



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade's Office and Via Zoom
March 27, 2024
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>2</u>
7. CONSENT ITEMS	
a. Board Meeting Minutes for February 28, 2024.	<u>12</u>
8. OTHER ACTION ITEMS	
a. Motion to adopt Resolution No. 2024-04 authorizing the Chief Executive Officer to finalize and execute an amendment to the transmission easement agreement, subject to terms consistent with the draft attached, with Gree BN, LLC.	<u>16</u>
9. STAFF PRESENTATIONS	
a. Water Supply Contract Proposals Update.	<u>31</u>
10. COMMITTEE REPORTS	
a. Executive Committee – <i>no meeting held</i> .	
b. Finance and Management Committee – <i>March 19, 2024</i> .	<u>56</u>
c. Public Affairs Committee – <i>March 6, 2024</i> .	<u>57</u>
d. Resource Management Committee – <i>no meeting held</i> .	
11. NEW BUSINESS	
12. NEXT REGULAR MEETING – <i>April 24, 2024 – Cascade's Office or Via Zoom – 3:30 p.m.</i>	
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: March 27, 2024

TO: Penny Sweet, Chair
Board of Directors

FROM: Ray Hoffman, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- The fieldwork by Clark Nuber, Cascade's outside auditing firm for Cascade's 2023 financial audit, began the week of March 18. The auditors are examining Cascade's financial reports, internal controls, and compliance with policies and procedures. When complete, the auditors will present the results to the Finance and Management Committee, tentatively scheduled for the June meeting.
- RCFC connections through February (188.5 with one member worksheet overdue) are off pace (1,112) to meet 2024 budget expectations (1,300).
- Cascade's IT consultant, TeamLogicIT, installed a new firewall in both the Bellevue and Lake Tapps offices in March and Comcast is in the process of completing the installation of Fiber in the Bellevue office this month. With these upgrades, Cascade's internet reliability in the Bellevue office should be outstanding.
- Cascade earned the WellCity Award from the Association of Washington Cities Employee Benefits Trust. Cascade has achieved the award for its wellness program since 2018. With the WellCity designation, Cascade saves 2% on health insurance costs. Cascade staff attended AWC's annual healthy workplace summit in March where ideas on how to improve the plan and participation were presented.
- The 2025 - 2026 budget process is well underway. Cascade staff have completed an initial draft budget and are now working internally to tighten it up before presenting it to the Finance and Management Committee.

Capital Projects and Operations

- Cascade successfully completed its spring refill and has reached summer recreation full pool level for Lake Tapps Reservoir. The Reservoir elevation is 541.97 as of March 18.
- Cascade staff met with the United States Army Corp of Engineers (USACE) and its contractor, Kiewit, to begin discussion on the Care of Water and Diversion Plan for Phase 3 of the Mud Mountain Fish Passage Project. USACE is preparing to start up the project after three years of delay.
- Cascade received an email notice from the Department of Ecology (DOE) that it is finishing up the oil sheen investigation and does not intend to conduct any field investigations on Cascade's property. A non-Cascade property was identified by DOE as the source of the oil sheen. DOE expressed its appreciation for Cascade's cooperation during the spill investigation.

- The Dike 11 toe repair was successfully completed. The project consisted installing a 100-foot length double ecology block wall to protect against bank erosion.
- Veolia completed roadway access and parking improvements. They graded and placed gravel at the Valve House, Fish Screen, and Tunnel Intake.
- Cascade staff and its consultants conducted a condition assessment and testing for the 66-inch fixed cone valve (Valve 1) at the Valve House.
- Cascade completed internet improvements in preparation for Voice and Data improvements at the Powerhouse.

Water Efficiency

- Cascade received 2,875 engagements with attendees at the Northwest Flower and Garden Festival.
- Cascade has developed a new spring series of Cascade Gardener classes that will be on Zoom, at nurseries, and in-person garden tours during April and May.
- Cascade has a full summer of community events planned, including participation in member sustainability fairs.
- Cascade has several activities planned for the upcoming Fix-A-Leak Week, including social media and outreach to employers with offers of free leak detection dye.
- Cascade will be recording additional podcasts on water topics beginning later in March.

Intergovernmental and Communications

- The state legislative session ended on March 7. The Legislature's final adopted 2024 supplemental budget includes two budget provisos that were closely followed and worked on by water utilities during the session. The first proviso tasks the Ruckelshaus Center, in collaboration with the departments of health and ecology, to evaluate the state's water conservation statute and regulatory oversight. The provision allows the center to invite participation from stakeholders. The second proviso allocates funding for the departments of health and commerce to assess the need and feasibility of a statewide low-income assistance program for water utility customers.
- Cascade presentations to all member councils and commissions summarizing the supply contract proposals from Seattle Public Utilities and Tacoma Public Utilities will be completed by the March Board meeting. Cascade staff are available for additional follow-up and to answer questions throughout the month of April before the Board will be asked to provide direction on contract negotiation with either Seattle or Tacoma at the April Board meeting.

Attachments

1. Budget to Actual Expenditure Report through February 29, 2024.
2. Statement of Revenues and Expenditures through February 29, 2024.
3. Statement of Net Position as of February 29, 2024.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of February 29, 2024.

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- February 29, 2024
17% of the year completed

Attachment 1

Administration		Budget		Actual	Balance	% Expended
Salaries	\$	1,274,112	\$	305,369	968,743	24.0%
Benefits		287,677		90,953	196,723	31.6%
Wellness program		5,000		92	4,908	1.8%
Prof. Fee (Technical)		167,000		9,338	157,663	5.6%
Prof. Fee (Legal)		597,450		124,000	473,450	20.8%
Prof. Fee (Audit)		86,555		9,900	76,655	11.4%
Prof. Fee (Other)		50,000		0	50,000	0.0%
Seismic Resiliency		100,000		0	100,000	0.0%
Meetings Expense		11,000		3,268	7,732	29.7%
Telephone/Internet		45,000		3,452	41,548	7.7%
Office Rent		315,393		16,069	299,324	5.1%
Office Supplies Admin.		15,000		130	14,870	0.9%
Equip. and Furniture		10,000		0	10,000	0.0%
Bank Fees		600		57	543	9.4%
Dues & Subscriptions		25,000		13,775	11,225	55.1%
Taxes/Licenses		15,000		0	15,000	0.0%
Travel		10,000		2,126	7,874	21.3%
Professional Dev.		10,000		575	9,425	5.8%
Computer Equipment		15,000		7,686	7,314	51.2%
Software Licenses		45,000		14,535	30,465	32.3%
Postage & Delivery		3,000		265	2,735	8.8%
Printing & Repro.		5,000		765	4,235	15.3%
Insurance		180,427		165,875	14,552	91.9%
Contingency		425,000		0	425,000	0.0%
Total	\$	3,698,214	\$	768,229	\$ 2,929,985	20.8%

Debt Service		Budget		Actual	Balance	% Expended
Bond Debt Service		10,795,666		4,235,900	6,559,766	39.2%
Total	\$	10,795,666	\$	4,235,900	\$ 6,559,766	39.2%

Conservation		Budget		Actual	Balance	% Expended
Salaries	\$	143,077	\$	19,344	\$ 123,733	13.5%
Benefits		38,176		488	37,689	1.3%
Prof. Fee (Technical)		25,000		3,825	21,175	15.3%
Prof. Fee (Legal)		1,000		0	1,000	0.0%
Dues & Subscriptions		5,500		709	4,791	12.9%
Rebate Reimb. Com.		115,000		4,089	110,911	3.6%
Irrigation Audit		15,000		0	15,000	0.0%
Turf Removal Rebates		50,000		0	50,000	0.0%
Comm. and Public I		375,000		49,763	325,237	13.3%
Misc. Serv. and Sup.		38,000		16,604	21,396	43.7%
Total	\$	805,754	\$	94,822	\$ 710,932	11.8%

Com. and Intergovern		Budget		Actual	Balance	% Expended
Salaries	\$	144,968	\$	27,004	\$ 117,965	18.6%
Benefits	\$	33,138		498	32,640	1.5%
Special Events		35,000		0	35,000	0.0%
Prof. Fee (Other)		165,000		20,500	144,500	12.4%
Sponsorships		30,000		0	30,000	0.0%
Comm. and Public I		260,000		9,354	250,646	3.6%
Total	\$	668,106	\$	57,356	\$ 610,750	8.6%

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- February 29, 2024
17% of the year completed

Operations-General	Budget	Actual	Balance	% Expended
Wholesale Water	\$ 24,402,498	\$ 2,449,034	\$ 21,953,464	10.0%
Salaries	52,059	5,684	46,375	10.9%
Benefits	8,967	113	8,853	1.3%
BIP O&M	65,000	6,262	58,738	9.6%
Pipeline Prop. O&M	70,000	93	69,907	0.1%
PWTF Loan Debt	39,868	0	39,868	0.0%
Total	\$ 24,638,392	\$ 2,461,186	\$ 22,177,206	10.0%
Operations-Lake Tapps	Budget	Actual	Balance	% Expended
Salaries	\$ 627,510	\$ 81,986	\$ 545,524	13.1%
Benefits	\$ 112,766	1,958	110,808	1.7%
Prof. Fee (Technical)	756,150	23,722	732,428	3.1%
Prof. Fee (Other)	26,750	0	26,750	0.0%
Meetings Expense	6,000	404	5,596	6.7%
Telephone/Internet	1,925	171	1,755	8.9%
Office Supplies	20,000	656	19,344	3.3%
Equipment & Furn.	30,000	1,257	28,743	4.2%
Taxes/Licenses	8,500	0	8,500	0.0%
Travel	20,000	333	19,667	1.7%
Professional Dev.	2,500	0	2,500	0.0%
Software Licenses	35,000	0	35,000	0.0%
Permitting Costs	8,560	0	8,560	0.0%
Misc. Serv. and Sup.	91,000	4,836	86,164	5.3%
LT Operator	2,628,819	381,681	2,247,137	14.5%
Unplanned O&M	100,000	0	100,000	0.0%
Misc. Facility Repairs	150,000	1,312	148,688	0.9%
USGS Joint Fund	374,812	0	374,812	0.0%
Construction Management	50,000	0	50,000	0.0%
Outage	80,000	0	80,000	0.0%
Milfoil Control	160,500	0	160,500	0.0%
Vendor Services	130,000	70,477	59,523	54.2%
Water Quality Management	150,000	0	150,000	0.0%
Dike and Roads Maintenance	70,000	2,168	67,832	3.1%
Total	\$ 5,640,791	\$ 570,959	\$ 5,069,833	10.1%
Total Operating Budget	\$ 46,246,923	\$ 8,188,451	\$ 38,058,472	17.7%
Capital Projects (multi-yr bdgt not shown)	Budget	Actual	Balance	% Expended
Upper Conveyance Projects	\$ 275,000	33,771	241,229	12.3%
Lower Conveyance Projects	1,000,000	0	1,000,000	0.0%
Equipment	75,000	0	75,000	0.0%
Facilities	200,000	0	200,000	0.0%
Bellevue-issaquah Pipeline (BIP)	130,000	0	130,000	0.0%
Tacoma Agreement	6,216,872	6,216,872	0	100.0%
Capital Risk	500,000	0	500,000	0.0%
Seattle contract	5,000,000	0	5,000,000	0.0%
IT Infrastructure	35,000	0	35,000	0.0%
Total CIP Budget	\$ 13,431,872	\$ 6,250,643	\$ 7,181,229	46.5%
Total Overall Budget	\$ 59,678,795	\$ 14,439,095	45,239,701	24.2%

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2024 Through 2/29/2024

Attachment 2

Operating Revenue	
Water sales	4,922,979
Administrative dues	3,706,551
Conservation program	96,070
Total Operating Revenue	8,725,600
Operating Expenses	
Cost of water sold	2,449,034
Salaries and benefits	550,154
Professional services	197,519
Conservation program	4,089
Depreciation and amortization	403,175
Communication and public information	53,920
Office expenses	216,508
Operations	379,203
Bank charges	57
Rent	16,069
Maintenance	79,670
Dues and subscriptions	19,682
Miscellaneous	3,325
Total Operating Expenses	4,372,404
Operating Income	4,353,196
Non-Operating Revenue (Expenses)	
Interest income	215,723
Other income	9,600
Interest expense, net of amount capitalized	(92,962)
Total Non-Operating Revenue (Expenses)	132,361
Increase in Net Assets	4,485,557
 Net Assets, Beginning of Year	 151,134,549
 Net Assets, End of Year	 155,620,106

Cascade Water Alliance
Statement of Net Position
As of 2/29/2024

Attachment 3

Assets

Current Assets

Cash and cash equivalents	\$ 32,274,975
Accounts receivable	7,026,609
Prepaid expenses	2,375,195
Total Current Assets	<u>41,676,779</u>

Capital Assets

Equipment and furniture	2,286,448
Seattle water contract	22,267,611
Bellevue Issaquah pipeline	22,276,944
Tacoma water contract	119,740,687
Less accumulated depreciation and amortization	(63,466,499)
Total Capital Assets	<u>103,105,191</u>

Projects in process and assets not yet in service

Lake Tapps	106,140,043
Tacoma Cascade pipeline	26,539,385
Total Projects in process and assets not yet in service	<u>132,679,428</u>

Restricted cash and cash equivalents

	19,925,432
Total Assets	<u><u>297,386,831</u></u>

Liabilities

Current liabilities

Payables and accrued liabilities	3,131,565
Retroactive water credit	177,098
Accrued interest	1,065,358
Long-term debt current portion	
Bonds Payable-Current Portion	6,785,000
Other	39,474
Total Long-term debt current portion	<u>6,824,474</u>
Total Current liabilities	<u>11,198,495</u>

Long-term Liabilities

Long-term debt	75,174,474
Tacoma contract	47,680,238
Seattle contract	5,000,000
Bond premium, net of amortization	2,676,690
Total Long-term Liabilities	<u>130,531,402</u>
Total Liabilities	<u>141,729,897</u>

Net Assets

Restricted for debt service	106,900,569
Unrestricted	48,756,365
Total Net Assets	<u>155,656,934</u>

Total Liabilities & Net Assets

\$ 297,386,831

Consultant and Other Vendor Contract Status Summary

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
Aquatechnex	1	2024 Lake Tapps Aquatic Plant Maintenance Program	P. Anderson	12/29/2023	12/31/2024	3/13/2024	0%	\$ 160,000	\$ -	0%	\$ 160,000
Aspect	1	Water Supply Modeling	R. Hoffman	5/6/2020	N/A	3/13/2024	60%	\$ 24,900	\$ 14,888	60%	\$ 10,012
Aspect	2	Water Resources Services	R. Hoffman	8/17/2018	N/A	3/13/2024	98%	\$ 60,000	\$ 58,251	97%	\$ 1,749
Aspect	3	Climate Change Analysis	R. Hoffman	9/7/2022	12/31/2024	3/13/2024	8%	\$ 150,000	\$ 27,990	19%	\$ 122,011
Ben Bernstein Music	1	Podcast production	M. Brent	1/1/2024	12/31/2024	3/13/2024	0%	\$ 5,000	\$ -	0%	\$ 5,000
BHC Consulting	1	Planning & Permit Assistance	T. Richmond	1/1/2024	12/31/2024	3/13/2024	0%	\$ 25,000	\$ 2,490	10%	\$ 22,510
Brilliant Marketing	1	We Need Water Social Media Outreach	M. Brent	1/1/2024	12/31/2024	3/13/2024	5%	\$ 49,500	\$ 7,878	16%	\$ 41,622
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	C. Paulucci	1/1/2024	N/A	3/13/2024	10%	\$ 78,000	\$ 9,900	13%	\$ 68,100
Colehour and Cohen	1	Staffing for classes and events	M. Brent	1/1/2024	12/31/2024	3/13/2024	0%	\$ 110,750	\$ 6,680	6%	\$ 104,070
Confluence Engineering Group, LLC	1	Lake Tapps Supply & BIP Water Quality Advisory Services Project	D. Roberts	12/1/2023	N/A	3/13/2024	5%	\$ 49,000	\$ 14,727	30%	\$ 34,273
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2025	3/13/2024	25%	\$ 160,000	\$ 36,010	23%	\$ 123,990
David McGrath	1	Irrigation Program Assistance	M. Brent	1/25/2024	12/31/2024	3/13/2024	5%	\$ 18,000	\$ -	0%	\$ 18,000
Environmental Science Assoc (ESA)	1	Aquatic Plant Management	P. Anderson	1/1/2024	12/31/2024	3/13/2024	0%	\$ 49,000	\$ -	0%	\$ 49,000
GeoEngineers	1	Dam Engineering/Hydrology/Geotechnical Service	H. Chen	1/3/2024	12/31/2026	3/13/2024	8%	\$ 570,000	\$ -	0%	\$ 570,000
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2024	12/31/2024	3/13/2024	5%	\$ 84,000	\$ 14,000	17%	\$ 70,000
Herrera	1	On-call limnology services	M. Thung	12/1/2022	12/31/2025	3/13/2024	5%	\$ 45,000	\$ -	0%	\$ -
Herrera	2	Water Quality Management Plan	M. Thung	10/9/2023	12/31/2024	3/13/2024	5%	\$ 165,000	\$ 23,802	14%	\$ 141,198
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	3/13/2024	99%	\$ 1,041,100	\$ 1,040,562	100%	\$ 538
Industrial Fab and Repair	1	Valve house control system improvements	D. Roberts	8/28/2023	5/3/2024	3/13/2024	5%	\$ 88,118	\$ 33,771	38%	\$ 54,347
Jacobs Engineering Group	1	Demand Forecast Model Support Services	M. Thung	8/20/2021	N/A	3/13/2024	5%	\$ 5,000	\$ -	0%	\$ 5,000
Langton Spieth	1	Community relations	A. Bennett	1/1/2024	12/31/2024	3/13/2024	8%	\$ 78,000	\$ 13,000	17%	\$ 65,000
Lake Tapps Construction	1	Dingle Basin Actuators Replacement Project	D. Roberts	10/12/2023	5/25/2024	3/13/2024	15%	\$ 42,838	\$ -	0%	\$ 42,838
Lake Tapps Construction	2	Clearing/Sign Posts/Eco Blocks for Covington Properties	J. Amspacher	11/7/2023	12/15/2023	3/13/2024	100%	\$ 4,908	\$ 4,908	100%	\$ (0)
Long Building Tech	1	Security Maintenance	H. Chen	6/1/2023	12/31/2024	3/13/2024	5%	\$ 120,000	\$ 36,895	31%	\$ 83,105
Madsen Electric	1	Pipeline Intake and Valve House Battery Charger Inverter Removal and Replacement Project	D. Roberts	12/1/2023	4/27/2024	3/13/2024	0%	\$ 29,090	\$ -	0%	\$ 29,090
Media for International Development	1	WeNeedWater Video Production	A. Bennett	1/1/2023	12/31/2023	3/13/2024	30%	\$ 35,000	\$ 9,500	27%	\$ 25,500
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2024	12/31/2024	3/13/2024	5%	\$ 105,000	\$ 27,019	26%	\$ 77,981
Okamoto Strategies, LLC	1	Capital Projects and Strategic Planning	H. Chen	6/21/2023	6/21/2024	3/13/2024	10%	\$ 25,000	\$ 2,613	10%	\$ 22,388
Pacifica Law	1	Legal Assistance	H. Chen	1/1/2024	12/31/2024	3/13/2024	0%	\$ 25,000	\$ -	0%	\$ 25,000
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2025	3/13/2024	20%	\$ 550,000	\$ 113,598	21%	\$ 436,402
Perfomance Dimensions	1	Executive Coaching Services	M. Thung	1/1/2024	12/31/2024	3/13/2024	0%	\$ 15,000	\$ -	0%	\$ 15,000
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2024	12/31/2024	3/13/2024	95%	\$ 120,000	\$ 4,089	3%	\$ 115,911
Rainier Stillwater Risk Advisors	1	Trespassing Management	M. Thung	12/14/2023	12/31/2024	3/13/2024	5%	\$ 33,000	\$ -	0%	\$ 33,000
RH2	2	On-Call Electrical Engineering Svcs	H. Chen	1/1/2024	12/31/2024	3/13/2024	8%	\$ 133,750	\$ 14,910	11%	\$ 118,840
RH2	3	Wholesale Master Meter Eval	H. Chen	1/21/2020	3/31/2023	3/13/2024	8%	\$ 24,500	\$ 1,342	5%	\$ 23,158
Robinson Noble	1	Water Audits	E. Cebon	10/3/2019	N/A	3/13/2024	85%	\$ 135,060	\$ 115,183	85%	\$ 19,877
Sammamish Plateau Water	1	GIS support services	H. Chen	12/6/2022	N/A	3/13/2024	15%	\$ 50,000	\$ 24,011	48%	\$ 25,989
Sazan	1	On-call value analysis/engineering	J. Shimada	10/23/2023	10/23/2025	3/13/2024	30%	\$ 250,000	\$ 73,371	29%	\$ 176,629
SC Words & Pictures Inc.	1	Design Services	A. Bennett	1/1/2024	12/31/2024	3/13/2024	0%	\$ 30,000	\$ -	0%	\$ 30,000
Seattle Public Utilities	1	Garden Hotline	M. Brent	1/1/2024	12/31/2024	3/13/2024	0%	\$ 15,825	\$ -	0%	\$ 15,825

SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2024	12/31/2024	3/13/2024	8%	\$ 26,500	\$ 3,825	14%	\$ 22,675
Sustainable Water	1	Teacher Fellows program	M. Brent	1/1/2024	12/31/2024	3/13/2024	0%	\$ 60,000	\$ 4,986	8%	\$ 55,015
Tacoma Pierce County Health Department	1	TappsWise Monitoring at Lake Tapps	A. Bennett	1/1/2024	12/31/2024	3/13/2024	17%	\$ 120,000	\$ 2,330	2%	\$ 117,670
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2024	12/31/2024	3/13/2024	5%	\$ 139,500	\$ 15,594	11%	\$ 123,906
TechniArt	1	Conservation Website Order page	M. Brent	1/1/2024	12/31/2024	3/13/2024	8%	\$ 15,900	\$ 440	3%	\$ 15,460
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2024	12/31/2024	3/13/2024	8%	\$ 45,000	\$ -	0%	\$ 45,000
Transpo Group	1	On-Call GIS Support	H. Chen		12/31/2024	3/13/2024	5%	\$ 49,000	\$ 1,463	3%	\$ 47,538
Upstream PBC	1	HydroForecast-Glacier Climate Change Analysis	M. Thung	11/1/2022	N/A	3/13/2024	50%	\$ 49,900	\$ 40,000	80%	\$ 9,900
Upstream PBC	2	HydroForecast Subscription Service	M. Thung	8/9/2023	10/31/2024	3/13/2024	5%	\$ 24,000	\$ 9,900	41%	\$ 14,100
USGS	1	Joint Funding Agre-Streamgaging	H. Chen	1/1/2024	12/31/2024	3/13/2024	8%	\$ 374,000	\$ -	0%	\$ 374,000
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	12/31/2024	3/13/2024	50%	\$ 560,000	\$ 171,729	31%	\$ 388,271
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2024	12/31/2024	3/13/2024	5%	\$ 630,000	\$ 123,618	20%	\$ 506,383
Veolia	1	White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$2,251,944 Fixed, \$225,000 Variable	J. Shimada	1/1/2024	12/31/2024	3/13/2024	5%	\$ 2,476,944	\$ 375,324	15%	\$ 2,101,620
Water Value	1	Climate Study Advisory Services	M. Thung	6/16/2022	12/31/2024	3/13/2024	35%	\$ 22,500	\$ 11,052	49%	\$ 11,448
Winterbauer and Diamond	1	Legal Assistance	R. Hoffman	1/1/2024	12/31/2024	3/13/2024	5%	\$ 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

Payment Authorization Warrants and Wire Transfers 3/27/24

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 3/24	\$1,469,421.00
		<u>\$1,469,421.00</u>

CONSULTANTS

31408	Marten Law LLP	\$4,396.83
31413	Aspect Consulting	\$2,856.25
31417	GeoEngineers	\$36,984.49
31420	RH2 Engineering, Inc.	\$14,909.61
31423	Tacoma Pierce County Health Department	\$2,330.37
31424	Tacoma City Treasurer	\$22,086.80
31428	Clark Nuber P.S.	\$8,000.00
31432	Gordon Thomas Honeywell Govern. Affair	\$7,000.00
31433	Jennergy	\$3,810.00
31437	Sazan Environmental Services	\$25,569.76
31438	Upstream Tech	\$9,900.00
31441	Inslee, Best, Doezie & Ryder	\$382.50
31445	TeamLogic IT of Bellevue, WA	\$8,996.95
31446	Van Ness Feldman, LLP	<u>\$62,199.00</u>
		\$209,422.56

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (February)	\$169,655.43
31400	AWC Employee Benefit Trust	\$24,821.99
31411	MissionSquare-107080	\$49,145.90
31412	MissionSquare-304525	\$20,815.80
31416	Michael Brent	\$24.00
31418	HRA VEBA Trust	\$2,772.00
31434	LPL Financial	<u>\$1,500.00</u>
		\$268,735.12

CONSERVATION

31402	Jessica Bloom	\$450.00
31407	Makarios Communications	\$500.00
31419	Lisa Taylor	\$700.00
31421	SMC Consulting LLC	\$1,935.00
31422	Sustainable Seattle dba Sustainability Amb	\$4,985.50
31426	BRILLIANT MARKETING LLC	\$5,117.00
31435	Nature Vision, Inc.	\$15,989.25
31436	Puget Sound Energy	\$4,089.27
31444	Puget Sound Energy	<u>\$348.29</u>
		\$34,114.31

GENERAL

31401	AT&T FirstNet	\$408.40
31404	King County Treasury	\$6,513.83
31406	Lumen	\$115.25
31409	Pacific Office Automation	\$281.52
31410	Sound Publishing Inc.	\$1,826.00
31414	Bellevue Gateway One Equities, LLC	\$8,034.42
31415	Cintas Corporation	\$210.09
31425	Meydenbauer Center	\$1,480.00
31429	CLEARFLY	\$542.99
31431	Facilitron-Requests	\$425.00
31439	CIT	\$1,447.32
31440	Comcast	\$551.62
31442	Pacific Office Automation Inc.	\$100.79
31448	Verizon Wireless	<u>\$135.03</u>
		\$22,072.26

EQUIPMENT, COMPUTER, AND SOFTWARE

31399	Abila	<u>\$272.67</u>
		\$272.67

LAKE TAPPS

31403	Corliss Resources	\$7,648.76
31405	Linde Gas & Equipment Inc.	\$547.33
31427	Cintas Corporation	\$137.97
31430	Corliss Resources	\$238.36
31443	Petersen Brothers, Inc.	\$346.82
31447	Veolia Water North America	\$187,662.01
31449	Washington Crane & Hoist Company Inc	<u>\$69,346.65</u>
		\$265,927.90

DESTROYED AND VOIDED CHECKS:

Total Warrants	\$800,544.82
Total Wires	\$1,469,421.00
Total warrants/wire transfers authorized for March 2024	\$2,269,965.82

Approved: _____ Date: _____

Edward Cebon, Chief Economist/Treasurer

Approved: _____ Date: _____

Mary Lou Pauly, Secretary/Treasurer

**Cascade Water Alliance
Monthly Treasurer's Report
February 2024**

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, February 1	\$ 15,071,219	\$ 11,882,748	\$ 8,908,295	\$ -	\$ 10,908,848	\$ 2,288,011	\$ -	\$ 49,059,122
Additions:								
Cash received	\$ 6,444,557	\$ 48,075	\$ 7,260	\$ -	\$ 44,992	\$ 7,807	\$ -	\$ 6,552,691
Transfers from other Cascade funds	\$ -	\$ -	\$ 726,933	\$ -	\$ -	\$ -	\$ 171,120	\$ 898,053
Total additions	\$ 6,444,557	\$ 48,075	\$ 734,193	\$ -	\$ 44,992	\$ 7,807	\$ 171,120	\$ 7,450,744
Subtractions:								
Bank fees, payroll, and bond payments	\$ 1,070	\$ 960	\$ 1,074	\$ -	\$ 868	\$ 156	\$ 171,120	\$ 175,247
Warrants paid	\$ 847,302	\$ 33,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 881,073
Wire and other electronic payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ (228)	\$ (193)	\$ (106)	\$ -	\$ -	\$ (28)	\$ -	\$ (555)
Transfers to other Cascade funds	\$ 898,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 898,053
Total subtractions	\$ 1,746,196	\$ 34,538	\$ 968	\$ -	\$ 868	\$ 128	\$ 171,120	\$ 1,953,818
Ending Balances, February 29, 2024	\$ 19,769,580	\$ 11,896,285	\$ 9,641,519	\$ -	\$ 10,952,972	\$ 2,295,691	\$ -	\$ 54,556,047



ANNUAL MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA HYBRID
FEBRUARY 28, 2024

1. CALL TO ORDER

At 3:30 p.m. Vice-Chair Birney 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: City of Kirkland (Sweet¹), City of Redmond (Birney), City of Tukwila (McLeod), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault)

Board Members Absent: City of Bellevue (Hamilton), City of Issaquah (Joe)

Board Alternates Present: City of Bellevue (Stokes), City of Redmond (Nuevacamina), City of Tukwila (Martinez)

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

Motion by Mr. Warren and second by Mr. Stokes to approve the meeting agenda as presented. Motion carried unanimously (5-0).

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. Board Meeting Minutes for January 24, 2024.

Motion by Mr. Stokes and second by Mr. Warren to approve Consent Action Item A as presented. Motion carried unanimously (5-0).

¹ Via Zoom.

8. OTHER ACTION ITEMS

A. Motion to adopt Resolution No. 2024-02 to appoint Board Officers.

As provided in CWAC 2.05.110, the following slate of volunteers was presented to serve as Officers of Cascade.

Chair: Penny Sweet

Vice Chair: Angela Birney

Treasurer: Mary Lou Pauly

Secretary: Mary Lou Pauly

Motion by Mr. Warren and second by Mr. Stokes to adopt Resolution No. 2024-02 to appoint the Board Officers as presented above. Motion carried unanimously (5-0).

B. Motion to adopt Resolution No. 2024-03 to appoint Standing Committee Membership.

The following is a slate of volunteers to chair and serve on each committee.

Finance and Management Committee

- Chair: Mary Lou Pauly
- Members: Penny Sweet, Dave Hamilton, John Stokes

Resource Management Committee

- Chair: Lloyd Warren
- Members: Jon Ault, Dave Hamilton, Tom McLeod, Jon Pascal, John Stokes, Ryika Hooshangi, Angie Nuevacamina

Public Affairs Committee

- Chair: Angela Birney
- Members: Penny Sweet, John Stokes, Ryika Hooshangi, Russell Joe, Dennis Martinez

Motion by Mr. Ault and second by Mr. McLeod to adopt Resolution No. 2024-03 to appoint Standing Committee membership, as presented above. Motion carried unanimously (5-0).

9. STAFF PRESENTATIONS

A. Sumner White River Habitat Restoration Project Update

Mr. Hoffman provided an update regarding the Sumner White River Habitat restoration Project. Cascade recently received a letter from Sumner regarding its restoration project. Sumner is redesigning the project so it will not need any of Cascade's tailrace parcel real estate interests.

Mr. Hoffman also responded to various questions from Committee Members.

B. Powerhouse Solar Project Update

Mr. Brent provided an update regarding the Powerhouse Solar Project. Four properties were evaluated for solar power. The Powerhouse was determined as the best option. A solar array was installed at the Powerhouse in July, 2022. Overall, the system is operating well and paying the majority of consumption charges. The payback period for the solar project is approximately 18 years.

C. Potential New Water Efficiency Pilot Programs for Reducing Peak Use

Mr. Brent said that although great strides have been made with conservation, peak season for water remains high. It is estimated that 90% of the peak is primarily due to irrigation. However, approximately 50% of the irrigation is waste.

Mr. Brent discussed the Flume device, which provides:

- Real-time monitoring
- Detailed usage insights
- Customized alerts
- Water budgeting
- Leak detection

Cascade will engage Board Members and staff to determine if the device is equitable and should be considered.

Mr. Brent provided an update regarding the turf removal rebate and some of the challenges with the project. The proposed program measurements of success were also discussed.

10. COMMITTEE REPORTS

- A. Executive Committee – No meeting held.
- B. Finance & Management Committee – No meeting held.
- C. Public Affairs Committee – Meeting held February 7, 2024. Meeting recap included in the Board Packet.
- D. Resource & Management Committee – Meeting held February 8, 2024. Meeting recap included in the Board Packet.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regularly scheduled Board meeting will be held on March 27, 2024, at 3:30 p.m.

13. ADJOURN

The meeting was adjourned at 4:52 p.m.

APPROVED BY:

Penny Sweet, Chair

Angela Birney, Vice-Chair

AGENDA MEMORANDUM

SUBJECT

Motion to adopt Resolution No. 2024-04 authorizing the Chief Executive Officer to finalize and execute an amendment to the transmission easement agreement, subject to terms consistent with the draft attached, with Gree BN, LLC.

BACKGROUND

In June 2021, Puget Sound Energy (PSE) issued an All-Sources RFP for renewable power generation and shortly afterwards Cascade was contacted by several companies interested in using Cascade-owned parcels for their distributed energy battery storage projects. Cascade issued a Request for Information (RFI) to the companies interested in the parcels in January 2022. After reviewing the RFIs with our engineers, Cascade determined that installation of the batteries on Cascade's parcels was not feasible due to the uncertainty of the final footprint of Cascade's future water treatment facilities. One of the parties, BrightNight, submitted a proposal to install their batteries on a parcel adjacent to Cascade and requested a transmission easement through a Cascade-owned parcel to PSE's nearby substation.

In May 2022 Cascade granted a 56-year, non-exclusive transmission easement agreement to BrightNight under a joint venture between BrightNight and Cordelio Power, named Gree BN, LLC. BrightNight's project is a 200MWac battery storage system to be sited on a tract northwest of Cascade's property. Since then, Cascade has been working with BrightNight on access issues for studies and survey, and in October 2023, BrightNight requested a shift in the Right-of-Way (ROW). Cascade reviewed their requests and indicated that there were two paths that were acceptable. BrightNight requested moving forward with one of those paths, and Cascade attorneys and staff have been working on an agreement for the last few months.

The amended agreement has BrightNight crossing in front of the Powerhouse and then south of the Powerhouse connecting to their original easement. The amendment includes additional protections in the form of having BrightNight paying the cost of moving the line in the future if it interferes with Cascade operations up to \$1.2M. Additionally, the amendment includes \$110,000 in additional compensation. Cascade does not believe that the proposed project will hamper future use of the parcel for utility purposes.

BrightNight is hoping to finalize an agreement with Cascade before signing a Power Purchase Agreement with Puget Sound Energy in April. The amendment to the 56-year, non-exclusive transmission easement agreement is substantially completed with a few provisions to be negotiated and finalized. The agreement protects Cascade's current and planned future uses of its parcels and the rights of other easement holders such as PSE.

The Finance and Management Committee discussed the easement and were supportive.

PROCUREMENT PROCESS

None.

FISCAL IMPACT

Cascade will receive compensation an additional \$110,000 for a total of \$1.29 million upon Commencement of Construction.

OPTIONS

1. Adopt Resolution No. 2024-04 authorizing the Chief Executive Officer to finalize and execute a transmission easement agreement, subject to terms consistent with the draft attached, with Gree BN, LLC.
2. Do not adopt Resolution No. 2024-04 and provide alternate direction to staff.

RECOMMENDED ACTION

Adopt Resolution No. 2024-04 authorizing the Chief Executive Officer to finalize and execute a transmission easement agreement, subject to terms consistent with the draft attached, with Gree BN, LLC.

ATTACHMENTS

Resolution 2024-04.
Easement in draft form.



A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION
AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO FINALIZE AND EXECUTE
A TRANSMISSION EASEMENT AGREEMENT GRANTED TO GREE BN, LLC

WHEREAS, the Cascade Water Alliance (“Cascade”) is a Washington municipal corporation formed under authority of the Joint Municipal Utilities Authority Act (Chapter 39.106 RCW) to provide water supply to its Members; and

WHEREAS, Cascade owns real property that is part of the Cascade-owned Lake Tapps Reservoir Project and that Cascade made available for certain energy transmission uses by Gree BN, LLC’s under a non-exclusive transmission easement agreement for full and adequate compensation and under conditions set forth in a transmission easement agreement adequate to fully protect Cascade’s utility purposes; and.

WHEREAS, the Cascade Board of Directors (“Board”) now desires to authorize the Chief Executive Officer (“CEO”) to finalize and execute an amendment to the transmission easement agreement with Gree BN LLC.

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

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

The Board adopts this Resolution authorizing the CEO, in consultation with legal counsel, to finalize and execute an amendment to the transmission easement granted by Cascade Water Alliance to Gree BN, LLC, subject to terms consistent with Attachment 1.

Section 2. Effect. This Resolution shall be in full force and effect on the date of its adoption.

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a regular meeting thereof, held on the 27th day of March, 2024.

CASCADE WATER ALLIANCE

Penny Sweet, Chair

Attest – Ray Hoffman, Chief Executive Officer

Angela Birney, Vice Chair

Mary Lou Pauly, Secretary/Treasurer

Members

Yes _____

No _____

Demand Share

Yes _____ %

No _____ %

Include in CWAC?

_____ Yes

 X No

Attachment: Draft Easement

FIRST AMENDMENT TO TRANSMISSION EASEMENT AGREEMENT

This **FIRST AMENDMENT TO TRANSMISSION EASEMENT AGREEMENT** (this “**First Amendment**”) is effectively dated _____, 2024 (the “**First Amendment Effective Date**”) by and between **GREE bn, LLC**, a Delaware limited liability company (“**Grantee**”) and **Cascade Water Alliance**, a municipal corporation of the State of Washington (“**Grantor**”). Grantee and Grantor are at times collectively referred to hereinafter as the “**Parties**” or individually as a “**Party**.”

RECITALS

A. Grantee and Grantor are parties to that certain unrecorded Transmission Easement Agreement dated June 30th, 2022 (the “**Agreement**”), pursuant to which Grantor granted to Grantee, among other rights and easements, a non-exclusive easement (the “**Transmission Easement**”) for the construction and operation of electrical transmission facilities on, over, under and across a portion of that certain real property owned by Grantor and located in Pierce County, Washington, more particularly described on the attached **Exhibit A**, which **Exhibit A** is incorporated herein by this reference (the “**Property**”) together with access, ingress and egress, and other rights related to such Transmission Easement.

B. Grantor owns the White River Lake Tapps Reservoir Project, which is comprised the Lake Tapps Reservoir (“**Reservoir**”), parcels of real property, water rights, water-related facilities and infrastructure and other assets for the purpose of providing a future source of municipal drinking water supply to serve the growing service areas of Grantee’s member agencies (collectively, the “**Cascade Lake Tapps Project**”), and Grantee is continuing to plan, fund, and develop the Cascade Lake Tapps Project over the long term as a source of municipal water supply.

C. A portion of the Cascade Lake Tapps Project (the “**Lower Water Conveyance System**”) comprises the only water outlet from Reservoir by means of fixtures and improvements that include penstock pipelines (“**Penstocks**”) that convey water from Reservoir to a former powerhouse (“**Powerhouse**”) where water is released into pool (“**Plunge Pool**”) which connects to a channel of water (the “**Tailrace**”) which conveys water to the White River.

D. Grantee desires to amend the Agreement to modify the location and route of Grantee’s Transmission Facilities Easement Area described and depicted in Exhibit B of the Agreement to the location shown on **Exhibit B** attached to this First Amendment, which new location is closer in proximity to the Penstocks, Powerhouse, Plunge Pool, Tailrace, and other related fixtures and improvements that comprise the Lower Water Conveyance System than the original location. Grantee’s Transmission Facilities Easement Area will cross a portion of the Tailrace.

E. As set forth below, Grantor agrees to Grantee’s request to modify the Transmission Facilities Easement Area so long as such relocation does not interfere with current and future water utility operations conducted at the Cascade Lake Tapps Project, including development and construction of future water utility-related infrastructure, which is currently contemplated to include a water treatment plant (“**Proposed Treatment Plant**”), water transmission pipeline(s), access roads, and related water utility infrastructure and appurtenances (collectively “**Future CWA Infrastructure**”).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Agreement as follows:

1. **Modified Transmission Facilities Area; Amendment of Exhibit B.** Exhibit B to the Agreement, generally describing and depicting the Transmission Facilities Easement Area, is hereby deleted and replaced in its entirety with the attached **Exhibit B**, which is incorporated by reference into this First Amendment and the Agreement. For the avoidance of doubt, as of the First Amendment Effective Date, the “Transmission Facilities Easement Area” under the Agreement means that portion of the Property depicted on the attached **Exhibit B**. The Parties acknowledge and agree that notwithstanding anything in the Agreement to the contrary, the boundary of the Transmission Facilities Easement Area, and all Transmission Facilities constructed and installed within the Transmission Facilities Easement Area, shall be setback at least 10 feet (10’) away from all portions of the Penstocks, Plunge Pool, and Powerhouse, and shall be otherwise be constructed in compliance with all setback requirements pursuant to applicable laws, codes and regulations.
2. **Easement Payment; Amendment to Exhibit C.** The Easement Payment referenced in Exhibit C to the Agreement is hereby deleted in its entirety. In lieu of the Easement Payment set out on Exhibit C to the Agreement, Grantee will pay Grantor, within fifteen (15) days after Commencement of Construction, a one-time payment of \$1.29 Million Dollars.
3. **Amendment of Paragraph 9: Grantor’s Property Use.** Paragraph 9 of the Agreement is hereby deleted in its entirety and replaced with the following new Paragraph 9:

“9. Grantor’s Property Use; Proposed Future Improvements.

9.1 **Grantor’s Reserved Uses; Cooperation.** Notwithstanding anything to the contrary in the Agreement, Grantor reserves the right to continue to use the area within the Easement Areas for those purposes and in such scope as such area is being used (or is contemplated to be used) as of the Effective Date; provided, however, that Grantor’s purpose and scope of use of the Transmission Facilities Easement Area shall not (except as otherwise contemplated herein) violate any of the other obligations of Grantor set forth herein or endanger, interfere with, or damage the Transmission Facilities. Grantee shall not disturb any buildings, structures or improvements owned by Grantor existing as of the Effective Date without Grantor’s prior written consent and Grantor may continue to use, maintain, replace, and expand such buildings, structures and improvements as Grantor deems necessary for its operations. Grantor and Grantee shall each respectively abide by all reasonable safety measures instituted by the other Party as to which such Party has received notice. During the construction and installation of the Transmission Facilities, Grantee may request that Grantor and any other users of the Property refrain from conducting activities within the Transmission Facilities Easement Area that interfere with the construction and/or installation of the Transmission Facilities, and Grantor shall honor any such request.

9.2 **Accommodation by Grantee.**

(a) **Anticipated and Existing Grantor Improvements.** Grantee acknowledges that (a) Grantor’s Lower Water Conveyance System is located within and around the Transmission Facilities Easement Area depicted on the attached **Exhibit B**; and (b) as of the Amendment Effective Date, Grantor expects to (i) maintain, replace, or upgrade the existing Penstocks or install additional Penstocks near the Transmission Facilities

Easement Area in the area shown on the attached **Exhibit B (“Proposed Penstocks”)** or elsewhere on the Property, and (ii) construct the Proposed Treatment Plant in the currently contemplated approximate location depicted on the attached **Exhibit B**, such proposed location, the **“Proposed Plant Location”**). The Parties acknowledge and agree that Grantor intends to construct, operate and maintain the Proposed Penstocks and Proposed Treatment Plant buildings entirely outside the Transmission Facilities Easement Area, but other water-utility related infrastructure and appurtenances, including water transmission pipeline and access roads may be constructed within the Transmission Facilities Easement Area. Grantee acknowledges and consents to the Lower Water Conveyance System and the Proposed Penstocks, provided that, absent a force majeure event, the Proposed Penstocks do not damage, endanger, or interfere with the Transmission Facilities or the geotechnical integrity of the Transmission Facilities, which they do not do in their current configuration. Without limiting the foregoing, Grantee agrees to cooperate in all respects with Grantor’s proposed construction of the Proposed Penstocks, Proposed Treatment Plant, and any Future CWA Infrastructure. Grantee further agrees that, if during Grantor’s design and engineering of the Proposed Treatment Plant, Proposed Penstocks, or Future Water Infrastructure, Grantor reasonably determines that Grantor cannot reasonably avoid material impact to the Transmission Facilities, then Grantee will, at its sole cost and expense, relocate within the Property that portion of the Transmission Facilities so impacted as set forth below in this Section 9.

(b) **Effect of Notice of Future CWA Infrastructure.** In any event Grantor delivers notice to Grantee that Grantor’s design and construction of Future CWA Infrastructure cannot reasonably avoid material impact to Grantee’s Transmission Facilities, Grantor shall, as necessary, make reasonable good faith efforts to, at no cost to Grantor, provide Grantee with a reconfigured, relocated or replacement easement of similar form, type and area within the Property (the **“Replacement Transmission Easement”**), so that Grantee may continue its operation and maintenance of the Transmission Facilities in a manner consistent with the original Transmission Easement exercised within the original Transmission Facilities Easement Area, including the right to begin and substantially complete construction of the new Transmission Facilities while operation continues on the original Transmission Easement, so that any service interruption associated with the relocation is kept to a minimum. The Parties shall execute an amendment to this Agreement to reflect the Replacement Transmission Easement and record the amendment in the official real property records of Pierce County. Throughout the Term, Grantor will cooperate and coordinate with Grantee in the project planning process and discussions related to potential impacts, timing of required construction or downtime, and the possible need for relocation of Grantee’s Transmission Facilities, as well as in the process for determining the location of the Replacement Transmission Easement. Unless otherwise mutually agreed, Grantor must provide formal written notice of the required relocation of the Transmission Facilities and a minimum of eighteen (18) months from the date of the notice for Grantee to complete such relocation of the Transmission Facilities.

(c) **Maximum Relocation Costs.** Grantor shall have the right to require relocation of the Transmission Facilities at Grantee’s sole Cost and expense under this **Paragraph 9** not more often than once every five (5) years during the Term. If Grantee’s

development and construction costs (not taking into account legal or consulting fees) associated with such required relocations of the Transmission Facilities under this Paragraph 9 exceed One Million, Two Hundred Thousand Dollars (\$1,200,000.00) in the aggregate (the "**Maximum Relocation Costs**"), then Grantor shall reimburse Grantee for such development and construction costs (not taking into account legal or consulting fees) incurred in excess of the Maximum Relocation Costs. The Maximum Relocation Costs shall be annually adjusted in accordance with the increase in the United States of America Consumer Price Index ("**Index**") in the period from the first anniversary of the Effective Date of this Agreement to the date on which the full amount of the Maximum Relocation Costs as adjusted is exhausted. For the purposes of this Agreement, the Index at a particular time shall be the Index most recently published by the United States Bureau of Labor Statistics or any successor agency to the United States Bureau of Labor Statistics delegated the authority to publish the Index. Grantor agrees that, during any relocation, any existing Transmission Facilities shall remain active during construction for the relocation and until the earlier of (1) the required date identified in the notice for Grantee to relocate Transmission Facilities Grantee to relocate Transmission Facilities described in Section 9(b) above; or (2) such time that energization can switch over to the new Transmission Facilities.

(d) Cooperation Covenant by Grantor. In furtherance of the foregoing and the Parties' mutual covenants of cooperation and communication, Grantor will endeavor in good faith to construct the Proposed Penstocks and Proposed Treatment Plant buildings in locations outside of the Transmission Facilities Easement Area, and to consult with Grantee on Grantor's engineering and construction plans for the Future CWA Infrastructure that Grantor reasonably anticipates to involve the Transmission Facilities Easement Area or affect the Transmission Facilities; and take into consideration all comments from Grantee. This Paragraph 9 is expressly subject to all rights held by third parties under the Matters of Record, and any actions taken pursuant to the terms of the Matters of Record shall not be deemed to violate the terms of this provision.

(e) Relocation of Transmission Facilities at Grantor's Cost. Notwithstanding anything to the contrary herein, Grantor shall have the right to relocate the Transmission Facilities and Transmission Facilities Easement at any time at Grantor's sole cost and expense. Grantee shall cooperate in all respects with such relocation."

4. **Release**. The following new Paragraph 12(s) is hereby added to the Agreement:

"12(s). **Release**. In addition to all other releases contained in this Agreement, Grantee hereby unconditionally releases and waives all claims and causes of action of any kind, type or nature whatsoever against Grantor and its elected or appointed officials, officers, directors, shareholders, members, employees, servants, agents, contractors, licensees or invitees arising from physical damage to or destruction of the Transmission Facilities caused directly or indirectly, including as a result of impacts to Lake Tapps or CWA Improvements, by (A) any seismic, atmospheric, or meteorologic event; catastrophic environmental condition; act of terrorism, war, or civil disturbance; acts of God or the elements; or other event or activity outside of the control of Grantor (any, an "**Event of Force Majeure**"); or (B) Grantor's intentional release of water from Lake Tapps or any of

the CWA Improvements where such release of water is (i) in direct response to an Event of Force Majeure or (ii) intended to protect the real or personal property of Grantor or third parties; or (iii) pursuant to Grantor's operational requirements; provided, however, this paragraph does not purport to release Grantor from any claims or causes of action caused by or resulting from the sole negligence of Cascade or its agents or employees."

5. **Pole Location and Electric Line Height.** Notwithstanding anything to the contrary contained herein, the poles which comprise a portion of the Transmission Facilities shall be in locations agreed to in writing in advance by mutual written agreement of the Parties (for which the Parties shall cooperate in good faith to identify), and Grantee shall not relocate the poles without advanced mutual written agreement by Grantor. All pole mounted lines, cables, and wires shall be designed and constructed at a minimum height equal to that which would be required in the local public right of way.

6. **Miscellaneous.**

6.1. **Governing Law.** This First Amendment and all matters arising hereunder in connection herewith shall be governed by and construed and enforced in accordance with the laws of the State of Washington.

6.2. **Capitalized Terms.** Capitalized terms used but not defined in this First Amendment have the meanings given to them in the Agreement.

6.3. **Agreement Unchanged.** Except as herein modified or amended, all other terms, covenants, and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of the Agreement and the terms and conditions of this First Amendment, the terms and conditions of this First Amendment shall prevail.

6.4. **Successors and Assigns.** This First Amendment shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

6.5. **Effect of Headings.** Headings appearing in this First Amendment are inserted for convenience of reference only and shall in no way be construed to be interpretations of the provisions hereof.

6.6. **Memorandum.** After execution of this First Amendment, the Parties will mutually execute and deliver, and Grantee shall record in the official records of Pierce County, Washington, a memorandum of the Agreement as amended by this First Amendment.

6.7. **Counterparts.** This First Amendment may be executed with counterpart signature pages and in duplicate originals, each of each shall be deemed an original, and all of which together shall constitute a single instrument.

[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the First Amendment Effective Date.

Grantor:

Cascade Water Alliance,
a Washington municipal corporation

By: _____
Name:
Title:

Grantee:

GREE bn LLC,
a Delaware limited liability company

By: _____
Name:
Title:

By: _____
Name:
Title:

STATE OF _____)
)
COUNTY OF _____)

This record was acknowledged before me on _____, 2024 by
_____ as _____ of
_____.

WITNESS my hand and official seal.

Notary Public
My Commission Expires: _____

STATE OF _____)
)
COUNTY OF _____)

On _____, 2024, before me, _____, Notary Public, personally
appeared _____, who proved to me on the basis of satisfactory evidence to be the
person whose name is subscribed to the within instrument and acknowledged to me that she/he/they
executed the same in his authorized capacity, and that by his/her/their signature on the instrument the
person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of _____ that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public
My Commission Expires: _____

EXHIBIT A

DESCRIPTION AND DEPICTION OF THE PROPERTY

All that certain real property located in Pierce County, Washington, more particularly described as follows:

Parcel 1:

Tax ID No: 0520071007

THAT PORTION OF LOT 4, PIERCE COUNTY LARGE LOT SEGREGATION OF THE NORTH ONE-HALF OF SECTION 7, TOWNSHIP 20 NORTH, RANGE 5 EAST, W.M., IN PIERCE COUNTY, WASHINGTON, RECORDED UNDER RECORDING NUMBER 200009015003, BEING A PORTION OF PARCEL C OF RECORD OF SURVEY FOR BOUNDARY LINE ADJUSTMENT RECORDED UNDER PIERCE COUNTY RECORDING NUMBER 200512145001, LYING WESTERLY OF A LINE DESCRIBED AS COMMENCING AT THE NORTH QUARTER CORNER FOR SAID SECTION 7; THENCE SOUTH 01°39'27" WEST ALONG THE EASTERLY LINE OF SAID PARCEL C, 330.00 FEET; THENCE SOUTH 88°03'38" EAST ALONG THE NORTHERLY LINE OF SAID PARCEL C, 602.74 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 01°56'22" WEST 657.13 FEET; THENCE SOUTH 77°34'46" EAST 416.78 FEET; THENCE SOUTH 66°15'03" EAST 499.22 FEET; THENCE SOUTH 01°25'49" WEST 621.02 FEET TO THE SOUTHERLY LINE OF SAID PARCEL C AND THE END OF SAID LINE DESCRIPTION FROM WHICH THE MOST WESTERLY ANGLE POINT IN THE SOUTHERLY LINE OF SAID PARCEL C LIES NORTH 88°34'11" WEST ALONG SAID SOUTHERLY LINE, 977.09 FEET DISTANT.

EXCEPT THAT PORTION LYING WITHIN THE NORTHWEST QUARTER OF SAID SECTION 7.

(ALSO KNOWN AS A PORTION OF PARCEL A OF WATER TREATMENT PLANT LOT RESEGREGATION RECORDED UNDER RECORDING NO. 200902035003)

Parcel contains 38.47 acres, more or less

Parcel 2:

Tax ID No: 0520072004

THAT PORTION OF LOT 4, PIERCE COUNTY LARGE LOT SEGREGATION OF THE NORTH ONE-HALF OF SECTION 7, TOWNSHIP 20 NORTH, RANGE 5 EAST, W.M., IN PIERCE COUNTY, WASHINGTON, RECORDED UNDER RECORDING NUMBER 200009015003, BEING A PORTION OF PARCEL C OF RECORD OF SURVEY FOR BOUNDARY LINE ADJUSTMENT RECORDED UNDER PIERCE COUNTY RECORDING NUMBER 200512145001, LYING WESTERLY OF A LINE DESCRIBED AS COMMENCING AT THE NORTH QUARTER CORNER FOR SAID SECTION 7; THENCE SOUTH 01°39'27" WEST ALONG THE EASTERLY LINE OF SAID PARCEL C, 330.00 FEET; THENCE SOUTH 88°03'38" EAST ALONG THE NORTHERLY LINE OF SAID PARCEL C, 602.74 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 01°56'22" WEST 657.13 FEET; THENCE SOUTH 77°34'46" EAST 416.78 FEET; THENCE SOUTH 66°15'03" EAST 499.22 FEET; THENCE SOUTH 01°25'49" WEST 621.02 FEET TO THE SOUTHERLY LINE OF SAID PARCEL C AND THE END OF SAID LINE DESCRIPTION FROM WHICH THE MOST WESTERLY ANGLE POINT IN THE SOUTHERLY LINE OF SAID PARCEL C LIES NORTH 88°34'11" WEST ALONG SAID SOUTHERLY LINE, 977.09 FEET DISTANT.

EXCEPT THAT PORTION LYING WITHIN THE NORTHEAST QUARTER OF SAID SECTION 7.

(ALSO KNOWN AS A PORTION OF PARCEL A OF WATER TREATMENT PLANT LOT RESEGREGATION RECORDED UNDER RECORDING NO. 200902035003)

Parcel contains 60.99 acres, more or less

Parcel 3:

Tax ID No: 9520000071

THAT PORTION OF LOTS 3 THROUGH 6, INCLUSIVE, WHITE RIVER GARDEN TRACTS, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 7 OF PLATS, PAGE 100, IN PIERCE COUNTY, WASHINGTON, LYING EASTERLY OF THE EASTERLY MARGIN OF THE COUNTY ROAD (NOW KNOWN AS EAST VALLEY HIGHWAY EAST) AS SHOWN ON SAID PLAT; EXCEPT THAT PORTION WITHIN LOTS 4 AND 5 OF SAID PLAT, DESCRIBED AS BEGINNING AT A POINT 1009.20 FEET EAST AND 701.10 FEET NORTH OF THE QUARTER SECTION CORNER ON THE WEST LINE OF SECTION 7, TOWNSHIP 20 NORTH, RANGE 5 EAST, W.M., IN PIERCE COUNTY, WASHINGTON; THENCE EAST 200 FEET; THENCE NORTH 296.54 FEET; THENCE WEST 184 FEET; THENCE SOUTHERLY TO THE POINT OF BEGINNING.

ALSO EXCEPT THAT PORTION CONVEYED TO PIERCE COUNTY BY DEED RECORDED UNDER RECORDING NUMBER 9804170312.

Parcel contains 2.59 acres, more or less

Parcel 4:

Tax ID No: 0520072001

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 20 NORTH, RANGE 5 EAST, W.M., IN PIERCE COUNTY, WASHINGTON DESCRIBED AS BEGINNING AT A POINT 1009.20 FEET EAST AND 701.10 FEET NORTH OF THE QUARTER SECTION CORNER ON THE WEST LINE OF SAID SECTION; THENCE EAST 200 FEET; THENCE NORTH 296.54 FEET; THENCE WEST 184 FEET; THENCE SOUTHERLY TO THE POINT OF BEGINNING.

Parcel contains 1.30 acres, more or less

Parcel 5:

Tax ID No: 0520072002

THAT PORTION OF EAST VALLEY HIGHWAY EAST SHOWN AS COUNTY ROAD ON THE PLAT OF WHITE RIVER GARDEN TRACTS, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 7 OF PLATS, PAGE 100, IN PIERCE COUNTY, WASHINGTON AS VACATED BY PIERCE COUNTY ORDINANCE NUMBER 97-98, RECORDED UNDER RECORDING NUMBER 9805270773, ABUTTING LOTS 3 THROUGH 7, INCLUSIVE, OF SAID PLAT, AND THAT PORTION OF SAID VACATED EAST VALLEY HIGHWAY EAST ABUTTING A PORTION OF SECTION 7, TOWNSHIP 20 NORTH, RANGE 5 EAST, W.M., IN PIERCE COUNTY, WASHINGTON, DESCRIBED AS BEGINNING AT A POINT 1009.20 FEET EAST AND 701.10 FEET NORTH OF THE QUARTER SECTION CORNER

ON THE WEST LINE OF SAID SECTION; THENCE EAST 200 FEET; THENCE NORTH 296.54 FEET; THENCE WEST 184 FEET; THENCE SOUTHERLY TO THE POINT OF BEGINNING.

Parcel contains 0.61 acres, more or less

The Property contains 103.96 acres, more or less

EXHIBIT B

TRANSMISSION FACILITIES EASEMENT AREA AND PROPOSED GRANTOR IMPROVEMENTS

An easement one hundred fifty (150.00') feet wide located on that portion of the Property generally depicted below.



Water Supply Contracts Update

Presentation to the Board of Directors
March 27, 2024

Today's Agenda

1. Updates on Seattle and Tacoma discussions
2. Supply & demand projections and capital needs under Tacoma and Seattle options
3. Funding and resources
4. Board decision timeline



Recent Discussions

Seattle

- No changes to proposed terms:
 - 10-year guaranteed block extension (2040-2049)
 - Rates increase to match F&P; \$14M transition payment to make up for prior discounted rates
 - \$53M savings vs. Lake Tapps in 2042
 - First 5-year conditional block extension (2050-2054)
 - If conditions not met can guarantee the extension with \$20M additional payment to ensure adequate supply
 - \$96M total savings vs. Lake Tapps in 2042
 - Second 5-year conditional block extension (2055-2059)
 - \$132M total savings vs. Lake Tapps in 2042
 - 40-year conditional contract for individual members
 - Requires intertie agreement for additional supply
 - 25% rate premium for new supply source
 - \$467M total savings vs. Lake Tapps in 2042; \$907M total savings if Lake Tapps avoided

Tacoma

- Improvements to terms:
 - Increased guaranteed contract from 20 years to 25 years (2040-2064)
 - Increased average supply from 20 MGD to 24 MGD and peak from 30 MGD to 35 MGD
 - Increased permanent supply (2065-2084) from 10 MGD average, 15 MGD peak to 12/17.5
 - Removed option for Tacoma to withdraw from contract with 10 years' notification
- Financials:
 - Payments made largely based on water taken (not block contract)
 - Rates about 20% below Seattle
 - \$298M savings vs. Lake Tapps 2042

Seattle's 40-Year Option

- Lowest cost option but lowest probability of occurring mainly due to required intertie and unidentified source of supply.
- Only offered to individual members. Members who opt-in can remain in Cascade or leave:
 - Members who remain still legally responsible for maintaining Reservoir unless it is sold or transferred.
 - Members who leave required to provide Cascade with their allocable share of costs (e.g., bond and contract obligations, fixed operating costs), currently estimated at:

Projected 2020- 2100 Member Payments (Present Value Summary @ 5.75%)			
Member	Member Charges Excluding RCFCs	RCFCs	Total
Bellevue	\$339,792,081	\$17,521,665	\$357,313,747
Issaquah	\$42,561,826	\$10,125,855	\$52,687,681
Kirkland	\$94,540,371	\$9,113,270	\$103,653,641
Redmond	\$125,068,161	\$13,997,294	\$139,065,455
Sammamish Plateau Water	\$37,931,783	\$17,521,665	\$55,453,448
Skyway WSD	\$7,181,540	\$253,146	\$7,434,686
Tukwila	\$41,199,197	\$759,439	\$41,958,636
Total	\$688,274,959	\$69,292,334	\$757,567,294

Recent Discussions Continued

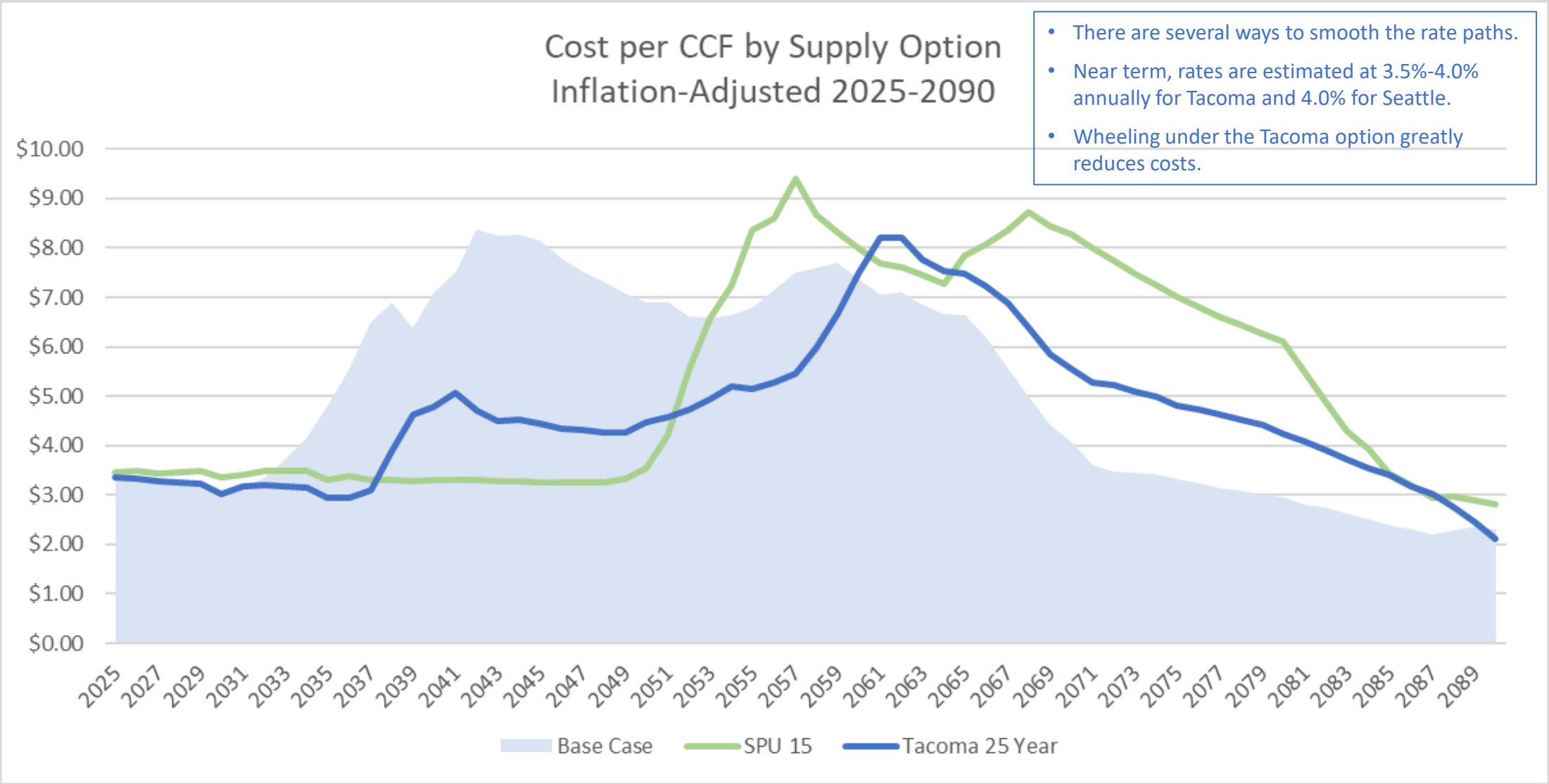
Seattle

- At Seattle's request, Cascade made a counter proposal (similar to Cascade's July 2023 counter proposal):
 - 20-year volume-based extension to 2059, then block payments ramping down by 2072
 - Rates transition to F&P volumetric rates in 2040
 - Financial benefits:
 - Cascade: \$169M saving compared to building out Lake Tapps by 2042 (or \$116M more savings than the \$53M savings for a 10-year extension), though still lower than \$298M Tacoma savings
 - Seattle: \$260M increased revenue from Cascade (or \$102M more revenue than the \$158M increase for a 10-year extension)

Tacoma

- Continued outreach to wholesale customers and Tribes.
- Open to integrating Lake Tapps Reservoir as a future regional resource:
 - Potential to mitigate future supply constraints in the greater Puget Sound region
 - Opportunities for conjunctive water use to improve river conditions and increase efficiency
 - Potential to tie-in with both of Tacoma's major transmission mains, offering greater seismic resiliency to Tacoma and its wholesale customers
- Interested in exploring utilizing Cascade's future central segment to convey water to Tacoma's Partners and other water purveyors.

Rate Trends (Unsmoothed) for Guaranteed Options

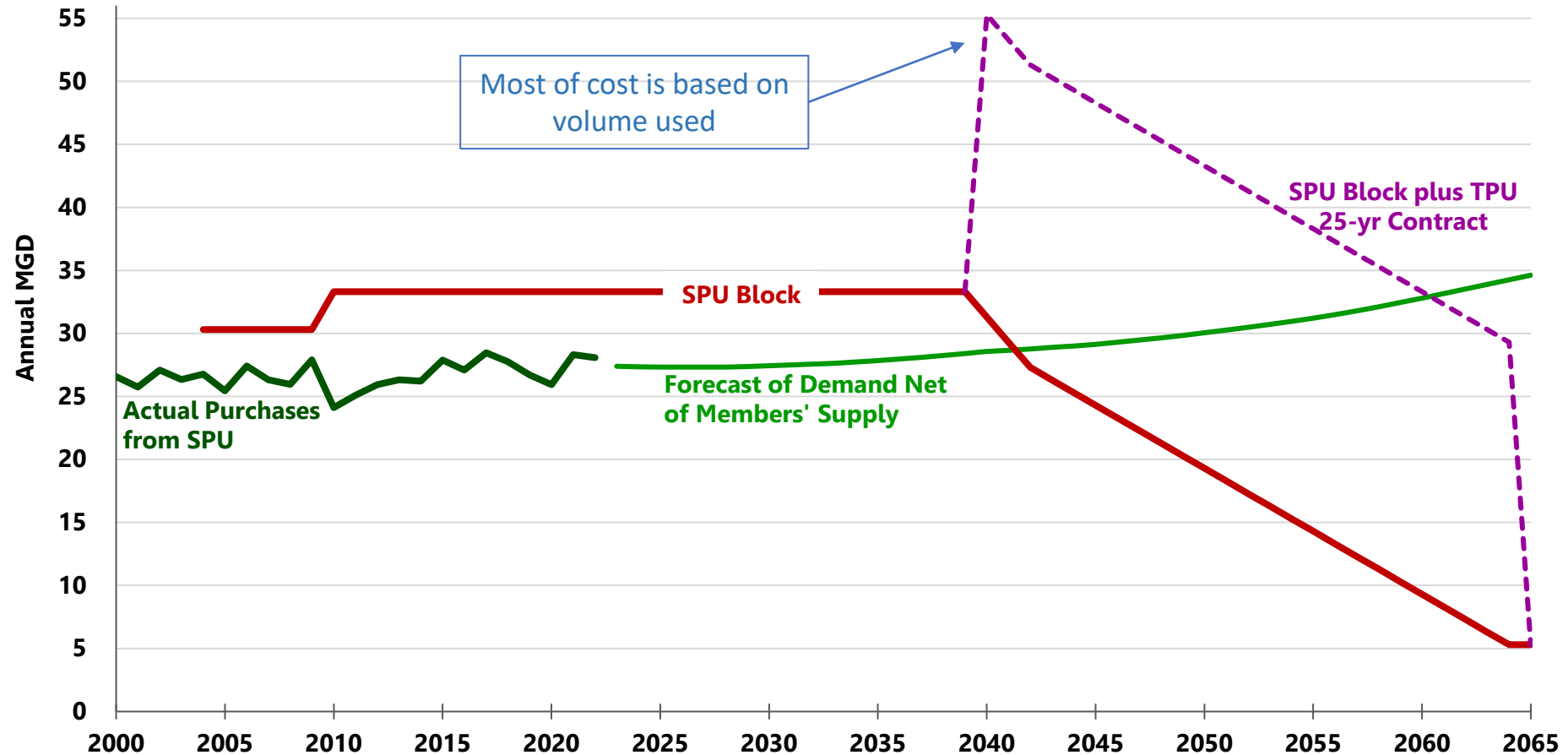


**If the Board directs
Cascade to negotiate a
contract with Tacoma...**

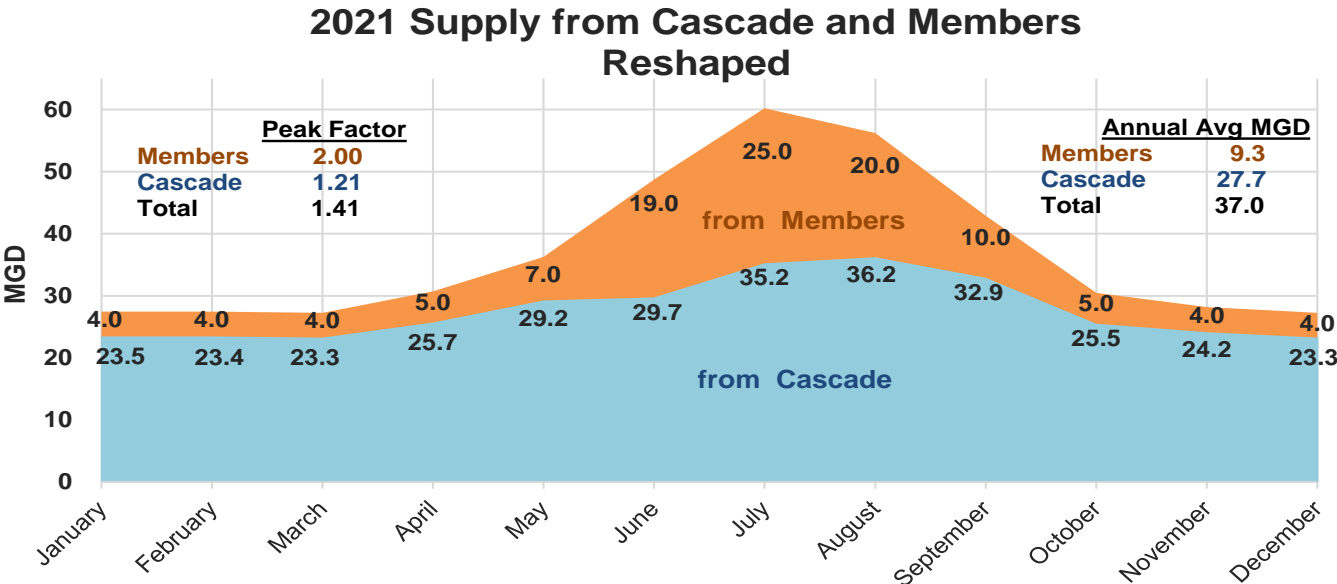
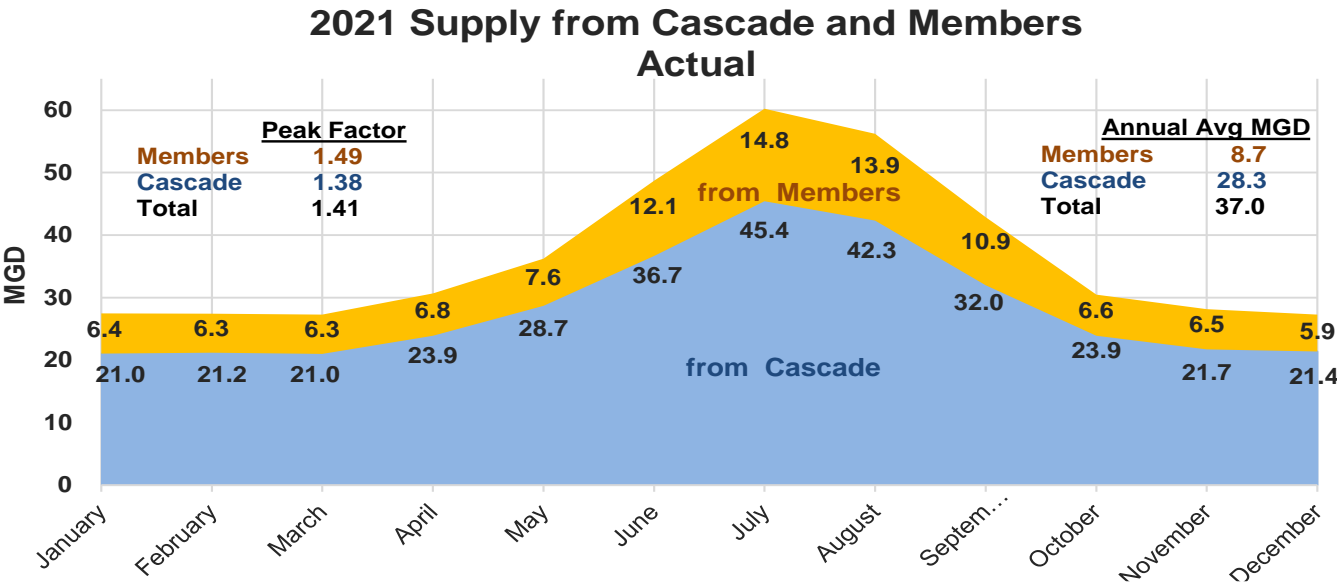


Cascade's Updated Draft Demand Forecast

WITH TACOMA SUPPLY (DRAFT)

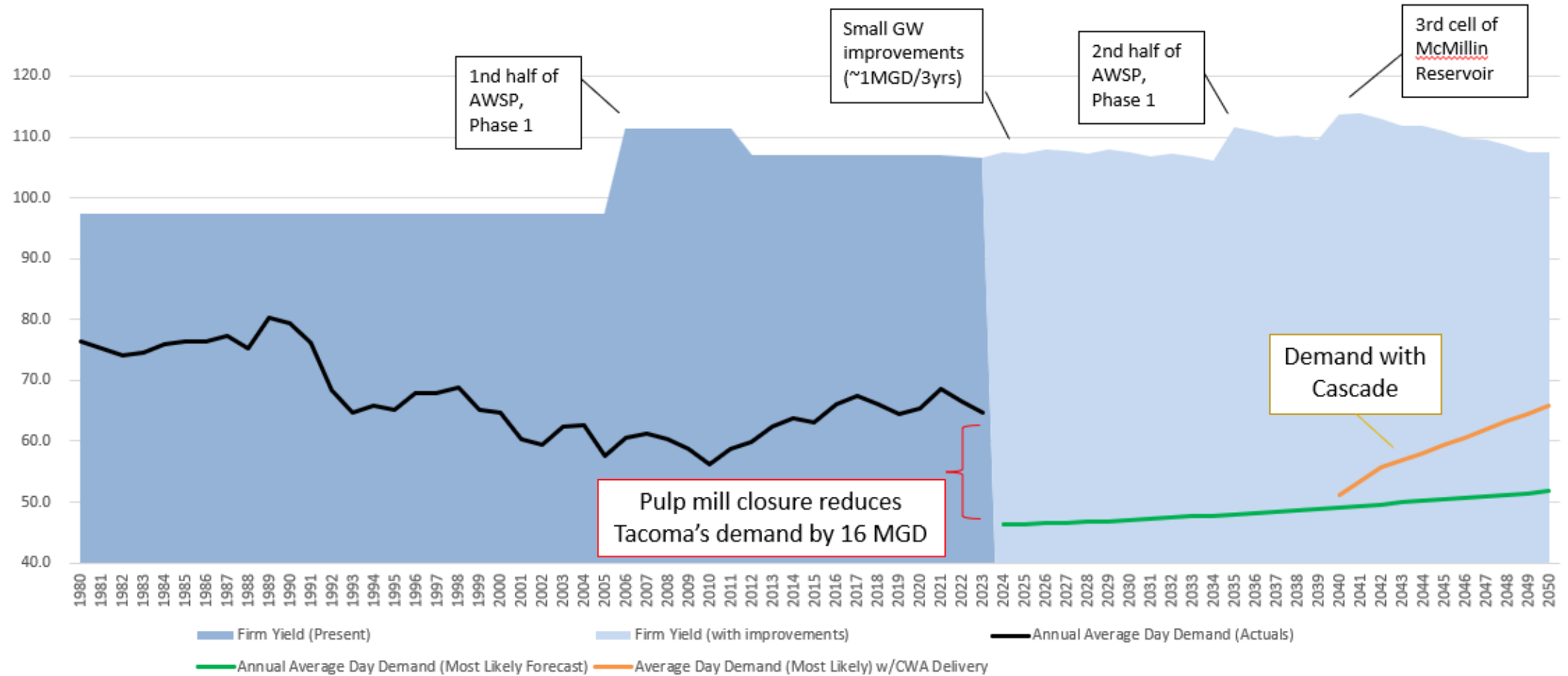


Using Members' Wells to Reduce Peak Demand



Managing independent supplies to reduce peak demand also reduces member and Cascade costs

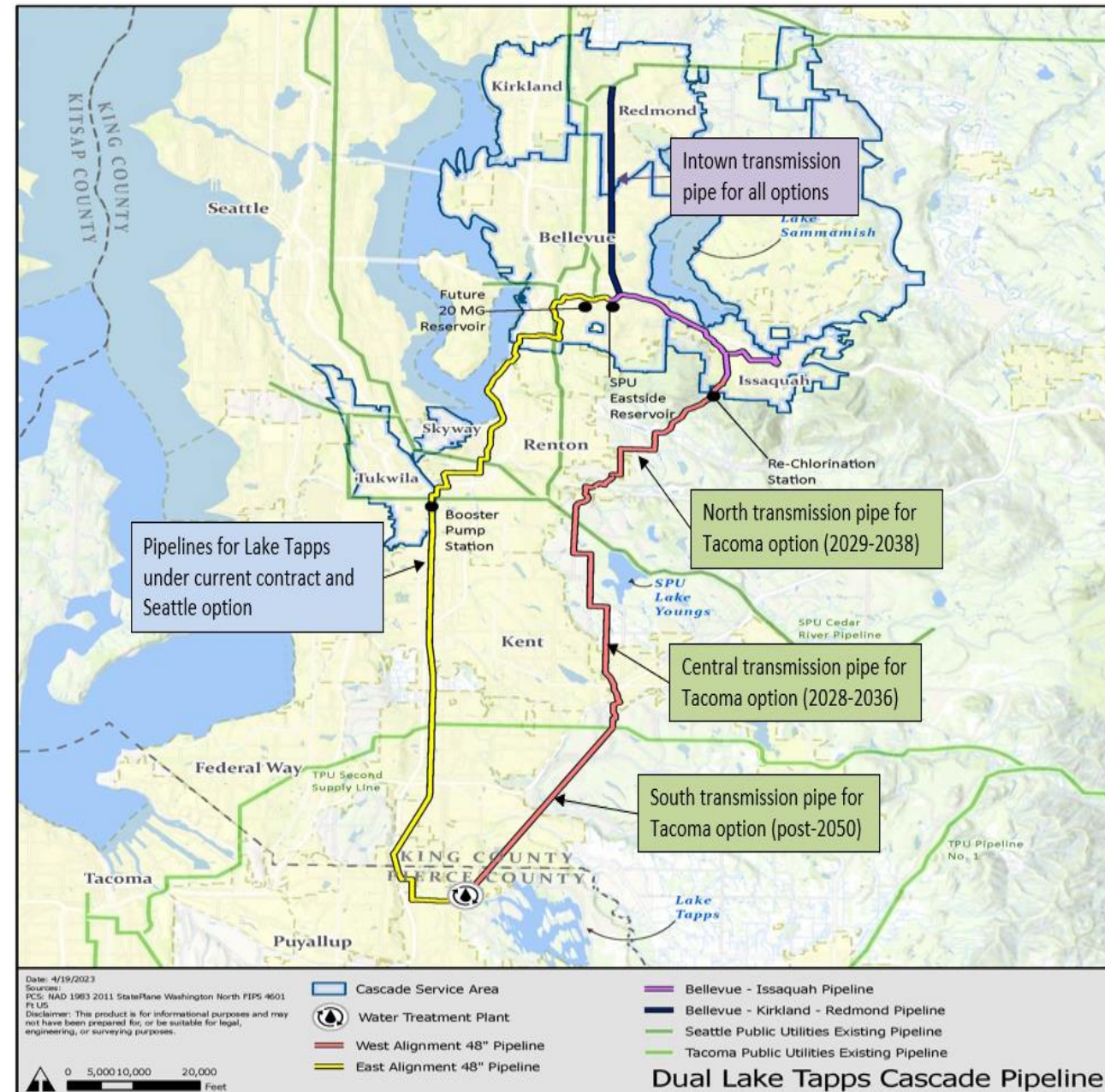
Tacoma's Supply and Demand Projections



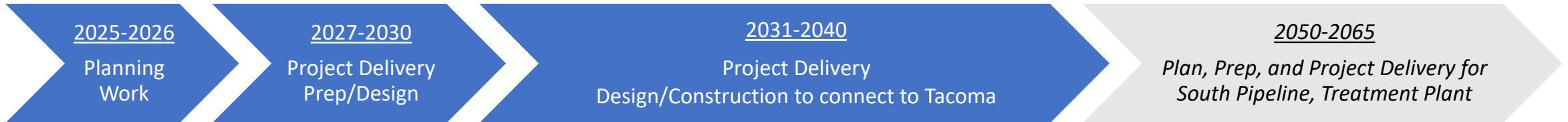
Capital Needs for Tacoma

Lake Tapps Reservoir built out in phases:

1. Connect to Tacoma by 2041:
 - Central transmission pipe (\$329M) by 2036, North transmission pipe (\$272M) by 2038,
OR
 - Central transmission pipe only and future wheeling through Seattle's pipe.
2. Intown transmission (\$420M) by 2057 if no wheeling or after 2065 with wheeling.
3. Build out Lake Tapps Reservoir:
 - South transmission pipe (\$324M), storage (\$47M), and first phase of treatment plant (\$337M) by 2065.
 - Treatment plant expansion (\$471M) by 2085.



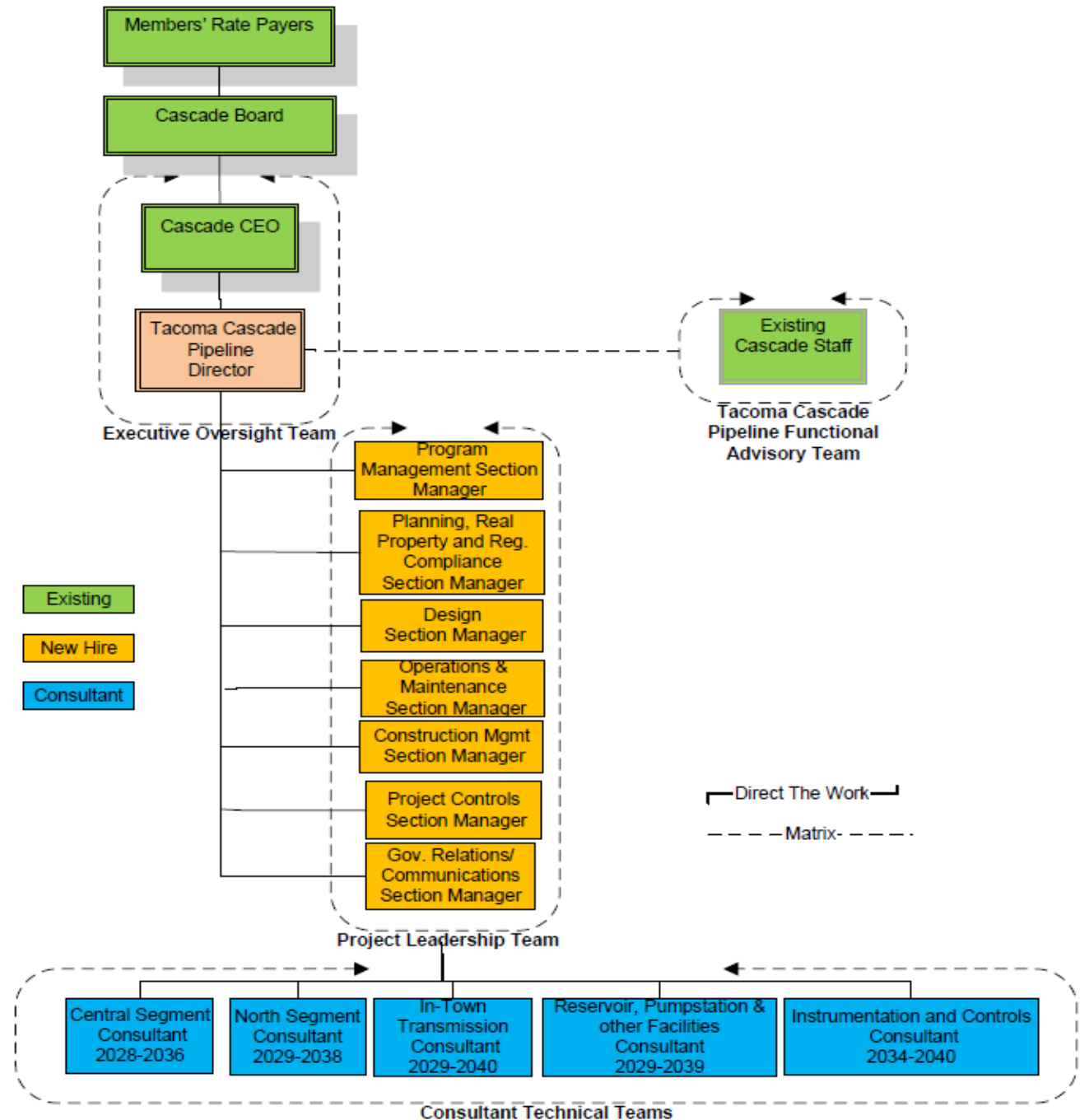
2025-2026 Planning Work



- Stand up project delivery organization (new staff and consultants) based on major functions:
 - Program management
 - Planning, real property, environmental review, regulatory compliance, GIS
 - Design
 - Operations and maintenance
 - Construction management
 - Project controls
 - Government relations, communications, and outreach
- Perform optimization planning and studies on project requirements and finalize major infrastructure capacity, sizing and alignment
- Establish baseline project performance (scope, budget and schedule) and financial requirements by end of 2026

Organizational Structure (Draft)

- Draft organizational structure once fully staffed with new positions and consultants. (Staffing will ramp up over time.)
- 2025-2026 budget proposal will include resources needed for the next biennium.
- Most critical near-term position: Pipeline Director.



2025-2026 Planning Work Continued



- Optimization planning and studies (overlay with Transmission & Supply Plan development):
 - Single vs. multiple pipelines
 - Single vs. multiple corridors
 - Phasing of Lake Tapps Reservoir treatment plant development
 - Storage and pumping elements
- Pursue wheeling option

Real Property Summary

Central and North Segments	Public ROW	Cascade Owned or has Real Property Rights	Non-Public ROW and No Real Property Rights by Cascade
Length	12.75 miles	1.54 miles (8,127 ft.)	0.75 miles (3,965 ft.)
% of Length	85%	10%	5%
Degree of Risk	L	L	M
Degree of Control	M	H	L

Segment	Cascade Owned or has Real Property Rights (# of parcels)	Non-Public ROW and No Real Property Rights by Cascade (# of parcels)
Central	11	3
North	3	8
Total	14	11

Summary of Real Property Gaps

Parcel Number	Owner	Public/Private	Segment
2723059023	King County Wastewater	Public	Central
2723059018	Seattle Public Utilities	Public	Central
0221059017	BNSF	Private	Central
2314300990	King County Roads	Public	North
223059159	King County Roads	Public	North
1081800510	King County	Public	North
2223059007	City of Renton (Ron Regis Park)	Public	North
2323059009	City of Renton	Public	North
1223059034	Hai D. Nguyen (House)	Private	North
1223059004	Karen A. & Daniel G. Davis (House)	Private	North
2223059026	BNSF	Private	North

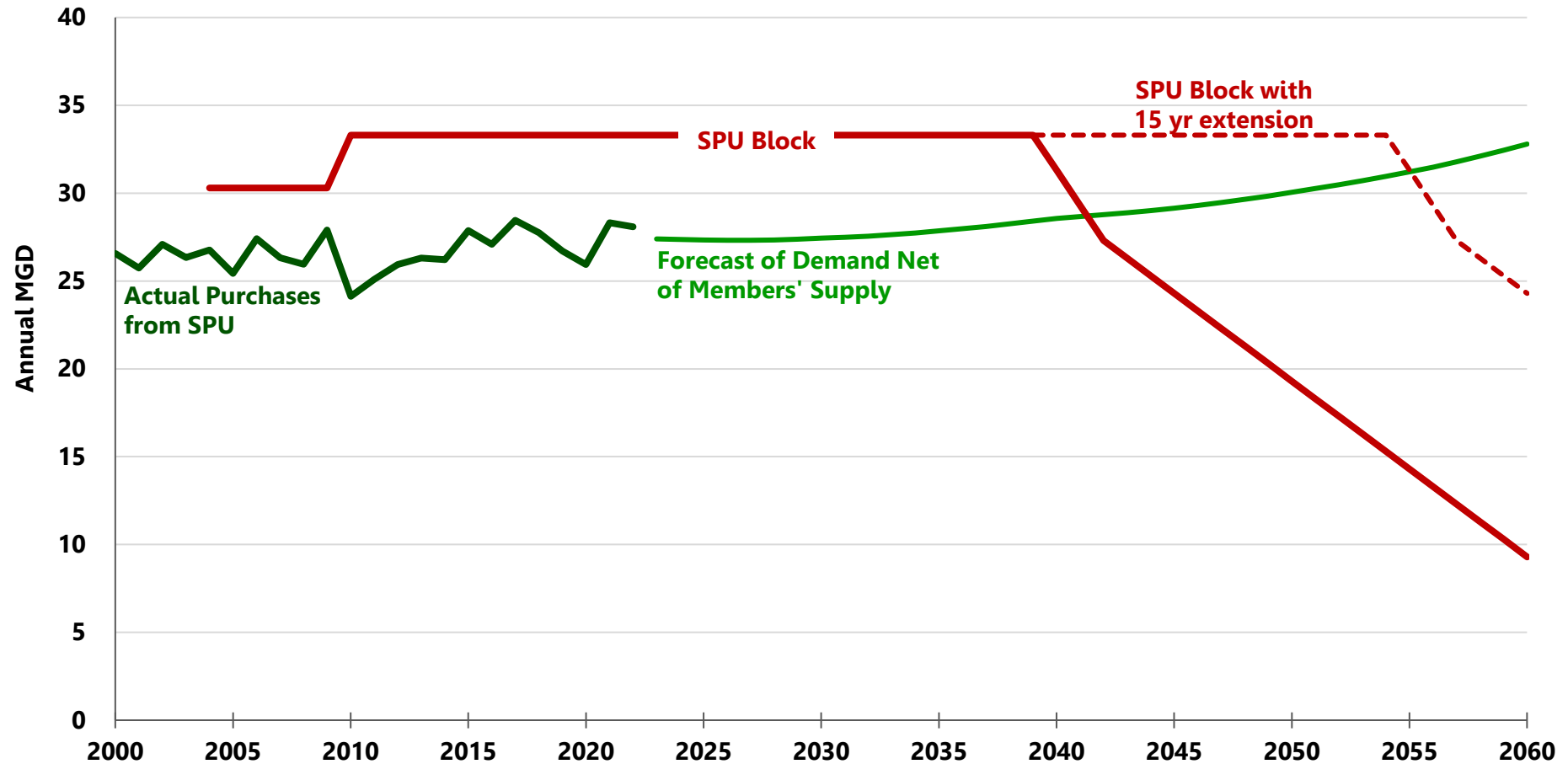
If the Board directs Cascade to negotiate an extension with Seattle:

- Assume 10-year guaranteed extension plus one 5-year extension at 25% premium

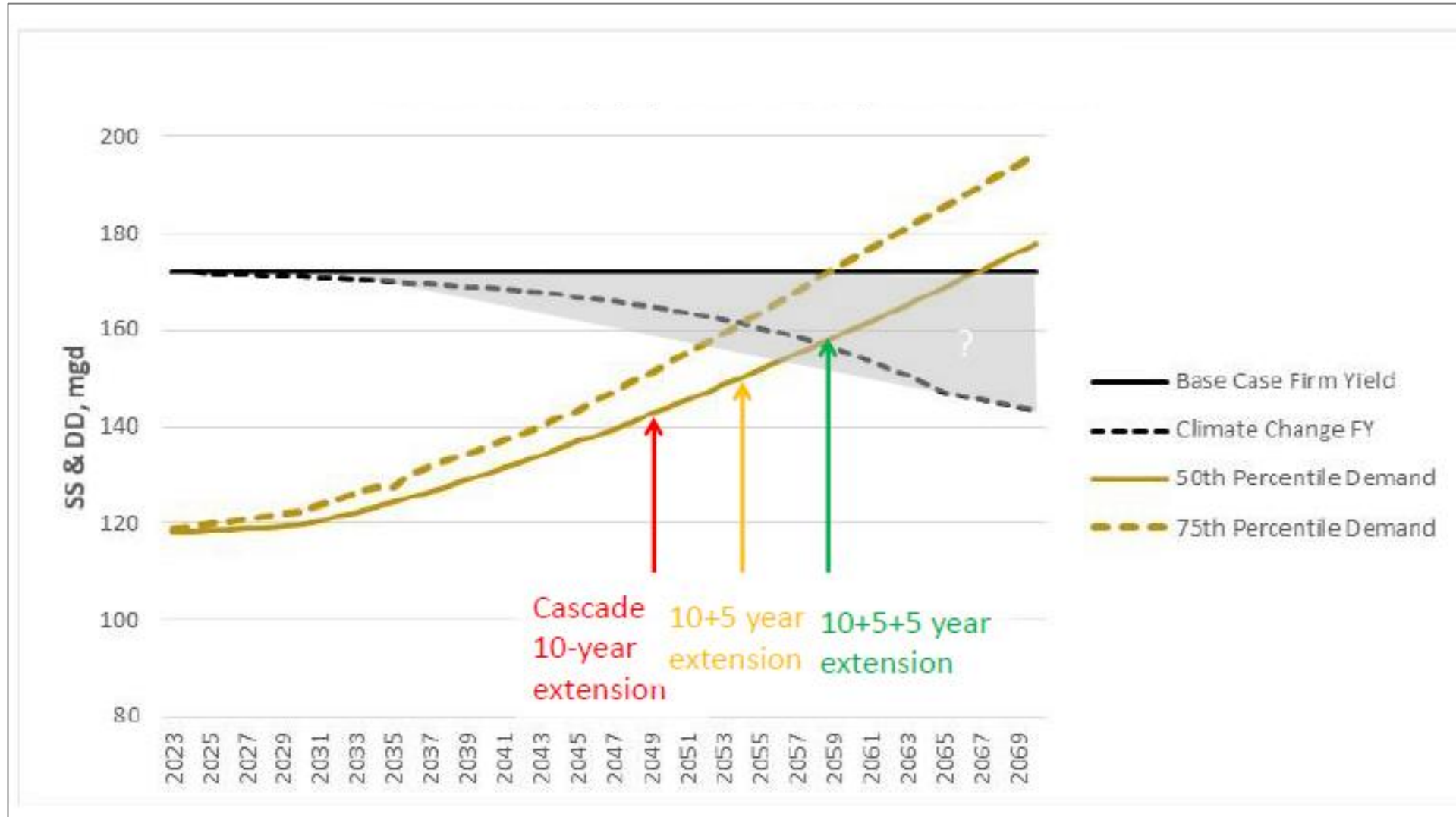


Cascade's Updated Draft Demand Forecast

WITH SEATTLE SUPPLY (DRAFT)

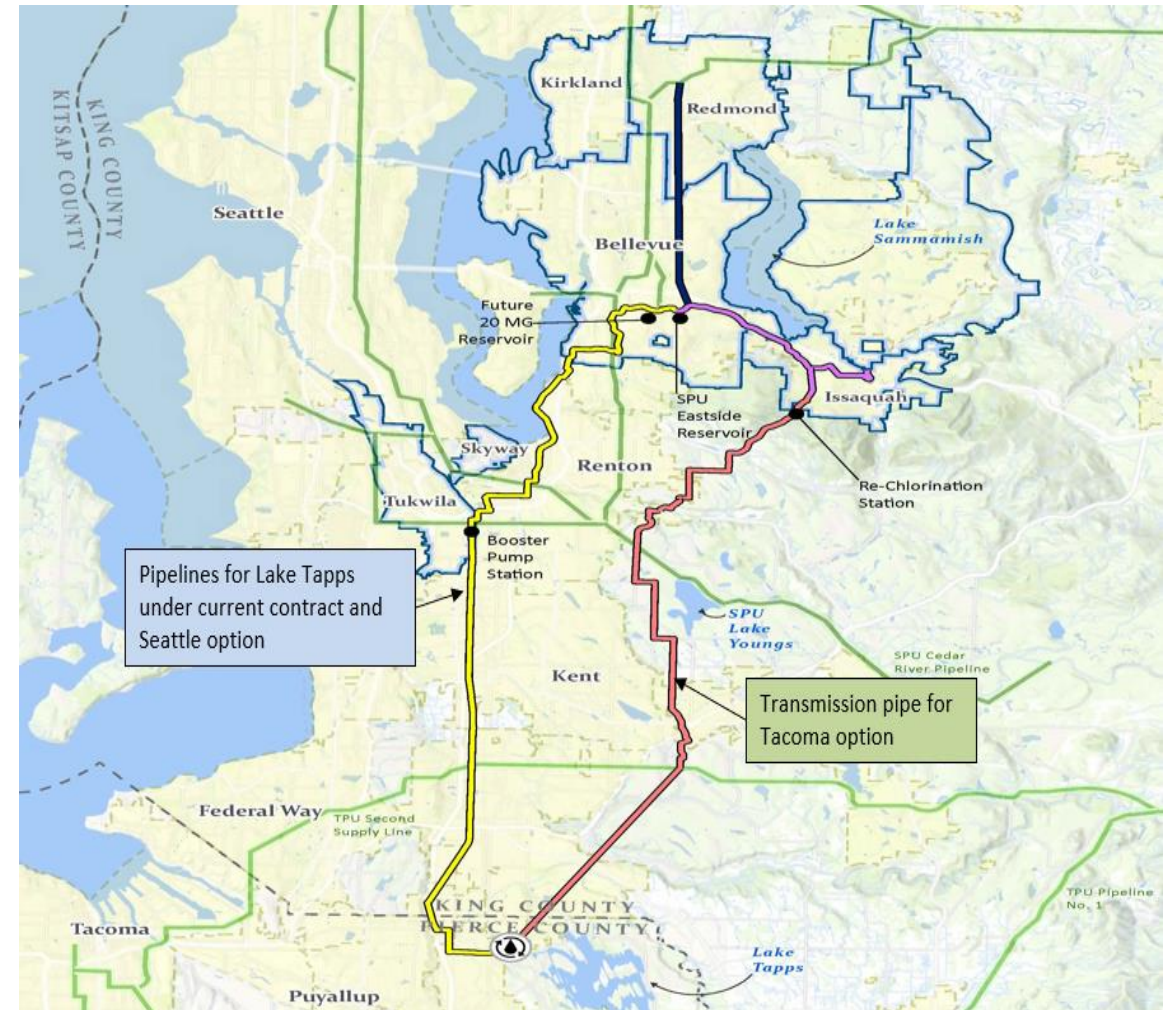


Seattle's Supply and Demand Projections



Capital Needs for Seattle

- No capital improvements needed for the extension.
- Lake Tapps Reservoir built out in a compressed timeline:
 1. Lake Tapps in service by 2055:
 - Transmission pipe (\$1.03B)
 - Storage, booster pump, deep water intake (\$173M)
 - Treatment plant first phase (\$337M)
 2. Intown transmission by 2062 (\$420M)
 3. Treatment expansion by 2062 (\$471M)

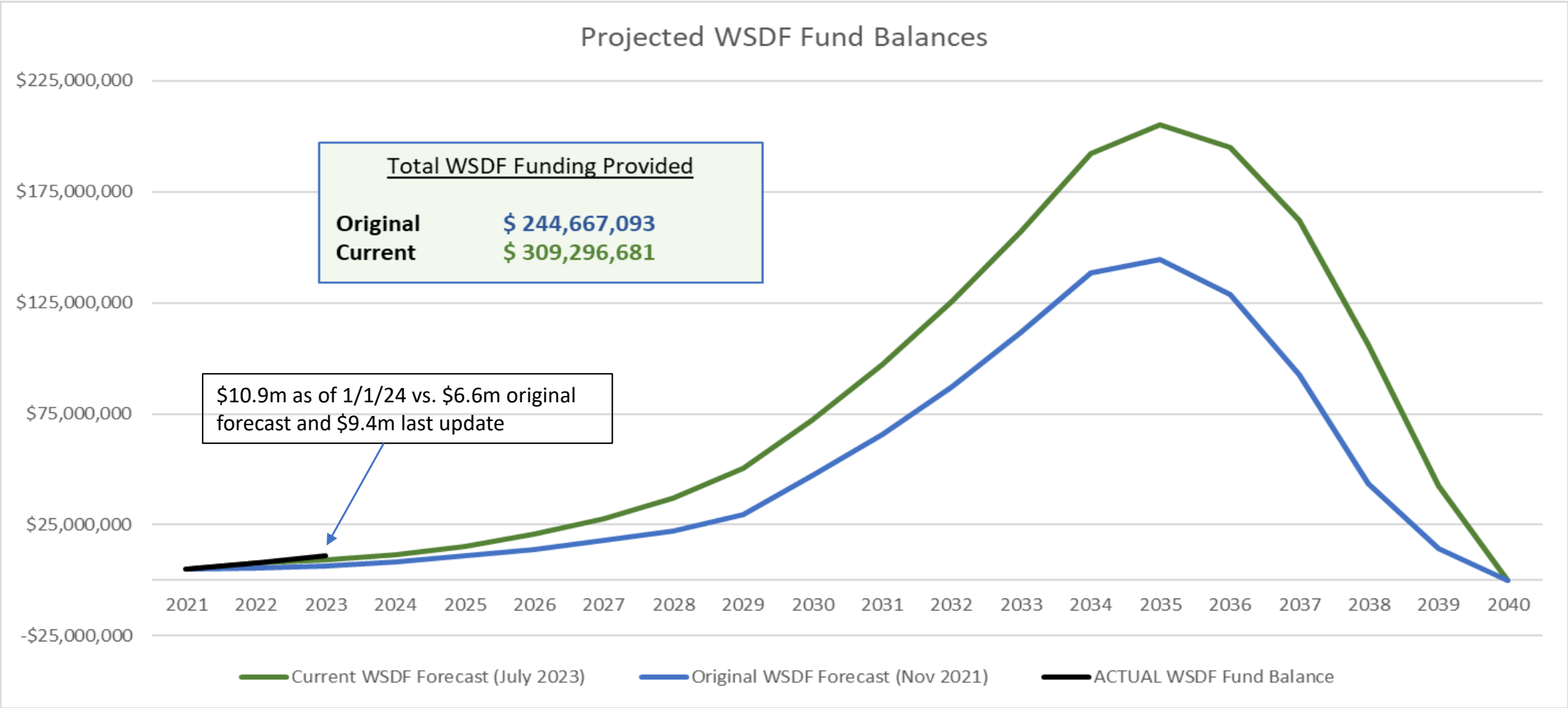


Capital Funding for Either Tacoma or Seattle

- In 2021 Board adopted the Water Supply Development Fund (WSDF) to:
 - Satisfy fiscal requirements (80% debt, 20% equity)
 - Accumulate cash for supply projects
 - Reduce and smooth out rate impacts
- WSDF Revenue sources:
 - Planned sources – rate revenue, RCFC
 - Unplanned sources – unspent budget, higher than planned connection charges revenue, bond refunding savings, etc.
- WSDF Balance as of 1/24/2024: \$10.9M
- Will explore federal grants, low-cost loans (e.g. WIFIA), and other funding sources



WSDF Planned vs. Actual



Benefits of Tacoma Option

1. Longer supply certainty plus flexibility for decision-makers to adapt to future changes in supply and demand.
2. More cost effective compared to Seattle's 10-year extension and conditional five-year extensions.
3. Lower construction risk since project is phased over time.
4. Opportunity for regionalism and improved resiliency:
 - Construction of the Central pipeline would be the first step towards a regionalized system.
 - Improved regional supply availability, including during droughts.
 - Improved seismic resiliency for surface earthquakes.
 - Once in service, Lake Tapps an important part of regional water system.



Board Decision Timeline (Draft)

Item	Q2 2024			Q3 2024			Q4 2024	
	April	May	June	July	Aug	Sept	Oct	Nov
Regular Board meetings - contract updates as needed								
Final "deep dive"/Q&A session								
Board direction to CEO to negotiate and direction for SEPA review								
2025-2026 budget and rates proposed to Board (will include resources needed for Tacoma or Seattle)								
SEPA checklist determination and comment period for contract								
Contract negotiations								
Board approval of 2025-2026 budget/rates								
Board authorization of contract								

Upon request, Cascade can return to members' councils/boards for follow-up briefings (in conjunction with budget/rates and an update on the WSDF).

Thank you.
Any questions?





FINANCE & MANAGEMENT COMMITTEE

Mary Lou Pauly, Chair, City of Issaquah

Penny Sweet, City of Kirkland

Dave Hamilton, City of Bellevue

John Stokes, City of Bellevue

Meeting Agenda Tuesday, March 19, 2024 1:30 PM – 3:00 PM

Call to Order

1. Chair Comments.
2. Executive Session.
3. Items Recommended for Action at the March 27, 2024 Board Meeting

- A. Transmission Easement.** Cascade staff and BrightNight are close to a final agreement for an amendment to the transmission easement granted them in May 2022. Cascade will discuss the amendment and the overall status of the project with the committee. (Attachments)

RECAP: *The Committee discussed a proposed amendment to the transmission easement with Gree BN, LLC. The terms of the amendment, which include a new alignment, additional compensation, and additional protections were reviewed. The Committee was supportive of the amendment to the easement. A resolution will be presented to the Board as an Action Item this month.*

4. Discussion Items

- A. Finance Overview.** In preparation for the 2025-2026 budget and rates process, staff will provide an overview of Cascade's finances. This will include information about: Cascade's fiscal goals; the budget and rates process and timeline; the 2024 budget, revenue, and member charges; prior rate increases; the Water Supply Development Fund; and 2025-2026 key unknown issues. (Attached presentation)

RECAP: *Cascade staff gave the committee a review of the budget process and timeline, Cascade fiscal policy goals, an overview of the current budget and a preview of the important variables for the 2025-2026 budget.*

5. Other Issues.

6. Next Meeting Date and Location.

The next meeting will be held Tuesday, April 16, 2024, 1:30 p.m. – 3:00 p.m. at Cascade's office and via Zoom.

Attachments:

BrightNight Transmission Easement Amendment Agenda Memorandum
Finance Overview Presentation
Q1 Agreed-Upon Procedures Report
Q2 Agreed-Upon Procedures Report
Q3 Agreed-Upon Procedures Report



PUBLIC AFFAIRS COMMITTEE

Angela Birney, Chair, City of Redmond
Penny Sweet, City of Kirkland
John Stokes, City of Bellevue
Ryika Hooshangi, Sammamish Plateau Water
Russell Joe, City of Issaquah
Dennis Martinez, City of Tukwila

Meeting Agenda RECAP Wednesday, March 6, 2024 9:00 AM – 10:00 AM

- 1. Chair Comments.**
- 2. Executive Session.**
- 3. Items Recommended for Action at the March 27, 2024 Board Meeting.**
- 4. Discussion Items.**

- A. State Legislative Update.** Staff will provide an update on bills and activities in the state legislative session.

***Recap:** With two days left in the 2024 legislative session, Diana Carlen, GTH lobbyist, briefed the committee on the few remaining bills and budget provisos that impact water utilities. ESHB 1998 (co-living housing) was amended to exclude water utilities from the provision regarding connection fees. However, the bill still applies to sewer connections. The final operating budget has not been released yet, but Cascade is closely watching for two budget provisos. One proviso would fund a study of a low-income water utility assistance program, and the other proviso would authorize the Ruckelshaus Center to study the state's water efficiency program. Diana also updated the committee on retiring legislators and the status of the six initiatives.*

- B. Contract Negotiations Update.** Staff will provide an update on the supply contract negotiations with Seattle and Tacoma as well as member presentations.

***Recap:** Chuck Clarke has briefed four member councils/commissions on the details of the contract negotiations with Seattle Public Utilities and Tacoma Public Utilities: the cities of Issaquah, Redmond, and Kirkland, and the Skyway Water and Sewer District. Sammamish Plateau Water, Tukwila and Bellevue will all be briefed before the end of March. Since the briefings began, Tacoma has improved the terms of their offer. Seattle's offer has not changed.*

- C. Northwest Flower and Garden Festival Debrief.** Staff will share highlights from the Northwest Flower and Garden Festival.

***Recap:** Staff provided a recap of Cascade's participation in the Northwest Flower and Garden Festival. This year Cascade was one of the festival's sponsors, sponsoring the Container Wars event each of the five days of the event. Cascade was prominently*

featured at the festival. Cascade received nearly 3,000 visits at its station and Water Wall.

- D. Water Efficiency Program Update.** Staff will provide an overview of the 2023 Water Efficiency Report as well as plans for 2024 programs.

***Recap:** Cascade provided information about the We Need Water social media campaign. Cascade received nearly 100,000 engagements from its social media posts. Cascade's classroom water education delivered more than 13,000 student impacts and the Problem-Based Learning for Water Systems program delivered several teacher workshops, new curriculum units, student impact projects, and more. An annual report will be provided soon to staff with more detailed information.*

5. Other Issues.

6. Next Meeting Date and Location.

The next meeting will be Wednesday, April 3, 2024, 9:00 a.m. – 10:00 a.m. at Cascade's office and via Zoom.