



MEETING MINUTES OF THE
BOARD OF DIRECTORS
CASCADE WATER ALLIANCE'S OFFICE
NOVEMBER 18, 2015

1. CALL TO ORDER

At 3:32 p.m. Mr. Marchione called the meeting to order.

2. ROLL CALL

Board Members or Alternate Board Members from the City of Bellevue (Stokes), the City of Issaquah (Butler), the City of Kirkland (Sweet), the City of Redmond (Marchione), the City of Tukwila (Haggerton), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present, constituting a quorum.

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

Motion by Mr. Stokes and second by Ms. Sweet to approve the meeting agenda that was included in the Board packet. Motion carried unanimously (7-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

In addition to the CEO report included in the Board packet, Chuck Clarke reported on the following items:

- Cascade's voluntary curtailment of water was successful.
- Adjustments may be needed between the Operating and Capital Budgets. However, there may be a reduction in the overall totals.
- The White River - Lake Tapps Reservoir projects are nearly complete. There have been some challenges with valve #1. However, this should be operational next week. Rehab work on valves #2 and #3 have been pushed back to 2016.
- A lake drawdown has begun to bring the Lake Tapps Reservoir level to 539.5' for the winter months.
- The State Auditor's Office was on-site in October 2015 to conduct Cascade's annual accountability audit. The results of the audit will be presented to management at an exit conference in December 2015.

Mr. Butler introduced Mary Lou Pauly. She will replace Nina Milligan as the new Board Alternate for Issaquah, since Ms. Milligan's term as a City of Issaquah Council Member expires in December 2015.

On behalf of the Board, Mr. Marchione recognized Ms. Milligan and Mr. Flynn for their service, participation, and commitment to Cascade.

7. CONSENT ACTION ITEM

A. Board Meeting Minutes of Oct. 28, 2015.

Motion by Mr. Stokes and second by Mr. Haggerton to approve Consent Action Item A. Motion carried unanimously (7-0).

8. OTHER ACTION ITEMS

A. Motion to authorize the Chief Executive Officer to renew contracts for vendor and consulting services totaling \$1,521,410, and in accordance with the adopted 2015 - 2016 Cascade budget.

Motion by Mr. Ault and second by Mr. Warren to authorize the Chief Executive Officer to renew contracts for vendor and consulting services totaling \$1,521,410, and in accordance with the adopted 2015 - 2016 Cascade budget.

Mr. Clarke reviewed the table that was included in the Board packet that showed vendors and consultants with which Cascade is contracting for services during 2015 whose current contracts expire on Dec. 31, 2015, and for which staff recommends renewal for 2016.

At the question, motion carried unanimously (7-0).

B. Motion to authorize the Chief Executive Officer to execute an Amendment to the Operations and Maintenance Agreement with Veolia Water North America – West, LLC, to extend the existing contract for two renewal terms (ten additional years) commencing on Jan. 2, 2017, and expiring on Jan. 1, 2027.

Motion by Ms. Sweet and second by Mr. Stokes to authorize the Chief Executive Officer to execute an Amendment to the Operations and Maintenance Agreement with Veolia Water North America – West, LLC, to extend the existing contract for two renewal terms (ten additional years) commencing on Jan. 2, 2017, and expiring on Jan. 1, 2027.

Mr. Clarke explained that Cascade entered into an Operations and Maintenance Agreement, beginning on Jan. 1, 2012, with Veolia Water North America – West, LLC, for the White River – Lake Tapps Reservoir project. The term of the agreement is in effect for five years following the effective date, or until Jan. 1, 2017. In the agreement, there was a renewal clause that allowed Cascade to pursue two additional periods each of up to five years per term. Mr. Clarke added that since Cascade has been satisfied with the performance of Veolia Water over the past three plus years, and there is mutual satisfaction over the working relationship on this project, this authorization would extend the contract for another ten years, through the end of 2027.

Although Veolia Water has been a solid partner, Mr. Butler expressed reservations about supporting a ten-year agreement. There are no financial benefits and it is not customary to extend a contract for this length of time. Other Board Members concurred with Mr. Butler.

Motion by Mr. Haggerton and second by Mr. Stokes to amend the Motion to the Operations and Maintenance Agreement with Veolia Water North America – West, LLC, to extend the existing contract for one renewal term (five additional years) commencing on Jan. 2, 2017, and expiring on Jan. 1, 2022. Motion carried unanimously (7-0).

At the question, motion carried unanimously (7-0) to authorize the Chief Executive Officer to execute an Amendment to the Operations and Maintenance Agreement with Veolia Water North America – West, LLC, as amended.

- C. Motion to authorize the Chief Executive Officer to execute a consultant contract with HDR Engineering, Inc., for services related to the U.S. Army Corps of Engineers Mud Mountain Dam Fish Passage project, with a not-to-exceed compensation amount of \$75,000.

Motion by Ms. Sweet and second by Mr. Stokes to authorize the Chief Executive Officer to execute a consultant contract with HDR Engineering, Inc., for services related to the U.S. Army Corps of Engineers Mud Mountain Dam Fish Passage project, with a not to exceed compensation amount of \$75,000.

Mr. Clarke explained that Cascade requires consulting services to provide review, comment, and advice during the development of the Mud Mountain Dam Fish Passage project. This project involves the U.S. Army Corps of Engineers Mud Mountain Dam Fish Passage project designing and constructing a new barrier structure and fish trap and haul facility in the vicinity of Cascade's Lake Tapps Headworks at Buckley. The design process is currently underway and will culminate in a final design in early 2017. Construction is anticipated to begin in mid-2017 and be completed in late 2020.

At the question, motion carried unanimously (7-0).

- D. Motion to adopt Resolution No. 2015-09 amending Chapter 5.60.020 of the Cascade Water Alliance Code and Resolutions 2010-17 and 2012-07, to clarify and make consistent Cascade's Code and Bylaws in regard to expenditure authority.

Motion by Mr. Warren and second by Mr. Haggerton to adopt Resolution No. 2015-09 amending Chapter 5.60.020 of the Cascade Water Alliance Code and Resolutions 2010-17 and 2012-07, to clarify and make consistent Cascade's Code and Bylaws in regard to expenditure authority.

T.C. Richmond, Cascade's counsel, explained that the Board adopted Bylaws (codified at CWAC 2.05.380) that authorized the Chief Executive Officer ("CEO") to execute all contracts, deeds, leases, notes, mortgage, pledges, transfers, or other written instruments binding upon Cascade. However, the Board's policy regarding contract authority to the CEO, codified at Chapter 5.60.020 of the Cascade Water Alliance Code, is more limited than the Bylaws. Ms. Richmond noted that this motion will add language to clarify this issue and align the Code and Bylaws.

At the question, motion carried unanimously (7-0).

- E. Motion to authorize the Chief Executive Officer to execute the first of two optional years with GeoEngineers, to provide dam engineering, hydrology, and geotechnical services for the White River – Lake Tapps Reservoir project in 2016, for an amount not to exceed \$150,000.

Motion by Mr. Haggerton and second by Mr. Ault to authorize the Chief Executive Officer to execute the first of two optional years with GeoEngineers, to provide dam engineering, hydrology, and geotechnical services for the White River – Lake Tapps Reservoir project in 2016, for an amount not to exceed \$150,000.

Mr. Clarke explained that on Dec. 18, 2009, Cascade purchased the White River – Lake Tapps Reservoir project from Puget Sound Energy (PSE). Since that time, the PSE Dam Safety group has performed dam engineering work for Cascade that is required by the Washington State Dam Safety Office for owners of the dikes. This includes downloading piezometer and weir readings, performing analysis of these readings, development and submittal of various annual reports, performing an annual emergency drill, and various other dam engineering related tasks.

GeoEngineers was hired in 2011 to perform dam engineering, hydrology, and geotechnical services in making the transition from PSE to Cascade. The Shared Procurement Process was used to select a consultant to perform the same services for 2012. GeoEngineers was chosen from this process to

provide dam engineering, hydrology, and geotechnical services in 2012, with an option for two additional years. That contract ended at the end of 2014.

At the question, motion carried unanimously (7-0).

9. STAFF PRESENTATION

- A. Projects completion report.
- B. Budget presentation.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held Nov. 18, 2015.
- C. Public Affairs Committee – No meetings held.
- D. Resource Management Committee – Meeting held Nov. 18, 2015.

11. NEW BUSINESS

On behalf of the Board, Mr. Marchione read a Resolution recognizing Jim Haggerton for his outstanding contributions to Cascade. Mr. Haggerton has been a valued leader of Cascade since 2000. Mr. Haggerton was also presented with an etched plaque in appreciation for his service to Cascade.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held Jan. 27, 2016, at 3:30 p.m. The December Board meeting has been cancelled.

13. ADJOURN

The meeting was adjourned at 4:17 p.m.

APPROVED BY:



, Chair



, Vice-Chair