

## Meeting to discuss Tacoma Power

August 20, 2018

3:37 p.m.

Present: Commissioner Fund, Commissioner Jackson, Erik Martin, Becky Butler, Dianne Dorey, Rep. Ed Orcutt, Laura Berg, Ross Petersen, Commissioner Stamper

Recorder: Rieva Lester

Assessor Dianne Dorey said there is a 20,000-acre difference between what Tacoma Power has in the lake and what it has taken off the county tax rolls. She said Tacoma Power has taken 35,000 acres off the county's tax rolls, taking roughly \$7.7 million out of the county's tax base, essentially shifting that tax responsibility to others throughout the county.

Ross Petersen said the county doesn't have a PILT agreement with Tacoma Power, rather it has based its payment off of a Portland CPI. He said the Portland CPI has since expired. He said the payment is inadequate based on land values.

The group clarified that Tacoma Power has been paying roughly \$1 million for property that would have brought in more than \$7 million.

Ross said there is no agreed-upon basis for the increase moving forward since the CPI no longer exists.

Becky Butler left at 3:48 p.m.

Ross discussed the seismic issues regarding the dam.

Becky returned at 3:54 p.m.

Ross and Dianne discussed how Tacoma Power mitigates land.

Rep. Orcutt recommended asking how much land is set aside in the other jurisdictions.

Dianne said it would be good to ask when Tacoma Power last mitigated in other counties and how much acreage has been mitigated in other counties with reservoirs.

Laura Berg discussed Pend Oreille County's work with Seattle City Light. She said the 10-year contract was up in 2009. She said the lawmakers changed the RCW to say the utility could not withhold payments as renegotiations took place. She said they also changed the language to reflect that the utility would pay for arbitration. However, she said, the new verbiage doesn't apply to Lewis County because it's based on population.

### TO-DO LIST / RECAP

**Rodney Reynolds:** Determine what payments have been made and what should have been (and what Tacoma Power owes)

**Ross:** Determine how much acreage has been mitigated in other counties with Tacoma Power dams (and when) to determine whether it's a disproportionate amount for Lewis County

**Rep. Orcutt:** Look into RCW's verbiage about population

**Ross:** Check into forest excise tax

**Ross:** Review Seattle's CPI

Commissioner Stamper said he has reached out to area fire districts and the EDC.

Commissioner Fund said she has reached out to Eric Johnson and Dave Schilperoort.

Dianne discussed the need for a rainy day fund for a potential dam breach.

Commissioner Jackson left at 4:25 p.m.

Ross said the seismic fitting project may not take place.

Commissioner Jackson returned at 4:28 p.m.

Erik Martin left at 4:30 p.m.

Becky said Tacoma Power submits its payments at the end of every quarter, beginning with the first of April.

Erik returned at 4:33 p.m.

The group discussed the FERC requirements. However, the responsibility was then placed the county to spearhead the efforts in the county's agreements.

Commissioner Stamper left at 4:40 p.m.

Rep. Orcutt suggested reaching out to Rep. DeBolt. Instead of a CPI, Rep. Orcutt discussed tying the rate to the retail value to capture the inflationary factor.

Meeting adjourned at 5:05 p.m.