



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held via Zoom Meeting
September 22, 2021
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. <i>PUBLIC COMMENT</i>	
4. APPROVAL OF AGENDA	
5. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
6. CONSENT ITEMS	
a. Board Meeting Minutes for July 28, 2021.	<u>14</u>
b. Motion to authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew a contract with Long Building Technologies for maintenance of security equipment and related services at the White River – Lake Tapps project in an amount not-to-exceed \$55,000.	<u>17</u>
7. OTHER ACTION ITEMS	
a. Motion to adopt Resolution No. 2021-07 amending Cascade's Human Resources Policy and Procedures Manual to address unpaid sabbatical leave and Cascade's <i>Code of Ethics</i> and amending Chapter 3.05 of the Cascade Water Alliance Code.	<u>19</u>
b. Motion to authorize the Chief Executive Officer to execute a contract with Artisan Electric, Inc., for the installation of a rooftop solar energy system at the White River – Lake Tapps Powerhouse in an amount not to exceed \$273,000.	<u>26</u>
8. COMMITTEE REPORTS	
a. Executive Committee – <i>September 1, 2021. No materials in packet.</i>	
b. Finance and Management Committee – <i>September 21, 2021. No materials in packet.</i>	
c. Special Public Affairs Committee – <i>September 8, 2021.</i>	<u>28</u>
d. Resource Management Committee – <i>September 9, 2021.</i>	<u>30</u>

9. NEW BUSINESS

10. NEXT REGULAR MEETING

The next regular Cascade Board meeting will be held on Wednesday, October 27, 2021, via Zoom.

11. STAFF PRESENTATIONS/DISCUSSIONS

- a. Outage Project Update – *no materials in packet.*
- b. Pierce County Flume Trail Update – *no materials in packet.*

12. EXECUTIVE SESSION

To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public.

13. ADJOURN.

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



MEMORANDUM

DATE: September 22, 2021

TO: John Stokes, Chair
Board of Directors

FROM: Ray Hoffman, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- The Powerhouse re-cabling project has been completed. The re-cabling was necessary to make the new SCADA system and IT system work correctly.
- An update to the phones at the Lake Tapps Reservoir project including installing new phones at the fish screen, Powerhouse, and administration building was completed earlier this month. Initial training has been conducted as well but additional training may be necessary.
- Clark Nuber, Cascade's outside auditing firm, will conduct a review of Cascade's second quarter 2021 financial transactions later this month. The results of the review will be reported to the Finance and Management Committee later this year. Clark Nuber will be performing a review of the third quarter in October.
- There have been 865 net RCFC's reported through August 2021, with one Member report missing. At this rate, Cascade should surpass 2021 budget expectations of 1,000.
- Following up on the recommendation from Cascade's auditors, Clark Nuber, Cascade's IT consultant, TeamLogic, is working to set up a penetration test for the Lake Tapps office.
- The Office of the Washington State Auditor began their accountability audit this month and will report out the results at a future Finance and Management Committee meeting.
- Cascade informed the three companies interested in the possibility of selling or leasing two of Cascade's parcels for purposes of building distributed energy storage near an electrical substation that staff is still assessing whether their project would be possible without disrupting Cascade needs for the parcels. Cascade is willing to consider a firm proposal and decide by January 31, 2022, but is not able to give them a decision prior to the PSE application deadline of September 1, 2021. Due to the deadline, one party is no longer interested but another expects to submit a proposal in a month or two. Cascade staff is always looking for potential revenue opportunities to offset member costs while protecting Cascade assets.

Capital Projects and Operations

- Cascade's outage project is progressing well. Cascade worked with Puyallup Tribes to perform fish recovery from August 30 through September 2. Cascade's contractors are working on sediment removal in the upper flowline, cleaning of the fish screen facility,

installing anchors for a debris boom at the pipeline intake and inspecting the twin pipelines and valve house.

- Burlington Northern Santa Fe (BNSF) provided Cascade with a new bridge design for the tailrace channel, west of the existing BNSF bridge. Cascade staff is reviewing the design.
- The SCADA and Security public works construction contract is progressing well. The only exception is that lead time for control panels and displays has continued to expand and the contractor is reporting there is a chance that this equipment may not arrive on time for installation before the spring refill season. Cascade staff is evaluating the impact of this schedule delay.
- U.S. Army Corps of Engineers (USACE) is continuing to experience issues operating their new fish passage facility. If these issues are not resolved in a timely manner, it could impact the timing and potentially delay starting Phase 3 for at least one year. USACE has informed Cascade that they intend to make a go, no-go decision in mid to late September.

Water Efficiency

- Cascade completed its summer gardening class series in August. All six classes were taught through Zoom and a total of 697 residents attended. Bellevue Nursery and Molbaks partnered with Cascade to offer door prizes to the attendees. All classes included themes of water efficiency and sustainability and reviews were excellent.
- Cascade and the Sno-King Watershed Council provided remote learning and field training for residents to become stream monitors in the Kirkland area.
- Cascade has been present at public events in Kirkland and Bellevue to distribute rain gauges, shower timers, and toilet leak detection dye.
- Cascade is working with Kirkland staff to create a toilet dye distribution program for multifamily properties.
- Cascade has a number of drip irrigation projects ongoing at local schools.
- Cascade is providing irrigation evaluations at Lake Washington School District.
- Classroom presentations are still being provided mostly remotely.

Intergovernmental and Communications

- Board members, alternates and member staff were asked to provide feedback on Cascade's intergovernmental, communications, and outreach programs and plans for 2022 through a member survey. Results will be incorporated into a draft Intergovernmental, Communications and Outreach Plan (Plan) for 2022 that will be reviewed by the Public Affairs Committee in October. The 2022 Legislative Agenda will be reviewed as part of the Plan by the committee in October for potential recommendation to the Board.
- The utility shut-off moratorium will expire on September 30. Utilities are working with the state Department of Commerce to gather data on overdue payments to support a budget request for additional assistance for unpaid utility bills.
- At the June 30 Board workshop, Cascade staff presented information on a variety of future supply scenarios and the development and implementation of the Water Supply Development Fund (WSDF). Several Board members expressed an interest in having Cascade present information to their councils and commissions on future supply and the WSDF. Member presentations took place this summer through September. All member presentations are scheduled to be completed by the end of September.

Planning

- Cascade is ramping up its efforts to update the 10-year Transmission Supply Plan (TSP), or water system plan. The Plan is due for renewal March 2023. Staff are making good progress on updating the Conservation Potential Assessment and the demand forecast. For now, the TSP is assuming the base-case, water supply scenario— that is, the Lake Tapps Reservoir will be operational by 2042. Cascade will be reaching out to member staff next month to request their engagement in the TSP process.
- Staff are continuing to develop a proposed program that would reduce RCFC charges for eligible affordable housing projects and shelters. Over the past few months the focus has been on the RCFC methodology and program eligibility criteria and implementation. Cascade continues to brief the Finance Management Committee on its progress.
- Seattle Boat has an existing boat sales and repair shop on Lake Tapps Reservoir and is seeking to expand its site to include a fueling dock for Lake Tapps Reservoir homeowners, two floating docks for moorage, boat-sharing services, and other features. Earlier this year a group of homeowners appealed the SEPA Determination of Non-Significance, and in March Pierce County held an Examiner's Hearing. The Hearing Examiner finally issued his report August 26th, denying the SEPA appeal and granting a Conditional Use Permit with 31 conditions. One of the conditions is the restricted use of the fueling dock to onsite stored vessels. On September 9, Seattle Boat filed a request for reconsideration of the hearing examiner's decision. The reconsideration request proposes modified conditions that include allowing residents of Lake Tapps Reservoir to use the fueling dock. Cascade has remained neutral on Seattle Boat's proposed expansion and continues to monitor the issue.

Attachments

1. Budget to Actual Expenditure Report through August 31, 2021.
2. Statement of Revenues and Expenditures through August 31, 2021.
3. Statement of Net Position as of August 31, 2021.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of August 31, 2021.

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- August 31, 2021
67% of the year completed

Attachment 1

Administration		Budget		Actual	Balance	% Expended
Salaries	\$	964,231	\$	712,630	251,601	73.9%
Benefits		223,486		222,698	788	99.6%
Wellness program		5,000		82	4,918	1.6%
Prof. Fee (Technical)		62,400		62,015	385	99.4%
Prof. Fee (Legal)		835,000		528,820	306,180	63.3%
Prof. Fee (Audit)		98,600		63,450	35,150	64.4%
Prof. Fee (Other)		100,000		3,032	96,968	3.0%
Seismic Resiliency		190,000		138,162	51,838	72.7%
Meetings Expense		11,000		1,759	9,241	16.0%
Telephone/Internet		37,000		30,629	6,371	82.8%
Office Rent		235,288		189,023	46,265	80.3%
Office Supplies Admin.		20,000		4,729	15,271	23.6%
Equip. and Furniture		10,000		7,226	2,774	72.3%
Bank Fees		600		216	384	36.1%
Dues & Subscriptions		50,000		15,040	34,960	30.1%
Taxes/Licenses		16,000		9,139	6,861	57.1%
Travel		12,000		1,756	10,244	14.6%
Professional Dev.		30,000		14,260	15,740	47.5%
Computer Equipment		25,000		9,787	15,213	39.1%
Software Licenses		38,000		29,339	8,661	77.2%
Postage & Delivery		3,000		468	2,532	15.6%
Printing & Repro.		10,000		0	10,000	0.0%
Insurance		129,091		112,434	16,656	87.1%
Contingency		132,600		0	132,600	0.0%
Total	\$	3,238,295	\$	2,156,695	\$ 1,081,600	66.6%

Debt Service		Budget		Actual	Balance	% Expended
Bond Debt Service		9,787,231		5,502,998	4,284,234	56.2%
Total	\$	9,787,231	\$	5,502,998	\$ 4,284,234	56.2%

Conservation		Budget		Actual	Balance	% Expended
Salaries	\$	163,559	\$	67,003	\$ 96,556	41.0%
Benefits		28,062		13,639	14,423	48.6%
Prof. Fee (Technical)		15,000		12,413	2,588	82.8%
Rebate Reimb. Com.		95,000		23,900	71,100	25.2%
Irrigation Audit		20,500		0	20,500	0.0%
Comm. and Public I		304,350		117,233	187,117	38.5%
Misc. Serv. and Sup.		84,400		17,481	66,919	20.7%
Total	\$	710,871	\$	251,668	\$ 459,203	35.4%

Com. and Intergovern		Budget		Actual	Balance	% Expended
Salaries	\$	138,930	\$	85,891	\$ 53,038	61.8%
Benefits		31,231		16,237	14,994	52.0%
Prof. Fee (Technical)		15,000		7,190	7,810	47.9%
Prof. Fee (Other)		155,250		109,645	45,605	70.6%
Sponsorships		30,000		15,975	14,025	53.3%
Comm. and Public I		280,000		148,307	131,693	53.0%
Total	\$	650,411	\$	383,245	\$ 267,165	58.9%

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- August 31, 2021
67% of the year completed

Attachment 1

Operations-General		Budget		Actual		Balance	% Expended
Wholesale Water	\$	21,351,878	\$	17,295,021	\$	4,056,857	81.0%
Salaries		21,405		12,936		8,468	60.4%
Benefits		4,058		2,739		1,319	67.5%
BIP O&M		30,000		3,317		26,683	11.1%
Pipeline Prop. O&M		35,000		8,177		26,823	23.4%
PWTF Loan Debt		40,658		40,461		197	99.5%
Total	\$	21,482,998	\$	17,362,650	\$	4,120,348	80.8%

Operations-Lake Tapps		Budget		Actual		Balance	% Expended
Salaries	\$	494,465	\$	234,763	\$	259,702	47.5%
Benefits		97,447		48,782		48,665	50.1%
Prof. Fee (Technical)		708,600		272,811		435,789	38.5%
Prof. Fee (Other)		50,000		0		50,000	0.0%
Meetings Expense		4,000		3,539		461	88.5%
Telephone/Internet		1,500		483		1,017	32.2%
Office Supplies		18,600		4,253		14,347	22.9%
Equipment & Furn.		27,500		13,989		13,512	50.9%
Taxes/Licenses		7,000		6,384		616	91.2%
Travel		16,000		8,964		7,036	56.0%
Professional Dev.		2,000		0		2,000	0.0%
Software Licenses		15,000		12,766		2,234	85.1%
Permitting Costs		7,000		3,241		3,759	46.3%
Misc. Serv. and Sup.		44,500		30,660		13,840	68.9%
LT Operator		2,180,699		1,361,799		818,900	62.4%
Unplanned O&M		55,000		4,866		50,134	8.8%
Misc. Facility Repairs		40,000		28,220		11,780	70.5%
USGS Joint Fund		327,000		78,218		248,782	23.9%
Construction Management		100,000		0		100,000	0.0%
Outage		600,000		319		599,681	0.1%
Milfoil Control		165,000		103,528		61,472	62.7%
Vendor Services		35,000		31,024		3,976	88.6%
Water Quality Management		150,000		73,617		76,383	49.1%
Dike Repairs and Maintenance		20,000		12,961		7,039	64.8%
Total	\$	5,166,311	\$	2,335,187	\$	2,747,703	45.2%

\$ -

Total Operating Budget **\$ 41,036,118** **\$ 27,992,444** **\$ 12,960,253** **68.2%**

Capital Projects (multi-yr bdgt not shown)		Budget		Actual		Balance	% Expended
Upper Conveyance Projects	\$	1,094,000		173,085		920,915	15.8%
Meters		50,000		0		50,000	0.0%
Equipment		20,000		17,002		2,998	85.0%
Security and SCADA		1,500,000		173,891		1,326,109	11.6%
Tacoma Agreement		5,858,297		5,858,297		0	100.0%
Capital Risk		480,000		0		480,000	0.0%
IT Infrastructure		25,000		7,626		17,374	30.5%
Total CIP Budget	\$	9,027,297	\$	6,229,900	\$	2,797,397	69.0%

Total Overall Budget **\$ 50,063,415** **\$ 34,222,344** **15,841,071** **68.4%**

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2021 Through 8/31/2021

Attachment 2

Operating Revenue	
Water sales	\$ 26,588,941
Administrative dues	3,382,456.00
Conservation program	508,606.00
Total Operating Revenue	<u>30,480,003.00</u>
Operating Expenses	
Cost of water sold	14,519,277.00
Salaries and benefits	1,506,257.00
Professional services	1,201,736.00
Conservation program	23,900.00
Depreciation and amortization	2,239,785.00
Communication and public information	233,270.00
Office expenses	245,062.00
Operations	1,479,816.00
Bank charges	216.00
Rent	150,312.00
Maintenance	265,212.00
Dues and subscriptions	25,062.00
Miscellaneous	15,467.00
Total Operating Expenses	<u>21,905,371.00</u>
Operating Income	8,574,632.00
Non-Operating Revenue (Expenses)	
Interest income	423,006.00
Other income	27,999.00
Interest expense, net of amount capitalized	(2,744,452.00)
Total Non-Operating Revenue (Expenses)	<u>(2,293,447.00)</u>
Capital Contributions	
Regional Capital Facilities Charges	4,672,306.00
Increase in Net Assets	10,953,490.00
Net Assets, Beginning of Year	107,825,110.00
Net Assets, End of Year	\$ 118,778,600

Cascade Water Alliance
Statement of Net Position
As of 8/31/2021

Attachment 3

Assets

Current Assets

Cash and cash equivalents	\$ 24,863,279
Accounts receivable	9,370,514.00
Prepaid expenses	41,512.00
Total Current Assets	<u>34,275,305.00</u>

Capital Assets

Equipment and furniture	2,022,011.00
Seattle water contract	22,267,611.00
Bellevue Issaquah pipeline	22,276,944.00
Tacoma water contract	119,740,687.00
Less accumulated depreciation and amortization	(49,707,101.00)
Total Capital Assets	<u>116,600,153.00</u>

Projects in process and assets not yet in service

Lake Tapps	103,260,816.00
Tacoma Cascade pipeline	26,539,385.00
Total Projects in process and assets not yet in service	<u>129,800,201.00</u>

Restricted cash and cash equivalents

	20,599,609.00
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Total Assets	<u><u>301,275,268.00</u></u>
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Liabilities

Current liabilities

Payables and accrued liabilities	778,499.00
Retroactive water credit	1,806,104.00
Accrued interest	1,333,551.00
Long-term debt current portion	
Bonds Payable-Current Portion	6,625,000.00
Other	39,474.00
Total Long-term debt current portion	<u>6,664,474.00</u>
Total Current liabilities	<u>10,582,628.00</u>

Long-term Liabilities

Long-term debt	95,298,422.00
Tacoma contract	65,967,545.00
Seattle contract	5,000,000.00
Bond premium, net of amortization	5,654,472.00
Total Long-term Liabilities	<u>171,920,439.00</u>
Total Liabilities	<u>182,503,067.00</u>

Net Assets

Restricted for debt service	86,241,109.00
Unrestricted	32,531,092.00
Total Net Assets	<u>118,772,201.00</u>

Total Liabilities & Net Assets	<u><u>\$ 301,275,268</u></u>
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Consultant Contract Status Summary

Attachment 4

Open contracts											
Vendor	Contract number	Contract title	Cascade manager	Effective date	End date	Status date	Percent work completed	Contract amount, including	Amount invoiced	Percent invoiced	Contract balance
Access Telephone Solutions	1	Lake Tapps Phones	C. Paulucci	5/25/2021	8/31/2021	9/15/2021	100%	\$ 15,253	\$ 15,253	100%	\$ 0
Access Telephone Solutions	2	Powerhouse Cabling	C. Paulucci	6/8/2021	8/31/2021	9/15/2021	100%	\$ 15,170	\$ 15,171	100%	\$ (1)
Aquatechnex	1	Aquatic Plant Management	J. Shimada	7/7/2021	N/A	9/15/2021	100%	\$ 110,000	\$ 91,065	83%	\$ 18,935
Clark Nuber	1	Financial Audit	R. Hoffman	1/1/2021	N/A	9/15/2021	98%	\$ 63,500	\$ 63,450	100%	\$ 50
Colehour and Cohen	1	Staffing for classes and events	M. Brent	1/1/2021	12/31/2020	9/15/2021	20%	\$ 89,990	\$ 18,060	20%	\$ 71,930
David Evans	1	On-call Land Surveyor	H. Chen	1/1/2021	12/31/2021	9/15/2021	30%	\$ 75,000	\$ 25,556	34%	\$ 49,444
David McGrath	1	Irrigation Efficiency Assistance	M. Brent	1/1/2021	12/31/2021	9/15/2021	10%	\$ 20,500	\$ -	0%	\$ 20,500
Enironmental Science Assoc (ESA)	1	Aquatic Plant Management	H. Chen	1/1/2021	12/31/2021	9/15/2021	50%	\$ 24,900	\$ 12,463	50%	\$ 12,437
GeoEngineers Inc.	1	Dam Engineering/Hydrology/Geotech	H. Chen	1/1/2021	12/31/2021	9/15/2021	50%	\$ 150,000	\$ 77,050	51%	\$ 72,950
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2021	12/31/2021	9/15/2021	60%	\$ 84,000	\$ 48,000	57%	\$ 36,000
Herrera Environmental	2	WQ Monitoring Program	H. Chen	8/19/2019	N/A	9/15/2021	88%	\$ 495,000	\$ 422,726	85%	\$ 72,274
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	9/15/2021	95%	\$ 1,041,100	\$ 939,235	90%	\$ 101,865
HDR	2	Conservation Plan Potential Assessment	M. Brent	5/21/2021	N/A	9/15/2021	45%	\$ 18,900	\$ 5,605	30%	\$ 13,295
Jacobs Engineering Group	1	Demand Forecast Model Support Services	M. Thung	8/20/2021	12/31/2022	9/15/2021	5%	\$ 5,000	\$ -	0%	\$ 5,000
Jennergy	1	Website assistance	A. Bennett	1/1/2021	12/31/2021	9/15/2021	50%	\$ 15,000	\$ 7,190	48%	\$ 7,810
Johansen Excavating	1	Emergency Headgate Repair	H. Chen	5/5/2021	N/A	9/15/2021	10%	\$ 100,947	\$ -	0%	\$ 100,947
Johansen Excavating	2	Flowline Outage Maintenance	J. Shimada	8/12/2021	N/A	9/15/2021	25%	\$ 540,000	\$ -	0%	\$ 540,000
Kemp West	1	Flowline vegetation	J. Shimada	8/1/2021	10/31/2021	9/15/2021	25%	\$ 62,500	\$ -	0%	\$ 62,500
Langton Spieth	1	Community relations	A. Bennett	1/1/2021	12/31/2021	9/15/2021	68%	\$ 72,000	\$ 48,000	67%	\$ 24,000
Long Building Tech	1	Security Maintenance	H. Chen	8/12/2019	8/31/2021	9/15/2021	80%	\$ 55,000	\$ 40,145	73%	\$ 14,855
MM Comfort Systems	1	Admin Building heat pump	J. Mickelson	1/22/2021	N/A	9/15/2021	100%	\$ 19,432	\$ 19,432	100%	\$ -
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2021	12/31/2021	9/15/2021	45%	\$ 95,000	\$ 41,748	44%	\$ 53,252
Pacifica Law	1	Legal Assistance	H. Chen	1/1/2021	12/31/2021	9/15/2021	50%	\$ 25,000	\$ -	0%	\$ 25,000
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2021	12/31/2021	9/15/2021	33%	\$ 100,000	\$ 70,511	71%	\$ 29,489
Performance Dimensions	1	Executive Coaching Services	M. Thung	6/21/2021	12/31/2022	9/15/2021	50%	\$ 24,500	\$ 10,675	44%	\$ 13,825
Puyallup Tribal Fisheries Division	1	Flowline Outage Fish Recovery Services	J. Shimada	8/16/2021	9/30/2021	9/15/2021	95%	\$ 35,000	\$ -	0%	\$ 35,000
Production Post	1	WeNeedWater Video Production	A. Bennett	1/1/2021	12/31/2021	9/15/2021	45%	\$ 24,500	\$ 11,500	47%	\$ 13,000
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2021	12/31/2021	9/15/2021	20%	\$ 95,000	\$ 23,900	25%	\$ 71,100
RH2	2	On-Call Electrical Engineering Svcs	H. Chen	1/1/2021	12/31/2021	9/15/2021	25%	\$ 100,000	\$ 24,632	25%	\$ 75,368
RH2	1	Security and SCADA	H. Chen	1/16/2020	N/A	9/15/2021	68%	\$ 347,000	\$ 267,499	77%	\$ 79,501
RH2	3	Wholesale Master Meter Eval	H. Chen	1/21/2020	3/31/2023	9/15/2021	0%	\$ 24,500	\$ -	0%	\$ 24,500
Robinson Noble	1	Water Audits	E. Cebon	10/3/2019	N/A	9/15/2021	45%	\$ 135,060	\$ 70,335	52%	\$ 64,725
Sazan	2	Solar Power Project	M. Brent	5/25/2021	N/A	9/15/2021	5%	\$ 10,000	\$ -	0%	\$ 10,000
SC Words & Pictures Inc.	1	Design Services	A. Bennett	1/1/2021	12/31/2021	9/15/2021	20%	\$ 24,000	\$ 5,445	23%	\$ 18,555
Seattle Public Utilities	1	Garden Hotline	M. Brent	1/1/2021	12/31/2021	9/15/2021	30%	\$ 11,000	\$ 5,750	52%	\$ 5,250
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2021	12/31/2021	9/15/2021	35%	\$ 24,500	\$ 12,413	51%	\$ 12,088
Source Electric LLC	1	SCADA Improvements Project	H. Chen	5/1/2021	2/1/2022	9/15/2021	0%	\$ 711,892	\$ 11,519	2%	\$ 700,373
Sustainable Water	1	Teacher Fellows program	M. Brent	1/1/2021	12/31/2021	9/15/2021	25%	\$ 60,000	\$ 28,520	48%	\$ 31,481
Tacoma-Pierce County	1	LakeWise	A. Bennett	1/1/2021	12/31/2021	9/15/2021	25%	\$ 120,000	\$ 82,914	69%	\$ 37,086
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2021	12/31/2021	9/15/2021	35%	\$ 92,400	\$ 46,236	50%	\$ 46,164
TechniArt	1	Website Orders	M. Brent	1/1/2021	12/31/2021	9/15/2021	12%	\$ 15,900	\$ 2,490	16%	\$ 13,410
Tetra Tech	1	AWIA Risk and Resiliency	M. Thung	11/18/2019	12/31/2020	9/15/2021	60%	\$ 700,000	\$ 472,895	68%	\$ 227,105
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2021	12/31/2021	9/15/2021	35%	\$ 24,500	\$ 13,381	55%	\$ 11,119
United Rentals	1	Scissor Lift Purchase	H. Chen	12/3/2021	N/A	9/15/2021	95%	\$ 17,000	\$ 17,000	100%	\$ -
USGS	1	Joint Funding Agre-Streamgaging	M. Gagliardo	1/1/2021	12/31/2021	9/15/2021	12%	\$ 327,000	\$ 78,218	24%	\$ 248,782

Van Ness Feldman	1	General Counsel	C. Paulucci	1/1/2021	12/31/2021	9/15/2021	45%	\$ 800,000	\$ 528,820	66%	\$ 271,180
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	12/31/2022	9/15/2021	5%	\$ 560,000	\$ 10,165	2%	\$ 549,835
Veolia	1	White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$1,966,709 Fixed, \$213,990 Var	J. Shimada	1/1/2021	12/31/2021	9/15/2021	40%	\$ 2,180,699	\$ 1,375,155	63%	\$ 805,544
Washington Crane and Hoist	1	Fish Screen Inspection	J. Shimada	2/1/2021	N/A	9/15/2021	95%	\$ 2,104	\$ 2,104	100%	\$ -
Winterbauer and Diamond	1	Legal Assistance	R. Hoffman	1/1/2021	12/31/2021	9/15/2021	12%	\$ 20,000	\$ -	0%	\$ 20,000

Closed Contracts											
Vendor	Closed contract number	Contract title	Cascade manager	Effective Date	End date	Status date	Percent work completed	Contract amount, including amendments	Amount invoiced	Percent invoiced	Contract balance
Lake Tapps Construction	1	Valve House Improvements	H. Chen	12/2/2020	N/A	9/15/2021	100%	\$ 30,978	\$ 30,978	100%	\$ -
HDR	5	Water Forum Consulting	R. Hoffman	3/10/2015	N/A	9/15/2021	90%	\$ 38,323	\$ 29,981	78%	\$ 8,342
Sazan	1	Solor Feasibility Study	M. Brent	8/3/2020	N/A	9/15/2021	12%	\$ 50,000	\$ 50,000	100%	\$ -

Payment Authorization Warrants and Wire Transfers 9/22/21

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 8/21	\$3,202,781.00
WIRE	Seattle Contract Payment 9/22	\$2,775,744.00
		<u>\$5,978,525.00</u>

CONSULTANTS

29301	TeamLogic IT of Bellevue, WA	\$7,241.89
29312	City of Kirkland	\$5,856.71
29313	City of Seattle	\$18,077.21
29314	Clark Nuber P.S.	\$4,500.00
29323	Matt Jack	\$3,558.75
29329	Robinson Noble	\$6,667.62
29331	Tacoma Pierce County Health Departmen	\$22,571.05
29340	David Evans and Associates Inc.	\$4,891.40
29343	GeoEngineers	\$62,882.80
29344	Gordon Thomas Honeywell Govern. Affai	\$7,000.00
29346	HDR	\$3,399.45
29347	Herrera	\$18,236.40
29349	Jennergy	\$2,000.00
29351	Johansen Construction Company, Inc.	\$23,999.43
29353	Langton/Spieth	\$6,000.00
29356	Perfomance Dimensions Group	\$5,250.00
29360	Tetra Tech	\$50,467.50
29367	Van Ness Feldman, LLP	\$62,175.00
29375	The Production Post	\$2,500.00
29376	RH2 Engineering, Inc.	\$4,096.85
29383	Herrera	\$9,929.90
29385	Robinson Noble	\$11,931.00
29386	Sammamish Plateau Water & Sewer Distr	\$484.20
29387	TeamLogic IT of Bellevue, WA	\$5,200.00
29396	Clark Nuber P.S.	\$1,500.00
29402	Gordon Thomas Honeywell Govern. Affai	\$7,000.00
29408	Tacoma Pierce County Health Departmen	\$10,821.44
29413	Perfomance Dimensions Group	\$3,150.00
29420	SC Words & Pictures, Inc.	\$1,530.00
29424	Environmental Science Associates (ESA)	\$9,002.61
29426	HDR	\$1,305.24
29428	Langton/Spieth	\$6,000.00
29430	Parametrix	\$63,081.25
29433	Van Ness Feldman, LLP	<u>\$49,871.50</u>
		\$502,179.20

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (July)	\$114,702.16
	Payroll (August)	\$114,810.27
29296	Jay Evans	\$7.84
29307	Vantagepoint 401 Plan	\$31,907.79
29308	Vantagepoint 457 Plan	\$19,616.06
29309	AWC Employee Benefit Trust	\$18,248.70
29316	BenefitMall, Inc.	\$72.00
29319	Joseph Mickelson	\$1,086.16
29321	HRA VEBA Trust	\$1,078.00
29342	Edward Cebron	\$1,175.75
29380	AWC Employee Benefit Trust	\$18,248.70
29389	Vantagepoint 401 Plan	\$31,907.79
29390	Vantagepoint 457 Plan	\$19,616.06
29391	HRA VEBA Trust	\$1,078.00
29397	BenefitMall, Inc.	\$40.32
29398	Joseph Mickelson	\$1,294.19
29399	Paula Anderson	\$107.11
29400	Linda Moreno	\$290.36
29401	Christopher N. Paulucci	\$33.15
29422	Joseph Mickelson	\$1,436.94
29423	Paula Anderson	<u>\$6.80</u>
		\$376,764.15

GENERAL

29290	Builders Exchange of Washington	\$45.00
29291	Code Publishing Co.	\$73.80
29293	Comcast	\$526.59
29294	Comcast	\$1,652.40
29295	DIRECTV	\$95.24
29300	Sound Publishing Inc.	\$750.00
29310	AT&T FirstNet	\$405.70
29315	Comcast	\$544.15
29317	Covington Water District	\$46.50
29318	Department of Labor & Industries	\$25.00
29326	Pacific Office Automation	\$314.90
29337	CIT	\$1,947.17
29350	JG 520 Building LLC	\$39,842.84
29355	McClatchy Company LLC	\$551.88
29361	U.S. BANK	\$8,718.55
29362	Utilities Underground Location Cente	\$24.51
29364	Verizon Wireless	\$225.05
29365	Pacific Office Automation	\$332.91
29366	Sound Publishing Inc.	\$942.88
29370	Comcast	\$516.68
29371	Comcast	\$1,652.40
29372	DIRECTV	\$95.24
29381	AT&T FirstNet	\$405.70
29382	Code Publishing Co.	\$248.70
29388	Zee Medical Service	\$129.59
29393	Sammamish Plateau Water & Sewer	\$796.22
29404	JG 520 Building LLC	\$19,921.42
29407	Spot-on print & design	\$141.20
29409	Verizon Wireless	\$225.05
29410	Zee Medical Service	\$430.99
29411	Comcast	\$1,652.40
29414	U.S. BANK	\$12,601.74
29418	Artistic Solutions	\$2,636.54
29419	CIT	\$1,947.17
29421	Daily Journal of Commerce	\$147.00
29432	Utilities Underground Location Cente	<u>\$25.80</u>
		\$100,638.91

CONSTRUCTION

29303	Access Telephone Solutions, Inc.	\$6,891.42
29304	HDR	\$18,911.91
29306	ProcureIT USA	\$29,281.11
29334	Source Electric	\$10,987.82
29335	U.S. BANK	\$5,899.81
29368	Vanir Construction Management Inc.	\$5,710.06
29377	RH2 Engineering, Inc.	\$11,784.40
29378	Vanir Construction Management Inc.	\$4,455.00
29416	RH2 Engineering, Inc.	\$30,605.94
29417	Source Electric	<u>\$530.95</u>
		\$125,058.42

SPONSORSHIPS

29336	City of Bonney Lake	\$2,500.00
29369	Bellevue Downtown Association	\$3,000.00
29395	Beautify Bonney Lake	\$500.00
29425	Foothills Rails-to-Trails	<u>\$100.00</u>
		\$6,100.00

CONSERVATION

29292	Colehour and Cohen	\$3,147.50
29298	Makarios Communications	\$500.00
29311	Christina Pfeiffer	\$400.00
29322	Lisa Taylor	\$400.00
29324	NW Bloom	\$600.00
29328	Puget Sound Energy	\$5,012.50
29330	Tilth Alliance	\$5,647.88
29332	Techniart C S D	\$354.20
29338	City of Seattle	\$2,875.00
29339	Colehour and Cohen	\$4,197.42
29345	Greg Rabourn	\$550.00
29357	SMC Consulting LLC	\$1,631.25
29358	Sustainability Ambassadors	\$7,485.00
29392	Nature Vision, Inc.	\$630.00
29394	Techniart C S D	\$369.60
29406	Marianne Binetti	\$1,500.00
29431	SMC Consulting LLC	<u>\$1,406.25</u>
		\$36,706.60

COMPUTER EQUIPMENT AND SOFTWARE

29320	Environmental Systems Research Ir	\$11,010.00
29405	Kelley Connect	\$18,364.68
29415	Access Telephone Solutions, Inc.	<u>\$8,316.66</u>
		\$37,691.34

LAKE TAPPS

29297	Kelly Carolus	\$350.00
29299	Praxair Distribution Inc.	\$257.66
29302	Veolia Water North America	\$182,029.51
29325	Pace Engineers, Inc.	\$917.13
29327	Praxair Distribution Inc.	\$2.74
29333	AquaTechnex	\$37,031.90
29341	US Geological Survey (USGS)	\$78,218.00
29348	Honey Bucket	\$163.85
29354	LONG Building Technologies, Inc.	\$20,072.34
29359	SYBIS LLC	\$42.67
29363	Veolia Water North America	\$167,124.25
29373	Leavitt Machinery	\$200.20
29374	Praxair Distribution Inc.	\$250.47
29379	AquaTechnex	\$54,032.66
29384	Praxair Distribution Inc.	\$3.03
29403	Honey Bucket	\$163.85
29412	M.D. Marine Electric, LLC	\$8,787.08
29427	Honey Bucket	\$579.00
29429	MM Comfort Systems	\$19,432.45
29434	Veolia Water North America	<u>\$185,126.38</u>
		\$754,785.17

DESTROYED AND VOIDED CHECKS:

29283, 29244

Total Warrants	\$1,939,923.79
Total Wires	\$5,978,525.00
Total warrants/wire transfers authorized for September 2021	<u>\$7,918,448.79</u>

Approved: _____ Date: _____

Edward Cebron, Chief Economist/Treasurer

Approved: _____ Date: _____

Angela Birney, Secretary/Treasurer

**Cascade Water Alliance
Monthly Treasurer's Report
August 2021**

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, August 1	\$ 15,079,024	\$ 6,628,307	\$ 13,468,807	\$ 4,321,282	\$ 2,130,691	\$ -	\$ 41,628,111
Additions:							
Cash received	\$ 7,521,087	\$ 3,710	\$ 50,209	\$ 2,415	\$ 1,191	\$ -	\$ 7,578,612
Transfers from other Cascade funds	\$ -	\$ -	\$ 828,883	\$ 2,000,958	\$ -	\$ 116,286	\$ 2,946,127
Total additions	\$ 7,521,087	\$ 3,710	\$ 879,092	\$ 2,003,373	\$ 1,191	\$ 116,286	\$ 10,524,739
Subtractions:							
Bank fees, payroll, and bond payments	\$ 453	\$ 168	\$ 3,083	\$ 110	\$ 54	\$ 116,286	\$ 120,154
Warrants paid	\$ 792,504	\$ 71,972	\$ -	\$ -	\$ -	\$ -	\$ 864,476
Wire and other electronic payments	\$ 3,202,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,202,781
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ (56)	\$ (115)	\$ (63)	\$ (80)	\$ (17)	\$ -	\$ (331)
Transfers to other Cascade funds	\$ 2,946,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,946,127
Total subtractions	\$ 6,941,808	\$ 72,025	\$ 3,020	\$ 30	\$ 37	\$ 116,286	\$ 7,133,206
Ending Balances, August 31, 2021	\$ 15,658,303	\$ 6,559,992	\$ 14,344,880	\$ 6,324,625	\$ 2,131,844	\$ -	\$ 45,019,643



MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA ZOOM
JULY 28, 2021

1. CALL TO ORDER

At 3:34 p.m., Chair Stokes called the meeting to order. Board Members confirmed that they received the meeting materials and could hear the speakers clearly.

2. ROLL CALL

Board Members Present: the City of Bellevue (Stokes), the City of Redmond (Birney), the City of Tukwila (Ekberg¹), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present.

Board Members Absent: the City of Issaquah (Pauly), the City of Kirkland (Sweet)

Board Alternates Present: the City of Issaquah (Hall), the City of Redmond (Anderson)

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

Motion by Ms. Birney and second by Mr. Ault to approve the meeting agenda as presented. Motion carried unanimously (4-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

Ray Hoffman, Cascade CEO, reviewed the Chief Executive Officer's Report that was included in the Board packet.

7. CONSENT ITEMS

A. Special Board Meeting Minutes for June 30, 2021.

B. Board Meeting Minutes for June 23, 2021.

C. Motion to authorize the Chief Executive Officer to enter into Amendment No. 7 to the Consulting Agreement with HDR Engineering, Inc., to increase the maximum compensation amount by \$150,000, for a total amount not to exceed \$1,068,000.

¹ Arrived at 3:45 p.m.

- D. Motion to authorize the Chief Executive Officer to enter into a contract with Johansen Construction Company, Inc., to perform routine maintenance during the flowline outage in an amount not to exceed \$600,000.
- E. Motion to authorize the Chief Executive Officer to enter into a contract with Kemp West, Inc., to perform vegetation maintenance during the flowline outage in an amount not to exceed \$70,000.
- F. Motion to authorize the Chief Executive Officer to enter into a contract with FloHawks to perform cleaning, vactoring, and TV pipeline inspections and to provide portable toilets during the flowline outage in an amount not to exceed \$40,000.
- G. Motion to authorize the Chief Executive Officer to enter into a contract with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage in an amount not to exceed \$90,000.
- H. Motion to authorize the Chief Executive Officer to enter into a contract with the Puyallup Tribe of Indians to perform fish recovery activities during the flowline outage in an amount not to exceed \$35,000.
- I. Motion to authorize the Chief Executive Officer to execute purchase agreements for computer hardware and software required for SCADA and Security Improvement Project in an amount not to exceed \$127,000.

Motion by Ms. Birney and second by Mr. Ault to cancel the August 2021 Board meeting. Motion carried unanimously (5-0).

Motion by Mr. Ekberg and second by Ms. Birney to approve Consent Action Items A-I as presented in the Board packet. Motion carried unanimously (5-0).

8. BOARD DISCUSSION ITEMS

- A. Motion to adopt Resolution No. 2021-06 approving the amendment of CWAC 2.05.270 and CWAC 2.10.020 to clarify remote participation at Board of Directors' meetings.

Alison Bennett, Cascade Intergovernmental and Communications Director, explained that the meetings of Cascade Water Alliance's Board of Directors ("Board") are subject to the Open Public Meetings Act, Chapter 42.30 RCW. Cascade's Bylaws, codified in Cascade Water Alliance Code ("CWAC") 2.05.270 and a provision regarding Regular Meetings at CWAC 2.10.020 were enacted by the Board during a time when remote participation in meetings was the rare exception and was conducted solely by telephone. During the last year, there has been advancements in electronic means for full real-time participation in meetings and the greater recognition of the benefits of creating flexibility and non-commuting modes for Board attendance.

Ms. Bennett further explained that amendments to CWAC 2.05.270 and CWAC 2.10.020 would clarify that remote participation in meetings includes by telephonic means and other electronic means that permit communications with all other persons at the meeting. Thus, this would include video conferencing with all meeting, but not email which would not allow a full communication. The proposed amendments also clarify that remote attendance need not be the exception.

Motion by Ms. Birney and second by Mr. Warren to adopt Resolution No. 2021-06 approving the amendment of CWAC 2.05.270 and CWAC 2.10.020 to clarify remote participation at Board of Directors' meetings. Motion carried unanimously (5-0).

9. STAFF PRESENTATIONS

None.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held.
- B. Finance & Management Committee – No meetings held.
- C. Public Affairs Committee – Meeting held July 7, 2021. The meeting recap was included in the Board packet.
- D. Resource & Management Committee – Meeting held July 8, 2021. The meeting recap was included in the Board packet.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regular Board meeting will be held on September 22, 2021 at 3:30 p.m.

13. ADJOURN

The meeting adjourned at 4:00 p.m.

APPROVED BY:

John Stokes, Chair

Penny Sweet, Vice-Chair

AGENDA MEMORANDUM

SUBJECT

Motion to authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew a contract with Long Building Technologies for maintenance of security equipment and related services at the White River – Lake Tapps project in an amount not-to-exceed \$55,000.

BACKGROUND

Cascade completed Phase 1 of the Security Improvement Program in the summer of 2018. The newly acquired assets were predominately mechanical and electrical equipment that require annual, scheduled maintenance to ensure proper performance. The scope of this contract is to provide routine, scheduled equipment maintenance and related services as part of the Phase 1 Security Improvement Program. The related services include unscheduled problem diagnosis and remediation and minor system add-ons. In 2019 and 2020, Cascade entered into a contract with Long Building Technologies for a one-year contract with potential renewal of up to two additional, one-year periods at Cascade's discretion. Upon renewal, this will be the third year that Long Building Technologies is under contract to provide scheduled maintenance.

PROCUREMENT PROCESS

In 2019, Cascade issued a Request for Proposals (RFP) for ongoing maintenance of newly installed equipment for the Phase 1 Security Improvement Program. Prior to issuing the RFP, Cascade had received a quote for ongoing maintenance in the amount of more than \$64,000 per year from the original contractor who installed the equipment. The first RFP resulted in only one submittal with a cost estimate of more than \$100,000 per year. Cascade staff reevaluated and restructured the scope of work, conducted an informational interview with the original installer, held discussions with industry experts, and reissued a second RFP. The second RFP resulted in the selection of Long Building Technologies. Long Building Technologies' proposal came in with annual scheduled maintenance costs of approximately \$39,000 per year. In addition, it included \$16,000 for emergency callouts and related services as requested by Cascade. Related services include problem diagnosis and remediation following the expiration of the current warranty period by the original installer (April 30, 2020) and minor system add-ons.

The contract amount with Long Building Technologies for scheduled and unscheduled services was \$55,000 for each one-year term in 2019 and 2020. Cascade is satisfied with Long Building Technologies' work thus far and therefore would like to continue to use Long Building Technologies as its security system maintenance vendor. This request is to exercise the renewal of the last of the additional one-year periods allowed under the terms of the RFP and the contract.

FISCAL IMPACT

The requested contract authorization is for a not-to-exceed amount of \$55,000, inclusive of Washington State sales tax and reserve for contingency.

Budget Line	2021 Budget	Spent and Committed to Date	Available 2021 Budget	This Action	2021 Remaining Balance
Security Maintenance	\$100,000	\$ 20,072	\$79,928	\$55,000	\$24,928

OPTIONS

1. Authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew a contract with Long Building Technologies for maintenance of security equipment and related services at the White River – Lake Tapps project in an amount not-to-exceed \$55,000.
2. Do not authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew a contract with Long Building Technologies and provide alternate direction to staff.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew a contract with Long Building Technologies for maintenance of security equipment and related services at the White River – Lake Tapps project, in an amount not to exceed \$55,000.

ATTACHMENTS

None.

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution No. 2021-07 amending Cascade's Human Resources Policy and Procedures Manual to address unpaid sabbatical leave and Cascade's *Code of Ethics* and amending Chapter 3.05 of the Cascade Water Alliance Code.

BACKGROUND

Cascade Water Alliance ("Cascade") joined the Association of Washington Cities Employee Benefit Trust (the "Trust") and created a wellness program in an effort to reduce overall healthcare costs in 2017.

This March, for the fourth year in a row, Cascade was awarded the WellCity Award for 2021 and will receive a 2% discount on its 2022 medical plan premiums. When applying for the 2021 award, Cascade staff identified a potential update to our unpaid leave policy in the Human Resources Policy and Procedures Manual (HR Manual) that would improve our chances of continuing to receive the award going forward. One of the core components of the WellCity Award are policies that promote employee health and well-being. A sabbatical policy is an example of this type of policy since, among its many benefits, sabbaticals have shown to reduce employee stress.

The proposed resolution would amend the HR Manual to add a provision for sabbatical leave. Modeled after the City of Redmond's policy, the change would provide for unpaid sabbatical leave for up to three months. The leave would require approval of the Chief Executive Officer (CEO), and the employee is required to have been employed with Cascade for at least six years prior to taking sabbatical leave. The CEO is not eligible for sabbatical leave.

Additionally, the proposed resolution would amend the Standards of Conduct section of the HR Manual to incorporate the Code of Ethics. At present, all new employees sign the Code of Ethics when they join Cascade. The proposed change documents this practice in the HR Manual and makes it a requirement that Cascade employees review and sign the Code of Ethics on a periodic cycle.

PROCUREMENT PROCESS

Not applicable.

FISCAL IMPACT

Not applicable.

OPTIONS

1. Adopt Resolution No. 2021-07 amending Cascade's Human Resources Policy and Procedures Manual to address unpaid sabbatical leave and Cascade's *Code of Ethics* and amending Chapter 3.05 of the Cascade Water Alliance Code.
2. Do not adopt Resolution No. 2021-07 and provide alternate direction to staff.

RECOMMENDED ACTION

Adopt Resolution No. 2021-07 amending Cascade's Human Resources Policy and Procedures Manual to address unpaid sabbatical leave and Cascade's *Code of Ethics* and amending Chapter 3.05 of the Cascade Water Alliance Code.

ATTACHMENTS

1. Proposed Resolution Number 2021-07.



CASCADE WATER ALLIANCE
RESOLUTION NO. 2021-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION, AMENDING CASCADE’S HUMAN RESOURCES POLICY AND
PROCEDURES MANUAL TO ADDRESS UNPAID SABBATICAL LEAVE AND CASCADE’S CODE OF ETHICS,
AND AMENDING CHAPTER 3.05 OF THE CASCADE WATER ALLIANCE CODE.

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, the Board adopted the Cascade Human Resources Policies and
Procedures Manual (“Manual”), codified as chapter 3.05 of the Cascade Water Alliance Code
(“CWAC”) by Resolution No. 2008-19, and has since amended the Manual by Resolution No.
2009-01, Resolution No. 2010-23, amendment of December 18, 2013, Resolution No. 2016-01,
Resolution 2017-12, Resolution 2018-08, Resolution 2018-22, Resolution 2019-08, and
Resolution 2020-05;

WHEREAS, CWAC 3.05.030 provides that amendments to the Manual shall be
submitted to the Board for approval if the amendments may affect any procedural rights or
benefits afforded to employees. Any amendments made by the CEO shall be in writing, shall be
attached to or otherwise incorporated into the Manual;

WHEREAS, the Board has determined that the interests of Cascade are served by further
amending the Manual to address provision of unpaid sabbatical leave to employees in connection
with Cascade’s Wellness Program;

WHEREAS, the Board has determined that the interests of Cascade are served by further
amending the Manual to incorporate Cascade’s *Code of Ethics* and to require employees to
review and sign the *Code of Ethics* on a periodic cycle;

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

Section 1. Amendment of Human Resources Policies and Procedures Manual. The
Human Resources Policies and Procedures Manual is amended as follows:

- A. The following is inserted in the section entitled “VI. Paid and Unpaid Leaves” after
the subsection entitled “Sick Leave”:

Unpaid Sabbatical Leave

Sabbaticals are periods of unpaid personal leave during which an employee
continues to receive health benefits. Unpaid sabbaticals may be granted when an
employee's absence will result in a net gain to Cascade and will not unduly disrupt
services. The authority to grant unpaid employee sabbaticals resides with the CEO.

During unpaid sabbaticals, an employee's seniority is not disrupted and accrued but unused vacation and sick time is left intact.

The aim of unpaid sabbatical leave is to improve employee health and well-being by responding to employee interests for additional time off without disrupting Cascade's services. To be eligible for sabbatical leave, an employee needs the equivalent of six full years of service as a Cascade employee.

Unpaid sabbatical leave shall be for a minimum of one workday or shift up to a maximum of three months. After the initial sabbatical leave, the employee is eligible for up to one month of sabbatical leave for each equivalent full year of service worked following the prior sabbatical, but in no instance shall sabbatical leave exceed three months.

An employee desiring to take an unpaid sabbatical must submit a written request to the CEO with the following information:

- The reason for the sabbatical;
- The dates of the requested sabbatical; and
- Recommendations on how their normal work responsibilities should be handled during the sabbatical.

A sabbatical may not begin until the CEO has issued a written decision responding to the employee's request.

In considering a request for an unpaid sabbatical, the CEO should consider whether an employee's absence would unduly disrupt services as well as whether Cascade will receive a net material financial gain based on the following factors:

- Salary and benefit savings;
- Costs of continuing health benefits; and
- Costs of hiring temporary help or incurring increased overtime due to the employee's absence.

Benefits During Sabbatical:

- Health: Health benefits continue unchanged with the same premium cost sharing between Cascade and employee as before the sabbatical.
- Vacation/Comp Time: Employees may leave their vacation and comp time accrual intact during unpaid sabbaticals. However, employees do not accrue additional vacation leave while on sabbatical.
- Holidays: Holidays occurring during a sabbatical are unpaid.
- Sick Leave: Employee may leave their sick leave accrual intact during unpaid sabbaticals. However, employees do not accrue additional sick leave while on sabbatical.
- Life Insurance: Cascade will continue to pay its portion of life insurance premiums due as if the employee were actively working. The employee is responsible to pay his or her portion of a voluntary life insurance premium.

- B. The paragraph entitled “Continuation of Benefits during Leave” under the section entitled “VI. Paid and Unpaid Leaves” is amended as follows:

Continuation of Benefits during Leave

All employee benefits continue during periods of paid leave and during periods of unpaid leave of three weeks or less. During all periods of unpaid leave that exceed three weeks (with the exception of sabbatical leave):

Employee benefits that operate on an accrual basis (such as vacation and sick leave) do not continue to accrue unless a written employee benefit plan provides otherwise. We do not pay for health or other insurance benefits (unless required under the FMLA), but you may continue those benefits through COBRA at your own expense during the leave to the extent allowed by our benefit plans.

No other benefits are provided.

- C. The following is inserted in the section entitled “VII. Standards of Conduct” after the subsection entitled “Healthy Food”:

Code of Ethics

In addition to the standards of conduct described in the preceding subsections, all employees shall abide by the principles and intent of Cascade’s Code of Ethics and shall review and sign the Code of Ethics on a periodic cycle.

Definition. “Ethics” means positive principles of conduct. Some ethical requirements are enforced by federal, state, or local law; others rely on training or on individuals’ desire to do the right thing.

The provisions below which are not elsewhere enforced by law or specified in other subsections of the “Standards of Conduct” section shall be considered advisory only. Cascade will make explanations and examples of ethical principles available to staff.

Trust. The purpose of Cascade is to serve the public. Cascade employees treat their position as a public trust.

1. Cascade’s powers and resources are used for the benefit of the public rather than any employee’s personal benefit.
2. Cascade employees promote public respect by avoiding impropriety or even the appearance of impropriety.
3. Policymakers place long-term benefit to the public as a whole above all other considerations, including the concerns of individuals and special interests.
4. Administrators implement policies in good faith as equitably and economically as possible, regardless of their personal views.
5. Whistle-blowing is appropriate for unlawful or improper actions.
6. Cascade employees do not give the appearance of impropriety or personal gain by accepting personal gifts.
7. Cascade employees devote Cascade resources, including paid time, working supplies and capital assets, to benefit the public.
8. Political campaigns are not conducted on Cascade time or property.

Objectivity. Cascade employees’ decisions are based on the merits of the issues. Judgment is independent and objective.

1. Cascade employees avoid financial conflict of interest and do not accept benefits from people requesting to affect decisions.
2. If an individual employee's financial or personal interests will be specifically affected by a decision, the employee is to withdraw from participating in the decision.
3. Cascade employees avoid bias or favoritism.
4. Intervention on behalf of constituents or friends is limited to assuring fairness of procedures, clarifying policies or improving service for citizens.

Accountability. Open government allows citizens to make informed judgments and to hold employees accountable.

1. Cascade employees exercise their authority with open meetings and public records.
2. Employees who delegate responsibilities make sure the work is carried out efficiently and ethically.
3. Each Cascade employee and appointee is encouraged to improve Cascade systems by identifying problems and proposing improvements.
4. Cascade's systems are self-monitoring, with procedures in place to promote appropriate actions.

Leadership.

1. Cascade employees obey all laws and regulations.
2. Cascade employees do not exploit loopholes.
3. Leadership facilitates, rather than blocks, open discussion.
4. Employees avoid discreditable personal conduct and are personally honest.

Section 2. Amendment of Chapter 3.05 CWAC and Resolutions No. 2008-19, 2009-01, 2010-23, 2016-01, 2017-12, 2018-08, 2018-22, 2019-08 and 2020-05. Chapter 3.05 CWAC and Resolutions No. 2008-19, 2009-01, 2010-23, 2016-01, 2017-12, 2018-08, 2018-22, 2019-08 and 2020-05 are amended to add CWAC 3.05.120 as follows:

CWAC 3.05.120. Amendment of Human Resources Policies and Procedures Manual – Modification to Paid and Unpaid Leave and Standards of Conduct. The board amends the manual to address unpaid sabbatical leave and Cascade's *Code of Ethics*.

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 meeting thereof, held the 22nd day of September 2021.

CASCADE WATER ALLIANCE

John Stokes, Chair

Attest – Ray Hoffman, Chief Executive Officer

Penny Sweet, Vice Chair

Members

Yes _____

No _____

Demand Share

Yes _____ %

No _____ %

Angela Birney, Secretary/Treasurer

Include in CWAC?

☐ Yes

☐ No

AGENDA MEMORANDUM

SUBJECT

Motion to authorize the Chief Executive Officer to execute a contract with Artisan Electric, Inc., for the installation of a rooftop solar energy system at the White River – Lake Tapps Powerhouse in an amount not to exceed \$273,000.

BACKGROUND

In 2020, the Board authorized staff to undertake a feasibility study for the development of a solar energy system at the White River – Lake Tapps project. The study examined four sites and determined that rooftop installation on the Powerhouse to be the best site due to its payback period, security, and lack of environmental impact. The site was determined to be exempt from SEPA determination. Staff then undertook a Request for Proposals process to seek bids for the project and brought the results to the September 9 Resource Management Committee meeting.

PROCUREMENT PROCESS

On July 9, Cascade advertised the project in the Daily Journal of Commerce and Tacoma News Tribune. A mandatory on-site pre-bid meeting with potential bidders was conducted on July 29. On August 13, Cascade received five bids and Artisan Electric was determined to meet the criteria of being the lowest, responsible, and responsive bidder.

FISCAL IMPACT

2021 Budget Line	2021 Budget	Spent and Committed to Date	Available 2021 Budget	This Action	2021 Remaining Balance
306 – Facilities Improvements (transferred from Capital risk)	\$75,000	\$0	\$ 75,000	\$75,000	\$0
2022 Budget Line	2022 Budget	Spent and Committed to Date	Available 2022 Budget	This Action	2022 Remaining Balance
306 – Facilities Improvements (transferred from Capital risk)	\$198,000	\$0	\$198,000	\$198,000	\$0

OPTIONS

1. Authorize the Chief Executive Officer to execute a contract with Artisan Electric, Inc., for the installation of a rooftop solar energy system at the White River – Lake Tapps Powerhouse in an amount not to exceed \$273,000.
2. Do not authorize the Chief Executive Officer to execute a contract with Artisan Electric, Inc., and give alternative direction to staff.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to execute a contract with Artisan Electric, Inc., for the installation of a rooftop solar energy system at the White River – Lake Tapps Powerhouse in an amount not to exceed \$273,000.

ATTACHMENTS

None.



SPECIAL PUBLIC AFFAIRS COMMITTEE MEETING

Angela Birney, Chair, City of Redmond
John Stokes, City of Bellevue
Allan Ekberg, City of Tukwila
Conrad Lee, City of Bellevue
Ryika Hooshangi, Sammamish Plateau Water

Agenda RECAP
Wednesday, September 8, 2021
9:00 AM – 10:00 AM
Held via Zoom

Call to Order

1. Chair Comments.
2. Executive Session.
3. Recommended for action at the September 22, 2021, Board Meeting.
4. Discussion Items.

- A. Legislative Update.** Staff will provide an update on state legislative activities and preparation for the 2022 legislative session.

***Recap:** The committee received an update on the upcoming legislative session. The utility disconnect moratorium is scheduled to end on September 30, and utilities are gathering data and preparing to send a letter to the Governor with a request for utility funding in the next supplemental budget to help address arrearages. Staff also shared updates about the status of federal COVID funding that is supposed to be distributed by the state Department of Commerce. That funding has been delayed until October.*

- B. Legislative Priorities.** This item is a first opportunity for the committee to discuss legislative priorities for 2022.

***Recap:** The committee reviewed the 2021 Legislative Agenda and provided feedback on topics to be added to the agenda for 2022. Topics that will be included for monitoring on the state agenda include King County's Clean Water Plan strategies that could impact reclaimed water and members' drinking water supplies, as well as climate change legislation or initiatives. On the federal agenda, the COVID-19 relief funding item will be broadened to include affordability legislation and initiatives as well. Staff will bring a draft 2022 Legislative Agenda to the committee in October for review and potential recommendation to the Board.*

- C. Annual Member Survey.** Each year Cascade surveys Board members and alternates seeking input on the evaluation of Cascade's intergovernmental, communications and outreach programs and planning for the next year.

***Recap:** The member survey is shorter and designed to be completed online this year. The committee approved sending the survey to Board members, alternates, and member staff. Feedback will help shape next year's communication and outreach plan.*

- D. State Affordability Grants.** Staff will provide information about a new state program regarding grants for water and sewer connection charges for new affordable housing projects. This program was approved in the State's 2021-2023 capital budget, section 1074.

***Recap:** Staff updated the committee about a state budget proviso item that provides grant funding for affordable housing connection charges. The program is still being developed by the state Department of Commerce. Cascade is monitoring the program and will share information as it becomes available.*

E. Solar Project

***Recap:** Staff updated the committee on the bids received in response to the solar project RFP. The Resource Management Committee will be discussing the results in detail. It appears that the favorable bids will result in a faster payback on the investment than originally anticipated if the Board approves the project. The return on investment will be even more favorable if Cascade is successful in its grant requests submitted to the Department of Commerce and Puget Sound Energy.*

5. Next Meeting Date and Location.

The next meeting will be Wednesday, October 6, 2021, at 9:00 a.m. via Zoom meeting.



RESOURCE MANAGEMENT COMMITTEE
Lloyd Warren, Chair, Sammamish Plateau Water
John Stokes, City of Bellevue
Jon Ault, Skyway Water & Sewer District
Ryika Hooshangi, Sammamish Plateau Water
Zach Hall, City of Issaquah

Meeting Agenda
Thursday, September 9, 2021
2:00 PM – 3:30 PM
Held via Zoom

1. Chair Comments.

2. Executive Session.

3. Items Recommended for Action at the September 22, 2021, Board Meeting.

- A.** Authorize the Chief Executive Officer to exercise the option for an additional one-year term and renew 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.

Recap: The Committee recommended the contract be placed under consent for approval by the Board at its September meeting.

4. Discussion Items.

- A. Powerhouse Solar Power Project Update.** Staff will provide an update on the results of the Request for Proposals for installation of a solar power system for the powerhouse.

Recap: Staff solicited an RFP for the installation of a solar energy system on the powerhouse. The low bidder was Artisan Electric, Inc. and their bid was \$227,258. Cascade has applied for grants through the Washington Department of Commerce and Puget Sound Energy. The current projected payback period for the proposed system is 15 years without any tax incentives or grants. National demand for solar modules is limiting available supply and a delay of initiating the project will likely result in increased costs and a longer installation time. The committee recommended that this be brought to the Board in September for discussion and potential action.

- B. Flowline Outage Project Update.** Staff will provide an update on the flowline outage project, which started on August 30. While the flowline is dry, Cascade will assess its upper conveyance infrastructure, address deficiencies, and remove sediment.

Recap: Staff presented several photos and videos of the first week-and-a-half of the flowline outage project. Overall the project is going very well and is a day ahead of schedule. The Puyallup Tribe completed the fish recovery activities on Day 3. Major upcoming activities include cleaning and inspecting the flowline and removing an estimated 50,000 cubic yards of sediment from Wolslegal Basin.

- C. **Headworks Intake Modification Project Update.** Staff will update the committee on the status of the US Army Corps of Engineers (USACE) Mud Mountain Dam Fish Passage Facilities (Phase 2) and Cascade's Headworks Intake Modification project (Phase 3).

Recap: Staff provided a status update regarding the go or no-go decision to begin Phase 3 work. USACE has decided to wait until approximately 3rd week of September to determine if Phase 3 work will begin this year or delay for another year or possibly two more years. Staff is currently reviewing Phase 3 Care of Water and Diversion Plan submitted by Kiewit.

- D. **Flume Trail Update.** Staff will update the committee on the flume trail negotiations, including compensation discussions regarding a water quality benefit to Cascade and Pierce County's request for right-of-way acquisition for flume trail infrastructure.

Recap: Staff updated the committee on recent correspondence from Pierce County Parks regarding the trail easement negotiations. Pierce County Parks has indicated that it will not negotiate for water quality improvements as compensation for the trail. Staff are in the process of obtaining additional information from Pierce County and will add this as a discussion item at the September Board meeting.

- E. **Seattle Boat Update.** The Pierce County Hearing Examiner finally issued his decision regarding the hearing on the SEPA appeal and permits for the proposed expansion of the Seattle Boat site. Staff will summarize the Hearing Examiner's decision.

Recap: Staff provided update on the Hearing Examiner's written decision for the SEPA DNS appeal by West Tapps Maintenance Company and Administrative Appeal by Tapps Marine Management. In summary, the SEPA DNS appeal was denied while the Administrative Appeal was granted with over 30 conditions related to the operational and management of the marina and fueling stations.

5. Next Meeting Date and Location.

The next meeting will be Thursday, October 14, 2021, from 2:00 p.m. – 3:30 p.m. at Cascade's office or via Zoom.