



Town of Antrim, New Hampshire

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Selectmen's Meeting Minutes 01/16/2018

Town of Antrim – Board of Selectmen Public Hearing and Meeting Minutes January 16, 2018

Members Present: Mr. Robertson, Mr. Genest & Mr. Edwards

Staff present: Donna Hanson (Town Administrator)

Others Present: Attorney Justin Richardson, Jack Kenworthy, Antrim Wind LLC, Antrim Wind Team

The meeting was called to order at 7:00 PM by Chairman Genest in the Antrim Town Hall.

Agenda:

- Mr. Genest opened the Public Hearing to receive public input of editorial revisions to the amendments to the agreement between the Town of Antrim and Antrim Wind Energy LLC, previously approved by the Board of Selectmen on December 4, 2017. The editorial revisions correct one typographical error and clarify that the amendments approved by the Select Board on December 4, 2017 do not change the March 8, 2012 effective date of the existing agreement between the Town of Antrim and Antrim Wind Energy, LLC, as previously approved by the Town and the Site Evaluation Committee. Ms. Hanson read the Public Hearing notice and stated that it had been posted in the Monadnock Ledger-Transcript on January 2, 2018 as well as on the town hall bulletin board, the local post office bulletin board, and the town's website. Mr. Genest reviewed the items to be considered.
 - Page 1 – Change date from 2017 to 2012 in heading.
 - Page 5 – Delete the word supersedes in Section 2.14.
 - Page 7 – Add the word event in Section 6.1.1.
 - Page 8 – Delete the duplicate word to in Section 6.4.4.
 - Page 18 – Delete Antrim Board of Selectmen, Antrim Board of Selectman, Selectman

Mr. Genest opened the public hearing to public comments.

There were no comments from the public. Mr. Genest closed the public hearing to public comments.

Mr. Edwards wanted to make sure it was clear that the Letter of Credit (LOC) was just a sample and not the final document. The LOC is conceptual at this point as the Board of Selectmen don't know who the lender is and if it will be rated as stated in the agreement. Mr. Edwards wanted to make two points clear that 1) the BOS have not accepted the sample and 2) that the BOS can call the LOC under certain circumstances such as a nonrenewal by the lender or if substitutions in the specified time frame are not acceptable to the town. These will trigger the calling of the letter of credit.

Mr. Henry Weitzner from Antrim Wind said that they don't see this document changing in any material way that would change the town's risk or exposure. Mr. Weitzner asked if the town gets a final LOC with this language would it be acceptable to the town? Mr. Weitzner isn't at liberty to name the Lender but said the town agreement and the SEC require that the Lender have a BBB credit rating and the banks they are talking to are well above a BBB credit rating. Mr. Edwards said that we presume that the LOC will meet the requirements as stated in the agreement and certificate but it will need to be confirmed by the BOS. Mr. Weitzner is concerned about the timing because they want to start construction the beginning of February and they need to have the LOC posted to the town before then. He asked if the BOS would approve the LOC as long as the language is consistent. There would not be time to negotiate any changes at that point and still be able to start construction at that time.

Mr. Edwards said that he isn't comfortable with the LOC until he sees the final one from the lender with the authorized signatures. He asked AWE to acknowledge that the town will not let it get to the 11th hour before calling the LOC under the circumstances stated above. Mr. Weitzner said as a legal financial document it is your right to call it under those circumstances. Mr. Kenworthy stated that it was clear to them that the BOS wanted that in the agreement and they do acknowledge it.

Mr. Weitzner said if they start construction on February 1, 2018 they will probably have a final LOC to the town's attorney by January 25, 2018. They do not have time to have another public hearing to review the LOC again. Mr. Kenworthy said that the form is what they want acceptance for from the BOS. AWE requests that provided the final LOC is signed by the Lender with the required rating and in the amount that is agreed and signed by all authorized individuals it will be acceptable to the town.

Mr. Genest said if the BOS gets the form by the 25th of January it can be reviewed at the January 29th BOS meeting.

Mr. Edwards stated that he didn't see anything in the document that would prohibit him from moving forward but he wants to see the final document.

Attorney Richardson said the key provisions from his perspective is in Additional Terms and Conditions #1. "The town has the right to call the LOC if a substitute letter of credit in, substance and amount acceptable to the Town. We're not talking about the existing amount but the amount of the substitute letter." Mr. Edwards said the important thing is to not get bogged down in negotiating these amounts and let the LOC expire.

Mr. Weitzner said that everyone in the industry acknowledges that when you decommission a wind project like Antrim there will be significant salvage value. He feels the SEC didn't think 3.1 million will be the actual cost of decommissioning and that the intention is that if you exclude salvage, which is enormous, that there is significant safety and buffer to the town. If you draw on the 3.1 million you still have that significant buffer of the salvage value. Mr. Edwards asked if the town has exclusive rights to the salvage or is there a lien holder involved. Mr. Weitzner said that if the town was to do the decommissioning that whoever the town hires will offset the cost based on the salvage value. Attorney Richardson said he isn't sure of the question of whether the town has a higher priority over a secure creditor but that is why we're trying to record the agreement before a secured creditor steps in and records their security interest first. New Hampshire is a "race notice" state which means the first to record in the registry has priority over all other lien holders.

Mr. Kenworthy said, "The worst case scenario is that there is a disagreement over what the value of the decommissioning estimate is. As a result of that, you do not have an LOC in the form, substance and amount acceptable to the town then the town draws the one that is existing. So not the town is sitting on millions of dollars in cash and there is a dispute over what the actual amount of decommissioning funding assurance should be. That dispute gets resolved by the SEC." Mr. Edwards said, "Just to be clear, we would call that before the expiration date." Mr. Kenworthy and Mr. Weitzner both agreed.

Mr. Genest asked Mr. Edwards and Mr. Robertson if they are in agreement that this is the direction we are headed. They agreed.

Mr. Roberts moved to amend the agreement as stated in the public hearing. Mr. Edwards seconded. Passed 3/0.

The notice of the amended agreement and the amended agreement were signed.

Mr. Genest closed the public hearing.

- Introductions were made by the Antrim Wind Energy team. Mr. Kenworthy said they plan to start construction on or around February 1, 2018. The work will primarily be tree clearing on the site. Over the next couple of weeks there will be mobilization that will be occurring. Work will continue until right around the end of March. The purpose of this is that AWE has certain tree clearing restrictions in their bird and bat conservation strategy. They must conduct tree clearing between October 1 and March 31 to minimize impacts. The work will then pause until after the spring thaw. Reed and Reed and their subcontractors will then start earth moving work mid-April or beginning of May. The SEC considers tree clearing to be the start of construction. Mr. Kenworthy provided the BOS with a binder of information including copies of permits. It also includes a contact page for problems or complaints with a phone number and email address. The binder will be kept at the town hall with some information on the website. The binder is public information.

Jack said another informational meeting will be scheduled in March or April prior to any blasting that will occur. An emergency response plan is also provided to the BOS. The AWE team met with the Fire Chief, State Fire Marshall, and police chief prior to this meeting. Reed and Reed has their own site specific safety plan.

Mr. Kenworthy confirmed that the tree clearing is the start of construction and would trigger the release of \$75,000.

Attorney Richardson asked if the Notice of Intent to cut has been done and if not when will it be done. Mr. Kenworthy said they have the authority under the certificate to clear the trees. Attorney Richardson said it is a tax issue not a land issue therefore he believes a notice of intent would need to be filed. Mr. Kenworthy said if it applies to them they would certainly comply.

Mr. Edwards asked if as built plans would be provided so the town can accurately assess the land use tax. Mr. Kenworthy stated that as built plans would be provided.

Mr. Kenworthy said that there may be delays if the Supreme Court appeal is not resolved before April or May: Their expectation is that there will be a decision by April. Construction would continue through the summer with foundations being built and turbines arriving in the fall. Final completion with full restoration would occur after the winter thaw occurs

in 2019. Art Cavanagh from Reed & Reed, Inc. gave an overview of their history with AWE and background on their expertise. The only work that Reed & Reed doesn't do in person is the actual site work.

Mary Allan from Pleasant Street asked if AWE can start construction before the SEC gets the LOC and does the SEC need to sign off on this? Attorney Richards said they do have to file the letter of credit in a form acceptable to the town prior to commencement of construction. The Supreme Court did not grant the stay so they are able to proceed.

Mary Allan asked that the BOS double check with the SEC that everything is all set for AWE to start construction. The BOS authorizes Attorney Richardson to confirm with the SEC.

Mr. Edwards asked if AWE can give the BOS an idea on the use of local contractors and how they see the economic benefit to the town based on construction. Mr. Kenworthy said not all contractors have ~~not~~ been hired yet. But beyond that the town benefits from having a construction project going on for a year with money being spent in the town for fuel, food, lodging, and supplies.

- Mr. Robertson moved to approve the minutes of January 2, 2018. Mr. Edwards seconded. Passed 3/0.
- Mr. Edwards moved to approve the non-public minutes of January 2, 2018. Mr. Robertson seconded. Passed 3/0
- Mr. Genest gave a summary of the Park & Rec Commissioners meeting. Mr. Robertson gave an update on the SAC meeting. Mr. Edwards gave an update on the Water & Sewer Commissioners meeting. Mr. Robertson said he received information that a petition warrant article was submitted to amend the Articles of Agreement to authorize the school board to close any schools in any town in the district with 50 or fewer students enrolled.

Other Business:

- Mr. Edwards recommended Ted Brown for the dedication in the town report. Mr. Genest and Mr. Robertson agreed.
- Mr. Robertson moved to go into non-public RSA 91-A3 II (b) The hiring of any person as a public employee. Mr. Edwards seconded. Passed 3/0.
- Mr. Robertson moved to hire Kristin Bixby as a part-time assistant to the land use boards. Mr. Edwards seconded. Passed 3/0
- Building Inspector Dario Carrera accepted a full time job with Concord. He would like to stay on in Antrim. The only change would be that he would not have set office hours. All meetings will be by appointment only. This will be fine as long as there are no complaints from the residents due to not having office hours.
- There being no further business, Mr. Robertson moved to adjourn, Mr. Edwards seconded, passed 3/0. Meeting adjourned at 9:00 PM.

Respectfully submitted, Donna Hanson, Town Administrator