



MEETING OF THE BOARD OF DIRECTORS

MINUTES

BELLEVUE CITY HALL

NOVEMBER 17, 2010

1. CALL TO ORDER

At 3:34 p.m. Chair Lloyd Warren called the meeting to order.

2. ROLL CALL

Board Members or Alternate Board Members from the City of Bellevue (Davidson/Degginger¹), the City of Issaquah (Traeger²), the City of Kirkland (Marchione), the City of Redmond (Margeson/Marchione³), the City of Tukwila (Haggerton), Covington Water District (Knight), Sammamish Plateau Water and Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present, constituting a quorum.

3. EXECUTIVE SESSION

At 3:35 p.m. Chair Warren announced that there would be an Executive Session to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price.

The Executive Session was adjourned at 3:46 p.m.

4. PUBLIC COMMENT

None.

5. APPROVAL OF AGENDA

Motion by Mr. Haggerton and second by Mr. Marchione to approve the revised meeting agenda included in the Desk Packet. Motion carried unanimously (8-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

A. Staff Reports

1. Finance and Administration
2. Conservation
3. Capital Projects Report
4. Planning
5. Intergovernmental and Communications

¹ Arrived at 3:47 p.m.

² Arrived during Executive Session.

³ Arrived during Executive Session.

Chuck Clarke reported on the following items:

- A formal review process has reviewed all contracts for consulting services that are up for renewal.
- The proposed 2011 GordonDerr contract was broken into subtasks to assist with tracking contract items. TC Richmond and Mr. Clarke will be the primary contacts for GordonDerr.
- Discussions are underway to replace Puget Sound Energy as the Lake Tapps Operator. PSE is willing to waive the contractual requirements for 180-day notification for this transition.
- The Lake Tapps fish screen work is underway and should be complete in early 2011.
- The water level of Lake Tapps has been dropped approximately five feet as part of the reservoir's annual wintertime drawdown.
- Testing is underway for the Lake Tapps tailrace. This will help determine abilities for releasing water.
- There has been significant consumer demand on the conservation program. Staff is brainstorming long-term strategies for conservation.
- Discussions continue with the City of Seattle and the City of Tacoma regarding water supply options.
- Water demand for the year is markedly lower than in recent years.

7. CONSENT ACTION ITEMS

- A. October 21, 2010 Special Board Meeting Minutes; October 27, 2010 Regular Board Meeting Minutes.
- B. Motion to approve payment of warrants, including payroll, for the month of November. *(Revised information was included in the Desk packet.)*
- C. Motion to authorize the Chief Executive Officer to Execute two related contract amendments with FCSG:
 - Amendment No. 2 to Contract No. 20100126-00 for financial evaluation and analysis related to Cascade's 2010 Transmission & Supply Plan (TSP) update, decreasing the total amount for 2010 by \$15,000, from \$72,510 to \$57,510;
 - Amendment No. 1 to Contract No. 100101-00 for financial advising services and supply negotiation support, increasing the total amount for 2010 by \$15,000, from \$100,000 to \$115,000.
- D. Motion to extend the date for retaining the services of attorney Paul McDonald (of Thorson Barnett & McDonald, P.C.), to assist with an employee retirement program review, to March 31, 2011, and to increase maximum compensation by \$10,000, from \$10,000 to \$20,000.
- E. Motion to authorize the Chief Executive Officer to increase the maximum compensation amount with Foster Pepper & Schefelman by \$20,000, from \$25,000 to \$45,000 to ensure legislation is written in the most expeditious, transparent, and successful manner.

Motion by Mr. Marchione and second by Mr. Knight to approve Consent Action Items A-E. Motion carried unanimously (8-0).

8. OTHER ACTION ITEMS

- A. Motion to authorize the Chief Executive Officer to renew contracts for consulting services, in a total amount not to exceed \$1,654,700 for the period of January 1 through December 31, 2011.

Further information regarding this motion was included in the Desk Packet. Mr. Degginger requested a copy of the evaluations prepared for the contracts.

Motion by Mr. Marchione and second by Mr. Ault to authorize the Chief Executive Officer to renew contracts for consulting services, in a total amount not to exceed \$1,654,700 for the period of January 1 through December 31, 2011. Motion carried unanimously (8-0).

9. STAFF PRESENTATION

- A. 2011 State and Federal Legislative Agendas

Elaine Kraft discussed the 2011 Municipal, State and Federal Legislative Agenda report included in the Board packet. Some highlights from the report included:

- Efforts are underway to introduce HB 1332 legislation bills in both the House and Senate to strike Sections 4(c) and 5 of the Eminent Domain legislation regarding negative impacts on cities not members of Cascade.
- A joint municipal utilities authority bill was created by a coalition of more than 30 municipal water entities across the state. This bill will help streamline the authority process.

Mr. Degginger reported that the US Army Corps of Engineers, through the Issues Resolution Conference, has agreed that the Mud Mountain Fish Passage Diversion and Barrier Dam at Buckley are Federal projects. He extended his appreciation to Cascade staff, members and lobbyists for their efforts.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held October 21, 2010. The meeting recap was included in the Board packet. The November 4, 2010 meeting was cancelled.
- C. Public Affairs Committee – Meeting held November 9, 2010. The meeting recap was included in the Board packet.

Ms. Kraft reported that a meeting has been set in December for the first Lake Tapps Municipal Advisory Group meeting. This is a result of the agreement with the Four Cities. The group will be comprised of the four mayors and Cascade's Board Chair, Vice-Chair, and Chair of the Public Affairs Committee. In addition, Ms. Kraft noted that the first Lake Tapps Management Team meeting will be held in January 2011. This committee will deal with specific lake-related issues.

- D. Resource Management Committee – No meetings held.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

Chair Warren reported that the November 4, 2010 Bonney Lake Chamber of Commerce afterhours event, sponsored by Cascade, was a great success. He noted that 2011 will be the 100th anniversary of the Lake Tapps Powerhouse.

The next regular Board meeting will be held December 15, 2010 at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 4:26 p.m.

APPROVED BY:

Lloyd Warren, Chair

John Marchione, Vice-Chair