



Town of Antrim, New Hampshire

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Selectmen's Meeting Minutes 08/28/2017

**Town of Antrim – Board of Selectmen
Public Hearing and Meeting Minutes
August 28, 2017**

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

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

Staff present: Donna Hanson (Town Administrator)

Others Present: Jack Kenworthy and John Soininen from Antrim Wind Energy, LLC, Lori Barg from Steels Pond Hydro, Brian Fogg from George Sansoucy, LLC

- Mr. Robertson moved to approve the minutes of August 14, 2017. Mr. Edwards seconded. Passed 3/0
- Mr. Genest opened the Public Hearing to receive public input on the request by Antrim Wind Energy LLC (AWE) to extend the date in section 2 of the Payment In Lieu of Taxes (PILOT) agreement from December 31, 2018 to December 31, 2019 as well as the public hearing to consider acceptance of a one-time payment by AWE in the amount of \$125,000.00 in consideration of extension of the commercial operation deadline in the Proposed PILOT Amendment. Ms. Hanson read both Public Hearing notices and stated that both notices had been posted in the Messenger newspaper on August 11, 2017, the Monadnock Ledger-Transcript on August 18, 2017 as well as the town hall bulletin board, the local post office bulletin board and the town's website. No written comments were submitted. Mr. Genest asked Mr. Jack Kenworthy of AWE to open the discussion on the proposed changes to the PILOT as discussed at the July 31, 2017 public hearing. Mr. Kenworthy stated that AWE has accepted the proposed changes requested by the Board of Selectmen. Mr. Genest opened the hearings to public comment.

Speaking:

Mr. Richard Block of Lovern Mill Road stated that it could be months if not a year before the appeal is heard by the Supreme Court due to the fact that the Site Evaluation Committee (SEC) is involved in Northern Pass at this time. Also, it has yet to be determined what part of the SEC records the Supreme Court will need.

Ms. Denise Scott of Gregg Lake Road asked if the Town will receive any money from AWE before 2019. Mr. Genest stated that the \$125,000.00 will be received by the Town tonight if the extension is granted. She also asked if construction would begin before the appeal to the Supreme Court is settled. Mr. Genest stated that the stay was lifted and AWE is free to begin construction but doing so would be up to the developer not the town. Mr. Edwards stated if AWE chooses to go forward they do so at their own risk. Ms. Scott said that it may be at AWE's risk but there is also a risk to everyone that lives around there. Mr. Edwards stated he was only referring to the construction cost.

Mr. Genest closed the public comment portion of the public hearing.

Mr. Genest said that AWE has accepted our counter proposal and everything has been reviewed by Attorney Richardson.

Mr. Edwards asked if the resolutions that were provided by Mr. Kenworthy authorized him to sign these documents on behalf of the members of the LLC for the company. He asked if all the necessary approvals were in place for Mr. Kenworthy to bind AWE LLC to these documents. Mr. Edwards asked if there is

anything further the town needs to see from the German interest other than what the town already has. Mr. Kenworthy replied that signing documents like these does not require any board approval at Walden. Walden has discretionary approval to enter into this type of contract. All executive officers, of which he is one, have full authority to bind the company. Since there was no witness signature on the consent document Mr. Edwards wanted it stated for the record that all authorizations were in place.

Mr. Robertson moved to accept the AWE extension agreement. Mr. Edwards seconded. Passed 3/0

Mr. Edwards moved to accept the \$125,000.00 for consideration of extending the Commercial Operation Date (COD) by one year from December 31, 2018 to December 31, 2019. Mr. Robertson seconded. Passed 3/0

Mr. Ron Haggett of Elm Avenue asked what happens if COD doesn't happen before the expiration date of the agreement. Mr. Edwards stated that the agreement will expire without further negotiations.

The amended PILOT agreement and the agreement to amend document were signed by the BOS and Jack Kenworthy of AWE LLC.

Mr. Genest closed both public hearings.

- Mr. Genest opened the public hearing to discuss entering into a Payment in Lieu of Taxes (PILOT) agreement with Steels Pond Hydro. Ms. Hanson read the public hearing notice and said the notice ran in the Monadnock Ledger Transcript on August 18, 2017, it was posted on the town website, posted on the town's bulletin board, and the post office bulletin board. No written comments were submitted. Mr. Genest stated that the agreement was based on Steel Ponds 6% Adjusted Gross Income (AGI). There is a provision that Steels Pond will pay a minimum of \$10,000.00 if the AGI drops below that amount. The town's attorney drew up the agreement that was being discussed.

Ms. Barg requested changes to the agreement that consisted of clarifying the term "calendar year". Mr. Edwards stated that just to be clear that the AGI is based on the previous calendar year which would be January 1st to December 31st. The payment plan is based on the tax year where two payments a year will be due just like ad valorem taxes are. Ms. Barg was concerned that she doesn't always get her statements by December. The BOS is trying to capture what happens in the 12 months. Lori said that is acceptable. Mr. Genest said the information isn't due until March so she would have enough of a window to make it all work.

Ms. Barg requested adding the net metering law to section 4 paragraph B for clarification. Ms. Hanson stated that the attorney and Mr. Fogg didn't have a problem with this change. The BOS approve of this change.

Ms. Barg would like to add "at least" one half of the payment and the "remaining unpaid balance" to be paid to section 4 paragraph 3. The BOS approve of this change.

Delete "purchased" in section 4 paragraph 4. Ms. Barg said it is not technically a sale. Mr. Fogg said it doesn't change the meaning so deleting it is fine. The BOS agreed.

Ms. Barg wanted to add "other causes" to section 4 paragraph 5. The BOS said that is already covered in the paragraph so this will not change.

Mr. Fogg defined examinations, excerpts, and transcriptions. He also stated that this is standard for any contract. Ms. Barg is fine for this to remain as stated.

Change "must" to "may" in section 16. As recommended by town counsel it should remain as "must". Ms. Barg wanted more flexibility than having to go to Circuit of Superior court. The BOS did not approve this change.

Edits to be changed will be powerhouse, tailrace, and forebay all being one word.

Mr. Fogg stated that his office would like a copy of the Board of Land and Tax Appeals (BTLA) agreement that Steels Pond will withdraw their 2016 abatement. Ms. Hanson will forward that to his office.

Mr. Genest opened the hearing to public comment.

Speaking:

Wayne Nichols of Clinton Road asked what exactly we were taxing her on. Mr. Fogg stated that we are actually taxing her on her revenue. Mr. Nichols said it is too bad he can't do that with his house. Mr. Edwards stated that the statute allows for this type of provision. There is an RSA that allows this for utility facilities. The value of the entity is not in the infrastructure but in the revenue. Mr. Fogg stated that it is a public policy law to encourage renewable energy. Mr. Nichols asked what the property was worth. Mr. Fogg stated that the town had an appeal of the value which was somewhere in the vicinity of \$750,000.00. Mr. Edwards said the real value is in the ability of the facility to generate income not really in the infrastructure. Mr. Nichols feels that the property would be developable considering that it is a nice stream and bay.

Ron Haggett of Elm Ave asked if Eversource is the only transport vehicle for electricity that we have. Mr. Fogg said yes it is.

Steve McDonald asked if mediation is a possibility for governing law. Mr. Fogg said that the provisions in the contract do not prevent mediation prior to going to court.

Ms. Barg noted that they asked for a 21 year PILOT like the wind and the wind is paying 12000 a megawatt and Steels Pond is paying more than the wind. She said she wasn't a great negotiator or someone that will fight but she thinks Antrim has been much more generous to the larger company (AWE) than to Steels Pond Hydro. Mr. Genest said it was hard to compare them as parallel when they are "different animals". AWE is based on nameplate and Steels Pond Hydro is based on adjusted gross income. Mr. Edwards said he has never been in favor of long term contracts. He likes to revisit the terms more frequently than 20 or 30 years because history and pricing changes. Mr. Edward also stated that if Steels Pond insists on a 20 year PILOT, the Town would most likely have priced it more aggressively.

Ms. Barg said as a small business they can't get financing if they only have commitments for 5 years.

Mr. Fogg stated that you agreed to the 6% and there was a strong basis for that because based on nameplate you would be paying much more.

Mr. Genest closed the public comment part of the hearing.

Mr. Robertson moved to accept the PILOT with the changes discussed above.

Mr. Edwards seconded. Passed 3/0

Mr. Genest closed the public hearing.

Other Business:

- Mrs. Nichols said on June 16, 2017 she sent a letter to the BOS. She was questioning why the BOS had not responded to her letter. Ms. Hanson stated that the question regarding code enforcement wasn't answered in a letter because Ms. Hanson spoke to Ms. Nichols on the telephone and stated the BOS will be pursuing the issue. Mr. Edwards apologized and said it sounds like it was a misunderstanding. Mr. Genest said that the matter will be pursued and this is a process and things will not happen overnight. Mr. Edwards said there was no intent to not reply to the letter. Mr. Nichols said they will finish the job if the town can't.
- The extension for the Bond anticipation note and the Grant anticipation note for the Highland Ave/Pleasant Street project was signed.
- There being no further business, Mr. Edwards moved to adjourn, Mr. Robertson seconded, passed 3/0. Meeting adjourned at 8:20 PM.

Respectfully submitted, Donna Hanson, Town Administrator