

League of Women Voters of Pullman Observer Report

Name of Agency: Whitman County Planning Commission Date: Feb 7, 2024

Observer Reporting: Shelley Chambers Fox

Length of Meeting: 60 minutes

Members Present: This was a hybrid meeting with most participants in the Colfax meeting room: Dave Gibney, Mark Tolman (Pullman), Weston Kane (LaCrosse), Chad Whetzel, Russ Jamison (Garfield), Brian Davies (on zoom), David Tysz (Tekoa).

Absent: Fred Wexler

Others Present (i.e., media, public): Staff: Alan Thomson, Whitman County Planner, Brandon Johnson, Public Works (running Zoom), Mark Storey (County Engineer). Wraylee Flodin, County Assessor, Elinor Huber, Clerk.

Public: Jereme Graybowski, Harvest Hills; Shane Roche, Harvest Hills.

The sound from the auditorium provided by the Zoom meeting came entirely through Dave Gibney's laptop and discussions were not always audible. Some notes have been taken from the minutes at https://www.whitmancounty.org/AgendaCenter/ViewFile/Minutes/_02072024-666

Content (What is being discussed):

Public Meetings

1. None.

Reports

1. Forthcoming Administrative Use Permits – The planning office just got an administrative use permit application so that is not on the agenda right now. They received a cell tower proposition just west of Ewan and we received the application today and are processing that right now. That will be an administrative permit because there are no houses within 1500 feet of the location. About maybe 2-4 miles west of Ewan on SR 23, right on the big right-hand bend as you start going north there.

Unfinished business

1. Continue conversation about creating a solar energy ordinance. Wraylee Flodin, County Assessor was invited to present on the tax revenue from the Palouse Wind Project which was started in 2012. In 2022 the Washington State Department of Revenue was required to provide guidance to counties on how to assess wind towers for property taxes since there had been many tax incentives to build renewable energy projects. The Palouse Wind project was approved in 2012, built in 2013 and came onto the county tax rolls in 2014. The first year of wind tower projects are considered new construction and they are added as improvement value to the land. Every year thereafter they are considered personal property. They are taxed on a depreciation schedule. In 2014 the towers were valued at \$74,298,000 which resulted in a property tax of \$868,989.52. They had additional new construction in 2015 which increased their property tax to \$1,169,919.68. The 2024 tax bill is \$701,779.61. So, the decline in tax revenue was \$468,140.00.
2. It is important to note that the decrease in tax revenue from the windmills has not increased the tax burden on local taxpayers because there have been no requests for increased funding by schools or fire districts, etc. such that the amount of property tax levied on local properties has also been declining. There is a bill, SHB 1756 moving through the state legislature that "Supports clean energy through tax changes that increase

revenue to local governments, schools, and impacted communities.” At this point it is not known whether there will be tax exemptions that affect the County, the exemptions may be at the state level.

3. Wraylee Flodin explained that windmills are considered personal property in the tax laws as are farmland and certain businesses and can be exempted from the state schools’ tax which pays the state portion of school support. This means that although presently the windmill project has increased tax revenue to the County, because the company does not pay the state school tax portion, it does not prevent the other County taxpayers from having to pick up that portion if it is necessary for the funding of the local school district. At 22 years of operation, the depreciation stops at 0.150% and it stays at 0.150% so there will always be tax income.
4. Russ Jamison asked if a windmill were abandoned would the taxes fall on the owner of the farmland. The answer is no, the windmill would be sold to pay the taxes. Alan notes that there is a process for decommissioning windmills in the windmill regulations that includes a bond to pay for the cost of the process.
5. Wraylee adds that when a windmill’s blades are replaced that increases its value again so to some extent the regular maintenance that occurs can increase the taxable value of projects. When they completely replace one, it is considered new construction and starts out again at the beginning as personal property tax.
6. There was a discussion about whether there was a need to revise the wind ordinance. Alan Thomson would like to address the solar ordinance first. He has provided the commissioners with a draft ordinance and would like them to read it and make revisions as they see fit. Chad Whetzel mentioned that there is a WSDA staff member, Kelly McClain who was talking about decommissioning wind and solar battery storage and returning the space to useable agricultural land and the issues with that. WSDA is strongly trying to discourage turning farm ground into solar and wind. Alan suggests that they invite her to present. For the March meeting he is working with someone from the GIS to put together a soils map for the County that could be used to identify prime agricultural land. He would like to talk about the map at the next meeting on March 6. The Planning Commission will need to come up with a rational way to define the land they would like to exclude from projects. There was a discussion about whether there would be a need to build more transmission lines as these currently occupy some of the best agricultural land in the County. There was general agreement that there would need to be increased energy infrastructure built.

Public Meetings of interest to League

1. None this month.

Process & Protocol: (Observations about participants and procedures of the meeting) *e.g., Did the members appear to have done their “homework”?* Yes

Were members courteous to each other and the public? Yes.

Was access to materials for certain agenda items available to you? Yes, the agenda and meeting link were sent via email. I did not receive the materials that Alan had shared with the commissioner about utility scale solar farms. Next meeting is March 6, 2024.