



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
520 - 112TH Avenue N.E., Suite 400, Bellevue
October 27, 2021
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT	
4. EXECUTIVE SESSION	
5. APPROVAL OF AGENDA	
6. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
7. CONSENT ITEMS	
a. Board Meeting Minutes for September 22, 2021.	<u>14</u>
b. Motion to authorize the Chief Executive Officer to enter into Amendment No. 1 with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage project, by increasing the maximum contract amount by \$20,000, for a total amount not-to-exceed \$110,000.	<u>17</u>
c. Motion to authorize the Chief Executive Officer to renew the contract with Parametrix, Inc., in 2022 for an additional one-year term to provide on-call civil, mechanical, and structural engineering services, for an amount not-to-exceed \$250,000.	<u>19</u>
8. OTHER ACTION ITEMS	
a. Motion to adopt Resolution No. 2021-08 adopting Cascade's 2022 Legislative and Public Policy Agenda.	<u>22</u>
9. STAFF PRESENTATIONS	
a. Outage Project Update – <i>no materials in packet</i>	
b. Army Corps of Engineers Fish Passage Project Phase 3 Update – <i>no materials in packet</i>	
10. COMMITTEE REPORTS	
a. Executive Committee – <i>no meetings held.</i>	

- b. Finance and Management Committee – *September 21, 2021, no meeting held in October.* 29
- c. Public Affairs Committee – *October 6, 2021.* 30
- d. Resource Management Committee – *October 14, 2021.* 32
- 11. NEW BUSINESS
- 12. NEXT REGULAR MEETING – November 17, 2021 – *to be held via a Zoom meeting – 3:30 p.m.*
- 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: October 27, 2021

TO: John Stokes, Chair
Board of Directors

FROM: Ray Hoffman, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- There have been 1,097 net Regional Capital Facilities Charges (RCFCs) reported through September 2021, already surpassing the 2021 budget expectations of 1,000.
- Cascade's IT consultant, TeamLogicIT, and their subconsultant, Redbot, conducted penetration tests on the Lake Tapps and Bellevue offices the week of October 18. These tests were recommended by Cascade's auditors. The penetration test will help Cascade to assess Cybersecurity readiness and will inform Cascade where IT infrastructure improvements are needed.
- An accountability audit of 2020 conducted by the Office of the Washington State Auditor is in underway in October 2021. The results will be reported out at a future Finance and Management committee meeting.
- Clark Nuber, Cascade's outside auditing firm, will conduct a review of Cascade's third 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 conducted a review of the second quarter in September 2021, the report is going through a final review by Clark Nuber before being reported to Finance and Management next month. Clark Nuber noted an issue in the second quarter and recommended a change to the implementation of GASB 89. Their recommendation has been implemented and should be reflected in the third quarter review.
- Cascade's Wellness program is participating in the Associations of Washington Cities Walk with Friends Campaign this October, encouraging employees to increase their steps and providing them with wellness information. The Campaign is part of the wellness committee's ongoing pursuit to meet the Association of Washington Cities Employee Benefits Trust WellCity Award Standard requirements necessary to win the WellCity Award next year.

Capital Projects and Operations

- U.S. Army Corps of Engineers (USACE) directed its contractor Kiewit to pause starting Phase 3 activities until October 31. Kiewit claimed this directive from USACE in effect will delay the construction for 12 months. This will impact Cascade's Headworks Intake Modification project. Cascade is in active conversation with USACE on delay impacts.
- Cascade's outage project is progressing well. Cascade's contractors are working on sediment removal in the upper flowline, cleaning and repairing the fish screen facility, installing anchors for a debris boom at the pipeline intake and repairing the joints in the flume. Anticipated completion of the Outage project is mid-November.
- Cascade met with Washington State Department of Transportation (WSDOT) on WSDOT's Passage Project crossing Lewis Creek where it has a conflict with the Bellevue-Issaquah Pipeline (BIP). Cascade is working with WSDOT and member agencies that are impacted by this project on how to structure utility relocation or protection agreements. In addition, Cascade is working with WSDOT on conceptual design to minimize service disruption to customers served by BIP and overall cost to Cascade.
- Due to unforeseen supply chain issues, completion of SCADA and Security public works construction is most likely going to be delayed until June 2022. Cascade staff is evaluating the impact of this schedule delay.
- Representatives from Cascade consultant, RH2; operator Certified Hydraulic; Cascade and Veolia performed an inspection and test of the Valve house hydraulic system. An official report will be generated to provide actions to keep the system running or modifications to improve operational control and longevity.

Water Efficiency

- Cascade participated in Issaquah Salmon Days and brought the water wall. Many attendees visited Cascade's station and wrote on the wall.
- Cascade's garden project at McAuliffe Park in Kirkland was featured on KIRO TV.
- Cascade is working with Tukwila staff to deliver a community science field trip on watershed ecology and stream health next month.
- Cascade is working with Kirkland staff to deliver a leak detection program for commercial and multifamily properties.
- Cascade and Tilth Alliance provided a drip irrigation training for teachers in Lake Washington School District.
- Cascade was interviewed by Puget Sound Energy on its application for their solar grant program.

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. Survey participation was high, with all Board members responding. Overall satisfaction was very high, with a score of 4.75 out of 5. The committee discussed events, sponsorships, and the challenges of the last year. Staff will continue to look for opportunities to be present in member communities through events and sponsorships. Survey responses reinforced the value of Cascade presentations to member councils and commissions. Cascade will continue to support members by planning and offering presentations.

- Cascade staff sent a letter to Pierce County Parks on October 5 explaining that although Cascade wants to continue to be a good neighbor, the Board is not willing to remove water quality considerations from the discussion of the trail easement. The letter expressed disappointment that the County is unwilling to continue negotiations on the flume trail at this time, but the Board is open to resuming discussions in the future.
- At the state level, the eviction moratorium was extended, but the utility shut-off moratorium ended on September 30. Utilities are still gathering data and working on a request for additional state funding to assist in addressing unpaid utility bills. State Assembly Days will be virtual in November; plans have not been finalized yet for whether the short, 60-day legislative session in 2022 will be fully virtual or hybrid. Finally, the recent state revenue forecast was positive, with an additional \$1.8 billion available over the next four years.

Planning

- Work on updating the Transmission & Supply Plan is progressing well. On October 21, Cascade hosted a meeting with water system planners from member agencies to officially kick-off members' engagement in the Plan development. Cascade is requesting member engagement at several junctures, including participating in a demand forecast workshop in November, reviewing the 20-year CIP and financial plan, and reviewing the draft TSP. An invitation to the demand forecast workshop was sent to general managers, water system planners, and member staff representatives.
- A new feature of the updated TSP will be the use of software with advanced algorithms capable of running thousands of scenarios to find the least expensive strategies for development of the Lake Tapps Reservoir. One of the TSP sub-consultants has proprietary software that will be used to analyze different configurations for different routes, phased approaches to constructing the assets, variations in demand forecasts and demand spikes, impacts of conservation programs and climate change, options to increase resiliency, costs, and other factors. The software has been used hundreds of times by other water and wastewater utilities and resulted in significant reductions in capital and O&M costs.

Attachments

1. Budget to Actual Expenditure Report through September 30, 2021.
2. Statement of Revenues and Expenditures through September 30, 2021.
3. Statement of Net Position as of September 30, 2021.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of September 30, 2021.

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- September 30, 2021
75% of the year completed

Attachment 1

Administration		Budget		Actual		Balance	% Expended
Salaries	\$	964,231	\$	799,049		165,181	82.9%
Benefits		223,486		216,113		7,373	96.7%
Wellness program		5,000		89		4,911	1.8%
Prof. Fee (Technical)		92,400		79,667		12,733	86.2%
Prof. Fee (Legal)		835,000		590,194		244,806	70.7%
Prof. Fee (Audit)		98,600		64,450		34,150	65.4%
Prof. Fee (Other)		100,000		3,919		96,081	3.9%
Seismic Resiliency		190,000		146,915		43,085	77.3%
Meetings Expense		11,000		1,959		9,041	17.8%
Telephone/Internet		37,000		34,309		2,691	92.7%
Office Rent		235,288		206,680		28,608	87.8%
Office Supplies Admin.		20,000		5,874		14,126	29.4%
Equip. and Furniture		10,000		2,213		7,787	22.1%
Bank Fees		600		189		411	31.6%
Dues & Subscriptions		50,000		15,040		34,960	30.1%
Taxes/Licenses		16,000		10,149		5,851	63.4%
Travel		12,000		1,756		10,244	14.6%
Professional Dev.		30,000		18,810		11,190	62.7%
Computer Equipment		25,000		9,787		15,213	39.1%
Software Licenses		38,000		30,190		7,810	79.4%
Postage & Delivery		3,000		496		2,504	16.5%
Printing & Repro.		10,000		0		10,000	0.0%
Insurance		129,091		112,434		16,656	87.1%
Contingency		35,600		0		35,600	0.0%
Total	\$	3,171,295	\$	2,350,280	\$	821,015	74.1%

Debt Service		Budget		Actual		Balance	% Expended
Bond Debt Service		9,787,231		9,782,718		4,513	100.0%
Total	\$	9,787,231	\$	9,782,718	\$	4,513	100.0%

Conservation		Budget		Actual		Balance	% Expended
Salaries	\$	163,559	\$	76,916	\$	86,643	47.0%
Benefits		28,062		18,053		10,009	64.3%
Prof. Fee (Technical)		15,000		12,413		2,588	82.8%
Rebate Reimb. Com.		95,000		31,738		63,263	33.4%
Irrigation Audit		20,500		0		20,500	0.0%
Comm. and Public I		304,350		156,549		147,801	51.4%
Misc. Serv. and Sup.		84,400		17,637		66,763	20.9%
Total	\$	710,871	\$	313,305	\$	397,566	44.1%

Com. and Intergovern		Budget		Actual		Balance	% Expended
Salaries	\$	138,930	\$	96,462	\$	42,467	69.4%
Benefits		31,231		23,746		7,485	76.0%
Prof. Fee (Technical)		15,000		10,190		4,810	67.9%
Prof. Fee (Other)		155,250		122,645		32,605	79.0%
Sponsorships		30,000		15,975		14,025	53.3%
Comm. and Public I		280,000		157,572		122,428	56.3%
Total	\$	650,411	\$	426,590	\$	223,820	65.6%

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- September 30, 2021
75% of the year completed

Attachment 1

Operations-General		Budget		Actual		Balance	% Expended
Wholesale Water	\$	21,351,878	\$	20,070,765	\$	1,281,113	94.0%
Salaries		21,405		15,066		6,339	70.4%
Benefits		4,058		3,744		313	92.3%
BIP O&M		80,000		60,423		19,577	75.5%
Pipeline Prop. O&M		35,000		1,319		33,681	3.8%
PWTF Loan Debt		40,658		40,461		197	99.5%
Total	\$	21,532,998	\$	20,191,778	\$	1,341,220	93.8%

Operations-Lake Tapps		Budget		Actual		Balance	% Expended
Salaries	\$	494,465	\$	273,535	\$	220,930	55.3%
Benefits		97,447		71,809		25,638	73.7%
Prof. Fee (Technical)		708,600		317,025		391,575	44.7%
Prof. Fee (Other)		50,000		11,442		38,558	22.9%
Meetings Expense		4,000		3,989		11	99.7%
Telephone/Internet		1,500		550		950	36.7%
Office Supplies		18,600		4,253		14,347	22.9%
Equipment & Furn.		27,500		14,436		13,064	52.5%
Taxes/Licenses		7,000		6,384		616	91.2%
Travel		16,000		10,122		5,878	63.3%
Professional Dev.		2,000		0		2,000	0.0%
Software Licenses		15,000		13,426		1,574	89.5%
Permitting Costs		7,000		3,241		3,759	46.3%
Misc. Serv. and Sup.		44,500		30,119		14,381	67.7%
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		29,687		10,313	74.2%
USGS Joint Fund		327,000		234,654		92,346	71.8%
Construction Management		100,000		0		100,000	0.0%
Outage		600,000		485,151		114,849	80.9%
Milfoil Control		165,000		103,949		61,051	63.0%
Vendor Services		45,000		37,382		7,618	83.1%
Water Quality Management		150,000		79,200		70,800	52.8%
Dike Repairs and Maintenance		27,000		26,582		418	98.5%
Total	\$	5,183,311	\$	3,123,602	\$	1,988,491	60.3%

Total Operating Budget \$ 41,036,118 \$ 36,188,274 \$ 4,776,626 88.2%

Capital Projects (multi-yr bdgt not shown)		Budget		Actual		Balance	% Expended
Upper Conveyance Projects	\$	1,094,000		114,851		979,149	10.5%
Meters		50,000		0		50,000	0.0%
Equipment		20,000		17,002		2,998	85.0%
Security and SCADA		1,500,000		149,480		1,350,520	10.0%
Tacoma Agreement		5,858,297		5,858,297		0	100.0%
Capital Risk		480,000		0		480,000	0.0%
IT Infrastructure		25,000		15,253		9,747	61.0%

Total CIP Budget \$ 9,027,297 \$ 6,154,883 \$ 2,872,414 68.2%

Total Overall Budget \$ 50,063,415 \$ 42,343,156 7,720,258 84.6%

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2021 Through 9/30/2021

Attachment 2

Operating Revenue		
Water sales	\$	31,213,104
Administrative dues		3,382,456
Conservation program		597,059
Total Operating Revenue		<u>35,192,619</u>
Operating Expenses		
Cost of water sold		17,295,021
Salaries and benefits		1,694,147
Professional services		1,346,310
Conservation program		31,738
Depreciation and amortization		2,711,293
Communication and public information		265,167
Office expenses		284,277
Operations		1,713,651
Bank charges		189
Rent		169,102
Maintenance		767,290
Dues and subscriptions		25,062
Miscellaneous		19,469
Total Operating Expenses		<u>26,322,715</u>
Operating Income		8,869,904
Non-Operating Revenue (Expenses)		
Interest income		461,330
Other income		31,586
Gain/Loss on the sale/re-characterization of an asset		(6,997,868)
Interest expense, net of amount capitalized		<u>(3,066,455)</u>
Total Non-Operating Revenue (Expenses)		<u>(9,571,406)</u>
Capital Contributions		
Regional Capital Facilities Charges		7,473,386
Increase in Net Assets		6,771,884
Net Assets, Beginning of Year		107,825,110
Net Assets, End of Year	\$	114,596,994

Cascade Water Alliance
Statement of Net Position
As of 9/30/2021

Attachment 3

Assets

Current Assets

Cash and cash equivalents	\$ 22,301,738
Accounts receivable	14,266,145
Prepaid expenses	79,250
Total Current Assets	<u>36,647,133</u>

Capital Assets

Equipment and furniture	2,029,638
Seattle water contract	22,267,611
Bellevue Issaquah pipeline	22,276,944
Tacoma water contract	119,740,687
Less accumulated depreciation and amortization	(50,040,693)
Total Capital Assets	<u>116,274,187</u>

Projects in process and assets not yet in service

Lake Tapps	99,778,145
Tacoma Cascade pipeline	22,788,526
Total Projects in process and assets not yet in service	<u>122,566,671</u>

Restricted cash and cash equivalents	17,964,966
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Total Assets	<u><u>293,452,957</u></u>
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Liabilities

Current liabilities

Payables and accrued liabilities	1,076,675
Retroactive water credit	1,806,104
Accrued interest	436,592

Long-term debt current portion

Bonds Payable-Current Portion	6,580,000
Other	39,474

Total Long-term debt current portion	<u>6,619,474</u>
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Total Current liabilities	<u>9,938,844</u>
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Long-term Liabilities

Long-term debt	92,228,422
Tacoma contract	65,967,545
Seattle contract	5,000,000
Bond premium, net of amortization	5,552,169

Total Long-term Liabilities	<u>168,748,136</u>
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Total Liabilities	178,686,980
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Net Assets

Restricted for debt service	86,248,740
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Unrestricted	28,517,237
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Total Net Assets	<u>114,765,977</u>
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Total Liabilities & Net Assets	<u><u>\$ 293,452,957</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
Clark Nuber	1	Financial Audit	R. Hoffman	1/1/2021	N/A	10/13/2021	98%	\$ 63,500	\$ 63,450	100%	\$ 50
Colehour and Cohen	1	Staffing for classes and events	M. Brent	1/1/2021	12/31/2021	10/13/2021	70%	\$ 89,990	\$ 31,175	35%	\$ 58,815
David Evans	1	On-call Land Surveyor	H. Chen	1/1/2021	12/31/2021	10/13/2021	50%	\$ 75,000	\$ 34,335	46%	\$ 40,665
David McGrath	1	Irrigation Efficiency Assistance	M. Brent	1/1/2021	12/31/2021	10/13/2021	20%	\$ 20,500	\$ -	0%	\$ 20,500
Enironmental Science Assoc.	1	Aquatic Plant Management	H. Chen	1/1/2021	12/31/2021	10/13/2021	55%	\$ 24,900	\$ 12,884	52%	\$ 12,016
GeoEngineers Inc.	1	Dam Engineering/Hydrology/Geotech	H. Chen	1/1/2021	12/31/2021	10/13/2021	75%	\$ 150,000	\$ 109,500	73%	\$ 40,501
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2021	12/31/2021	10/13/2021	75%	\$ 84,000	\$ 54,000	64%	\$ 30,000
Herrera Environmental	2	WQ Monitoring Program	H. Chen	8/19/2019	N/A	10/13/2021	88%	\$ 495,000	\$ 428,309	87%	\$ 66,691
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	10/13/2021	95%	\$ 1,041,100	\$ 939,235	90%	\$ 101,865
HDR	2	Conservation Plan Potential Assessment	M. Brent	5/21/2021	N/A	10/13/2021	50%	\$ 18,900	\$ 6,411	34%	\$ 12,489
Jacobs Engineering Group	1	Demand Forecast Model Support Services	M. Thung	8/20/2021	12/31/2022	10/13/2021	5%	\$ 5,000	\$ -	0%	\$ 5,000
Jennergy	1	Website assistance	A. Bennett	1/1/2021	12/31/2021	10/13/2021	75%	\$ 15,000	\$ 10,190	68%	\$ 4,810
Johansen Excavating	1	Emergency Headgate Repair	H. Chen	5/5/2021	N/A	10/13/2021	10%	\$ 100,947	\$ -	0%	\$ 100,947
Johansen Excavating	2	Flowline Outage Maintenance	J. Shimada	8/12/2021	N/A	10/13/2021	75%	\$ 540,000	\$ 372,166	69%	\$ 167,834
Kemp West	1	Flowline vegetation	J. Shimada	8/1/2021	10/31/2021	10/13/2021	99%	\$ 67,438	\$ 66,359	98%	\$ 1,079
Langton Spieth	1	Community relations	A. Bennett	1/1/2021	12/31/2021	10/13/2021	75%	\$ 72,000	\$ 54,000	75%	\$ 18,000
Long Building Tech	1	Security Maintenance	H. Chen	8/12/2019	8/31/2021	10/13/2021	80%	\$ 55,000	\$ 40,145	73%	\$ 14,855
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2021	12/31/2021	10/13/2021	45%	\$ 95,000	\$ 42,613	45%	\$ 52,387
Pacifica Law	1	Legal Assistance	H. Chen	1/1/2021	12/31/2021	10/13/2021	50%	\$ 25,000	\$ -	0%	\$ 25,000
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2021	12/31/2021	10/13/2021	88%	\$ 100,000	\$ 87,422	87%	\$ 12,578
Perfomance Dimensions	1	Executive Coaching Services	M. Thung	6/21/2021	12/31/2022	10/13/2021	65%	\$ 24,500	\$ 15,225	62%	\$ 9,275
Puyallup Tribal Fisheries Division	1	Flowline Outage Fish Recovery Services	J. Shimada	8/16/2021	9/30/2021	10/13/2021	95%	\$ 35,000	\$ 23,400	67%	\$ 11,600
Production Post	1	WeNeedWater Video Production	A. Bennett	1/1/2021	12/31/2021	10/13/2021	47%	\$ 24,500	\$ 11,500	47%	\$ 13,000
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2021	12/31/2021	10/13/2021	35%	\$ 95,000	\$ 29,863	31%	\$ 65,138
RH2	2	On-Call Electrical Engineering Srvs	H. Chen	1/1/2021	12/31/2021	10/13/2021	25%	\$ 100,000	\$ 24,632	25%	\$ 75,368
RH2	1	Security and SCADA	H. Chen	1/16/2020	N/A	10/13/2021	80%	\$ 347,000	\$ 267,499	77%	\$ 79,501
RH2	3	Wholesale Master Meter Eval	H. Chen	1/21/2020	3/31/2023	10/13/2021	0%	\$ 24,500	\$ -	0%	\$ 24,500
Robinson Noble	1	Water Audits	E. Cebren	10/3/2019	N/A	10/13/2021	60%	\$ 135,060	\$ 78,581	58%	\$ 56,479
Sazan	2	Solor Power Project	M. Brent	5/25/2021	N/A	10/13/2021	5%	\$ 10,000	\$ -	0%	\$ 10,000
SC Words & Pictures Inc.	1	Design Services	A. Bennett	1/1/2021	12/31/2021	10/13/2021	25%	\$ 24,000	\$ 5,445	23%	\$ 18,555
Seattle Public Utilities	1	Garden Hotline	M. Brent	1/1/2021	12/31/2021	10/13/2021	55%	\$ 11,000	\$ 5,750	52%	\$ 5,250
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2021	12/31/2021	10/13/2021	55%	\$ 24,500	\$ 12,413	51%	\$ 12,088
Source Electric LLC	1	SCADA Improvements Project	H. Chen	5/1/2021	2/1/2022	10/13/2021	5%	\$ 711,892	\$ 11,519	2%	\$ 700,373
Sustainable Water	1	Teacher Fellows program	M. Brent	1/1/2021	12/31/2021	10/13/2021	55%	\$ 60,000	\$ 32,265	54%	\$ 27,736
Tacoma-Pierce County	1	LakeWise	A. Bennett	1/1/2021	12/31/2021	10/13/2021	75%	\$ 120,000	\$ 90,578	75%	\$ 29,422
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2021	12/31/2021	10/13/2021	70%	\$ 92,400	\$ 58,042	63%	\$ 34,358
TechniArt	1	Website Orders	M. Brent	1/1/2021	12/31/2021	10/13/2021	25%	\$ 15,900	\$ 3,529	22%	\$ 12,371
Tetra Tech	1	AWIA Risk and Resiliency	M. Thung	11/18/2019	12/31/2020	10/13/2021	70%	\$ 700,000	\$ 481,647	69%	\$ 218,353
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2021	12/31/2021	10/13/2021	75%	\$ 24,500	\$ 17,641	72%	\$ 6,859
United Rentals	1	Scissor Lift Purchase	H. Chen	12/3/2021	N/A	10/13/2021	95%	\$ 17,000	\$ 17,000	100%	\$ -
USGS	1	Joint Funding Agre-Streamgaging	M. Gagliardo	1/1/2021	12/31/2021	10/13/2021	75%	\$ 327,000	\$ 234,654	72%	\$ 92,346
Van Ness Feldman	1	General Counsel	C. Paulucci	1/1/2021	12/31/2021	10/13/2021	75%	\$ 800,000	\$ 590,194	74%	\$ 209,806
Vanir Construction Management	1	On-call Construction Management	J. Shimada	5/1/2021	12/31/2022	10/13/2021	5%	\$ 560,000	\$ 10,165	2%	\$ 549,835
Veolia	1	White River-Lake Tapps Operations and Mtc Agreement \$1,966,709 Fixed, \$213,990 Var	J. Shimada	1/1/2021	12/31/2021	10/13/2021	65%	\$ 2,180,699	\$ 1,375,155	63%	\$ 805,544
Washington Crane and Hoist	1	Fish Screen Inspection	J. Shimada	2/1/2021	N/A	10/13/2021	100%	\$ 2,104	\$ 2,104	100%	\$ -
Winterbauer and Diamond	1	Legal Assistance	R. Hoffman	1/1/2021	12/31/2021	10/13/2021	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
Access Telephone Solutions	1	Lake Tapps Phones	C. Paulucci	5/25/2021	8/31/2021	10/13/2021	100%	\$ 15,253	\$ 15,253	100%	\$ 0
Access Telephone Solutions	2	Powerhouse Cabling	C. Paulucci	6/8/2021	8/31/2021	10/13/2021	100%	\$ 15,170	\$ 15,171	100%	\$ (0)
Aquatechnex	1	Aquatic Plant Management	J. Shimada	7/7/2021	N/A	10/13/2021	100%	\$ 110,000	\$ 91,065	83%	\$ 18,935
Lake Tapps Construction	1	Valve House Improvements	H. Chen	12/2/2020	N/A	10/13/2021	100%	\$ 30,978	\$ 30,978	100%	\$ -
HDR	5	Water Forum Consulting	R. Hoffman	3/10/2015	N/A	10/13/2021	90%	\$ 38,323	\$ 29,981	78%	\$ 8,342
MM Comfort Systems	1	Admin Building heat pump	J. Mickelson	1/22/2021	N/A	10/13/2021	100%	\$ 19,432	\$ 19,432	100%	\$ -
Sazan	1	Solor Feasibility Study	M. Brent	8/3/2020	N/A	10/13/2021	12%	\$ 50,000	\$ 50,000	100%	\$ -

Payment Authorization Warrants and Wire Transfers 10/27/21

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 10/21	\$1,494,631.00
		<u>\$1,494,631.00</u>

CONSULTANTS

29446	Jennergy	\$2,000.00
29462	David Evans and Associates Inc.	\$8,778.48
29465	Herrera	\$5,582.49
29471	Robinson Noble	\$8,245.95
29473	TeamLogic IT of Bellevue, WA	\$5,424.52
29474	Tetra Tech	\$8,752.50
29478	Clark Nuber P.S.	\$1,000.00
29487	Puyallup Tribal Fisheries	\$23,400.00
29489	Tacoma Pierce County Health Department	\$7,663.50
29496	Environmental Science Associates (ESA)	\$421.00
29497	GeoEngineers	\$32,449.32
29498	Gordon Thomas Honeywell Govern. Affair	\$7,000.00
29499	HDR	\$806.44
29501	Jennergy	\$1,000.00
29504	Langton/Spieth	\$6,000.00
29507	Performance Dimensions Group	\$4,550.00
29510	TeamLogic IT of Bellevue, WA	\$6,381.00
29514	Van Ness Feldman, LLP	<u>\$61,374.00</u>
		\$190,829.20

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (September)	\$114,889.60
29437	Financial Advocates Advisory Services	\$750.00
29442	AWC Employee Benefit Trust	\$18,248.70
29457	Vantagepoint 401 Plan	\$31,333.11
29458	Vantagepoint 457 Plan	\$18,616.06
29461	BenefitMall, Inc.	\$330.00
29467	HRA VEBA Trust	\$1,078.00
29480	Joseph Mickelson	<u>\$1,113.92</u>
		\$186,359.39

CONSTRUCTION

29435	HDR	<u>\$21,272.20</u>
		\$21,272.20

SPONSORSHIPS

29450	Puget Sound Regional Council	<u>\$691.00</u>
		\$691.00

CONSERVATION

29436	Colehour and Cohen	\$4,657.89
29439	Puget Sound Energy	\$3,487.50
29440	Sustainability Ambassadors	\$3,745.00
29449	Puget Sound Energy	\$5,012.50
29452	Tilth Alliance	\$4,260.13
29454	Techniart C S D	\$463.92
29468	New Resources Group, Inc.	\$474.41
29492	Code Publishing Co.	\$137.10
29493	Colehour and Cohen	\$8,457.50
29506	Nature Vision, Inc.	\$865.00
29508	PromoShop WA, LLC	\$14,455.94
29509	Puget Sound Energy	\$7,837.50
29511	Techniart C S D	<u>\$575.57</u>
		\$54,429.96

GENERAL

29438	Lakemont Business Services Inc.	\$200.00
29443	Comcast	\$526.68
29447	Pacific Office Automation	\$250.33
29451	Sammamish Plateau Water & Sewer	\$174.42
29453	Sound Publishing Inc.	\$1,600.00
29455	Washington State Department of Rev	\$1,009.84
29459	AT&T FirstNet	\$405.70
29463	DIRECTV	\$95.24
29476	Zee Medical Service	\$109.45
29477	City of Bellevue	\$49,995.01
29479	Covington Water District	\$46.50
29482	JG 520 Building LLC	\$19,921.42
29483	King County Finance Division	\$886.08
29484	King County Treasury	\$2,857.99
29491	CIT	\$1,947.17
29494	Comcast	\$543.85
29495	Comcast	\$1,652.40
29505	McClatchy Company LLC	\$487.11
29512	U.S. BANK	\$4,538.22
29513	Utilities Underground Location Cente	\$32.25
29515	Verizon Wireless	<u>\$225.05</u>
		\$87,504.71

COMPUTER EQUIPMENT AND SOFTWARE

29456	Access Telephone Solutions, Inc.	\$1,395.50
29490	Access Telephone Solutions, Inc.	\$447.59
29516	WIN-911 Software	<u>\$660.00</u>
		\$2,503.09

LAKE TAPPS

29441	SYBIS LLC	\$1,864.18
29444	Corliss Resources	\$825.02
29445	Honey Bucket	\$604.00
29448	Praxair Distribution Inc.	\$257.87
29460	Char Farman/Romeo	\$450.00
29464	US Geological Survey (USGS)	\$156,436.00
29466	Honey Bucket	\$163.85
29469	Pace Engineers, Inc.	\$586.50
29470	Praxair Distribution Inc.	\$3.03
29472	Sunbelt Rentals	\$19,875.49
29475	United Rentals Northwest, Inc.	\$3,592.03
29481	FloHawks Plumbing & Septic	\$21,266.03
29485	National Barricade Company, LLC	\$238.27
29486	Pierce County Budget & Finance	\$2,107.46
29488	Sunbelt Rentals	\$5,939.32
29500	Honey Bucket	\$182.75
29502	Johansen Construction Company, Inc	\$372,166.19
29503	Kemp West Incorporated	<u>\$66,358.50</u>
		\$652,916.49

DESTROYED AND VOIDED CHECKS:

29328

Total Warrants	\$1,196,506.04
Total Wires	\$1,494,631.00
Total warrants/wire transfers authorized for October 2021	\$2,691,137.04

Approved: _____ Date: _____

Edward Cebron, Chief Economist/Treasurer

Approved: _____ Date: _____

Angela Birney, Secretary/Treasurer

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

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, September 1	\$ 15,658,303	\$ 6,559,992	\$ 14,344,880	\$ 6,324,625	\$ 2,131,844	\$ -	\$ 45,019,643
Additions:							
Cash received	\$ 5,129,608	\$ 3,184	\$ 5,456	\$ 2,842	\$ 1,030	\$ -	\$ 5,142,120
Transfers from other Cascade funds	\$ -	\$ -	\$ 777,003	\$ 26,428	\$ -	\$ 116,366	\$ 919,797
Total additions	\$ 5,129,608	\$ 3,184	\$ 782,459	\$ 29,270	\$ 1,030	\$ 116,366	\$ 6,061,917
Subtractions:							
Bank fees, payroll, and bond payments	\$ 486	\$ 160	\$ 4,280,376	\$ 143	\$ 52	\$ 116,366	\$ 4,397,582
Warrants paid	\$ 404,167	\$ 82,144	\$ -	\$ -	\$ -	\$ -	\$ 486,312
Wire and other electronic payments	\$ 2,775,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,775,690
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ (41)	\$ (83)	\$ (46)	\$ (58)	\$ (12)	\$ -	\$ (239)
Transfers to other Cascade funds	\$ 919,797	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 919,797
Total subtractions	\$ 4,100,100	\$ 82,221	\$ 4,280,331	\$ 85	\$ 40	\$ 116,366	\$ 8,579,142
Ending Balances, September 30, 2021	\$ 16,687,812	\$ 6,480,955	\$ 10,847,008	\$ 6,353,810	\$ 2,132,835	\$ -	\$ 42,502,419



MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA ZOOM
SEPTEMBER 22, 2021

1. CALL TO ORDER

At 3:31 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 Issaquah (Pauly), the City of Kirkland (Sweet), the City of Redmond (Birney¹), the City of Tukwila (Ekberg), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault) were present.

Board Alternates Present: the City of Bellevue (Lee), the City of Redmond (Anderson), Sammamish Plateau Water & Sewer District (Hooshangi)

3. PUBLIC COMMENT

None.

4. APPROVAL OF AGENDA

Motion by Ms. Sweet and second by Mr. Ekberg to approve the meeting agenda as presented. Motion carried unanimously (6-0).

5. CHIEF EXECUTIVE OFFICER'S REPORT

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

6. CONSENT ITEMS

A. Board Meeting Minutes for July 28, 2021.

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.

Motion by Ms. Sweet and second by Mr. Warren to approve Consent Action Items A-B as presented in the Board Packet. Motion carried unanimously (7-0).

¹ Joined the Zoom call at 3:37 p.m.

7. BOARD DISCUSSION 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 *Code of Ethics* and amending Chapter 3.05 of the Cascade Water Alliance Code

Melina Thung, Cascade Chief of Staff, explained that Resolution No. 2021-07 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. Originally, it was suggested that the CEO is not eligible for sabbatical leave. However, after further Committee review, it is recommended that the CEO be eligible for sabbatical leave with Board Chair approval. Board Members further discussed the approval process for a CEO sabbatical.

Ms. Thung said that 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.

Motion by Board Member Birney and second by Board Member Ekberg 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, as discussed above; and amending Chapter 3.05 of the Cascade Water Alliance Code, including leave for the CEO. Motion carried unanimously (7-0).

- 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.

Mike Brent, Cascade's Water Resources Manager, explained that 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, 2021 Resource Management Committee meeting. 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.

Motion by Ms. Sweet and second by Mr. Ault 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. Motion carried unanimously (7-0).

8. COMMITTEE REPORTS

- A. Executive Committee – Meeting held September 1, 2021.
- B. Finance & Management Committee – Meeting held September 21, 2021.

- C. Public Affairs Committee – Special meeting held September 8, 2021. The meeting recap was included in the Board Packet.
- D. Resource & Management Committee – Meeting held September 9, 2021. The meeting recap was included in the Board Packet.

9. NEW BUSINESS

None.

10. NEXT REGULAR MEETING

The next regular Board meeting will be held on October 27, 2021 at 3:30 p.m. via Zoom.

11. STAFF PRESENTATIONS

None.

12. EXECUTIVE SESSION

At 4:34 p.m., Chair Stokes announced that there would be an 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.

The Executive Session adjourned at 5:00 p.m.

13. ADJOURN

The meeting adjourned at 5:00 p.m.

APPROVED BY:

John Stokes, Chair

Penny Sweet, Vice-Chair

AGENDA MEMORANDUM

SUBJECT

Motion to authorize the Chief Executive Officer to enter into Amendment No. 1 with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage project, by increasing the maximum contract amount by \$20,000, for a total amount not to exceed \$110,000.

BACKGROUND

Cascade's flowline outage project started on August 30, 2021. A main project goal is to make repairs to the infrastructure that otherwise could not be performed while the flowline has water in it. This includes both planned repairs as well as repair needs that arise during inspection of the upper conveyance facilities.

On July 28, 2021, the Board approved a \$90,000 contract with Johansen Construction Company (Johansen) to perform several public works activities during the outage. These included the following planned projects: repair the concrete apron at headgate #2; repair a culvert adjacent to the Corps' bridge; repair a leaking seam in the new section of the concrete flume; install a log boom and anchors upstream of the Pipeline Intake facility; and provide protection measures to the walls inside the valve house.

After Cascade inspected the flowline and upper conveyance facilities, it identified several other repairs that need to be made while the flowline is dry. These include defects discovered in the flowline (damaged expansion joint), twin pipelines (joints with minor spalling of the cement mortar), pipeline intake facility (malfunctioning gate), and fish screen facility (damaged screens). A rough, total estimate of these repair costs is \$50,000. However Cascade is only requesting a budget increase of \$20,000. After re-evaluating the list of planned projects, staff have identified ways to free up capacity in the original budget. For example, upon inspecting the leaking seam in the new section of the concrete flume, staff determined that this poses very little risk and need not be repaired at this time.

Cascade will issue separate task orders to Johansen for each of the planned and newly-discovered projects. Each task order will include a budget amount which will be estimated once Cascade and its vendors determine the specific solution.

PROCUREMENT PROCESS

Johansen was selected to perform this work because of their experience doing minor repair work at Cascade's Upper Conveyance facilities during flowline outages in prior years. They performed similar work during the 2010 and 2014 outages. Cascade was very satisfied with their work in both those previous years. Johansen is also a local firm with an office in Buckley. Their close proximity to the project site minimizes mobilization costs and supports a local business.

FISCAL IMPACT

In July, the Board approved a contract budget of \$90,000 for public works activities and a total flowline outage budget of \$835,000, as shown in Table 1 below. Amendment No. 1 will increase Johansen's public works activities contract by \$20,000, bringing the total contract not-to-exceed amount to \$110,000, as shown in Table 2. Cascade transferred \$20,000 from other budget line items that will be underspent in 2021 in order to cover this requested action.

Table 1. Board-Approved Amount (July 28, 2021)

Outage Project Contracted Activity	Vendor	Not-to-Exceed Amount
Routine maintenance, including sediment removal	Johansen	\$600,000
Vegetation maintenance	Kemp West	\$70,000
Cleaning/vactoring and video inspection	FloHawks	\$40,000
Public works activities	Johansen	\$90,000
Fish recovery	Puyallup Tribe	\$35,000
Total		\$835,000

Table 2. Requested Amount Per This Agenda Memo

Budget Line	2021 Budget	Spent and Committed to Date	Available 2021 Budget	This Action	2021 Remaining Balance
Outage	\$855,000*	\$835,000	\$20,000	\$20,000	\$0

*Cascade transferred \$20,000 from other line items that are expected to underspend in 2021.

OPTIONS

1. Authorize the Chief Executive Officer to enter into Amendment No. 1 with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage project, by increasing the maximum contract amount by \$20,000, for a total amount not to exceed \$110,000.
2. Do not authorize the Chief Executive Officer to amend the contract with Johansen Construction Company, Inc., and provide alternate direction to staff.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to enter into Amendment No. 1 with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage project, by increasing the maximum contract amount by \$20,000, for a total amount not to exceed \$110,000.

ATTACHMENTS

None.

AGENDA MEMORANDUM

SUBJECT

Motion to authorize the Chief Executive Officer to renew the contract with Parametrix, Inc., in 2022 for an additional one-year term to provide on-call civil, mechanical, and structural engineering services, for an amount not-to-exceed \$250,000.

BACKGROUND

Parametrix provides on-call civil, mechanical, and structural engineering services to Cascade in support of the White River-Lake Tapps Reservoir ("WRLTR") facilities, on Cascade-owned drinking water transmission mains, and Cascade-owned wholesale master meters. Services are assigned by task order and include: (1) Planning and Alternatives Analysis Support Services, (2) Design Support Services, and (3) Operations and Maintenance Support Services.

Cascade's contract with Parametrix is a one-year contract with an option to renew for two additional one-year terms. The anticipated annual budget for on-call work by Parametrix was originally \$100,000 per year. Calendar year 2022 will constitute the third, one-year term of this contract. In May 2021, the Board approved a \$100,000 increase to Parametrix's 2021 contract budget to support several additional civil, mechanical, and structural engineering services, such as assisting with the flowline outage project and the Transmission and Supply Plan (TSP), for an amended total contract maximum of \$200,000.

Transmission & Supply Plan Task Order. Parametrix and its subconsultant will start working on the TSP in late 2021, with the vast majority of the work to be completed in 2022.

Parametrix's support of the TSP includes the following:

- Review of the east and west transmission main alignments published in the 2012 TSP, updated graphics, and engineering cost opinion review;
- Review of a potential new alignment including development of supporting graphics and engineering cost opinions if another feasible alignment is identified;
- Review system sizing and hydraulics based on reduced demand projections;
- Review the previously developed transmission design for redundancy, resiliency, and DOH design standards;
- Update storage volume projections to account for reduced demand; and
- Coordinate with and provide alignment data and configuration alternatives to Optimatics as a subcontractor to evaluate which of the alignment and configurations are preferred for the TSP update.

Parametrix's subconsultant, Optimatics, is a software and consulting services company that specializes in water and wastewater system planning. Optimatics will use their proprietary cloud-based software, Optimizer™, to evaluate two to three transmission corridors, the water treatment plant and other infrastructure required to develop the Lake Tapps Reservoir. Their analysis will entail running multiple scenarios such as different configurations for different routes, phased approaches to constructing the assets, variations in demand forecasts and demand spikes, impacts of conservation programs and climate change, options to increase resiliency, etc. The results of this analysis will be a range of the most cost-effective strategies for Cascade's consideration.

Optimatics' software has advanced algorithms that enable analyses of tens of thousands of scenarios, whereas traditional methods allow a utility to evaluate only a few. The software has been used hundreds of times by other water and wastewater utilities and resulted in significant decreases in the costs associated with capital projects and ongoing operations and maintenance (O&M). A few examples include:

Utility	Original Cost (\$ millions)	Optimatics Solution Cost (\$ millions)	Projected Savings (\$ millions)	% Savings
Las Vegas Valley Water, NV - Water age improvement via storage	\$9.1	\$7.4	\$1.7	19%
Sierra Reno-Sparks, NV - Pipe optimization	\$26.0	\$17.0	\$9.0	35%
San Diego Water, CA - Break analysis for improved reliability	\$55.0	\$35.3	\$19.7	36%
Fort Worth Water Department, TX - CIP peer review, optimal sizing	\$260.0	\$187.0	\$73.0	28%
SA Water, Australia - Integrating new supply	\$1,100.0	\$403.0	\$697.0	63%

Optimatics' analysis and the resulting strategies will be at a fairly high level for purposes of the TSP. Importantly, the products will be foundational for more detailed analysis that Cascade will later need for contract negotiations with Seattle and Tacoma. Cascade will return to the Resource Management Committee when that body of work is ready to begin.

Other 2022 Task Orders. In addition to the TSP work, Parametrix's 2022 task orders known at this time include several large projects at the WRLTR:

- Preliminary engineering investigation of the top two options to allow Cascade to reliably drain Wolslegal Basin (due to the six-foot valve being at the end of its useful life), then design of the recommended option, followed by bidding support and design support during construction.
- Final design of and construction documents in support of the plunge pool spray mitigation project, and design support during construction.
- Design support for repair of the fish screen Gantry crane.

Anticipated Contract Amount for 2022. For 2022, additional budget in the amount of \$150,000 over the original anticipated amount of \$100,000 is necessary for Parametrix and its subconsultant, Optimatics, to perform the task order supporting the TSP in addition to large projects at the WRLTR. The proposed action by the Board would result in a total not-to-exceed amount of \$250,000 in the 2022 contract with Parametrix.

There may be other major external projects, such as the upcoming WSDOT culvert replacement project, that are currently not budgeted in the proposed 2022 Parametrix contract maximum. The timing and level of effort needed to respond to externally-driven projects is outside Cascade's control. For these types of significant efforts, Cascade may need to request additional contract budget from the Board.

PROCUREMENT PROCESS

In 2019, Cascade selected Parametrix to perform on-call civil, mechanical, and structural engineering services after issuing a Request for Qualifications ("RFQ") and conducting a

competitive evaluation of multiple firms. The RFQ provided for a one-year contract term starting in 2020, with up to two renewal terms of one year each. Parametrix is currently in its first one-year renewal term and 2022 will be its second one-year renewal term. This action would renew the contract through 2022, to be effective January 1, 2022.

FISCAL IMPACT

This action would authorize a budget increase of \$150,000 in Parametrix's 2022 contract for a not-to-exceed amount of \$250,000. Cascade's 2022 Adopted Operating Budget includes \$250,000 for the TSP. \$150,000 of the \$250,000 TSP budget will be transferred to the On-Call Civil, Mechanical and Structural Engineering line item to cover the costs.

Budget Line	2022 Budget	Spent and Committed to Date	Available 2022 Budget	This Action	2022 Remaining Balance
99-On-Call Civil, Mechanical and Structural Engineering	\$250,000*	\$0	\$250,000	\$250,000	\$0

**Cascade will transfer \$150,000 from the 2022 TSP budget line item.*

OPTIONS

1. Motion to authorize the Chief Executive Officer to renew the contract with Parametrix, Inc., in 2022 for an additional one-year term to provide on-call civil, mechanical, and structural engineering services, for an amount not-to-exceed \$250,000.
2. Do not authorize the Chief Executive Officer to take such action and provide direction to staff accordingly.

RECOMMENDED ACTION

Motion to authorize the Chief Executive Officer to renew the contract with Parametrix, Inc., in 2022 for an additional one-year term to provide on-call civil, mechanical, and structural engineering services, for an amount not-to-exceed \$250,000.

ATTACHMENTS

None.

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution No.2021-08 adopting Cascade's 2022 Legislative and Public Policy Agenda.

BACKGROUND

Each year, Cascade Water Alliance ("Cascade") develops a legislative and public policy agenda to guide its activities at the federal, state, and municipal levels of government in order to further Cascade's and its members' interests. This agenda builds on Cascade's existing relationships with legislators, agency staff, state and national water industry organizations, and other partners in order to advance key interests as well as track and respond to issues as they arise during the year.

The 2022 Legislative and Public Policy Agenda (attached) is very similar to Cascade's 2021 agenda and focuses on COVID-19 relief, affordability, PFAS (per- and polyfluoroalkyl substances) measures at both the state and federal levels, resiliency and continued monitoring of funding opportunities. New this year are provisions supporting flexibility for remote meetings, monitoring of climate change proposals and monitoring King County's Clean Water Plan as it relates to reclaimed water. The agenda also contains a list of issues that Cascade monitors generally, and support for new legislative initiatives not specifically addressed by the legislative agenda would be brought back to the Public Affairs Committee and the Board for further direction.

The agenda is presented in track changes so the Board can easily see the changes from last year. The Public Affairs Committee has reviewed and supports the 2022 Legislative and Public Policy Agenda.

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

N/A

OPTIONS

1. Motion to adopt Resolution No. 2021-08 adopting Cascade's 2022 Legislative and Public Policy Agenda.
2. Do not adopt Resolution No. 2021-08 adopting Cascade's 2022 Legislative and Public Policy Agenda, and provide alternate direction to staff.

RECOMMENDED ACTION

Motion to adopt Resolution No. 2021-08 adopting Cascade's 2022 Legislative and Public Policy Agenda.

ATTACHMENTS

1. Resolution No. 2021-08
2. Cascade's 2022 Legislative and Public Policy Agenda



CASCADE WATER ALLIANCE
RESOLUTION NO. 2021-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION, ADOPTING THE 2022 LEGISLATIVE AND PUBLIC POLICY
AGENDA

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 Cascade staff in consultation with the Public Affairs Committee has drafted a 2022 Legislative and Public Policy Agenda to guide Cascade's activities and legislative efforts in the federal, state and municipal levels of government to advance Cascade's and its members' interests.

WHEREAS, the Cascade Board of Directors now desires to adopt the 2022 Legislative and Public Policy Agenda.

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

Section 1. Adoption of Cascade's 2022 Legislative and Public Policy Agenda. The Board hereby adopts the 2022 Legislative and Public Policy Agenda (Attachment 2).

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 meeting thereof, held on the 27th day of October 2021.

CASCADE WATER ALLIANCE

John Stokes, Chair

Attest – Ray Hoffman, Chief Executive Officer

Penny Sweet, Vice Chair

Angela Birney, Secretary/Treasurer

Members

Yes _____

No _____

Demand Share

Yes _____%

No _____%

Include in CWAC?

☐ Yes

☒ No



DRAFT 2022 Legislative and Public Policy Agenda

Cascade supports measures at all levels of government that enhance Cascade's ability to provide safe, clean, reliable water in a cost-effective, environmentally sensitive manner. Cascade's strategy is to develop and implement an overall legislative and public policy plan that will continue already established positive relationships at all governmental levels to further Cascade and its members' interests.

FEDERAL

The plan includes outreach as appropriate to Cascade's Congressional delegation, as well as key committees, agencies such as the Departments of the Interior and Energy, the Environmental Protection Agency and the Corps of Engineers. Cascade will seek opportunities to have a presence at key industry and/or policy meetings and events by staff and/or members.

2022 Federal Agenda:

- Mud Mountain Dam operations:
 - Fish Passage and Barrier Structure – Ensure necessary funding is available to keep this project on track to meet federal biological opinion requirements and monitor project testing progress.
 - Multi-Purpose Study – Study the possibility of expanding the flood control purpose of the Corps of Engineers' Mud Mountain Dam to include storage of water for later use supporting in-stream flows, recreation and water supply with other key stakeholders in the Lake Tapps community.
 - Gauging/Ongoing Monitoring on the White River – Continue Cascade's commitment to accurate gauging and monitoring on the White River.
- Infrastructure Funding – Continue Cascade's commitment to resilience (seismic, water quality, climate) and monitor water utility infrastructure funding opportunities.
- COVID-19 Relief Water Affordability Programs and Funding – Monitor and support water affordability programs and funding, including COVID-19 relief funding opportunities for water utilities.
- PFAS – Track proposed legislation and/or rulemaking for PFAS (per- and polyfluoroalkyl substances) that will require monitoring, recordkeeping, reporting and follow-up actions by water utilities and work with members on advocacy as needed.
- Lead and Copper Rule – Track the implementation of EPA's Lead and Copper Rule and compliance requirements for members.
- High Efficiency Water Standards – Support legislation and rulemaking that promote high efficiency water standards for fixtures, appliances or products.

STATE

Cascade will continue to grow its strong existing relationships at both the legislative, executive and staff levels as well as with key water industry associations.

2022 State Agenda:

Legislative Priorities:

- COVID-19 Relief:
 - Funding - Support funding to offset losses by cities and districts related to forgiving late fees and delinquent accounts for customers impacted by the COVID-19 emergency.
 - Collections – Protect existing authority and provide flexibility and new tools to allow utilities to work with impacted customers on payment plans in order to preserve the financial viability of the utility and avoid raising rates on other customers, including an extension of the ability to collect outstanding debt related to waiver of late fees and shut offs.
- Remote Meetings – Support legislation that allows open public meetings to be held in-person, in a hybrid format, or fully remote, at an organization’s discretion. Support additional tools and flexibility for hybrid and remote meetings; oppose additional record-keeping requirements or mandates.
- PFAS Measures - Work with affected utilities on legislation and/or rulemaking for PFAS (per- and polyfluoroalkyl substances) that will require monitoring, recordkeeping, reporting and follow-up actions by water utilities. Track legislation and/or rulemaking proposals for PFAS in wastewater and/or reclaimed water that could impact water utilities.
- Department of Commerce Green Economy Report – Monitor the report to the Legislature, specifically the water sector recommendations and potential task force opportunities for Cascade and members.
- Resiliency Funding – Work as a member of the Water Supply Forum to develop and implement a multi-year seismic resiliency funding strategy.
- Affordability Measures: Consider actions and/or legislation to allow utilities to address affordability issues, as directed by the board.
- Milfoil Prevention: Support state action to follow the example of California and Oregon and restrict boater access to state waters without a boat inspection.

Legislation Cascade is monitoring and/or supporting as appropriate:

- Promote Cascade and Members’ Presence at Legislature as Industry Leader/Problem Solver:
 - Review, and, if appropriate, support members’ 2022 legislative agendas.
 - Work with other agencies of which Cascade is a member – support and promote approved issues on agendas of groups like the Water Supply Forum, Washington Water Utilities Council (WWUC), and Washington Association of Sewer and Water Districts (WASWD).
 - Support existing industry organizations – Continue to further common water-policy interests, legislative goals, technical fixes as needed, conservation, etc.
- Climate Change – Monitor climate change proposals that have implications for water supply planning and resiliency.
- Resiliency Planning - Continue to lead resiliency planning for members on issues as needed.

- Water Efficiency Measures - Review and support legislation that promotes high efficiency water standards for fixtures, appliances or products.
- State funding options for infrastructure and investments - Cascade will continue to monitor proposals regarding water infrastructure investments.
- Department of Commerce Green Economy Report – Monitor the report to the Legislature, specifically the water sector recommendations and potential task force opportunities for Cascade and members.
- Initiate and Participate in Legislative Workshops and Committees - Cascade will promote responsible, environmental water use/regional governance at workshops/committee hearings.
- Monitor Other Key Industry Issues – Watch progress on pending or emerging issues.
- Tours – Offer legislators/staff tours of the Lake Tapps Reservoir to educate them on critical issues there.

MUNICIPAL

Cascade works with all cities and counties in our service area and the Lake Tapps/Pierce County area and will continue to hold regular meetings with the Four Cities (Bonney Lake, Buckley, Sumner and Auburn), Lake Tapps communities, Pierce County and other related agencies. Cascade will continue to identify and address issues as they arise.

2022 Municipal Agenda:

- Support Cascade members' legislative agendas as appropriate.
- On-going monitoring of King County legislation, ~~or~~ regulations or permits that may have an impact on ~~Cascade/members~~ Cascade members' current or future projects, including the Clean Water Plan's elements that involve reclaimed water.
- Ongoing monitoring and engagement in (Pierce County, Bonney Lake, Buckley, Sumner) local land use (comprehensive plans, shoreline management plans), stormwater, water quality and other issues that may impact Cascade's operations in the White River and Lake Tapps area.



FINANCE & MANAGEMENT COMMITTEE

Penny Sweet, Chair, City of Kirkland
John Stokes, City of Bellevue
Mary Lou Pauly, City of Issaquah
Jeralee Anderson, City of Redmond
Conrad Lee, City of Bellevue

MEETING RECAP Tuesday, September 21, 2021 1:30 PM – 3:00 PM Held Via Zoom Meeting

Call to Order

- 1. Chair Comments.**
- 2. Executive Session.**
- 3. Items Recommended for Action at the September 22, 2021, Board Meeting.**

- A. **HR Manual Updates (Sabbatical/Ethics).** 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.

Recap: Staff presented its proposal to add an unpaid sabbatical policy and its Code of Ethics into the HR Manual. In Cascade's original proposal, the CEO was excluded from the unpaid sabbatical leave program. However, the Committee recommended that the CEO be eligible for the program, and the resolution that will go to the Board for approval reflects the Committee's recommendation.

4. Discussion Items.

- A. **RCFC Structure – Affordability.** Staff will provide an update on the development of Cascade's RCFC affordability program and will seek the Committee's feedback on a standardized approach to applying the RCFC reduction for eligible affordable housing and shelter projects.

Recap: Staff presented a proposal to develop a standard RCFC reduction percentage that would apply to any qualified project. The Committee agreed that this approach was effective and efficient. Staff also reviewed proposed criteria for defining qualified projects and the process for approving projects. The Committee supported the proposed approach. Finally, staff outlined next steps and schedule.

5. Next Meeting Date and Location.

The next meeting will be held Tuesday, October 19, 2021, 1:30 p.m. via Zoom.



PUBLIC AFFAIRS COMMITTEE

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

MEETING RECAP
Wednesday, October 6, 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 October 27, 2021, Board Meeting.**

- A. Draft 2022 Legislative and Public Policy Agenda.** Committee review and feedback is requested on the draft 2022 legislative agenda. Staff updated the agenda based on feedback from last month's committee meeting. The attached document is presented in track changes to highlight the proposed changes from last year's legislative agenda.

***Recap:** The committee discussed the draft 2022 Legislative Agenda and recommended that the Board approve the agenda at the October 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 heard an update on the latest state legislative activities. Although the state eviction moratorium was extended, the utility shut-off moratorium ended on September 30. Utilities are still gathering data and working on a request for additional state funding to assist in addressing unpaid utility bills. State Assembly Days will be virtual in November; plans have not been finalized yet for whether the short, 60-day legislative session in 2022 will be fully virtual or hybrid. Finally, the state revenue forecast was positive, with an additional \$1.8 billion available over the next four years.*

- B. Feedback from 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. Staff will share overall results and themes from the survey.

Recap: Staff provided the committee with highlights from the annual member survey. Survey participation was high, with all Board members responding. Overall satisfaction was very high, with a score of 4.75 out of 5. The committee discussed events, sponsorships, and the challenges of the last year. Staff will continue to look for opportunities to be present in member communities. Finally, survey responses reinforced the value of Cascade presentations to member councils and commissions. Cascade will continue to plan and offer presentations.

- C. Draft 2022 Outreach, Communications, and Intergovernmental Plan.** Committee review and feedback is requested on the draft outreach plan that includes communications efforts Cascade will undertake in 2022 based on member and staff input.

Recap: The committee discussed the communications and outreach plan for 2022. The plan has been updated to reflect what Cascade learned in 2021, recognizing where virtual events were very successful. The committee will receive periodic updates throughout the year on implementation of the plan.

5. Next Meeting Date and Location.

The next meeting will be Wednesday, November 3, 2021, at 9:00 a.m. in Cascade's office or via Zoom.



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 RECAP
Thursday, October 14, 2021
2:00 PM – 3:30 PM

1. Chair Comments.

2. Items Recommended for Action at the October 27, 2021, Board Meeting.

- A. Flowline Outage Public Works Activities Contract.** Motion to authorize the Chief Executive Officer to enter into Amendment No. 1 with Johansen Construction Company, Inc., to perform minor public works activities during the flowline outage project, by increasing the maximum contract amount by \$20,000, for a total amount not to exceed \$110,000.

***RECAP:** The committee recommended the contract amendment be placed under consent for approval by the Board at its October meeting.*

- B. Transmission & Supply Plan Engineering and Analytical Support.** Motion to authorize the Chief Executive Officer to renew the contract with Parametrix Inc. in 2022 for an additional one-year term to provide on-call civil, mechanical, and structural engineering services, for a not-to-exceed amount of \$250,000.

***RECAP:** The committee recommended the contract renewal be placed under consent for approval by the Board at its October meeting.*

3. Discussion Items.

- A. ECKRWA Water Right.** Sammamish Plateau Water (SPW) has been approached by Seattle Public Utilities (SPU) regarding pursuing the East King County Regional Water Association (EKRWA)-SPU Snoqualmie Valley water right. The SPW Board requested that Cascade weigh in on this issue because it is a sizable water right and is beyond what SPW's agreement with Cascade would allow SPW to do on its own.

***Recap:** Staff briefed the committee on the history and background of the EKRWA/SPU Snoqualmie Valley water right application. Staff explained EKRWA's role in the application, and how that relates to Cascade as an organization with some members who are also members of the EKRWA. The committee discussed the provision in Cascade's JMUSA agreement with its members that requires the Cascade Board to approve all new independent water supply sources.*

- B. BIP - WSDOT Culvert Crossing Update.** A federal court injunction, issued March 2013, requires the State of Washington to significantly increase the effort for removing state-owned culverts that block habitat for salmon and steelhead by 2030. Washington State Department of Transportation (WSDOT) notified Cascade of its intent to construct a project as part of its effort

to meet the requirements of the court injunction. This planned project location conflicts with the Bellevue Issaquah Pipeline. Staff will provide an update on the status of the early engagement with WSDOT.

Recap: Staff briefed the committee on the WSDOT Fish Passage project for the Lewis Creek crossing where it has a conflict with Bellevue-Issaquah Pipeline. This is a design-build (DB) project scheduled to start construction spring 2023. Staff briefed the committee on potential conflict location, project schedule, franchise agreement and yet-to-be determined future service agreement with WSDOT or WSDOT and its DB contractor.

- C. Water Quality Status Report.** Cascade's two-year water quality sampling effort wrapped up in September. Staff will discuss next steps with the committee.

Due to time constraints, this item was deferred until November.

- D. Intergovernmental Property Transfer.** When the White River - Lake Tapps Reservoir project was transferred in 2009 from PSE to Cascade, one of the parcels was part of the City of Buckley's Cemetery. Under the proposed agreement, Cascade would convey the entire grave-covered parcel to the city. In return the city would convey a small parcel to Cascade and grant a permanent right-of-way permit, both of which would improve Cascade's access to the flowline and facilities. Staff will present the details of this proposed agreement with the committee.

Recap: Staff briefed the committee on the property transactions that Cascade and the City of Buckley have verbally agreed to. The next step is to develop a property exchange agreement with the city and return to the Board for approval to finalize and implement the agreement. The expected timeframe for presenting to the Board is January 2022.

- E. Boundary Line Adjustment.** A lakefront property owner's house was constructed in 1998 across the property line on Cascade's property. Cascade considers the land under the house as unnecessary for Cascade's utility purposes and, thus as surplus. Staff will present the details of this upcoming proposed transaction with the committee.

Recap: Staff briefed the committee on the proposed boundary line adjustment with a Bonney Lake homeowner. The committee provided direction on next steps on the BLA and surplus property processes.

F. Projects Update.

4. Next Meeting Date and Location.

The next meeting will be Thursday, November 4, 2021, from 2:00 p.m. – 3:30 p.m. at Cascade's office.

5. Executive Session.