



SPECIAL MEETING MINUTES OF THE
BOARD OF DIRECTORS
CASCADE WATER ALLIANCE'S OFFICE
AUGUST 6, 2019

1. CALL TO ORDER

At 9:00 a.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 (Pauly¹), the City of Kirkland (Sweet²), the City of Redmond (Birney³), the City of Tukwila (Ekberg⁴), and Skyway Water and Sewer District (Ault) were present.

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

Motion by Ms. Sweet and second by Mr. Ekberg to approve the special meeting agenda as presented. Motion carried unanimously (5-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

None

7. CONSENT ACTION ITEMS

None

8. OTHER ACTION ITEMS

- A. Motion to approve Resolution No. 2019-09 amending and Restating Resolution No. 2019-07, which authorized the borrowing of money and the issuance and sale of water system refunding revenue bonds; authorizing the borrowing of money and the

¹ Via conference call; arrived at 9:09 a.m.

² Via conference call.

³ Via conference call.

⁴ Via conference call.

issuance and sale of water system revenue bonds for the purposes of paying part of the cost of financing capital projects and providing for other matters properly related thereto.

Chuck Clarke reported that Cascade currently has a AAA S&P rating and Aa2 Moody's rating.

Ed Cebron explained that Resolution No. 2019-07, approved by the Board in May 2019, authorized Cascade to refund the outstanding Cascade Water Alliance Water System Revenue Bonds, 2009B, to achieve a debt service savings, pay the administrative costs of such refunding and the costs of issuing and selling those bonds; fixing or setting parameters with respect to certain terms and covenants of those bonds; delegating authority to a designated representative to set final terms of the sale and issuance of those bonds; and providing for other matters properly related thereto.

Ed Cebron noted that in addition to the debt service savings that the refunding will provide it also allows Cascade to free up the 2009B bond reserve of \$4,924,951. However, there are limitations on the uses of the 2009B bond reserve, it must be used to either pay down the issuance or on construction projects within two years. To mitigate these limitations, Cascade intends to use the bond reserve to pay down the debt issuance and then borrow an additional \$5 million. This would allow Cascade an additional year to spend the bond proceeds on construction projects and would also allow Cascade to add two years to the payment schedule and further reduce the annual debt service costs. At present, Cascade anticipates a net present value savings of over \$6 million. Cascade staff recommends refunding the bonds later this year.

Motion by Mr. Ault and second by Ms. Sweet to adopt Resolution No. 2019-09 amending and Restating Resolution No. 2019-07, which authorized the borrowing of money and the issuance and sale of water system refunding revenue bonds; authorizing the borrowing of money and the issuance and sale of water system revenue bonds for the purposes of paying part of the cost of financing capital projects and providing for other matters properly related thereto. Motion carried unanimously (6-0).

Chuck Clarke stated that August 14, 2019, is the expected issuance date, with a closing date of September 4, 2019.

9. STAFF PRESENTATIONS

None

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance and Management Committee – No meetings held.
- C. Public Affairs Committee – No meetings held.
- D. Resource and Management Committee – No meetings held.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held September 25, 2019 at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 9:13 a.m.

APPROVED BY:



John Stokes, Chair



Penny Sweet, Vice-Chair