



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade's Office and Via Zoom
July 23, 2025
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 June 25, 2025. | <u>15</u> |
| b. Motion to authorize the expenditure of funds to engage in a process to acquire East King County Regional Water Association (EKCRWA) interests in two Snoqualmie Aquifer Project water right applications, subject to certain conditions. | <u>19</u> |
| 8. OTHER ACTION ITEMS | |
| a. Motion to adopt Resolution No. 2025-12, Authorizing the Appointment of an Interim Chief Executive Officer. | <u>24</u> |
| 9. STAFF PRESENTATIONS | |
| a. Planning for Climate Change. | <u>28</u> |
| b. Cascade Supply Program Update. | <u>55</u> |
| 10. COMMITTEE REPORTS | |
| a. Executive Committee – <i>July 14, 2025.</i> | <u>68</u> |
| b. Finance and Management Committee – <i>July 15, 2025.</i> | <u>69</u> |

- c. Public Affairs Committee – *no meeting held.*
 - d. Resource Management Committee – *July 10, 2025.* 71
- 11. NEW BUSINESS
- a. Board Recognition of Ray Hoffman 73
- 12. NEXT REGULAR MEETING – *August 27, 2025 – Cascade’s Office or Via Zoom – 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: July 23, 2025

TO: Penny Sweet, Chair
Board of Directors

FROM: Ray Hoffman, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- Cody Nelson started on June 30 as the Program Planning Director. Cody has over 20 years in the industry, predominantly with Seattle Public Utilities (SPU). She has served various roles there, including as a project manager in the construction section, a supervising manager in the Project Management/controls division, and most recently, a manager of the drainage and wastewater project management section. In her time at SPU, she has been a geologist, project manager, planner, and manager of people. She has also served on the City-wide International Women's Day Committee and represented the City at numerous events, such as the sustainable building policy board and the mentorship community of practice. On the Cascade Supply Program, Cody will oversee all things related to planning, including route selection, material selection, operations development, asset tracking, and more.
- In July, the Association of Washington Cities—Cascade's health insurance provider—estimated an 8-11% premium increase in 2026. This is in line with the eight percent increase that was budgeted for in the 2026 budget. The final rates will be set on September 25.
- Cascade's financial statements for the years ending December 31, 2024 and 2023 have been posted to Cascade's website and can be found at the following link: <https://cascadewater.org/about/finance/audited-financial-statements/>.
- There have been 289.5 net RCFC's reported through June 2025, but only one member report for June has been received. At this rate, Cascade will not realize 2025 budget expectations of 1,150.
- Clark Nuber, Cascade's outside auditing firm, will conduct a review of Cascade's second quarter of 2025 financial transactions in August. The results of the reviews will be reported to the Finance and Management Committee later this year.
- Cascade is in the process of reviewing BrightNight's 60% design for their Greenwater project near the Powerhouse. Cascade granted a Right-of-Way (ROW) transmission

easement to the battery energy storage system provider in 2022 and amended it in 2024. Construction is anticipated to begin in late 2025. If the project goes forward, Cascade will receive \$1.29 million upon commencement of construction, as compensation in the amended transmission easement.

Capital Projects and Operations

- Phase 3 of the U.S. Army Corps of Engineer's Mud Mountain Fish Passage Project, which consists of a new Cascade Headworks Intake Structure, is progressing according to the scheduled completion date of December 31, 2025. The contractor is currently placing concrete on the sluiceway and performing dewatering of the second cofferdam downstream of the new Barrier structure.
- White River – Lake Tapps Reservoir (WRLTR) update:
 - The Lake Tapps Reservoir level was 542.77 as of July 11 (full summer recreation water levels).
 - Dry weather maintenance activities continue with an emphasis on final preparation for the annual dike inspection program scheduled for August 4-6. The program identifies potential maintenance or repair activities to be completed for Cascade's 19 dikes and is the basis for the annual report to the Department of Ecology's Dam Safety Office.
- Cascade Supply Program
 - Staff will give an update at the July Board meeting on the consultant selection process. The Request for Qualifications phase has closed, and Cascade is in the Request for Proposal (RFP) phase now. The RFP's are due July 25.

Water Efficiency

- Cascade hosted an Advanced Metering Infrastructure (AMI) workshop on June 26 to provide information to Members considering implementing AMI. The workshop included presentations, a panel discussion, and a Question & Answer session with Sammamish Plateau Water, the City of Bellevue Utilities Department, and Tacoma Water, all of which have implemented AMI.
- To take advantage of the weather, all Cascade Gardener classes through the end of the summer are in-person and outdoors.
- Irrigation assessments are being performed for Tanglewood Condominiums in Sammamish and Redmond Ridge East HOA.
- Cascade connected with 800 people at the Bellevue Family 4th on July 4 and 1,036 people at Redmond Derby Days on July 11 and 12.
- Cascade will be at Sustainable Sammamish Day at the Sammamish Farmers Market on August 6, the Kirkland Farmers Market on August 13, and the Skyway Health and Safety Fair on August 16.



*Cascade Gardener Walk and Talk
at Redmond Watershed Preserve*



Bellevue Family 4th

Intergovernmental and Communications

- After eight years with Cascade and over five years as CEO, Ray Hoffman is retiring at the end of July. He came to Cascade after a long career with Seattle and led Cascade during a time of change and opportunities. His accomplishments include the new Tacoma contracts, the creation of the Water Supply Development Fund, two flowline outages, and major infrastructure upgrades, to name a few. The Board will take time to recognize Ray at the end of the July Board meeting.
- Based on Board feedback, the CEO Search Committee is revising the CEO position job description as well as broadening the search to cast a wider net for qualified utility professionals with relevant leadership and political experience. Given it is summer and potential candidates may be on vacation, the team expects the search may take up to six months. In the meantime, the Board will be considering a resolution to appoint an interim CEO at the July meeting.
- An action to formalize Cascade's acquisition of the East King County Regional Water Association's interests in two Snoqualmie Aquifer Project water right applications is on the consent agenda this month. Cascade will work with Sammamish Plateau Water to transfer the rights to Cascade, and Cascade will reimburse Sammamish Plateau Water for their expenses in maintaining and transferring the interests. The total for the all the transfer activity is not to exceed \$30,000. This transfer will result in Cascade and Seattle Public Utilities becoming co-applicants on the water right applications. Right now, it is unclear whether these water rights are feasible, but this action keeps them alive until

more information can be obtained. Cascade staff will return to the Board after the interests have been transferred to propose expenditure limits for any additional work.

Attachments

1. Budget to Actual Expenditure Report through June 30, 2025.
2. Statement of Revenues and Expenditures through June 30, 2025.
3. Statement of Net Position as of June 30, 2025.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of June 30, 2025.

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- June 30, 2025
50% of the year completed

Attachment 1

| Administration | | Budget | | Actual | | Balance | % Expended |
|------------------------|----|---------------|----|---------------|----|----------------|-------------------|
| Salaries | \$ | 1,614,035 | \$ | 1,028,198 | | 585,837 | 63.7% |
| Benefits | | 384,195 | | 348,742 | | 35,453 | 90.8% |
| Wellness program | | 1,000 | | 0 | | 1,000 | 0.0% |
| Prof. Fee (Technical) | | 195,000 | | 66,017 | | 128,983 | 33.9% |
| Prof. Fee (Legal) | | 855,000 | | 308,037 | | 546,963 | 36.0% |
| Prof. Fee (Audit) | | 104,000 | | 78,015 | | 25,985 | 75.0% |
| Prof. Fee (Other) | | 55,000 | | 3,190 | | 51,810 | 5.8% |
| Seismic Resiliency | | 250,000 | | 0 | | 250,000 | 0.0% |
| Meetings Expense | | 12,000 | | 5,834 | | 6,166 | 48.6% |
| Telephone/Internet | | 45,000 | | 25,386 | | 19,614 | 56.4% |
| Office Rent | | 403,478 | | 61,497 | | 341,981 | 15.2% |
| Office Supplies Admin. | | 15,000 | | 9,575 | | 5,425 | 63.8% |
| Equip. and Furniture | | 20,000 | | 14,753 | | 5,247 | 73.8% |
| Bank Fees | | 500 | | 118 | | 382 | 23.6% |
| Dues & Subscriptions | | 25,000 | | 23,803 | | 1,197 | 95.2% |
| Taxes/Licenses | | 15,000 | | 7,761 | | 7,239 | 51.7% |
| Travel | | 10,000 | | 7,359 | | 2,641 | 73.6% |
| Professional Dev. | | 10,000 | | 5,879 | | 4,121 | 58.8% |
| Computer Equipment | | 20,000 | | 11,915 | | 8,085 | 59.6% |
| Software Licenses | | 70,000 | | 18,792 | | 51,208 | 26.8% |
| Postage & Delivery | | 1,000 | | 450 | | 550 | 45.0% |
| Printing & Repro. | | 3,000 | | 1,483 | | 1,517 | 49.4% |
| Insurance | | 228,908 | | 140,583 | | 88,324 | 61.4% |
| Contingency | | 289,000 | | 0 | | 289,000 | 0.0% |
| Total | \$ | 4,626,116 | \$ | 2,167,389 | \$ | 2,458,727 | 46.9% |

| Debt Service | | Budget | | Actual | | Balance | % Expended |
|---------------------|----|---------------|----|---------------|----|----------------|-------------------|
| Bond Debt Service | \$ | 9,225,591 | | 3,619,671 | | 5,605,921 | 39.2% |
| Total | \$ | 9,225,591 | \$ | 3,619,671 | \$ | 5,605,921 | 39.2% |

| Conservation | | Budget | | Actual | | Balance | % Expended |
|-----------------------|----|---------------|----|---------------|----|----------------|-------------------|
| Salaries | \$ | 158,149 | \$ | 70,187 | \$ | 87,962 | 44.4% |
| Benefits | | 42,238 | | 6,437 | | 35,801 | 15.2% |
| Prof. Fee (Technical) | | 25,000 | | 17,290 | | 7,710 | 69.2% |
| Prof. Fee (Legal) | | 1,000 | | 0 | | 1,000 | 0.0% |
| Dues & Subscriptions | | 5,500 | | 709 | | 4,791 | 12.9% |
| Rebate Reimb. Com. | | 115,000 | | 56,865 | | 58,135 | 49.4% |
| Irrigation Audit | | 15,000 | | 2,464 | | 12,536 | 16.4% |
| Turf Removal Rebates | | 50,000 | | 0 | | 50,000 | 0.0% |
| Comm. and Public I | | 375,000 | | 275,529 | | 99,471 | 73.5% |
| Misc. Serv. and Sup. | | 38,000 | | 18,898 | | 19,102 | 49.7% |
| Total | \$ | 824,887 | \$ | 448,379 | \$ | 376,508 | 54.4% |

| Com. and Intergovern | | Budget | | Actual | | Balance | % Expended |
|-----------------------------|----|---------------|----|---------------|----|----------------|-------------------|
| Salaries | \$ | 124,465 | \$ | 92,061 | \$ | 32,404 | 74.0% |
| Benefits | \$ | 37,839 | | 12,260 | | 25,579 | 32.4% |
| Special Events | | 10,000 | | 0 | | 10,000 | 0.0% |
| Prof. Fee (Other) | | 165,000 | | 90,845 | | 74,155 | 55.1% |
| Sponsorships | | 30,000 | | 8,750 | | 21,250 | 29.2% |
| Comm. and Public I | | 280,000 | | 46,055 | | 233,945 | 16.4% |
| Total | \$ | 647,303 | \$ | 249,970 | \$ | 397,333 | 38.6% |

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- June 30, 2025
50% of the year completed

| Operations-General | | Budget | | Actual | | Balance | % Expended |
|---------------------------|-----------|-------------------|-----------|------------------|-----------|-------------------|-------------------|
| Wholesale Water | \$ | 24,584,741 | \$ | 9,822,575 | \$ | 14,762,166 | 40.0% |
| Salaries | | 74,578 | | 13,438 | | 61,140 | 18.0% |
| Benefits | | 15,998 | | 1,410 | | 14,587 | 8.8% |
| BIP O&M | | 75,000 | | 38,007 | | 36,993 | 50.7% |
| Pipeline Prop. O&M | | 85,000 | | 311 | | 84,689 | 0.4% |
| PWTF Loan Debt | | 39,671 | | 39,671 | | (0) | 100.0% |
| Total | \$ | 24,874,987 | \$ | 9,915,413 | \$ | 14,959,575 | 39.9% |

| Operations-Lake Tapps | | Budget | | Actual | | Balance | % Expended |
|------------------------------|-----------|------------------|-----------|------------------|-----------|------------------|-------------------|
| Salaries | \$ | 598,952 | \$ | 265,237 | \$ | 333,715 | 44.3% |
| Benefits | | 151,190 | | 34,430 | | 116,759 | 22.8% |
| Prof. Fee (Technical) | | 785,750 | | 350,390 | | 435,360 | 44.6% |
| Prof. Fee (Other) | | 56,000 | | 0 | | 56,000 | 0.0% |
| Meetings Expense | | 3,500 | | 0 | | 3,500 | 0.0% |
| Telephone/Internet | | 5,500 | | 3,968 | | 1,532 | 72.2% |
| Office Supplies | | 5,000 | | 3,522 | | 1,478 | 70.4% |
| Equipment & Furn. | | 50,000 | | 19,471 | | 30,529 | 38.9% |
| Taxes/Licenses | | 16,000 | | 7,759 | | 8,241 | 48.5% |
| Travel | | 5,500 | | 3,410 | | 2,090 | 62.0% |
| Professional Dev. | | 2,500 | | 0 | | 2,500 | 0.0% |
| Software Licenses | | 36,000 | | 0 | | 36,000 | 0.0% |
| Permitting Costs | | 9,000 | | 6,483 | | 2,517 | 72.0% |
| Misc. Serv. and Sup. | | 119,000 | | 27,725 | | 91,275 | 23.3% |
| LT Operator | | 2,904,178 | | 1,207,250 | | 1,696,928 | 41.6% |
| Unplanned O&M | | 100,000 | | 2,809 | | 97,191 | 2.8% |
| Misc. Facility Repairs | | 130,000 | | 4,458 | | 125,543 | 3.4% |
| USGS Joint Fund | | 400,000 | | 72,905 | | 327,095 | 18.2% |
| Outage | | 80,000 | | 0 | | 80,000 | 0.0% |
| Milfoil Control | | 210,000 | | 10,215 | | 199,785 | 4.9% |
| Vendor Services | | 105,000 | | 31,591 | | 73,409 | 30.1% |
| Water Quality | | 100,000 | | 15,590 | | 84,410 | 15.6% |
| Dike and Roads | | 80,000 | | 11,831 | | 68,169 | 14.8% |
| Total | \$ | 5,953,070 | \$ | 2,079,043 | \$ | 3,874,027 | 34.9% |

| Tacoma Cascade Pipeline | | Budget | | Actual | | Balance | % Expended |
|--------------------------------|-----------|------------------|-----------|---------------|-----------|------------------|-------------------|
| Salaries | \$ | 690,000 | | 85,469 | | 604,531 | 12.4% |
| TCP Consultants | | 2,175,000 | | 0 | | 2,175,000 | 0.0% |
| TCP Contingency | | 286,000 | | 0 | | 286,000 | 0.0% |
| Total CIP Budget | \$ | 3,151,000 | \$ | 85,469 | \$ | 3,065,531 | 2.7% |

Total Operating Budget \$ 49,302,954 \$ 18,565,332 \$ 30,737,622 37.7%

| Capital Projects (multi-yr bdgt not shown) | | Budget | | Actual | | Balance | % Expended |
|---|-----------|-------------------|-----------|------------------|-----------|------------------|-------------------|
| Upper Conveyance | \$ | 2,350,000 | | 2,047,689 | | 302,311 | 87.1% |
| Lower Conveyance | | 500,000 | | 0 | | 500,000 | 0.0% |
| Equipment | | 75,000 | | 0 | | 75,000 | 0.0% |
| Facilities | | 100,000 | | 0 | | 100,000 | 0.0% |
| Bellevue-issaquah | | 800,000 | | 0 | | 800,000 | 0.0% |
| Tacoma Agreement | | 6,341,209 | | 6,341,209 | | 0 | 100.0% |
| Capital Risk | | 0 | | 0 | | 0 | 0.0% |
| IT Infrastructure | | 25,000 | | 0 | | 25,000 | 0.0% |
| Total CIP Budget | \$ | 10,191,209 | \$ | 8,388,898 | \$ | 1,802,311 | 82.3% |

Total Overall Budget \$ 59,494,163 \$ 26,954,230 32,539,933 45.3%

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2025 Through 6/30/2025

Attachment 2

| | |
|---|---------------------|
| Operating Revenue | |
| Water sales | \$ 18,926,001 |
| Administrative dues | 4,241,294 |
| Conservation program | 371,882 |
| Total Operating Revenue | <u>23,539,177</u> |
| Operating Expenses | |
| Cost of water sold | 9,822,575 |
| Salaries and benefits | 2,084,205 |
| Professional services | 912,285 |
| Conservation program | 58,834 |
| Depreciation and amortization | 1,479,670 |
| Communication and public information | 298,321 |
| Office expenses | 315,597 |
| Operations | 1,316,326 |
| Bank charges | 118 |
| Rent | 61,497 |
| Maintenance | 100,125 |
| Dues and subscriptions | 29,270 |
| Miscellaneous | 33,509 |
| Total Operating Expenses | <u>16,512,330</u> |
| Operating Income | 7,026,847 |
| Non-Operating Revenue (Expenses) | |
| Interest income | 977,976 |
| Other income | 20,487 |
| Gain/Loss on the sale/re-characterization of an asset | (29,840,157) |
| Interest expense, net of amount capitalized | (1,597,464) |
| Total Non-Operating Revenue (Expenses) | <u>(30,439,157)</u> |
| Capital Contributions | 1,688,774 |
| | |
| Increase in Net Assets | (21,723,537) |
| | |
| Net Assets, Beginning of Year | 167,192,352 |
| | |
| Net Assets, End of Year | \$ 145,468,814 |

Cascade Water Alliance
Statement of Net Position
As of 6/30/2025

Attachment 3

Assets

Current Assets

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | \$ 40,261,194 |
| Accounts receivable | 4,384,803 |
| Prepaid expenses | 193,773 |
| Total Current Assets | <u>44,839,769</u> |

Capital Assets

| | |
|--|--------------------|
| Equipment and furniture | 2,386,409 |
| Seattle water contract | 22,267,611 |
| Bellevue Issaquah pipeline | 22,276,944 |
| Tacoma water contract | 88,143,665 |
| Capital Leases | 2,491,486 |
| Less accumulated depreciation and amortization | (21,842,118) |
| Total Capital Assets | <u>115,723,996</u> |

Projects in process and assets not yet in service

| | |
|---|--------------------|
| Lake Tapps | 110,790,691 |
| Tacoma Cascade pipeline | 26,539,385 |
| Total Projects in process and assets not yet in service | <u>137,330,076</u> |

Restricted cash and cash equivalents

| | |
|--|------------|
| | 19,459,585 |
|--|------------|

Total Assets 317,353,426

Liabilities

Current liabilities

| | |
|----------------------------------|-------------------|
| Payables and accrued liabilities | 3,500,058 |
| Retroactive water credit | 1,405,566 |
| Accrued interest | 1,762,834 |
| Long-term debt current portion | 7,075,000 |
| Total Current liabilities | <u>13,743,458</u> |

Long-term Liabilities

| | |
|-----------------------------------|--------------------|
| Long-term debt | 68,060,000 |
| Tacoma contract | 88,143,665 |
| Bond premium, net of amortization | 1,768,044 |
| Total Long-term Liabilities | <u>157,971,709</u> |
| Total Liabilities | <u>171,715,167</u> |

Net Assets

| | |
|-----------------------------|--------------------|
| Restricted for debt service | 113,119,822 |
| Unrestricted | 32,518,437 |
| Total Net Assets | <u>145,638,259</u> |

Total Liabilities & Net Assets \$ 317,353,426

Consultant and Other Vendor 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 |
| Aquatechnex | 1 | 2025 Lake Tapps Aquatic Plant Maintenance Program | P. Anderson | 1/1/2025 | 12/31/2025 | 7/7/2025 | 0% | \$ 160,000 | \$ - | 0% | \$ 160,000 |
| Aspect | 1 | Water Supply Modeling | R. Hoffman | 5/6/2020 | N/A | 7/7/2025 | 65% | \$ 24,900 | \$ 16,196 | 65% | \$ 8,704 |
| Aspect | 2 | Water Resources Services | R. Hoffman | 8/17/2018 | N/A | 7/7/2025 | 98% | \$ 60,000 | \$ 58,251 | 97% | \$ 1,749 |
| Aspect | 3 | Climate Change Analysis | R. Hoffman | 9/7/2022 | N/A | 7/7/2025 | 96% | \$ 150,000 | \$ 144,571 | 96% | \$ 5,429 |
| Ballard Spahr | 1 | Legal Services | C. Paulucci | 3/28/2025 | 12/31/2025 | 7/7/2025 | 25% | \$ 25,000 | \$ 10,312 | 41% | \$ 14,688 |
| Ben Bernstein Music | 1 | Podcast production | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 25% | \$ 7,000 | \$ 660 | 9% | \$ 6,340 |
| BHC Consulting | 1 | Planning & Permit Assistance | T. Richmond | 1/1/2024 | 12/31/2024 | 7/7/2025 | 50% | \$ 25,000 | \$ 2,208 | 9% | \$ 22,792 |
| Brilliant Marketing | 1 | We Need Water Social Media Outreach | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 65% | \$ 55,000 | \$ 35,021 | 64% | \$ 19,979 |
| Brilliant Marketing | 2 | Water Efficiency graphic Design & Website Redeign | J. Amspacher | 5/7/2025 | N/A | 7/7/2025 | 5% | \$ 45,000 | \$ 2,015 | 4% | \$ 42,985 |
| Clark Nuber | 1 | Annual Financial Audit and Quarterly AUPs | C. Paulucci | 1/1/2025 | N/A | 7/7/2025 | 80% | \$ 89,200 | \$ 78,015 | 87% | \$ 11,185 |
| Colehour and Cohen | 1 | Staffing for classes and events | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 70% | \$ 116,065 | \$ 69,353 | 60% | \$ 46,712 |
| Confluence Engineering Group, LLC | 1 | Lake Tapps Supply & BIP Water Quality Advisory Services Project | D. Roberts | 12/1/2023 | N/A | 7/7/2025 | 80% | \$ 49,000 | \$ 21,062 | 43% | \$ 27,938 |
| Confluence Engineering Group, LLC | 2 | Water Quality Blending Study | M. Thung | 12/5/2004 | N/A | 7/7/2025 | 50% | \$ 230,000 | \$ 151,800 | 66% | \$ 78,201 |
| CREB, Inc. | 1 | File Management for U Drive | J. Shimada | 6/16/2025 | N/A | 7/7/2025 | 50% | \$ 20,000 | \$ 8,700 | 44% | \$ 11,300 |
| David Evans | 1 | On-call Land Surveyor | H. Chen | 11/18/2022 | 12/31/2025 | 7/7/2025 | 45% | \$ 160,000 | \$ 54,380 | 34% | \$ 105,620 |
| David McGrath | 1 | Irrigation Program Assistance | M. Brent | 1/25/2025 | 12/31/2025 | 7/7/2025 | 15% | \$ 20,000 | \$ 2,464 | 12% | \$ 17,536 |
| Environmental Science Assoc (ESA) | 1 | Aquatic Plant Management | P. Anderson | 1/1/2025 | 12/31/2025 | 7/7/2025 | 8% | \$ 49,000 | \$ 9,522 | 19% | \$ 39,478 |
| Environmental Science Assoc (ESA) | 2 | Development of Cascade's Integrated Aquatic Plant Management Plan | P. Anderson | 3/20/2024 | N/A | 7/7/2025 | 60% | \$ 44,750 | \$ 24,428 | 55% | \$ 20,322 |
| GeoEngineers | 1 | Dam Engineering/Hydrology/ Geotechnical Service | H. Chen | 1/3/2024 | 12/31/2026 | 7/7/2025 | 50% | \$ 570,000 | \$ 168,371 | 30% | \$ 401,629 |
| Gordon Thomas Honeywell | 1 | State legislative outreach | A. Bennett | 1/1/2025 | 12/31/2025 | 7/7/2025 | 48% | \$ 84,000 | \$ 42,000 | 50% | \$ 42,000 |
| Hawkins Delafield & Wood | 1 | Procurement and contracting for a contract operator for the WRLTR project. | M. Thung | 6/4/2025 | 12/31/2025 | 7/7/2025 | 0% | \$ 110,000 | \$ - | 0% | \$ 110,000 |
| Herrera | 1 | On-call limnology services | M. Thung | 12/1/2022 | 12/31/2025 | 7/7/2025 | 5% | \$ 45,000 | \$ - | 0% | \$ - |
| Herrera | 2 | Water Quality Management Plan | M. Thung | 10/9/2023 | 12/31/2024 | 7/7/2025 | 98% | \$ 165,000 | \$ 164,999 | 100% | \$ 1 |
| Herrera | 3 | On-Call Water Supply Modeling Services | M. Thung | 11/4/2024 | 12/31/2027 | 7/7/2025 | 0% | \$ 40,000 | \$ - | 0% | \$ 40,000 |
| Herrera | 4 | Bulkheads Study | M. Thung | 6/5/2025 | N/A | 7/7/2025 | 5% | \$ 49,000 | \$ - | 0% | \$ 49,000 |
| HDR | 1 | MMD Fish Passage Design Review | H. Chen | 12/1/2015 | N/A | 7/7/2025 | 99% | \$ 1,518,000 | \$ 1,330,768 | 88% | \$ 187,232 |
| Jennergy | 1 | Website Maintenance | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 38% | \$ 25,000 | \$ 12,225 | 49% | \$ 12,775 |
| Jon Shimada | 1 | On-Call Project Support Services | M. Thung | 4/8/2024 | 12/31/2025 | 7/7/2025 | 10% | \$ 35,000 | \$ 3,000 | 9% | \$ 32,000 |
| Langton Spieth | 1 | Community relations | A. Bennett | 1/1/2025 | 12/31/2025 | 7/7/2025 | 45% | \$ 78,000 | \$ 39,000 | 50% | \$ 39,000 |
| Lisa Taylor | 1 | Sustainable Landscaping Support | J. Amspacher | 4/14/2025 | N/A | 7/7/2025 | 65% | \$ 4,500 | \$ 2,800 | 62% | \$ 1,700 |
| Long Building Tech | 1 | Security Maintenance | H. Chen | 4/3/2025 | 12/31/2025 | 7/7/2025 | 0% | \$ 74,025 | \$ 50,423 | 68% | \$ 23,602 |
| Nature Vision | 1 | Classroom Water Education | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 75% | \$ 105,000 | \$ 84,408 | 80% | \$ 20,592 |
| Okamoto Strategies, LLC | 1 | Capital Projects and Strategic Planning | H. Chen | 6/21/2023 | N/A | 7/7/2025 | 25% | \$ 25,000 | \$ 5,569 | 22% | \$ 19,431 |
| Pacifica Law | 1 | Legal Assistance | H. Chen | 1/1/2025 | 12/31/2025 | 7/7/2025 | 15% | \$ 25,000 | \$ 2,958 | 12% | \$ 22,042 |
| Parametrix | 1 | On Call Civ/Mech/Structural Eng | H. Chen | 1/1/2023 | 12/31/2025 | 7/7/2025 | 50% | \$ 550,000 | \$ 259,472 | 47% | \$ 290,528 |
| Parametrix | 2 | On-Call Electrical Engineering Svcs | D. Roberts | 4/7/2025 | 12/31/2027 | 7/7/2025 | 5% | \$ 600,000 | \$ 38,672 | 6% | \$ 561,328 |
| Puget Sound Energy | 1 | Water Efficiency Rebates | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 50% | \$ 120,000 | \$ 56,370 | 47% | \$ 63,630 |
| Rainier Stillwater Risk Advisors | 1 | Trespassing Management | M. Thung | 12/14/2023 | 12/31/2024 | 7/7/2025 | 85% | \$ 33,000 | \$ 27,000 | 82% | \$ 6,000 |
| RH2 | 2 | On-Call Electrical Engineering Svcs | H. Chen | 1/1/2024 | 4/30/2025 | 7/7/2025 | 100% | \$ 133,750 | \$ 133,592 | 100% | \$ 158 |
| RH2 | 3 | Wholesale Master Meter Eval | H. Chen | 1/21/2020 | 3/31/2023 | 7/7/2025 | 8% | \$ 24,500 | \$ 1,342 | 5% | \$ 23,158 |
| Robinson Noble | 1 | Water Audits | E. Cebron | 10/3/2019 | N/A | 7/7/2025 | 85% | \$ 135,060 | \$ 115,183 | 85% | \$ 19,877 |

| | | | | | | | | | | | |
|--|---|---|-------------|------------|------------|----------|-----|--------------|--------------|------|--------------|
| Sammamish Plateau Water | 1 | GIS support services | H. Chen | 12/6/2022 | N/A | 7/7/2025 | 80% | \$ 50,000 | \$ 38,323 | 77% | \$ 11,677 |
| Sazan | 1 | On-call value analysis/engineering | J. Shimada | 10/23/2023 | 10/23/2025 | 7/7/2025 | 50% | \$ 250,000 | \$ 98,941 | 40% | \$ 151,059 |
| SC Words & Pictures Inc. | 1 | Design Services | A. Bennett | 1/1/2025 | 12/31/2025 | 7/7/2025 | 15% | \$ 25,000 | \$ 670 | 3% | \$ 24,330 |
| Seattle Public Utilities | 1 | Garden Hotline | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 25% | \$ 16,700 | \$ 4,175 | 25% | \$ 12,525 |
| SMC Consulting | 1 | Water Efficiency Consultant | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 45% | \$ 28,500 | \$ 15,105 | 53% | \$ 13,395 |
| Sunbreak Talent | 1 | Recruitment assistance | M. Thung | 3/27/2025 | N/A | 7/7/2025 | 40% | \$ 6,000 | \$ 2,410 | 40% | \$ 3,590 |
| Sustainable Water | 1 | Teacher Fellows program | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 20% | \$ 60,000 | \$ 13,680 | 23% | \$ 46,320 |
| Tacoma Pierce County Health Department | 1 | TappsWise Monitoring at Lake Tapps | A. Bennett | 1/1/2025 | 12/31/2025 | 7/7/2025 | 25% | \$ 140,000 | \$ 32,973 | 24% | \$ 107,027 |
| TeamLogic IT | 1 | Info Technology Consulting | C. Paulucci | 1/1/2025 | 12/31/2025 | 7/7/2025 | 45% | \$ 138,700 | \$ 56,488 | 41% | \$ 82,212 |
| TechniArt | 1 | Conservation Website Order page | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 20% | \$ 17,000 | \$ 8,860 | 52% | \$ 8,140 |
| Terese Richmond LLC | 1 | On-Call Strategy, Policy and Program Support Services | M. Thung | 6/9/2025 | 12/31/2026 | 7/7/2025 | 5% | \$ 45,750 | \$ - | 0% | \$ 45,750 |
| Tetra Tech | 1 | AWIA 2025-2026 Updates | M. Thung | 12/9/2024 | 12/31/2026 | 7/7/2025 | 10% | \$ 350,000 | \$ 31,818 | 9% | \$ 318,182 |
| Tilth Association | 1 | Garden Water Efficiency | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 35% | \$ 48,000 | \$ 15,360 | 32% | \$ 32,640 |
| Transpo Group | 1 | On-Call GIS Support | H. Chen | 1/1/2025 | 12/31/2025 | 7/7/2025 | 55% | \$ 49,000 | \$ 28,889 | 59% | \$ 20,111 |
| Upstream PBC | 2 | HydroForecast Subscription Service | M. Thung | 10/1/2024 | 9/30/2025 | 7/7/2025 | 75% | \$ 23,500 | \$ 23,500 | 100% | \$ - |
| USGS | 1 | Joint Funding Agre-Streamgaging | H. Chen | 1/1/2025 | 12/31/2025 | 7/7/2025 | 25% | \$ 302,370 | \$ 72,905 | 24% | \$ 229,465 |
| Vanir Construction Management, Inc. | 1 | On-call Construction Management | J. Shimada | 5/1/2021 | 12/31/2024 | 7/7/2025 | 85% | \$ 560,000 | \$ 458,012 | 82% | \$ 101,988 |
| VanNess Feldman | 1 | General Counsel | R. Hoffman | 1/1/2025 | 12/31/2025 | 7/7/2025 | 35% | \$ 850,000 | \$ 293,678 | 35% | \$ 556,322 |
| Veolia | 1 | White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$2,328,918 fixed, \$325,000 variable | D. Roberts | 1/1/2025 | 12/31/2025 | 7/7/2025 | 35% | \$ 2,653,918 | \$ 1,203,630 | 45% | \$ 1,450,288 |
| Water Value | 1 | Climate Study Advisory Services | M. Thung | 6/16/2022 | 7/1/2025 | 7/7/2025 | 75% | \$ 22,500 | \$ 12,345 | 55% | \$ 10,155 |

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 |
|--------------------------|------------------------|--|-----------------|----------------|------------|-------------|------------------------|---------------------------------------|-----------------|------------------|------------------|
| Catalyst Workplace | 1 | Office Furniture | C. Paulucci | 12/12/2024 | N/A | 7/7/2025 | 100% | \$ 29,506 | \$ 29,506 | 100% | \$ 0 |
| Jacobs Engineering Group | 1 | Demand Forecast Model Support Services | M. Thung | 8/20/2021 | N/A | 7/7/2025 | 100% | \$ 5,000 | \$ 5,000 | 100% | \$ - |
| Long Building Tech | 1 | Security Maintenance | H. Chen | 6/1/2023 | 12/31/2024 | 7/7/2025 | 100% | \$ 120,000 | \$ 112,544 | 94% | \$ 7,456 |
| Marketplace Events | 1 | Northwest Flower and Garden Show | M. Brent | 1/1/2025 | 12/31/2025 | 7/7/2025 | 100% | \$ 20,000 | \$ 20,000 | 100% | \$ - |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

Payment Authorization Warrants and Wire Transfers 7/23/25

Attachment 5

WHOLESALE WATER

| | | |
|------|-------------------------------|-----------------------|
| WIRE | Seattle Contract Payment 7/25 | \$3,192,338.00 |
| | | <u>\$3,192,338.00</u> |

CONSULTANTS

| | | |
|-------|---|-------------------|
| 32501 | Ballard Spahr LLP | \$3,992.00 |
| 32509 | Pacifica Law Group | \$2,550.00 |
| 32521 | Environmental Science Associates (ESA) | \$6,123.05 |
| 32527 | Parametrix | \$30,673.35 |
| 32528 | Sunbreak Talent Solutions | \$220.00 |
| 32534 | Clark Nuber P.S. | \$9,450.00 |
| 32537 | Confluence Engineering Group, LLC | \$37,442.50 |
| 32538 | CREB, Inc. | \$8,700.00 |
| 32540 | Gordon Thomas Honeywell Govern. Affairs | \$7,000.00 |
| 32542 | Langton Public Affairs LLC | \$6,500.00 |
| 32553 | Transpo Group | <u>\$3,003.75</u> |
| | | \$115,654.65 |

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

| | | |
|-------|----------------------------|-------------------|
| | Payroll (June) | \$257,120.78 |
| 32504 | Andrew Baker | \$2,892.09 |
| 32515 | MissionSquare-107080 | \$74,576.34 |
| 32516 | MissionSquare-304525 | \$27,617.68 |
| 32517 | AWC Employee Benefit Trust | \$32,409.09 |
| 32520 | Paula Anderson | \$46.86 |
| 32523 | HRA VEBA Trust | <u>\$3,366.00</u> |
| | | \$398,028.84 |

CONSERVATION

| | | |
|-------|--|-------------------|
| 32502 | Colehour & Cohen | \$11,565.50 |
| 32505 | Erica Browne Grivas | \$350.00 |
| 32506 | Marcello Whitehead/Fxpromowear | \$3,554.96 |
| 32508 | Marianne Binetti | \$450.00 |
| 32511 | Puget Sound Energy | \$4,600.00 |
| 32526 | Makarios Communications | \$500.00 |
| 32529 | Sustainable Seattle dba Sustainability Ambassadors | \$3,731.00 |
| 32539 | Erica Browne Grivas | \$250.00 |
| 32541 | Jennergy | \$1,525.00 |
| 32546 | Nature Vision, Inc. | \$7,405.61 |
| 32548 | Puget Sound Energy | \$122.73 |
| 32549 | SMC Consulting LLC | \$3,230.00 |
| 32552 | Techniart C S D | <u>\$5,510.00</u> |
| | | \$42,794.80 |

SOFTWARE AND EQUIPMENT

| | | |
|-------|---------------|-----------------|
| 32524 | Kelley Create | \$23,363.51 |
| 32531 | Abila | <u>\$315.38</u> |
| | | \$23,678.89 |

GENERAL

| | | |
|-------|---------------------------------------|-----------------|
| 32500 | AT&T FirstNet | \$539.72 |
| 32503 | Comcast | \$1,983.31 |
| 32507 | Lumen | \$115.32 |
| 32510 | Pacific Office Automation | \$298.41 |
| 32513 | spot-on print & design | \$44.96 |
| 32518 | Bellevue Gateway One Equities, LLC | \$39,908.54 |
| 32519 | City of Seattle | \$14,321.81 |
| 32522 | Fist American Title Insurance Company | \$10.00 |
| 32532 | The Chamber Collective | \$299.00 |
| 32535 | CLEARFLY | \$1,109.33 |
| 32536 | Comcast | \$585.69 |
| 32545 | Lumen | \$115.33 |
| 32547 | Pacific Office Automation, Inc. | \$311.22 |
| 32550 | spot-on print & design | \$115.64 |
| 32551 | Staples Advantage | \$146.28 |
| 32554 | Verizon Wireless | <u>\$135.03</u> |
| | | \$60,039.59 |

LAKE TAPPS

| | | |
|-------|----------------------------------|--------------------|
| 32512 | Robblee's Total Security, Inc. | \$4,372.63 |
| 32525 | LGH | \$5,492.49 |
| 32533 | Cintas Corporation | \$266.09 |
| 32543 | Lifting Gear Hire Corporation | \$368.69 |
| 32544 | LONG Building Technologies, Inc. | <u>\$50,422.60</u> |
| | | \$60,922.50 |

CONSTRUCTION

| | | |
|-------|--|--------------------|
| 32514 | Washington State Department of Revenue | \$8,810.80 |
| 32530 | HDR | <u>\$15,151.33</u> |
| | | \$23,962.13 |

DESTROYED AND VOIDED CHECKS:

| | |
|--|-----------------------|
| Total Warrants | \$725,081.40 |
| Total Wires | \$3,192,338.00 |
| Total warrants/wire transfers authorized for July 2025 | <u>\$3,917,419.40</u> |

Approved: _____ Date: _____
 Andy Baker, Economist

Approved: _____ Date: _____
 Mayor Mary Lou Pauly, Secretary/Treasurer

**Cascade Water Alliance
Monthly Treasurer's Report
June 2025**

| | Operating Fund | Construction Fund | Bond Fund | RCFC Fund | Water Supply Development Fund | Rate Stabilization Fund | US Bank Payroll Account | All Funds |
|--|----------------------|---------------------|----------------------|-------------|-------------------------------|-------------------------|-------------------------|----------------------|
| Beginning Balances, June 1 | \$ 22,190,699 | \$ 8,952,439 | \$ 10,622,205 | \$ - | \$ 13,987,785 | \$ 2,506,261 | \$ - | \$ 58,259,389 |
| Additions: | | | | | | | | |
| Cash received | \$ 5,506,766 | \$ 34,291 | \$ 39,816 | \$ - | \$ 24,804 | \$ 9,561 | \$ - | \$ 5,615,238 |
| Transfers from other Cascade funds | \$ - | \$ - | \$ 706,130 | \$ - | \$ - | \$ - | \$ 222,580 | \$ 928,710 |
| Total additions | \$ 5,506,766 | \$ 34,291 | \$ 745,946 | \$ - | \$ 24,804 | \$ 9,561 | \$ 222,580 | \$ 6,543,948 |
| Subtractions: | | | | | | | | |
| Bank fees, payroll, and bond payments | \$ 1,618 | \$ 667 | \$ 1,237 | \$ - | \$ 1,165 | \$ 186 | \$ 222,580 | \$ 227,453 |
| Warrants paid | \$ 667,091 | \$ 109,678 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 776,769 |
| Wire and other electronic payments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| King Co. Investment Pool impairment (realized) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| King Co. Investment Pool impairment (retained) | \$ (68) | \$ (58) | \$ (32) | \$ - | \$ - | \$ (8) | \$ - | \$ (167) |
| Transfers to other Cascade funds | \$ 963,887 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 963,887 |
| Total subtractions | \$ 1,632,527 | \$ 110,287 | \$ 1,205 | \$ - | \$ 1,165 | \$ 178 | \$ 222,580 | \$ 1,967,942 |
| Ending Balances, June 30, 2025 | \$ 26,064,938 | \$ 8,876,443 | \$ 11,366,946 | \$ - | \$ 14,011,424 | \$ 2,515,644 | \$ - | \$ 62,835,394 |



MEETING MINUTES OF
THE BOARD OF
DIRECTORS VIA HYBRID
JUNE 25, 2025

Board Members reviewed the CEO report that was included in the Board Packet.

1. CALL TO ORDER

At 3:31 p.m. Chair Sweet called the meeting to order.

2. ROLL CALL

Board Members Present: City of Bellevue (Hamilton), City of Kirkland (Sweet), City of Tukwila (McLeod), Sammamish Plateau Water & Sewer District (Warren), and Skyway Water and Sewer District (Ault)

Board Members Absent: City of Issaquah (Pauly), City of Redmond (Birney)

Board Alternates Present: City of Kirkland (Pascal), City of Redmond (Nuevacamina), Sammamish Plateau Water & Sewer District (Hooshangi)

3. PUBLIC COMMENT

None.

4. APPROVAL OF AGENDA

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

5. ACTION ITEM

- A. Motion to Approve the Letters of Commendation for Mike Brent, Ed Cebron, and T.C. Richmond.

Chair Sweet read the Letters of Commendation for Mike Brent, Ed Cebron, and T.C. Richmond. These letters recognize and celebrate employees that are recently retired or about to retire.

Motion by Ms. Nuevacamina and second by Mr. Ault to approve the Letters of Commendation for Mike Brent, Ed Cebron, and T.C. Richmond. Motion carried unanimously (5-0).

6. CHIEF EXECUTIVE OFFICER'S REPORT

Discussed prior to the meeting.

7. CONSENT ITEM

- A. Board Meeting Minutes for April 23, 2025.
- B. Motion to authorize the Chief Executive Officer to enter into a contract with Stantec to provide engineering and construction management services for the Bellevue-Issaquah Pipeline (BIP) Relocation Project at Lewis Creek in an amount not to exceed \$500,000.
- C. Motion to authorize the Chief Executive Officer to enter into a contract with Hawkins Delafield & Wood LLP to provide advisory services regarding the procurement of Cascade's operations and maintenance contractor for the White River - Lake Tapps Reservoir Project in an amount not to exceed \$110,000.
- D. Motion to authorize the Chief Executive Officer to amend the current contract with Nature Vision to provide classroom water education by increasing maximum compensation by \$13,333.25, from \$105,000.00 to \$118,333.25.

Motion by Ms. Nuevacamina and second by Mr. Ault to approve Consent Action Items A-D as presented. Motion carried unanimously (5-0).

8. OTHER ACTION ITEMS

- A. Motion to adopt Resolution No. 2025-11 authorizing the Board Chair to execute on behalf of Cascade the "Amended and Restated Agreement to Coordinate Reclaimed Water" between Cascade and King County, substantially consistent with the information contained in the Revised Board Packet.

Andy Baker, Cascade Economist, discussed the key elements of the current draft agreement with King County to coordinate reclaimed water. The Agreement limits King County's ability to expand reclaimed water use in Cascade Member Service Areas, while reclaimed water policies in the Regional Wastewater Services Plan (RWSP) are being developed. Under the Agreement, the County will not add new reclaimed water customers or end uses or users inside the service area of a Cascade Member except for uses mutually agreed upon in writing between a Cascade Member and the County, if the use does not displace potable water. Both parties agree not to pursue reclaimed water legislation for the term of the agreement.

Mr. Baker responded to questions from Board Members.

Motion by Ms. Nuevacamina and second by Mr. Ault to adopt Resolution No. 2025-11 authorizing the Board Chair to execute on behalf of Cascade the "Amended and Restated Agreement to Coordinate Reclaimed Water" between Cascade and King County, substantially consistent with the information contained in the Revised Board Packet. Motion carried unanimously (5-0).

9. STAFF PRESENTATIONS

None.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held since the last Board meeting.
- B. Finance & Management Committee – Meeting held June 17, 2025. The meeting recap was included in the Board Packet.
- C. Public Affairs Committee – No meetings held since the last Board meeting.
- D. Resource & Management Committee – Meeting held June 12, 2025. The meeting recap was included in the Board Packet.

11. DISCUSSION ITEM – CEO SEARCH PROCESS

Melina Thung, Chief of Staff, discussed the CEO search process. Seventeen applications were received. The applications were reviewed by the CEO Search Committee (Dave Hamilton, Angela Birney, Penny Sweet, and select Cascade staff). After evaluating the applications and conducting interviews, the top candidate withdrew their name from the application process. The CEO Search Committee recommends that the criteria be expanded for the position and the job description potentially reworked.

A discussion about the CEO interim process will be added to next month's meeting agenda.

12. EXECUTIVE SESSION – Executive Session to evaluate the qualification of an applicant for public employment

No Executive Session was held.

13. NEW BUSINESS

None.

14. NEXT REGULAR MEETING

The next regularly scheduled Board meeting will be held on July 23, 2025 at 3:30 p.m.

15. ADJOURN

The meeting adjourned at 4:15 p.m.

APPROVED BY:

Penny Sweet, Chair

Angela Birney, Vice-Chair

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

Motion to authorize the expenditure of funds to engage in a process to acquire East King County Regional Water Association (EKCRWA) interests in two Snoqualmie Aquifer Project water right applications, conditioned upon the following:

- Expenditure of funds includes Cascade legal fees and reimbursement of costs incurred and yet to be incurred by Sammamish Plateau Water due to their role in maintaining and transferring the interests, and is not to exceed \$30,000 without further Board approval,
- All interests in the two applications must be transferred to Cascade from Cascade Members,
- Following completion of the transfer process, Cascade staff shall propose expenditure limits for future work to advance the water right applications,
- In the event that the Snoqualmie Aquifer Project water right applications yield benefits to Cascade, Cascade staff shall develop a proposal for Board consideration to grant Regional Capital Facilities Charge (RCFC) credits to Cascade Members who were EKCRWA members based on their incurred costs,
- In the event of future Cascade withdrawal from the Snoqualmie Aquifer Project, Cascade staff shall develop a process for transfer/disposal of the interests in the two applications, and
- Cascade staff shall provide the Board with periodic updates regarding issues affecting potential decision points (e.g. Seattle Public Utilities' completion of its Future Water Supplies Alternatives study).

SUMMARY OF CURRENT PROPOSED BOARD ACTION

This proposed Board action would formalize Cascade's acquisition of EKCRWA interests in two Snoqualmie Aquifer Project (SAP) water right applications. This would result in Cascade and Seattle Public Utilities (SPU) becoming co-applicants on the water right applications. It is unclear whether the SAP is feasible or whether the applications will progress. However, this action keeps the option alive until more information can be developed about the SAP. Cascade staff would return to the Board after the interests have been transferred to propose expenditure limits on the work.

BACKGROUND

The East King County Regional Water Association (EKCRWA) is a regional water planning coordination organization made up of eastside municipal water suppliers that was established in 1987. It developed the East King County Coordinated Water System Plan in 1989 and updated the plan in 1996. Five Cascade members were or are members of the EKCRWA: Bellevue, Redmond, Kirkland, Issaquah, and Sammamish Plateau Water. Between 1994 and 1998, the EKCRWA, along with the City of Seattle, submitted to the State Department of Ecology

(Ecology) two water right applications for the SAP. EKCRWA continues to hold interests on behalf of its members in the SAP water right applications, along with the City of Seattle.

The SAP is a water supply project that would take groundwater from the aquifer near North Bend to supplement Snoqualmie River flows in the summer. The water would then be withdrawn north of Carnation, treated at a new treatment facility, and connected to SPU's Tolt Pipeline. It was estimated to yield about 16 million gallons per day (MGD) total. However, after the initial water right applications were developed in the mid-1990s, the regional water environment shifted and interest in the applications waned. Seattle was offering additional water to purveyors and Cascade was formed in 1999, leading to no action on the SAP applications for 20 years.

In 2019, Ecology began reviewing its backlog of water right applications. It contacted EKCRWA and SPU asking for action or for the applicants to withdraw the applications. The EKCRWA has been dormant for many years and is interested in dissolving. In November 2023, the EKCRWA met and adopted a motion that authorizes the organization to assign its interests in the two water right applications to whatever members and former members desire to acquire them and to then dissolve. To date, only Sammamish Plateau Water has taken actions to actively maintain its interests. Cascade staff have received information from the EKCRWA that the organization does not intend to meet again and is ready to finalize the assignment.

SPU has included the SAP in its list of projects to study in its current Future Water Supplies Alternatives Study. SPU is estimating the completion of this study by the end of 2026. SPU has contacted Cascade's EKCRWA members asking them to enter an interlocal agreement with SPU to pursue SAP feasibility. To date, Cascade's members have asked SPU for more time to investigate the project and how to move forward before engaging with SPU.

The 2012 Joint Municipal Utilities Services Agreement, Article 6, requires the Board to approve any new independent supplies. Given this requirement, Cascade's members who are or were EKCRWA members, asked for Cascade's assistance in analyzing the best path forward to consolidate interests and transfer those interests to Cascade. Cascade and member staff worked together to investigate several options and recently, in consultation with EKCRWA, concluded the only viable path given the current circumstances is for Sammamish Plateau Water to take the assignment of interests from EKCRWA and then to assign the interests to Cascade. Any assignment of interests would need to be submitted to and approved by Ecology, and it is not anticipated that Ecology would deny the transfer.

Next Steps

If the Board approves this proposed action, the next steps are to facilitate the transfer of interests from EKCRWA to Sammamish Plateau Water and then to Cascade, including all Ecology approvals.

Additional efforts and expenditures would be necessary to advance the water right applications, including coordination with SPU and potential cost sharing in feasibility studies. Following

completion of the transfer process, Cascade staff shall return to the Board to propose expenditure limits for future work to advance the water right applications.

Sammamish Plateau Water has incurred legal costs to ensure the water right application interests could be transferred from the EKRWA. Additionally, because the proposed transfer would pass the water right application interests first to Sammamish Plateau Water, and then to Cascade, Sammamish Plateau Water is expected to incur some further legal expense in the course of that transfer.

In addition, the Cascade Members that participated in the EKRWA have historically incurred membership costs and cost sharing as a member of EKRWA to initiate these water right applications. If Cascade receives benefits from the water right applications for the Snoqualmie Aquifer Project, such as from approval of the applications and development of the Project or from transfer of interests in the Project, staff would work with those Members to determine RCFC credits based on their incurred costs.

In the event of a future Cascade withdrawal from the Snoqualmie Aquifer Project, the interests in the two applications and any associated rights shall be offered first to Cascade members and then subsequently to other interested parties. It is anticipated that transfer of interests could be conditioned on payment of the costs Cascade has incurred to advance the water right applications, such that other Cascade members do not bear such cost. Staff would develop a process to transfer/dispose of the interests in the two applications consistent with these principles for proposal to the Board.

Cascade staff shall provide the Board with periodic updates regarding issues affecting potential decision points (e.g. SPU's completion of its Future Water Supplies Alternatives study).

PRIOR BOARD ACTIONS

Not applicable.

OPTIONS CONSIDERED AND ANTICIPATED RESULT IF THE BOARD DOES NOT APPROVE THIS ACTION

There were two other options considered. One option was to not involve Cascade in the transfer of interests or in the project until, and unless, the SAP was developed to a point where one or more of the EKRWA members asked for Board approval for a new independent supply. Cascade Members who are EKRWA members were not supportive of this approach due to the complexity and uncertainty of the project and applications, and those Members requested Cascade involvement.

The second option considered was to have Cascade become an EKRWA member and take the transfer of interests directly rather than through the Cascade Members. Investigation of this option with EKRWA and its legal counsel determined this was not a feasible option since the

EKCRWA Board had already met and decided to dissolve once the interests were transferred. They were not open to meeting again or taking on new members.

If this proposed action is not approved, Cascade would not be directly involved in the transfer of interests in or in development of the SAP. The Cascade Board could be involved again in the future if any Cascade Member asks the Board for approval of new independent supply.

PROCUREMENT PROCESS

Not applicable.

FISCAL IMPACT

Total Cost:

The estimated cost to complete the steps up to the transfer of the interests to Cascade, including reimbursement of Sammamish Plateau Water legal costs, is under \$30,000 and can be accommodated within the adopted budget for legal services, without impacting other activities. The subsequent steps necessary to advance the water right applications beyond assignment, and associated costs, are still to be evaluated and are not authorized by this motion.

Approved in Current Biennial Budget: ☒ Yes ☐ No ☐ N/A

There is no additional fiscal impact for this action.

RECOMMENDED ACTION

Approve the motion to authorize the expenditure of funds to engage in a process to acquire East King County Regional Water Association (EKCRWA) interests in two Snoqualmie Aquifer Project water right applications, conditioned upon the following:

- Expenditure of funds includes Cascade legal fees and reimbursement of costs incurred and yet to be incurred by Sammamish Plateau Water due to their role in maintaining and transferring the interests, and is not to exceed \$30,000 without further Board approval,
- All interests in the two applications must be transferred to Cascade from Cascade Members,
- Following completion of the transfer process, Cascade staff shall propose expenditure limits for future work to advance the water right applications,
- In the event that the Snoqualmie Aquifer Project water right applications yield benefits to Cascade, Cascade staff shall develop a proposal for Board consideration to grant RCFC credits to Cascade Members who were EKCRWA members based on their incurred costs,
- In the event of future Cascade's withdrawal from the Snoqualmie Aquifer Project, Cascade staff shall develop a process for transfer/disposal of the interests in the two applications, and

- Cascade staff shall provide the Board with periodic updates regarding issues affecting potential decision points (e.g. Seattle Public Utilities' completion of its Future Water Supplies Alternatives study).

ATTACHMENTS

None.

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

Motion to adopt Resolution No. 2025-12, Authorizing the Appointment of an Interim Chief Executive Officer.

SUMMARY OF CURRENT PROPOSED BOARD ACTION

Resolution No. 2025-12 authorizes the Board to appoint an interim Chief Executive Officer (CEO) until the Board appoints a permanent CEO. It also authorizes the Executive Committee to determine compensation for the interim CEO.

BACKGROUND

At the February 2025 Board meeting, Cascade CEO Ray Hoffman announced his plan to retire in 2025. Following Mr. Hoffman's announcement, at the March 2025 Board meeting, the Board approved Resolution 2025-08, authorizing the formation of a CEO Search Committee to recruit and help identify Cascade's new CEO. Three Board members and four Cascade staff volunteered to serve on the Search Committee.

With the help of a talent management consultant, the Search Committee implemented a recruitment and hiring process and received applications from several highly qualified individuals, based on the posted CEO job description. After interviewing several candidates, the Search Committee identified one finalist for the Board's consideration. However, prior to the final interview with the Board at its June meeting, the finalist withdrew from the process.

After discussion, the Board agreed the best course of action is to start over with the hiring process. They also agreed to making changes to the CEO job description to highlight qualifications that were under-emphasized in the original job posting, and they agreed to recruit more broadly to reach potential candidates with the desired updated qualifications.

Selecting a new CEO is likely to take six months, and Mr. Hoffman will step down as Chief Executive Officer on July 25, 2025. Until the Board appoints a permanent CEO, it has chosen to appoint Melina Thung, Cascade's current Chief of Staff, as interim CEO per its authority under Cascade Water Alliance Code (CWAC) 2.05.370:

The staff of Cascade shall consist of a Chief Executive Officer ("CEO") and such other positions established by the Board. The Board shall appoint the Chief Executive Officer, who shall not be a Board Member (or Alternate).

The resolution also authorizes the Executive Committee to determine compensation for the interim CEO, per CWAC 2.05.320:

The Chair, Vice-Chair, Secretary, and Treasurer shall constitute the Executive Committee of Cascade. The Executive Committee shall be responsible for oversight of emergencies and emerging issues, personnel matters, and other issues as assigned by the Board; however the Executive Committee may not act on behalf of the Board except as authorized by this section or by action of the Board.

Next Steps

The Search Committee will revise the job description and develop a new recruitment and hiring approach. They will provide regular updates to the Board and solicit Board engagement throughout the process.

PRIOR BOARD ACTIONS

| Board Action | Date | Resolution No. (if Applicable) |
|---|----------------|--------------------------------|
| Authorization of the formation of a CEO Search Committee. | March 26, 2025 | 2025-08 |

OTHER OPTIONS AND ANTICIPATED RESULTS IF THE BOARD DOES NOT APPROVE THIS ACTION

N/A

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

N/A

RECOMMENDED ACTION

Adopt Resolution No. 2025-12, Authorizing the Appointment of an Interim Chief Executive Officer

ATTACHMENTS

1. Resolution 2025-12, Authorizing the Appointment of an Interim Chief Executive Officer.



CASCADE WATER ALLIANCE
RESOLUTION No. 2025-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER
ALLIANCE, A WASHINGTON MUNICIPAL CORPORATION, AUTHORIZING THE
APPOINTMENT OF AN INTERIM CHIEF EXECUTIVE OFFICER

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, under Cascade Water Alliance Code 2.05.370, the Cascade Board of Directors ("Board") is authorized to appoint the Chief Executive Officer and under Cascade Water Alliance Code 2.05.320, the Board's Executive Committee may act on behalf of the Board as authorized by action of the Board; and

WHEREAS, Ray Hoffman intends to retire and step down as Cascade's Chief Executive Officer effective July 25, 2025, and the Board has not yet identified a permanent Chief Executive Officer to succeed Mr. Hoffman; and

WHEREAS, the Board now desires to appoint an interim Chief Executive Officer and to authorize the Executive Committee to determine compensation for the interim Chief Executive Officer.

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

Section 1. Authorization. The Board adopts this Resolution No. 2025-12 appointing Melina Thung as interim Chief Executive Officer beginning on July 26, 2025 and until such time as the Board appoints a permanent Chief Executive Officer, and authorizing the Executive Committee to determine compensation for the interim Chief Executive Officer.

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

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a regular meeting thereof, held on the 23rd day of July 2025.

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

___ No

Planning for Climate Change

Presentation to the Board of Directors
July 23, 2025



Today's Purpose

- Information sharing only, no Board action requested at this time.
- Provide an overview of potential climate change impacts to the region including the Lake Tapps Reservoir.
- Begin discussions of a decision-making framework for Cascade's planning in the context of climate change.

Overview of Presentation

1. Cascade's goals with respect to climate change and how we can achieve these.
2. Uncertainties and opportunities in dealing with climate change and how Cascade and other wholesale providers are responding.
3. What we know from Cascade's and other utilities' analyses.
4. How we can continue to adapt going forward.

Cascade's Goals Regarding Climate Change

Cascade's Climate Planning Goals

- Continue to achieve our mission of providing clean, safe, reliable drinking water that meets our members' needs in a cost-effective and environmentally responsible way.
- Set up future Cascade Boards (as we have to-date) to be able to choose solutions that create and maintain maximum flexibility in meeting our mission by:
 - Being adaptive based on the most current information and data.
 - Adopting a planning and decision-making framework in light of the uncertainty surrounding climate change.

Cascade's Decision-Making Framework

1. Establish **baseline assumptions** and future projections based on observations, scenarios, and models. *(Done.)*
2. Identify and implement **adaptation strategies** to reduce vulnerability to climate change impacts. *(Initial strategies identified.)*
3. Create **resiliency** by keeping options open to out-pace climate change impacts.
4. Establish and monitor **indicators** to trigger further analysis or action.
5. **Update** assumptions as greater clarity is gained about extent and rate of climate change.

Current Indicators of Climate Change and Uncertainties

Current Indicators of Climate Change

Higher temperatures for longer durations and reduced snowpack increase the risk of droughts.



Current Indicators Continued

Extreme weather patterns have led to flooding.



Climate Change Uncertainties

- Uncertainties:
 - Pace of climate change.
 - Extent of impacts and when impacts will be experienced.
- Uncertainties due to:
 - Unknown level of future human greenhouse gas emissions.
 - Climate change science of prediction and attribution is in infancy.
 - Modeling is not an exact science.
 - Unknown future local, state, and national responses to climate change.

Drinking Water Providers' Responses to Climate Change

Wholesale Water Providers

- Regional wholesale water providers (Everett, Seattle, Tacoma) addressed climate change in their water system plans.
- Tacoma is updating its climate change projections in its *Integrated Resource Plan*.
- Washington Department of Health now requires a *Climate Resiliency Element* in water system plans (RCW 43.20.310).

Cascade's Response

To achieve its climate change planning goals, Cascade is:

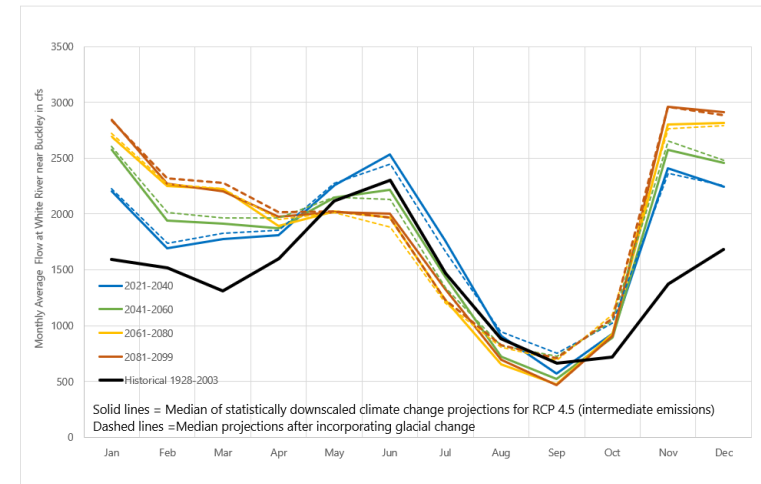


Photo of Howard Hansen Dam

Securing supply



Reducing demand



Conducting analyses to enable data-driven, informed decisions (via a planning and decision-making framework)

Securing Supply

- Thinking and acting regionally:
 - Purchased Lake Tapps Reservoir.
 - Signed wholesale contracts with Tacoma.
 - Continuing to explore additional Seattle supply.
- Protecting Lake Tapps Reservoir:
 - Improving operational flexibility.
 - Protecting water quality.



Reducing Demand

Water Efficiency Program



Focus on Peak Demand Shaving



Results of Cascade's and Other Wholesale Providers' Analyses

Results of Other Wholesale Providers' Studies

- **Everett's 2020 analysis:**
 - Climate change could negatively impact Everett's "**safe yield**" (supply can be met with no more than one shortage in 50 years), with most potential impacts under pessimistic scenarios.
- **Seattle's 2019 analysis:**
 - Water supply system, for people and fish, will be increasingly vulnerable to the seasonal hydrologic shifts associated with climate change.
 - Exploring various adaptation strategies for short- and long-term.
- **Tacoma's 2018 analysis:**
 - "**Resource adequacy standard**" (mandatory curtailments less than once in 25 years) will be met under the "most likely" climate scenarios but not under the "most stressed" scenarios.
 - Exploring various adaptation strategies for short- and long-term.

Cascade's Analyses

Methodology of recent analysis of climate change impacts on the White River - Lake Tapps system:

Global Climate Models (GCMs). Select a set of GCMs and emission scenarios best suited for the White River-Lake Tapps system.

GCMs are computer-driven models that simulate future climate on a global scale.

Downscaling. Apply a downscaling method to selected GCMs to simulate scenarios at the White River basin level.

Hydrology Model. Input downscaled GCM data into a hydrology model to determine streamflow impacts.

Glacier Model. Project future glacial melt from Emmons Glacier and streamflow impacts.

Bottom-Up Approach. Identify early warnings to trigger further analysis or action.

Lake Tapps System Model (LTSM). Input the streamflow and glacial melt data and bottom-up approach information into the LTSM to determine impacts on firm yield and other metrics.

Adaptation Solutions. Identify strategies to effectively adapt to climate change impacts.

Results of Cascade's Analysis

Projected trends for White River - Lake Tapps Reservoir:

- Winter flows will increase through the 21st century with rainfall driven flows eventually exceeding the spring snowmelt peak.
- Decrease in snowmelt peak, resulting in lower summer flows for longer periods of time.
- Late summer flows slightly offset with an increase in glacial melt.

Results of Cascade's Analysis Continued

- Modeled 10 downscaled GCMs, covering a range of future states, coupled with two emissions scenarios, for a total of 20 scenarios.
- Evaluated impacts on the Lake Tapps Reservoir's "firm yield at 96% reliability" (no more than 4 years with a shortfall out of the 93-year model run).

| Category | Firm Yield Reliability at 96% |
|---------------------|-------------------------------|
| Lesser to no impact | 32 to 48.5 MGD |
| Moderately impacted | 16 to 32 MGD |
| Severely impacted | Less than 16 MGD |

Note: Currently, Cascade uses about 27-28 MGD on average from Seattle. Future water use is expected to increase.

Results of Cascade's Analysis Continued

- Water supply reliability is severely impacted for all 10 climate projections under the “worst-case emissions scenario”.
- The “intermediate emissions scenario” results in less impact on reliability:

| # of Climate Change Scenarios Run | Firm Yield Reliability at 96% |
|---|-------------------------------------|
| Intermediate Emissions Scenario (“RCP 4.5”) | |
| 4 climate scenarios | Lesser to no impact: 32 to 48.5 MGD |
| 2 climate scenarios | Moderately impacted: 16 to 32 MGD |
| 4 climate scenarios | Severely impacted: Less than 16 MGD |
| Worst-Case Emissions Scenario (“RCP 8.5”) | |
| 10 climate scenarios | Severely impacted: Less than 16 MGD |

Adaptations Analyses

- Adaptation strategies analyzed in order from the most effective to least:
 - Increased storage at Lake Tapps Reservoir
 - Upstream storage
 - Increased water available for diversion
 - Reduced peak demand
 - Operational adjustments

Adaptations Analyses Continued

- Combinations of adaptation strategies were more successful in improving water supply reliability than individual adaptations only.
- The most promising combination is upstream storage plus increased diversion plus increased storage at Lake Tapps Reservoir:

| # of Climate Change Scenarios Run | Firm Yield Reliability at 96% for the Combo of Upstream Storage + Increased Diversion + Increased Reservoir Storage |
|---|---|
| Intermediate Emissions Scenario ("RCP 4.5") | |
| 10 climate scenarios | Lesser to no impact: 32 to 48.5 MGD |
| Worst-Case Emissions Scenario ("RCP 8.5") | |
| 10 climate scenarios | Lesser to no impact: 32 to 48.5 MGD |

Continuing to Adapt Going Forward

Achieving Cascade's Climate Planning Goals and Looking for Opportunities

Goals

Achieve Cascade's mission.

Maximize current and future Boards' flexibility in meeting Cascade's mission.

- Continue to focus on regional approach regarding supply and demand.
- Consider combination of adaptation strategies for Lake Tapps Reservoir.
- Adopt a planning and decision-making framework to:
 - Create resiliency in the face of uncertainty.
 - Update assumptions as more clarity is gained.
 - Monitor indicators that trigger the need for further analysis and/or action.

Proposed Next Steps

- Provide a written summary of Cascade's recently completed climate change impacts study in late summer.
- Offer "deep dive" session to Board and member staff.
- Discuss with Board potential near-term actions to begin taking steps towards longer term adaptation solutions.
- Collaborate with other utilities on regional solutions (e.g. via the Water Supply Forum).

Thank you. Questions?



Cascade Supply Program

July Update



The Team



Brian Bartle
Program Executive



Brittany Anderson
Program Controls Lead



Cody Nelson
Program Planning Director



Colleen Petilla
Program Design Director

CSP Program and Engineering Support (PES) Selection Process



- PES: Long term consulting support for the program, including program management, planning, right of way, permitting, and construction inspection/management
- Received four fantastic RFQ's, from high quality firms/teams
- BIG thank you to the member staff that helped with the ranking!

Upcoming Committee/Board Actions

- 10th: Notify Firm
- 11th: Discuss with RMC
- 24th: Present Finalist to Board

September

9

- 9th: RMC Discuss Draft Master Services Agreement (MSA)
- 21st: FMC Discuss MSA
- 22nd: Board Authorize entering into MSA

October

10

Master Services Agreement (MSA)

- An MSA helps when you don't know your set scope
- Allows for consistent terms, easy execution of work packages
- Provides flexibility as the route changes, needs change

MSA - Examples

Master Services Agreement (MSA)

- Terms
- Conditions
- Fees/Rates
- Duration/Timeline
- Maximum value in the biennium
- ~~Scope~~



| Work Assignment #1 | |
|--------------------|-----------------|
| • | Hydraulic Study |
| • | Scope/Fee |
| • | Timeline |
| • | Deliverables |
| • | Program Support |
| • | KPI Development |
| | |
| | |
| | |
| | |

| Work Assignment #2 | |
|--------------------|------------------------------|
| • | Route Study |
| • | Scope/Fee |
| • | Timeline |
| • | Deliverables |
| • | Property Acquisition Support |
| | |
| | |
| | |
| | |

Board Action



CEO Approval

Early Work Assignments

PES Tasks

1. Project Management
2. Program Support
3. Planning
4. Right of Way
5. Permitting
6. Communications and Outreach
7. Design Support
8. Construction Support
9. Operations Support

Non-Technical

- KPI, project execution plan, cost estimating, scheduling, governance support

Technical

- Tank siting, hydraulic grade, pipe routing, member agency connections

Proposed Contract/MSA Oversight

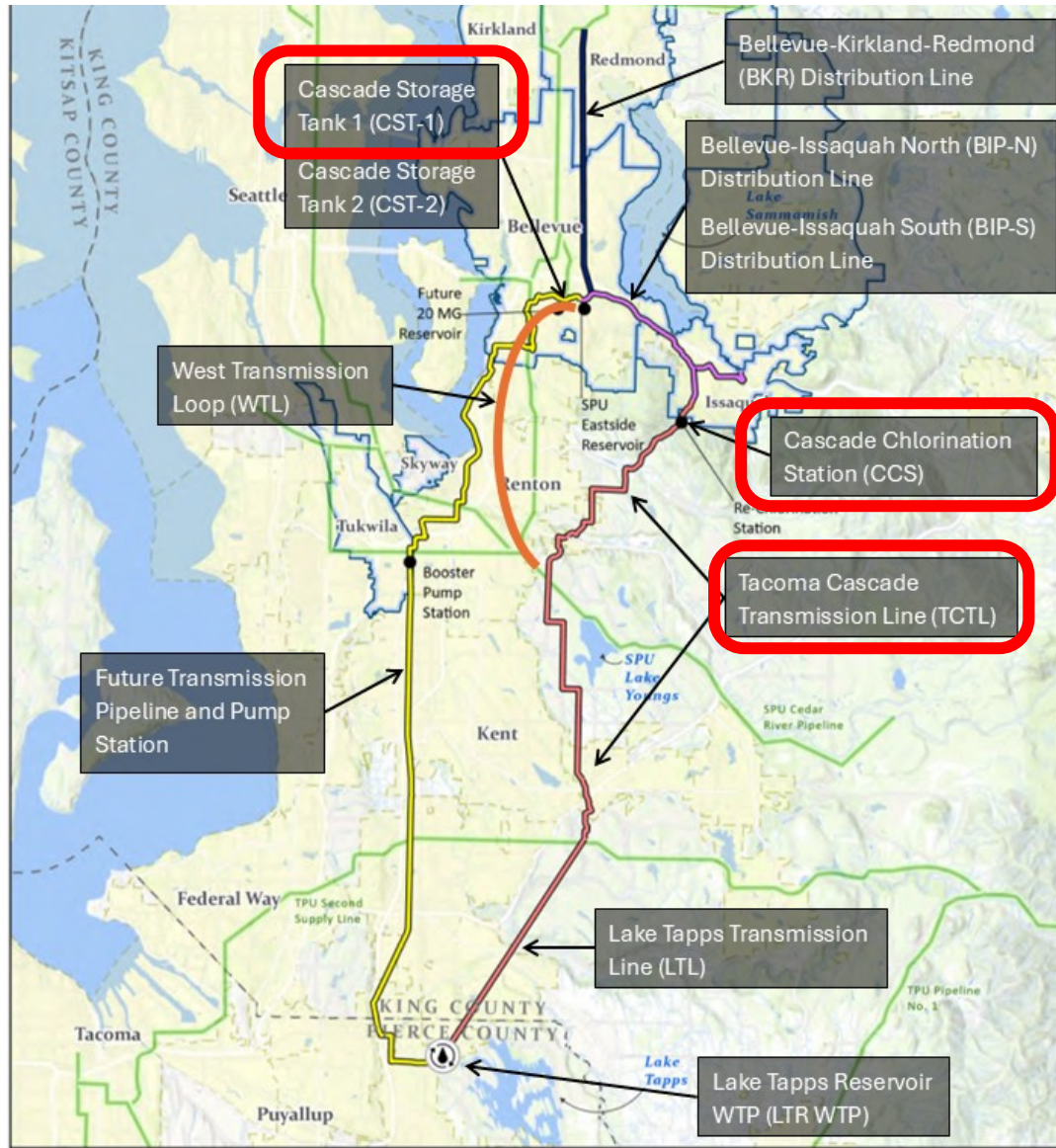
- Contracting off-ramps and re-upping
- Biennium CEO meetings with regional consultant leadership
- 6-year Board review and re-upping of contract
 - Not a recompetete for the consultant, but a decision to continue
- Budget request every 2-years
- Note that design will be separate contracts on a separate schedule

Governance and Oversight

- Working on a RASCI matrix
 - Responsible, Accountable, Supportive, Consulted, Informed
- Early task to work with RMC/Consultant on Governance
- Quarterly RMC/Board; Monthly Member Staff
- KPI's, spending status, program updates
- What else would you like to hear about?

Initial PES Contract Value

- De-couple the duration (6-year increments) and the budget (2-year increments)
- 2025/2026 Budget Authorization for professional services: \$4.56M
- Proposing to authorize the full amount with the MSA
- We may come back in 2026 for a budget adjustment between capital vs operating, which requires Board action
- Thoughts on this proposed process?



Timeline (early/initial/preliminary)

- Still a work in progress
- Phase 1: Connect the Tacoma and Cascade systems.
 - TCTL: Tacoma-Cascade Transmission Line
 - CCS: Cascade Chlorination Station
 - CST-1: Cascade Storage Tank
- Routing, hydraulics, planning, and more needed to confirm what we need to build
- Start construction in early 2030's
- Deliver water by 2040

Questions?

Abbreviations Used (Alphabetical)

- CCS: Cascade Chlorination Station
- CIP: Capital Improvement Program
- CSP: Cascade Supply Program
- CST: Cascade Storage Tank
- FMC: Finance and Management Committee
- IDIQ: Indefinite delivery/indefinite quantity
- KPI: Key Performance Indicator
- MSA: Master Services Agreement
- PES: Program and Engineering Support
- RASCI: Accountability Matrix (Responsible, Accountable, Supporting, Consulted, Informed)
- RFP: Request for Proposals
- RFQ: Request for Qualifications
- RMC: Resource Management Committee
- TCTL: Tacoma-Cascade Transmission Line
- WA: Work Assignment



EXECUTIVE COMMITTEE

Penny Sweet, Chair, City of Kirkland
Angela Birney, Vice Chair, City of Redmond
Mary Lou Pauly, Secretary/Treasurer, City of Issaquah

Meeting Recap
Monday, July 14, 2025
3:30 PM – 4:00 PM
Held via Teams

Discussion Items.

- A. Interim Chief Executive Officer (CEO) Appointment Process.** This item is for the Executive Committee to discuss the selection of an interim CEO for Cascade beginning on July 26.

***Recap:** Ray Hoffman is retiring as Cascade's CEO effective July 25. The committee discussed appointing Melina Thung as Interim CEO until the Board appoints a permanent CEO. The Executive Committee supported taking a resolution to the Board at its July 23 meeting to appoint Melina Thung and authorize the Executive Committee to determine compensation.*



FINANCE & MANAGEMENT COMMITTEE

Mary Lou Pauly, Chair, City of Issaquah
Penny Sweet, City of Kirkland
Dave Hamilton, City of Bellevue

Meeting Recap
Tuesday, July 15, 2025
1:30 PM – 3:00 PM

Held at Cascade's office and via Zoom

Call to Order

1. Chair Comments.
2. Executive Session.
3. Items Recommended for Action at the July 23, 2025 Board Meeting
4. Discussion Items

- A. Capital Funding Plan Development.** Cascade code requires a funding plan for major capital projects. The funding plan for current projects will be the first such effort and likely a template for updates and future plans. The draft Table of Contents outlines the planned approach and structure for the funding program. At present, the planned schedule for the funding plan review process is for committee review during October, Board review in November, and Board adoption in January.

Recap: Staff presented a draft Table of Contents for the Capital Funding Plan. The committee indicated a preference for a strong Executive Summary and Policy Document, with detailed analytical results documented separately. Staff is aiming to return to the committee in October to review a draft of the funding plan.

- B. Cascade Supply Program Update.** Staff will provide an update on the consultant selection process and the timeline of future Committee/Board items and have a discussion on a Master Services Agreement.

Recap: Staff presented an update on the Program and Engineering Support (PES) consultant selection process, information on the proposed master services agreement (MSA) style contract, program phasing, and early timeline. Staff will return to committees and the Board with the contract for approval at the end of the consultant selection process.

5. Other Issues.

6. Next Meeting Date and Location.

The next meeting will be held Tuesday, August 19, 2025, 1:30 p.m. – 3:00 p.m. at Cascade's office and via Zoom.



RESOURCE MANAGEMENT COMMITTEE

Lloyd Warren, Chair, Sammamish Plateau Water
Jon Ault, Skyway Water & Sewer District
Dave Hamilton, City of Bellevue
Tom McLeod, City of Tukwila
Jon Pascal, City of Kirkland
Ryika Hooshangi, Sammamish Plateau Water
Angie Nuevacamina, City of Redmond

Meeting Recap
Thursday, July 10, 2025
2:00 PM – 3:30 PM

Held at Cascade's office and via Zoom

1. Chair Comments.
2. Executive Session.
3. Discussion Items.

A. Seattle Public Utilities (SPU) – Water Supply Status. SPU staff will join the committee meeting to provide a water supply status update. Current SPU water supply information can be found [here](#).

***Recap:** SPU provided the committee with an update on the current water supply status. Cumulative precipitation and snowpack were both lower in 2025 than the long-term average. SPU raised reservoir levels early this year, but due to the lack of snowpack and higher than normal water consumption caused by hotter and drier than normal weather in June, the combined reservoir storage is below the long-term average for this time of year. Despite all of this, SPU said they anticipate sufficient water supply for people and fish for this summer.*

B. Implementation of Tacoma Wholesale Contracts. Staff will present an update on Resolution 2025-01 which states: "By December 31, 2025, Cascade staff shall present, for approval of the Board, guidelines for the role of Board regarding the five (5) year reviews and the Management Agreements. The Board shall receive periodic updates starting July 1, 2025."

***Recap:** Staff briefed the committee on the development of the Management Agreement and Five-Year Review guidelines. Committee members provided feedback, including that the conceptual approach appears reasonable and that the process will likely need to iterate and evolve over time; they also requested actual Seattle management agreements be used as examples to promote understanding. Staff will return to the committee for further input in October.*

C. Water Quality Management Plan. Cascade staff will present its recommendations from the final Water Quality Management Plan based on the recommendations Cascade's consultant (Herrera) presented at the May 2025 RMC meeting.

Recap: Staff presented their recommendations from the Water Quality Management Plan, generally concurring with the Consultant's recommendations. Staff, however, recommend conducting monitoring on a less frequent basis and performing fewer studies than the consultant. The committee supported the staff's recommendations. Staff will next develop more detailed scopes, schedules, and budgets for each recommendation and present these to the committee in early 2026 for consideration and inclusion in the 2027-2028 budget.

- D. Cascade Supply Program Update.** Staff will provide an update on the consultant selection process and the timeline of future RMC/Board items and have a discussion on a Master Services Agreement.

Recap: Staff presented an update on the Program and Engineering Support (PES) consultant selection process, information on the proposed master services agreement (MSA) style contract, program phasing, and early timeline. Discussion followed with more information about the MSA, early work packages, how/when we report back to the Board, governance documentation, and the importance of outreach and intergovernmental relationships as we move forward. There was a request for more information on the RASCI matrix, which, due to time limits, was emailed out to the committee the following day. Staff will return to the committee and the Board with the contract for approval at the end of the consultant selection process.

4. Items Recommended for Action at the July 23, 2025 Board Meeting.

- A. Acquisition of interests in Snoqualmie Aquifer Project Water Right Applications.** Motion to authorize the expenditure of funds to engage in a process to acquire East King County Regional Water Association interests in two Snoqualmie Aquifer Project water right applications, with certain conditions.

Recap: The committee supported the motion and recommended it be added to the consent agenda for the July 23 Board meeting.

5. Other issues.

6. Next Meeting Date and Location.

The next meeting will be Thursday, August 14, 2025, 2:00 p.m. – 3:30 p.m. at Cascade's office and via Zoom.



CASCADE WATER ALLIANCE
RESOLUTION No. 2025-B

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER
ALLIANCE, A WASHINGTON MUNICIPAL CORPORATION, RECOGNIZING RAY
HOFFMAN FOR OUTSTANDING CONTRIBUTIONS TO CASCADE AND THE REGION

WHEREAS, Cascade Water Alliance (Cascade), is a Washington Municipal Corporation created for the purpose of providing water supply to meet the growing demands of its Members; and

WHEREAS, Ray Hoffman joined Cascade in 2017 and became Chief Executive Officer in 2020; and

WHEREAS, when Ray Hoffman came to Cascade, it capped a long career of dedicated service at the City of Seattle, having served roles in solid waste, water, the Mayor's office, and then as Director of Seattle Public Utilities; and

WHEREAS, just three months after he stepped into the CEO role, COVID-19 changed the world, and Ray Hoffman's measured leadership helped Cascade adapt and continue to provide high quality services to its Members; and

WHEREAS, over the years, Ray Hoffman served as CEO during the creation of the Water Supply Development Fund, extension of the water right permits, clean audits every year, completion of two flowline outages and key infrastructure upgrades, Corps Mud Mountain Dam Phase 3 upgrades, water quality policy work to support future municipal supply at the Lake Tapps Reservoir, new Tacoma contracts, and the Cascade Supply Program, to name just a few of his many accomplishments; and

WHEREAS, Ray Hoffman led the region as the chair of the Water Supply Forum, and in doing so, lead collaborative regional discussions of key water supply issues; and

WHEREAS, Ray Hoffman is an exceedingly thoughtful and analytical leader who was able to bring out the best in his employees, who were always willing to respond to his many "Rayquests" for information; and

WHEREAS, Ray Hoffman's achievements have set Cascade up for success as it moves into a new era of connecting the region for future water supply; and

WHEREAS, as a result of Ray Hoffman's dedication to Cascade, his legacy is that the region will have safe, clean and reliable drinking water for years to come.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE that special commendation and thanks be given to Ray Hoffman for his years of service to this agency, and that he is recognized by all in the region as a regional leader, a tireless advocate and respected friend.

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a regular meeting thereof, held on the 23rd day of July, 2025.

CASCADE WATER ALLIANCE

Penny Sweet, Chair

Angela Birney, Vice-Chair

Mary Lou Pauly, Secretary/Treasurer