



MEETING MINUTES OF THE
BOARD OF DIRECTORS
CASCADE WATER ALLIANCE'S OFFICE
APRIL 24, 2019

1. CALL TO ORDER

At 3:32 p.m. Chair Stokes called the meeting to order.

2. ROLL CALL

Board Members or Alternate Board Members from the City of Bellevue (Stokes), the City of Issaquah (Pauly), the City of Redmond (Anderson), the City of Tukwila (Ekberg¹), 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. Ault and second by Mr. Warren to approve the revised meeting agenda as presented. Motion carried unanimously (6-0).

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:

- There was some recent storm damage around Lake Tapps that required emergency repair work.
- The RCFC connections for the year are significantly down from original projections. Staff is closely monitoring these connections.
- The Lake Tapps water elevation is at its maximum recreation level. Due to restricted diversions related to the Mud Mountain Dam Fish Passage project, Cascade completed spring refill of Lake Tapps early.
- Discussions continue with the City of Sumner and Burlington Northern Railroad regarding expansion/wetlands mitigation near Cascade's trailrace.
- Clark Nuber, Cascade's outside auditing firm, completed their onsite work and will present the results of the audit at the May meeting. A clean audit report is anticipated.
- Environmental Working Group recently released information about municipality water. Members are encouraged to review the information for accuracy.

¹ Via conference call; arrived at 3:38 p.m.

Elaine Kraft also provided a legislative update.

7. CONSENT ACTION ITEM

- A. Board Meeting Minutes from March 27, 2019.
- B. Motion to authorize the Chief Executive Officer to execute an amendment to the contract with Foster Pepper & Shefelman, PLLC, to serve as bond counsel to Cascade related to the refinancing of its 2009B Water System Revenue Bonds, increasing the amount from \$24,000 to an amount not to exceed \$65,000.

Motion by Mr. Warren and second by Ault to approve Consent Action Items A-B as presented in the Board packet. Motion carried unanimously (6-0).

8. OTHER ACTION ITEMS

None.

9. STAFF PRESENTATIONS

- A. Bond Presentation

Cascade's bond financial advisors, Alan Dashen and Scott Bauer of Northwest Municipal Advisors provided an update regarding refinancing/financing Cascade's 2009 Bonds. An RFP was issued with two responses received. If Cascade rejects the bank financing and waits to refund Bonds, and rates change unfavorably, Cascade would not refund the Bonds until it makes sense. Given current interest rates, refunding of the 2009 bonds is an easy decision. However, questions remain regarding when the bonds should be refunded.

Staff responded to various questions from Board Members.

Motion by Mr. Warren and second by Mr. Ault to amend the meeting agenda and add an action item to authorize a direct bond sale. Motion carried unanimously (6-0).

Motion by Mr. Warren and second by Mr. Ault to direct staff to work with Northwest Municipal Advisors to negotiate terms with responding banks on bond refunding. Motion carried unanimously (6-0).

- B. Affordability – Next Steps

Ed Cebren provided an overview of affordability recommendations for consideration. These include:

- Reduce fixed charge barriers.
- Provide lifeline allowance.
- Retain marginal cost pricing concepts.
- Go to monthly billing.

Some ways that members can improve assistance programs include:

- Expand applicability.
- Ease access to programs.
- Retain marginal cost pricing concepts.
- Review level of assistance provided.

Items for future discussion include:

- Provide members a review of existing rate structures and recommendations for potential improvements.

- Define affordability best practice guidelines for members.
- Develop rate stabilization measures to mitigate member revenue risk.
- Reduce charges to qualified members in poor water sales years.
- Provide credits to member charges for low income assistance programs.
- Facilitate or administer third party outreach and processing.
- Provide multi-lingual adaptation of “generic” public information materials.

C. Wastewater Update

Lloyd Warren provided an update on the approach to gaining a voice regarding wastewater and a vote in plans, rates, budgets, and connection charges from and with King County through several approaches. A meeting was recently held with King County Executive Dow Constantine and Cascade representative, including a few Board Members. The scope of the project needs to be determined along with the next steps and Cascade’s role.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – Meeting held April 17, 2019. The meeting recap was included in the Board packet.
- C. Public Affairs Committee – Meeting held April 3, 2019. The meeting recap was included in the Board packet.
- D. Resource and Management Committee – No meetings held.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held May 22, 2019, at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 5:00 p.m.

APPROVED BY:



John Stokes, Chair



Penny Sweet, Vice-Chair