

# WISCONSIN COUNTIES UTILITY TAX ASSOCIATION

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## Member Counties

ASHLAND  
BUFFALO  
CHIPPEWA  
COLUMBIA  
DOUGLAS  
DUNN  
GRANT  
JEFFERSON  
KENOSHA  
KEWAUNEE  
LA CROSSE  
MANITOWOC  
MARATHON  
MARINETTE  
OZAUKEE  
ROCK  
SHEBOYGAN  
VERNON  
WASHINGTON

## MINUTES February 6, 2015 Meeting

### Call to Order

The meeting was called to order at 10:35 a.m. at the Wisconsin Counties Association by Chairman Willkom.

The following members were present: John Tramburg, Columbia County, Lawrence Willkom, Chippewa County; William Goehring, Sheboygan County; Nick Osborne, Rock County, Linda Sinkula, Kewaunee County; Herb Tennes, Washington County; Walt Christensen, Jefferson County; Chuck Hoffman, Manitowoc County; Don Pazynski via phone, Marinette County

**Staff:** Alice O'Connor, WCUTA

**Minutes:** The minutes of November 7, 2014 were accepted on motion by Supervisor Hoffman, seconded by Supervisor Sinkula.

### President's report – Chairman Willkom

Chairman Willkom said he had not heard in the Governor's budget bill there is talk that the state is going to take over property assessments for municipalities; and unless they are a first or second class city they can opt out. There was further discussion on the problems this would create.

There was general consensus that no one fully knows what is in Governor Walker's budget and we will have to wait and see what the Legislative Fiscal Bureau document unveils. With no WCA representative at the meeting it was also suggested that we need to get the final list of six to seven top priorities of the WCA and see if protecting the Utility Tax is indicated.

Everyone agrees the Transportation Fund deficit of around \$700 million needs to be fixed, and that \$1.1 billion in bonding proposed by the Governor is not likely to survive. There is general concern, based on the memo from the Fiscal Bureau's last memo, that a way for the state to save money is to switch from "name plate capacity" to "actual production", and that millions of dollars in cuts could be coming.

### Treasurer's Report – Supervisor Linda Sinkula

Supervisor Sinkula presented the Treasurer's Report and she said the Association net balance as of February 7, 2015 is \$80,045.19. A CD that matured January 31, 2015 with interest of \$30.11 for a total amount of \$40,272.88. (Account 3216135) Expenses November 2014 through January 31, 2015 were \$6,526.24. The checkbook balance through January 31, 2015 is \$39,772.31.

The Treasurer's Report was accepted on a motion by Supervisor Goering, seconded by Supervisor Tramburg.

## **Executive Director Report Alice O'Connor:**

Alice reported that it is very important, with so many new legislators and staff including those from counties who are members of ours, be updated on the potential financial loss to counties if the current formula for determining county utility tax is changed.

She said the Governor's budget has been so heavily criticized already that there will be tremendous pressure on the 16 members of the Joint Finance Committee to find a way to balance the budget. Agency spending requests exceed projected revenue the state will take in by an estimated \$4.6 billion dollars. The word is that more cuts are coming.

## **Speaker Rob Kovich, Senator Frank Lasee's Office discussed Renewable Portfolio standards, wind legislation proposals, and PSC updates.**

Rob Kovich reported that priorities in the 2015-2017 Budget will be the UW system, 911 funding, possible regional 911 authorities, and switching the utility tax formula from name plate capacity to actual production usage. Rob went into further detail and indicated that the PSC is in a challenging spot with its wind setting rules. If there is a significant impact on housing or accessibility issues due to wind siting, the PSC will be required to do a report to enact a rule. The PSC currently says that wind towers cannot fall on your house, so there is no impact. Senator Lasee continues to challenge the PSC and says he has constituents who complain about the "flicker affect," low frequency sounds, sleep disturbance and the fact that there have been no peer reviewed studies to establish causal links on health from wind turbines. Rob said he does not know when the PSC will have the final wind rules. Some legislators feel the PSC incorrectly wrote PSC 128 Rule so they may have to scrap it and start over.

Rob further stated that in order for wind turbines to be profitable, they need subsidies and that with no subsidies, wind turbines can't function. The PSC rule also affirmed that 1,0250 feet from a "structure" means the principal structure like a home, not a barn or other building. Tower manufacturers are working on a definition yet to be defined in law as to what is a 'safe distance.'" Senator Lasee believes that without a causal link, there is no smoking gun.

Others wonder about health effects from coal and ozone. Rob Kovich said that Congress keeps extending the production tax credit, and that wind turbines will continue to need federal tax subsidies in order to function.

The point was raised that the United States is exporting coal to Germany, bringing up the question as to why can Germany burn coal and not the U.S.? Despite this, the future of coal at present is uncertain. Fracking is helping the situation. He said the PSC needs to have a valued wind study conducted.

Rob also reported on the final report from the October 2014 Wind Siting Council. He said the minority report is the likely spot for specific recommendations to be turned into a different process of legislation. He said there was very little consensus on the council and that the minority report criticizes the "pro wind" bias of both the PSC and the council itself. They want legislation requiring further evaluation of the health and economic impact of wind turbine projects.

Chairman Willkolm thanked Rob Kovich for his report.

## **Future Speakers Suggestions**

It was agreed future potential speakers could discuss:

- PSC Speaker – any updates on court decisions.

- Updates on Badger Coulee Transmission project.
- PSC future electricity generating needs of Wisconsin,
- Sen. Lasee or Rep. Thiesfeldt to discuss formula language for wind regulations.
- Kyle to discuss WCA model resolution status.
- Department of Revenue – 2015 budget.

Next meeting is scheduled for Friday May 15<sup>th</sup> 2015, at 10:30a.m.

The meeting adjourned at approximately 1:10 p.m. on a motion by Supervisor Christiansen, seconded by Supervisor Tennes.