



MEETING OF THE BOARD OF DIRECTORS

MINUTES

BELLEVUE CITY HALL

APRIL 22, 2009

**1. CALL TO ORDER**

At 3:32 p.m. Chair Lloyd Warren called the meeting to order.

**2. ROLL CALL**

Board Members or Alternate Board Members from the City of Bellevue (Degginger), Covington Water District (Knight<sup>1</sup>), the City of Issaquah (Kappler), the City of Kirkland (Burleigh<sup>2</sup>), the City of Redmond (McCormick), Sammamish Plateau Water and Sewer District (Warren), Skyway Water and Sewer District (Ault), and the City of Tukwila (Griffin<sup>3</sup>) were present, constituting a quorum.

**3. EXECUTIVE SESSION**

At 3:35 p.m. Chair Warren announced that there would be an Executive Session to discuss, with Cascade's legal counsel, matters relating to litigation or potential litigation to which Cascade is, or is likely to become, a party. The meeting was closed because public knowledge of the discussion would be likely to result in adverse legal or financial consequences to Cascade. The Executive Session was expected to take approximately 30 minutes unless the time was extended by further notice.

At 4:05 p.m., the Executive Session was extended for 10 minutes.

The Executive Session adjourned at 4:13 p.m.

**4. PUBLIC COMMENT**

No members of the audience in attendance commented.

**5. CHIEF EXECUTIVE OFFICER'S REPORT**

A. Staff Reports

1. Finance and Administration
2. Conservation
3. Tacoma Cascade Pipeline
4. Planning
5. Intergovernmental and Communications

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<sup>1</sup> Departed at 4:30 p.m.

<sup>2</sup> Departed at 5:15 p.m.

<sup>3</sup> Departed at 5:08 p.m.

Mr. Clarke summarized an Association of Metropolitan Water Agencies (AMWA) meeting that he recently attended in Washington DC. Of particular interest was a supply and demand survey conducted at the meeting. Approximately 70% of systems that responded to the survey showed significant decreases in demand.

Mr. Clarke discussed options available for water supply and demand certainty. Further information will be provided at a later date regarding these items.

## **6. APPROVAL OF AGENDA**

**Motion by Vice-Chair Burleigh and second by Ms. McCormick to approve the proposed revised agenda that was included in the Desk Packet. Motion carried unanimously (8-0).**

## **7. CONSENT ACTION ITEMS**

- A. March 25, 2009 Regular Board Meeting Minutes
- B. Motion to approve payment of warrants, including payroll, for the month of April.
- C. Motion authorizing the execution of the Cascade Land Conservancy Annual Conservation Breakfast and Display Booth Sponsorship agreement in the amount of \$3,500.
- D. Motion authorizing execution of the Leadership Eastside Sponsorship agreement in the amount of \$2,500.
- E. Motion authorizing execution of Amendment No. 1 to the consultant contract with AECOM for Phase 2 of the Lake Tapps Operations Assessment increasing the maximum compensation amount by \$715,306 to a total of \$780,306 and a completion date of April 30, 2010.
- F. Motion authorizing an amendment to the consultant contract with Gordon Thomas Honeywell for facilitation of the Lake Tapps Community agreement, increasing the maximum compensation to \$50,000 and extending the contract termination date to May 31, 2009.

**Motion by Vice-Chair Burleigh and second by Mr. Degginger to approve Consent Action Items A-F.**

In the future, Chair Warren requested that further documentation be provided for larger Consent Action Items, like Item E.

**At the question, motion carried unanimously (8-0).**

## **8. OTHER ACTION ITEMS**

None.

## **9. STAFF PRESENTATION**

- A. Water Law 101

Mr. Gravley of GordonDerr provided an overview of the water law in Washington State. There are two primary water laws:

- Eastern US: Riparian Doctrine
- Western US: Prior Appropriation

Mr. Gravley explained how the Washington water law was developed and the various water right documents. He clarified that a water right is required to take water from natural sources (i.e., rivers, lakes, groundwater and aquifers, "exempt" wells, etc.). A water right is obtained through the Department of Ecology.

Mr. Gravley detailed the differences between water right as property right versus not absolute property rights. He also explained the ways that water rights can be lost (i.e., relinquishment and abandonment), although there are many exceptions to both of these statutes.

## B. Supply/Demand (Committee Report)

Mr. Knight highlighted the source evaluation criteria and demand forecasting policy discussions that took place at the recent Resource Management Committee meeting. At the meeting, a list of over 30 potential water supply sources was presented and a 3-step screening process was outlined for evaluating these alternative supply options. Further information was included in the Desk Packet.

Mr. Gagliardo discussed the list of criteria that will be used for second stage screening. This information was reviewed at the Source Criteria Workshop. Workshop attendees ranked the criteria as follows:

- Financial 26%
- Supply Reliability 22%
- Operational 18%
- Environmental 16%
- Implementation 10%
- Regional/Intergovernmental 8%

Mr. Gagliardo explained that the sources will be evaluated based upon the criteria. The results will be presented to the Committee. Then, the criteria will be narrowed down and subject to a Stage 3 evaluation.

Mr. Gagliardo summarized the three policy issues discussed at the workshop that impact the development of the Baseline Demand Forecast. These include:

- Policy Issue #1: Should Cascade plan for its current Members only, or also for other water systems that may need supply in the future? If others should be included, how should Cascade determine how much is needed?
- Policy Issue #2: How far into the future should water be secured?
- Policy Issue #3: How should the Cascade's 2008-13 conservation program be projected forward for the "baseline" demand forecast?

The relevant information, options, and recommendations for each of the above issues were summarized by Mr. Gagliardo. He also discussed the Committee recommended approach, which relates to development of the Baseline Demand Forecast. These include:

- Policy Issue #1: Includes both the contingency for additional Member demand and additional supply for the region. Staff and the consultant team will develop a recommendation for the amount of contingency to be included in the Baseline Demand Forecast.
- Policy Issue #2: The 50-year time frame offers the benefit of long-term vision and analysis of major regional infrastructure elements. At the same time the plan can provide higher certainty and more detail for supply elements that will be needed within the next 20 years.
- Policy Issue #3: Staff and the consultant team will work with the Conservation Work Group and Member staff to develop a recommended percent per capita water savings target for the period after 2013.

Board Members discussed the many benefits of Lake Tapps and how the criterion relates to the lake.

**10. COMMITTEE REPORTS**

- A. Audit Committee – No meetings held.
- B. Executive Committee – No meetings held.
- C. Public Affairs Committee – The April 7, 2009 meeting recap was included in the Board Packet.
- D. Resource Management Committee – The April 16, 2009 meeting recap was included in the Desk Packet.

**11. NEW BUSINESS**

None.

**12. NEXT REGULAR MEETING**

The next regular Board meeting will be held May 27, 2009 at 3:30 p.m. A special meeting will be held on May 5, 2009 at 9:30 a.m.

**13. ADJOURN**

The meeting was adjourned at 5:16 p.m.

APPROVED BY:

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Lloyd Warren, Chair

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Mary-Alyce Burleigh, Vice Chair