



ANNUAL MEETING¹ OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade’s Bellevue Office and Via Zoom Meeting
February 22, 2023
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT	
4. APPROVAL OF AGENDA	
5. CHIEF EXECUTIVE OFFICER’S REPORT	<u>3</u>
6. CONSENT ITEMS	
a. Board Meeting Minutes from January 25, 2023.	<u>27</u>
b. Motion to adopt Resolution No. 2023-05 to amend Cascade Water Alliance Code 3.050.030 to further authorize the Chief Executive Officer to make “housekeeping” amendments to Cascade’s Human Resources Policy and Procedures Manual.	<u>30</u>
7. STAFF PRESENTATION	
a. Annual Milfoil Treatment Program – <i>presentation in packet.</i>	<u>34</u>
8. OTHER ACTION ITEMS	
a. Motion to authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.	<u>39</u>
9. COMMITTEE REPORTS	
a. Executive Committee – <i>no meetings held.</i>	
b. Finance and Management Committee – <i>February 21, 2023. Recap will be in the March Board packet.</i>	
c. Public Affairs Committee – <i>February 1, 2023.</i>	<u>41</u>
d. Resource Management Committee – <i>February 9, 2023.</i>	<u>43</u>

¹ The February meeting of the Cascade Water Alliance Board satisfies the requirement for an Annual Meeting, as adopted by Article IV of the Bylaws.

10. EXECUTIVE SESSION

- a. To review the performance of an employee.

11. NEW BUSINESS

12. NEXT REGULAR MEETING – *March 22, 2023 – Cascade Office – 3:30 p.m.*

13. ADJOURN

NOTE: AS ALLOWED BY STATE LAW, THE BOARD OF DIRECTORS MAY ADD AND TAKE ACTION ON ITEMS NOT LISTED ON THE AGENDA.



MEMORANDUM

DATE: February 22, 2023

TO: Penny Sweet, Chair
Board of Directors

FROM: Ray Hoffman, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- This month Cascade's office moving team met with the broker, Hughes Marino, to design the layout of the new office. The team is working to ensure that the conference rooms at the new office are set up to facilitate hybrid meetings effectively in the future with the proper audio-visual equipment and furniture. Permits have been issued by the City of Bellevue for the tenant improvements and Cascade is planning on moving into the new office on March 25, assuming the improvements are completed on time.
- Cascade met with BrightNight in February to discuss the status of its battery storage project and the potential future easement payment. Last year, Cascade entered into an agreement with BrightNight where Cascade would receive \$1.18 million upon commencement of construction if their project were to move forward. At the meeting, BrightNight notified Cascade that their project has been shortlisted by PSE and the project is likely to begin construction by the end of 2024. BrightNight is in the process of negotiating a purchase power agreement with PSE and have been asked by PSE to make it a larger storage project. Subsequently, BrightNight is searching for additional space for the project and has asked if Cascade is interested in leasing any additional space. BrightNight will provide staff with more information about what parcels they are interested in leasing for Cascade to evaluate further. If any additional leases look viable, staff will bring them to Finance and Management and the Board later this year.
- Regional Capital Facilities Charges (RCFCs) connections are off to a strong start in 2023 with 125 net CERUs reported with three member reports not yet received. Budget expectations increased 300 CERUs from 2022 to 1,300 in 2023, and Cascade is on pace to meet 2023 budget expectations.
- Cascade is in the process of obtaining bids for the demolition of Cascade's Ford property. Cascade purchased the Ford property in 2009 along with several other properties and easements along a potential future pipeline route. The proposed pipeline route goes through the house. Cascade has been leasing the house, but the septic system has failed. Cascade believes that demolition of the house is the best option. Cascade is working with its attorneys to secure the proper permits and is anticipating demolition of the property in the second quarter of 2023.
- Cascade employees are working to complete cybersecurity training for 2023. Cascade's IT consultant, TeamLogicIT, along with its insurance provider, WSRMP, provide a training platform for employees to improve their awareness of security threats. The training is completed by every employee annually.

Capital Projects and Operations

- The SCADA/Security project field construction was completed on January 31, within the Board approved budget. The Cascade team is currently working with the system integrator and Team Logic to finalize the software configuration.
- Cascade successfully completed the Headworks Headgate 1 Actuator replacement work. The Actuator lost electrical controls in December 2022 and subsequent investigation determined that the loss was due to a failed actuator.
- Cascade and Veolia are working to prepare for the early spring refill of the lake to achieve summer recreational level. Refill is scheduled to begin on February 16.
- Cascade will perform retaining wall repair of Dike 11 starting February 20. The work consists of installing concrete blocks to stabilize the Dike 11 shore side embankment.
- Cascade staff has completed the 90% design review of BNSF engineering design and is negotiating maintenance responsibilities with the City of Sumner and Burlington Northern Santa Fe (BNSF) railroad on the future Sumner outflow channel and BNSF Bridge.
- The U.S. Army Corps of Engineers (USACE) updated Cascade that it is still planning to start construction of Phase 3 in late summer or early fall of 2023. The start of Phase 3 is contingent on successful redesign, fabrication, and installation of equipment by USACE's contractor and tweaking of operations for the new fish trap and haul facility. Cascade is working with USACE on specific payment arrangements to fund Cascade's work.

Water Efficiency

- The Cascade Gardener winter series kicked off in January with new topics and the classes have been well attended.
- Cascade is working with the King County Housing Authority to create a sustainable landscaping training series for staff in the spring. The training will include classroom and hands on learning on various topics, such as turfgrass maintenance, aeration, irrigation efficiency, and proper plant selection.
- Cascade attended the Northwest Flower and Garden Festival with the water wall.
- Cascade provided 48 water education programs to 981 students in January.
- Cascade is preparing for a large campaign to promote annual Fix A Leak Week in March that will offer leak detection dye to homes and businesses and encourage people to check for leaks.
- Cascade continues to work with properties that received an irrigation assessment in 2022. Cascade will stay in touch with the properties to offer additional assistance in helping with irrigation efficiency if requested.
- Cascade has increased the promotion of its classes and programs, as well as content relating to the value of water, on its social media platforms. There has been a significant increase in the number of followers and engagements since Cascade began working with its social media vendor, Brilliant Marketing.

Intergovernmental and Communications

- The 105-day state legislative session began on January 9. The policy committee cut-off is February 17, and the deadline to move bills out of fiscal committees is February 24. Cascade is closely tracking the bills prohibiting utility disconnections during heat emergencies (HB 1329/SB 5366). These bills are being amended due to stakeholder feedback and appear to be improving, but more work is needed. Other bills being monitored include those that add climate resiliency requirements and amend procurement and contracting laws. Cascade will continue to track and provide feedback on bills that could impact water utilities and report out to the Public Affairs Committee.

- The state Department of Health (DOH) recently released guidance to help water systems comply with the service line inventory requirements in the U.S. Environmental Protection Agency’s Lead and Copper Rule Revisions. All water systems must submit their inventory to the state by October 16, 2024. The DOH will be holding informational presentations in March and April to provide additional assistance. Cascade will continue to share any updates or guidance and provide opportunities for members to share information on compliance with the requirements.
- The Water Supply Development Fund (WSDF) was established by the Board in November 2021 as a structured means to accumulate cash to meet the 20% equity requirement for the development of the Lake Tapps Reservoir project and to mitigate financial impacts. Last July Cascade completed a report that summarizes the current state of the WSDF and future projections. This report will be updated biennially and is posted here: https://cascadewater.org/wp-content/uploads/2023/02/WSDF-FAQs_July-2022.pdf.

Planning

- Cascade has developed its 2023 work plan, and some of its highest priorities are listed below. The complete work plan is attached, as is the list of 2022 achievements.
 - Finalizing project agreements with Sumner and BNSF.
 - Finalizing negotiations of wholesale water contract terms with Seattle and Tacoma and receive Board direction on which path to pursue.
 - Resuming work on the Transmission and Supply Plan.
 - Implementing the Headworks Intake Modification Project (Phase 3) with the USACE and performing maintenance projects during the flowline outage.
 - Completing the development of a drinking water quality policy framework.
 - Completing the climate change impacts analysis on the Lake Tapps Reservoir.
 - Moving into Cascade’s new office.
 - Filling the positions to be vacated by Linda Moreno and Jon Shimada, who are both retiring later this year.
- Cascade’s consultant, Confluence, held a final workshop with staff from Bellevue, Sammamish Plateau Water, and Issaquah to review the first drafts of the Emergency Response Plan and Emergency Flushing Plan.

Attachments

1. Budget to Actual Expenditure Report through January 31, 2023.
2. Statement of Revenues and Expenditures through January 31, 2023.
3. Statement of Net Position as of January 31, 2023.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer’s Report as of January 31, 2023.
7. 2022 Achievements.
8. 2023 Work Plan.

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- January 31, 2023
 8% of the year completed

Administration	Budget	Actual	Balance	% Expended
Salaries	\$ 1,237,002	\$ 145,406	1,091,595	11.8%
Benefits	\$ 264,460	68,398	196,062	25.9%
Wellness program	5,000	35	4,965	0.7%
Prof. Fee (Technical)	260,000	225	259,775	0.1%
Prof. Fee (Legal)	645,000	0	645,000	0.0%
Prof. Fee (Audit)	84,500	0	84,500	0.0%
Prof. Fee (Other)	50,000	0	50,000	0.0%
Seismic Resiliency	100,000	0	100,000	0.0%
Meetings Expense	11,000	5,149	5,851	46.8%
Telephone/Internet	45,000	5,392	39,608	12.0%
Office Rent	488,152	20,847	467,306	4.3%
Office Supplies Admin.	15,000	1,500	13,500	10.0%
Equip. and Furniture	25,000	788	24,212	3.2%
Bank Fees	600	0	600	0.0%
Dues & Subscriptions	25,000	13,580	11,420	54.3%
Taxes/Licenses	15,000	0	15,000	0.0%
Travel	10,000	2,596	7,404	26.0%
Professional Dev.	10,000	3,223	6,777	32.2%
Computer Equipment	15,000	1,193	13,807	8.0%
Software Licenses	45,000	2,264	42,736	5.0%
Postage & Delivery	3,000	355	2,645	11.8%
Printing & Repro.	5,000	0	5,000	0.0%
Insurance	150,900	134,007	16,893	88.8%
Contingency	275,000	0	275,000	0.0%
Total	\$ 3,784,614	\$ 404,958	\$ 3,379,656	10.7%

Debt Service	Budget	Actual	Balance	% Expended
Bond Debt Service	9,199,941	4,143,150	5,056,791	45.0%
Total	\$ 9,199,941	\$ 4,143,150	\$ 5,056,791	45.0%

Conservation	Budget	Actual	Balance	% Expended
Salaries	\$ 138,910	\$ 6,405	\$ 132,505	4.6%
Benefits	34,705	31	34,674	0.1%
Prof. Fee (Technical)	35,000	1,913	33,088	5.5%
Prof. Fee (Legal)	75,000	0	75,000	0.0%
Dues & Subscriptions	20,000	0	20,000	0.0%
Rebate Reimb. Com.	75,000	0	75,000	0.0%
Irrigation Audit	25,000	0	25,000	0.0%
Comm. and Public I	312,500	21,856	290,644	7.0%
Misc. Serv. and Sup.	82,000	3,046	78,954	3.7%
Total	\$ 798,115	\$ 33,250	\$ 764,865	4.2%

Com. and Intergovern	Budget	Actual	Balance	% Expended
Salaries	\$ 140,746	\$ 12,375	\$ 128,371	8.8%
Benefits	\$ 30,509	228	30,281	0.7%
Prof. Fee (Technical)	10,000	1,270	8,730	12.7%
Prof. Fee (Other)	165,000	13,500	151,500	8.2%
Sponsorships	30,000	0	30,000	0.0%
Comm. and Public I	260,000	5,052	254,949	1.9%
Total	\$ 636,255	\$ 32,425	\$ 603,830	5.1%

Operations-General	Budget	Actual	Balance	% Expended
Wholesale Water	\$ 23,969,287	\$ 2,396,928	\$ 21,572,359	10.0%
Salaries	50,542	4,456	46,087	8.8%
Benefits	8,336	84	8,252	1.0%
BIP O&M	60,000	56	59,944	0.1%
Pipeline Prop. O&M	70,000	0	70,000	0.0%
PWTF Loan Debt	40,066	0	40,066	0.0%
Total	\$ 24,198,231	\$ 2,401,524	\$ 21,796,708	9.9%

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- January 31, 2023
 8% of the year completed

Operations-Lake Tapps	Budget		Balance		% Expended
Salaries	\$ 609,233	\$ 29,323	\$ 579,910		4.8%
Benefits	\$ 104,834	642	104,192		0.6%
Prof. Fee (Technical)	725,000	1,158	723,843		0.2%
Prof. Fee (Other)	75,000	0	75,000		0.0%
Meetings Expense	6,500	672	5,828		10.3%
Telephone/Internet	1,925	72	1,853		3.7%
Office Supplies	20,000	0	20,000		0.0%
Equipment & Furn.	30,000	2,268	27,732		7.6%
Taxes/Licenses	8,000	146	7,854		1.8%
Travel	18,500	83	18,417		0.4%
Professional Dev.	2,500	0	2,500		0.0%
Software Licenses	35,000	0	35,000		0.0%
Permitting Costs	8,000	3,655	4,345		45.7%
Misc. Serv. and Sup.	85,000	1,288	83,712		1.5%
LT Operator	2,456,840	0	2,456,840		0.0%
Unplanned O&M	150,000	396	149,604		0.3%
Misc. Facility Repairs	142,000	1,796	140,204		1.3%
USGS Joint Fund	350,292	0	350,292		0.0%
Construction Management	50,000	0	50,000		0.0%
Outage	100,000	0	100,000		0.0%
Milfoil Control	150,000	0	150,000		0.0%
Vendor Services	128,000	1,075	126,925		0.8%
Water Quality Management	100,000	0	100,000		0.0%
Dike and Roads Maintenance	68,000	0	68,000		0.0%
Total	\$ 5,424,624	\$ 42,573	\$ 5,214,051		0.8%
Total Operating Budget	\$ 44,041,780	\$ 7,057,880	\$ 36,815,900		16.0%
Capital Projects (multi-yr bdgt not shown)	Budget	Actual	Balance		% Expended
Upper Conveyance Projects	\$ 3,425,000	0	3,425,000		0.0%
Lake Tapps Reservoir	100,000	0	100,000		0.0%
Meters	50,000	0	50,000		0.0%
Equipment	75,000	0	75,000		0.0%
Facilities	200,000	10,943	189,057		5.5%
Security and SCADA	50,000	0	50,000		0.0%
Tacoma Agreement	6,094,972	6,094,972	0		100.0%
Capital Risk	500,000	0	500,000		0.0%
IT Infrastructure	25,000	0	25,000		0.0%
Total CIP Budget	\$ 10,519,972	\$ 6,105,915	\$ 4,414,057		58.0%
Total Overall Budget	\$ 54,561,752	\$ 13,163,795	41,397,957		24.1%

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2023 Through 1/31/2023

Attachment 2

Operating Revenue		
Water sales	\$	2,398,926
Administrative dues		3,776,170
Conservation program		47,618
Total Operating Revenue		6,222,714
Operating Expenses		
Cost of water sold		1,198,718
Salaries and benefits		260,482
Professional services		18,065
Depreciation and amortization		295,868
Communication and public information		16,851
Office expenses		149,609
Operations		5,847
Rent		129
Maintenance		56
Dues and subscriptions		13,604
Miscellaneous		3,001
Total Operating Expenses		1,962,229
Operating Income		4,260,485
Non-Operating Revenue (Expenses)		
Interest income		65,901
Other income		1,905
Interest expense, net of amount capitalized		(260,190)
Total Non-Operating Revenue (Expenses)		(192,383)
Increase in Net Assets		4,068,101
Net Assets, Beginning of Year		137,368,044
Net Assets, End of Year	\$	141,436,146

Cascade Water Alliance
Statement of Net Position
As of 1/31/2023

Attachment 3

Assets	
Current Assets	
Cash and cash equivalents	\$ 23,794,993
Accounts receivable	10,712,075
Prepaid expenses	304,172
Total Current Assets	34,811,240
Capital Assets	
Equipment and furniture	2,102,968
Seattle water contract	22,267,611
Bellevue Issaquah pipeline	22,276,944
Tacoma water contract	119,740,687
Less accumulated depreciation and amortization	(57,441,410)
Total Capital Assets	108,946,800
Projects in process and assets not yet in service	
Lake Tapps	105,821,121
Tacoma Cascade pipeline	26,539,385
Total Projects in process and assets not yet in service	132,360,506
Restricted cash and cash equivalents	18,656,963
Total Assets	294,775,510
Liabilities	
Current liabilities	
Payables and accrued liabilities	834,095
Accrued interest	922,791
Long-term debt current portion	
Bonds Payable-Current Portion	6,500,000
Other	39,474
Total Long-term debt current portion	6,539,474
Total Current liabilities	8,296,360
Long-term Liabilities	
Long-term debt	81,998,948
Tacoma contract	53,897,110
Seattle contract	5,000,000
Bond premium, net of amortization	4,023,891
Total Long-term Liabilities	144,919,949
Total Liabilities	153,216,308
Net Assets	
Restricted for debt service	103,577,181
Unrestricted	37,982,020
Total Net Assets	141,559,201
Total Liabilities & Net Assets	\$ 294,775,510

Consultant and Other Vendor Contract Status Summary

Open contracts											
Vendor	Contract number	Contract title	Cascade manager	Effective date	End date	Status date	Percent work completed	Contract amount, including	Amount invoiced	Percent invoiced	Contract balance
A Advanced Septic	1	Relief house septic system services	J. Shimada	1/11/2023	N/A	2/13/2023	20%	\$ 3,739	\$ 1,075	29%	\$ 2,664
Artisan Electric	1	Powerhouse Solar Energy Project	M. Brent	10/1/2021	12/31/2022	2/13/2023	100%	\$ 273,000	\$ 236,184	87%	\$ 36,816
Aspect	1	Water Supply Modeling	R. Hoffman	5/6/2020	N/A	2/13/2023	35%	\$ 24,900	\$ 12,300	49%	\$ 12,601
Aspect	2	Water Resources Services	R. Hoffman	8/17/2018	N/A	2/13/2023	98%	\$ 60,000	\$ 58,251	97%	\$ 1,749
Aspect	3	Climate Change Analysis	R. Hoffman	9/7/2022	12/31/2024	2/13/2023	3%	\$ 150,000	\$ -	0%	\$ 150,000
Ben Bernstein Music	1	Podcast production	M. Brent	12/20/2022	12/31/2023	2/13/2023	5%	\$ 5,000	\$ -	0%	\$ 5,000
Brilliant Marketing	1	We Need Water Strategy Planning	M. Brent	11/4/2022	12/31/2023	2/13/2023	5%	\$ 49,500	\$ 6,695	14%	\$ 42,805
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	R. Hoffman	1/1/2023	N/A	2/13/2023	10%	\$ 67,300	\$ -	0%	\$ 67,300
Colehour and Cohen	1	Staffing for classes and events	M. Brent	1/1/2023	12/31/2023	2/13/2023	5%	\$ 98,000	\$ 5,033	5%	\$ 92,967
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2025	2/13/2023	0%	\$ 160,000	\$ -	0%	\$ 160,000
David McGrath	1	Irrigation Efficiency Assistance	M. Brent	12/21/2022	12/31/2023	2/13/2023	0%	\$ 30,000	\$ -	0%	\$ 30,000
Enrironmental Science Assoc (ESA)	1	Aquatic Plant Management	H. Chen	11/17/2022	12/31/2023	2/13/2023	10%	\$ 35,000	\$ -	0%	\$ 35,000
GeoEngineers Inc.	1	Dam Engineering/Hydrology/Geotech	H. Chen	1/1/2023	12/31/2023	2/13/2023	0%	\$ 170,000	\$ -	0%	\$ 170,000
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2023	12/31/2023	2/13/2023	8%	\$ 84,000	\$ 7,000	8%	\$ 77,000
Herrera	1	On-call limnology services	M. Thung	12/1/2022	12/31/2025	2/13/2023	5%	\$ 45,000	\$ -	0%	\$ -
Holocene	1	Plunge Pool Timber Wall Drilling	J. Shimada	1/22/2022	N/A	2/13/2023	100%	\$ 6,772	\$ 6,772	100%	\$ 0
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	2/13/2023	98%	\$ 1,041,100	\$ 950,972	91%	\$ 90,129
HDR	2	Conservation Plan Potential Assessment	M. Brent	5/21/2021	N/A	2/13/2023	99%	\$ 18,900	\$ 18,870	100%	\$ 30
Jacobs Engineering Group	1	Demand Forecast Model Support Services	M. Thung	8/20/2021	N/A	2/13/2023	5%	\$ 5,000	\$ -	0%	\$ 5,000
Jennergy	1	Website assistance	A. Bennett	1/1/2023	12/31/2023	2/13/2023	5%	\$ 36,500	\$ 1,270	3%	\$ 35,230
Johansen Excavating	1	Emergency Headgate Repair	H. Chen	5/5/2021	N/A	2/13/2023	98%	\$ 100,947	\$ 92,358	91%	\$ 8,589
Johansen Excavating	2	Flowline Outage Maintenance	J. Shimada	8/12/2021	N/A	2/13/2023	75%	\$ 540,000	\$ 387,899	72%	\$ 152,101
Johansen Excavating	5	Headgate actuator repair	J. Shimada	1/2/2023	3/31/2023	2/13/2023	5%	\$ 42,445	\$ -	0%	\$ 42,445
Johansen Excavating	4	Plunge Pool retaining wall	J. Shimada	7/2/2022	N/A	2/13/2023	95%	\$ 576,750	\$ 558,515	97%	\$ 18,235
Johansen Excavating	5	2022 Powerhouse overhead door	J. Shimada	7/22/2022	N/A	2/13/2023	5%	\$ 13,000	\$ -	0%	\$ 13,000
Langton Spieth	1	Community relations	A. Bennett	1/1/2023	12/31/2023	2/13/2023	8%	\$ 78,000	\$ 6,500	8%	\$ 71,500
Lake Tapps Construction	1	Rodent Odor Mitigation	J. Shimada	5/25/2022	3/31/2023	2/13/2023	100%	\$ 24,537	\$ 18,319	75%	\$ 6,218
Long Building Tech	1	Security Maintenance	H. Chen	8/12/2019	10/31/2022	2/13/2023	80%	\$ 55,000	\$ 43,047	78%	\$ 11,953
Media for International Development	1	WeNeedWater Video Production	A. Bennett	1/1/2023	12/31/2023	2/13/2023	8%	\$ 35,000	\$ -	0%	\$ 35,000
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2023	12/31/2023	2/13/2023	8%	\$ 100,000	\$ 9,527	10%	\$ 90,473
Pacific Law	1	Legal Assistance	H. Chen	1/1/2023	12/31/2023	2/13/2023	8%	\$ 25,000	\$ -	0%	\$ 25,000
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2025	2/13/2023	8%	\$ 550,000	\$ -	0%	\$ 550,000
Performance Dimensions	2	Executive Coaching Services	M. Thung	3/14/2022	12/31/2023	2/13/2023	35%	\$ 15,000	\$ 5,075	34%	\$ 9,925
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2023	12/31/2023	2/13/2023	8%	\$ 50,000	\$ -	0%	\$ 50,000
RH2	2	On-Call Electrical Engineering Srvs	H. Chen	1/1/2023	12/31/2023	2/13/2023	8%	\$ 125,000	\$ -	0%	\$ 125,000
RH2	1	Security and SCADA	H. Chen	1/16/2020	N/A	2/13/2023	95%	\$ 494,807	\$ 489,821	99%	\$ 4,986
RH2	3	Wholesale Master Meter Eval	H. Chen	1/21/2020	3/31/2023	2/13/2023	8%	\$ 24,500	\$ 1,342	5%	\$ 23,158
Robinson Noble	1	Water Audits	E. Cebron	10/3/2019	N/A	2/13/2023	80%	\$ 135,060	\$ 112,485	83%	\$ 22,575
Sammamish Plateau Water	1	GIS support services	H. Chen	12/6/2022	N/A	2/13/2023	5%	\$ 50,000	\$ -	0%	\$ 50,000
Sazan	1	On-call value analysis/engineering	J. Shimada	10/23/2023	10/23/2025	2/13/2023	0%	\$ 250,000	\$ -	0%	\$ 250,000
SC Words & Pictures Inc.	1	Design Services	A. Bennett	1/1/2023	12/31/2023	2/13/2023	15%	\$ 24,000	\$ -	0%	\$ 24,000
Seattle Public Utilities	1	Garden Hotline	M. Brent	1/1/2023	12/31/2023	2/13/2023	67%	\$ 15,000	\$ -	0%	\$ 15,000
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2023	12/31/2023	2/13/2023	30%	\$ 24,500	\$ 1,913	8%	\$ 22,588
Source Electric LLC	1	SCADA Improvements Project	H. Chen	5/1/2021	2/1/2022	2/13/2023	100%	\$ 809,122	\$ 809,122	100%	\$ -

Sustainable Water	1	Teacher Fellows program	M. Brent	1/1/2023	12/31/2023	2/13/2023	8%	\$ 60,000	\$ -	0%	\$ 60,000
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2023	12/31/2023	2/13/2023	8%	\$ 136,275	\$ -	0%	\$ 136,275
TechniArt	1	Website Orders	M. Brent	1/1/2023	12/31/2023	2/13/2023	8%	\$ 15,900	\$ -	0%	\$ 15,900
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2023	12/31/2023	2/13/2023	8%	\$ 24,500	\$ -	0%	\$ 24,500
Upstream PBC	1	HydroForecast-Glacier Climate Change Analysis	M. Thung	11/1/2022	N/A	2/13/2023	0%	\$ 49,900	\$ -	0%	\$ 49,900
Transpo Group	1	GIS Program Technical Support	J. Shimada	2/3/2022	7/31/2023	2/13/2023	60%	\$ 24,000	\$ 18,039	75%	\$ 5,961
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	12/31/2024	2/13/2023	50%	\$ 560,000	\$ 167,476	30%	\$ 392,524
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2023	12/31/2023	2/13/2023	8%	\$ 600,000	\$ -	0%	\$ 600,000
Veolia	1	White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$2,133,533 Fixed, \$214,632 Var	J. Shimada	1/1/2023	12/31/2023	2/13/2023	50%	\$ 2,348,165	\$ -	0%	\$ 2,348,165
Water Value	1	Climate Study Advisory Services	M. Thung	6/16/2022	12/31/2023	2/13/2023	5%	\$ 22,500	\$ 5,387	24%	\$ 17,113
Winterbauer and Diamond	1	Legal Assistance	R. Hoffman	1/1/2023	12/31/2023	2/13/2023	5%	\$ 20,000	\$ -	0%	\$ 20,000

Payment Authorization Warrants and Wire Transfers 2/22/23

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 2/23	\$1,198,464.00
		<u>\$1,198,464.00</u>

CONSULTANTS

30532	Aspect Consulting	\$578.00
30539	SC Words & Pictures, Inc.	\$3,328.99
30546	Jennergy	\$1,270.00
30540	David Evans and Associates Inc.	\$6,527.00
30543	Environmental Science Associates (ESA)	\$2,993.00
30544	GeoEngineers	\$6,745.68
30550	Langton/Spieth	\$6,000.00
30552	Performance Dimensions Group	\$1,050.00
30554	RH2 Engineering, Inc.	\$14,387.87
30558	Transpo Group	\$1,285.00
30561	Van Ness Feldman, LLP	\$34,889.30
30562	Winterbauer & Diamond PLLC	\$720.00
30578	Tacoma Pierce County Health Department	\$30,820.62
30579	TeamLogic IT of Bellevue, WA	\$17,806.55
30583	City of Bellevue	\$3,638.59
30585	Parametrix	\$25,041.75
30587	BRILLIANT MARKETING LLC	\$6,695.00
30591	Gordon Thomas Honeywell Govern. Affair	\$7,000.00
30593	Langton/Spieth	\$6,500.00
30597	Performance Dimensions Group	\$1,050.00
30601	Transpo Group	\$1,157.50
30606	Water Value LLC	\$225.00
		<u>\$179,709.85</u>

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (January)	
30533	Association of Washington Cities	\$1,976.57
30541	Edward Cebron	\$2,151.42
30542	Joseph Mickelson	\$1,300.00
30564	Vantagepoint 401 Plan	\$39,597.37
30565	Vantagepoint 457 Plan	\$25,020.73
30566	AWC Employee Benefit Trust	\$21,586.57
30570	Alison Bennett	\$397.80
30571	Melina Thung	\$46.53
30572	HRA VEBA Trust	\$1,176.00
		<u>\$93,252.99</u>

LAKE TAPPS

30580	Vanir Construction Management Inc.	\$162.00
30584	Linde Gas & Equipment Inc.	\$388.51
30598	Puget Sound Energy	\$396.06
		<u>\$946.57</u>

CONSTRUCTION

30549	Lake Tapps Construction Unlimited	\$10,407.87
30563	Vanir Construction Management Inc.	\$1,984.50
30582	Parametrix	\$4,337.50
		<u>\$16,729.87</u>

GENERAL

30534	CIT	\$2,064.00
30537	Comcast	\$561.28
30538	Comcast	\$1,652.40
30545	Greater Issaquah Chamber of Comm	\$335.00
30547	JG 520 Building LLC	\$20,588.76
30548	Lakemont Business Services Inc.	\$250.00
30556	Seattle Southside Chamber of Comrr	\$315.00
30559	U.S. BANK	\$12,702.08
30560	Utilities Underground Location Cente	\$5.16
30567	AT&T FirstNet	\$407.98
30568	Comcast	\$560.84
30569	DIRECTV	\$93.99
30573	JG 520 Building LLC	\$20,588.76
30576	One Redmond	\$2,500.00
30577	Pacific Office Automation	\$265.36
30586	Washington State Department of Rev	\$843.17
30588	Cintas Corporation	\$512.99
30589	Comcast	\$1,652.40
30590	Covington Water District	\$46.50
30592	JG 520 Building LLC	\$20,588.76
30596	Pacific Office Automation	\$265.36
30600	Staples Advantage	\$83.18
30602	U.S. BANK	\$6,628.88
30603	Utilities Underground Location Cente	\$9.03
30604	Verizon Wireless	\$135.03
30605	Washington Association of Sewer & \	\$410.00
		<u>\$94,065.91</u>

CONSERVATION

30535	City of Seattle	\$3,000.00
30536	Colehour and Cohen	\$1,722.37
30551	Nature Vision, Inc.	\$9,132.64
30553	Puget Sound Energy	\$900.00
30555	SMC Consulting LLC	\$1,000.00
30557	Techniart C S D	\$395.53
30575	Lisa Taylor	\$300.00
30594	Nature Vision, Inc.	\$9,527.45
30595	Nita-Jo Rountree	\$300.00
30599	SMC Consulting LLC	\$1,912.50
		<u>\$28,190.49</u>

COMPUTER EQUIPMENT AND SOFTWARE

30531	Abila	\$254.36
		<u>\$254.36</u>

DESTROYED AND VOIDED CHECKS:

30574

Total Warrants	\$413,150.04
Total Wires	\$1,198,464.00
Total warrants/wire transfers authorized for February 2023	\$1,611,614.04

Approved: _____ Date: _____
Edward Cebron, Chief Economist/Treasurer

Approved: _____ Date: _____
Allan Ekberg, Secretary/Treasurer

**Cascade Water Alliance
Monthly Treasurer's Report
January 2023**

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, January 1	\$ 10,945,348	\$ 17,213,500	\$ 12,764,742	\$ -	\$ 8,088,013	\$ 2,156,574	\$ -	\$ 51,168,176
Additions:								
Cash received	\$ 4,893,026	\$ 26,789	\$ 47,346	\$ -	\$ 16,789	\$ 3,660	\$ -	\$ 4,987,611
Transfers from other Cascade funds	\$ -	\$ -	\$ 217,471	\$ -	\$ -	\$ -	\$ 128,622	\$ 346,093
Total additions	\$ 4,893,026	\$ 26,789	\$ 264,817	\$ -	\$ 16,789	\$ 3,660	\$ 128,622	\$ 5,333,704
Subtractions:								
Bank fees, payroll, and bond payments	\$ 570	\$ 670	\$ 4,146,182	\$ -	\$ 204	\$ 92	\$ 128,622	\$ 4,276,340
Warrants paid	\$ 414,980	\$ 6,808	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 421,788
Wire and other electronic payments	\$ 1,198,464	\$ 6,094,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,293,436
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ (108)	\$ (91)	\$ (50)	\$ -	\$ -	\$ (13)	\$ -	\$ (262)
Transfers to other Cascade funds	\$ 346,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 346,093
Total subtractions	\$ 1,960,000	\$ 6,102,358	\$ 4,146,132	\$ -	\$ 204	\$ 78	\$ 128,622	\$ 12,337,394
Ending Balances, January 31, 2023	\$ 13,878,374	\$ 11,137,930	\$ 8,883,427	\$ -	\$ 8,104,598	\$ 2,160,155	\$ -	\$ 44,164,486



Cascade's 2022 Achievements (Based on the 2022 Work Plan)

FOCUS AREA 1: ASSET MANAGEMENT		
<i>Goal: Optimize Cascade's assets to support current and future needs.</i>		
Strategic Plan Strategies	2022 Work Plan Actions	2022 Achievements
1. Implement strategies and make investments to protect the Lake Tapps Reservoir as a future drinking water supply.	<ol style="list-style-type: none"> 1. Make progress on the following projects: <ol style="list-style-type: none"> a. Headworks Intake Modifications (note: the project timing is driven by the US Army Corps of Engineers (USACE)) b. SCADA/Security Implementation c. Plunge Pool South Timber Wall Improvements d. Buckley Emergency Slide Stabilization and Drainage Improvements e. Valve House System Control Rehab and Backup System Improvements 2. Work with the State Dam Safety Office on the five-year Lake Tapps Reservoir dikes inspection. 3. Perform annual milfoil treatment. 4. Continue to improve the property management program, including better educating homeowners about license requirements and mitigating trespassing and encroachments. 5. Complete the GIS layer containing the White River-Lake Tapps Reservoir system major infrastructure geospatial data. 	<ol style="list-style-type: none"> 1. Completed or made good progress on four of the five projects: <ol style="list-style-type: none"> a. Delayed by the US Army Corps of Engineers b. Substantially completed c. Completed d. Completed e. Made progress on two small Valve House projects: the first is in construction and the second completed the design and is in the construction procurement phase 2. Completed the five-year dikes inspection and received high marks from the Dam Safety Office. 3. Completed treatment using a chemical herbicide treatment called ProcellarCOR. 4. Issued 24 licenses to homeowners for a total of 154, which is more than 10 percent of the properties around the Lake Tapps Reservoir. 5. Completed critical asset mapping and field asset mapping in the GIS system, and updated information on the Bellevue-Issaquah Pipeline.
2. Use baseline water quality information to evaluate how future drinking water from the Lake Tapps Reservoir will meet water quality regulatory standards and regional expectations.	<ol style="list-style-type: none"> 6. Using the results of the two-year water quality monitoring study, develop next steps for a future water quality strategy. 7. Monitor opportunities to engage in local government planning/ stormwater activities that benefit water quality. 	<ol style="list-style-type: none"> 6. Completed the two-year water quality monitoring study; began developing a policy framework for the Board to provide policy direction in 2023. 7. Submitted comments on the scope of the Environmental Impact Statement for the Pierce County Comprehensive Plan Periodic Review and Update to address existing water quality problems and prevent future problems.
3. Maximize Cascade's assets to generate other sources of revenue or benefits.	<ol style="list-style-type: none"> 8. Finalize an agreement to sell temporary water to Redmond. 9. Continue to explore opportunities to sell water to Sumner and other entities. 	<ol style="list-style-type: none"> 8. Water sales agreement postponed by Redmond. 9. Water sales negotiations ended by Sumner. 10. Executed a transmission easement agreement with BrightNight, resulting in Cascade receiving \$25K up

	10. Explore opportunities to lease Cascade’s property to interested parties, such as for battery storage projects.	front and at least \$1.18M if BrightNight receives a renewable power generation contract from PSE.
<i>Additional Asset Management work plan actions that aren’t associated with specific Strategic Plan Strategies.</i>	11. <i>Update the Memorandums of Agreement with Bellevue and Sammamish Plateau Water to clarify roles and responsibilities on the operations and maintenance of the Bellevue-Issaquah Pipeline.</i>	11. <i>Completed the Amended Agreements and Memorandums of Understanding with Bellevue and Sammamish Plateau Water and will seek to have both sets of documents signed in early 2023.</i>

FOCUS AREA 2: WATER RESOURCES		
<i>Goal: Ensure flexibility, certainty and resiliency of Cascade’s future drinking water supply for the region.</i>		
Strategic Plan Strategies	2022 Work Plan Actions	2022 Achievements
4. Delay capital costs in developing the Lake Tapps Reservoir as a municipal water supply by purchasing water from other regional suppliers and utilizing reclaimed water, independent supplies, and other water sources.	12. Request an extension of the development schedule contained in Cascade’s water right permits from Department of Ecology. 13. Negotiate a block contract extension with Seattle. 14. Negotiate a new supply contract with Tacoma. 15. Finalize the long-term demand forecast. 16. Finalize the conservation potential assessment.	12. Received a 25-year extension of the development schedule from the Department of Ecology. 13. Met with Seattle throughout the year on a potential block contract extension. 14. Met with Tacoma throughout the year on a potential new supply contract. 15. Made good progress updating the demand forecast and awaiting data from the Puget Sound Regional Council to complete it. 16. Completed the Conservation Potential Assessment.
5. Develop strategies to address current and future drinking water quality issues to assist members in maintaining independent supplies.	17. Track PFAS legislation and rulemaking at the federal and state levels and support members as needed.	17. Provided letters of support for grant funding and earmarks for members’ PFAS projects. Sent comment letters on PFAS rulemaking to support water utility interests.
6. Collaborate with members and other utilities to implement actions that improve the region’s resiliency for seismic events and other major disruptions impacting water supply delivery.	18. Develop an emergency response plan for the Bellevue-Issaquah Pipeline. 19. Participate in the 2022 Pacific Northwest Cascadia Rising exercise. 20. Work with members to review SPU’s Phase 2 seismic study results on the Eastside Supply Line and identify follow-up actions as needed.	18. Held several workshops with Bellevue, Sammamish Plateau Water, and Issaquah to develop an emergency response and flushing plan, to be completed in early 2023. 19. Participated in the Washington Drinking Water and Wastewater Earthquake tabletop exercise, a workshop associated with Cascadia Rising. 20. Organized a presentation to members on SPU’s Phase 2 seismic study.

FOCUS AREA 3: ENVIRONMENTAL STEWARDSHIP

Goal: Protect the natural environment by advancing water resource stewardship and sustainable business practices.

Strategic Plan Strategies	2022 Work Plan Actions	2022 Achievements
7. Contribute to regional activities that reduce water demand, including peak season demand, to conserve and more efficiently use water sources.	21. Integrate Cascade’s water efficiency programs with members’ activities to achieve Cascade’s objectives while providing greater value to members by assisting in their sustainability, climate action, and stormwater management plans.	21. Distributed free toilet leak detection dye to multifamily properties in all member areas; provided free irrigation evaluations and landscape assessment projects in member areas; and continued expansion of the soil and water stewardship program.
8. Enhance education and outreach activities to enable residents, businesses, schools and public agencies to take action to protect and preserve natural water resources.	22. Continue to enhance Cascade’s education programs, such as developing additional water-related curriculum. 23. Continue to conduct community outreach and provide services in member service areas regarding water resource stewardship. 24. Continue the TappsWise program focusing on natural yard care, septic system deficiencies follow-up, and water quality for Lake Tapps Reservoir. 25. Develop and implement a strategy for the We Need Water social media program to create and promote content that has greater impact and generates more followers.	22. Developed an expanded series of Cascade Gardener classes; continued expansion of classroom water education programs; continued integration of the Teacher Fellows with member agencies; and offered ecological field trips and garden tours. 23. Participated in the Bellevue Family 4 th , Redmond Derby Days, Sammamish Party on the Plateau, the Skyway Health and Wellness Fair, Kirkland Concert Series, Kirkland Farmer’s Market, Tukwila See You in the Park, and Issaquah Salmon Days. 24. Continued to partner with Tacoma-Pierce County Health on the TappsWise program, focusing on natural yard care and septic system inspections and maintenance 25. Completed a strategy to improve the We Need Water campaign, shared it with the Public Affairs Committee and member staff, and began implementing the strategy.
26. Sustainably manage Cascade’s facilities, equipment, assets and capital projects in a way that minimizes impacts on the natural environment.	26. Complete the Solar Energy System project at the Powerhouse.	26. Completed the Solar Energy System project on time and within budget.
27. Identify changing environmental conditions, such as climate change, and develop strategies to mitigate impacts.	27. Evaluate the impacts climate change may have on Cascade’s demand and supply for inclusion in the 10-year Transmission & Supply Plan.	27. Executed consultant contracts to analyze the impacts of climate change, including the impacts of glacial melt. The analyses are expected to be completed in late 2023.

FOCUS AREA 4: REGIONAL LEADERSHIP

Goal: Lead, influence and serve as a convener on regional water-related issues and proactively maintain strong relationships to achieve the priorities of Cascade and its members.

Strategic Plan Strategies	2022 Work Plan Actions	2022 Achievements
28. Advance Cascade’s legislative interests to achieve Cascade’s overall mission.	28. Establish and implement a legislative agenda.	28. Implemented the 2022 legislative agenda and continued to foster relationships at all governmental levels to further Cascade and members' interests.
12. Maintain trust and a good working relationship with Cascade’s member communities and Lake Tapps partners.	29. Convene community meetings with the Lake Tapps Community, Tribes, and the Four Cities. 30. Sponsor events and activities in the Lake Tapps and member communities.	29. Met in person with the Four Cities on June 1 and with the Lake Tapps Community on June 2. Met monthly with the Tribes via the White River Management Agreement meetings. 30. In addition to the member events mentioned under <i>Environmental Stewardship</i> , sponsored events in the Lake Tapps area, including Beautify Bonney Lake and Bonney Lake Chamber Triathlon. Partnered with East Pierce Fire & Rescue and Pierce County on Swimsafe outreach.
13. Participate in water-related issues at the regional, state, national and – Did d industry levels.	31. Work with the Water Supply Forum on a strategy to identify and secure funding to improve the resiliency of the region’s drinking water system.	31. Worked with the Forum to further efforts to obtain funding for resiliency projects.
14. Look for opportunities to partner with regional entities that have shared objectives.	32. Continue to collaborate with Sumner and BNSF on the Sumner White River Restoration/BNSF Railroad Staging Tracks project, including finalizing the project agreements. 33. Continue to collaborate with the Puyallup and Muckleshoot Tribes and USACE to jointly manage flows and operations in the White River and minimize impacts caused by construction of Phase 3 of the USACE’s Mud Mountain Dam Fish Passage project.	32. Met with Sumner and BNSF throughout the year to discuss the agreements needed to implement the Sumner White River Restoration/BNSF Railroad Staging Tracks project, including reviewing the final hydraulic report. Sumner ended discussions regarding the sale of water. 33. Met monthly with the Tribes and USACE to discuss operational coordination and ways to improve managing the river, given USACE’s new barrier structure and fish trap-and-haul facility.

FOCUS AREA 5: GOOD GOVERNANCE

Goal : Provide the most cost-effective services possible through Cascade’s governance model of a small, efficient and nimble organization with engaged members and Board of Directors.

Strategic Plan Strategies	2022 Cascade Work Plan Actions	2022 Achievements
15. Ensure continued strong engagement with current and new Board members.	34. Provide monthly member updates. 35. On-board new Board members and alternates, including offering tours of the White River-Lake Tapps Reservoir system. 36. Provide individual briefings to Board members and alternates as requested and as needed.	34. Provided updates to members each month. 35. Provided tours of the White River-Lake Tapps Reservoir system to Board members, alternates, and member staff. 36. Briefed Board members and alternates upon request.
16. Strengthen the relationship between Cascade and members’ councils, commissions and other elected officials.	37. Offer presentations to members’ councils, commissions and other elected or appointed officials.	37. Presented Cascade’s budget and rates proposal to five members’ elected bodies.
17. Expand Cascade’s unique business model to new issues to deliver services more efficiently and cost-effectively.	38. Offer assistance to members on rate design.	38. Offered assistance on rate design to members but did not receive any interest.
18. Support the Board in updating Cascade’s mission, vision, and long-range goals to guide the development of future strategic plans.	39. Finalize a policy addressing sale of water rights and water supply assets.	39. Finalized a policy, which the Board approved in March, addressing the potential sale of Cascade’s water rights to non-members.
<i>Additional Good Governance work plan actions that aren’t associated with specific Strategic Plan Strategies.</i>	40. <i>Develop and submit to the Board the 2023-2024 proposed budget, member rates, and regional capital facility charges (RCFCs).</i> 41. <i>Develop the 2023-2024 Budget Book and submit it to the Government Finance Officers Association.</i> 42. <i>Continue implementation of Water Supply Development Fund (WSDF) and integration into code, budget, and rate-setting processes; apply to participate in the King County Pool Plus investment program for funds held in the WSDF.</i> 43. <i>Pursue opportunities to enhance investment yields of financial assets.</i> 44. <i>Complete the financial and accountability audits on time and free of findings.</i> 45. <i>Identify additional opportunities to promote equity, inclusion and accessibility in Cascade’s work.</i>	40. <i>Completed the 2023-2024 budget, rates, and RCFCs and received Board approval in September.</i> 41. <i>Completed and submitted the 2023-2024 Budget Book to the Government Finance Officers Association.</i> 42. <i>Successfully implemented the WSDF shared benefits transfers for 2022; integrated the WSDF into the budget and rate model processes; made additional Code updates; and reported to the FMC in July that current projections improved over prior projections.</i> 43. <i>Participated in the King County Pool Plus program for enhanced investment opportunities.</i> 44. <i>Completed the financial and performance audits that resulted in clean audits and no findings.</i> 45. <i>Incorporated inclusion and accessibility in the We Need Water strategy and various outreach programs.</i>

FOCUS AREA 6: EMERGING ISSUES*Goal: Support members in addressing emergent priority issues while maintaining accountability to ratepayers.*

Strategic Plan Strategies	2022 Cascade Work Plan Actions	2022 Achievements
19. Engage in strategies to address affordability in water-related services.	46. Participate in the Aspen Institute’s affordability activities.	46. Attended the Aspen-Nicholas Water Forum.
20. Support members in working with regulators and other government agencies to achieve members’ goals.	47. Continue to advocate members’ interests with Seattle, King County, the Washington State Department of Transportation, and other governmental agencies.	47. Advocated for Issaquah’s and Bellevue’s interests regarding the Department of Transportation’s culvert fish passage project. Facilitated a settlement agreement between Tukwila and Seattle Public Utilities on the disputed accidental water delivery from Highline Water to Tukwila.
21. Provide analysis on emergent issues to enable the Board to make informed decisions and guide Cascade’s work.	48. Continue to address reclaimed water through the process established under Agreement to Coordinate Reclaimed Water.	48. Supported Kirkland on reclaimed water issues associated with JB Instant Lawn and King County.

2022 Additional Achievements *(Achievements That Were Not Included in the 2022 Work Plan)*

Strategic Plan Focus Area	2022 Additional Achievements
Focus Area 1: Asset Management	<p><u>Infrastructure:</u></p> <p>A. Completed several infrastructure projects including:</p> <ul style="list-style-type: none"> • Headworks Headgate Gearbox repair • Debris boom installation at Twin Pipeline Intake Structure • Powerhouse windows replacement on north side <p>B. Updated the cost estimates for both the future Lake Tapps-Cascade Pipeline and Tacoma-Cascade Pipeline alignments.</p> <p><u>Operations:</u></p> <p>C. Successfully completed work on the Flowline Outage project that started in September 2021.</p> <p>D. Completed major maintenance, tree removal, and new culvert work on Thompson Ditch.</p> <p>E. Executed a value analysis/value engineering on-call contract to perform a variety of analyses on Cascade’s assets in the White River-Lake Tapps Reservoir system.</p> <p>F. Filled the Lake Tapps Reservoir by March 15 and raised the Reservoir to 543’ before Memorial Day.</p> <p>G. Resolved or made progress on a variety of encroachment issues, including in Printz Basin, Dike 11, the Tunnel Intake area.</p> <p>H. Continued to work with Seattle Boat towards licensing their project that includes boat sales, repair, a refueling station, and a showroom on the Reservoir.</p> <p><u>Financial Assets:</u></p> <p>I. Generated \$85,000 in temporary water sales to Issaquah.</p>
Focus Area 2: Water Resources	<p>J. Completed the Independent Supply Audit which showed members are generally in a good position to meet future production requirements.</p>
Focus Area 3: Environmental Stewardship	<p>K. Received Board approval to extend and revise water efficiency savings goal through 2024.</p> <p>L. Completed a water bottle filling station project at Redmond High School.</p> <p>M. Participated in the Northwest Flower and Garden Show and established a relationship for expanded participation in 2023.</p> <p>N. Published several videos highlighting Cascade’s programs.</p>
Focus Area 4: Regional Leadership	<p>O. Organized a Lake Tapps tour for Congresswoman Kim Schrier.</p> <p>P. Assisted members by tracking and providing information on obtaining state COVID customer assistance funding and the state’s connection fee waiver program for affordable housing.</p>
Focus Area 5: Good Governance	<p>Q. Signed a 10-year lease with the Gateway One office building.</p> <p>R. Successfully completed the penetration tests of the Bellevue and Lake Tapps offices.</p> <p>S. Awarded the 2022 WellCity Award from the Association of Washington Cities for Cascade’s Wellness Program.</p>
Focus Area 6: Emerging Issues	<p>T. Supported Issaquah in responding to a landslide that impacted an above-ground air-release valve with vent pipes on the Bellevue-Issaquah Pipeline.</p>



Cascade's 2023 Work Plan

FOCUS AREA 1: ASSET MANAGEMENT

GOAL: Optimize Cascade's assets to support current and future needs.

Strategies	2023 Work Plan Actions	Performance Measures* (based on Strategies)	Performance Targets and 2020-2022 Achieved
1. Implement strategies and make investments to protect the Lake Tapps Reservoir as a future drinking water supply.	<ol style="list-style-type: none"> 1. Make progress on the following projects: <ol style="list-style-type: none"> a. Headworks Intake Modifications and Flowline Outage b. Valve House System Control Rehab c. Fish Screen Crane Improvements d. Value Analysis Study Phase 1 – Lower Conveyance System 2. Explore a pilot project that enables HOAs to pay for additional milfoil treatment. 3. Complete the GIS layer containing the White River-Lake Tapps Reservoir system major infrastructure geospatial data. 4. Perform annual dike inspections and make repairs as needed. 5. Continue to address trespassing issues and improving the property management program. 	% of annual CIP expenses compared to budgeted amounts (excluding Capital Risk).	<p><u>Target:</u> 80%</p> <p><u>Achieved:</u> 2020: 79.6% 2021: 79.0% 2022: 89.0%</p>
2. Use baseline water quality information to evaluate how future drinking water from the Lake Tapps Reservoir will meet water quality regulatory standards and regional expectations.	<ol style="list-style-type: none"> 6. Based on Board policies to be developed in early 2023, and using the results of the two-year water quality monitoring study, develop next steps for a long-term water quality strategy. 7. Monitor opportunities to engage in local government planning/ stormwater activities that benefit water quality. 	Compliance with water quality regulations and requirements.	<p><u>Target:</u> 100%</p> <p><u>Achieved:</u> 2020: 100% 2021: 100% 2022: 100%</p>
3. Maximize Cascade's assets to generate other sources of revenue or benefits.	<ol style="list-style-type: none"> 8. Explore revenue generating opportunities, such as: <ul style="list-style-type: none"> • Land lease or transmission easement for power storage • Enhanced investment strategy 	Amount of annual revenue generated by new sources.	<p><u>Target:</u> > \$0</p> <p><u>Achieved:</u> 2020: \$575K/YR savings starting in 2023 from advanced bond refunding. 2021: \$68.5K in temporary water sales. 2022: \$25K in 2022 and potentially \$1.18M later from transmission easement. \$85K in temporary water sales.</p>

**Note: Cascade added the Performance Measures and Performance Targets information starting in 2023. This information was not included in the 2022 Work Plan.*

FOCUS AREA 2: WATER RESOURCES

GOAL: Ensure flexibility, certainty and resiliency of Cascade’s future drinking water supply for the region.

Strategic Plan Strategies	Work Plan Actions	Performance Measures (based on Strategies)	Performance Targets and 2020-2022 Achieved
4. Delay capital costs in developing the Lake Tapps Reservoir as a municipal water supply by purchasing water from other regional suppliers and utilizing reclaimed water, independent supplies, and other water sources.	9. Negotiate a block contract extension with Seattle or a new supply contract with Tacoma. 10. Develop the Transmission and Supply Plan.	Savings from deferring development of the Lake Tapps Reservoir.	<u>Target:</u> Positive net present value <u>Achieved:</u> N/A until negotiations completed
5. Develop strategies to address current and future drinking water quality issues to assist members in maintaining independent supplies.	11. Track PFAS legislation and rulemaking at the federal and state levels and support members as needed.	Amount of members’ independent supplies.	<u>Target:</u> Status quo or increasing <u>Achieved:</u> 2020: Status quo 2021: Status quo 2022: Status quo (per completed audit report)
6. Collaborate with members and other utilities to implement actions that improve the region’s resiliency for seismic events and other major disruptions impacting water supply delivery.	12. Begin implementing actions to better prepare for an emergency for the Bellevue-Issaquah Pipeline (BIP).	Number of actions taken that help improve regional resiliency.	<u>Target:</u> 1 or more actions <u>Achieved:</u> 2020: Master contract with members for EPA’s resiliency (AWIA) compliance 2021: 2 member workshops on BIP emergency response 2022: 3 member workshops on BIP emergency response

FOCUS AREA 3: ENVIRONMENTAL STEWARDSHIP

Goal: Protect the natural environment by advancing water resource stewardship and sustainable business practices.

Strategic Plan Strategies	Work Plan Actions	Performance Measures (based on Strategies)	Performance Targets and 2020-2022 Achieved
7. Contribute to regional activities that reduce water demand, including peak season demand, to conserve and more efficiently use water sources.	13. Integrate Cascade’s water efficiency programs with members’ activities to achieve Cascade’s objectives while providing greater value to members by assisting in their sustainability, climate action, and stormwater management plans.	Amount of water saved per day on an average annual basis.	<u>Target:</u> Total cumulative savings of 0.5 MGD by 12/31/2024 <u>Achieved:</u> 2020: 48,316 GPD saved 2021: 37,092 GPD saved 2022: TBD
8. Enhance education and outreach activities to enable residents, businesses, schools and public agencies to take action to protect and preserve natural water resources.	14. Continue to enhance Cascade’s education programs, such as developing additional water-related curriculum. 15. Continue to conduct community outreach and provide services in member service areas regarding water resource stewardship. 16. Implement the We Need Water (WNW) social media strategic plan. 17. Continue the TappsWise program focusing on natural yard care, septic system deficiencies follow-up, and water quality for the Lake Tapps Reservoir.	<ul style="list-style-type: none"> ▪ Number of students reached via presentations. ▪ Number of Cascade Gardener attendees. 	<u>Target (Students):</u> > 8,000 students <u>Achieved (Students):</u> 2020: 7,053 2021: 10,614 2022: 12,882 <u>Target (Cascade Gardener):</u> > 2,000 attendees <u>Achieved (Cascade Gardener):</u> 2020: 178 2021: 2,102 (large increase due to on-line classes) 2022: 1,747
9. Sustainably manage Cascade’s facilities, equipment, assets and capital projects in a way that minimizes impacts on the natural environment.	18. Monitor the solar power system and utility bills for the powerhouse to determine consistency with energy production estimates.	Amount of water and/or energy saved by implementing resource-efficient actions.	<u>Target:</u> Savings increase over prior year. <u>Achieved:</u> 2020: N/A 2021: N/A 2022: N/A
10. Identify changing environmental conditions, such as climate change, and develop strategies to mitigate impacts.	19. Evaluate the impacts climate change may have on Cascade’s long-term supply for inclusion in the Transmission & Supply Plan.	N/A	<u>Achieved:</u> 2022: Initiated a climate change analysis to be completed in 2023

FOCUS AREA 4: REGIONAL LEADERSHIP

GOAL: Lead, influence and serve as a convener on regional water-related issues and proactively maintain strong relationships to achieve the priorities of Cascade and its members.

Strategic Plan Strategies	Work Plan Actions	Performance Measures (based on Strategies)	Performance Targets and 2020-2022 Achieved
11. Advance Cascade’s legislative interests to achieve Cascade’s overall mission.	20. Establish and implement a legislative agenda.	N/A	N/A
12. Maintain trust and a good working relationship with Cascade’s member communities and Lake Tapps partners.	21. Convene community meetings with the Lake Tapps Community, Tribes, and the Four Cities. 22. Sponsor events and activities in the Lake Tapps and member communities.	Number of community meetings held.	<u>Target:</u> 1 meeting each with LTCC and Four Cities <u>Achieved:</u> 2020: Did not meet due to COVID-19 2021: Met with LTCC and Four Cities on line 2022: Met with LTCC and Four Cities in person
13. Participate in water-related issues at the regional, state, national and industry levels.	23. Work with the Water Supply Forum on a strategy to identify and secure funding to improve the resiliency of the region’s drinking water system.	Number regional, state, national or industry issues/ venues Cascade engaged in.	<u>Target:</u> 1 or more venues <u>Achieved:</u> 2020: Water Supply Forum; Aspen-Nicholas Water Forum 2021: Water Supply Forum; Aspen-Nicholas Water Forum; AWWA rate methodology forum 2022: Water Supply Forum; Aspen-Nicholas Water Forum
14. Look for opportunities to partner with regional entities that have shared objectives.	24. Continue to collaborate with Sumner and BNSF on the Sumner White River Restoration/BNSF Railroad Staging Tracks project, including finalizing the project agreements. 25. Continue to collaborate with the Puyallup and Muckleshoot Tribes and USACE to jointly manage flows and operations in the White River and minimize impacts caused by construction of Phase 3 of the USACE’s Mud Mountain Dam Fish Passage project.	N/A	<u>Achieved:</u> 2022: Made progress with Sumner/BNSF, expect to complete agreements in 2023

FOCUS AREA 5: GOOD GOVERNANCE

GOAL: Provide the most cost-effective services possible through Cascade’s governance model of a small, efficient and nimble organization with engaged members and Board of Directors.

Strategic Plan Strategies	Cascade Work Plan Actions	Performance Measures (based on Strategies)	Performance Targets and 2020-2022 Achieved
15. Ensure continued strong engagement with current and new Board members.	26. Provide monthly member updates. 27. On-board new Board members and alternates, including offering tours of the White River-Lake Tapps Reservoir system. 28. Provide individual briefings to Board members and alternates as requested and as needed.	Number of monthly member updates sent.	<u>Target:</u> 12 <u>Achieved:</u> 2020: 12 2021: 12 2022: 12
16. Strengthen the relationship between Cascade and members’ councils, commissions and other elected officials.	29. Offer presentations to members’ councils, commissions and other elected or appointed officials on topics of interest.	Number of presentations to members’ elected bodies.	<u>Target:</u> 2 or more <u>Achieved:</u> 2020: 4 budget and rates presentations 2021: 7 WSDF presentations 2022: 5 budget and rates presentations
17. Expand Cascade’s unique business model to new issues to deliver services more efficiently and cost-effectively.	30. Offer members the opportunity to piggyback on Cascade’s contracts.	N/A	<u>Achieved:</u> 2022: Water Supply Development Fund implementation (WSDF)
18. Support the Board in updating Cascade’s mission, vision, and long-range goals to guide the development of future strategic plans.	31. Conduct a Board workshop to develop policy guidelines for long-term water quality investments.	Number of Strategic Plan Strategies achieved each year.	<u>Target:</u> 90% (19 of 21 Strategies in 2020-2024 Plan) <u>Achieved:</u> 2020: 85% 2021: 95% 2022: 95%
<i>Additional Good Governance actions that aren’t associated with specific Strategic Plan Strategies.</i>	32. Complete the financial and accountability audits on time and free of findings. 33. Complete the office move.	Number of material audit findings.	<u>Target:</u> 0 <u>Achieved:</u> 2020: 0 2021: 0 2022: 0

FOCUS AREA 6: EMERGING ISSUES

GOAL: Support members in addressing emergent priority issues while maintaining accountability to ratepayers.

Strategic Plan Strategies	Cascade Work Plan Actions	Performance Measures (based on Strategies)	Performance Targets and 2020-2022 Achieved
19. Engage in strategies to address affordability in water-related services.	34. Support proposed state legislation regarding water affordability funding and programs.	Number of activities or efforts to address affordability.	<p><u>Target:</u> 1 or more</p> <p><u>Achieved:</u> 2020: Developed RCFC affordability options 2021: Participated in Aspen-Nicholas Water Forum; presented RCFC affordability options to FMC 2022: Participated in Aspen-Nicholas Water Forum</p>
20. Support members in working with regulators and other government agencies to achieve members' goals.	35. Continue to advocate members' interests with Seattle, King County, the Washington State Department of Transportation (WSDOT), and other governmental agencies, such as the BIP conflict with WSDOT's fish passage culverts projects.	N/A	<p><u>Achieved:</u> 2022: Continued to advocate for members interests on BIP conflict with WSDOT's fish passage culverts projects; facilitated a settlement between SPU, Tukwila and Highline over mis-delivered water</p>
21. Provide analysis on emergent issues to enable the Board to make informed decisions and guide Cascade's work.	36. Continue to address reclaimed water through the process established under Agreement to Coordinate Reclaimed Water. 37. Continue to collaborate with Issaquah and Bellevue on evaluating their request for new connection and tie-in to BIP.	N/A	N/A



MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA HYBRID MEETING
JANUARY 25, 2023

1. CALL TO ORDER

At 3:33 p.m. Chair Sweet called the meeting to order. Board Members confirmed that they received the meeting materials and could hear the speakers clearly.

2. ROLL CALL

Board Members Present: the City of Bellevue (Barksdale), the City of Kirkland (Sweet), the City of Redmond (Birney), City of Tukwila (Ekberg), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault)

Board Member Absent: the City of Issaquah (Pauly)

Board Alternate Present: the City of Issaquah (Joe), City of Redmond (Anderson), Sammamish Plateau Water & Sewer District (Hooshangi)

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

Motion by Ms. Birney and second by Mr. Warren to approve the meeting agenda as presented. Motion carried unanimously (6-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

Ray Hoffman, Cascade CEO, reviewed the Chief Executive Officer's Report that was included in the Board Packet. Mr. Hoffman responded to questions from Board Members.

Mr. Hoffman announced Cascade's Management Assistant, Linda Moreno's, retirement. Board Members wished Ms. Moreno a fond farewell.

7. CONSENT ITEM

A. Board Meeting Minutes for November 16, 2022.

- B. Motion to authorize the Chief Executive Officer to execute various 2023 Cascade sponsorship agreements for a combined total not-to-exceed \$40,000 (as shown in the events listed in the Board Packet).
- C. Motion to adopt Resolution No. 2023-01 and Resolution No. 2023-02 authorizing the Chief Executive Officer to finalize and execute Amended and Restated Agreements with the City of Bellevue and Sammamish Plateau Water and Sewer District, respectively, regarding maintenance, operations, repair, emergency response, and capital improvements for the Cascade Water Alliance Pipeline.
- D. Motion to adopt Resolution No. 2023-03 amending Cascade's Human Resources Policy and Procedures Manual regarding classifications of employees and availability of benefits.
- E. Motion to adopt Resolution No. 2023-04 amending Cascade's Human Resources Policy and Procedures Manual to add Juneteenth as an observed holiday.

Motion by Ms. Birney and second by Mr. Warren to approve Consent Action Items A-E as presented. Motion carried unanimously (6-0).

8. OTHER ACTION ITEMS

None.

9. STAFF PRESENTATIONS

None.

10. COMMITTEE REPORTS

- A. Executive Committee – no meeting held.
- B. Finance & Management Committee – Meeting held January 17, 2023.
- C. Special Public Affairs Committee – Meeting held January 11, 2023.
- D. Resource & Management Committee – Meeting held January 12, 2023.

11. NEW BUSINESS

Mr. Hoffman said that BNSF discussions will be added to the meeting agendas for the foreseeable future so the meetings will be longer.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held on February 22, 2023 at 3:30 p.m.

13. ADJOURN

The meeting adjourned at 3:51 p.m.

APPROVED BY:

Penny Sweet, Chair

Angela Birney, Vice-Chair

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution No. 2023-05 to amend Cascade Water Alliance Code 3.050.030 to further authorize the Chief Executive Officer to make “housekeeping” amendments to Cascade’s Human Resources Policy and Procedures Manual.

BACKGROUND

Cascade’s Human Resources Policy and Procedures Manual (“HR Manual”) is codified in Chapter 3.05 of the Cascade Water Alliance Code CWAC 3.05.030 provides:

Policy authority delegated. *The board authorizes and directs the Chief Executive Officer (CEO) to make minor amendments to those policies and procedures set forth in the manual as may be necessary and/or advisable, in the CEO’s discretion, and with written concurrence of the board chair, for the efficient and effective administration of human resources by Cascade; provided, that proposed amendments that may affect Cascade’s budget or any procedural rights or benefits afforded to employees by the manual shall be submitted to the board for approval. Any amendments made by the CEO shall be in writing, shall be attached to or otherwise incorporated into the manual, and shall be distributed to Cascade employees.*

CWAC 3.05.040 provides:

Policy authority retained. *The board retains its authority to adopt, implement and amend personnel policies or procedures included in the manual. Whenever it is unclear as to whether a proposed amendment may affect Cascade’s budget or procedural rights or benefits afforded to employees, the CEO shall refer such amendment to the board for approval.*

The Cascade Board of Directors (“Board”) has amended the HR Manual eleven times since its adoption in 2008. Those amendments were referred to the Board for approval because of the likelihood that they would affect Cascade’s budget, or employee procedural rights or benefits.

At this time, in anticipation of a review of the complete HR Manual, Cascade staff proposes to amend CWAC 3.05.030 to add clarification that the CEO’s delegated authority includes amendments that are considered “housekeeping” such as:

- to correct errors (in spelling, grammar, punctuation, numbering, lettering, spacing, formatting, and/or errors of clearly inadvertent redundancy or omission of particular words);
- to reflect changes to social norms in gender or family reference;
- to reflect changes in adopted Cascade-wide policy; or
- to reflect changes in law to which Cascade is subject.

Note that under the current CWAC 3.05.030, the board chair must be consulted in advance of minor amendments. This amendment would provide that the Board would be informed of any

such “housekeeping” change at the next Board meeting. In addition, Cascade staff would provide the Financial Management Committee with a courtesy briefing.

Due to the close scheduling of the February Finance Committee meeting to the February Board meeting, this Motion is included as a Consent item with the understanding that it can be moved to Other items if discussion is desired.

FISCAL IMPACT

None

OPTIONS

1. Adopt Resolutions No. 2023-05 to amend Cascade Water Alliance Code 3.050.030 to further authorize the Chief Executive Officer to make “housekeeping” amendments to Cascade’s Human Resources Policy and Procedures Manual.
2. Do not adopt Resolution No. 2023-05 and provide alternate directions to staff.

RECOMMENDED ACTION

Adopt Resolutions No. 2023-05 to amend Cascade Water Alliance Code 3.050.030 to further authorize the Chief Executive Officer to make “housekeeping” amendments to Cascade’s Human Resources Policy and Procedures Manual.

ATTACHMENTS

Proposed Resolution No. 2023-05.



A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION, TO AMEND CASCADE WATER ALLIANCE CODE. 3.05.030
TO FURTHER AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO MAKE “HOUSEKEEPING” AMENDMENTS
TO CASCADE’S HUMAN RESOURCES POLICY AND PROCEDURES MANUAL

WHEREAS, the Cascade Water Alliance (“Cascade”) is a Washington municipal corporation formed under authority of the Joint Municipal Utilities Authority Act (Chapter 39.106 RCW) to provide water supply to its Members;

WHEREAS, the Board adopted the Cascade Human Resources Policies and Procedures Manual (“HR Manual”), codified as chapter 3.05 of the Cascade Water Alliance Code (“CWAC”) by Resolution No. 2008-19, and has since amended the Manual by Resolution No. 2009-01, Resolution No. 2010-23, amendment of December 18, 2013, Resolution No. 2016-01, Resolution 2017-12, Resolution 2018-08, Resolution 2018-22, Resolution 2019-08, Resolution 2020-05, Resolution 2021-07, Resolution 2022-14 and Resolution 2022-14;

WHEREAS, CWAC 3.05.030 provides that amendments to the Manual shall be submitted to the Board for approval if the amendments may affect any procedural rights or benefits afforded to employees. Any amendments made by the CEO shall be in writing, shall be attached to or otherwise incorporated into the HR Manual, while CWAC 3.05.040 authorizes the CEO make minor amendments to the HR Manual under certain conditions;

WHEREAS, the Board has determined that the interests of Cascade to amend CWAC 3.05.030 to further authorize the CEO to make amendments consistent with those certain conditions.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CASCADE WATER ALLIANCE as follows:

Section 1. Amendment of CWAC 3.05.030. The Human Resources Policies and Procedures Manual is amended as follows:

*CWAC 3.05.030 **Policy authority delegated.** The board authorizes and directs the CEO to make minor amendments to those policies and procedures set forth in the manual as may be necessary and/or advisable, in the CEO’s discretion, and with written concurrence of the board chair, for the efficient and effective administration of human resources by Cascade, including but not limited to “housekeeping” amendments such as those necessary to correct errors, to reflect changes to social norms in gender or family reference, to reflect changes in adopted Cascade-wide policy, or to reflect changes in law to which Cascade is subject; provided that the Board shall be informed of any housekeeping amendments at the next Board meeting; and provided further, that proposed amendments that may affect Cascade’s budget or any procedural rights or benefits afforded to employees by the manual shall be submitted to the board for approval. Any amendments made by the CEO shall be in writing, shall be attached to or otherwise incorporated into the manual, and shall be distributed to Cascade employees.*

Section 2. Effect. This Resolution shall be in full force and effect on the date of its adoption.

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a meeting thereof, held the 22nd day of February 2023.

CASCADE WATER ALLIANCE

Penny Sweet, Chair

Attest – Ray Hoffman, Chief Executive Officer

Angela Birney, Vice Chair

Allan Ekberg, Secretary/Treasurer

Members

Yes _____

No _____

Demand Share

Yes _____%

No _____%

Include in CWAC?

X Yes

 No



Cascade's Annual Milfoil Treatment Program

Informational Briefing to the Board of Directors
February 22, 2023

Problem Statement



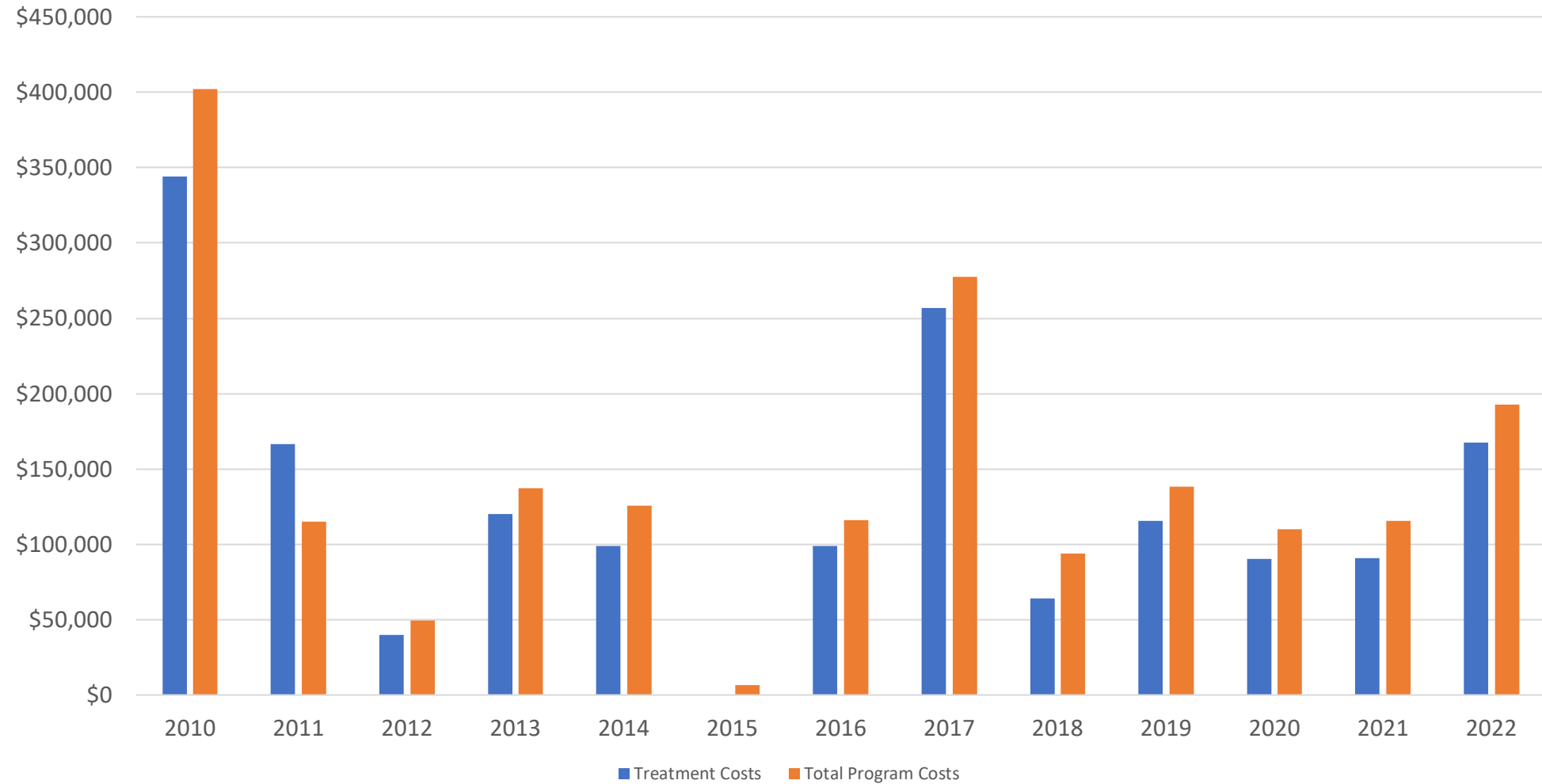
- Milfoil a persistent challenge preceding Cascade's ownership of the Lake Tapps Reservoir
- Aggressive non-native noxious weed which can form dense mats on the water's surface:
 - Interferes with navigation and clogs water in-takes;
 - Interferes with recreational activities;
 - Interrupts natural water flow and mixing and blocks light for native plants;
 - Uses up dissolved oxygen when milfoil decay, adding nutrients that can increase algae growth and related water quality problems

History



- No contractual obligations with Tribes, community, other stakeholders to control milfoil
- Original 2010 Lake Tapps Integrated Aquatic Vegetation Management Plan (IAVMP) sought to eradicate milfoil
- 2015 updated IAVMP:
 - Aimed to implement controls that result in a very low density of milfoil populations (not eradication)
 - Evaluated “No Action Alternative” which was rejected because did not meet IAVMP goal
 - Evaluated numerous methods to control milfoil
 - Recommended chemical control in combination with other methods (e.g. hand pulling)

Annual Program Expenses



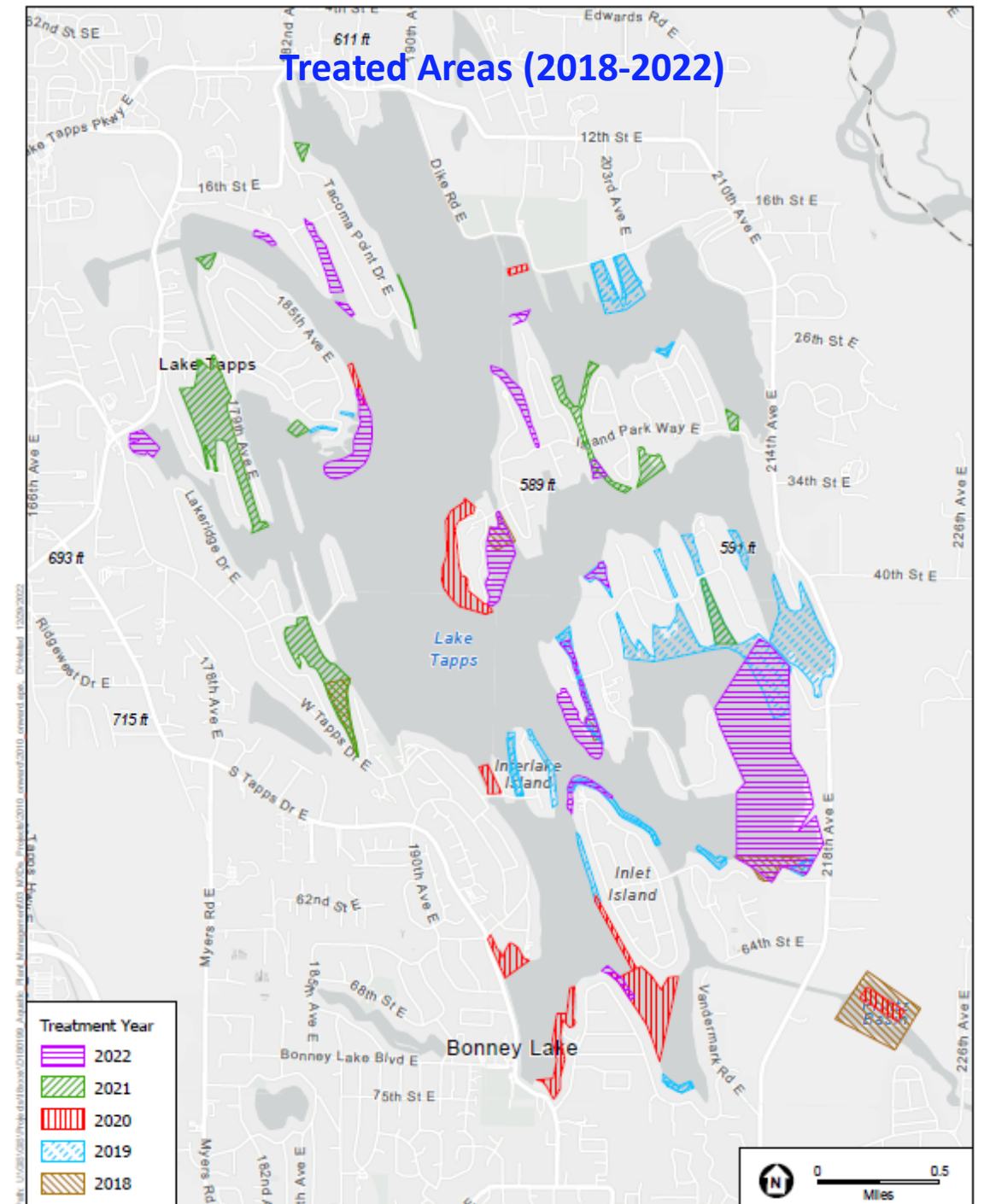
In 2011, received \$75K grant from Department of Ecology, reducing total expenses. In 2015, very little expended when Lake Tapps was drawn down to 500’.

Current Program

- ProcellaCOR used since 2019
- Boat tours determine areas to be treated
- Two rounds of treatment

Recommendations

- Continue meeting 2015 IAVMP goal of maintaining low density of milfoil
- Continue using chemical treatment
- Continue with current level of expenses (about \$150K per year)
- Continue to track new, cost-effective products and techniques and explore grant opportunities



AGENDA MEMORANDUM

SUBJECT

Motion to authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.

BACKGROUND

Cascade performs aquatic vegetation control as part of its ordinary maintenance of the Lake Tapps Reservoir. Over the past four years, Cascade has determined that herbicide treatment to control milfoil in the reservoir through use of the product ProcellaCOR-A is a cost-effective approach. Each year, Cascade's limnology consultant (currently Environmental Science Associates, or "ESA") recommends proposed areas for treatment based on observations from the prior year, a boat survey of milfoil growth in the spring of the current year, and budgeted amounts by Cascade. Cascade and ESA have observed sustained results in areas treated with ProcelleCOR-A.

While Cascade has typically applied multiple herbicide treatments in the summer season each year, Cascade intends to apply chemical for a different invasive species (curlyleaf pondweed) with Sonar One (fluridone) in March of 2023. Then we will once again utilize ProcellaCOR for milfoil during the summer months.

For many years, Cascade has contracted with Aquatechnex, LLC annually to perform aquatic vegetation control through herbicide application. Cascade previously selected Aquatechnex through a competitive solicitation process when Cascade used other products to chemically treat aquatic vegetation in the Lake Tapps Reservoir. Aquatechnex is currently the only company licensed to use ProcellaCOR-A in Washington. Cascade has been consistently satisfied with Aquatechnex's services.

Cascade anticipates continued aquatic vegetation control of the Lake Tapps Reservoir with the use of ProcellaCOR-A for at least the next five years. Sufficient funding for continued aquatic vegetation control has been included in the adopted 2023-2024 budget and included in the five-year rates projections. Given that Aquatechnex has remained the only company licensed to apply ProcellaCOR-A to the Lake Tapps Reservoir for the past four years, Cascade desires to obtain authorization from the Board to enter into successive contracts with Aquatechnex, likely for successive one-year terms, for a total period of five years. The total requested contract authorization for this five-year period is a not-to-exceed amount of \$800,000 (inclusive of Washington State sales tax and reserve for contingency).

PROCUREMENT PROCESS

Aquatic vegetation control of the Lake Tapps Reservoir is Ordinary Maintenance, and Cascade may use the CEO process to select a firm to conduct this work. While Cascade originally selected Aquatechnex to apply herbicide treatment to the Lake Tapps Reservoir through a competitive solicitation process, Aquatechnex remains the only licensed applicator of

ProcellaCOR-A in Washington. Cascade would directly contract with Aquatechnex to perform this work annually.

FISCAL IMPACT

The requested contract authorization is for a not-to-exceed amount of \$800,000, inclusive of Washington State sales tax and reserve for contingency. The annual breakdown is as follows:

- 2023 - \$150,000
- 2024 - \$160,000
- 2025 - \$160,000
- 2026 - \$165,000
- 2027 - \$165,000

Budget Line	2023 Budget	Spent and Committed to Date	Available 2023 Budget	This Action	2023 Remaining Balance
101- Milfoil Control	\$150,000	\$0	\$150,000	\$150,000	\$0
Budget Line	2024 Budget	Spent and Committed to Date	Available 2023 Budget	This Action	2023 Remaining Balance
101- Milfoil Control	\$160,500	\$0	\$160,500	\$160,000	\$500

OPTIONS

1. Authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.
2. Do not authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.

ATTACHMENTS

None.



PUBLIC AFFAIRS COMMITTEE

Angela Birney, Chair, City of Redmond
Penny Sweet, City of Kirkland
John Stokes, City of Bellevue
Ryika Hooshangi, Sammamish Plateau Water

Meeting RECAP
Wednesday, February 1, 2023
9:00 AM – 10:00 AM
Held at Cascade's Office and via Zoom

1. **Chair Comments.**
2. **Executive Session.**
3. **Items Recommended for Action at the February 22, 2023, Board Meeting.**
4. **Discussion Items.**

- A. **State Legislative Update.** Staff will provide an update on bills and activities in the state legislative session.

Recap: Diana Carlen, Gordon Thomas Honeywell Government Affairs, updated the committee on many bills being considered this legislative session. There are several climate change bills that utilities are tracking, including SB 5093, that will require the Department of Ecology to update its integrated climate response strategy. Another bill being closely watched is SB 5094 that adds a climate resilience element to water system plans. Utility stakeholders have been very involved in HB 1329 that prohibits utility shut offs during extreme heat events. There are issues with provisions around temperatures and reconnection requirements. Other bills of interest include HB 1326, that allows cities to waive utility connection charges for certain types of low-income and affordable housing and shelters, and several bills that address procurement and contracting issues such as prevailing wages.

- B. **Social Media Strategy Update.** Cascade is implementing new strategies to achieve a more robust and impactful social media presence to support Cascade's water preservation and conservation efforts. We Need Water supports Cascade's water efficiency program and events and promotes the value of water. Staff will update the committee on 2023 plans and activities.

Recap: Staff provided a presentation showing the major activities of the We Need Water social media campaign in 2023, which include more reels, promotion of Cascade program activities, reposting of member posts (and vice versa), and planned activities for the next few months. The presentation included a video produced by the Sustainability Ambassadors for Cascade on the physics behind operating water towers.

C. 2023 Communications and Outreach Plan. Staff will present the outreach plan that includes communications efforts Cascade will undertake in 2023 based on Board member and staff input (attachment).

Recap: Staff provided a brief overview of how the plan is developed and used to guide outreach and communications strategy for the year.

6. Next Meeting Date and Location.

The next meeting will be Wednesday, March 1, 2023, from 9:00 a.m. – 10:00 a.m., at Cascade’s office and via Zoom meeting.



RESOURCE MANAGEMENT COMMITTEE
Lloyd Warren, Chair, Sammamish Plateau Water
Penny Sweet, City of Kirkland
Mary Lou Pauly, City of Issaquah
Jon Ault, Skyway Water & Sewer District
Allan Ekberg, City of Tukwila
John Stokes, City of Bellevue
Jon Pascal, City of Kirkland
Ryika Hooshangi, Sammamish Plateau Water

Meeting RECAP
Thursday, February 9, 2023
2:00 PM – 3:30 PM
Held at Cascade’s office and via Zoom

1. **Chair Comments.**
2. **Executive Session.**
3. **Discussion Items.**

A. Water Quality Policy Framework Update. The Board workshop to develop a policy framework for drinking water quality investments is scheduled for March 29. In preparation for the workshop, staff will present a draft Board packet to the committee: the final draft policy drivers and criteria; examples that illustrate how the policy framework will be used; and a draft workshop agenda.

Recap: Staff presented updated draft materials for the Board’s upcoming drinking water quality workshop. The committee provided feedback and supports the draft packet of information. Committee members and member staff are encouraged to provide Cascade staff with additional comments over the next few weeks, prior to finalizing the packet.

B. Annual Milfoil Treatment Program. In discussions with the committee on Cascade’s proposed milfoil pilot project, good questions have been raised regarding the basis of Cascade’s annual milfoil treatment program. Staff will present information regarding its annual treatment program: the importance of controlling milfoil; control measures that Cascade previously evaluated; annual treatment costs and treated areas; and recommendations for the future.

Recap: Staff presented information on the history of Cascade’s annual milfoil treatment program, as well as its current program. The committee supports staff’s recommendations to continue to maintain a low density of milfoil population in the reservoir, continue using chemical treatment, and continue with the current level of effort and expenses. The committee chair asked Cascade staff to present a shortened version of the PowerPoint to the Board in February.

4. **Executive Session.**

Recap: There was no executive session.

5. Items Recommended for Action at the February 22, 2023, Board Meeting.

A. Five-Year Milfoil Treatment Contract. Motion to authorize the Chief Executive Officer to execute annual contracts with Aquatechnex for up to five (5) years to perform herbicide treatment for control of aquatic vegetation in the Lake Tapps Reservoir in a total amount not-to-exceed \$800,000.

***Recap:** The committee supports moving the proposed contract with Aquatechnex to the February Board meeting under Other Action Items.*

7. Next Meeting Date and Location.

The next meeting will be Thursday, March 21, 2023, from 2:00 p.m. – 3:30 p.m., at Cascade's office and via Zoom meeting.

***Correction:** The next meeting will be Thursday, March 9, 2023.*

Attachments:

1. Draft Board packet for Drinking Water Quality Policy Development Framework.
2. Draft agenda for Drinking Water Quality Board Workshop.
3. Memo for Cascade's Annual Milfoil Treatment Program.
4. Agenda Memo for Five-Year Milfoil Treatment Contract.