



SPECIAL MEETING OF THE BOARD OF DIRECTORS
MINUTES
CASCADE WATER ALLIANCE OFFICES
AUGUST 13, 2010

1. CALL TO ORDER

At 1:30 p.m. Chair Lloyd Warren called the meeting to order.

2. ROLL CALL

Board Members or Alternate Board Members from the City of Bellevue (Degginger¹), Covington Water District (Knight¹), the City of Issaquah (Traeger¹), the City of Kirkland (Sweet¹), the City of Redmond (Marchione¹), and Sammamish Plateau Water and Sewer District (Warren¹) were present, constituting a quorum.

Chair Warren confirmed all members participating via conference call received the Special Meeting packet and that they could hear Board Members present at the meeting. In addition, Board Members confirmed that they could hear CEO Clarke at Cascade's offices.

3. EXECUTIVE SESSION

No Executive Session was held.

4. PUBLIC COMMENT

No members of the audience in attendance commented.

5. CHIEF EXECUTIVE OFFICER'S REPORT

No report.

6. APPROVAL OF AGENDA

Motion by Mr. Degginger and second by Ms. Sweet to approve the meeting agenda. Motion carried unanimously (6-0) to approve the meeting agenda.

7. CONSENT ACTION ITEMS

None.

¹ Via conference call.

8. OTHER ACTION ITEMS

- A. Motion to authorize the Chief Executive Officer to enter into Amendment No. 4 to HDR Engineering Contract No. 8 (2010 Transmission and Supply Plan).

Chuck Clarke described the proposed contract amendment, which would reduce the total contract amount of Contract No. 8 by \$54,627, based on an estimate of remaining work to be done on the 2010 Transmission & Supply Plan update, to reallocate existing task budgets among tasks to reflect remaining activities, and to extend the contract completion date to June 30, 2011. Tasks associated with managing Lake Tapps flowline outage projects will be included in a new contract with HDR (contract No. 12 described in 8(b) below). ***[editor note: the Agenda Memo for this action item contained a numerical error. The Agenda Memo stated that Amendment No. 4 would "Reduce the maximum compensation amount by \$54,627 to \$1,456,863." The Agenda Memo should have stated that Amendment No. 4 would reduce the maximum compensation amount by \$54,627 to \$1,561,373.]***

Motion by Ms. Sweet and second by Mr. Degginger to authorize the Chief Executive Officer to enter into Amendment No. 4 to HDR Engineering Contract No. 8 (2010 Transmission and Supply Plan). Motion carried unanimously (6-0).

- B. Motion to authorize the Chief Executive Officer to enter into HDR Engineering Contract No. 12, to provide project management assistance related to the 2010 Lake Tapps Flowline Maintenance Outage.

Mr. Clarke explained that new contract no. 12 with HDR is for project management of Lake Tapps flowline outage work. Chair Warren asked whether the contract would be for engineering work, and Mr. Clarke replied that the contract will be for project management that will not be considered engineering work and that Cascade will comply with state procurement regulations that apply to water & sewer districts.

Motion by Mr. Knight and second by Ms. Sweet to enter into HDR Engineering Contract No. 12, to provide project management assistance related to the 2010 Lake Tapps Flowline Maintenance Outage. Motion carried unanimously (6-0).

- C. Motion authorizing Chief Executive Officer to enter into multiple contracts as needed to implement the Lake Tapps Flowline Outage Project not to exceed the dollar amounts indicated for each contract listed on *Attachment A*.

Mr. Clarke reviewed the list of proposed flowline outage contracts as shown on Attachment A. Each contract has estimated cost ranges. Each item on the list has been reviewed by staff and counsel to determine whether it is ordinary ongoing maintenance or public works. All are deemed to be ordinary ongoing maintenance. Another contract, not shown on Attachment A, to complete Fish Screen work, is deemed to be a public work and will therefore be competitively bid in accordance with applicable procurement regulations. Chair Warren asked whether Cascade has discussed with Puget Sound Energy (PSE) which tasks PSE performed as ordinary ongoing maintenance before determining what work Cascade must now perform. Mr. Clarke replied that discussions with PSE are ongoing and that staff will provide background information to the Board next week. Chair Warren observed that this series of work is the most extensive and complex that Cascade has undertaken to date and that it will be a learning process for the Board and staff. He requested that the Board receive a report after work completion of accomplishments, lessons learned, and work yet to be done. Mr. Clarke emphasized that although not every contract on the list requires competitive bidding under applicable procurement regulations, staff intends to obtain multiple quotes and competitive pricing

for each contract (except for Fish Recovery to be performed by the Muckleshoot Indian Tribe) as a matter of good practice and diligence in securing the best terms and costs for Cascade.

Motion by Mr. Knight and second by Ms. Sweet to authorize the Chief Executive Officer to enter into multiple contracts as needed to implement the Lake Tapps Flowline Outage Project not to exceed the dollar amounts indicated for each contract listed on *Attachment A*. Motion carried unanimously (6-0).

9. STAFF PRESENTATION

None.

10. COMMITTEE REPORTS

None.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held September 22, 2010 at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 1:58 p.m.

APPROVED BY:

Lloyd Warren, Chair

John Marchione, Vice Chair