



MEETING MINUTES OF THE
BOARD OF DIRECTORS
CASCADE WATER ALLIANCE'S OFFICE
NOVEMBER 16, 2016

1. CALL TO ORDER

At 3:35 p.m. Mr. Butler 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 (Birney), 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. Warren and second by Ms. Sweet to approve the meeting agenda as presented. Motion carried unanimously (6-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

In addition to the Chief Executive Officer's Report that was included in the Board packet, Chuck Clarke discussed the following:

- Cascade continues to work with other partners to find potential funding solutions for public works projects and infrastructure.
- When the contractor removed timber piles out of the tailrace on the Powerhouse Valve #3 project, the south timber wall started to move. Immediate action was taken to temporarily stabilize the wall.
- 2016 RCFCs are currently ahead of budget.
- Clark Nuber, Cascade's auditing firm, recently completed a 3Q16 audit. There were no issues or findings. The State Auditor's office is currently onsite conducting Cascade's annual accountability audit.
- The Office of Management and Budget and the U.S. Army Corps of Engineers are currently working to resolve a funding misunderstanding regarding whether or not the Mud Mountain Dam Fish Passage project should be classified as a new or old project.

Cascade will move forward with the appraisal and land transactions, while this issue gets resolved.

7. CONSENT ACTION ITEM

- A. Board Meeting Minutes for October 26, 2016.
- B. Motion to authorize the Chief Executive Officer to execute a seventy-two month lease extension for office space in Cascade's current building 520 112th Avenue NE.
- C. Motion to adopt Resolution No. 2016-20 approving revised Cascade Fiscal Policies.
- D. Motion to adopt Resolution No. 2016-21 approving the Cascade Investment Policy.
- E. Motion to adopt Resolution No. 2016-22 approving the Cascade Funds Management Matrix.
- F. Motion to adopt Resolution No. 2016-23 authorizing the Chief Executive Officer to execute agreements with Pierce County, acceptable to counsel, to revise property lines around Pierce County's Lake Tapps Park and Cascade Water Alliance's dikes 4, 4A, and 5.

Motion by Mr. Stokes and second by Ms. Sweet to approve Consent Action Items A-F as presented. Motion carried unanimously (6-0).

8. OTHER ACTION ITEMS

- A. Motion to authorize the Chief Executive Officer to renew contracts for engineering, vendor, and consulting services totaling \$1,895,820, and in accordance with the adopted 2017 - 2018 Cascade budget.

Mr. Clarke reviewed the table included in the Board packet that detailed the vendors and consultants with which Cascade is contracting for services during 2017 whose current contract expires on December 31, 2016, and for which staff recommends renewal for 2017.

Motion by Ms. Birney and second by Mr. Stokes to authorize the Chief Executive Officer to renew contracts for engineering, vendor, and consulting services totaling \$1,895,820, and in accordance with the adopted 2017 - 2018 Cascade budget. Motion carried unanimously (6-0).

- B. Motion to authorize the Chief Executive Officer to execute a three-year contract with Municipal Financial Advisors as Cascade's financial advisor, not to exceed \$100,000.

Mr. Cebron explained that Cascade is beginning to near a potential window for refunding all or part of its 2009 Bonds, which are callable beginning in September 2019. Prior to that date, an advance refunding is possible dependent on market conditions. In addition to bond refunding, Mr. Cebron noted that other financial activities can merit professional advice and assistance.

Motion by Ms. Sweet and second by Mr. Warren to authorize the Chief Executive Officer to execute a 3-year contract with Municipal Financial Advisors as Cascade's financial advisor, not to exceed \$100,000. Motion carried unanimously (6-0).

- C. Motion to authorize the Chief Executive Officer to enter into Amendment No. 2 to the Mud Mountain Dam Fish Passage Project Design Review contract with HDR Engineering, Inc., in an amount not to exceed \$368,000 (total contract not to exceed amount \$743,000).

Mr. Clarke explained that Cascade entered into a contract with HDR Engineering, Inc., in December 2015 for consulting services required during the development of the Mud Mountain Dam Fish Passage project, with a not-to-exceed amount of \$75,000. Mr. Clarke reminded Board Members that Amendment No. 1 was authorized in June 2016 with the expectation that a further amendment would be necessary for activities in 2017 and beyond, including review of construction bids received by the USACE and engineering services during construction.

Motion by Mr. Stokes and second by Mr. Ault to authorize the Chief Executive Officer to enter into Amendment No. 2 to the Mud Mountain Dam Fish Passage Project Design Review contract with HDR Engineering, Inc., in an amount not to exceed \$368,000 (total contract not to exceed amount \$743,000). Motion carried unanimously (6-0).

- D. Motion to authorize the Chief Executive Officer to amend Cascade's 2016 agreement with legal firm Van Ness Feldman, to increase maximum 2016 compensation by \$55,000, from \$800,000 to \$855,000.

Due largely to the increase in the increased legal support of Cascade's negotiations with the USACE on its Cooperative Agreement, Mr. Clarke requested authorization to amend Cascade's 2016 agreement with legal firm Van Ness Feldman, to increase maximum 2016 compensation by \$55,000, from \$800,000 to \$855,000.

Motion by Mr. Warren and second by Mr. Ault to authorize the Chief Executive Officer to amend Cascade's 2016 agreement with legal firm Van Ness Feldman, to increase maximum 2016 compensation by \$55,000, from \$800,000 to \$855,000. Motion carried unanimously (6-0).

9. STAFF PRESENTATIONS

None.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Joint Finance and Management and Resource Management Committee – Meeting held November 3, 2016. The meeting recap was included in the Board packet.
- C. Public Affairs Committee – Meeting held November 2, 2016. The meeting recap was included in the Board packet.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held Wednesday, January 25, 2017, at 3:30 p.m.

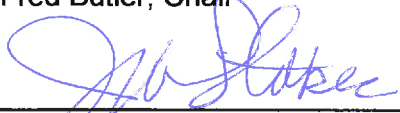
13. ADJOURN

The meeting was adjourned at 4:07 p.m.

APPROVED BY:



Fred Butler, Chair



John Stokes, Vice-Chair