



**BOARD OF SELECTMEN**  
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**BOARD MEETING MINUTES**  
**FEBRUARY 19, 2019**  
**9:00 A.M.**

**Selectmen Present:** Nancy Carney, Daniel Baker, Charles Kenison

Ms. Carney called the meeting to order at 9 a.m.

**PRIMARY:**

**\*\*\* APPROVE MINUTES**  
**- February 11, 2019**

Mr. Kenison made a motion to approve the minutes. Mr. Baker seconded. Mr. Baker – Yes, Ms. Carney - Yes, Mr. Kenison - Yes. Approved – 3-0

**\*\*\* APPROVE MANIFESTS**

Mr. Baker made a motion to approve the manifests. Mr. Kenison seconded. Mr. Baker – Yes, Ms. Carney - Yes, Mr. Kenison - Yes. Approved – 3-0

**\*\*\* REVIEW SIGNATURE FOLDER – The Selectmen reviewed and signed.**

**9:00 MEET WITH MARK STETSON, AVITAR**  
**- Pilot Program**

Mark Stetson, Assessor from Avitar shared that from an assessment standpoint he would recommend that the project be assessed. Mr. Stetson noted there were at least a couple of solar projects in NH, with Hinsdale being the closest. Mr. Stetson explained the Pilot Program (payment in lieu of taxes) to give some background information before the Selectmen's meeting with representatives of Chinook. Mr. Stetson stated that this was not a requirement but it provided for stability from a financial standpoint for Chinook to know what their cash flow would be. Mr. Stetson discussed one pilot program where the developer owns some of the land and some land was leased. It includes the value of the solar panels and covered some underlying land. Mr. Stetson noted that in Hinsdale they have an escalation clause. In Franklin there wasn't and Mr. Stetson felt that was a missed opportunity by the City. Mr. Stetson also felt that the City undervalued the project in Franklin. Mr. Baker asked if there was any tie into the electric utility. Mr. Stetson wasn't sure. Mr. Stetson mentioned that he was able to see the land lease of the property owner in Franklin, which aided in their assessment of the land value for the land use change tax. Ms. Carney gave a brief description of what Chinook was looking for in Fitzwilliam. Ms. Carney asked if the payment in lieu of taxes was on the whole or partial value. Mr. Stetson stated it was on the whole value.

Mr. Stetson recommended an escalation clause and exclude the value of the land from the pilot if Chinook owned it so the underlying land would be taxed as if owned by an individual. In a lease agreement, property owners are savvy in making sure the cost of the land use change tax and change in assessment was passed onto the solar company. Ms. Favreau asked if land that has solar panels and coded as undeveloped, would change to developed. Mr. Stetson stated it would be coded as developed. Mr. Stetson shared that seeing a copy of the land lease helps them develop an assessed value. Mr. Stetson noted that the equipment would be part of the payment in lieu of taxes.

Dana Pinney shared that a representative of Chinook came and talked with him about leasing some of his land at \$700 an acre, per year. Mr. Pinney noted it was a one-sided conversation. A question was asked how towns come up with their agreements. Mr. Stetson did not know about Hinsdale but Franklin hired Avitar but they had pretty much worked out a deal before Avitar came onboard. Mr. Stetson thought it was a political discussion. Mr. Stetson was asked what was missing from the agreement in Franklin. Mr. Stetson shared that at the very least there should have been an escalation clause and he thought the amount was low. Mr. Stetson noted that both leases were for 20 years but would anticipate projects would go beyond that. The agreements should include a clause to decommission. In Franklin the developer sold the project to an

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overseas company, who worked through all of the construction issues that had come up and caused the project to be shut down by the Town's Code Enforcement Officer.

Mr. Stetson also stated that if the project continued past 20 years, to address increasing or decreasing capacity in the agreement. Mr. Pinney spoke to his issue with noise at the substation and shared that he would hope there would be some clause in the agreement that they would remedy any issue. A question was asked about the megawatts and the reason. Mr. Stetson stated that was the design. Ms. Favreau asked if Mr. Stetson could help develop an agreement. Mr. Stetson shared that the Town's attorney should develop the agreement and he would be happy to look at it.

Mr. Stetson was asked if Hinsdale's agreement was a good agreement. Mr. Stetson stated it would be a place to start but the price was convoluted. The Franklin project was just one owner and using about 1/3 of the parcel. It was a 1.8 megawatts project and Hinsdale's was to be 65 megawatts. A question was asked if anyone had gotten information on the finished project in Vermont. Ms. Carney shared that no one in Vermont has been contacted regarding the project.

Discussion continued on the pilot agreement tying to the value as close as possible, letting Chinook state what they were offering first, in the first talks with NextEra, the project would be further down on Rte 12 so there wouldn't be a noise issue but later on they wanted to be close to the substation on Rte 12, the Planning Board shared concerns, which were not included in the MOU or taken into consideration, the need to start over, Chinook not coming to the Town with some of the work that has already been done, and coming in with a sample of what could be included in the MOU and it not being included. Some other concerns were how to enforce, the MOU sent out doesn't protect the Town but could be used as a check mark at the SEC that Chinook had contacted the Town, the need to hold them to it being a final project, and if allowed to expand Chinook would need to go through a permitting process.

### **9:30 MEET WITH CHINOOK SOLAR**

NextEra representatives, Matt Singer, Heath Barefoot, Kara Moody and Chinook Representative Desiree Estabrook met with the Selectmen and members of the Planning Board to discuss their solar project. Mr. Singer thanked the Board for meeting with them. Mr. Singer wanted to give overview statements and have a discussion of the Town's concerns with the project and the MOU provided to the Town. Mr. Singer shared that the MOU was a base form, which provided a sample from a wind solar project and a payment in lieu of tax clause. Mr. Singer noted their meeting with the Planning Board on January 10<sup>th</sup>. Ms. Carney shared that the Selectmen attended. Mr. Singer gave background information on NextEra and noted their solar project locations. The Chinook Solar Project would be sited on a 111 acre foot print, which was seven parcels. When questioned about changes to the map, Ms. Moody shared that the engineers were working on the permitting level and the map would have minor tweaks. There were five different land owners, with four purchase options, and one lease option. It was noted that Chinook Solar would purchase four properties before the start of the project and have one lease.

Mr. Singer shared that the Site Evaluation Application would be submitted this spring, with the start of construction in January 2021. The project would be operational in the fall of 2021. The project has been streamlined to avoid impact to wetlands and streams and complies with the Town's Solar Ordinance and State regulations. Ms. Moody shared the construction period was approximately eight months. Mr. Singer shared it could be only three to four months. The plan was to fell trees, while the ground was frozen in January of 2021 and begin construction in the spring. Mr. Singer noted there would be another open house – public style event. The project would create 75-100 construction jobs – electricians and other trades, which would be sourced locally.

Mr. Singer shared that this was the most predictable increase in tax revenue that could be used for Police and Fire and asked about specific projects that those funds could support. Mr. Singer noted the current parcels were in current use and as a result they don't currently generate tax revenue but there would be tremendous revenue there once taken out of current use. Mr. Singer shared that there wouldn't be any drain on local resources and there would be a property tax benefit without the affects that a subdivision would create. Mr. Baker shared that they don't have a list of projects in Town that could benefit from the revenue and noted the Selectmen were more interested in the conditions and what it would be tied to. Mr. Baker stated the Selectmen wanted to drill down on the MOU and understand what could be agreed to that meets the needs of the Planning Board and the Conservation Commission that has teeth to it. Mr. Singer handed out a draft MOU that provides the conceptual basis and the terms used were used in other projects in New Hampshire.

Mr. Singer spoke to the seventh paragraph of the (draft) MOU which stated: *WHEREAS, the Town and Chinook Solar desire that the SEC adopt these provisions as conditions and incorporate them into any Certificate of Site and Facility it may grant Chinook Solar for the Project.* Mr. Singer wanted to address the Town's concerns and incorporate them into the MOU. Mr. Baker stated the Selectmen were not prepared to list concerns. The Selectmen wanted to know how much Chinook would be willing to include. The Planning Board has listed a number of concerns to be included and Mr. Baker asked what Chinook had considered from their list. Mr. Singer stated he didn't have their list in front of him but they did address decommissioning on page 4. Mr. Singer shared that they could address other concerns in addition to those listed under decommissioning. Mr. Singer shared the useful life was 30 years and within the 12 months of the completion of the Project's useful life, they would begin deactivation of parts that could be reused. Mr. Singer noted there would be a meadow under the panels.

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Mr. Singer spoke to removing the roads into the project after decommissioning if leasing the land, unless the owner wanted them to remain and if the land was purchased, they would remove the gravel roads unless the Town had a use for them.

Discussion was held on the approach to come up with the MOU and bringing the list of concerns could be the starting point for the MOU. Mr. Singer mentioned grouping concerns together and drafting language to be reviewed. The Planning Board didn't feel they had expertise and the Town should have legal representation. This should be included in the MOU. Mr. Singer stated they were open to it conceptually. Mr. Silverman shared that the Planning Board hasn't had a chance to delve into the proposal. They want to be more specific in listing their concerns. Mr. Silverman would like Chinook to use the Town's Wetlands Scientist. Ms. Gray spoke to Mr. Singer mentioning that they plan to avoid wetlands. Ms. Gray stated they needed more detail and it was in no way near the end of their concerns. Mr. Singer stated he understood and asked if they could focus more on environmental impacts at the next meeting and work in a more systematic way. Mr. Singer would like to reframe discussion as he wanted to make sure the Town has time to evaluate. Ms. Gray stated she didn't realize that they would be going to the SEC before the Town's concerns have been worked through. Mr. Singer stated he doesn't want to rush the process. Ms. Young spoke to Mr. Singer's statement that they would meet concerns as much as possible. Ms. Young shared her concern that they were not coming forward with things they said they would. Ms. Young stated she thought they would be more forthcoming. Ms. Carney shared that the Selectmen were trying to start the discussion and put concerns into the MOU. Ms. Carney acknowledged Ms. Young's concerns.

Mr. Singer wanted input from the Town and mentioned they were doing the reports and studies to make sure they were in final form and the Town would receive what SEC received. Ms. Moody stated the need to work through concerns systematically and have the reports to review with the Selectmen and Planning Board for understanding. Ms. Favreau asked for information by hard copy as some files were too large for e-mailing. It would also allow a resident to get information from the Selectmen's Office if they didn't have access to a computer. Ms. Moody agreed that some files were too large. Mr. Singer asked if Ms. Favreau wanted a few master copies. Ms. Moody mentioned putting the information on a cd and Ms. Favreau could upload to the Town's website. Mr. Singer was asked if NextEra had a local office. Mr. Singer reported that their headquarters were in Florida. Ms. Moody works in Portland Maine. Mr. Singer, Mr. Barefoot and Ms. Estabrook work in Florida. Mr. Singer shared there was no physical local office and noted that he or Mr. Barefoot would be the project manager although Ms. Moody and Ms. Estabrook have experience. The core team would be the four of them.

Mr. Baker asked about preliminaries of the pilot. Mr. Singer shared it was designed in concept and sent as a draft. Mr. Singer noted in NH Statute the Town of Fitzwilliam has authority to abate a renewable facility and he would want to work with the Town on what structure worked best – flat cost for the 20 years – electrical was a flat 20 year cost. Mr. Singer shared that the Public Utilities contract could be provided to the Town. The contract was signed in May/June of 2017 and also the National Grid. The pilot would be an abatement of the Town's local property taxes assessed to the project and a payment in lieu of taxes at a flat payment for 20 years. Mr. Singer shared that the State amended RSA 21-J:3, XIII in July of 2014. The equalization of a project under a pilot is no longer under the scope of what the DRA would access. It wouldn't be that upward provision – the State assessment – they collect the utility tax and not assessing the project for Fitzwilliam's cost to the State. Mr. Stetson explained the State's utility tax process. Mr. Singer shared that their Tax Attorney, Susan Geiger, and Doug Patch, State level permitting from Oran Reno of Concord had talked with Ms. Kennedy from the DRA, Equalization Department, who confirmed their understanding of the RSA.

It was asked if the Pilot Agreement was with the Town and not the State. Mr. Singer shared that as long as it mentioned the Town and the solar company, it was with the Town. It was also asked if the underlying land was subject to Town taxes. Mr. Singer shared that it would be their intention that all tax would be covered in their Pilot Agreement. Chinook would be seeking an abatement for land and equipment placed on the land. Mr. Baker stated the need to look at separately. It was questioned if the Town couldn't look at the underlying land for tax value. Mr. Singer shared that would be something to look into. Mr. Singer noted that payment could be flat but could also contain an escalation clause to keep up with inflation.

Mr. Singer would provide the documents requested by the Selectmen. Mr. Singer was asked what determined the useful life. Mr. Singer shared that it was informed by the useful life of the equipment as they don't anticipate any replacement of the equipment in the middle of the project. They make the initial large capital investment up front with no new panels or equipment coming in. When asked why 500 acres for a 100 acre project, Mr. Singer shared that all of the land contained a lot of wetlands and they have avoided all wetlands impacts, which was a good portion of acreage and they also avoided slopes. In trying to connect the arrays of panels, it ended up being 111 acres and the 500 acres was just the size of the parcels. Their contract was 20 years and 30 years end of life of the project – could tie into a specific number of years.

Mr. Singer thanked the Selectmen for meeting with them and shared they would be meeting with the Planning Board tonight.

Mr. Stetson stated they wouldn't be granted an abatement. The property would be declared to be non-taxable and coded as pilot exempt. It was noted that Robin Blais wanted to put in a term for that portion of the property to revert back to taxable. If it was a non-buildable property, it would revert back to non-buildable. The Town needed to have an expert involved to look at all of these issues. Mr. Stetson asked about Site Plan Review. NextEra has refused to do a Site Plan Review and that was why the Town was trying to get as much information into the MOU. The SEC takes precedent over the Town. It was questioned



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Ms. Carney made a motion to adjourn the meeting at 11:00 a.m. Mr. Kenison seconded and the motion passed. 3-0

Submitted by:

Sheryl White  
Secretary to the Board of Selectmen

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Nancy Carney, Chairman

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Daniel Baker

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Charles Kenison  
Board of Selectmen