



REGULAR MEETING OF THE BOARD OF DIRECTORS
REVISED AGENDA
CASCADE WATER ALLIANCE
520 - 112TH Avenue N.E., Suite 400, Bellevue
October 23, 2019
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT	
4. EXECUTIVE SESSION – <i>moved to Agenda Item Number 12</i>	
5. APPROVAL OF AGENDA	
6. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
a. Emergency Declaration.	
b. Sale of Discounted Block Water to Members with Independent Supply.	
7. CONSENT ITEMS	
a. Board Meeting Minutes for September 25, 2019.	<u>14</u>
b. Motion to adopt Resolution No. 2019-12 amending the Regional Capital Facilities Charge Methodology, Chapter 5.25 of the Cascade Water Alliance Code.	<u>18</u>
c. Motion to approve the Cascade Rate True-up Adjustments for 2020 with payment through level, monthly adjustments to 2021 Member Charges.	<u>26</u>
8. OTHER ACTION ITEMS	
a. Motion to authorize the Chief Executive Officer to execute a contract to provide services in preparing compliance crosswalks, risk and resiliency assessments and emergency response plans in an amount not to exceed \$350,000.	<u>32</u>
b. Motion to adopt Resolution No. 2019-13 authorizing the Chief Executive Officer, in consultation with legal counsel, to finalize and execute a stormwater easement to be granted by Cascade Water Alliance to Tapps Holdings, LP.	
9. STAFF PRESENTATIONS	
10. COMMITTEE REPORTS	

- a. Executive Committee – *October 8, 2019, and October 15, 2019.*
 - b. Finance and Management Committee – *October 16, 2019.* 34
 - c. Public Affairs Committee – *October 2, 2019.* 37
 - d. Resource Management Committee – *October 10, 2019.* 39
11. NEW BUSINESS
12. EXECUTIVE SESSION
- a. To discuss with legal counsel representing the agency litigation or potential litigation to which the agency is likely to become a party – IF REQUIRED FOR AGENDA ITEM 8b.
 - b. To evaluate the qualifications of an applicant for public employment.
13. NEXT REGULAR MEETING – *November 20, 2019 – Cascade Office – 3:30 p.m.*
14. ADJOURN

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



Date: October 1, 2019
To: Chuck Clarke, Chief Executive Officer
From: Henry Chen, Capital Projects Director
Re: Declaration of Emergency

In September 2019, Cascade Water Alliance received a report of leakage located along the upper conveyance system of the White River - Lake Tapps Reservoir Project ("Project"), which transports water from the White River to the Lake Tapps Reservoir. Specifically, the leak was reported on a section of twin 10-foot diameter concrete pipes ("Twin Pipeline") located approximately 1,000 feet upstream of a valve house structure where water exits the Twin Pipeline into open channels leading to Printz Basin and the Reservoir. The valve house structure is located east of Barkubein Road East in Pierce County.

On September 24, 2019 Cascade determined the leakage was located near station 336+27A along the alignment of the Twin Pipeline. Originally, Cascade thought the leakage was minor and hired a contractor to pothole the area to investigate. After the potholing, Cascade determined that the leakage rate was higher than initially thought. In addition, the leak was identified at a bend in the Twin Pipeline where it is subject to higher pressure than a straight pipe.

Due to the rate of leakage observed in the Twin Pipeline, Cascade now needs to perform a more thorough engineering investigation to assess the cause, magnitude, and extent of the leakage as soon as possible. Catastrophic failure of the Twin Pipelines would cause material property damage to Cascade's upper conveyance system and flood adjacent property, resulting in property damage, injuries, and potential loss of life. This follow-up investigation of leakage on the Twin Pipelines must be completed to determine the likelihood and potential timeline of such catastrophic failure.

RCW 39.80.060 states that the requirements for procuring architectural and engineering services set forth in chapter 39.80 RCW need not be complied with when the contracting authority for the agency makes a finding in accordance with RCW 39.80.060 or any other applicable law that an emergency requires the immediate execution of the work involved. CWAC 5.60.040 similarly provides that the procurement procedure established in chapter 39.80 RCW need not be complied with when "the Cascade board finds that an emergency requires immediate execution of the work involved." Under CWAC 5.60.010.B., an "emergency" is defined as an "unforeseen circumstances beyond Cascade's control that either: (a) Present a

real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.”

The leakage occurring from the Twin Pipeline constitutes unforeseen circumstances beyond Cascade's control. Cascade has been steadily undertaking condition assessments of infrastructure for the entire Project since acquisition in 2009. Cascade staff first became aware of this leakage in September 2019. The Twin Pipeline was installed approximately 30 years ago by Cascade's predecessor, Puget Sound Energy, and is a far more recent addition compared to other aging Project Infrastructure for which Cascade has completed comprehensive condition assessments. Cascade plans to undertake improvements in the near term to the nearby valve house structure, but had not yet started detailed assessment on this section of the upper conveyance.

Catastrophic failure of the Twin Pipeline would likely result in material loss to Cascade, as failure on a portion of the Twin Pipeline could necessitate major repairs or complete replacement. Additionally, the result of such failure would flood adjacent properties, threatening bodily injury and loss of life. An immediate investigation to determine whether and how soon catastrophic failure may occur requires engineering services to assess the current condition of the Twin Pipeline and provide a preliminary assessment on the design and repairs necessary to fix the leakage and decrease the chance of a catastrophic failure.

Therefore, I am recommending that the Chief Executive Officer declare this an emergency.

Statement of Concurrence:

For the reasons stated above, I am declaring that engineering investigation of the leakage on the Twin Pipelines constitutes an emergency. This finding is made in accordance with Cascade Water Alliance Code, Chapter 5.80 and will be reported to the Board of Director at its next regular meeting.



Chuck Clarke, Chief Executive Officer



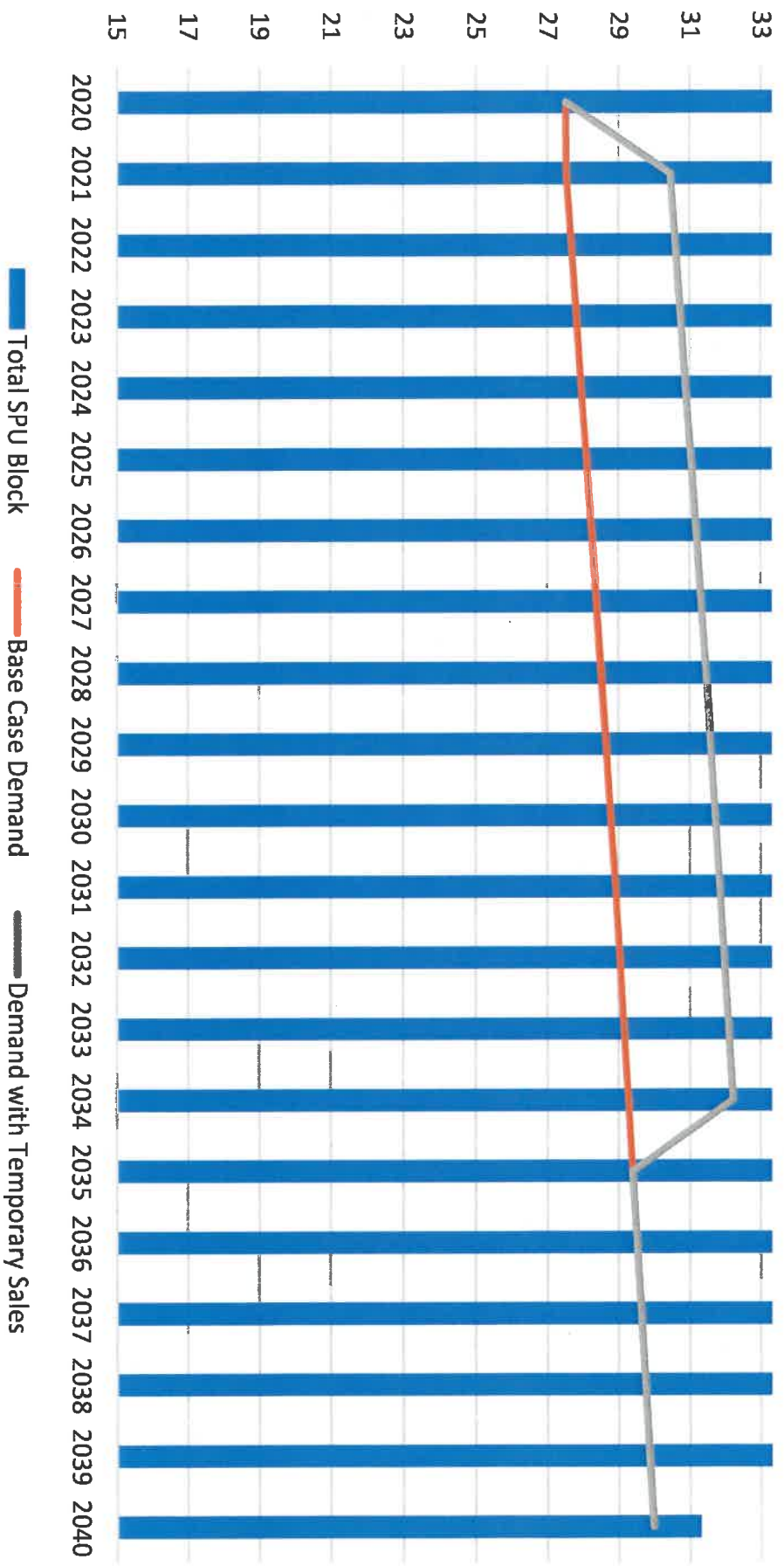
Date

Cascade Water Alliance

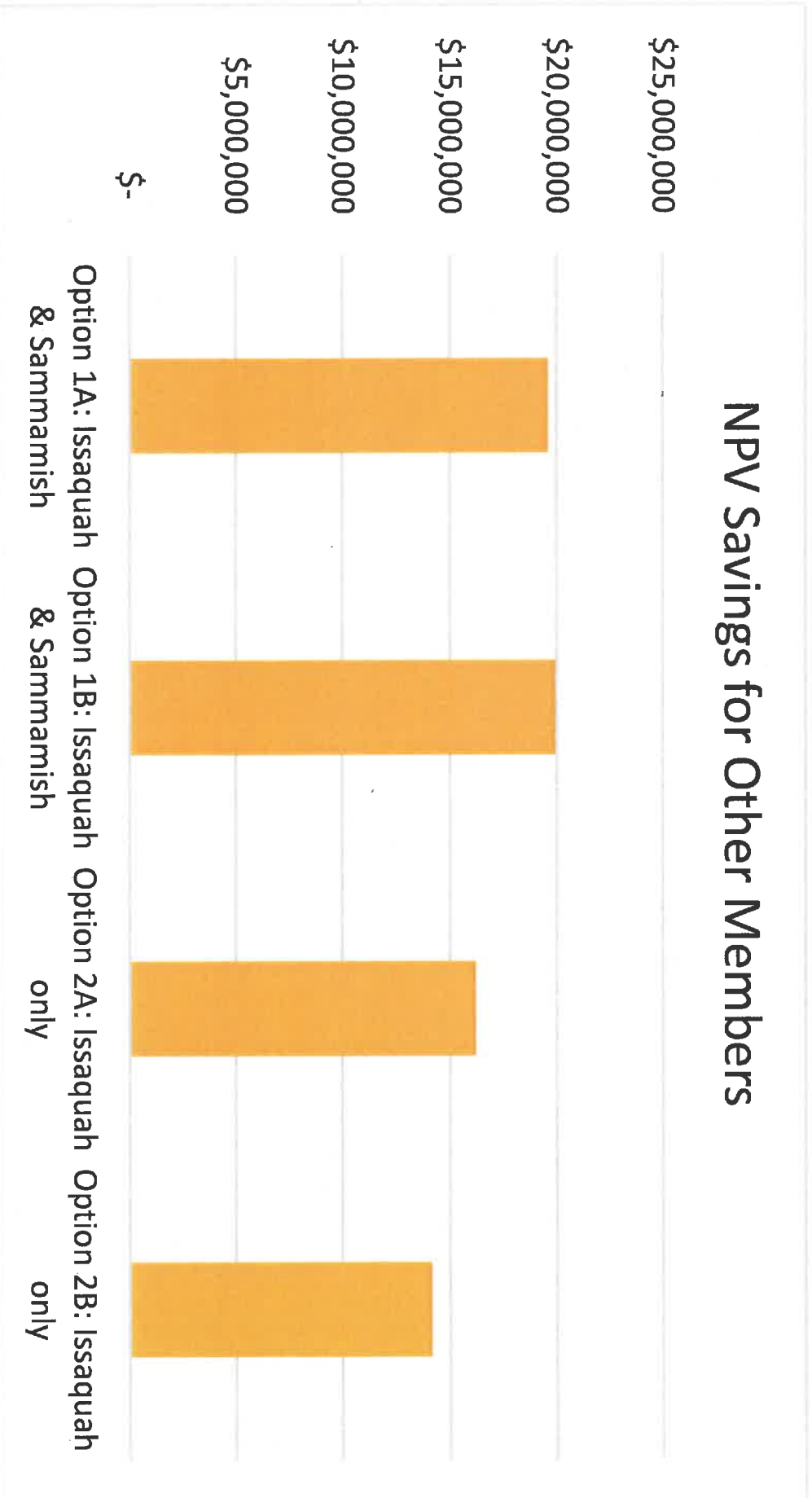
Summary of Temporary Water Proposals

- 1) Issaquah
 - a. Completely replace groundwater production through 2034
 - b. Provide 1.44 mgd annual water at discount; 1.90 peak season
 - c. Ramping discount from 10% of full block costs first year to 60% max
 - d. Option for \$1,000 incremental RCFC reduces max from 60% to 50%
 - e. Ramping impact on member charges due to 3 year rolling average demand share calculation
- 2) Sammamish Plateau
 - a. Sufficient to replace off-peak groundwater production from affected wells through 2034
 - b. Provide 1.50 mgd annual water year-round; 1.50 peak season
 - c. Require commensurate reduction in aggregate District groundwater production
 - d. Ramping discount from 10% of full block costs first year to 60% max
 - e. Option for \$1,000 incremental RCFC reduces max from 60% to 50%
 - f. Ramping impact on member charges due to 3 year rolling average demand share calculation
- 3) Cascade
 - a. Current demand under 28 mgd vs. 33.3 mgd SPU block
 - b. With discounted sales, total demand starts at under 31 mgd, reaches 32 mgd at peak in 2034
 - c. Could reduce unit cost and member charges by around 5% through new revenue benefit
 - d. Discount ends after 2034 and production requirements return

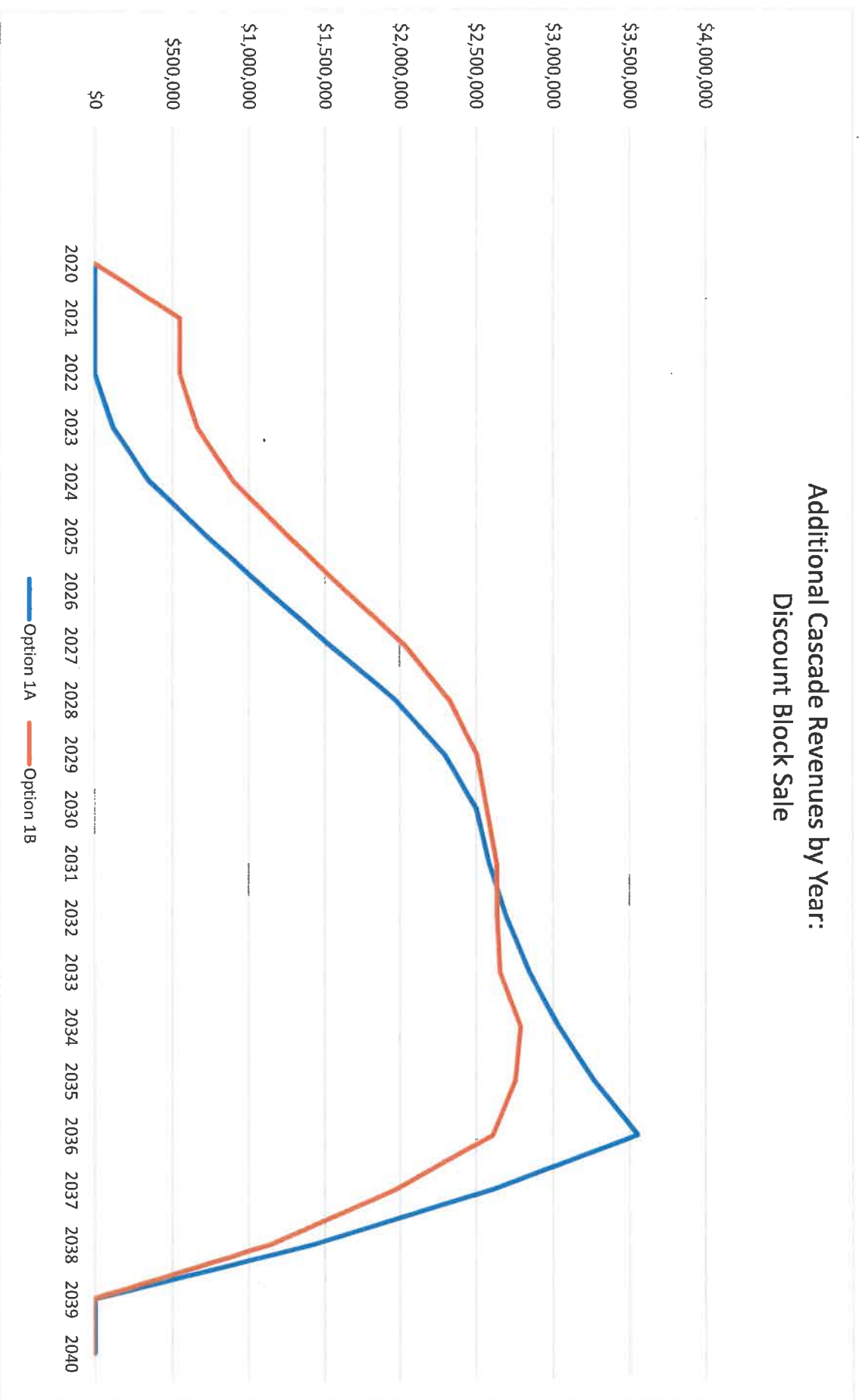
Use of SPU Block with Temporary Sales



NPV Savings for Other Members



Additional Cascade Revenues by Year: Discount Block Sale



Cascade Water Alliance

Scenarios to Use Block Supply

September 30, 2019

Summary Tables and Graphs

Net Annual Payments for Discounted Water		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Option 1A														
	Issaquah	\$ -	\$ -	\$ -	\$ 65,837	\$ 202,343	\$ 412,584	\$ 636,824	\$ 873,900	\$ 1,124,502	\$ 1,314,264	\$ 1,437,567	\$ 1,487,617	\$ 1,555,862
	Sammamish Plateau	\$ -	\$ -	\$ -	\$ 51,294	\$ 156,782	\$ 316,921	\$ 485,028	\$ 660,067	\$ 842,428	\$ 977,885	\$ 1,063,720	\$ 1,096,054	\$ 1,141,507
Option 1B (Includes RCFC Increment)														
	Issaquah	\$ -	\$ 200,000	\$ 200,000	\$ 262,937	\$ 392,727	\$ 591,103	\$ 800,861	\$ 1,020,802	\$ 1,184,175	\$ 1,287,025	\$ 1,323,903	\$ 1,362,175	\$ 1,365,293
	Sammamish Plateau	\$ -	\$ 350,000	\$ 350,000	\$ 401,294	\$ 506,782	\$ 666,921	\$ 835,028	\$ 1,010,067	\$ 1,138,498	\$ 1,217,699	\$ 1,243,884	\$ 1,271,017	\$ 1,270,394
Annual Savings by Other Members														
Option 1A														
	All except Issaquah, SPW	\$ -	\$ -	\$ -	\$ (117,131)	\$ (359,125)	\$ (729,505)	\$ (1,121,852)	\$ (1,533,967)	\$ (1,966,930)	\$ (2,292,149)	\$ (2,501,287)	\$ (2,583,671)	\$ (2,697,370)
Option 1B														
	All except Issaquah, SPW	\$ -	\$ -	\$ -	\$ (114,231)	\$ (349,509)	\$ (708,024)	\$ (1,085,889)	\$ (1,480,869)	\$ (1,772,673)	\$ (1,954,724)	\$ (2,017,788)	\$ (2,083,192)	\$ (2,697,894)
Average Unit Cost of Water Delivered (\$/CF)														
Base Case														
	All Members	\$ 3.11	\$ 3.20	\$ 3.28	\$ 3.36	\$ 3.44	\$ 3.53	\$ 3.65	\$ 3.78	\$ 3.91	\$ 4.05	\$ 4.19	\$ 4.34	\$ 4.54
Option 1A														
	All Members	\$ 3.11	\$ 3.17	\$ 3.21	\$ 3.26	\$ 3.30	\$ 3.35	\$ 3.44	\$ 3.56	\$ 3.68	\$ 3.81	\$ 3.95	\$ 4.09	\$ 4.28
Option 1B														
	All Members	\$ 3.11	\$ 3.17	\$ 3.21	\$ 3.26	\$ 3.30	\$ 3.35	\$ 3.47	\$ 3.59	\$ 3.72	\$ 3.85	\$ 3.99	\$ 4.13	\$ 4.28

Cascade Water Alliance

Scenarios to Use Block Supply

September 30, 2019

Summary Tables and Graphs

Net Annual Payments for Discounted Water

	2033	2034	2035	2036	2037	2038	2039	2040
<i>Issaquah</i>	\$ 1,644,364	\$ 1,755,867	\$ 1,893,936	\$ 2,063,132	\$ 1,511,957	\$ 880,890	\$ -	\$ -
<i>Sammamish Plateau</i>	\$ 1,201,428	\$ 1,277,639	\$ 1,372,532	\$ 1,489,184	\$ 1,094,692	\$ 603,536	\$ -	\$ -
Option 1A								
Option 1B (Includes RCFC Increment)								
<i>Issaquah</i>	\$ 1,378,326	\$ 1,456,101	\$ 1,352,707	\$ 1,471,316	\$ 1,110,023	\$ 646,030	\$ (5,731)	\$ (6,374)
<i>Sammamish Plateau</i>	\$ 1,275,653	\$ 1,331,266	\$ 1,400,913	\$ 1,136,824	\$ 855,191	\$ 499,246	\$ (5,297)	\$ (5,997)

Annual Savings by Other Members

	2033	2034	2035	2036	2037	2038	2039	2040
Option 1A								
<i>All except Issaquah, SPW</i>	\$ (2,845,791)	\$ (3,033,506)	\$ (3,266,468)	\$ (3,552,316)	\$ (2,606,649)	\$ (1,434,426)	\$ -	\$ -
Option 1B								
<i>All except Issaquah, SPW</i>	\$ (3,389,613)	\$ (3,612,995)	\$ (3,889,257)	\$ (4,227,530)	\$ (2,888,266)	\$ (1,225,113)	\$ (76,792)	\$ (84,230)

Average Unit Cost of Water Delivered (\$/CCF)

	2033	2034	2035	2036	2037	2038	2039	2040
Base Case								
<i>All Members</i>	\$ 4.79	\$ 5.10	\$ 5.49	\$ 5.96	\$ 6.47	\$ 7.02	\$ 7.70	\$ 8.43
Option 1A								
<i>All Members</i>	\$ 4.52	\$ 4.81	\$ 5.49	\$ 5.96	\$ 6.47	\$ 7.02	\$ 7.70	\$ 8.43
Option 1B								
<i>All Members</i>	\$ 4.47	\$ 4.77	\$ 5.38	\$ 5.85	\$ 6.40	\$ 7.02	\$ 7.69	\$ 8.43

Cascade Water Alliance

Scenarios to Use Block Supply

September 30, 2019

Sammamish Plateau Water Costs for Scenarios

Basic Assumptions

Sammamish takes water to reduce well production for 2021-2034
 Net increment is 1.50 mgd annual and year-round (1.50 mgd peak season) based on production records (roughly 75% of wells 7-9 max annual production 2015-2019)
 Demand Shares calculated on rolling average for all volumes

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Base Scenario: No Change in Supply Strategy													
Demand Shares	1,3134	1,3149	1,2443	1,0309	1,0940	1,1890	1,2846	1,3793	1,4730	1,5658	1,6575	1,7484	1,8382
Total SPW Payments	\$ 1,876,578	\$ 1,896,128	\$ 1,913,878	\$ 1,756,730	\$ 1,883,612	\$ 2,048,794	\$ 2,236,029	\$ 2,432,750	\$ 2,639,395	\$ 2,856,426	\$ 3,084,372	\$ 3,323,584	\$ 3,565,473
Total SPW RCFCs	\$ 2,312,450	\$ 2,409,880	\$ 2,470,121	\$ 2,532,324	\$ 2,630,193	\$ 2,732,017	\$ 2,792,802	\$ 2,870,926	\$ 2,966,235	\$ 3,123,025	\$ 3,313,291	\$ 3,511,721	\$ 3,596,969
Option 1A : Temporary Supply Rate Only													
Demand Shares	1,3134	1,3149	1,2443	1,0809	1,2440	1,4890	1,7346	1,9793	2,2230	2,4158	2,5575	2,6484	2,7382
Total SPW Payments	\$ 1,876,578	\$ 1,896,128	\$ 1,913,878	\$ 1,808,024	\$ 2,040,993	\$ 2,365,715	\$ 2,721,058	\$ 3,092,817	\$ 3,481,823	\$ 3,894,310	\$ 4,148,042	\$ 4,419,638	\$ 4,744,980
Total SPW RCFCs	\$ 2,312,450	\$ 2,409,880	\$ 2,470,121	\$ 2,532,324	\$ 2,630,193	\$ 2,732,017	\$ 2,792,802	\$ 2,870,926	\$ 2,966,235	\$ 3,123,025	\$ 3,313,291	\$ 3,511,721	\$ 3,596,969
Net Change in Cascade Member Payments	\$ -	\$ -	\$ -	\$ 51,294	\$ 156,782	\$ 316,921	\$ 485,028	\$ 660,067	\$ 842,428	\$ 977,885	\$ 1,063,720	\$ 1,096,054	\$ 1,141,507
Net Change in RCFC Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Option 1B : Temporary Supply w/ RCFC Increment													
Demand Shares	1,3134	1,3149	1,2443	1,0809	1,2440	1,4890	1,7346	1,9793	2,1730	2,3158	2,4075	2,4984	2,5882
Total SPW Payments	\$ 1,876,578	\$ 1,896,128	\$ 1,913,878	\$ 1,808,024	\$ 2,040,993	\$ 2,365,715	\$ 2,721,058	\$ 3,092,817	\$ 3,427,893	\$ 3,724,125	\$ 3,978,206	\$ 4,244,601	\$ 4,523,867
Total SPW RCFCs	\$ 2,312,450	\$ 2,759,880	\$ 2,820,121	\$ 2,882,324	\$ 2,980,193	\$ 3,082,017	\$ 3,142,802	\$ 3,220,926	\$ 3,316,235	\$ 3,473,025	\$ 3,663,291	\$ 3,861,721	\$ 3,946,969
Net Change in Cascade Member Payments	\$ -	\$ -	\$ -	\$ 51,294	\$ 156,782	\$ 316,921	\$ 485,028	\$ 660,067	\$ 788,498	\$ 867,699	\$ 893,884	\$ 921,017	\$ 920,394
Net Change in RCFC Payments	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000

Cascade Water Alliance

Scenarios to Use Block Supply

September 30, 2019

Sammamish Plateau Water Costs for Scenarios

Basic Assumptions

Sammamish takes water to reduce well production for 2021-2034

Net increment is 1.50 mgd annual and year-round (1.50 mgd peak season) bas

Demand Shares calculated on rolling average for all volumes

Base Scenario: No Change in Supply Strategy

	2033	2034	2035	2036	2037	2038	2039	2040
Demand Shares	1.9271	2.0151	2.1022	2.1883	2.2735	2.3579	2.4413	2.5238
Total SPW Payments	\$ 3,892,449	\$ 4,320,922	\$ 4,781,795	\$ 5,331,169	\$ 5,940,604	\$ 6,616,304	\$ 7,426,596	\$ 8,335,111
Total SPW RCFCs	\$ 3,684,661	\$ 3,796,814	\$ 3,912,771	\$ 4,004,358	\$ 4,105,031	\$ 4,211,401	\$ 4,324,756	\$ 4,448,656

Option 1A : Temporary Supply Rate Only

	2033	2034	2035	2036	2037	2038	2039	2040
Demand Shares	2.8271	2.9151	3.0022	3.0883	2.8735	2.6579	2.4413	2.5238
Total SPW Payments	\$ 5,153,876	\$ 5,598,560	\$ 6,154,327	\$ 6,820,353	\$ 7,035,296	\$ 7,219,840	\$ 7,426,596	\$ 8,335,111
Total SPW RCFCs	\$ 3,684,661	\$ 3,796,814	\$ 3,912,771	\$ 4,004,358	\$ 4,105,031	\$ 4,211,401	\$ 4,324,756	\$ 4,448,656
Net Change in Cascade Member Payments	\$ 1,201,428	\$ 1,277,639	\$ 1,372,532	\$ 1,489,184	\$ 1,094,692	\$ 603,536	\$ -	\$ -
Net Change in RCFC Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Option 1B : Temporary Supply w. RCFC Increment

	2033	2034	2035	2036	2037	2038	2039	2040
Demand Shares	2.6771	2.7651	2.8522	2.9383	2.7735	2.6079	2.4413	2.5238
Total SPW Payments	\$ 4,858,102	\$ 5,302,188	\$ 5,832,708	\$ 6,467,983	\$ 6,795,795	\$ 7,115,551	\$ 7,421,299	\$ 8,327,114
Total SPW RCFCs	\$ 4,034,661	\$ 4,146,814	\$ 4,262,771	\$ 4,004,358	\$ 4,105,031	\$ 4,211,401	\$ 4,324,756	\$ 4,448,656
Net Change in Cascade Member Payments	\$ 925,653	\$ 981,266	\$ 1,050,913	\$ 1,136,824	\$ 855,191	\$ 499,246	\$ (5,297)	\$ (5,987)
Net Change in RCFC Payments	\$ 350,000	\$ 350,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution No. 2019-13 authorizing the Chief Executive Officer, in consultation with legal counsel, to finalize and execute a stormwater easement to be granted by Cascade Water Alliance to Tapps Holdings, LP.

BACKGROUND

In 2009, Cascade Water Alliance ("Cascade") purchased from Puget Sound Energy ("PSE") real property adjacent to, along the shoreline, and within the lake bed of the Lake Tapps Reservoir. Prior to the transfer of property, in 1999, PSE granted a perpetual non-exclusive easement to Sound Development Corporation, a developer of a residential subdivision known as Grandview Ridge, that allowed for the construction and use of a biofiltration and storm drainage system that is now partially on the Cascade-owned property and partially on PSE-owned property ("1999 Easement"). Stormwater now drains from the Grandview Ridge development through the biofiltration and storm drainage system into the Lake Tapps Reservoir near Cascade's Tunnel Intake structure. The successor-in-interest to the Grandview Ridge developer is a homeowners' association that is obligated to maintain the biofiltration and storm drainage

A new development, known as The Ridge, proposes to construct 48 single-family residential lots on a 24.4 acre parcel. The developer of The Ridge, Tapps Holdings, LP ("Tapps Holdings"), plans to detain stormwater onsite; however, excess stormwater during extreme events (greater than 100-year storms) will be discharged from the development site into the existing biofiltration and storm drainage system into the Lake Tapps Reservoir.

The 1999 Easement was limited to the Grandview Ridge and excludes the underlying property for The Ridge from the use of the existing biofiltration and storm drainage system. In 2015 Cascade communicated to the Tapps Holdings team the need for enhanced water quality treatment and the need to amend the 1999 Easement to benefit The Ridge property.

Due to Tapps Holdings's failure to address these issues, Cascade appealed The Ridge's Site Development Permit issued by Pierce County. The hearing on the appeal, scheduled for October 16, 2019, has been continued while Cascade and Tapps Holdings finalize a settlement. The perpetual non-exclusive stormwater easement under consideration is part of that settlement.

Under Cascade's policy for decision-making affecting interests in Cascade's property, for easements in perpetuity, the Board requested consideration of (1) whether to conduct a survey, (2) whether to conduct an appraisal, and (3) negotiations of terms subject to the Board's consideration. With this proposed settlement of litigation, the proposed easement will be limited to the use of stormwater facilities already existing on PSE and Cascade's property. Under these circumstances, Cascade staff does not recommend a survey or appraisal.

The terms of the easement are as follows: in exchange for receipt of a non-exclusive easement to Tapps Holdings for use of the existing biofiltration and storm drainage system into the Lake Tapps Reservoir, Tapps Holdings will incorporate enhanced water quality treatment methods, not otherwise required under the Pierce County Stormwater Manual, as follows:

- Additional vegetation in the stormwater detention pond (“wetpond”) located on The Ridge development site will provide enhanced filtration to stormwater exiting a portion of the site.
- The balance of stormwater exiting the site will flow through existing on site wetlands, which also serves as means of enhanced treatment per the Pierce County Stormwater Manual.

Additionally, Tapps Holdings will provide a bond for all stormwater improvement, ensuring survival of the vegetation for 24 month, and the Homeowner’s Association for The Ridge will be required to maintain the stormwater facilities, including the wetpond plantings. The Homeowner’s Association will be required to provide annual inspection maintenance checklists to the County.

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

N/A

OPTIONS

1. Adopt Motion to adopt Resolution No. 2019-13 authorizing the Chief Executive Officer, in consultation with legal counsel, to finalize and execute a stormwater easement to be granted by Cascade Water Alliance to Tapps Holdings, LP.
2. Do not adopt Resolution No. 2019-13 and provide alternate direction to Cascade staff.

RECOMMENDED ACTION

Adopt Motion to adopt Resolution No. 2019-13 authorizing the Chief Executive Officer, in consultation with legal counsel, to finalize and execute a stormwater easement to be granted by Cascade Water Alliance to Tapps Holdings, LP.

ATTACHMENTS

1. Resolution No. 2019-13.



CASCADE WATER ALLIANCE
RESOLUTION No. 2019-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION
AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO FINALIZE AND EXECUTE
A STORMWATER EASEMENT GRANTED TO TAPPS HOLDINGS, LP

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; and

WHEREAS, Cascade owns real property that is part of the Cascade-owned Lake Tapps Reservoir Project; the real property is currently burdened by an existing easement for a biofiltration and storm drainage system which was granted by Cascade’s successor-in-interest, Puget Sound Energy and is now held by a homeowner’s association (“existing stormwater easement area”); and

WHEREAS, Tapps Holdings LP, the owner of property and developer of a new subdivision near the Lake Tapps Reservoir, has requested a non-exclusive easement to use the existing stormwater easement area in consideration of providing enhanced water quality treatment on the subdivision site; and.

WHEREAS, in settlement of a dispute between Cascade and Tapps Holdings LP regarding the necessity of an easement and an appeal of the Pierce County site development permit for the subdivision, the Cascade Board of Directors (“Board”) now desires to authorize the Chief Executive Officer (“CEO”) to execute a stormwater easement to be granted to Tapps Holding LP.

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

Section 1. Authorization of CEO to finalize and execute a stormwater easement.

The Board adopts this Resolution authorizing the CEO, in consultation with legal counsel, to finalize and execute a stormwater easement to be granted by Cascade Water Alliance to Tapps Holdings, LP.

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 regular meeting thereof, held on the 23rd day of October 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

X No