

MINUTES

Wednesday, July 29, 2015 at 5:30 pm

Town of Springfield - Board of Tax Appeals

Selectmen's Hall - 96 Main Street - Third Floor

Board of Civil Authority Members Present:

Michael Knoras

Kathleen Stankevich

Alice Emmons

Steve Matush

Warren Cross

Walter Martone

Ernest Lamphere

Kristi Morris

Mark Greenvall

Dave Yesman

Barbara A. Courchesne, Town Clerk

Others:

Maxine Aldrich, Assistant Town Clerk

Lee Murray, Lister

Terry Perkins, Lister

Nichole Knight, Assessor

The Recessed 7/2/2015 Tax Appeal Hearing was re-opened and called to order at 5:30 PM by Chairman Ernest Lamphere.

Robert and Carol Cankes – 23 Highland Road

The meeting began with the continuation of the Tax Appeal Hearing of Robert and Carol Cankes for property located at 23 Highland Road from July 2, 2015 Tax Appeal Meeting. Chairman Lamphere advised all parties they were still under oath and asked for any ex parte communication. Hearing none, Chairman Lamphere asked the Inspection Committee to read its report. A copy of the Inspection Report was handed to all parties. Walter Martone read the Inspection Committee's Report, which is attached.

MOTION: Barbara Courchesne moved to accept the report of the Inspection Committee as read. Mark Greenvall seconded the motion. No discussion. Motion passed.

Chairman Lamphere asked if the Board had any questions. Hearing none, Chairman Lamphere asked if the Appellants had any questions or other comments.

Mr. Cankes stated the slate roof is not in great shape. Appellants have spent approximately \$8,000 since February in repairs and still has leaks. There is scaffolding up and the last report from the people doing the repair work is that half the roof should be replaced.

Alice Emmons stated that there was no scaffolding up at the time of the Inspection Committee's visit, does this affect the report.

The Inspection Committee Report stands.

Chairman Lamphere asked if the Listers had any comment. No comment by Listers.

Appellants presented the appraisal of Green Mountain Appraisers as evidence. The appraiser, Doug Lemire, was sworn in Barbara Courchesne. Assessor and Listers reviewed the appraisal and accepted it into evidence.

Doug Lemire explained his background as an appraiser and his business. He discussed the information presented in the appraisal, explaining his inspection of the subject property, characteristics of the neighborhood, value range of properties in the neighborhood, effective age of subject property based on maintenance. He looked for comparable properties sold in Springfield going back to 2005 and found none. He expanded his search to find comparables in similar demographic areas with historic homes, including Bennington and Wallingford, staying within 12-24 months for sales. Mr. Lemire then reviewed each of the comparables explaining the values calculated by market extraction for the differences to adjust the sales price of that sale. He stated this is different than how the town does its appraisal, this is a direct comparison to sales.

Chairman Lamphere asked if the Listers had any questions. Nichole Knight replied questions or things we don't agree with: no questions.

Chairman Lamphere asked the Board for any questions.

Richard Bowen asked Mr. Lemire if the method employed is the best method for determining the fair market value of the subject property. Mr. Lemire replied it is actually determined by the department of this town. The department of valuation utilizes comparable sales as the best method. Mr. Bowen presented as evidence 3 assessment sheets for properties with similar assessments in Springfield, which properties are located at 11 Summer Hill Street, 61 Cherry Hill and 68 Cherry Hill. Chairman Lamphere, the Listers and Assessor reviewed the documents and had no objections. Mr. Lemire described the properties chosen for comparison and the town's assessed value of each property.

Chairman Lamphere advised that the Board would enter deliberative session, a written decision would be issued within 15 days and the Appellants, Mr. Bowen and Mr. Lemire were dismissed.

Keith Ferguson – 220 Spencer Hollow Road

The meeting continued with the Tax Appeal hearing of Keith Ferguson for property located at 220 Spencer Hollow Road from July 2, 2015 Tax Appeal Meeting. Chairman Lamphere asked the Inspection Committee to read its report. A copy of the Inspection Report was handed to all parties. Kristi Morris read the Inspection Committee's Report, which is attached. Mr. Morris stated that one correction should be made to the report: the computation based on Department of Property Valuation is not a 10-year cycle but a 10% valuation factor.

MOTION: Barbara Courchesne moved to approve the Inspection Committee's Report, with amendment, as read. Mark Greenvall seconded the motion. No discussion. Motion passed.

Chairman Lamphere asked Appellant if he had anything to add. Mr. Ferguson stated he would like to be treated fair like other cell towers in town, he feels he's being singled out, he still does not have a contract at this time, cell towers are not a thing forever. If someone buys the property with the cell tower and gets a loan with the \$216,000 assessment, then the cell tower goes away, they still have pay on that amount.

Nichole Knight stated the town has other cell towers that are being taxed on their lease. If the cell tower is to be removed, it would come off the property value.

Dave Yesman asked if other cell towers being taxed same way for a 10 year period.

Nichole Knight answered affirmatively, the 10% method given by the State.

Kristi Morris questioned number of cell towers in Springfield.

Nichole Knight stated there are 7 cell towers, 5 are being taxed differently, there are 2 other towers being taxed like Mr. Ferguson. If they own the land and the cell tower, they are being taxed on the land as well as personal property so tax probably comes out to be the same.

Kathleen Stankevich confirmed 2 in addition to Mr. Ferguson.

Nichole Knight answered affirmatively.

Kristi Morris asked if the cell tower company for Mr. Ferguson's land is being taxed for personal property.

Nichole Knight answered affirmatively.

Kristi Morris stated Mr. Bailey's letter states other towns in Vermont are taxing cell towers, is Springfield consistent with the other towns charging for cell tower sites, do Listers have a fact sheet for other towns?

Nichole Knight answered the Listers do not have a fact sheet but believes all towns are figuring it the same way.

Nichole Knight confirmed her understanding that the cell tower company is paying the tax on the additional assessment.

Mr. Ferguson stated he hasn't been taxed for 9 years, believes he had a verbal agreement with the Listers not to be taxed, the tax bill does not separate the value.

Nichole Knight confirmed, as stated previously, that Listers will prepare a separate statement for Mr. Ferguson to present to the cell tower company.

Chairman Lamphere advised the Board would enter deliberative session, a written decision would be issued within 15 days and the Appellant, Listers and Assessor were dismissed.

At 6:25 PM, Chairman Lamphere cleared the room and declared the Board in closed deliberative session.

At 8:10 PM, the Board of Civil Authority had completed and obtained a majority vote on their written decisions. Mike Knoras moved to adjourn. Kathleen Stankevich seconded the motion. All in favor.

Respectfully submitted,



Maxine M. Aldrich
Assistant Town Clerk

**Report of the Inspection Committee
Springfield, Vermont**

To: The Board of Civil Authority
From: Alice Emmons, Warren Cross, Walter Martone; Inspection Committee
Date: July 17, 2015
RE: Inspection of property at 23 Highland Road, owned by Robert M & Carol Cankes

Inspection was made on July 10, 2015 at 11:00 a.m. and ended at 12:40 p.m. Robert and Carol Cankes were present and accompanied the inspection committee. Robert had to leave for part of the inspection, but returned toward the end. Carol was with the committee for the entire inspection.

The residence is located on Highland Road. It is well maintained and is situated on the flat portion of a 4.38 acre lot. The original, brick portion of the house was built in 1811, with an "L" wood clapboard extension added in 1929. The entire roof is slate. The Federal style house is commonly referred to as the Flanders House because at one time it was the home of Vermont Senator Ralph Edward Flanders.

The property has multiple levels, gentle slopes, and is surrounded by tree lines on three sides. The front of the house has a view of the mountains in the distance. Up a hill at the side of the house is a good sized barn, with storage areas for wood behind it. The barn has two floors plus a storage loft, and is outfitted for livestock. It has a peaked, slate roof and cupola. Behind the barn is a fenced in tennis court. On the property is a small patio barbeque pit with a stone barbeque and seating area. There are two small covered porches, one on the main, brick house and one on the wood extension. There is a large (approximately 60' x 10') covered patio, a separate patio surrounding a hot tub/spa, and a grape arbor. The property has generally well maintained lawns and gardens. Last year the Cankeses removed a small tool shed that was on the property.

The highest and best use of the property is residential, as currently used. The condition of the house is very good. The house was modernized and restored some twenty plus years ago. The Cankeses purchased the house shortly after that in 1995. The only indication of possible repairs needed on the house noted by the Committee, were the rain gutters. Many of them appeared to be warped and twisting. They look as if they are the original copper gutters, which is likely why they are being preserved and not replaced.

The interior of the house includes an unfinished basement where the heating and hot water system is located. This system includes a separate propane/hot air unit, and an oil/steam unit. Both units and the hot water heater were replaced in 2007. The foundation appears to be stone covered with concrete. No cracks and/or loose mortar were noticed. Mr. Cankes said that he is currently paying approximately fifteen thousand dollars each year for oil and five thousand dollars per year for

propane. There is one small room in the basement converted into a wine cellar. The balance of the basement is used for occasional storage.

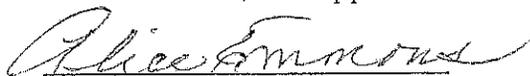
The first floor includes a modern kitchen with contemporary cabinets, and a large stove that has the appearance of an old-fashioned coal-fired. However, this one is new and uses propane. There is a subzero refrigerator/freezer, and two dishwashers, all are stainless steel. Continuing on the first floor there is a walk-in pantry with built in cabinetry (appears original to the house), a formal dining room with beautiful paneling and a fireplace, a full bath, a large family room with fireplace, gracious entry hall and open staircase, two parlors with fireplaces, a half bath, laundry room, mud room with built in cabinetry/shelving, and breakfast room with built in cabinetry. There is also a second staircase to the upper floor.

The second floor has a master bedroom suite, which includes a large dressing/sitting room with built in dressers and other cabinetry, a full bath, and bedroom with fireplace. Continuing on the second floor there are four more bedrooms, each with a fireplace and a full bathroom, a small sitting room, and a small apartment with a bedroom, half bath, kitchenette, and living room (currently used as an exercise room). Also on the second floor is a very large room with beautiful paneling and a fireplace. This room was formerly the office for the Senator and is currently used as an office/pool/game room.

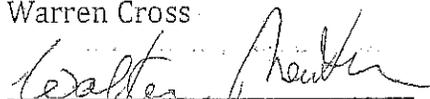
All together there are six bedrooms, six full bathrooms, two half baths, and plus the other rooms previously mentioned. There are a total of ten working fireplaces.

Connected to the house is a large three-bay garage that is heated.

The value under appeal is \$676,000. No properties were offered as comparables. Mr. and Mrs. Cankes indicated that they have retained the services of Green Mountain Appraisals to do an appraisal of the house, other buildings and property. On the date of our site visit, that appraisal was not available.


Alice Emmons


Warren Cross


Walter Martone

Report of the Inspection Committee
Springfield, VT

To: Board of Civil Authority

July 29, 2015

From: Mark Greenvall, Walter Martone, Kristi Morris; Inspection Committee

Date: July 9, 2015

Ref: Inspection of cell tower at 220 Spencer Hollow Rd. – Ferguson Farm

Inspection was made on July 6, 2015 at 12:00 p.m. Mr. Keith Ferguson was present and accompanied the inspection committee. The Lister's declined to attend.

The residence is located off Spencer Hollow Rd and has been in existence for many years, operating as a farm. The property contains a main house, large barn, smaller house and several out buildings or sheds. The cell tower and equipment building is located next to the large barn adjacent to the main residence. Mr. Ferguson reported that Verizon leases 1000 ft², (approximately 25' X 40') for the equipment on the cell tower site.

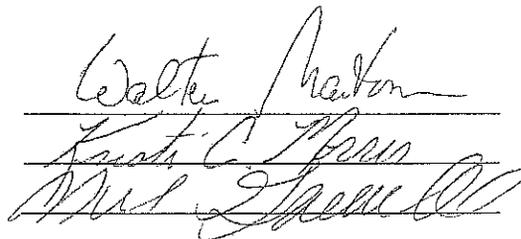
The cell tower site contains an equipment room, which is a single story modern building measuring approximately 15' X 30'. It has two entrance doors on one side, a flat roof, has no windows and has several communication cables entering via conduit from one end closest to the tower. The tower itself is located diagonal to the front nearest end of the equipment room and approximately 10" to one side. It is approximately 3' in diameter at the base, tapers smaller to the top, and stands approximately 100' tall. At the top are several communication components for signal reception.

The equipment building is guarded on one end by several bollards, or steel posts, planted in the ground to prevent vehicle access from hitting the conduits and building. The conduits are shielded by a series of corrugated aluminum plates, for protection. The ground surface is covered by heavy grass and bushy growth. Property owner indicated it is the responsibility of the cell tower owner to maintain the grounds. Our observation is that the grounds of the cell tower site are not maintained regularly.

Included within the Lister's packet was an email from Mr. Cy Bailey, District Advisor for the Vermont Department of Taxes, Division of Property Valuation & Review. Mr. Bailey's email states "Property Valuation and Review has been encouraging municipalities to include the value of cell tower leases in their Grand List. Further, Mr. Bailey also submitted a copy of the Computation for Land Cap Rate for Cellular / Wireless Management Sites Build Up Method spreadsheet to the Lister's. This sheet is used to calculate the total value of the cell tower by calculating the estimated discount rate set at 10%.

The monthly rent received by Mr. Ferguson is reported as \$1,800/month, or \$21,600 per year. This equates to the Lister's value of \$216,000. Mr. Ferguson is appealing this value, as evidenced by his letter submitted at the BCA tax appeal hearing.

No other comparable cell tower properties in Springfield are available for comparisons.


Walter Martone
Kristi Morris
Mark Greenvall