



MEETING OF THE BOARD OF DIRECTORS  
MINUTES  
BELLEVUE CITY HALL  
DECEMBER 15, 2010

**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), the City of Kirkland (Sweet), the City of Redmond (Marchione), Covington Water District (Knight), Sammamish Plateau Water & Sewer District (Warren<sup>1</sup>/Brady), and Skyway Water and Sewer District (Ault) were present, constituting a quorum.

Chair Warren announced that Jay Kraus has been named the new General Manager of Sammamish Plateau Water & Sewer District. Former General Manager Ron Little retired.

***Alteration in meeting agenda:***

**STAFF PRESENTATION**

A. Water right

Chair Warren introduced Tom Loranger from the Department of Ecology and Owen Reese from Aspect Consulting. Mr. Loranger explained that Cascade's water right will protect the lake levels and enhance flows at Lake Tapps. The water right is unique because it is so large. The rights allow Cascade Water Alliance to store water in the Lake Tapps Reservoir, divert water from the White River into the lake to supply water for the Water Supply Project and withdraw water from Lake Tapps for municipal water supply purposes. In addition, the rights grant Cascade the authority to use Lake Tapps in Pierce County as a long-term drinking water source.

Mr. Loranger added that the water right represents years of negotiations among Cascade, the state, Pierce County, American Indian tribes, nearby cities and Lake Tapps community groups. He commended Cascade for taking the extra step and accommodating issues from major parties and building trust within the communities.

Mr. Loranger presented Cascade with a certificate stating:

*"The Washington State Department of Ecology is issuing Cascade Water Alliance water rights for 54,300 acre-feet of water from the Lake Tapps Water Supply Project. The project will supply many years of water for Cascade's customers and will safeguard Lake Tapps and the White River. Ecology appreciates the years of hard work and creative thinking that Cascade representatives have invested in the project."*

*Signed:*

*Ted Sturdevant, Director*

*Washington Department of Ecology"*

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<sup>1</sup> Departed at 4:27 p.m.  
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Mr. Degginger and fellow Board Members expressed their appreciation to Mr. Loranger and the Department of Ecology for their patience and dedication throughout the process. In addition, Mr. Marchione thanked long-term Board Members for their insight and perseverance with the project.

### **3. PUBLIC COMMENT**

None.

### **4. EXECUTIVE SESSION**

At 3:49 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, and to evaluate the qualifications of an applicant for public employment because public knowledge regarding these considerations could result in adverse legal or financial consequence to Cascade. The Executive Session was expected to take approximately 15 minutes unless the time was extended by further notice.

At 4:04 p.m., the Executive Session was extended 5 minutes.

The Executive Session adjourned at 4:15 p.m.

### **5. APPROVAL OF AGENDA**

**Motion by Mr. Marchione and second by Ms. Sweet to approve the revised meeting agenda included in the Desk Packet. Motion carried unanimously (6-0).**

### **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

Chuck Clarke reported on the following items:

- HDR will provide project management support for the initial phase of replacing the Lake Tapps Operator.
- Cascade is currently testing the market to find a company that can treat the milfoil at Lake Tapps as well as provide support with the fish screen project.
- Discussions continue with the City of Seattle and the City of Tacoma regarding water supply options.
- A meeting will be held mid-January with member staff to discuss future funding allocations, supply and demand, and other related topics.

### **7. CONSENT ACTION ITEMS**

- A. November 17, 2010 Regular Board Meeting Minutes.

- B. Motion to approve payment of warrants, including payroll for the month of December.
- C. Motion to authorize the Chief Executive Officer to execute a contract with RNR Consulting to conduct a conservation rebate workflow analysis and redesign, in an amount not to exceed \$30,000.
- D. Motion to adopt Resolution No. 2010-23, amending Cascade's Human Resources Policies and Procedures Manual, to replace the term "Out of Town" with "Out of State" as it pertains to CEO authorization required for employee travel.
- E. Motion to adopt Resolution No. 2010-24 amending the 2010 Construction Fund appropriation authority by \$1,550,000, from \$5,889,325 to \$7,439,325.
- F. Motion to authorize the Chief Executive Officer to execute a contract with RNR Consulting to develop a Cascade Strategic Plan and Information Technology systems assessment in an amount not to exceed \$130,000.

**Motion by Mr. Marchione and second by Mr. Ault to approve Consent Action Items A-F.**

There was a general discussion regarding the number of rebates received. Mr. Clarke reported that policy discussions are ongoing to determine best options for future rebates.

**At the question, motion carried unanimously (6-0).**

**8. OTHER ACTION ITEMS**

- A. Motion to authorize the Chief Executive Officer to increase Cascade's 2010 contract with legal firm GordonDerr by \$80,000, from \$917,000 to \$997,000.

**Motion by Ms. Sweet and second by Mr. Knight to authorize the Chief Executive Officer to increase Cascade's 2010 contract with legal firm GordonDerr by \$80,000, from \$917,000 to \$997,000. Motion carried unanimously (6-0).**

- B. Motion to authorize the Chief Executive Officer to execute joint funding agreements with the U.S. Geological Survey (USGS) for collection of hydrologic data in the White River Basin in Calendar Year 2011 and for participation in a multi-year, multi-stakeholder study of the Puyallup River Basin.

**Motion by Ms. Sweet and second by Mr. Knight to execute joint funding agreements with the U.S. Geological Survey (USGS) for collection of hydrologic data in the White River Basin in Calendar Year 2011 and for participation in a multi-year, multi-stakeholder study of the Puyallup River Basin.**

Michael Gagliardo explained that there are three other partners in addition to Cascade to help fund the USGS. Partners include:

- Tacoma Water
- Pierce County Conservation District
- Department of Health

**At the question, motion carried unanimously (6-0).**

- C. Motion to adopt Resolution No. 2010-25 authorizing amendment of Sections 2.05.380, 2.05.390, 2.05.400, 5.10.050, 5.10.060, and 5.60.020 of the CWAC to modify the authorization for execution of warrants and related clarifying amendments. *(Revised information was included in the Desk packet.)*

Mr. Clarke explained that Resolution No. 2010-25 would accomplish the following:

- Modify Cascade's bylaws to more clearly distinguish between the authorization for execution of contracts and the authorization for payment of warrants.

- Modify the treasury policies to clarify that these sections implement the provision of the bylaws regarding payment of warrants, and to set forth the process under which Cascade's Chief Executive Officer is authorized to execute warrants, including authentication and reporting to the Board at its next regular meeting following payment.

Mr. Degginger felt the documentation included in the Board and Desk packets was unclear and requested further information so the motion could be acted upon.

**Motion by Mr. Degginger and second by Ms. Sweet to postpone action on Item 8C (motion to adopt Resolution No. 2010-25) until the next Board meeting. Motion carried unanimously (6-0).**

- D. Motion to add a permanent 0.60 full-time-equivalent (FTE) staffing for an Economist position. *(Information was included in the Desk packet.)*

**Motion by Ms. Sweet and second by Mr. Knight to add a permanent 0.60 full-time-equivalent (FTE) staffing for an Economist position. Motion carried unanimously (6-0).**

- E. Motion to authorize the Chief Executive Officer to execute a contract to provide Dam Engineering, Hydrology, and Geotechnical services for White River project dikes through the end of 2011, for a not to exceed budget of \$100,000. *(Information was included in the Desk packet.)*

**Motion by Mr. Degginger and second by Ms. Sweet to authorize the Chief Executive Officer to execute a contract to provide Dam Engineering, Hydrology, and Geotechnical services for White River project dikes through the end of 2011, for a not to exceed budget of \$100,000. Motion carried unanimously (6-0).**

## **9. STAFF PRESENTATION**

*See above.*

## **10. COMMITTEE REPORTS**

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held December 9, 2010. Scott Hardin called attention to the meeting recap that was included in the Board Desk packet. In particular, he noted that the State Auditor's Office auditors report a clean audit with no findings or recommendations.
- C. Public Affairs Committee – No meetings held.
- D. Resource Management Committee – No meetings held.

## **11. NEW BUSINESS**

None.

## **12. NEXT REGULAR MEETING**

The next regular Board meeting will be held January 26, 2011 at 3:30 p.m.

## **13. ADJOURN**

The meeting was adjourned at 4:45 p.m.

APPROVED BY:

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Lloyd Warren, Chair

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John Marchione, Vice-Chair