



Lake Tapps Reservoir Property Management Policy

Frequently Asked Questions

May 2012

What is the policy? The Lake Tapps Reservoir Property Management Policy (the Policy) provides property owners around Lake Tapps, government departments, municipalities, developers, and the general public with information and a licensing process that will assist all parties with issues associated with the development and/or activities on Cascade-owned property at Lake Tapps.

Why is this needed? The Cascade Board adopted the Policy to protect the dikes and Lake Tapps by keeping Cascade property free of obstructions and unauthorized structures and to ensure that:

1. Existing and future improvements are consistent with the recreational uses allowed in the property deeds
2. Existing improvements do not compromise dike integrity, water quality, environmental health, public safety, or public enjoyment, and
3. Any modifications or new improvements do not compromise dike integrity, water quality, environmental health, public safety, or public enjoyment; are licensed by Cascade; and have been permitted by all appropriate agencies.

Who does it affect? The Policy affects the approximately 1,500 property owners and the various homeowner associations around Lake Tapps.

What was the policy before Cascade's ownership? Cascade purchased Lake Tapps (including the dikes and all property around the Lake up to the 545.0 foot contour line) from Puget Sound Energy (PSE) in 2009. PSE had conveyed most of the land surrounding the Lake to the Lake Tapps Development Corporation (LTDC), but agreed to allow certain recreational uses on Lake Tapps by the LTDC and its successors (current homeowners). These uses are contained in the property deeds and include activities such as the construction of bulkheads and docks. LTDC also reserved certain easements for crossing over the dikes to access the Lake for recreation by the owners of property adjacent to the dikes. Over the years, many homeowners obtained easements or permits from PSE for uses below the 545-foot contour line.

Has there been a change? There have not been any changes in the uses or types of improvements allowed around Lake Tapps. Cascade now owns the Lake, all the land below the 545-contour line and the 15 dikes that impound Lake Tapps. Cascade plans eventually to use Lake Tapps for municipal water supply. The Policy establishes a Cascade process, similar to the PSE process, to monitor uses of its property and to protect the Lake and the dikes.

As a property owner, what does this mean for me? If you want to build new improvements or modify existing improvements, you MUST obtain a license from Cascade and all City, County, State or Federal permits as required. For a table of various types of improvements and uses, visit <http://www.cascadewater.org/pdf/laketapps/20120308Prop%20ManagePolicyw-App.pdf>

When considering new improvements or modifications to existing improvements around Lake Tapps, property owners should consider that Cascade owns all property below the 545-foot contour line and that Cascade has retained the ability to raise the lake level to that elevation. However, the normal recreational season (April 15 to September 30; October 31 if possible) Lake Level is between elevation 541.5 feet and 543.0 feet. Therefore, all property owners assume the risk of damage to their improvements as a result of Cascade raising the Lake to the 543-foot level (which is anticipated to be reached for some period of time every year). This range for Lake Level during the recreational season was established in Cascade's 2009 Agreement with the Lake Tapps Community and is included in the State Water Right Permits issued to Cascade in 2010.

The permits issued by PSE were for the benefit of the current property owner only, meaning that PSE permits expired when a property was sold. The Cascade license is issued for the benefit of the property, and transfers to a new owners when property is sold.

How do I apply for a license? The license application form can be found at:
<http://www.cascadewater.org/pdf/laketapps/ApplicationFormFINAL03082012.pdf>

To see the form license agreement, visit:
http://www.cascadewater.org/pdf/laketapps/Real%20EstateLicenseFINAL_030812%20-%202%20.pdf

What does the license require? The license requires that the applicant:

1. Provide proof of required insurance. To see general information about insurance, visit:
<http://www.cascadewater.org/pdf/laketapps/Insurance%20FAQ%20010912A.pdf>
2. Indemnify Cascade as provided for in the license
3. Obtain all other appropriate permits (i.e. from the City of Bonney Lake, Pierce County, State Department of Fish and Wildlife, Army Corps of Engineers) prior to performing any work. Cascade will notify these or other agencies of applications.

What does Cascade consider when issuing licenses? Cascade will consider each application on a case by case basis to determine if the requested improvement or modification is consistent with the recreational and/or access provisions of the property deeds or has potential to pose an operational danger or problem to Cascade.

What does it cost? At this time, Cascade is not charging an administrative fee to review each license application. However, Cascade may require that the applicant pay for any professional review required in processing an application, if necessary. If the number of applications becomes too great, Cascade will re-evaluate this policy. It is also anticipated that any improvements will be subject to Pierce County property tax assessment. If it is determined that an improvement is not being assessed as part of the homeowner's property

tax assessment, then Cascade may need to charge a leasehold excise tax as a condition of the license due to Cascade's status as a public entity.

Can the license be terminated? Yes, if the licensee fails to comply with the license requirements, or Cascade determines that termination is necessary for operation of Lake Tapps for municipal water supply. Upon either event, notice will be sent to the licensee at least 60 days' prior to termination, along with an explanation for the termination. Under certain termination circumstances, Cascade may require the removal of improvements. A licensee may request a meeting with Cascade during that 60-day period to discuss the pending termination. A final determination will be made by Cascade's CEO.

What if I have improvements on Cascade property without an existing license or easement? Cascade will not take enforcement action against a property owner with improvement existing as of February 22, 2012 (the date of adoption of the Policy) so long as the improvement does not compromise dike integrity, water quality, environmental health, public safety, or public enjoyment, or expose Cascade to legal or financial liability. The term "enforcement action" refers to a range of possible actions, from requiring the property owner to obtain a license to requiring removal of the improvement.

Where can I get a copy of the Policy? To see the Policy, visit:
<http://www.cascadewater.org/pdf/laketapps/20120308Prop%20ManagePolicyw-App.pdf>

What about the dikes around the Lake? Who can use them? The Cascade Board adopted policies regarding dike usage around Lake Tapps, which continue PSE's policy that public use of the controlled dikes is and will be considered trespassing. Lake Tapps dikes not associated with public parks or without a specific agreement authorizing use, are closed to the general public and the dikes have been posted with No Trespassing notices. Trespassing on these dikes will be subject to enforcement by the Pierce County Sheriff's Office.

As a result of this policy, all previous temporary permissions for dike access have been terminated. All individuals (generally property owners adjacent to a dike) with rights to cross the dike to access the Lake have been notified. If an individual thinks he or she has access rights and has not received a letter, contact Cascade at 425.453.0930.

For more information on the Cascade dike policy and the issues surrounding the lake Tapps dikes, visit:
http://www.cascadewater.org/lake_tapps_dikeusage.php