

**MINUTES OF  
TOWN OF SHARON  
BOARD OF CIVIL AUTHORITY MEETING  
AUGUST 1, 2017  
5:45 p.m.**

BCA members present: Loretta Cruz, Mary Gavin, Debra St. Peter, Kevin Gish, Pam Brackett, John Lanza

Listers Present: Galen Mudgett, Jr. and Helen Barrett

Appellants present: James Rikert

The meeting came to order at 5:45 p.m. Mary Gavin nominated Loretta Cruz to serve as Chair, 2<sup>nd</sup> by Debra St. Peter. Loretta Cruz was elected Chair.

Appellants and listers were given oaths before the start of testimony.

**PROPERTY OF: James K. Rikert  
Parcel# R04017L  
Property located at 135 Stage Road  
93 acres assessed at \$296,000**

**Lister Testimony and Exhibits:**

- 1. Lister Exhibit #1. James K & Gerrie Rikert lister card and current use map.**

The current use map depicts the property as 11.5 acres between the interstate and the railroad track, another 10.5 acres for solar farm, 2 acres out for a house and the remaining is AG and forest property. There is a total of 93 acres with a 2 acre undeveloped house site as indicated on the current use map. The two acre house site is valued at \$60,000. 83.22 acres of residential excess acres valued at \$127,100, solar farm of 3.81 acres valued at \$53,300 and another 3.97 acre solar farm valued at \$55,600, for a total of \$296,000. There are no buildings, it is strictly land. The whole property is under appeal Mr. Mudgett stated that the BCA can change the assessment as they see fit.

**Appellant Testimony and Exhibits:**

- 1. Letter from Appellants stamp dated received July 18, 2017. Attached to letter from Appellants is a letter from FACY GOSS & MCPHEE PC addressed to the Board of Listers, Town of Sharon.**

Appellants only question is "should the land under the solar panels in the two solar farms should be taxed at a higher rate than what it was?" Appellant doesn't have the answer to that question. The lease is on file and in it there is a clause in it that says if the town raises the value of the underlying property the solar company has to pay that. The reason I put that in is that the listers told me they did not know what they were going to do. I called Royalton that had the same predicament and they didn't know what they were doing, so there was no way I was

going to enter into the lease unless there was that clause. Appellant estimates that over the life of the contract the cost of the taxes would be about \$60,000. There is a Clause in contract that the Appellant has with solar company that he must support them if there are any grievances with the town. Mr. Rikert stated that he is representing the solar company, in order for him to live up to the contract.

Mr. Rikert directed the BCA to letter from Facey Goss & Mcphee P.C. (marked Appellant's Exhibit #1) and said to exclude the first and second arguments in the letter and focus on the third. Their whole contention is that when the law was created you can tax the solar panels. They think it is double taxation because the solar panels are already being taxed and they shouldn't have to pay an additional tax on the underlying property. They believe that that ought to be enough and they should not have to pay an additional amount on the underlying property which is the reason I am here and the whole reason the solar company is appealing the reappraisal.

Appellant asked that the BCA read and understand the law thoroughly before making a decision. Mr. Rikert indicated that he had and would have to hire a lawyer to understand it. In their opinion that the intent of the law was that the solar panels be taxed and that the underlying ground remain the same. I think that many towns have looked at that and decided that is the case because in a lot of places I have called some towns seem to have changed the valuation and others don't. So whether it is an interpretation of the law or that they hope to hope to not outrageously tax it in the hopes that would encourage more. We were under a time constraint because the law was changing and we wanted to get it in before the law changed. An extra \$2,000 How you interpret the law and obviously there are a lot of different interpretations. Different towns do it differently.

Kevin Gish asked Mr. Rikert who the attorneys are representing. Mr. Rikert explained that Novus Energy is a company that looks for property for solar farms and does the feasibility study, and seeks all the permits and then serves it up and sells the rights to an invest company that finances it, runs it, maintains it.

### **Lister's response:**

32 V.S.A. § 8701 and 32 V.S.A. §3481. These statutes address the solar panels and not the land the panels are on, the land is excluded from the solar equipment evaluation. The land is evaluated separately.

**Lister exhibit #1A. James K & Gerrie Rikert Survey map of 11.5 acres.** This piece of property is located between the interstate and the railroad. The next **Lister exhibit #2** shows the 3.97 acre solar farm on the 11.5 acres. We are not talking about solar production or solar panels as this hearing only involves the land.

**Lister exhibit #3** shows the location of the second solar farm.

We are using SUNGEN SHARON 1 LLC - **Lister exhibit #4-** There have not been many land sales in Vermont consisting of properties for solar farms. So to

determine fair market value for the land we have to assume certain things. SUNGEN purchased the property in the commerce Park for approximately \$20,000 an acre. That is what we have it accessed for. When they purchased it they were guaranteed a contract price of \$.30 per kwh. We have valued the Rikert property with a reduction because the company is only getting \$.19 per kwh and we are going to be doing the assumption that the property being purchased at \$.19 per kwh are not going to buy the land at the same value as those contracted at \$.30 per kwh. We do not know for sure, but we are making that hypothetical assumption. We are using an evaluation of \$20,000 on each property, but we are making adjustments to by Rikert property to 30% to reflect the reduction in the kilowatt price.

**Lister exhibit #5** is CAMP ACRES LLC, Gee Hill Road in Royalton. Again we are going under the assumption that land values are changing in all the exhibits I am going to present. It doesn't represent excess residential acres as Mr. Rikert has pointed out possibly that it should be. Here the two acres is valued at \$50,000 an acre and is being reduced by 30% making it a total of \$80,000. Plus the excess acreage is being reduced to \$12,000. This is an 8.2 acre parcel valued at \$92,000. Assumption is that the solar farm is on the 2 acres.

**Lister exhibit # 6 is** TUNBRIDGE SOLAR ROYALTON, LLC. Again they are valuing it at \$50,000 an acre making it a total of \$80,000. Again they have increased the value of the land underneath the solar panels.

**Lister exhibit # 7** is NAVA BIO-ENERGY LTD; 1674 VT Route 107 is also valuing the land at \$50,000 an acre making it a total of \$80,000.

**Lister exhibit #8.** WATERMAN PROPERTIES LLP located on Waterman Road, Royalton. They have again used a \$50,000 base rate and reduced it, making it \$250,000 for the land underneath the panels.

**Lister exhibit #9.** CRL SOLAR LLC located on Melissi Road in Hartford. Again \$65,000 an acre under the solar with \$118,300 totals.

**Lister exhibit #10.** SUNNY ACRES LLC located at 1678 North Hartland Road, Hartford. Valued at \$65,000 for one acre.

**Lister exhibit #11.** GREEN MOUNTAIN POWER CORPORATION located at 802 Quechee Hartland Road, Hartford. \$65,000 an acre and \$3,500

The methodology that the other towns use is that solar farms are treated differently than the access acres.

John Lanza asked why the land should be taxed differently for the solar company than if the farmer was grazing his animals there. Mr. Mudgett answered that cattle and land is different from solar panels and land. You can no longer put cattle on that property now, the use has been changed. We have to work on the basis of

equitability, we know that a piece of land that was AG changed and was purchased for the specific reason the change it and also we have to look at equitability here, if we tax SUNGEN SHARON'S land different than the land that is under NOVUS ENERGY than we are not in agreement with Supreme Court decision that says we have to be treating properties equitably.

Lanza stated that SUNGEN owns the property so they are benefitting from it both ways. They benefit from owning the property and from the solar panels that are there. Mr. Rikert is only renting the property to the company that is benefitting from having there panels there. They are not going to be there forever, they will be gone someday.

Inspection committee chosen: Mary Gavin, Kevin Gish and John Lanza. The inspection was scheduled for Tuesday, August 8<sup>th</sup> at 5:20 p.m.

The BCA will meet again on Monday, August 28, 2017 at 5:45 p.m. in the town office to hear the report of the inspection committee.

Meeting recessed at 6:30 p.m.