



2020–2024 Strategic Plan

Planning together today...
for tomorrow

Message from the Board Chair



I am proud to present Cascade's 2020-2024 Strategic Plan. Cascade's members joined together over 20 years ago to ensure that our fast-growing Eastside communities would have a voice and a vote in their water future. Today, Cascade provides safe, clean and reliable water to members in a cost-effective and environmentally responsible manner.

Cascade provides that water and programs to its members through a governance model led by engaged Board members. Every day I am impressed by the success of the "Cascade model" and what we have been able to accomplish. Cascade's future water supply has been secured with water supply contracts and the purchase of Lake Tapps. We are looking ahead to ensure the organization continues to be a regional leader, serve its members, protect its assets, and make deliberate and strategic decisions.

This Strategic Plan reflects our next steps as an organization. It is the result of an active, engaged Board driving the organization to achieve its goals in water resource management, environmental stewardship, asset management and regional leadership. It is forward looking in all these focus areas and specifically includes strategies that support analyses of emerging issues. For all these goals, the plan is accountable to ratepayers through services that are provided in a cost-effective way by a small, efficient organization supported by experienced and exceptional staff.

This plan will guide the Board and staff for the next five years. It has been my great pleasure to serve as Chair of the Cascade Water Alliance for the past two years, and I look forward to the opportunity to continue to lead the organization as we implement this Strategic Plan.



John Stokes

Message from the CEO



Cascade is a municipal corporation that provides safe, clean and reliable drinking water to 380,000 residents and 20,000 businesses served by its members — Bellevue, Issaquah, Kirkland, Redmond, Tukwila, Sammamish Plateau Water, and the Skyway Water and Sewer District.

The Board's leadership and vision over the last 20 years has led Cascade to secure long-term water supply contracts and purchase the Lake Tapps Reservoir, providing members with an important insurance policy for the future. Cascade also continues to be a leader in the region, bringing water suppliers together to collaborate on solutions to common challenges.

Cascade's 2020-2024 Strategic Plan is the Board's roadmap, with flexibility where needed, to provide high-value, cost-effective services to members over the next five years. The Plan focuses on member engagement, stewardship, and regional leadership. It supports investments that ensure the certainty and resiliency of Cascade's drinking water supplies now and in the future, including maintaining, if not improving, water quality at the Lake Tapps Reservoir.

The Plan is built on continued sound financial planning and policies. It is our responsibility to provide water in the most cost-effective way possible over the long run; we will pursue options to achieve this during the Strategic Plan period.

I have watched Cascade's amazing growth over the last two decades, and I am honored to have the opportunity to be part of its future success.

Thank you,

A handwritten signature in blue ink that reads "Ray Hoffman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ray Hoffman

About Cascade

Providing Water Reliably

Cascade Water Alliance (Cascade) is a municipal corporation comprised of seven member agencies (five cities and two water and sewer districts) in the Puget Sound region. Cascade was established in 1999 to ensure safe, clean, reliable water supply for its members. Its conservation measures have saved millions of gallons of water, delaying the need to develop new sources of water supply well into the future. To be prepared for that need, in 2009 Cascade purchased the White River-Lake Tapps Reservoir system for use as a future municipal drinking water supply.

Today, Cascade provides water to 380,000 people and more than 20,000 businesses in a cost-effective and environmentally responsible manner. It does this through providing water efficiency programs, managing and improving its water supply infrastructure, and fostering regional water planning. Cascade also serves as a convener, forming strong relationships and bringing water providers together on complex water issues that affect the region and state.

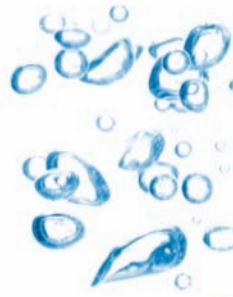
Cascade Members

- Bellevue
- Issaquah
- Kirkland
- Redmond
- Sammamish Plateau Water
- Skyway Water & Sewer District
- Tukwila

CASCADE SERVICE AREA



Notable Achievements

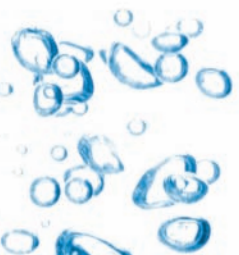


During Cascade's first decade, its focus was to acquire water supply to meet the needs of its members. It achieved this by securing contracts with Seattle and Tacoma for water supply, purchasing the White River-Lake Tapps Reservoir system, and obtaining water rights to use the Reservoir for municipal water supply. Not only did this result in certainty of future water supply, but it also provided Cascade with a flexible supply portfolio.

Cascade developed its first strategic plan in 2011. This was a major undertaking that defined its second decade as a water provider and regional leader. The plan was composed of 48 strategies, ranging from actions that addressed long-term water supply, building community relationships, and ensuring equitable allocation of costs among members.

Cascade has completed or made sufficient progress on the vast majority of the 2011 plan's strategies. A few notable achievements include the following:

- Invested tens of millions of dollars to restore the integrity of the White River-Lake Tapps infrastructure.
- Implemented a regional water efficiency program that produced savings of more than one million gallons of water per day from 2014-2019.
- Worked with the Lake Tapps Community Council to provide summer recreational lake levels.
- Partnered with the Puyallup and Muckleshoot Tribes to ensure instream flows in the White River to protect fish.
- Collaborated with Auburn, Bonney Lake, Buckley and Sumner to establish the Lake Tapps Water Resources Agreement, ensuring future water supply options for the four communities.
- Convened water suppliers across the state to advance legislation that benefits members and jurisdictions throughout Washington.
- Partnered with Seattle, Everett and Tacoma to improve regional resiliency, with a focus on earthquake risk.



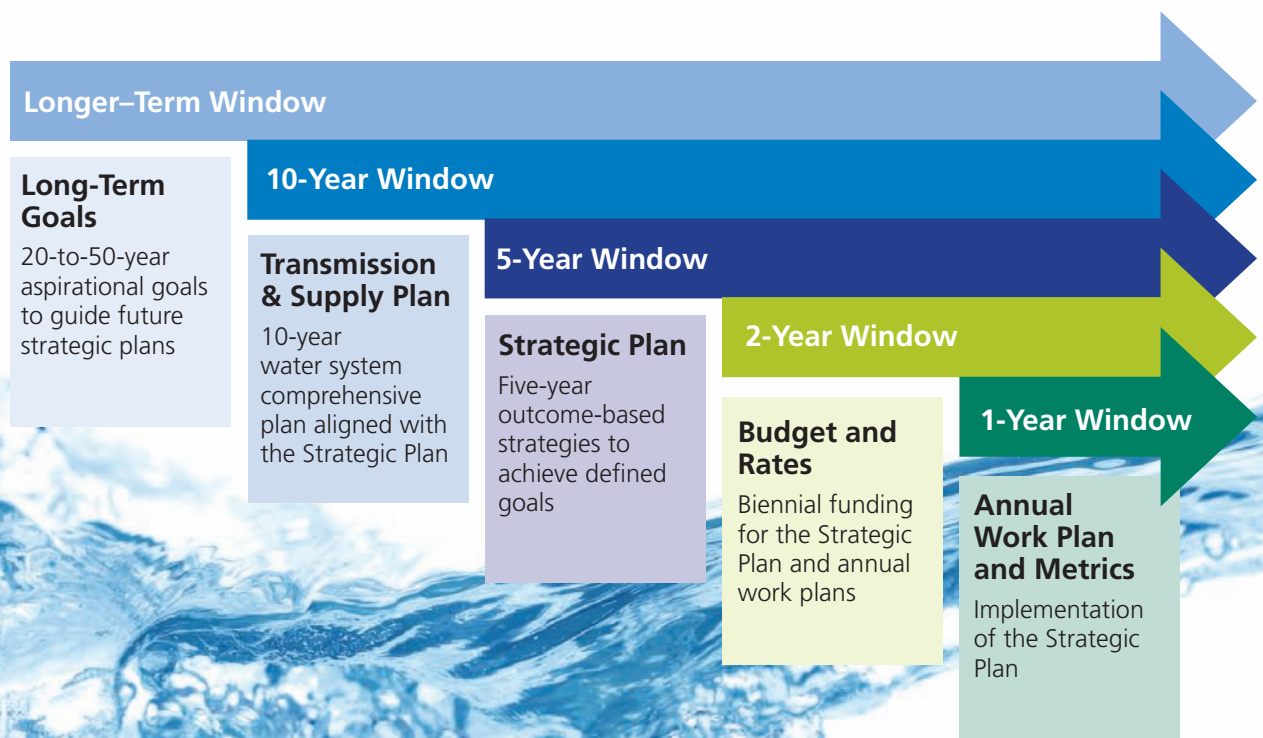
2020-2024 Strategic Plan

A Strategic Approach to Meeting Regional Goals

The 2020-2024 Strategic Plan (Plan) is a guide to meet Cascade and members' priorities over the next five years. The Plan includes goals in six focus areas to achieve Cascade's mission and vision and outcome-based strategies to meet the goals. Together, the goals and strategies enable Cascade to:

- Invest in its assets for current and future needs
- Maintain certainty and flexibility of long-term regional water supply
- Protect the natural environment
- Further enhance Cascade's regional leadership role
- Continue as a model of good governance
- Respond to emerging issues and new priorities

The Plan is aligned with near-term activities and long-range planning to serve members today and tomorrow. Specific actions that implement the strategies, as well as metrics to track the Plan's progress, will be included in Cascade's biennial budgets and annual work plans. Prior to developing the 2025-2029 Strategic Plan, the Board will define Cascade's goals for the 20-to-50-year timeframe to shape it and future strategic plans.



Our Mission, Vision and Values

Mission

Cascade provides safe, clean and reliable water to our members in a cost-effective and environmentally responsible way through regional leadership and strong relationships.

Vision

Create a lasting legacy by exemplifying a model for regional cooperation and effective public resource management.

Values

- **Quality.** We consistently provide members with cost-effective, efficient and valuable services.
- **Innovation.** We are forward-thinking, creative and nimble.
- **Transparency.** We foster public trust by being open, honest and thorough in our work.
- **Collaboration.** We develop effective partnerships to serve the region.
- **Sustainability.** We are committed to an environmentally-responsible and financially-sound business model.



Asset Management

In 2009 Cascade purchased Puget Sound Energy's former White River-Lake Tapps Reservoir system for use as a municipal drinking water supply in the future. The system spans approximately 18 miles from Buckley to Sumner and consists of a variety of facilities and infrastructure. This includes an intake structure, fish screen facility, valve house, powerhouse, dikes, flumes, pipelines, and the Lake Tapps Reservoir. In addition to the White River-Lake Tapps Reservoir system, Cascade owns the Bellevue-Issaquah Pipeline (BIP), a six-mile 24-inch transmission main which delivers water to Issaquah and Sammamish. Managing its assets to ensure reliable operations now and in the future continues to be an important area of focus for Cascade in this Strategic Plan.

Goal 1

Optimize Cascade's assets to support current and future needs.

Strategy 1

Implement strategies and make investments to protect the Lake Tapps Reservoir as a future drinking water supply.

Strategy 2

Use baseline water quality information to evaluate how future drinking water from the Lake Tapps Reservoir will meet water quality regulatory standards and regional expectations.

Strategy 3

Maximize Cascade's assets to generate other sources of revenue or benefits.



Water Resources

Planning for the development of the Lake Tapps Reservoir as a municipal drinking water supply is beyond this Strategic Plan's five-year timeframe. Until such time, Cascade has opportunities to implement strategies to further enhance the long-term security, quality, and resiliency of future, regional municipal supply. These strategies apply, but are not limited, to the Lake Tapps Reservoir.

Goal 2

Ensure flexibility, certainty and resiliency of Cascade's future drinking water supply for the region.

Strategy 4

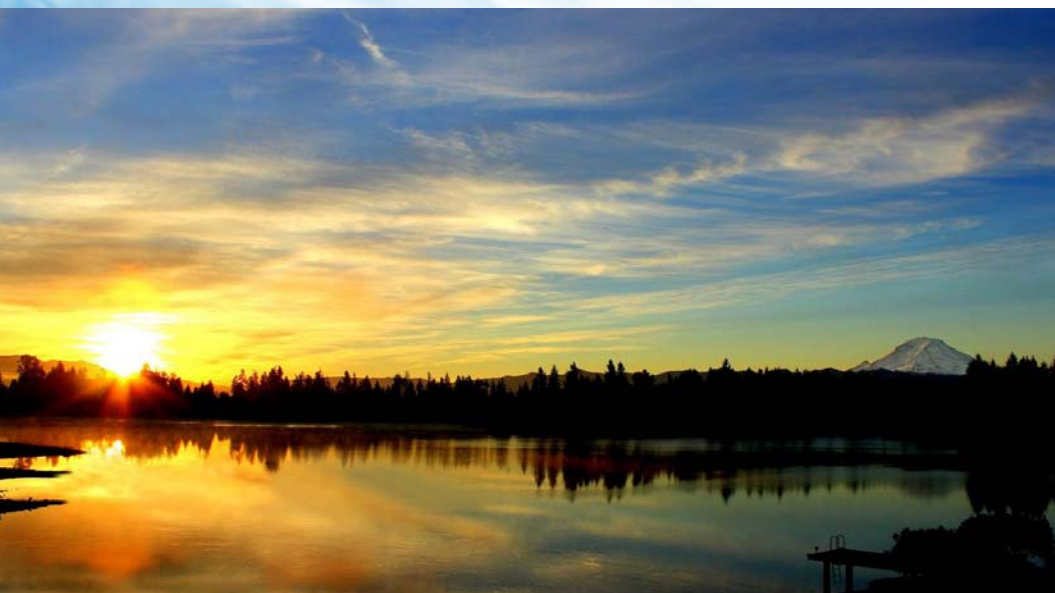
Delay capital costs in developing the Lake Tapps Reservoir as a municipal water supply by purchasing water from other regional suppliers and utilizing reclaimed water, independent supplies, and other water sources.

Strategy 5

Develop strategies to address current and future drinking water quality issues to assist members in maintaining independent supplies.

Strategy 6

Collaborate with members and other utilities to implement actions that improve the region's resiliency for seismic events and other major disruptions impacting water supply delivery.



Environmental Stewardship

Cascade is committed to protecting environmental resources through its community programs and business operations. Water efficiency is a critical part of Cascade's water management strategy. It makes the best use of existing water supplies before developing the Lake Tapps Reservoir or other expensive, new sources. Since 2004, Cascade has developed a robust water efficiency program, which includes rebates, retrofits, technical expertise, education and outreach programs to provide community members with the knowledge and tools to conserve and protect water resources. Over the next five years Cascade is focused on further enhancing these programs and initiating new environmental stewardship actions.

Goal 3

Protect the natural environment by advancing water resource stewardship and sustainable business practices.

Strategy 7

Contribute to regional activities that reduce water demand, including peak season demand, to conserve and more efficiently use water sources.

Strategy 8

Enhance education and outreach activities to enable residents, businesses, schools and public agencies to take action to protect and preserve natural water resources.

Strategy 9

Sustainably manage Cascade's facilities, equipment, assets and capital projects in a way that minimizes impacts on the natural environment.

Strategy 10

Identify changing environmental conditions, such as climate change, and develop strategies to mitigate impacts.



Regional Leadership

Cascade's proactive communication and outreach activities and ability to build coalitions are key to its success. During the past two decades Cascade has partnered with other utilities, agencies, regulators, tribes, community groups, and non-profits to lead complex water issues and pursue shared regional goals. These collaborations often resulted in benefits that extended beyond Cascade's service area. An example is leading legislative efforts, such as the the Joint Municipal Utilities Services Act (JMUSA) bill which authorized the formation of municipal corporations to more effectively perform water, wastewater, and stormwater services. The 2020-2024 timeframe will be a period of continued strong leadership to effectively address members' collective needs and interests.

Goal 4

Lead, influence and serve as a convener on regional water-related issues and proactively maintain strong relationships to achieve the priorities of Cascade and its members.

Strategy 11

Advance Cascade's legislative interests to achieve Cascade's overall mission.

Strategy 12

Maintain trust and a good working relationship with Cascade's member communities and Lake Tapps partners.

Strategy 13

Participate in water-related issues at the regional, state, national and industry levels.

Strategy 14

Look for opportunities to partner with regional entities that have shared objectives.



Good Governance

Cascade's founders established a set of guiding principles that formed the "Cascade model." The model promotes transparency, member equity, financial strength, streamlined decision making, flexibility, and leadership. Organizationally, Cascade is composed of a governing Board of elected officials with dual-majority vote, sub-committees, member agencies, and a small staffing level that optimizes private sector resources. This unique model has enabled Cascade to perform its work cost-effectively, serve as a regional leader, and adapt to a dynamic environment.

Goal 5

Provide the most cost-effective services possible through Cascade's governance model of a small, efficient and nimble organization with engaged members and Board of Directors.

Strategy 15

Ensure continued strong engagement with current and new Board members.

Strategy 16

Strengthen the relationship between Cascade and members' councils, commissions and other elected officials.

Strategy 17

Expand Cascade's unique business model to new issues to deliver services more efficiently and cost-effectively.

Strategy 18

Support the Board in updating Cascade's mission, vision, and long-range goals to guide the development of future strategic plans.



Emerging Issues

Cascade's unique model and organizational structure enables it to quickly adapt and respond to new priorities. The Cascade Code not only authorizes it to work on water resource issues but also on other utility services allowed under the Joint Municipal Utility Services Act, if approved by a unanimous vote of the Board. Cascade is well positioned to address changing environmental, regulatory, economic, and other issues that may affect it and its members.

Goal 6

Support members in addressing emergent priority issues while maintaining accountability to ratepayers.

Strategy 19

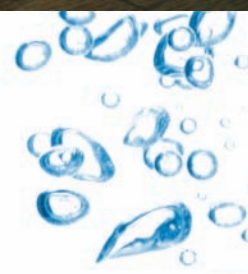
Engage in strategies to address affordability in water-related services.

Strategy 20

Support members in working with regulators and other government agencies to achieve members' goals.

Strategy 21

Provide analysis on emergent issues to enable the Board to make informed decisions and guide Cascade's work.



Cascade's History

- 1889** Washington becomes the 42nd state to enter the Union; without contracts or local representation Seattle provides water to the region.
- 1982** Seattle enters into 30-year agreement with 27 regional water purveyors.
- 1991** Formation of Tri-Caucus (Seattle, Suburban Cities Association and King County Water Alliance).
- 1995** Planning and development of new water supply sources to meet needs and governance issues.
- 1996** Interim Water Group forms to create a new entity.
- 1997** Multi-utility agreement for developing Tacoma's Second Supply Project (Tacoma, Seattle, Kent, Lakehaven Utilities District and Covington Water).
- 1998** Cascade Water Alliance organization planning complete; membership opens.
- 1999** Cascade Water Alliance created with Bellevue, Issaquah, Kirkland, Redmond, Tukwila, Sammamish Plateau Water, Skyway Water and Sewer and Covington Water District (other original members who did not continue include Duvall, Mercer Island and Woodinville Water District).
- 2001** Cascade and Puget Sound Energy (PSE) enter into agreement to jointly pursue water rights for Lake Tapps (PSE will cease century-long production of hydroelectric power); Seattle offers water purveyors new 60-year full- or partial-requirements contracts.
- 2003** Cascade signs declining block contract with Seattle for water supply.
- 2004** PSE halts all hydroelectric power production on Lake Tapps.
- 2005** Cascade and PSE execute term sheet related to Cascade acquisition of Lake Tapps; Seattle drops out of participation in Tacoma Second Supply Project; Cascade signs Tacoma Wholesale Water agreement.
- 2008** Cascade signs agreement with Puyallup Tribe of Indians and Muckleshoot Indian Tribe ensuring in-stream flows on the White River (White River Management Agreement); Cascade and Seattle amend declining block contract for additional water supply.
- 2009** Cascade finalizes purchase of Lake Tapps from PSE; Cascade and the Lake Tapps community sign the Lake Tapps Homeowners Agreement.
- 2010** Cascade issues environmental impact statement; Department of Ecology issues water rights; Cascade, Auburn, Bonney Lake, Buckley and Sumner sign Lake Tapps Area Water Resource Agreement ensuring the four communities around the lake will have water for the future.
- 2012** Cascade becomes a municipal corporation.
- 2013** Cascade renegotiates contracts with Seattle and Tacoma in further regional partnerships.
- 2063** Expiration of Cascade supply agreement with Seattle.

Board of Directors



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Bellevue, Councilmember



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Sammamish Plateau Water,
Vice President



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Issaquah, Mayor



Jon Ault
Skyway Water & Sewer,
President



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Kirkland, Mayor



Allan Ekberg
Tukwila, Mayor



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Councilmember

Zach Hall
Issaquah,
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