

March 9, 2009

The Chehalis city council met in regular session on Monday, March 9, 2009, in the Chehalis city hall. Mayor Pro-tem Dawes called the meeting to order at 5:45 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Robin Fuller, Daryl Lund, Chad Taylor and Dennis Dawes. Mayor Ketchum was absent (excused). Staff present included: Merlin MacReynold, City Manager; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; and Peggy Hammer, Human Resources Administrator.

1. **Executive Session.** Mayor Pro-tem Dawes announced the council would be in executive session pursuant to RCW 42.30.110(4)(a) – collective bargaining for fifteen minutes and there would be no decision following conclusion of the executive session.

Mayor Pro-tem Dawes announced the council would take a five-minute recess at 5:55 p.m. and re-open the regular meeting at 6:00 p.m. Additional staff included: Brian Kelly, Assistant City Attorney; Kelvin Johnson, Fire Chief; Tim Grochowski, Public Works Director; and Joanne Schwartz, Economic Development Administrator. Members of the news media in attendance included Marquise Allen of *The Chronicle*.

2. **Request to Pull Agenda Item.** City Manager MacReynold requested the council pull the agenda item for the request for proposals for printing services, postponing it until the first meeting in April. He noted he would like to have a little more time to review it.

3. **Proclamation.** Mayor Pro-tem Dawes presented the Chehalis Bearcat Wrestling Team, and their coaches, a proclamation recognizing them for their success at the 2009 State 2A Wrestling Tournament held in Tacoma, Washington. He noted they had a number of wrestlers advance to state, and the team took 2nd place overall.

4. **Lewis County Public Utility District (PUD) Flood Retention Project Presentation.** PUD Manager, Dave Muller, provided the council with an overview of the study done on the Chehalis River Basin Water Retention Potential. He reported after the 2007 flood, the state legislators held public meetings to try to come up with a basin-wide flood mitigation plan. Mr. Muller stated he was approached by the PUD Commissioners, asking if there was something they could do, noting they were always looking for hydro potential. He reported the PUD Commissioners authorized the administration to hire EES Consulting out of Kirkland, Washington, to look into the technical and economic environmental feasibility of building water retention facilities in the upper Chehalis.

Mr. Muller reported the study looked at flood control, water quality and fish enhancement, and hydroelectric possibilities. He noted the report was released to the PUD Commissioners last month and they had since been making the rounds to get the message out. Mr. Muller believed the feasibility study showed merit for water retention, flood control, summer flow enhancement, and a little bit of hydroelectric. He reported EES Consulting looked at both the Newaukum and the upper Chehalis Rivers, noting they could not find any good sites near the Newaukum that would capture enough drainage area to do any good.

Mr. Muller reviewed several bar charts with the council, including: a comparison of the 2007 flood to the 100 Year flood; estimated flood reductions on Interstate 5; and the January 2009 flood crest at Centralia. He added they worked closely with North West Hydraulic Consulting, who was also working with the county, as well as FEMA, to come up with the new 100-year flood model.

Mr. Muller reported on some of the overall benefits of the plan, which include:

- Less Agricultural Crop/Land Damage
- Less Residential, Commercial, Public Structure Damage
- Less Relocation and Emergency Costs
- Increased Residential Property Values
- Increased Non-Residential Property Values
- Infrastructure Benefits by not raising I-5
- Avoided I-5 Closures plus Railroad Damages
- Increased Water Quality

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Mr. Muller reported he made a presentation to the flood authority on February 19. He noted a representative from the Department of Transportation (DOT) questioned the number they used for the cost of elevating I-5. Mr. Muller indicated the number printed in *The Chronicle* after the 2007 event of \$300 to \$400 million came from the Assistant Director of DOT. He was informed later by DOT that the incremental costs of elevating I-5 would be substantially smaller, and gave an estimate of \$30 to \$60 million. He noted they would be meeting with DOT the following day to figure out the details associated with the costs, noting it would affect the benefit cost ratio they were looking at.

Mr. Muller reported on the projected cost of the two facilities, noting the Upper Chehalis was a little over \$200 million; and the South Fork Chehalis was roughly \$132 million. He indicated 10 percent would be the hydro component.

Mr. Muller stated the PUD was happy to participate in the project if it proved to be beneficial, to the extent that they could provide funding for the hydro portion, which was estimated to be \$28 million. He reported they would not be able to fund the entire project, noting in order to make it work it had to be a federal/state funded flood control project.

Councilor Harris inquired about the 2,200 acres being looked at for the facilities, asking if there was any private ownership in that. Mr. Muller indicated it was all private, noting the area above PeEII was owned by Weyerhaeuser and the area on the South Fork was owned by Seirra Pacific. He stated if they move into phase II, they would start meeting with both timber companies to discuss the details.

Councilor Fuller inquired as to where they were proposing to site the two structures. Mr. Muller reported one would be located above PeEII, where the old tin bridge used to be; and the South Fork structure would be located near Ryderwood, about one mile above the roadway, to the southwest. He noted phase II would help clarify both locations.

Mr. Muller stated the utility district believed phase I showed merit, that water retention would work for flood control and improve fish flows in the summer months; and based on that, it deserved a more in-depth review for a phase II analysis. He noted phase II would take eight months to a year to complete, but believed it fit into the responsibilities and tasks that were assigned to the Chehalis River Basin Flood Authority, adding they had access to \$2.5 million for basin-wide study efforts. Mr. Muller reported they did make a request to the flood authority to fund phase II, noting the PUD funded phase I, which could be included as part of the hydro component. He noted they would remain a participant in the project and would take direction from the flood authority in the future, on how best to move forward. Mr. Muller stated they were not asking people to start building dams right away, adding they were just asking for support to get the needed information, to know if it would be feasible, or not.

Mayor Pro-tem Dawes stated he appreciated the approach being taken by the PUD. Councilor Taylor noted Chehalis went to the flood control meeting with the intent on getting the project moving forward. He felt it was an important project and it needed to be done. Councilor Taylor reported his motion to move forward on Phase II was tabled, and would be discussed again at their next meeting. He reported he received several emails a day that urged support of the project, and with the additional support of the council, he would continue to push for it.

Councilor Lund noted he didn't hear anything in the report about it being a 'green' project. Mr. Muller reported initiative I-937, which passed in November 2006, required utilities in the State of Washington to acquire a certain amount of renewable power. He noted the existing hydro, under that initiative, was not considered renewable; however incremental-hydro, meaning if there was another purpose of a project and you add an incremental piece of hydro to it, it would qualify for renewable. Mr. Muller indicated they would claim renewable under the proposal because the primary purpose of the project would be flood control.

Councilor Lund wondered if the PUD was giving themselves enough credit for what they were doing, noting Lewis County had always been a very conservative area. He felt they should be out beating the band, to let everyone know the project was more than what it really was. Mr. Muller stated the PUD would reserve judgment on whether or not it was a viable option, until after they complete phase II. He noted the big issue would be whether or not they could answer the fish and environmental issues that would arise; adding they believed they had some benefit and potential for a solution by adding the summer flows.

Councilor Fuller stated he supported the project and hoped it would move forward, asking what the chances were that it would. Mr. Muller felt there was a 50/50 chance that it would happen, adding they had some real good public support. He reported the Governor's office indicated if the flood authority supported water retention as a basin-wide solution, they too would support it.

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Councilor Fuller asked what the time frame might be to complete the project. Mr. Muller felt the project could happen relatively fast, because people at the state and federal level wanted a solution to the I-5 flooding. He reported it would take one year to do Phase II; two to five years to do the permitting and licensing; and two to three years for construction.

Mayor Pro-tem Dawes stated it looked to be about as comprehensive and as good of plan that he had seen. He noted even with the plans that had been proposed to date they were still at ground zero, and hoped Mr. Muller's optimism would be shared by others. Mayor Pro-tem Dawes added the only thing he was worried about was others who may not see it as a direct benefit to them, who might put a stop to it. He hoped phase II would be funded because it would provide the necessary research they needed. Mayor Pro-tem Dawes applauded the PUD for taking the step forward to do it.

Mayor Pro-tem Dawes thanked Mr. Muller for his briefing, and thanked Lewis County PUD Commissioner Ben Kostick for also attending the meeting.

5. **Consent Calendar.** Councilor Harris moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of February 23, 2009.

The motion was seconded by Councilor Pope and carried unanimously.

6. **Staff Reports.**

a. **Letter to Legislators Regarding Washington Department of Transportation Region Changes.** City Manager MacReynold reported there was legislation, Senate Bill 5682, being discussed that would make changes to the regions in the state. He noted part of the recommendation was to put Lewis County into a different region. City Manager MacReynold felt the city was finally in a place to get some projects moving forward and believed that by moving the city into a different region, it would require the administration to establish new relationships, and could leave the I-5 corridor in one region and the city in another. He felt they had developed a good working relationship with our current DOT representatives in Vancouver, Washington, over the last three years. City Manager MacReynold requested the council give him feedback and support on the letter prepared for Senator Swecker and other State Representatives.

Councilor Taylor stated the letter was good, noting they didn't want to have to compete with Thurston County for transportation dollars. Mayor Pro-tem Dawes indicated they were currently competing with Vancouver, Washington, for project funding. Councilor Taylor believed it was a better process than what they had up north.

Councilor Harris felt it was important to get the point across that it wasn't a personal issue, and it had nothing to do with Chehalis versus Thurston County. City Manager MacReynold stated he struggled with that too, but felt it was important to focus on the relationships and the projects, because of what was currently in the hopper around the I-5 corridor. Mayor Pro-tem Dawes felt when you have someone new come in it was like starting at ground zero again, just to get them up to speed. He suggested, because the letter was being sent on behalf of the council, that it be signed by the Mayor.

b. **Surplus Jeep Update.** City Clerk Judy Schave updated the council on the status of the 1968 Jeep that was previously surplus by the council. She reported the city put out a notice to receive sealed written proposals. Ms. Schave stated the city received one offer from Peter Lahmann, who proposed to pay \$783 dollars for the vehicle. She noted a bill of sale had been prepared by the administration for the sale of the vehicle.

7. **Resolution No. 5-2009, First and Final Reading – Supporting Lewis County Public Utility District Phase II Proposal of Water Retention Facilities in the Chehalis River Basin.** Councilor Taylor felt the resolution would show support from the entire council, to move forward with the project. Councilor Harris reported he spoke with Lewis County Commissioner Bill Schulte last week, noting he spoke very highly of how Councilor Taylor handled himself with regard to the project. Councilor Harris thanked Councilor Taylor for his hard work and commitment.

Councilor Lund reported the Port of Chehalis was also putting together a similar resolution, and/or letter of support for the project to move forward to the next phase.

Councilor Pope moved to adopt Resolution No. 5-2009 on first and final reading.

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The motion was seconded by Councilor Lund and carried unanimously.

Councilor Taylor requested a copy of the resolution be sent to the flood authority. Councilor Harris requested that it also be sent to Lee Napier of the Chehalis River Basin Partnership, so they could disseminate it to the members of the partnership.

8. **Council Reports.**

a. **Stimulus Funding Update.** Councilor Taylor reported he attended a transportation meeting to discuss the \$1.8 million in stimulus funding, noting they were originally under the impression that the money would come to the county first, and the Transportation Strategy Council would distribute it to the various agencies. He reported they were misinformed, adding the money would still come to the county, but would be distributed by a separate group who would choose the projects for the county. He reported the county had a couple of road projects on the books that the money would be used for.

Councilor Taylor stated it was disheartening that some of the smaller cities would not benefit from some of the money. He reported, in order to be eligible for SAFETY-LU dollars, projects had to be on federal aid routes, which a lot of the smaller cities didn't have the funds for, or any federal aid routes in their area.

b. **Ghost Seekers visit Lewis County Historical Museum.** Mayor Pro-tem Dawes reported briefly on the 'Ghost Seekers' who recently visited the Lewis County Historical Museum. He noted they spent some time talking with the staff, and did a nice story it.

There being no further business to come before the council, the meeting adjourned at 6:47 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of March 9, 2009.