



MEETING OF THE BOARD OF DIRECTORS

MINUTES

BELLEVUE CITY HALL

JANUARY 26, 2011

1. CALL TO ORDER

At 3:33 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 Issaquah (Traeger), the City of Kirkland (Sweet), the City of Redmond (Marchione), the City of Tukwila (Haggerton), Covington Water District (Knight), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present, constituting a quorum.

Alteration in meeting agenda:

STAFF PRESENTATION

Update on Lake Tapps Area Water Resource Committee meeting of January 24, 2011

Neil Johnson, Mayor, City of Bonney Lake provided a recap from the Lake Tapps Municipal Advisory Group. The agenda included updates on Cascade's negotiations with Seattle and Tacoma utilities and the four cities discussing their water supply activities. In addition, the 2011 Legislative Session and pending eminent domain legislation were discussed as well as the Lake Tapps public process with Cascade.

Mr. Johnson thought the meeting was well received by attendees and progress was made.

3. APPROVAL OF AGENDA

Motion by Mr. Haggerton and second by Ms. Sweet to delete Item 8a (Other Action Items— Motion to adopt either Resolution No. 2011-03 Option B or Resolution No. 2011-03 Option C) from the meeting agenda and approve the agenda with the revision noted. Motion carried unanimously (8-0).

4. EXECUTIVE SESSION

At 3:39 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 because public knowledge regarding these considerations would result in adverse legal or financial consequence to Cascade. The Executive Session was expected to take approximately 10 minutes unless the time was extended by further notice.

The Executive Session adjourned at 3:52 p.m.

5. PUBLIC COMMENT

None.

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:

- Discussions continue with the City of Seattle and City of Tacoma regarding water supply options.
- A meeting is scheduled with Covington Water District to discuss water supply options for peaking capacity.
- A member staff meeting will be held next week. Agenda items include: the strategic planning process, identifying member needs, conservation policies and choices (including Cascade and member roles in conservation), supply/demand models, and options for cost allocations.
- Cascade intends to use the Shared Procurement Portal as part of its efforts to keep contractor bids competitive.

Elaine Kraft discussed House Bill 1332, which was sponsored by Rep. Deb Eddy with a long list of other sponsors. The bill would allow local governments and sewer, water and stormwater utilities to create joint municipal corporations and pool their resources to provide services. Many Representatives spoke in favor of the bill at a recent hearing.

- B. Update on Lake Tapps Area Water Resource Committee meeting of January 24, 2011, Neil Johnson, Mayor, City of Bonney Lake

Discussed above.

C. Lake Tapps Management Plan Survey Results

Chair Warren called attention to the Lake Management Plan Survey Results included in the Board packet. The survey results were discussed at the Lake Tapps Management Plan Community Forum, which was held January 13, 2011. The Forum was well attended. A task list will be created to identify short- and long-term issues that were identified through the survey.

In addition to the survey results, forum participants discussed Lake-related issues including the East Pierce County Fire and Rescue Boat House located adjacent to Cascade's property. Mr. Degginger requested that staff look into what appropriate uses are allowed under any agreement we have with Pierce County. Mr. Clarke explained that there is an ongoing list of Lake Tapps-related items being reviewed, including all easements.

7. CONSENT ACTION ITEMS

- A. December 15, 2010, Regular Board Meeting Minutes.
- B. Motion to approve payment of warrants, including payroll, for the month of January 2011.
- C. Motion to authorize the Chief Executive Officer to execute Amendment 1 to Parametrix Contract No. 201001104 to provide expertise to Cascade on Information Technology (i.e., SCADA, communications, security, etc.) issues related to the PSE transition of the White

River Project. The amendment is necessary to keep Parametrix in this capacity through the end of December 2011, which is the target date for the transition to be completed.

- D. Motion to adopt Resolution No. 2011-01 authorizing amendment of Section 2.05.380 of the Cascade Water Alliance Code (“CWAC”) to modify the authorization for the Chief Executive Officer to execute contracts where the anticipated expenditure of or revenue to Cascade does not exceed \$25,000.
- E. Motion to adopt Resolution No. 2011-02 authorizing amendment of Sections 5.60.050 of the Cascade Water Alliance Code (“CWAC”) to modify the small works roster contracting process.

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

8. OTHER ACTION ITEMS

None.

9. STAFF PRESENTATION

A. Water Connections Working Group update

Ms. Kraft explained that the Cascade Connections Working Group was convened to assist Cascade in evaluating the Transmission and Supply Plan (TSP) to ensure that community, stakeholder and purveyor values and input were included in the supply and demand planning process. The full report from the Water Connections Working Group was included in the Board packet.

On behalf of the Water Connections Working Group, Steve Hirschey, King County DNRP, reported that the mission to assist Cascade in evaluating the TSP was accomplished. The Working Group provided feedback and high-level comments regarding the TSP but did not validate the work. Mr. Hirschey noted that there were a series of meetings to conclude the final report. The process was transparent and all meetings were facilitated by a neutral facilitator.

Mr. Hirschey applauded Cascade for the Transmission and Supply Plan to date.

B. Conservation—Residential Leak Detection Program

Mr. Brent discussed the Residential Leak Detection Program sheet included in the Board packet. He highlighted some of the key points for leak detection. As part of National Fix a Leak Week in March, Cascade will send a leak detection mailer to all single-family residences in its member service areas, approximately 96,000 homes.

Mr. Brent noted that Cascade’s leak detection program is estimated to save 45 million gallons of water annually. In addition, Cascade has been recognized by the US EPA and AWWA for its leak detection programs.

Mr. Degginger requested a copy of the Residential Leak Detection Program fact sheet with Cascade’s logo so he can forward the information to other Commissions and Councils. In addition, Ms. Sweet suggested that Cascade work with the business community to inform them about Cascade’s conservation program.

C. Flow line outage update

Joe Mickelson reported that the preliminary work is nearly complete on the fish screen facility. The project is approximately 25 days behind schedule. Crews are currently trying to run the water out of the flume.

For the most part, homeowners are ecstatic about the water level at Lake Tapps. However, Mr. Mickelson suggested that the lake level be lowered every three years or so to allow homeowners an opportunity to perform periodic maintenance to docks and other structures.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held January 26, 2011. Mr. Haggerton provided a recap of the recent Finance and Management Committee meeting.
- C. Public Affairs Committee – Meeting held January 11, 2011. Mr. Degginger distributed a letter from Anthony Wright, Colonel, Corps of Engineers, Department of the Army. In the letter, Col. Wright noted his “decision at the District level to pursue the White River Fish Passage Project as a fully funded Federal project.”

Mr. Degginger noted that the measure revising the eminent domain bill has been introduced with support from Auburn, Bonney Lake, Buckley and Sumner.
- D. Resource Management Committee – No meetings held.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held February 23, 2011, at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 4:47 p.m.

APPROVED BY:

Lloyd Warren, Chair

John Marchione, Vice-Chair