

DESK PACKET

CASCADE WATER ALLIANCE

MEETING OF THE BOARD OF DIRECTORS

JULY 24, 2019



REGULAR MEETING OF THE BOARD OF DIRECTORS
REVISED AGENDA
CASCADE WATER ALLIANCE
520 - 112TH Avenue N.E., Suite 400, Bellevue
July 24, 2019
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT	
4. EXECUTIVE SESSION	
5. APPROVAL OF AGENDA	
6. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
7. CONSENT ITEMS	
a. Board Meeting Minutes from June 26, 2019.	<u>14</u>
b. Board Meeting Minutes from May 22, 2019.	<u>16</u>
c. Motion to adopt Resolution No. 2019-08 amending Cascade's Human Resources Policy and Procedures Manual to Modify Timing of Performance Evaluations and to Address Telecommuting, Transit Benefit, Workplace Fire Safety, Workplace Violence, and Use of Wireless Technology While Driving, and Amending chapter 3.05 of the Cascade Water Alliance Code.	<u>20</u>
d. Motion to authorize the Chief Executive Officer to amend the 2019 contract for the Lake Tapps Aquatic Plant Maintenance Program for an increase of not-to-exceed amount of \$50,000.	<u>26</u>
e. Authorize the Chief Executive Officer to execute a contract with Long Building Technologies for maintenance of security equipment and related services at the White River – Lake Tapps Reservoir project, in an amount not to exceed \$55,000.	<u>28</u>
8. OTHER ACTION ITEMS	
a. Motion to adopt Resolution 2019-05 authorizing additional utility services related to wastewater, sewage, or septage collection with limitations on activities and authorization to charge for such services.	<u>30</u>

- b. Authorize the Chief Executive Officer to execute a contract for Lake Tapps Water Quality Monitoring Services to Herrera Environmental Consultants in an amount not to exceed \$495,000. 35
- 9. STAFF PRESENTATIONS
 - a. Update from the Resiliency Workshop with Member Staff. 37
 - b. Strategic Plan Timeline.
- 10. COMMITTEE REPORTS
 - a. Executive Committee – *no meetings held.*
 - b. Finance and Management Committee – *July 17, 2019.* 38
 - c. Public Affairs Committee – *July 3, 2019.* 40
 - d. Resource Management Committee – *July 11, 2019.* 42
- 11. NEW BUSINESS
- 12. NEXT REGULAR MEETING – *August 28, 2019 – 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.

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution 2019-05 authorizing additional utility services related to wastewater, sewage, or septage collection with limitations on activities and authorization to charge for such services.

BACKGROUND

Officials and staff of Cascade Members have common interests regarding the processes leading toward a new wastewater contract between Members and King County. In the future, Members may desire to have Cascade staff's role expand to support of and participation in discussions and negotiations of agreements with King County including but not limited to coordination and intergovernmental communications, research, document drafting, and negotiations.

Cascade was formed under a statute, the Joint Municipal Utilities Services Act, Chapter 39.106 RCW ("Act"). RCW 39.106.050(3) provides that an authority formed under the Chapter 39.106 RCW must describe the specific utility services that the authority will provide and "utility services" is defined by RCW 39.109.020(5) to include the following functions (underlining added):

The provision of retail or wholesale water supply and water conservation services; the provision of wastewater, sewage, or septage collection, handling, treatment, transmission, or disposal services; the provision of point and nonpoint water pollution monitoring programs; the provision for the generation, production, storage, distribution, use, or management of reclaimed water; and the management and handling of stormwater, surface water, drainage, and flood waters.

In 2012, to convert Cascade Water Alliance from a non-profit corporation to a joint municipal authority, the Cascade Members entered into 2012 CASCADE WATER ALLIANCE JOINT MUNICIPAL UTILITY SERVICES AGREEMENT ("2012 Joint Agreement"). In the 2012 Joint Agreement, the Members chose which utility service – among those listed in RCW 39.106.020(5) -- Cascade would provide. In Section 3.3 of the 2012 Joint Agreement, the Members agreed as follows (in part and underlining added):

Cascade's purposes include those related to water resources, or any other utility service as allowed under the Act, as authorized by a unanimous vote of the Board and do not include the provision of other general services to the public and are to:

a. Provide a safe, reliable and high quality drinking water supply to meet the current and projected demands of Cascade Members, and for non-Members as determined by Cascade, and to carry out this task in a coordinated, cost-effective, and environmentally sensitive manner;

As agreed to in Section 3.3 of the 2012 Joint Agreement, by unanimous vote the Board may expand the purposes of Cascade beyond those related to water resources to include activities related to wastewater, sewage, or septage.

If the Board chooses to authorize utility service related to wastewater, sewage, or septage it may limit these services to specific activities. In this resolution the activities related to wastewater, sewage, or septage would be limited to discussions and negotiations of agreements with King County and entering into agreements with and among other cities, water and waste water utilities related to discussions and negotiations of agreements with King County.

This would also authorize the Cascade CEO to charge Members and any other cities, water and waste water utilities for the cost of Wastewater Services in an equitable manner, including but not limited to by entering into one or more Interlocal Agreements.

This authorization will expire the earlier of: (a) full execution of wastewater contracts with King County by all Cascade Members with current wastewater contracts; **or** (b) December 21, 2020.

Estimated 2019 expenditures for wastewater activities authorized by the Resolution would not exceed \$75,000 and consist of both legal consultation (Hugh Spitzer) and Cascade staff time. It is proposed that Cascade Members be charged based on their percentage of wastewater Residential Customer Equivalents based on King County data (RCE's - see attached budget). Funds from member agencies would come from either their wastewater fund or their general fund but not their water fund.

PROCUREMENT PROCESS

Not applicable.

FISCAL IMPACT

Attached is the proposed 2019 budget implementing Resolution 2019-05 and the Member responsibility based on 2019 Residential Customer Equivalents (RCE's) by Cascade Member.

OPTIONS

1. Approve Motion to adopt Resolution 2019-05 authorizing additional utility services related to wastewater, sewage, or septage collection with limitations on activities and authorization to charge for such services.
2. Do not approve motion to adopt Resolution No. 2019-05 and provide direction to staff.

RECOMMENDED ACTION

Approve Motion to adopt Resolution 2019-05 authorizing additional utility services related to wastewater, sewage, or septage collection with limitations on activities and authorization to charge for such services.

ATTACHMENTS

1. Proposed Resolution No. 2019-05.
2. Cascade Member Agency RCE Shares as of 12/31/18 for Purposes of Wastewater Funding Allocation.



CASCADE WATER ALLIANCE
RESOLUTION NO. 2019-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION, REGARDING AUTHORIZATION OF
ADDITIONAL UTILITY SERVICE WITH LIMITATION ON ACTIVITIES AND
AUTHORIZATION TO CHANGE FOR SUCH SERVICES

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, by Resolution Nos. 2012-06, the Cascade Board of Directors (“Board”) approved and entered into the Cascade Joint Municipal Utilities Services Agreement (“the 2012 Cascade Joint Agreement”), by which Cascade was converted from a non-profit corporation to a municipal corporation under the Act;

WHEREAS, in Section 3.3 of the 2012 Cascade Joint Agreement, the Board agreed as follows: “Cascade’s purposes include those related to water resources, or any other utility service as allowed under the Act, as authorized by a unanimous vote of the Board”; and

WHEREAS, the Board wishes to authorize by a unanimous vote the utility service related to wastewater, sewerage or septage, provided that, at this time, the Board wishes to authorize only limited specified activities for that service.

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

Section 1. Unanimous authorization of additional utility service with limited activities pursuant to Section 3.3 of the Cascade Joint Municipal Utilities Services Agreement and authorization to charge for such services.

(a) Limited to the following activities, Cascade’s purposes hereby include those related wastewater, sewage, or septage services (“Wastewater Services”): (1) discussions and negotiations of agreements with King County and (2) entering into agreements with and among other cities, water and waste water utilities related to discussions and negotiations of agreements with King County. Without further action of the Board, the Chief Executive Officer is authorized to charge Members and any other cities, water and waste water utilities for the cost of Wastewater Services in an equitable manner, including but not limited to by entering into one or more Interlocal Agreements. This authorization will expire the earlier of: (a) Board approval of an alternative process to achieve the activities listed in (1) and (2); **or** (b) December 31, 2020.

(b) Without further action of the Board by resolution approved by

unanimous vote, Cascade will not engage in any other activities or functions related to Wastewater Services.

Section 2. Authorization for Member charges for Wastewater Services.

The Cascade CEO is authorized to charge Members for expenditures in 2019 for Wastewater Services activities in an amount not to exceed \$75,000 which shall be allocated in an equitable manner based on Members' percentage of wastewater Residential Customer Equivalents based on King County data. Additional authorization will be included within future budget approval processes.

Section 3. 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 regular meeting thereof, held on the 24th day of July, 2019.

CASCADE WATER ALLIANCE

John Stokes, Chair

Attest – Chuck Clarke, Chief Executive Officer

Penny Sweet, Vice Chair

Angela Birney, Secretary/Treasurer

Members

Yes _____

No _____

Demand Share

Yes _____%

No _____%

Include in CWAC?

Yes

No

REVISED AGENDA MEMORANDUM

SUBJECT

Authorize the Chief Executive Officer to execute a contract for Lake Tapps Water Quality Monitoring Services to Herrera Environmental Consultants in an amount not to exceed \$495,000.

BACKGROUND

Cascade owns and operates the Lake Tapps Reservoir as a source of future, municipal drinking water supply. Operation of the Reservoir has changed since the cessation of power generation in 2004 and Cascade's purchase of Lake Tapps Reservoir and its water rights in 2009.

In 2018, Aspect Consulting prepared the Lake Tapps Reservoir Water Quality Monitoring Program Plan ("Plan") for Cascade, to collect water quality data necessary to develop policies identified in the Lake Tapps Reservoir Water Quality Management Work Plan, developed by the Resource Management Committee and approved by the Board.

On May 2, 2019, Cascade issued the Lake Tapps Reservoir Water Quality Monitoring Services Request for Proposals ("RFP") to implement the plan over a two-year period. In addition to proposals that implemented the Plan, proposers were invited to propose alternative or modifications to the plan that would still achieve Cascade's goals for conducting water quality monitoring over the course of two years.

PROCUREMENT PROCESS

Cascade received three proposals in response to the Lake Tapps Reservoir Water Quality Monitoring Services RFP. Proposals were received from:

- Aspect Consulting LLC
- R2 Resource Consultants, Inc.
- Herrera Environmental Consultants in association with Tetra Tech and Confluence Engineering

The Cascade proposal review process had two components: evaluation and scoring the proposals submitted; and evaluation and scoring of each proposer's participation in an interview.

Based on the combined scoring for both the Proposal and interview, Herrera Environmental Consultants was the highest scoring firm. The selection team recommends that Cascade enter into a contract with Herrera Environmental Consultants to provide Lake Tapps Reservoir water quality monitoring services that will produce two years of water quality data.

FISCAL IMPACT

The not to exceed amount for the Lake Tapps Reservoir Water Quality Monitoring Services contract is \$495,130. The Herrera Fee Proposal for the program specified in the RFP was \$454,400. Options (sampling for additional parameters) proposed by Herrera added \$40,600, for a total of \$495,000. The contract will include a base scope with a budget of \$459,154 and an optional sampling task in year 2 (at the direction of Cascade, based on the results of year 1 results) with a budget of \$35,846.

Budget Line	2019 O/M Budget	Spent and Committed to Date	Available 2019 O/M Budget	This Action	2019 Remaining Balance
WQ Management Plan	\$200,000	\$0	\$200,000	\$185,000	\$15,000
Budget Line	2019 Capital Budget	Spent and Committed to Date	Available 2019 Capital Budget	This Action	2019 Remaining Balance
Water Quality Monitoring Equipment	\$135,000	\$0	\$135,000	\$111,228	\$23,772
Budget Line	2020 O/M Budget	Spent and Committed to Date	Available 2020 O/M Budget	This Action	2020 Remaining Balance
WQ Management Plan	\$400,000	\$0	\$400,000	\$198,772	\$201,228
	Total Budget	Total Spent and Committed to Date	Total Available Budget	This Action	Total Remaining Balance
	\$735,000	\$0	\$735,000	\$495,000	\$240,000

OPTIONS

1. Authorize the Chief Executive Officer to execute a contract for Lake Tapps Water Quality Monitoring Services to Herrera Environmental Consultants in an amount not to exceed \$495,000.
2. Do not authorize the Chief Executive Officer to execute a contract for Lake Tapps Water Quality Monitoring Services, and provide alternate direction.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to execute a contract for Lake Tapps Water Quality Monitoring Services to Herrera Environmental Consultants in an amount not to exceed \$495,000.

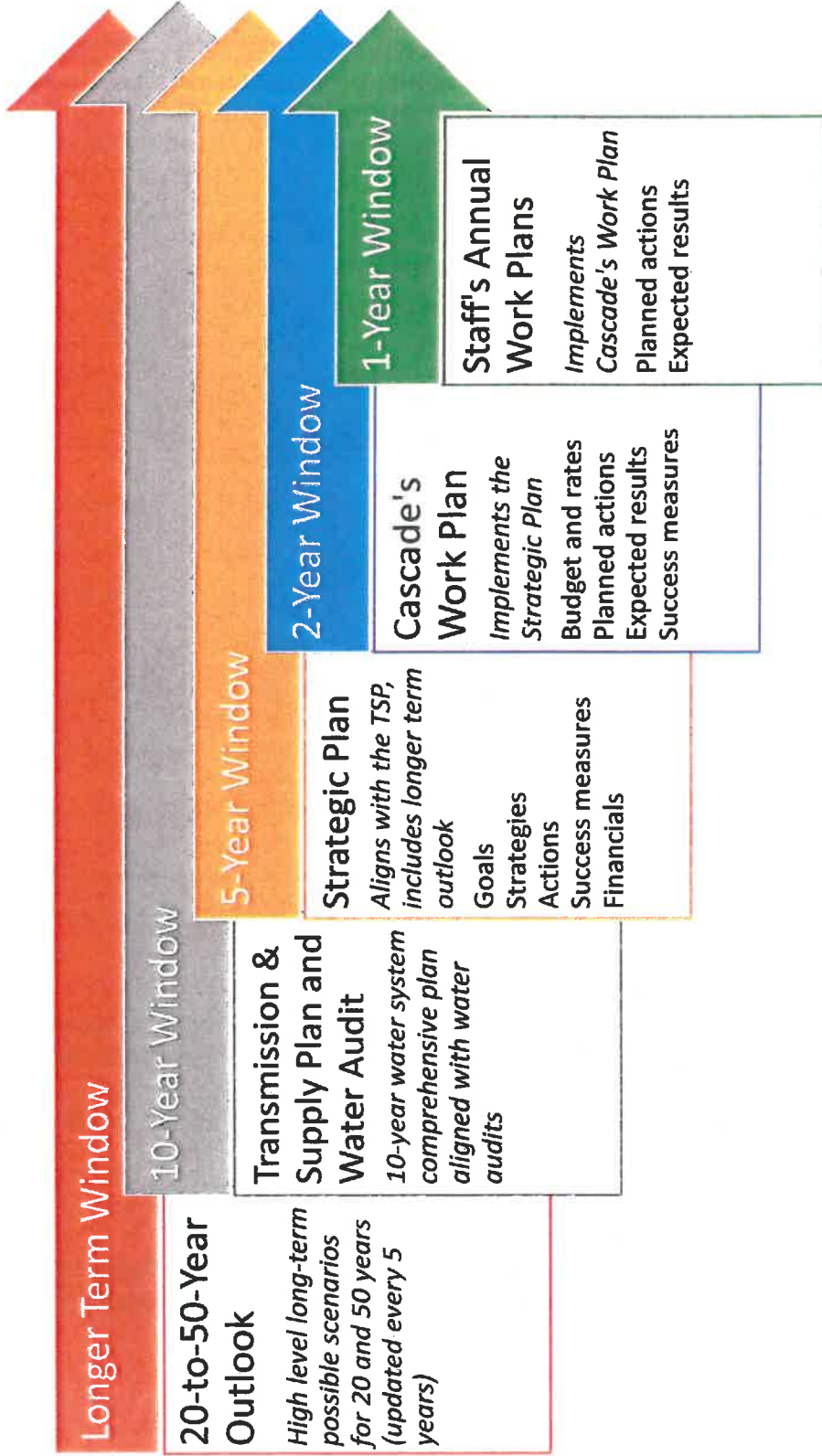
ATTACHMENTS

None.

Strategic Plan Alignment with Related Work Products (7.24.19)

Connecting Long-Range Plans to Individual Actions

The Strategic Plan helps Cascade and its Members set our desired future and the best way to get there. The visual below shows how the Plan fits in with other major short-term and long-term deliverables.



Note: Cascade's financial policy 5.05.080.B calls for developing, at least every 10 years, a rate forecast encompassing at least a 20-year time planning period. This information will be included in the 20-to-50-Year Outlook.

Strategic Plan Timeline for Board and Member Staff Involvement (7.24.19)

		JUL	AUG	SEP	OCT	NOV	DEC
Board Involvement							
1	Present overall approach and timeline at Board meeting						
2	Provide "white paper" summarizing the past 20 years (how we got here), where we are today, and future issues						
3	Conduct interviews to inform content of Plan						
4	Hold Committee of the Whole meeting to review draft Plan content (mission/vision/values, focus areas and goals, 50-year outlook drivers, strategies and proposed actions, success measures)						
5	Work with Chair to develop Board letter for inclusion in Plan						
6	Present final draft Plan at Board meeting						
Member Staff Involvement							
1	Present overall approach and timeline at Member staff and Committee meetings						
2	Provide "white paper" summarizing the past 20 years (how we got here), where we are today, and future issues						
3	Conduct interviews to inform content of Plan						
4	Provide updates at Member staff and Committee meetings						
	Finalize and print Strategic Plan						

Note: In March will begin developing the 2021-2022 budget and rates that will reflect the Strategic Plan's proposed actions.