

February 14, 2011

The Chehalis city council met in regular session on Monday, February 14, 2011, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 6:03 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Dennis Dawes. Staff present included: Merlin MacReynold, City Manager; Brian Kelly, Assistant City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Becky Fox, Court Administrator; Bob Nacht, Community Development Director; Peggy Hammer, Human Resources Administrator; Rick Sahlin, Interim Public Works Director/Street Superintendent; Judith Smith, Public Works Office Manager; and Dave Vasilauskas, Water Superintendent. Members of the news media included Lee Hughes from *The Chronicle*. Lewis County Commissioner Bill Schulte was also present.

1. **New Chronicle Reporter.** Mayor Ketchum introduced Lee Hughes, the new Chronicle reporter.
2. **Proclamation – Rotary Day.** Mayor Ketchum presented Larry McGee, Shannon Murphy-Olson, and Rotary President Gordon Shewfelt a proclamation proclaiming February 23, 2011, as 'Rotary Day' in Chehalis.
3. **Consent Calendar.** Councilor Dawes moved to approve the consent calendar comprised of the following:
 - a. Minutes of the regular meeting of January 24, 2011;
 - b. Claim Vouchers No. 99155-99252 in the amount of \$120,380.60 dated January 31, 2011; and Payroll Vouchers No. 34389-34465, 2036-2102, and Electronic Federal Tax Payment No. 95 in the amount of \$696,366.42 dated January 31, 2011; and
 - c. Resolution No. 2-2011, First and Final Reading – Adopting the Lewis County Comprehensive Emergency Management Plan, the National Incident Management System, and the Incident Command System.

The motion was seconded by Councilor Lund and carried unanimously.

4. **Staff Reports.**

a. **Update on FEMA Mapping Issue.** City Manager MacReynold gave a brief overview of what they had been working on over the past year. He felt it was important to first identify the timeline, adding it was amazing the amount of work that had been done. City Manager MacReynold stated he was glad that Commissioner Schulte was present, because he was instrumental in making some very significant changes with the process. He reported the timeline of events, as follows:

- January 2010: FEMA Updated Flood Plain and Flood Way meeting with Lewis County and County Commissioners invite cities. Lewis County hired Pacific International Engineering (PIE) to take the lead for Lewis County in seeking to obtain FEMA data used to create preliminary flood map based on FEMA briefing. Chehalis City Manager briefs City Council on FEMA Meeting and council directs CM to proceed to do what we can to prevent release of maps in cooperation with other jurisdictions.
- February 2010: Lewis County, Chehalis, Chamber, Airport, and Port representatives form Work Group and begin holding meetings to discuss appeal of FEMA's preliminary flood map. Meetings have continued on at least on a monthly basis to-date and many times weekly.
- March 2010: Letter to FEMA from Pacific International Engineers (PIE) on behalf of Lewis County, Chehalis, Centralia, Ports of Chehalis and Centralia, Industrial Commission, Lewis County EDC, Chamber, and Airport requesting collaboration, information, and time extension for release of preliminary flood map.
- March 2010: City enters into agreement with Chehalis-Centralia Airport Board to provide \$20,000 toward appeal effort with matching amount from City.
- March 2010: City enters into agreement with Centralia-Chehalis Chamber of Commerce to provide \$10,000 toward appeal effort.
- March 2010: City enters into agreement with Cairncross & Hempelmann (Don Marcy) to provide legal services for map appeal process.
- April 2010: FEMA response to 3/2/10 letter indicating they would not suspend the release.
- May 2010: Letter to Lewis County from STARR in response to County's letter of 4/15/10 requesting data.

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- May 2010: City of Chehalis takes lead with the lead responsibility for the Work Group. Certified letter from Chehalis to STARR in response to their letter of 4/9/2010 to again request information.
- May 2010: STARR response to City's letter of 5/12/2010.
- June 2010: City enters into agreement with Washington2 Advocates (Tony Williams) to provide governmental relations services at the federal level for map appeal process. W2A continues to provide regular updates to our Congressional delegation.
- June 2010: City enters into agreement with Port of Chehalis to provide \$5,000 toward appeal effort.
- June 2010: City receives letter of support from City of Centralia.
- June 2010: City enters into agreement with Lewis County to provide \$50,000 toward appeal effort.
- July 2010 City enters into agreement with Anchor QEA (Bob Montgomery) to provide technical review of FEMA modeling data.
- August 2010: Certified letter to FEMA from Lewis County, Chehalis, Centralia, Chamber, Port, and Airport requesting a delay in release of the preliminary flood map.
- August 2010: Letter from Congressman Baird to FEMA in support of locals request for information still not received and the need to meet with locals to share and explain information.
- August 2010: Certified letter to FEMA from Lewis County, Chehalis, Centralia, PUD, Chamber, Airport, Port with memo from Anchor QEA attached regarding data still not received, and another request to delay release of the preliminary flood map.
- August 2010: FEMA response to 8/2/2010 letter indicating the map release would not be delayed and all information has been provided.
- September 2010: Meeting with staff from Senator Murray's and Congressman Baird's offices to talk about cooperation and support of group through this process and that requested information has still not been received.
- September 2010: Certified letter to FEMA from Lewis County, Chehalis, Centralia, Chamber, Port, and Airport in response to their letter of 8/31/2010 explaining that not all data has been received, and another request to not publish official notice of preliminary map release prior to 2/1/2011.
- September 2010: FEMA letter advising they would not release preliminary map as scheduled on 9/30/2010, and acknowledging that additional dialogue is needed.
- October 2010: STARR response to Chehalis letter dated 9/16/2010 regarding memo from Anchor QEA and missing data.
- October 2010: Memo from Chehalis to FEMA regarding need for all data.
- October 27, 2010: Meeting with FEMA regarding release of maps, explanation of process, and requested data at County Court House.
- November 2010: Meeting of Work Group with FEMA at FEMA Offices to talk about current status and next steps. Major items accomplished at the meeting:
 - Charter/Agreement to be drafted to outline commitments of both parties and process
 - FEMA will run models with map changes provided by Chehalis and Centralia after prioritized list is presented to FEMA
 - FEMA will provide timeline on modeling the proposed changes
- November 2010: Official letter from FEMA releasing maps and containing preliminary digital flood insurance rate maps and flood insurance study report for Lewis County; request for meeting to review; notifying group that we have 30 days from receipt of letter to review, and that a 90-day appeal period would follow after an official publication in the local newspaper. To date official notice to start the 30 public process has not taken place.
- 2010 budget: \$105,000 budget and \$99,016 has been spent in appeal effort.
- 2011 estimated budget: \$120,000.

Public Sector TOTAL Commitment	\$60,000
Private Sector Target Commitment	\$60,000
2011 Work Group Projected Budget	\$120,000

- January 2010: Public meeting held regarding FEMA preliminary flood mapping.
- Mid January 2011: Meeting with USGS to review Chehalis River peak flows from December 2007 flood.

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- February and March 2011: Meetings will be scheduled with potential private sector partners funding to raise additional \$60,000 needed for 2011 budget.
- February 2011: Assessment impact paper drafted to show loss of values to properties both within the floodway and the floodplain.
- February 2010: Meeting with FEMA to discuss reruns of model maps with priority areas.
- February 2010: Meeting with FEMA to discuss potential long term flood mitigation sites.

Councilor Dawes asked what had been done to get our new congressional representative up to speed on the issue. City Manager MacReynold reported they had been briefed numerous times and were totally up to speed. He added the Industrial Commission had been very helpful in the process, and they hired Attorney J. Vander Stoep to work with the city on the issue.

Bob Nacht reported on the prioritized areas that they were requesting to be pulled out of the floodway. He noted FEMA indicated they would be willing to work with the city on alternatives to what they originally presented. Mr. Nacht stated FEMA requested the city identify areas that we felt should be removed from the proposed floodway, and to prioritize those areas. He indicated it was a limited request within the context of our dealings with FEMA, adding he personally thought there should be a lot more removed, but they had the issues of the modeling to deal with. He stated FEMA would work with the city on remodeling what they've already modeled; however, there would be a limit as to how many times they would do it.

Mr. Nacht reported the group started out with what they felt would be successful in a remodeling effort. He noted the following areas were prioritized from the highest to lowest priority.

1. The Chehalis-Centralia Airport, to include the Twin City Town Center and the commercial development in that area. The extent of the area would involve the existing dike.
2. Two areas in Centralia - the Centralia Wastewater Treatment Plant, and an area between Harrison Avenue and Mellen Street that has not flooded and was significant to the City of Centralia.
3. The area around Sunbirds Shopping Center, Hemphill O'Neill Company, and the old Washington Home Center lot, which are developable properties along National Avenue and Kresky.
4. The Fairway Shopping Center and the Southwest Washington Fairgrounds. Requested FEMA to consider the existing floodway of Salzer Creek as the floodway in that area. #4 also includes property out at the Curtis sort yard, as requested by the Port of Chehalis.
5. The Chehalis Wastewater Treatment Plant.
6. Areas along Newaukum Avenue that encompass the Veterans Museum, Steam Train, Weyerhaeuser property, and properties that front on Newaukum Avenue.

Mr. Nacht reported they also identified an area just south of the existing Chehalis Wastewater Treatment Plant, known as the Shoreline Drive buyout area, which the city purchased under a grant program some years ago. He noted those properties could not be developed, so they were proposing they be added to the floodway as a trade-off for what they were requesting to be removed.

Mr. Nacht reported the request involved about 708 net acres to be removed from the floodway designation. He noted it wasn't just surface acres that are important in a floodway, it also includes acre-feet of storage capacity.

Councilor Pope asked if the undevelopable properties on Shoreline Drive could be used for ballfields. Mr. Nacht noted the property could be used for ballfields, but there would be some limits on how dugouts, backstops, or fencing could be installed, adding it would be pretty difficult to do without the obstruction of any floodwater. He noted anything done with that property would have to be within the criteria they agreed upon when they accepted the grant money for that property.

City Manager MacReynold reported they would be meeting later in the week with FEMA, noting they had done two runs with our requested priorities. He stated they would meet again next week to talk about long-term mitigation funding for floods in general.

Councilor Spahr commented on the amount of money being spent to fight the issue, adding we were not the only communities in the United States fighting this type of situation. He wondered what other communities, such as New Orleans,

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were going through. Councilor Spahr reported John Panesko made a comment that when Congress gets together it costs private enterprise multi-millions of dollars to defend themselves against regulations.

Councilor Taylor asked if the priority level mattered. City Manager MacReynold reported it did matter because what they were requesting to be taken out of the floodway could not raise it more than one foot. Mr. Nacht reported FEMA would put the areas into their model one at a time, starting with the highest priority and would work their way down the list. Mr. Nacht stated they finally received the data from the hydrologist, Bob Montgomery of Anchor QEA, LLC, adding they were concerned that FEMA was using erroneous data to model the floodplain and floodway, which they were trying to negotiate. He reported Mr. Montgomery had the FEMA models and data and was able to do a par review on what FEMA was doing, adding he had been communicating with the FEMA modelers, as well.

Councilor Taylor asked if FEMA's models included the dikes. Mr. Nacht stated he wasn't sure, but FEMA indicated they would not use the dikes unless they were certified to be 100-year dikes. City Manager MacReynold added the key for FEMA was we could not negatively impact our downstream partners in any significant way.

Councilor Harris noted the chokepoint at Mellen Street really exasperated the problem, but never really seemed to get much conversation. He felt once the water gets to the chokepoint, anything downstream was in a different bath tub. Mr. Nacht stated, with regard to the floodplain, upstream of Mellen Street created a situation where Mellen Street itself attenuates any flooding condition downstream. He noted, as they deal with the removal of the airport and all of the modeling, what affect it may have near the airport would be attenuated by Mellen Street, adding it was only about half or a quarter of what affect it has upstream from Mellen Street. Mr. Nacht noted the chokepoint at Mellen Street was an advantage to us in the mitigation arena because it doesn't have an affect downstream.

City Manager MacReynold reported the Chehalis River Basin was two million acres, the second largest basin in the northwest. He noted people look at the 340 acres at the airport and blame that on the flooding in the basin, which was not true. City Manager MacReynold stated the airport had little to no impact on flooding in Lewis County, which has been modeled to show that was the case.

Councilor Dawes requested that City Manager MacReynold give the council periodic updates, so they don't have to wait two weeks between meetings. He noted he was just interested in seeing if they get some of the results they were hoping for. City Manager MacReynold reported he would be happy to give an update at every council meeting, and if something happened in between, he would send out an email.

Commissioner Schulte thanked the city and City Manager MacReynold for taking the lead on the mapping issue. He stated it was something that didn't look very promising initially, but they had done a much better job to the point that the business community was willing to participate by putting money into the process. He noted a lot of the successes they were seeing were because of the city and its staff.

Councilor Taylor asked if the flood authority had been helpful in getting us to this point. Commissioner Schulte indicated he didn't believe so. He felt we had made much more progress with FEMA on the flood maps than they had with flood issues through the flood authority.

b. **Council Goals and Project Work Session.** City Manager MacReynold reported he would like the council to start thinking about projects and goals they would like to see done in 2012. He suggested they set up a work session sometime between the middle of April and the middle of May.

5. **Council Reports.**

a. **Update from Councilor Spahr.** Councilor Spahr reported he attended an Economic Development Council board meeting, adding he requested the reports on the projects they could talk about, so he could share them with the council. He felt they had some good projects on-line.

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b. **Update from Councilor Harris.** Councilor Harris reported he attended a Chehalis Community Renaissance Team meeting last week, adding he was going to make it a regular visit. He stated Chairman Larry McGee did a wonderful job at keeping the meeting to one hour, and still got a lot done. Councilor Harris noted it was exciting to see the things they have going on and the community involvement. He suggested other councilors might want to attend those meetings, as well.

c. **Community Health Partnership (CHP).** Councilor Pope reported he was a member of the CHP, noting they are an organization that works on resolving health issues in Lewis County. He stated several programs had come out of the CHP, including Pope's Kids Place dental program and Valley View. Councilor Pope indicated there was a group that comes to Lewis County from Vancouver, Washington, called the 'Dream Team' who provided dental services in our schools. He asked Commissioner Schulte if they were supposed to have permission to do that. Commissioner Schulte stated he believed so. Councilor Pope stated he would like to get together with Commissioner Schulte to discuss the issue because he felt they were creating problems for Lewis County. He indicated they come in and give hope to a lot of kids with regards to their dental problems; however, the work the 'Dream Team' has been doing was very poor.

d. **2009 Audit Exit Conference.** Councilor Dawes reported he met with City Manager MacReynold and staff for the 2009 audit exit conference. He noted everything went pretty well and it looked like some of the issues they faced a few years ago had been resolved.

6. Ordinance No. 865-B Second and Final Reading – Providing for and Establishing Charges, Rates, and Fees for Installations and Connections to the Water System; Ordinance No. 866-B, Second and Final Reading – Providing for the Operation and Regulation of the Public Water System; Ordinance No. 867-B, Second and Final Reading – Providing for the Operation and Regulation of the Public Sewer System; and Ordinance No. 868-B, Second and Final Reading – Establishing a System and Structure of Rates for the Storm and Surface Water Utility. City Manager MacReynold reported the updates to the ordinances were an effort to bring a lot of our practices up to date and to make some improvements.

Councilor Taylor moved to pass Ordinance Nos. 865-B, 866-B, 867-B, and 868-B on second and final reading.

The motion was seconded by Councilor Lund and carried unanimously.

7. Ordinance No. 869-B, Second and Final Reading – Vacating a Portion of NW Louisiana Avenue. Councilor Dawes moved to pass Ordinance No. 869-B on second and final reading.

The motion was seconded by Councilor Spahr and carried unanimously.

8. Resolution No. 3-2011, First and Final Reading – Providing Support for TransAlta. City Manager MacReynold reported, at the last meeting, the council requested that staff put together a resolution to show the city's commitment to TransAlta, and to provide support for the important role they play in our community.

Councilor Taylor moved to adopt Resolution No. 3-2011 on first and final reading.

Councilor Pope seconded the motion.

Mayor Ketchum stated the Mayor of Centralia stated last week that TransAlta was our Boeing and/or Microsoft. Mayor Ketchum didn't believe King or Pierce County would ask their Boeing and Microsoft employees to stop driving cars, since they were probably the major pollutants causing the haze around the mountain. He stated it was unfortunate that the big people were going after the little people, adding they don't realize the consequences of shutting TransAlta down.

Councilor Dawes stated he was in support of the resolution. He noted, from what he understood, TransAlta sat down and made an agreement with the Governor and everything she did was within her rights as Chief Executive of the State. Councilor Dawes stated if that was the situation and agreements can be undone within a year or two, what was going to bring people to our state to do business in the future.

Councilor Spahr reported, in his opinion, the agreement made with the current Governor was superseded by the one they made with Governor Locke. He noted the \$300 million was supposed to be a cure-all to keep TransAlta functioning.

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Councilor Spahr reported TransAlta puts out 10 percent of the states power and asked, if they shut TransAlta down in four years where will they find the power to replace it. He stated he agreed with Councilor Dawes, adding maybe after companies start looking at the way the State treats businesses, Boeing and Microsoft will decide to leave the area as well.

The motion carried unanimously.

9. Review Process for Comprehensive Plan Revisions. Mr. Nacht stated the report was only to advise the council that the planning commission was on track for reviewing and eventually recommending adoption of a new comprehensive plan. He noted the comprehensive plan was the umbrella document that governs the policies of the city for land use development and programs. Mr. Nacht reported the last update to the comprehensive plan was done in 2003, noting it was originally adopted in 1999. He stated the Growth Management Act (GMA) also required a number of things that the comprehensive plan must contain, but because ours was a little dated they were not in there.

Mr. Nacht reported they contracted with a consultant to draft some amendments to our comprehensive plan, adding those amendments were posted on the city's website and invited anybody to review them and to provide comments on the context of the documents. He stated the Planning Commission would conduct a public hearing on February 22, at 6:00 p.m., in the city hall council chamber.

Councilor Pope asked what areas outside the city limits would be impacted by the plan, noting there were some areas that depend on us for their utilities.

Mr. Nacht reported the comprehensive plan was designed to identify the direction that the city wants to go over the next 20 years, within the city limits itself and its designated urban growth area (UGA). He noted Lewis County was responsible for designating our UGA through collaboration and dialog that we have with them, but it was based on statutory requirements of the GMA. Mr. Nacht stated the Chehalis UGA was established through a process with Lewis County and was basically stationary, noting the lines are set by the county and we live within them. He stated that's not to say city services don't extend beyond the UGA, adding in those cases the contractual arrangements the city has with those service areas have to govern how the city's utilities are used in areas outside the UGA. Mr. Nacht reported the comprehensive plan could allude to that, but because it's outside the UGA we don't have direct growth management control through our comprehensive plan, but we should have control through our contractual relationship with those other entities.

Councilor Pope noted he was indirectly referring to some things that are going on in Napavine that might require more services from the city. Mr. Nacht noted those issues would need to be dealt with in the contractual arrangement.

10. Resolution No. 4-2011, First and Final Reading – Declaring City Property to be Surplus. City Clerk Judy Schave reported the city had 10 vehicles and two pieces of equipment that were no longer needed, and requested that they be surplus. She noted, if adopted, the items would be sent to the Chehalis Livestock Market and sold at auction in March.

Councilor Taylor moved to pass Resolution No. 4-2011 on first and final reading.

The motion was seconded by Councilor Spahr and carried unanimously.

11. Resolution No. 5-2011, First and Final Reading – Approving Formation of a Regional Fire Protection Service Authority Planning Committee. Councilor Dawes reported, since being appointed by the council to represent the city on the planning committee, they had been going hot and heavy. He reported they identified four other agencies that wish to enter into serious talks about looking at a regional fire authority plan, which included: Fire Districts 5, 6, Riverside Fire Authority, and Chehalis.

Councilor Dawes reported there appeared to be a lot of interest, not only from the elected officials representing the various entities, but also the employees and reserves. He stated they had a chance to talk to a potential facilitator, who he believed understood the seriousness of the planning process and would keep everyone on task.

Councilor Dawes talked briefly about the rules and operating procedures of the committee, adding there would now be three representatives from each agency on the committee. He hoped those interested in being on the committee are ready

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to go to work because they would be getting their first report at the next meeting, which was scheduled for March 2, at 6:00 p.m., at the Lewis County District 6 fire hall. He noted the meetings would be open to the public because the district would have a quorum with their three commissioners in attendance. Councilor Dawes encouraged the public to be there from the start, so they can get educated and know full-well what it entails.

Councilor Dawes reported the agreement stated in the agenda report was only for the planning process, adding the final decision would be made by elected officials of the various entities represented.

Councilor Spahr asked if there was a budget attached to the process. Councilor Dawes reported, as of now, there was no budget, adding there were no costs other than the time involved in doing it. He stated there may be some expenses at a later date for the facilitator.

Councilor Dawes moved to adopt Resolution No. 5-2011 on first and final reading.

Councilor Pope seconded the motion.

Councilor Dawes added, since being involved with the process, he noticed there were seven rather large agencies up north that are looking at forming fire authorities, as well. He felt this was a movement that was really getting serious looks from a lot of places, noting everyone was looking at costs and alternative ways of providing services.

The motion carried unanimously.

12. **2011 Adopted Budget.** City Manager MacReynold reported the council had before them copies of the 2011 adopted budget. He asked that they please take an opportunity to look at it, and if they had any questions to contact him, or Finance Manager Eva Lindgren.

There being no further business to come before the council, the meeting adjourned at 7:14 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of February 14, 2011.