

BCA ORGANIZATIONAL & TAX APPEAL HEARING MEETING

August 13, 2015

6:00 PM

Present: Kathleen Neathawk Town Clerk, Mary Barber, Steve Crofter, Ann C. DiBernardo, Patricia Fowler, Laurel Green, Dennis Harty, Sally MacPhee, Sanford Martin, Paul Obuchowski, Dorothy Read and Thomas MacPhee BCA; Paul Noble & Michael Harty, Listers; Mark Cleverdon TransCanada

Call to Order Chairman, Thomas MacPhee called the organizational meeting to order at 6:03p.m.

Obuchowski moved to nominate Thomas MacPhee, Chairman for the ensuing year, seconded by Ann DiBernardo. There were no further nominations and the motion carried. Sally MacPhee then moved to nominate Obuchowski as Vice Chair for the ensuing year, seconded by DiBernardo and the motion carried.

MacPhee asked for a motion to adopt the Rules of Procedure for Conduct of Tax Appeal Hearings. Obuchowski moved to adopt the Rules of Procedure for Conduct of Tax Appeal Hearings, seconded by Martin. The motion carried unanimously.

The Chair administered the oath to all BCA members present and the BCA signed.

At 6:10 p.m. MacPhee moved to adjourn the organizational meeting and open the appeal hearing.

TransCanada Hydro NE, Inc. – 20 Mill St. - PIN 246060019 – SPAN 528-166-12481

The Chair asked if any BCA had a conflict of interest or had ex-parte communication. Dennis Harty recused himself from this hearing. Michael Harty introduced the property. Years 2012, 2013 and 2014 Grand List values are in litigation as we speak. There was a dispute and everyone is awaiting Judge Wesley's decision. Mr. Cleverdon has presented no new evidence in the appeal process. Therefore the Listers are leaving the value set at \$108,110,000.00 for 2015. Without further comment chairman MacPhee turned the meeting over to Mr. Cleverdon from TransCanada.

TransCanada is here to appeal the 2015 Tax Value. 2012-2014 are now in the hands of a judge and whatever happens is out of both parties' hands. The Town is valuing the parcel at around \$108,000,000 and the company with their independent appraisal is valuing it at around \$63,000,000. He added his goal is to find a way going forward to work together and not get involved with lawyers and consultants due to the amount of money incurred by both the Town and TransCanada. He went on to explain why TransCanada thought there was a difference and that was because of the way the State of Vermont's appraiser and TransCanada's appraiser used different approaches. There are three approaches, the State appraiser's used two and TransCanada appraisers only used one. Again, he reiterated the worst case scenario. If the court ruled in TransCanada's favor 100%, the Town would have a liability on an annual basis of taxes of about 1.3 million a year which would total up to about four million. That's if they get their way 100%. If they go middle of the road, we go to the mid-point of the Town's value and our

value then we're looking at half that. Instead of 1.3 million a year, it would be about \$655,000 a year which is about \$2,000,000 right now for three years.

Paul Noble made the rebuttal for the Lister's. He stated that to understand Mr. Cleverdon's information this was not the forum to discuss it. He said the State uses Mr. Sansoucy as an appraiser and the Lister's investigated him beforehand. His credentials are perfect. He went on to state that for tax value we only evaluate the building and land, not the business income or business skill. TransCanada's presentation was a business plan and not a physical asset.

It was agreed that the inspection committee be made up of Obuchowski, Chair; Martin & Barber and a tentative date was set for Monday, August 24th at 10:00 a.m. Noble said it would be a good idea for a Lister to be a part of the inspection as an observer and the BCA agreed.

There being no further hearings, MacPhee moved to recess the meeting to Monday, August 31, 2015 at 6:30 p.m. seconded by Martin. The motion carried.

Attest: _____ Town Clerk 8/13/2015
Approved: _____ Chair