voting precinct relocation from Stuarts Draft Rescue to the Ridgeview Christian School gymnasium. He mentioned that this was discussed in January and appreciated the Board's consideration tonight. They have been aware of parking issues, lack of parking space; lack of interior space. The people at the Squad assisted as much as possible, but with big elections, and weather conditions, it could be a problem. The Electoral Board considered several locations within the precinct including Stump Elementary and VFW. Ridgeview Christian School was determined to be the best location. The Precinct would be named Ridgeview. He asked for the Board to consider this request so that the Registrar can proceed with mailings by the first week of March.

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VOTING PRECINCT RELOCATION – ORDINANCE (cont'd)

Dr. Marshall mentioned that another item on the agenda was the Special Election and asked how this would be affected. Mr. Long said that the mailings would have to be mailed out 15 days prior to any election.

The Chairman declared the public hearing open.

There being no one present to speak for or against, the chairman declared the public hearing closed.

Mr. Bragg moved, seconded by Mr. Wills, that the Board adopt the following ordinance:

**AN ORDINANCE TO AMEND
SECTION 8-32
OF THE AUGUSTA COUNTY CODE**

WHEREAS, the Augusta County Board of Supervisors has deemed it desirable to provide for a new polling place in the Stuarts Draft Rescue District;

NOW THEREFORE be it resolved by the Board of Supervisors for Augusta County that Section 8-32 of the Augusta County Code is amended to read as follows:

§ 8-32. Location of polling places.

The locations of the polling places are:

<u>Precinct Name</u>	<u>Location of Polling Place</u>
Buffalo Gap	Buffalo Gap High School
Cedar Green	Beverly Manor Elementary School
Churchville Elementary	Churchville Elementary School
Churchville Fire Station	Churchville Fire Station
Craigsville	Craigsville Community Center
Crimora	Crimora United Methodist Church
Deerfield	Deerfield Fire Station
Dooms	Hugh K. Cassell Elementary School
Stuarts Draft Elementary	Stuarts Draft Elementary School
Fishersville	Yancey Fire Station
Fort Defiance	Edward G. Clymore Elementary School
Greenville	Riverheads High School
Jolivue	Victory Worship Center
Lyndhurst	Wilson Fire Station
Middlebrook	Middlebrook Fire Station
Mount Solon	Sangerville-Towers Ruritan Hall
New Hope	New Hope United Methodist Church
North River	North River Elementary School
Sherando	Sherando Community Center
Spottswood	Spottswood Community Center
Ridgeview Stuarts Draft Rescue	Stuarts Draft Rescue Squad Building Ridgeview Christian School
Verona	Augusta County Government Center
Weyers Cave	Weyers Cave Community Center
White Hill	White Hill Church of the Brethren
Wilson	Valley Vocational Technical Center

This ordinance shall become effective upon enactment.

Vote was as follows: Yeas: Pattie, Shull, Wills, Moore, Bragg, Karaffa and Pyles

Nays: None

Motion carried.

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MATTERS TO BE PRESENTED BY THE PUBLIC – NONE

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SPECIAL ELECTION – CLERK OF COURT

The Board considered revised writ for submission to courts.

Mr. Coffield mentioned that the Board’s original writ to the Circuit Court and the Judge’s response had been enclosed in the agenda package for the Board. The Judge understood that the Special Election would cost \$31,000, but he felt that, based upon the law, a Special Election was needed. In looking at the dates, there were many issues to be considered. The following dates to be considered were: March 31st; July 21st; July 28th; August 4th and August 11th. He noted that March 31st is the date that schools are planned to be closed for Spring break, unless inclement weather occurs prior to that time where schools will need to be opened. A Board member had asked if a Special Election could be held on a Saturday. The answer is no. Another question had been asked if it could be held at the same time as November 3rd General Election. Again, the answer is no because State law requires the Special Election be held 60 days prior to taking office.

Mr. Pyles felt that March was not appropriate because it would not allow efficient campaign time for candidates.

Mr. Karaffa asked what the timeframe was. Mr. Coffield said that it could be held any time after the Primary, which is June 9th. If there was a vote count issue, you would need a couple of weeks to certify count. Generally, right after the Primary, you would want to hold four to six weeks out. He explained this was the reason for determining the July dates. The August dates were determined because of schools not being in session at that time.

Mr. Pyles asked Ms. Lilly when a person would have to have their filling submitted for the November Election. Ms. Lilly said the filing deadline for November is going to be the same day as the Primary, which is June 9th. He asked if the Special Election could occur in May. Ms. Lilly said there was a 55-day window prior to a June Primary, which would be April 14th.

Ms. Bragg understood that if they went to July, anybody who was interested in running would have to file by June 9th for both the Special and the fall election. Ms. Lilly said the filing date for the Special would be dependent upon when the writ came through. The writ would go to the State and then the State would set deadlines accordingly. She did not have, at this time, any dates for filing for the Board.

Mr. Pyles felt that “confusion outweighs his concerns” and suggested that March 31st date be used.

Mr. Pyles moved, seconded by Dr. Pattie, that the Board approve March 31st as the date for the Clerk of the Circuit Court Special Election.

Ms. Bragg asked if the State had time to do whatever was needed for a March 31st election. Ms. Lilly said that the State has had as few as three weeks notice to determine what was needed. Ms. Lilly confirmed that this was adequate time to “make it happen”.

Chairman Shull commented, in talking with Dr. Bond, they have three days built in for snow. Once used, March 31st is one of the days to be used as a snow make-up day. He realized that schools are usually closed for elections. “If something is set in place,

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SPECIAL ELECTION – CLERK OF COURT (cont'd)

now, you are going to have voting precincts opened in the schools on that day.” He felt that a July date was better.

Mr. Wills noted that three or four years ago schools were open during elections. He felt that, with it being March 31st, there will probably be a minimal turnout, especially, with it being only one candidate, particularly, with it being another election in November for the same position. He did not like having people file for the November election before they even know who will be on the ballot for both elections. “If someone loses the election, they ought to have an opportunity to decide whether they want to go through another campaign or not.”

Vote was as follows: Yeas: Pattie, Shull, Wills, Moore, Bragg, Karaffa
and Pyles

Nays: None

Motion carried.

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ATLANTIC COAST PIPELINE

The Board discussed comments for submission to FERC.

Timmy Fitzgerald, Community Development Director, provided to the Board a “Summary of Pipeline Comments”. At the last meeting, the Chairman had allowed citizens to submit their comments up to Friday, February 6th. Staff has provided comments that have been received up to today for the Board’s review. Staff has reviewed all of the comments and categorized them into key areas of concern. He noted that they have received 42 comments against the pipeline; 1 petition of 671 signatures against; and 17 in support of the pipeline up to today. Staff recommends the entire staff report, along with accompanying maps, and the Service Authority staff report, be submitted to FERC. Key areas of concern, along with specific points raised during the hearing and in subsequent written comments, are listed below and may be helpful to the Board as they consider additional comments they wish to transmit to FERC:

- Environmental
- Erosion and Sediment Control
- Karst
- Water Resources
- Scenic
- Economic
- Safety (location of School Complex, nursing homes)
- Existing Development and Comprehensive Plan
- Agriculture
- Dominion Track Record (past record in terms of environmental violations during construction)
- Liability for Issues Created During Construction
- Alternatives
- Demonstrated Public Need for the Project
- Others
 - Enabling fracking and its environmental dangers
 - Full environmental assessment needs to be done for the project
- In favor:
 - Economic impacted to the County and the State of Virginia, as well as neighboring states.

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ATLANTIC COAST PIPELINE (cont'd)

- Dominion Response (indicated they are working on a response to the Service Authority questions/report, as well as a response to comments at the public hearing, but the response is not available).

Consideration tonight is for what the Board feels is needed to submit to FERC. Again, Staff feels that the staff report, maps, Service Authority report, and then these key items should be mentioned in the letter.

Chairman Shull asked when the comments needed to be submitted to FERC. Mr. Fitzgerald said that FERC is planning on a public hearing sometime in March. Dominion plans on making its full application in the fall.

Mr. Moore said that the report that was done by the Service Authority (Emery & Garrett Groundwater Investigations, LLC) should be included as part of the staff report.

Ms. Bragg felt that there should be two submissions: 1) Information that the Board wants FERC to be aware of before their public hearing in March; 2) After Dominion's response to concerns/issues, another submittal is needed to reflect the Board's views as to what is expected from Dominion.

Mr. Pyles felt that the citizens came to the Board expressing their concerns and wanted the Board to express those concerns to FERC. He said that, having met with FERC, his insight is that many of these items mentioned are of no consequence to FERC. "What they look at is what is different about us. How is the issues of being close to schools here in Augusta County different than Rockingham County? How is the scenic view in Augusta County any different from the scenic view in Roanoke County?" He said the Board needs to focus on what is different about Augusta County. Why is it so important that it not come through Augusta County? "We are the headwaters; water initiates and begins here. That ought to be clearly identified. I think we need to identify our aquifers, or headwaters. How much water comes out of that on a daily/annual basis? This will determine the value and importance." He asked the Board to move forward to identify the water aquifers of how much water is produced and leaves Augusta County. He has suggested that Ken Fanfoni, Executive Director of Augusta County Service Authority, and John Kaylor, of Headwaters, determine how best to gather this information. After this study is created, he would ask how this is put at risk. Examples should be provided as to how floods, explosions, earthquakes, sinkholes have taken out pipelines—all the vulnerabilities of the pipeline that will affect Augusta County. He noted that the Louisa earthquake was one of the largest felt earthquakes in the country. "We need to define what our water is; what the asset is that we are responsible for. Rockingham says, 'Oh, it's fine. Water is good.' But we send them the water. We're the gatekeepers for the water. We need to step up to that responsibility. The State Constitution states that we are in the business of health, safety and welfare of the people." He suggested that the Board not submit anything to FERC until needed studies are received. He hoped that this information be available for the next Board meeting (February 23rd).

Mr. Karaffa agreed with Mr. Pyles. "We need to continue to engage FERC and Dominion in a reasonable manner."

Mr. Moore felt that the Board should receive Dominion's responses prior to submitting a recommendation to FERC.

Mr. Wills supported Mr. Pyles. "To be able to have something scientific is important. We're talking about waters that flow into the Potomac—Chesapeake Bay." He noted

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ATLANTIC COAST PIPELINE (cont'd)

that, when he asked Dominion if tap(s) could be secured to provide local access to the gas. Dominion said it would cost \$500,000 a tap. FERC suppositively says Pipe owners cannot give taps away. A realtor had spoken at last week’s meeting regarding “people backing off from purchasing property. Values of property along the pipeline could be devalued.” He would like to see if staff could work with the realtors to look at this problem – to determine the potential of losing 20% of the land value in that particular area—what they are looking at as far as tax loss. He felt that if there were to be a large industry coming into Stuarts Draft, and Columbia says that they cannot provide enough gas, there needs to be an alternative. “If land values are going to depreciate because of the pipeline, then we need to know upfront.”

Chairman Shull agreed with everything that had been discussed tonight. “We do need taps if it comes through. Columbia has exclusive rights on selling gas. I think State needs to work on that and deregulate that, or whatever they need to do, to open it up that Dominion can market its gas if the pipeline comes through. It would be competition in the market there. I think staff has direction here. We need to compile our comments.” He suggested that this be further discussed at a future meeting.

Mr. Pyles moved, seconded by Mr. Karaffa, that the Board authorize staff to move forward with getting a water study.

Mr. Fitzgerald clarified that Mr. Pyles would get with Mr. Fanfoni to discuss a study.

Ms. Bragg felt that there were a lot of property that the pipeline would go through the middle and affect the value of the property.

Chairman Shull added that he has received some comments that the line is coming by their homes. “If this thing comes into play, we need to look at this a little closer. If the line can be moved further away from homes, it will give a little added protection. Dominion needs to look at that trying to ‘give peace of mind to someone living by it, anyway’.”

Vote was as follows: Yeas: Pattie, Shull, Wills, Moore, Bragg, Karaffa and Pyles

Nays: None

Motion carried.

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WAIVERS/VARIANCES - NONE

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CONSENT AGENDA

Mr. Karaffa moved, seconded by Mr. Wills, that the Board approve the consent agenda as follows:

MINUTES

Approved minutes of the following meetings:

- Staff Briefing Meeting, Monday, January 26, 2015
- Regular Meeting, Wednesday, January 28, 2015

CLAIMS

Approved claims paid since January 14, 2015

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CONSENT AGENDA (cont'd)

Vote was as follows: Yeas: Pattie, Shull, Wills, Moore, Bragg, Karaffa and Pyles

Nays: None

Motion carried.

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MATTERS TO BE PRESENTED BY THE BOARD

The Board discussed the following issues:

Mr. Wills: Courthouse Relocation – He and Chairman Shull met with Staunton this morning. Mr. Coffield had produced some costs prior to that meeting. He felt that it was a good meeting from the standpoint that Staunton expressed a desire to participate financially if the Circuit Court would remain in Staunton. No numbers were provided at the meeting. They needed to have a consultant determine what would be available through tax credits and other grants that may be available because of the historic nature and the preservation of jobs in the City. As a summary of the meeting:

1. Staunton will need to spend money to get the information needed before providing Augusta County a firm number.
2. Staunton committed that, if tax credits were not enough for its contribution, they would be willing to add to it. They kept referring to 25%. The Chairman and he said they were unsure of that being in agreement with the Board. Regardless, it would have to make “economic sense for us”. They did not want to spend money unless “we were willing to give it a fair and open hearing”.

In looking at Mr. Coffield’s report, the question, as a Board, needs to be “Are we willing to spend money in Staunton and not have the modern up-to-date facility that we would have if we built new?” The other item to be considered, if we remain in Staunton, is there a possibility to consolidate the court system, which could result a savings to both committees. He told Staunton that what had to come off of the table was removing the Courts Complex from the County’s Comprehensive Plan. He did not want to commit to a future Board because he did not know what would happen in the future. That was not an item for discussion.

In order for Staunton to proceed, discussion tonight needs to be whether the Board is willing to let Staunton look into tax credits to offset their financial commitment to keep the courthouse in Staunton or if the Board chooses to move forward with the relocation to Verona.

Chairman Shull added, that in talking with Staunton regarding consolidation of the courts, they understood that two courtrooms per level would be needed, with an additional court room for further growth. A question was asked if there was enough space downtown for this. The parking situation would have to be considered. They noted that consolidation was not a new issue.

Mr. Coffield explained that backup information was provided for his handout. There were three different studies – Moseley Master Plan Reports (1998, 2000, and 2008); Dewberry Report (2007 – City of Staunton paid for); Frazier Report (2012 – Augusta County Board of Supervisors paid for). He added that, from his review, comparing Staunton and Verona, it is roughly \$24 million versus \$25.2 million when looking at 70,000 to 80,000 sf. If built for the future (Master Plan long-term), 100,000 sf should be

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)
Courthouse Relocation (cont'd)

considered. Mr. Coffield noted that the Dewberry Report had issues. The reason it was never finalized is they proposed that the 1953 Court Office Building and the 1983 Jail addition be torn down and to rebuilt on the same site. The difficulty and cost of demolishing a structure over a live stream was discussed in 2007 and not reflected in the cost estimate. Conversely, Mr. Coffield noted that the \$25.2 million for building at the Government Center does not include the road and parking lot costs.

Information was distributed to the Board regarding the following:

AUGUSTA COUNTY COURTS

Staunton		Augusta County	
Circuit @ 23,991 sf per Frazier Report		Circuit @ 34,000 sf	
Const.	\$8,120,778	Const.	\$ 9,384,000
A&E	568,454	A&E	568,456
Soft/Misc.	<u>812,078</u>	Soft/Misc.	<u>812,078</u>
	<u>\$9,501,310</u>		<u>\$10,764,534</u>
Gen.Dist./J&D/Com. Atty. @ 45,196 sf per Dewberry Report		Const.	\$12,476,096
Const.	\$12,476,096	A&E	873,326
A&E	873,326	Soft/Misc.	<u>1,122,849</u>
Soft/Misc.	<u>1,122,849</u>		<u>\$14,472,271</u>
	<u>\$14,472,271</u>		<u>\$14,472,271</u>
	<u>\$23,973,581</u>		<u>\$25,235,805</u>

@69,187 sf (cost per sf \$347)	@79,196 sf (cost per sf \$319)
Circuit Court/G.D./J&D/Com.Atty. @ 100,000 sf per Moseley Report	
Const.	\$32,360,000
A&E	2,265,000
Soft/Misc.	<u>4,236,000</u>
	<u>\$38,861,000</u>

Notes:

1. Difficult to compare three separate reports, i.e., Moseley, Dewberry and Frazier.
2. A&E @ 7%
3. Estimate for rebuilding G.D., J&D & Commonwealth Attorney offices/courts in Staunton does not include demolition costs or costs to rebuild over an active stream.
4. Estimate for Courts Complex @ Government Center includes additional cost for road access and parking.
5. Estimate for Courts Complex @ Government Center includes 100,000 sf (Moseley Master Plan) vs. the 69,187 sf estimated by Dewberry and Frazier reports. The additional 30,813 sf would be for future growth, full security, ADA and Energy Code compliance.

Estimates are based on 2012 projections (w/o escalation).

Mr. Karaffa made the following comment:

The conversation we keep coming back to is about the future, not about the present, and not about a bandaid. I spent a weekend at the VACo conference in Richmond and one of the things that was very much highlighted was how much the State is pulling back on local funding and how much the localities are going to need to be dependent upon themselves to offer services that our citizens expect. It is encouraging to me to hear that Staunton is willing to look at regionalizing our court system. When I was first put on the Property Committee years ago and grabbed onto the third rail as to this courthouse, with Dave looking at the Frazier Report, I don't think we even realized the scope of where this could bring us. If we are looking to the future, I think we need to seriously talk about regionalizing the court system and where would that best be done. Downtown Staunton is landlocked all the way around. I don't think anybody wants to see our historic court building torn down. I think the community would like to see good use be put to that building that we all could be proud of; however, it would just no longer be where

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)

Courthouse Relocation (cont'd)

we would hold our court. Here, at Verona, we have our infrastructure and ability to provide services at an efficient cost. The Jail is here; the Bail Bondsman is here; our Sheriff's Deputies are here. We could explore other combined efforts with Staunton as a region and save on efficiencies as we continue to face hard times ahead that are being proposed by our State government. I don't think it unreasonable for us to continue forward with looking at a referendum and with looking at a courthouse in Verona; however, we may need to start changing the scope of what we're thinking about and look to the very real possibility that this may be a regional courthouse.

Mr. Pyles made the following comment:

I look at these numbers and see we really need this. Did we get the Judge's okay to go forward with a referendum?

Mr. Coffield said the Judge has asked some questions of Mr. Morgan. There is a legal question regarding moving the circuit court and leaving the other courts in Staunton. Would the General District and Juvenile Court have jurisdiction if they remained in Staunton? This question needs to be resolved before the Judge makes a decision.

Mr. Pyles' continued comments:

We need his support for this referendum. When you look at this, you say the 79,000 sf, where we're adding no space to Circuit Court, to add another courtroom in there, doesn't seem a practical approach. When the Judge wanted two, and when we did the study, we said that we could not do two. You would have to rip up our plans and start over and try to make something work—maybe, put a third level on the courthouse. I don't think you can make it work. I think it sounds good, but I don't think you can make it work. In adding another courtroom, it is not practical; space is not available. The whole problem is when you get into these other things, you don't know what you're going to run into, whether it be the river below or if we ran into something here, or this collapses, or this doesn't work; it's a difficult thing. There is a challenge there. We just went through this with our schools. We heard over and over again, 'Doing the old stuff, you know, it's going to be about the same price.' But at the end, you're not going to have something that is as good or as big to go with the new versus the other. Then I look at what the difference will be. I believe when it is all said and done, maybe, there is \$10 million difference, but you are getting 20% more space. I think you can get the prices down. I'm sure our schools are not going to be \$18.6 million for those schools out there. There's a lot of fluff in these kind of numbers. I have every belief that it will be less than this; but when you get done with it, you look at what the difference is and how much more you have and what you're going to have to worry about in the future, and then you throw in the value that you have for having the courts here and making this the center of government, the efficiencies and the simplicity for our citizens in how they can park close and go up, I think there is a lot of value there. One of the main things I come back to, people are making commitments, 'Oh, we have to watch out for Staunton; they're good folks.' Verona are good people, too. When this jail came here, the Juvenile Detention Center came here, the people are saying, 'We would like to get some of the gravy, too. We would like to have the courts to bring in business, not just the few folks that come to visit their incarcerated family members and have a few meals, but the courts and judges and all that here, too.' When we look at all of it, I still believe our best choice is to go forward with the referendum and get input from the people. Now, as far as Staunton goes, what they need to do is we said, as a Board, there might be some other things going on, 50%. I think they should, you know, they could say, 'tomorrow, we'll do 50% and we'll either get it from tax credits and all that sort of stuff we get, or we'll make it up'. But is it 50% for just the \$10 million, or is it 50% for the \$25 million? To me, it is the same question on both of them. They can do that and tell us and we can put that into our considerations and, when it comes to the referendum, they could make a great presentation to the people and say, 'We're willing to give half this money. We'll do that'. That will make it harder for us if they're willing to say that and stick to it. They still can be at the table, but my belief is we need to go forward and we need to get a design built, or whatever for this thing, and get a price tag on it because I think that's where we will know what we're doing then. I think we can make the case to the public that says, 'This is what

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)
Courthouse Relocation (cont'd)

you're going to have. This is what it is going to cost' versus this cost where we're tied into a very small area without parking, without convenience, without any room for growth.

Mr. Wills added:

I neglected to say in the conversation this morning. They did say that if we were coming to Staunton, they would immediately begin work on the J&D themselves. It was their responsibility to come up with the J&D. We should not have to do anything, I think, in talking, having to do anything in the General District. If we moved the J&D and stuff out of their offices, I think that is going to take care of what we need in that building. I don't see having to do anything there. The question that I have, in looking at in fairness, is back to your question. If the difference of spending \$10 million or spending \$25 million, and having everything here, is that something our citizens will accept? We go into it with a risk. We go into it, as if we lose the referendum, then we have to spend the \$10 million in Staunton and don't get any help out of it.

Mr. Pyles added:

That's why I'm saying that if they want to defeat the referendum, they will need to come forward and say, 'We will do this'. If they say they're not going to do anything if we lose, they got us. I think that just gives us more votes. Are you saying we won't have to spend the \$14 million?

Mr. Coffield's response:

Since 1990, and more recently after the Jail, Juvenile Detention Home, and the Sheriff moved here, we put \$1.2 million in the second round of renovation at the old County office building. In the 2003 study, we said that was a 10-15 year fix. If J&D moved out, the judges' offices and conference room could be given that to the Commonwealth Attorney so that all of his people would be together. That would be functional space for him to use. He would like to be on the same floor. He also said if you came to Verona, he would like to be with the courts. If you're going to leave J&D and General District down there, and the Circuit here, then you are going to have to travel wherever you are. The Juvenile Probation and Parole is separate from the J&D Clerk's Office. They are on the third floor of that building. They could take the whole third floor and have room for expansion. The third floor is a nice office. That's better than the other two floors. I think, what we did with the Sheriff's part, where the Commonwealth's Attorney is, is functional space and it could last another 10-15 years. The point was I could see the Commonwealth's Attorney and Juvenile Probation staying there and, if Juvenile moves out, that leaves all of second floor and first floor for General District, so we have space for two medium-sized courtrooms and one small courtroom for General District and that should be adequate for the next 10-15 years.

Mr. Pyles' response:

Pat, you have me very confused. We have \$14 million down here. Are we going to have to spend it, or not?

Mr. Coffield's response:

I think in the next 15 years, you will. The point, Mr. Wills said, we don't have to do it today.

Mr. Karaffa's comments:

You know, we don't even plan schools for 10-15 years. It makes no sense to plan them in such a short period of time because it is such a large outpouring of capital. Somebody tell me if I'm wrong; do we build schools to only last 10-15 years?

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)
Courthouse Relocation (cont'd)

Mr. Pyles' response:

We try to keep something going that long after they're built. What I'm getting at is trying to understand if it is just 10-15 years, it's not real numbers. When is Staunton going to let us know what they're going to do? Are they going to charge us if we use their facility?

Mr. Coffield's response:

Prior to 1990, the J&D Court was up on New Street in a city-owned property. When the courts moved into the old County offices, we renovated that space to courts. Part of the basement, all of the first floor, and part of the third floor was earmarked for J&D. We own the building and renovated the space and rent it back to us and Staunton.

Mr. Pyles' response:

Whenever they do whatever they're proposing to do, does that mean we start losing rent and start paying rent?

Mr. Coffield's response:

If my scenario holds true with Juvenile Probation and Parole staying in our building, then Staunton would pay half of that rent. If they built or leased J&D Court space, we would pay half of that rent.

Dr. Pattie's comments:

I love the aspects of the regional. On this Board, I proposed merging our governments, merging our schools, merging our school bus and creating a formula for future negotiations. My general preference has always been to keep the courthouse in Staunton, but, based on the last offer, I just saw no decision but just to move forward on the referendum. One of the ideas that has been floated in the past, and I think should be considered, is there are two buildings next door to the court that could be purchased. We have that one bank building that has a lot of parking outside of it and, maybe, that would alleviate some of the problems. Kind of following up on Mr. Pyles' comments, we need a concrete offer. We need to know all these ambiguities; they need to be written down. Whatever percent, whatever contribution that is going to be made, needs to be made. It needs to be written down. I think, for the taxpayers, let's say if we want to do all of this, and it is \$24 million, and Staunton is going to pay 50%, it is much easier case to go out to the taxpayers and say we're paying half and going to renew it for another 25-30 years or so and that will take care of it versus if they're not going to pay anything, I think, the decision is easy to bring it out to Verona.

Mr. Wills' response:

I would say, basically, what we're talking about is their percentage is on the Circuit Court building and they would provide adequate facilities for J&D that the courts have been pushing for. But they would not be participating in this \$14 million that you see here other than the facility of the courtroom for the J&D. I guess the question, tonight, is this Board willing to look at an offer if they put something in writing? Are we willing to look at the offer? Is it something, no matter what the offer, we think we should come down here to get better use of the facilities and better accommodations for our citizens? That's the kind of questions that are on the table.

Mr. Karaffa's response:

We still haven't addressed the other reasons we talked about coming down. That was with full security measures and ADA. That still weighs very heavily. When I speak to voters, that are in my district, security means a lot to them.

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)
Courthouse Relocation (cont'd)

Mr. Wills' response:

We did talk about those very things and that really is what brought up this discussion is to come back tonight for an answer as to whether it is worth them investing dollars or whether we feel like, that because of security issues and parking issues that we need to go to Verona. As I told them this morning, basically, anybody that has any type of mobility problems, whatsoever, the courthouse in Staunton, where it is, is a nightmare. You can drive through the alley and drop somebody off, but if somebody comes in and don't have somebody to drop them off, they have to walk a block and a half to get there. Even with the upgrade, you are still dealing with it. Security—I want to know what we're giving up in the security things because, to me, that is an issue. I still haven't gotten a good answer as to what we are going to give up in security and what we're giving up in ADA. If we're giving up energy efficiencies in the building, what are we giving up in operating costs? These are all something that I want to see numbers on before I make a final decision. Again, I am willing to listen to what Staunton might put on the table, but, beyond that, I am not willing to commit to anything at this point.

Mr. Pyles' response:

We waited over 10 years for a response. We got zero. Now, when there is a gun to their heads, they are saying 25%. They are still trying to negotiate and penny-pinch. Our request, at the beginning, was 50%. It would be my suggestion to them that they make a commitment, without spending money to get a study of what they can get in tax credits, to come back and say, 'We will do the 50%. We'll make it work'. Then we'll have that to work with as we go forward and decide these other things. But if they ask us, 'Well, will you let us work on 25%?' If we said, yes, we're waiting to hear that, it gets kind of like we're waiting to take that. My sense of the Board is that we aren't ready to do 25%. We hadn't had that from the beginning; we were 50%, and we were firm on that. If they want to bring that to us; if we have that to compare; I think that's the right thing to do and then do the evaluation. As Dr. Pattie said, when it was zero, it was a lot easier to do. If it is 50%, it is a little harder. Let's see, in the long run, what's the best thing. They don't need to do a study; don't have to put any money out, saying, 'We will commit to 50%. We'll make it work'. They don't have to do anything but have the will to do that.

Mr. Wills' response:

Part of the 50%, obviously, would be tax credits. Ms. Whetzel and Mr. Fitzgerald went to a meeting last week in terms of how the tax credits work and the LLC that would be required. I would like for them to explain to the Board a little bit of what they heard. Would our Board be willing to work with Staunton tax credits if we have to go through this procedure? The question is going to be if we can put the building into an LLC owned by our Economic Development Authority, are we willing to do that? This Board has always been opposed to tax credits in any form, but if this is the way it would work, is this something that Staunton can utilize to come up with the dollars that they would be willing to commit to us?

Dr. Pattie's response:

Your initial question was are we open to an offer? I think echoing to Mr. Pyles' and some of your comments, yes, we are. I am as long as it is a concrete offer, not something fuzzy. We need to know financial decisions so that we can make a decision based off of that.

Mr. Wills' response:

Can they use tax credits as part of that?

Dr. Pattie's response:

I don't have any problem with that. If they can cover 50%, they can cover it.

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MATTERS TO BE PRESENTED BY THE BOARD (cont'd)
Courthouse Relocation (cont'd)

Ms. Bragg asked if Dr. Pattie was in favor of an LLC. Dr. Pattie said it was not ideal, but if it is a concrete offer, it will work. Chairman Shull said the LLC would be in Augusta County. Ms. Bragg asked how long it would remain an LLC. Mr. Fitzgerald said it would be a minimum of 5 years.

Mr. Moore felt it to be the County's best interest to move to Verona and he supported continuing with a referendum.

Mr. Karaffa agreed.

Mr. Pyles felt that they needed to continue with the Judge to get approval. "It will be harder convincing our folks if we haven't listened a little bit to a solid offer. We need to proceed with the referendum. The train is moving. If they want to run and catch up and give us an offer, we can't turn it down."

Mr. Wills asked at what point could the referendum be stopped.

Dr. Pattie said that they should pursue both paths until a decision is made.

Mr. Moore questioned that if the voters said they wanted us to move to Verona, why wouldn't we move to Verona? "It's their courthouse, not ours."

Chairman Shull felt that the consensus of the Board was to continue on with the referendum and is also willing to listen to a solid offer. Guarantees and details are needed. Dr. Pattie added that it has to address all the courts, not just one. Mr. Pyles added that the Board needed a quick response. It should be considered at the next Council meeting.

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MATTERS TO BE PRESENTED BY BOARD (cont'd)

Ms. Bragg: Mike Fitzgerald, ACSA employee, lost his house to a fire – Eagles and Augusta County Service Authority are having a benefit on Mr. Fitzgerald's behalf this Sunday at Expo from 12:00 noon to 7:00 p.m.

Chm. Shull: VACo meeting – "Crazy laws in Richmond! It's no wonder that we have to spend so much money locally." Otherwise, a good trip to Richmond!

Mr. Moore: Route 636 Grand Opening and Bridge Naming Dedication – February 20th @ 10:00 a.m.

MATTERS TO BE PRESENTED BY STAFF

Staff discussed the following:

1. ECC Grant (PSAP) – awarded \$18,000 for radio consoles replacement project
2. Government/Hospital/Board Social at Augusta Health – April 8th – 5:00 p.m. to 6:30 p.m.

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February 11, 2015, at 7:00 p.m.

CLOSED SESSION

On motion of Mr. Karaffa, seconded by Mr. Wills, the Board went into closed session pursuant to:

- (1) **the personnel exemption under Virginia Code § 2.2-3711(A)(1)**
 [discussion, consideration or interviews of (a) prospective candidates for employment, or (b) assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific employees]:

A) Personnel

* * * * *

On motion of Mr. Wills, seconded by Ms. Bragg, the Board came out of Closed Session and adjourned subject to the call of the Chairman.

Vote was as follows: Yeas: Pattie, Karaffa, Shull, Wills, Moore, Bragg and Pyles

Nays: None

Motion carried.

* * * * *

The Chairman advised that each member is required to certify that to the best of their knowledge during the closed session only the following was discussed:

- 1. Public business matters lawfully exempted from statutory open meeting requirements, and
- 2. Only such public business matters identified in the motion to convene the executive session.

The Chairman asked if there is any Board member who cannot so certify.

Hearing none, the Chairman called upon the County Administrator/ Clerk of the Board to call the roll noting members of the Board who approve the certification shall answer AYE and those who cannot shall answer NAY.

Roll Call Vote was as follows:

AYE: Pattie, Karaffa, Wills, Moore, Bragg, Shull and Pyles
NAY: None

The Chairman authorized the County Administrator/Clerk of the Board to record this certification in the minutes.

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