



ANNUAL MEETING MINUTES OF THE  
BOARD OF DIRECTORS  
CASCADE WATER ALLIANCE'S OFFICE  
FEBRUARY 27, 2019

**1. CALL TO ORDER**

At 3:30 p.m. Chair Stokes called the annual meeting to order.

**2. ROLL CALL**

Board Members or Alternate Board Members from the City of Bellevue (Stokes), the City of Issaquah (Hunt), the City of Kirkland (Sweet), the City of Redmond (Birney), the City of Tukwila (Ekberg<sup>1</sup>), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present.

**3. PUBLIC COMMENT**

None.

**4. EXECUTIVE SESSION**

None.

**5. APPROVAL OF AGENDA**

**Motion by Mr. Warren and second by Ms. Sweet to approve the annual meeting agenda as presented in the Board Packet. Motion carried unanimously (7-0).**

**6. CHIEF EXECUTIVE OFFICER'S REPORT**

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

- The RCFC connections were down in January 2019. Staff is closely monitoring connections.
- Cascade's 20<sup>th</sup> Anniversary celebration will be held on March 25, 2019, *(a flier was distributed with further details)*.
- Discussions continue with the City of Sumner and Burlington Northern Railroad regarding expansion/wetlands mitigation near Cascade's trailrace.
- Staff is closely monitoring Senate Bill 5418 and House Bill 1359.
- Lake Tapps is currently at the minimum pool level for the year. Staff has been working diligently to fill the reservoir while meeting the in-stream flow requirements.

Board Members welcomed the City of Redmond's new Board Alternate, Jeralee Anderson.

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<sup>1</sup> Via conference call.

## 7. CONSENT ACTION ITEM

- A. Special Board Meeting Minutes from January 8, 2019.
- B. Special Board Meeting Minutes from November 28, 2018.
- C. Motion to adopt Resolution No. 2019-02 containing acknowledgements necessary for Cascade's participation in the King County Pool Plus investment program and designating Cascade staff who are authorized to provide transaction instructions to King County.
- D. Motion to authorize the Chief Executive Officer to execute various 2019 Cascade sponsorship agreements for a combined total not to exceed \$20,000.
- E. Motion to adopt Resolution 2019-03, declaring the property listed in Exhibit A to the Resolution, originally acquired for utility purposes, to be surplus to the needs of Cascade and authorizing the Chief Executive Officer to sell such surplus property.

**Motion by Ms. Birney and second by Mr. Warren to approve Consent Action Items A-E as presented in the Board packet. Motion carried unanimously (7-0).**

## 8. OTHER ACTION ITEMS

- A. Motion to authorize the Chief Executive Officer to enter into a contract with TeamLogicIT for information technology (IT) support services for a maximum compensation of \$58,000.

**Motion by Mr. Ault and second by Ms. Birney to authorize the Chief Executive Officer to enter into a contract with TeamLogicIT for information technology (IT) support services for a maximum compensation of \$58,000. Motion carried unanimously (7-0).**

## 9. STAFF PRESENTATIONS

- A. Presentation by Texas A&M of the Draft Affordability Study.

Dr. Manuel Teodoro and Robin Saywitz provided a presentation about water and sewer affordability in Cascade's service area. The following tasks were performed during their research:

- Affordability Metrics
- Affordability Profile
- Rate Structure Evaluation
- Assistance Program Review & Evaluation
- Policy Options

Based upon the research, a four-person household at the 20<sup>th</sup> income percentile must pay an average of 6.6 percent of its disposable income and/or work eleven hours at minimum wage to pay for basic monthly water and sewer. A detailed report regarding Texas A&M's findings was distributed to Board Members.

- B. Refunding Alternates for Cascade's 2009 Bond Issue.

Cascade's bond financial advisors, Alan Dashen and Scott Bauer of Northwest Municipal Advisors provided an overview of the current bond market, Cascade's current outstanding debts and refunding options related to the 2009 bond issue. Given current interest rates, refunding of the 2009 bonds is an easy decision. However, questions remain regarding when the bonds should be refunded (advanced in May 2019 or at maturity in September 2019), how they should be refunded (as a municipal bond issue or thru a bank) and what should be done with the bond reserve (keep it or use it for upcoming CIP projects).

Ms. Sweet noted that the Finance and Management Committee recommends that an RFP for refinancing to commercial banks be conducted. Board Members agreed with this recommendation.

**C. Options for Giving New Homeless Shelters Relief from RCFC Assessments.**

Mr. Clarke explained that Cascade is being asked to consider whether to provide a Member agency with relief from payment of RCFCs owed to Cascade to cover residential unit growth within a Member's service area when that growth is a result of construction of a homeless shelter.

After discussing the various options for giving RCFC relief to homeless shelters, Board Members requested that this topic be added to the next meeting agenda for further discussion.

**10. COMMITTEE REPORTS**

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held February 20, 2019. The meeting recap was included in the Board packet.
- C. Public Affairs Committee – Meeting held February 6, 2019, and Special Public Affairs Committee – Meeting held January 9, 2019. The meeting recaps were included in the Board packet.
- D. Resource and Management Committee – Meetings held January 10, 2019, and February 14, 2019. The meeting recaps were included in the Board packet.

**11. NEW BUSINESS**

None.

**12. NEXT REGULAR MEETING**

The next regular Board meeting will be held March 27, 2019, at 3:30 p.m.

**13. ADJOURN**

The meeting was adjourned at 5:13 p.m.

APPROVED BY:



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John Stokes, Chair



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Penny Sweet, Vice-Chair