



REGULAR MEETING OF THE BOARD OF DIRECTORS  
AGENDA  
CASCADE WATER ALLIANCE  
Held at Cascade's Office and Via Zoom  
March 25, 2026  
3:30 PM

	<u>Page</u>
1. CALL TO ORDER	
2. ROLL CALL	
3. PUBLIC COMMENT - Members of the public may address the Board for a maximum of three minutes per person.	
4. APPROVAL OF AGENDA	
5. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
6. CONSENT ITEMS	
a. Board Meeting Minutes for February 25, 2026.	<u>17</u>
b. Special Board Meeting Minutes for March 6, 2026.	<u>20</u>
7. OTHER ACTION ITEMS	
a. Motion to adopt Resolution No. 2026-06 amending the bylaws and the Cascade Water Alliance Code to modify the standing committees, scope and procedures of committee meetings, participation by non-committee members, and the regular meeting schedule for the standing committees of the Cascade Water Alliance Board of Directors.	<u>22</u>
b. Motion to adopt Resolution No. 2026-07 to appoint Board Standing Committee Chairs and Membership.	<u>30</u>
8. STAFF PRESENTATIONS	
a. Capital Funding Plan: Background & Fiscal Policy Overview	<u>34</u>
9. COMMITTEE REPORTS	
a. Executive Committee – <i>no meeting held.</i>	
b. Finance and Management Committee – <i>March 17, 2026.</i>	<u>52</u>

- c. Public Affairs Committee – *no meeting held.*
- d. Resource Management Committee – *March 12, 2026.* 54
- 10. EXECUTIVE SESSION - Executive Session to evaluate the qualifications of an applicant for public employment – RCW 42.30.110(g).
- 11. NEW BUSINESS
- 12. NEXT REGULAR MEETING – *April 22, 2026 – 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: March 25, 2026

TO: Angela Birney, Chair  
Board of Directors

FROM: Melina Thung, Interim 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 2025 financial audit, began the week of March 16. 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. The State Auditor's Office will conduct a separate audit of Cascade later this year.
- Regional Capital Facilities Charge (RCFC) connections through February were 85 with three member worksheets overdue. They are off pace (510) to meet 2026 budget expectations of 1,150.
- Cascade's IT consultant, TeamLogicIT, decommissioned a server and made additional upgrades as a result of recommendations that came out of the latest penetration tests.
- 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 two percent 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 2027 - 2028 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.
- Cascade is working to fix an exhibit in order to finalize the second amendment with GREE BN, LLC (BrightNight), which the Board approved in January. BrightNight has begun to mobilize construction on other parts of the project. Upon construction commencement, Cascade is due \$1.4M.
- Cascade anticipates bringing a bond resolution to the Board for consideration in the fall to help fund Cascade's Supply Program. Initial work with Cascade's bond counsel and advisors has begun.

## **Cascade Supply Program**

- The first version of the “CSP Performance Update” is attached. Staff are seeking comments on the included sections/data and on whether any changes are requested.
- Contracting
  - The amendment for WA.002.01 (adding communications support to the program team) is complete. Staff are onboarding the Communications consultant team.
  - The CMMS (Computerized Maintenance Management System) contract has been signed. This is a limited effort to interview select Cascade staff to assist in the development of criteria for a future maintenance management system. The project kickoff meeting took place in March; interviews have been scheduled.
  - Staff are beginning to work through the next budget request. In order to complete the budget request, a transfer from the 2025 budget into the 2026 budget is needed, as well as a transfer between the operating and capital budgets. The Board’s first briefing will be in April, with a request for a final decision in May.
- Board Oversight
  - The Board Oversight workshop is complete. Staff have started the first draft of the Board Oversight Plan.
- Planning
  - Staff are continuing to advance the hydraulic modeling, GIS mapping, tank siting, and pipeline routing.

## **Capital Projects and Operations**

- Following substantial completion of the Phase 3 - Headworks Intake Modification Project, Cascade is operating the new facility and continues to update operational procedures based on the new intake and sediment management protocol. Cascade will apply adaptive management techniques to optimize operations and maintenance of the new facility as staff observe the interactions among the dynamic river, the new intake, and the sediment flushing channel.
- White River – Lake Tapps Reservoir (WRLTR) Update
  - The Lake Tapps Reservoir level was 542.69 feet as of March 16. Normal spring refill of the reservoir was initiated on February 15. Cascade achieved full summer recreation level early this year to hedge against low river flow for the rest of the spring period.
- Cascade achieved its annual 1000 cubic feet per second instantaneous flow rate in the early morning hours of March 16. Operations and maintenance staff worked tirelessly with Veolia, subcontractors, and the U.S. Army Corps of Engineers to collaboratively achieve this flow rate. The ability to divert this amount of flow annually is a requirement in Cascade’s water right conditions.
- On-call Minor Construction and Repairs Contracts
  - Staff finished processing the contracts approved by the Board in January and all the contracts have been executed.

- The Lewis Creek Bellevue-Issaquah Pipeline relocation project has achieved 60% completion. Staff have reached out to Members served by this regional transmission pipeline and plan to host a 60% design review briefing with interested member technical staff.
- Operations and Maintenance Services Contract
  - Cascade’s current contract with Veolia for Operation and Maintenance (O&M) of the WRLTR project expires on December 31, 2026. Cascade issued the Request for Proposals and draft contract on March 2. Four firms are scheduled to attend the pre-submission meeting and site tour on March 25. Proposals are due on May 15.
  - Staff anticipate requesting the Board to authorize the CEO to execute an amendment with Veolia for O&M services transition support. The transition contract would be needed if Veolia is not selected for the future O&M services contract and needs to transfer O&M responsibilities to the selected contractor.

### **Water Efficiency**

- Cascade connected with 4,000 attendees at the Northwest Flower and Garden Festival.
- Cascade promoted Fix a Leak Week (March 16-22) on social media to encourage customers to find and fix leaks in their homes.
- The current series of Cascade Gardener classes is focused on water-wise landscapes from around the world. The sessions explore how gardeners around the world work with rainfall, drought, and natural systems and offer practical ideas attendees can bring home.
- Cascade's revised Lawn Be Gone: Grass Removal guide is now available on Cascade's website at [cascadewater.org/wp-content/uploads/2026/02/Lawn-Be-Gone-Guide\\_Final\\_2.17.26.pdf](https://cascadewater.org/wp-content/uploads/2026/02/Lawn-Be-Gone-Guide_Final_2.17.26.pdf).



*Northwest Flower and Garden Festival*

### **Intergovernmental and Communications**

- Cascade is offering summer presentations for Member councils and commissions on the proposed 2027-2028 budget and rates and the Cascade Supply Program. Please contact Alison Bennett if you would like to schedule a presentation.
- This year's Lake Tapps Reservoir Community Meeting has been scheduled for Wednesday, June 3 from 6-8 pm at North Tapps Middle School. Board Members and Alternates are invited to attend. Please let Cascade staff know if you are planning to attend.
- Lake Tapps Living Magazine will be featuring Cascade as its cover story in June. Staff are working with the magazine on the story and photos to include.

### **Attachments**

1. Budget to Actual Expenditure Report through February 28, 2026.
2. Statement of Revenues and Expenditures through February 28, 2026.
3. Statement of Net Position as of February 28, 2026.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of February 28, 2026.
7. Draft 2026 Board Meeting Calendar.
8. CSP Performance Update.

Cascade Water Alliance  
 Budget to Actual Expenditure Report  
 January 1- February 28, 2026  
 17% of the year completed

<b>Administration</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>		<b>% Expended</b>
Salaries	\$	1,353,486	\$	326,649		1,026,837		24.1%
Benefits		350,482		161,813		188,669		46.2%
Wellness program		1,000		0		1,000		0.0%
Prof. Fee (Technical)		200,000		32,172		167,828		16.1%
Prof. Fee (Legal)		697,000		94,699		602,301		13.6%
Prof. Fee (Audit)		106,000		38,359		67,641		36.2%
Prof. Fee (Other)		55,000		1,543		53,457		2.8%
Seismic Resillency		100,000		0		100,000		0.0%
Meetings Expense		12,000		427		11,573		3.6%
Telephone/Internet		45,000		9,557		35,443		21.2%
Office Rent		418,144		68,112		350,032		16.3%
Office Supplies Admin.		15,000		9,416		5,584		62.8%
Equip. and Furniture		1,000		855		145		85.5%
Bank Fees		500		47		453		9.4%
Dues & Subscriptions		25,000		12,373		12,627		49.5%
Taxes/Licenses		15,000		0		15,000		0.0%
Travel		10,000		1,302		8,698		13.0%
Professional Dev.		10,000		2,063		7,938		20.6%
Computer Equipment		20,000		0		20,000		0.0%
Software Licenses		72,000		11,622		60,378		16.1%
Postage & Delivery		1,500		243		1,257		16.2%
Printing & Repro.		3,500		0		3,500		0.0%
Insurance		251,798		127,333		124,465		50.6%
Contingency		450,000		0		450,000		0.0%
<b>Total</b>	<b>\$</b>	<b>4,213,410</b>	<b>\$</b>	<b>898,586</b>	<b>\$</b>	<b>3,314,825</b>		<b>21.3%</b>

<b>Debt Service</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>		<b>% Expended</b>
Bond Debt Service	\$	9,224,541		2,798,175		6,426,366		30.3%
<b>Total</b>	<b>\$</b>	<b>9,224,541</b>	<b>\$</b>	<b>2,798,175</b>	<b>\$</b>	<b>6,426,366</b>		<b>30.3%</b>

<b>Conservation</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>		<b>% Expended</b>
Salaries	\$	162,893	\$	16,387	\$	146,506		10.1%
Benefits		44,460		0		44,460		0.0%
Prof. Fee (Technical)		25,000		6,550		18,450		26.2%
Prof. Fee (Legal)		1,000		0		1,000		0.0%
Dues & Subscriptions		5,500		896		4,604		16.3%
Rebate Reimb. Com.		115,000		5,425		109,575		4.7%
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		59,620		315,380		15.9%
Misc. Serv. and Sup.		38,000		23,022		14,978		60.6%
<b>Total</b>	<b>\$</b>	<b>831,853</b>	<b>\$</b>	<b>111,900</b>	<b>\$</b>	<b>719,954</b>		<b>13.5%</b>

<b>Com. and Intergovern</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>		<b>% Expended</b>
Salaries	\$	128,199	\$	24,061	\$	104,138		18.8%
Benefits		39,683		0		39,683		0.0%
Special Events		10,000		0		10,000		0.0%
Prof. Fee (Other)		165,000		27,000		138,000		16.4%
Sponsorships		30,000		0		30,000		0.0%
Comm. and Public I		280,000		7,805		272,195		2.8%
<b>Total</b>	<b>\$</b>	<b>652,881</b>	<b>\$</b>	<b>58,865</b>	<b>\$</b>	<b>594,016</b>		<b>9.0%</b>

Cascade Water Alliance  
 Budget to Actual Expenditure Report  
 January 1- February 28, 2026  
 17% of the year completed

<b>Operations-General</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>	<b>% Expended</b>
Wholesale Water	\$	25,648,897	\$	2,487,536	\$	23,161,361	9.7%
Salaries		76,815		3,059		73,756	4.0%
Benefits		16,767		0		16,767	0.0%
BIP O&M		80,000		15,933		64,067	19.9%
Pipeline Prop. O&M		90,000		101		89,899	0.1%
<b>Total</b>	<b>\$</b>	<b>25,912,479</b>	<b>\$</b>	<b>2,506,629</b>	<b>\$</b>	<b>23,405,850</b>	<b>9.7%</b>

<b>Operations-Lake Tapps</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>	<b>% Expended</b>
Salaries	\$	925,920	\$	96,842	\$	829,078	10.5%
Benefits		210,861		0		210,861	0.0%
Prof. Fee (Technical)		934,550		60,058		874,492	6.4%
Prof. Fee (Other)		60,000		0		60,000	0.0%
Meetings Expense		4,000		94		3,906	2.4%
Telephone/Internet		2,700		1,236		1,464	45.8%
Office Supplies		7,000		758		6,242	10.8%
Equipment & Furn.		34,000		3,626		30,374	10.7%
Taxes/Licenses		18,000		643		17,357	3.6%
Travel		2,500		1,346		1,154	53.8%
Professional Dev.		2,500		0		2,500	0.0%
Software Licenses		37,000		0		37,000	0.0%
Permitting Costs		9,500		4,449		5,051	46.8%
Misc. Serv. and Sup.		116,000		1,663		114,337	1.4%
LT Operator		3,063,598		405,527		2,658,071	13.2%
Unplanned O&M		100,000		0		100,000	0.0%
Misc. Facility Repairs		135,000		0		135,000	0.0%
USGS Joint Fund		420,000		0		420,000	0.0%
Milfoil Control		210,000		2,228		207,772	1.1%
Vendor Services		130,000		9,379		120,621	7.2%
Water Quality		50,000		0		50,000	0.0%
Dike and Roads		92,000				92,000	0.0%
<b>Total</b>	<b>\$</b>	<b>6,565,129</b>	<b>\$</b>	<b>587,849</b>	<b>\$</b>	<b>5,977,280</b>	<b>9.0%</b>

<b>Cascade Supply Program</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>	<b>% Expended</b>
Salaries	\$	415,000		103,514		311,486	24.9%
CSP Consultants		1,194,000		10,053		1,183,947	0.8%
CSP Contingency		161,000		0		161,000	0.0%
<b>Total CSP Budget</b>	<b>\$</b>	<b>1,770,000</b>	<b>\$</b>	<b>113,567</b>	<b>\$</b>	<b>1,656,433</b>	<b>6.4%</b>

**Total Operating Budget**      **\$**                      **49,170,294**      **\$**                      **7,075,571**      **\$**                      **42,094,724**                      **14.4%**

<b>Capital Projects (multi-yr bdtg not shown)</b>		<b>Budget</b>		<b>Actual</b>		<b>Balance</b>	<b>% Expended</b>
Upper Conveyance	\$	100,000		68,670		31,330	68.7%
Lower Conveyance		2,050,000		103,059		1,946,941	5.0%
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		6,468,033		5,856,828		611,205	90.6%
Cascade Supply		1,770,000		116,826		1,653,174	6.6%
Capital Risk		700,000		0		700,000	0.0%
IT Infrastructure		35,000		0		35,000	0.0%
<b>Total CIP Budget</b>	<b>\$</b>	<b>12,098,033</b>	<b>\$</b>	<b>6,145,382</b>	<b>\$</b>	<b>5,952,651</b>	<b>50.8%</b>

**Total Overall Budget**      **\$**                      **61,268,327**      **\$**                      **13,220,953**                      **48,047,374**                      **21.6%**

Cascade Water Alliance  
Statement of Revenues and Expenditures  
From 1/1/2026 Through 2/28/2026

Attachment 2

Operating Revenue	
Water sales	\$ 5,229,039
Administrative dues	4,366,139
Conservation program	100,002
Total Operating Revenue	9,695,180
Operating Expenses	
Cost of water sold	2,487,536
Salaries and benefits	805,029
Professional services	289,660
Conservation program	5,425
Depreciation and amortization	(4,435)
Communication and public information	59,620
Office expenses	191,142
Operations	412,657
Bank charges	47
Rent	68,112
Maintenance	9,095
Dues and subscriptions	17,713
Miscellaneous	4,269
Total Operating Expenses	4,345,868
Operating Income	5,349,312
Non-Operating Revenue (Expenses)	
Interest income	195,872
Other income	3,673
Interest expense, net of amount capitalized	(295,148)
Total Non-Operating Revenue (Expenses)	(95,603)
Increase in Net Assets	5,253,709
Net Assets, Beginning of Year	180,519,139
Net Assets, End of Year	\$ 185,772,848

Cascade Water Alliance  
Statement of Net Position  
As of 2/28/2026

Attachment 3

Assets	
Current Assets	
Cash and cash equivalents	\$ 42,244,472
Accounts receivable	3,418,953
Prepaid expenses	153,224
Total Current Assets	45,816,649
Capital Assets	
Equipment and furniture	2,404,761
Seattle water contract	22,267,611
Bellevue Issaquah pipeline	22,306,355
Tacoma water contract	159,762,485
Capital Leases	2,491,486
Less accumulated depreciation and amortization	(75,138,361)
Total Capital Assets	134,094,337
Projects in process and assets not yet in service	
Lake Tapps	111,726,404
Tacoma Cascade pipeline	26,656,211
Total Projects in process and assets not yet in service	138,382,615
Restricted cash and cash equivalents	17,609,760
Total Assets	335,903,361
Liabilities	
Current liabilities	
Payables and accrued liabilities	3,304,709
Retroactive water credit	138,722
Accrued interest	3,182,202
Long-term debt current portion	7,355,000
Total Current liabilities	13,980,632
Long-term Liabilities	
Long-term debt	60,705,000
Tacoma contract	73,981,576
Bond premium, net of amortization	1,463,305
Total Long-term Liabilities	136,149,881
Total Liabilities	150,130,514
Net Assets	
Restricted for debt service	147,986,782
Unrestricted	37,786,065
Total Net Assets	185,772,848
Total Liabilities & Net Assets	\$ 335,903,361

**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	2026 Lake Tapps Aquatic Plant Maintenance Program	P. Anderson	1/1/2026	12/31/2026	3/16/2026	0%	\$ 165,000	\$ 2,228	1%	\$ 162,772
Aspect	1	Water Supply Modeling	R. Hoffman	5/6/2020	N/A	3/16/2026	65%	\$ 24,900	\$ 16,196	65%	\$ 8,704
Aspect	2	Water Resources Services	R. Hoffman	8/17/2018	N/A	3/16/2026	98%	\$ 60,000	\$ 58,251	97%	\$ 1,749
Aspect	3	Climate Change Analysis	R. Hoffman	9/7/2022	N/A	3/16/2026	98%	\$ 150,000	\$ 148,846	99%	\$ 1,154
Ballard marine Construction	1	Tunnel intake Dive Condition Assessment	D. Roberts	8/1/2025	N/A	3/16/2026	100%	\$ 11,351	\$ 11,351	100%	\$ -
Ballard Spahr	1	Legal Services	C. Paulucci	1/1/2026	12/31/2026	3/16/2026	0%	\$ 25,000	\$ 2,709	11%	\$ 22,291
Ben Bernstein Music	1	Podcast production	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 7,000	\$ -	0%	\$ 7,000
BHC Consulting	1	Planning & Permit Assistance	T. Richmond	1/1/2026	12/31/2026	3/16/2026	0%	\$ 45,000	\$ -	0%	\$ 45,000
Brilliant Marketing	1	We Need Water Social Media Outreach	J. Ampsacher	1/1/2026	12/31/2026	3/16/2026	0%	\$ 64,000	\$ 14,956	23%	\$ 49,044
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	C. Paulucci	1/1/2026	N/A	3/16/2026	5%	\$ 89,200	\$ 24,552	28%	\$ 64,648
Clark Nuber	2	RCFC member process	C. Paulucci	10/1/2025	N/A	3/16/2026	15%	\$ 105,000	\$ 21,096	20%	\$ 83,904
Colehour and Cohen	1	Staffing for classes and events	J. Ampsacher	1/1/2026	12/31/2026	3/16/2026	0%	\$ 117,525	\$ 8,923	8%	\$ 108,602
Confluence Engineering Group, LLC	1	Lake Tapps Supply & BIP Water Quality Advisory Services Project	D. Roberts	12/1/2023	N/A	3/16/2026	80%	\$ 49,000	\$ 35,968	73%	\$ 13,032
Confluence Engineering Group, LLC	2	Water Quality Blending Study	M. Thung	12/5/2004	N/A	3/16/2026	50%	\$ 230,000	\$ 229,918	100%	\$ 82
CREB, Inc.	1	File Management for U Drive	J. Shimada	6/16/2025	N/A	3/16/2026	50%	\$ 20,000	\$ 19,575	98%	\$ 425
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2026	3/16/2026	45%	\$ 160,000	\$ 54,380	34%	\$ 105,620
David McGrath	1	Irrigation Program Assistance	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 20,000	\$ -	0%	\$ 20,000
Environmental Science Assoc (ESA)	1	Aquatic Plant Management	P. Anderson	1/1/2026	12/31/2026	3/16/2026	0%	\$ 49,000	\$ -	0%	\$ 49,000
Environmental Science Assoc (ESA)	2	Development of Cascade's Integrated Aquatic Plant Management Plan	P. Anderson	3/20/2024	N/A	3/16/2026	60%	\$ 44,750	\$ 24,428	55%	\$ 20,322
Fluid and Motion Control Technologies, LLC	1	Valve House Preventative Maintenance	W. Smythe	3/9/2026	12/31/2026	3/15/2026	5%	\$ 45,000	\$ -	0%	\$ 45,000
GeoEngineers	1	Dam Engineering/Hydrology/ Geotechnical Service	H. Chen	1/3/2024	12/31/2026	3/16/2026	50%	\$ 570,000	\$ 321,126	56%	\$ 248,874
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2026	12/31/2026	3/16/2026	0%	\$ 84,000	\$ 14,000	17%	\$ 70,000
Hawkins Delafield & Wood	1	Procurement and contracting for a contract operator for the WRLTR project.	M. Thung	1/1/2026	12/31/2026	3/16/2026	0%	\$ 110,000	\$ -	0%	\$ 110,000
Herrera	1	On-call limnology services	M. Thung	12/1/2022	12/31/2025	3/16/2026	5%	\$ 45,000	\$ -	0%	\$ -
Herrera	2	Water Quality Management Plan	M. Thung	10/9/2023	12/31/2024	3/16/2026	98%	\$ 165,000	\$ 164,999	100%	\$ 1
Herrera	3	On-Call Water Supply Modeling Services	M. Thung	11/4/2024	12/31/2027	3/16/2026	0%	\$ 40,000	\$ -	0%	\$ 40,000
Herrera	4	Bulkheads Study	M. Thung	6/5/2025	N/A	3/16/2026	5%	\$ 49,000	\$ 26,632	54%	\$ 22,368
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	3/16/2026	99%	\$ 1,518,000	\$ 1,428,512	94%	\$ 89,488
Jennergy	1	Website Maintenance	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 25,000	\$ 5,042	20%	\$ 19,958
Johansen Construction	1	2025 Winter Weather Event Emergency Repairs	D. Roberts	12/29/2025	N/A	3/16/2026	85%	\$ 20,000	\$ 3,303	17%	\$ 16,697
Johansen Construction	2	Owner's Minor Construction, Repair, and Maintenance	W. Smythe	3/5/2026	N/A	3/16/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Jon Shimada	1	On-Call Project Support Services	M. Thung	4/8/2024	12/31/2026	3/16/2026	10%	\$ 35,000	\$ 30,780	88%	\$ 4,220
Lake Tapps Construction	1	Owner's Minor Construction, Repair, and Maintenance	W. Smythe	3/3/2026	N/A	3/16/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Langton Spieth	1	Community relations	A. Bennett	1/1/2026	12/31/2026	3/16/2026	0%	\$ 78,000	\$ 13,000	17%	\$ 65,000
Long Building Tech	1	Security Maintenance	H. Chen	1/1/2026	12/31/2026	3/16/2026	0%	\$ 78,000	\$ -	0%	\$ 78,000
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 135,466	\$ 30,876	23%	\$ 104,590
Northwest Municipal Advisor	1	Financial Advisory Services	C. Paulucci	9/17/2025	12/31/2027	3/16/2026	0%	\$ 49,999	\$ -	0%	\$ 49,999
Okamoto Strategies, LLC	1	Capital Projects and Strategic Planning	H. Chen	6/21/2023	N/A	3/16/2026	25%	\$ 25,000	\$ 5,569	22%	\$ 19,431
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2026	3/16/2026	50%	\$ 650,000	\$ 356,143	55%	\$ 293,857
Parametrix	2	On-Call Electrical Engineering Svcs	D. Roberts	4/7/2025	12/31/2027	3/16/2026	5%	\$ 600,000	\$ 175,832	29%	\$ 424,168
Performance Dimension Group	1	Organizational Performance Services	M. Thung	1/9/2026	12/31/2027	3/16/2026	0%	\$ 30,000	\$ 1,463	5%	\$ 28,538
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2026	12/31/2026	3/16/2026	50%	\$ 120,000	\$ 5,425	5%	\$ 114,575

Rainier Stillwater Risk Advisors	1	Trespassing Management	M. Thung	12/14/2023	12/31/2024	3/16/2026	85%	\$ 33,000	\$ 27,000	82%	\$ 6,000
RH2	2	On-Call Electrical Engineering Svcs	H. Chen	1/1/2024	4/30/2025	3/16/2026	100%	\$ 133,750	\$ 133,592	100%	\$ 158
RH2	3	Wholesale Master Meter Eval	H. Chen	1/21/2020	3/31/2023	3/16/2026	8%	\$ 24,500	\$ 1,342	5%	\$ 23,158
Robinson Noble	1	Water Audits	E. Cebron	10/3/2019	N/A	3/16/2026	85%	\$ 135,060	\$ 115,183	85%	\$ 19,877
Rok Technologies, LLC	1	Implementation of GIS Cloud Migration	H. Chen	10/10/2025	4/10/2026	3/16/2026	5%	\$ 48,627	\$ 48,627	100%	\$ -
Sammamish Plateau Water	1	GIS support services	H. Chen	12/6/2022	N/A	3/16/2026	80%	\$ 50,000	\$ 49,001	98%	\$ 999
Sazan	1	On-call value analysis/engineering	J. Shimada	10/23/2023	10/23/2025	3/16/2026	50%	\$ 250,000	\$ 98,941	40%	\$ 151,059
SC Words & Pictures Inc.	1	Design Services	A. Bennett	1/1/2025	12/31/2025	3/16/2026	15%	\$ 25,000	\$ 670	3%	\$ 24,330
Seattle Public Utilities	1	Garden Hotline	J. Amspacher	1/1/2026	12/31/2026	3/16/2026	0%	\$ 17,620	\$ -	0%	\$ 17,620
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 31,000	\$ 3,950	13%	\$ 27,050
Stantec	1	BIP Relocation at Lewis Creek	W. Smythe	8/27/2025	N/A	3/16/2026	5%	\$ 283,684	\$ 29,411	10%	\$ 254,273
Stantec	2	CSP - Program and Engineering Support	B. Bartle	11/4/2025	N/A	3/16/2026	2%	\$ 1,000,000	\$ 35,782	4%	\$ 964,218
Stantec	3	CMMS Evaluation Support	M. Thung	3/9/2026	N/A	3/16/2026	10%	\$ 49,500	\$ -	0%	\$ 49,500
Sunbreak Talent	1	Recruitment assistance	M. Thung	3/27/2025	N/A	3/16/2026	40%	\$ 6,000	\$ 4,910	82%	\$ 1,090
Sustainable Seattle	1	Problem-Based Learning for Water Systems	J. Amspacher	1/1/2026	12/31/2026	3/16/2026	2%	\$ 60,000	\$ -	0%	\$ 60,000
Tacoma-Pierce County	1	LakeWise Program at Lake Tapps	A. Bennett	1/1/2026	12/31/2026	3/16/2026	17%	\$ 140,000	\$ -	0%	\$ 140,000
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2026	12/31/2026	3/16/2026	0%	\$ 148,840	\$ 30,851	21%	\$ 117,989
TechniArt	1	Conservation Website Order page	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 17,000	\$ 1,365	8%	\$ 15,636
Terese Richmond LLC	1	On-Call Strategy, Policy and Program Support Services	M. Thung	6/9/2025	12/31/2026	3/16/2026	5%	\$ 45,750	\$ 4,479	10%	\$ 41,271
Tetra Tech	1	AWIA 2025-2026 Updates	M. Thung	12/9/2024	12/31/2026	3/16/2026	10%	\$ 350,000	\$ 132,909	38%	\$ 217,091
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2026	12/31/2026	3/16/2026	0%	\$ 65,000	\$ -	0%	\$ 65,000
Transpo Group	1	On-Call GIS Support	H. Chen	1/1/2026	12/31/2026	3/16/2026	0%	\$ 49,500	\$ 2,782	6%	\$ 46,718
Upstream PBC	2	HydroForecast Subscription Service	M. Thung	10/1/2024	9/30/2026	3/16/2026	75%	\$ 49,350	\$ 23,500	48%	\$ 25,850
USGS	1	Joint Funding Agre-Streamgaging	H. Chen	1/1/2026	12/31/2026	3/16/2026	25%	\$ 352,000	\$ -	0%	\$ 352,000
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	N/A	3/16/2026	85%	\$ 790,000	\$ 664,245	84%	\$ 125,755
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2026	12/31/2026	3/16/2026	0%	\$ 900,000	\$ 91,989	10%	\$ 808,011
Veolia	1	White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$2,430,226 fixed, \$50,000 variable, \$12,385 bond	D. Roberts	1/1/2026	12/31/2026	3/16/2026	0%	\$ 2,492,611	\$ 405,527	16%	\$ 2,087,084

**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
Marketplace Events	1	Northwest Flower and Garden Show	J. Amspacher	11/17/2025	12/31/2026	3/16/2026	0%	\$ 20,000	\$ 20,000	100%	\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -

**Payment Authorization Warrants and Wire Transfers 3/25/26**

Attachment 5

**WHOLESALE WATER**

WIRE	Seattle Contract Payment 3/26	\$1,492,522.00
		<u>\$1,492,522.00</u>

**CONSULTANTS**

33105	Ballard Spahr LLP	\$2,709.40
33119	Confluence Engineering Group, LLC	\$4,322.00
33122	Tetra Tech	\$4,821.02
33123	Transpo Group	\$6,487.38
33136	Gordon Thomas Honeywell Govern. Affairs	\$7,000.00
33137	Langton Public Affairs LLC	\$6,500.00
33140	Parametrix	\$29,995.00
33149	Confluence Engineering Group, LLC	\$6,716.00
33152	GeoEngineers	\$20,441.00
33161	Perfomance Dimensions Group	\$900.00
33163	Stantec Consulting Services Inc. (SCSI)	\$10,053.23
33164	TeamLogic IT of Bellevue, WA	<u>\$20,780.33</u>
		\$120,725.36

**SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS**

	Payroll (February)	\$244,791.34
33115	MissionSquare-107080	\$69,331.72
33116	MissionSquare-304525	\$24,085.34
33117	AWC Employee Benefit Trust	\$35,798.62
33120	HRA VEBA Trust	\$3,366.00
33134	Michael Brent	\$57.95
33135	Melina Thung	<u>\$303.32</u>
		\$377,734.29

**CONSERVATION**

33108	Erica Browne Grivas	\$350.00
33111	Norlab, Inc.	\$870.00
33129	BRILLIANT MARKETING LLC	\$6,537.81
33138	Nature Vision, Inc.	\$17,580.36
33141	Puget Sound Energy	\$399.14
33142	Puget Sound Energy	\$5,425.00
33143	SMC Consulting LLC	\$2,600.00
33153	Jennergy	\$1,680.56
33156	Marianne Binetti	\$1,000.00
33165	Techniart C S D	<u>\$1,364.50</u>
		\$37,807.37

**SOFTWARE AND EQUIPMENT**

33148	Abila	<u>\$1,863.36</u>
		\$1,863.36

**CONSTRUCTION**

33114	Vanir Construction Management Inc.	\$24,033.03
33126	HDR	\$4,483.78
33127	Parametrix	\$38,285.95
33146	Stantec Consulting Services Inc. (SCSI)	\$116,825.57
33147	Vanir Construction Management Inc.	<u>\$11,505.00</u>
		\$195,133.33

**GENERAL**

33104	AT&T FirstNet	\$783.56
33107	Comcast	\$2,096.80
33112	Pacific Office Automation	\$430.55
33113	Pacific Office Automation	\$316.59
33118	Bellevue Gateway One Equities, LLC	\$34,055.94
33121	Staples Advantage	\$64.06
33124	United Rentals Northwest, Inc.	\$444.21
33128	The Chamber Collective	\$299.00
33131	CIT	\$1,745.61
33132	CLEARFLY	\$1,113.55
33133	Comcast	\$612.37
33139	Pacific Office Automation	\$336.43
33150	Daily Journal of Commerce	\$291.20
33151	Facilitron-Requests	\$397.50
33154	Lakemont Business Services Inc.	\$220.00
33155	Lumen	\$115.40
33158	Pacific Office Automation Inc.	\$100.98
33159	Pacific Office Automation	\$355.55
33166	U.S. BANK	\$6,931.27
33167	Utilities Underground Location Center	<u>\$32.60</u>
		\$50,743.17

**LAKE TAPPS**

33106	Cintas Corporation	\$12.60
33109	Linde Gas & Equipment Inc.	\$808.63
33110	Murreys Disposal Co, Inc.	\$508.10
33125	Veolia Water North America	\$203,008.23
33130	Cintas Corporation	\$1,281.94
33144	Tacoma Pierce County Health Department	\$4,390.49
33145	United Rentals Northwest, Inc.	\$143.09
33157	Murreys Disposal Co, Inc.	\$708.10
33160	Pape Machinery Inc.	\$3,717.64
33162	Seattle Boat Co.	\$2,156.91
33168	Veolia Water North America	<u>\$202,518.83</u>
		\$419,254.56

**DESTROYED AND VOIDED CHECKS:**

33036

<b>Total Warrants</b>	\$1,203,261.44
<b>Total Wires</b>	\$1,492,522.00
<b>Total warrants/wire transfers authorized for March 2026</b>	<u><b>\$2,695,783.44</b></u>

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
 Andy Baker, Economist

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
 Dave Hamilton, Secretary/Treasurer

**Cascade Water Alliance  
Monthly Treasurer's Report  
February 2026**

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
<b>Beginning Balances, February 1</b>	\$ 20,946,604	\$ 9,517,665	\$ 7,380,404	\$ -	\$ 16,105,464	\$ 2,581,430	\$ -	\$ 56,531,568
<b>Additions:</b>								
Cash received	\$ 5,922,038	\$ 42,164	\$ 22,084	\$ -	\$ 67,131	\$ 9,364	\$ -	\$ 6,062,781
Transfers from other Cascade funds	\$ -	\$ -	\$ 745,436	\$ -	\$ -	\$ -	\$ 245,686	\$ 991,122
<b>Total additions</b>	\$ 5,922,038	\$ 42,164	\$ 767,520	\$ -	\$ 67,131	\$ 9,364	\$ 245,686	\$ 7,053,903
<b>Subtractions:</b>								
Bank fees, payroll, and bond payments	\$ 1,303	\$ 830	\$ 12,360	\$ -	\$ 1,149	\$ 184	\$ 245,686	\$ 261,512
Warrants paid	\$ 748,520	\$ 33,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 782,029
Wire and other electronic payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers to other Cascade funds	\$ 991,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 991,122
<b>Total subtractions</b>	\$ 1,740,944	\$ 34,339	\$ 12,360	\$ -	\$ 1,149	\$ 184	\$ 245,686	\$ 2,034,662
<b>Ending Balances, February 28, 2026</b>	\$ 25,127,698	\$ 9,525,490	\$ 8,135,565	\$ -	\$ 16,171,446	\$ 2,590,610	\$ -	\$ 61,550,808



## DRAFT 2026 Cascade Board Meeting Calendar

Updated 3/18/2026

<b>January 28, 2026</b>	<b>June 24, 2026</b>
<ul style="list-style-type: none"> <li>• 2026 Sponsorships – <b>Action</b></li> <li>• Water Supply Forum ILA - <b>Action</b></li> <li>• On-call minor construction contracts - <b>Action</b></li> <li>• Reimbursement resolution - <b>Action</b></li> <li>• BrightNight easement amendment - <b>Action</b></li> <li>• Upcoming Cascade Supply Program (CSP) workshop</li> </ul>	<ul style="list-style-type: none"> <li>• Budget &amp; Rates: Proposed budget and rates - Presentation</li> <li>• WSDF: Biennial Report - Presentation</li> <li>• CSP: Draft Board Oversight Guidelines - Presentation</li> </ul>
<b>February 25, 2026</b>	<b>July 22, 2026</b>
<ul style="list-style-type: none"> <li>• Annual meeting, elect officers - <b>Action</b></li> <li>• Prep for CSP Workshop</li> <li>• Executive Session</li> </ul>	<ul style="list-style-type: none"> <li>• CSP: Final Board Oversight Guidelines - <b>Action</b></li> <li>• Budget and Rates: Final budget and rates proposal - Presentation</li> <li>• Contract Operator Notification of Selected Firm – Presentation</li> <li>• CSP: Pipe redundancy discussion - Presentation</li> </ul>
<b>March 6, 2026 (Special Meeting)</b>	<b>August 26, 2026</b>
<ul style="list-style-type: none"> <li>• Cascade Supply Program: Board oversight workshop</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Recess</i></li> </ul>
<b>March 25, 2026</b>	<b>September 23, 2026</b>
<ul style="list-style-type: none"> <li>• Resolution for new committees, elect chairs and committee membership - <b>Action</b></li> <li>• Capital Funding Plan: Background, fiscal policies - Presentation</li> <li>• Executive Session</li> </ul>	<ul style="list-style-type: none"> <li>• Capital Funding Plan: Resolution adopting Plan - <b>Action</b></li> <li>• Budget: Resolution adopting O&amp;M and CIP budget - <b>Action</b></li> <li>• Rates: Resolution adopting rates &amp; RCFC – <b>Action</b></li> <li>• Strategic Plan Discussion</li> </ul>
<b>April 22, 2026</b>	<b>October 28, 2026</b>
<ul style="list-style-type: none"> <li>• 2026 Capital Budget Amendment - Presentation</li> <li>• CSP: Approval of remaining 2026 Master Services Agreement (MSA) budget – Presentation</li> </ul>	<ul style="list-style-type: none"> <li>• Bond Issuance Approval - Presentation</li> </ul>
<b>May 27, 2026</b>	<b>November 18, 2026</b>
<ul style="list-style-type: none"> <li>• 2026 Capital Budget Amendment - <b>Action</b></li> <li>• CSP: Approval of remaining 2026 Master Services Agreement (MSA) budget - <b>Action</b></li> <li>• Budget &amp; Rates: Preliminary budget and rates - Presentation</li> <li>• Capital Funding Plan - Presentation</li> <li>• Water Supply Development Fund (WSDF): Resolution for WSDF Transfer – <b>Action</b> (tentative)</li> </ul>	<ul style="list-style-type: none"> <li>• Bond Issuance Approval – <b>Action</b></li> <li>• Adoption of 2027 Legislative Agenda - <b>Action</b></li> <li>• Approval to Finalize Contract Operator Contract - <b>Action</b></li> </ul>
	<b>December 16, 2026</b>
	<ul style="list-style-type: none"> <li>• <i>Recess</i></li> </ul>



## CSP Performance Update through February 28, 2026

(Draft format for Board review and input)

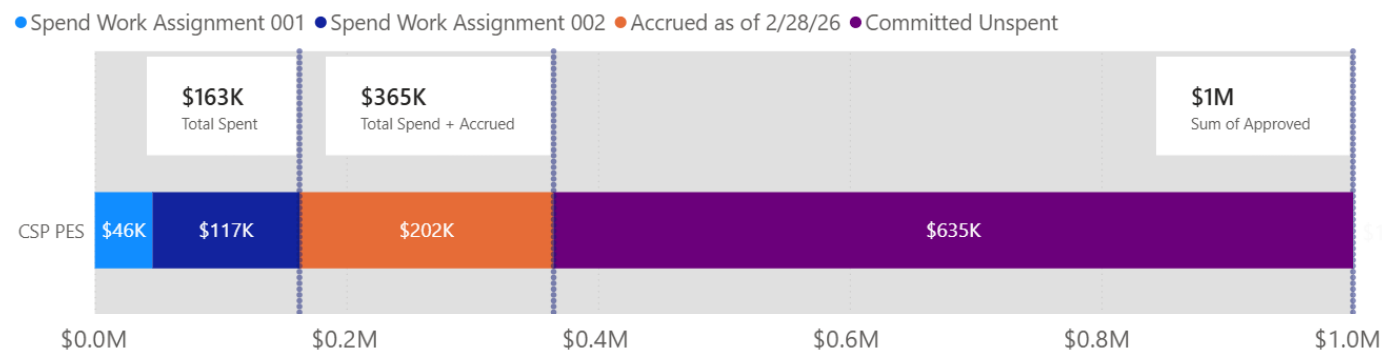
### Accomplishments

- Held cost projection workshop, developed Phase I Pre-Planning Program Cost Projection Memo
- Completed materials for March 6<sup>th</sup> Board Oversight Workshop
- Began early alternatives analysis to help identify tank sites and TCTL<sup>1</sup> routes
- Began building CSP GIS platform to support alternatives analysis, hydraulic model parameters
- Began developing tools for program management

### Upcoming Work

- Complete the Board Oversight Workshop
- Begin drafting Board Oversight Plan from workshop feedback
- Convene first MST<sup>2</sup> and new SPOC<sup>3</sup>
- Alternative analysis; pipeline corridors and preliminary tank sites identification; preliminary hydraulic analysis

### Cost Performance<sup>4</sup>: PES<sup>5</sup>



### SPOC Flagged Risks<sup>6</sup>

Key Risk or Change	Status	Comments/Mitigation Strategy
MSA <sup>6</sup> PES Funding – additional authorization of ‘25/’26 biennium budget allocated funds	Medium Risk	Schedule impacts – will not achieve Tank Site or TCTL Route selection in 2026; mitigation includes early Board and Committee discussions and actions to address funding needs before schedule constraints take effect.

<sup>1</sup> TCTL: Tacoma Cascade Transmission Line

<sup>2</sup> MST: Member Staff Technical Subgroup

<sup>3</sup> SPOC: Supply Program Oversight Committee

<sup>4</sup> Spend vs. Accrued: Spend is money that has already been paid, while Accrued is money that has been incurred but not yet paid.

<sup>5</sup> PES: Program & Engineering Support

<sup>6</sup> MSA: Master Service Agreement

<sup>6</sup> SPOC has not met yet, but risks shown here in the future will be items flagged by the Committee



ANNUAL MEETING MINUTES OF THE  
BOARD OF DIRECTORS  
VIA HYBRID  
FEBRUARY 25, 2026

**1. CALL TO ORDER**

At 3:30 p.m. Chair Birney called the meeting to order.

**2. ROLL CALL**

Board Members Present: City of Bellevue (Hamilton), City of Issaquah (Mullet), City of Kirkland (Pascal<sup>1</sup>), City of Redmond (Birney), Skyway Water and Sewer District (Ault), City of Tukwila (McLeod)

Board Member Absent: Sammamish Plateau Water & Sewer District (Warren)

Board Alternates Present: City of Kirkland (Curtis), Sammamish Plateau Water & Sewer District (Hooshangi), City of Tukwila (Martinez)

**3. PUBLIC COMMENT**

None.

**4. APPROVAL OF AGENDA**

**Motion by Mr. McLeod and second by Ms. Curtis to approve the meeting agenda as presented. Motion carried unanimously (7-0).**

**5. CHIEF EXECUTIVE OFFICER REPORT**

Ms. Thung reviewed the Chief Executive Officer's Report that was included in the Board Packet, and responded to questions from Board Members.

**6. CONSENT ITEM**

A. Board Meeting Minutes for January 28, 2026

**Motion by Ms. Curtis and second by Mr. Ault to approve Consent Action Item A as presented. Motion carried unanimously (7-0).**

**7. ACTION ITEM**

A. Call for Nominations and Elections of Board Officers

Interim Chief of Staff/Intergovernmental & Communications Director, Alison Bennett, explained that current officers were appointed in November 2025 to fill vacancies and February is the typical month

---

<sup>1</sup> Joined at 4:04 p.m.

for selecting officers for the next two-year term.

Chair Birney opened the floor for nominations; none were offered. The Board considered a resolution continuing the current officers for the next two years: Angela Birney as Chair, Tom McLeod as Vice Chair, and Dave Hamilton as Treasurer/Secretary.

**Motion by Mr. Ault and second by Ms. Curtis to adopt Resolution No. 2026-05 to appoint Board Officers, as indicated above. Motion carried unanimously (7-0).**

B. Motion to Approve the Letter of Commendation for Joe Mickelson

Chair Birney presented a Letter of Commendation recognizing Joe Mickelson for exemplary service, including leadership of operations at the White River-Lake Tapps Reservoir Project and contributions to infrastructure improvements and drought response. Mr. Mickelson started working for Cascade in 2009 and is retiring soon. Mr. Mickelson and Board Members offered remarks of appreciation. The Board approved the letter by acclamation.

## **8. STAFF PRESENTATIONS**

A. Cascade Supply Program Workshop Preparation

Brian Bartle, Program Executive, provided a preview of materials for the upcoming Board Oversight Workshop (scheduled for March 6). He stated the workshop will focus on (1) program decision criteria, (2) an authorization matrix to clarify decision authority and approvals through design, and (3) committee structure to support timely decision-making and effective oversight. Staff indicated the full workshop packet and slide deck would be distributed in advance.

Mr. Bartle reviewed six proposed program decision criteria—community impact, redundancy, resiliency, total cost, rate impact, and schedule—and explained distinctions between cost versus rate impacts and redundancy versus resiliency. He invited Board Members to suggest additional criteria ahead of a workshop exercise to identify priorities.

Mr. Bartle also previewed the proposed authorization matrix categories and emphasized the need for timely decisions given the program schedule. Staff noted safeguards including regular Board updates, committee review, monthly member staff updates, and formation of a Member Staff Technical Subgroup (MST) to address technical engineering and planning issues.

Ms. Thung and Mr. Bartle described three committee structure options for supporting the Cascade Supply Program and broader Cascade work: (1) maintain the current standing committee structure; (2) add a fourth committee dedicated to the Cascade Supply Program; or (3) create a dedicated Cascade Supply Program committee while combining the Finance & Management Committee and Public Affairs Committee into a Finance and Intergovernmental Committee. Board Members discussed tradeoffs, including meeting load, expertise, and the need for robust discussion. Several members expressed preliminary support for the modified three-committee approach, with the understanding that no decision would be made at this meeting and the topic would be advanced through the workshop and the March Board meeting.

**9. COMMITTEE REPORTS**

- A. Executive Committee – No meetings held since the last Board meeting.
- B. Finance & Management Committee – No meetings held since the last Board meeting.
- C. Public Affairs Committee – No meetings held since the last Board meeting.
- D. Resource & Management Committee – No meetings held since the last Board meeting.

**10. EXECUTIVE SESSION**

At 4:38 p.m., Chair Birney announced there would be an executive session to evaluate the qualifications of an applicant for public employment. The executive session was expected to last 20 minutes.

At 4:58 p.m., the Executive Session was extended an additional 5 minutes. The Executive Session adjourned at 5:03 p.m.

**11. NEW BUSINESS**

None.

**12. NEXT REGULAR MEETING**

The next regularly scheduled Board meeting will be held on March 25, 2026 at 3:30 p.m.

**13. ADJOURN**

The meeting adjourned at 5:03 p.m.

APPROVED BY:

---

Angela Birney, Chair

---

Tom McLeod, Vice-Chair



MINUTES OF THE SPECIAL MEETING OF THE BOARD  
CASCADE SUPPLY PROGRAM OVERSIGHT WORKSHOP  
FRIDAY, MARCH 6, 2026  
9:00 AM – 2:00 PM  
HELD AT BELLEVUE CITY HALL

## **CALL TO ORDER**

At 9:00 a.m. Chair Birney called the meeting to order.

## **ROLL CALL**

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

Board Member Absent: City of Issaquah (Mullet)

Board Alternates Present: City of Bellevue (Bhargava), City of Kirkland (Curtis<sup>1</sup>), City of Redmond (Nuevacamina), Sammamish Plateau Water & Sewer District (Hooshangi)

## **APPROVAL OF AGENDA**

**Motion by Mr. Hamilton and second by Mr. Warren to approve the meeting agenda as presented. Motion carried unanimously (6-0).**

## **CASCADE SUPPLY PROGRAM OVERVIEW**

Cascade Program Executive, Brian Bartle, described the three anticipated phases for the program and provided a big picture schedule and cost projections for the first phase.

## **PRINCIPLES OF BOARD OVERSIGHT**

Chair Birney led a discussion about what good oversight for the program looks like to the Board. The Board highlighted the importance of transparency and timely communication and were most interested in decisions that will impact the program's cost, schedule, and standing with the community.

## **BOARD COMMITTEE STRUCTURE**

The Board found consensus around the “modified three” option for a new standing committee structure, which would create a dedicated Cascade Supply Program committee while combining the Finance & Management Committee and Public Affairs Committee into a Finance and Intergovernmental Committee. The Resource Management Committee would remain as is. The details of the new structure will be decided at the regular March Board meeting.

---

<sup>1</sup> Joined at 9:15 a.m.

**CSP DECISION CRITERIA**

The Board deliberated over several decision criteria and the relative importance of each in guiding future decision-making. The Board discussed Community Impact, Redundancy, Resiliency, Cost, Rate Impact, Schedule, and Risk as critical factors to consider.

**CSP AUTHORIZATION MATRIX**

The Board reviewed an authorization matrix showing several categories of program deliverables and discussed which actions within those categories needed Board authorization and which actions could be authorized by Cascade’s CEO. The Board offered a few revisions to the proposed matrix and acknowledged the matrix will adapt as the program continues to move forward.

**NEXT REGULAR MEETING**

The next regularly scheduled Board meeting will be held on March 25, 2026 at 3:30 p.m.

**ADJOURN**

The meeting adjourned at 12:45 p.m.

APPROVED BY:

\_\_\_\_\_  
Angela Birney, Chair

\_\_\_\_\_  
Tom McLeod, Vice-Chair

## **AGENDA MEMORANDUM**

### **PROPOSED BOARD ACTION**

Motion to adopt Resolution No. 2026-06 amending the bylaws and the Cascade Water Alliance Code to modify the standing committees, scope and procedures of committee meetings, participation by non-committee members, and the regular meeting schedule for the standing committees of the Cascade Water Alliance Board of Directors.

### **SUMMARY OF CURRENT PROPOSED BOARD ACTION**

This is an action to revise Cascade's bylaws and Cascade Water Alliance Code to modify Cascade's standing committees in accordance with the Board's discussion at its March 6, 2026 Special Board Meeting. The discussion directed staff to revise the Board standing committees to add a new committee to oversee the Cascade Supply Program, combine the Finance and Management Committee with the Public Affairs Committee, and retain the Resource Management Committee. Additionally, this action updates the dates and times of standing committee regular meetings, requires standing committees to comply with the Open Public Meetings Act, and provides the committee chair with discretion to allow public comment.

### **BACKGROUND**

The Board held a Special Board Meeting on March 6, 2026 to discuss Board Oversight of the Cascade Supply Program (CSP). Part of the Board discussion was how to structure the standing committees to allow the Board to engage in appropriate oversight of the CSP. The Board determined that due to the responsibilities of the current committees, it was possible to combine two committees (Finance and Management with Public Affairs), retain one committee (Resource Management) and create a new committee for the oversight of the CSP. The new structure would alleviate time constraints in all committees, give committees the appropriate dedicated and specific focus, and create a dedicated group of Board members for each topic area.

The committees under the new structure are as follows:

#### **Resource Management Committee**

Meeting date and time: 2<sup>nd</sup> Thursday; 10:00 am – 11:30 am

Responsibilities: Oversight of matters relating to planning and development of water supply resources, including demand assumptions and the Water System Plan, operations and maintenance, water quality, and water efficiency.

#### **Finance and Intergovernmental Committee**

Meeting date and time: 3<sup>rd</sup> Tuesday; 1:30 pm – 3:00 pm

Responsibilities: Oversight of matters that are related to administrative, business systems, management, financial affairs, including ensuring an annual audit is conducted, and

intergovernmental affairs, including state and federal affairs, outreach, communications, membership, and public relations.

**Supply Program Oversight Committee**

Meeting date and time: 2<sup>nd</sup> Wednesday; 2:00 pm – 3:30 pm

Responsibilities: Oversight of matters relating to the planning, design, construction, and operations of the components associated with the Cascade Supply Program (CSP).

To make these changes to the committee structure and meeting schedule, Cascade’s Board must amend the bylaws and modify the Code.

Additionally, Cascade staff recommends bylaw and Code amendments to modify the procedures followed by standing committees. Specifically, requiring that standing committees fully comply with the Open Public Meetings Act would allow attendance at standing committee meetings by a quorum of Board members and/or alternates at any time, without first publishing notice of a special meeting of the Board. Also, to the extent standing committees desire to hold public comment at committee meetings, the proposed bylaw and Code amendments give the chair discretion to do so.

**Next Steps**

Staff will update the bylaws and code as adopted by resolution of the Board.

**PRIOR BOARD ACTIONS**

Board Action	Date	Resolution No. (if Applicable)
Revising rules for remote attendance and updating Cascade’s address	January 28, 2026	2026-04
Clarifying roles and attendance at meetings	July 22, 2022	2022-13

Note that the full list of resolutions that have amended the bylaws and code related to standing committees is included in the attached resolution.

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

Without this action, the Board standing committees, committee descriptions, meeting dates, and meeting times will not change. The current committee structure will continue until the Board chooses to make changes to implement its March 6, 2026 Board Workshop discussion regarding committee structure.

**PROCUREMENT PROCESS**

N/A

**FISCAL IMPACT**

N/A

**RECOMMENDED ACTION**

Motion to adopt Resolution No. 2026-06 amending the bylaws and the Cascade Water Alliance Code to modify standing committees, scope and procedures of committee meetings, participation by non-committee members, and the regular meeting schedule for the standing committees of the Cascade Water Alliance Board of Directors.

**ATTACHMENTS**

1. Resolution No. 2026-06.



CASCADE WATER ALLIANCE  
RESOLUTION No. 2026-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,  
A WASHINGTON MUNICIPAL CORPORATION  
AMENDING CASCADE WATER ALLIANCE CODE 2.05.330, 2.05.340, 2.05.351, AND  
2.10.040

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, by Resolutions Nos. 2022-13 §1; 2018-06 §2; 2012-07 §12; 2010-20 §2; and 2009-05 §2 the Cascade Board of Directors ("Board") established and amended a section of the bylaws establish the Board's standing committees, codified under Cascade Water Alliance Code ("CWAC") 2.05.330; and

WHEREAS, by Resolution No. 2022-13 §1 and Resolution No. 2009-05 §2, the Board established and amended section of the bylaws to address the scope and procedures of standing committee meetings, codified under CWAC 2.05.340; and

WHEREAS, by Resolution No. 2022-13 §1, the Board established a section of the bylaws addressing participation by non-committee members before standing committees, codified under CWAC 2.05.351; and

WHEREAS, by Resolution Nos. 2026-04 §3; 2023-08 §2; 2017-02 §1; 2016-09 §1; 2013-07 §1; 2012-02 §1; and 2010-12 §1 the Board established the regular meeting schedule and location of standing committee meetings, codified under CWAC 2.10.040; and

WHEREAS, the Board now desires to amend portions of its bylaws and CWAC 2.05.330, 2.05.340, 2.05.351, and 2.10.040, and respectively, Resolution Nos. 2026-04 §3; 2022-13 §1; 2023-08 §2; 2018-06 §2; 2017-02 §1; 2016-09 §1; 2013-07 §1; 2012-07 §12; 2012-02 §1; 2010-20 §2; 2010-12 §1; and 2009-05 §2, to update the standing committees of the Board, the scope and procedures of standing committee meetings, participation by non-committee members before standing committees, and the regular meeting schedule for the standing committees of the Board.

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

**Section 1. Amendment of CWAC 2.05.330 and Resolution Nos. 2022-13 §1; 2018-06 §2; 2012-07 §12; 2010-20 §2; and 2009-05 §2.**

CWAC 2.05.330, and Resolution Nos. 2022-13 §1, 2018-06 §2, 2012-07 §12, 2010-20 §2, and 2009-05 §2, are amended as follows:

**2.05.330 Standing committees.**

The Board may create standing committees as it deems appropriate. Following solicitation of self-nominations, the Board shall approve a slate of Chairpersons and Members of such standing committees from the Board Membership and Alternates. If appointed, Alternates may serve on Standing or Special Committees, including in committee discussion and the committee recommendations.

To encourage full participation by all Member Agencies, Chairpersons should be Board Members, unless rare exceptional circumstances exist as determined by the Board. To encourage a discussion of the broad range of interests among Member Agencies, the Board shall strive to appoint standing committee Members in a manner that reflects the broad range of view points and perspectives among Member Agencies.

No committee shall have the authority to take any action inconsistent with these Bylaws, or the Agreement.

Because the standing committees do not act on behalf of the Cascade Board, and do not conduct public hearing or take testimony ~~or public comment~~, committees are not governing bodies under the Open Public Meetings Act. However, the Board desires that the standing committees shall follow the Open Public Meetings Act ~~for public notice~~ under CWAC 2.05.340 ~~and~~ to encourage public participation and transparency. Meetings may be held without a quorum and committee recommendations to the Board will note if a quorum was not present.

The Standing Committees shall be as follows:

- A. Finance and ~~Management~~ Intergovernmental Committee. The finance and ~~management~~ intergovernmental committee shall be responsible for the ongoing oversight, consideration, and recommendations to the Board on matters relating to the administrative, business systems, management, financial affairs, including to ensure an outside audit is conducted annually, intergovernmental affairs, including state and federal affairs, outreach, communications, membership, and public relations.
- B. Resource Management Committee. The resource management committee shall be responsible for the ongoing oversight, consideration, and ~~make~~ recommendations to the Board on matters relating to planning and development of water supply resources, including demand assumptions and the Water System Plan, operations and maintenance, water quality, and water conservation.

C. ~~Public Affairs. The public affairs committee shall consider and make recommendations to the Board on matters relating to general outreach, public information and communication programs, community outreach and relationships, public relations, intergovernmental affairs, state and federal affairs, and Membership Supply Program Oversight Committee. The supply program oversight committee shall be responsible for the ongoing oversight, consideration, and recommendations to the Board on matters relating to the planning, design, construction, and operations of the components associated with the Cascade Supply Program.~~

**Section 2. Amendment of CWAC 2.05.340 and Resolution Nos. 2022-13 §1 and 2009-05 §2.**

CWAC 2.05.340, Resolution Nos. 2022-13 §1 and 2009-05 §2 are amended to read as follows:

Because the standing committees do not act on behalf of the Cascade Board, do not conduct public hearings or take public testimony ~~or public comment~~, committees are not governing bodies under the Open Public Meetings Act.

To encourage public participation and transparency, the Board desires that standing committees of the Board shall follow the Open Public Meetings Act for public notice and shall be held at such times and places as may be fixed by each standing committee or its chair. The Board, by resolution, may establish the schedule and location for the meetings of the standing committees.

**Section 3. Amendment of CWAC 2.05.351 and Resolution No. 2022-13 §1.**

CWAC 2.05.351 and Resolution No. 2022-13 §1 are amended to read as follows:

The committee chair has the discretion to allow non-committee members to participate in discussion, including but not limited to non-committee member Alternates, Observers, Member staff, or invited experts. Non-committee members shall not participate in recommendations.

Prior to speaking, any person, other than the members of the committee, ~~are~~ is encouraged to provide their name, city of residence and who they are representing at the meeting.

The committee shall not conduct public hearing or take public testimony ~~or public comment~~. The committee chair has the discretion to allow oral or written public comment at or before a standing committee meeting.

**Section 4. Amendment of CWAC 2.10.040 and Resolution Nos. 2026-04 §3; 2023-08 §2; 2017-02 §1; 2016-09 §1; 2013-07 §1; 2012-02 §1; and 2010-12 §1.**

CWAC 2.10.040 and Resolution Nos. 2026-04 §3, the Board amended Resolutions Nos. 2023-08 §2; 2017-02 §1; 2016-09 §1; 2013-07 §1; 2012-02 §1; and 2010-12 §1, are amended to read as follows:

The Board will hold the regular meetings of its standing committees at Cascade's business offices at the address set forth in CWAC 2.05.030.

The regular meeting of the standing committees will be generally according to the following schedule:

The Finance and ~~Management~~ Intergovernmental Committee shall meet on the third Tuesday of each month at 1:30 p.m. The November and December regular meetings will be held on the second Tuesday of each month at 1:30 p.m.

The Resource Management Committee shall meet on the second Thursday of each month at ~~2:00 p.m.~~ 10:00 am. The November and December regular meetings will be held on the first Thursday of each month at ~~2:00 p.m.~~ 10:00 am.

The ~~Public Affairs~~ Supply Program Oversight Committee shall meet on the ~~first Wednesday~~ second Wednesday of each month at ~~9:00 a.m.~~ 2:00 pm. The November and December regular meetings shall be held on the first Wednesday of each month at 2:00 pm.

The committee chair may cancel any meeting and shall attempt to provide a 24-hour notice of cancellation; if a 24-hour notice is not feasible, then the committee chair will provide notice to the Members by electronic or telephonic means and by posting a notice of cancellation on Cascade's website and at the regular meeting location, with all means of notice provided as soon as practicable.

If a change is required to the date, time, or location of the standing committee meeting from that provided above, a 24-hour notice of a special meeting will be provided.

A resolution of the Board changing current standing committees or creating any new standing committee may provide a meeting schedule and location.

**Section 5. 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 special meeting thereof, held on the 25th day of March 2026.

CASCADE WATER ALLIANCE

---

Angela Birney, Chair

---

Attest – Melina Thung, Interim CEO

---

Tom McLeod, Vice Chair

---

Dave Hamilton, Secretary/Treasurer

Members

Yes \_\_\_\_\_

No \_\_\_\_\_

Demand Share

Yes \_\_\_\_\_%

No \_\_\_\_\_%

Include in CWAC?

Yes

No

## AGENDA MEMORANDUM

### **PROPOSED BOARD ACTION**

Motion to adopt Resolution No. 2026-07 to appoint Board Standing Committee Chairs and Membership.

### **SUMMARY OF CURRENT PROPOSED BOARD ACTION**

Cascade Water Alliance Code (“CWAC”) 2.05.330 provides that the Cascade Board of Directors (“Board”), following solicitation of self-nominations, shall approve a slate of chairpersons and members of each standing committee. This action adopts chairs and membership for each standing committee, as listed below in this memorandum.

### **BACKGROUND**

Cascade Water Alliance Code (“CWAC”) 2.05.330 provides that the Cascade Board, following a solicitation of self-nominations, shall approve a slate of chairpersons and members of each standing committee.

The following is a slate of volunteers to chair the committees. The Board will vote on this slate at the March Board meeting. Staff are currently soliciting members for each committee and will have the membership list ready to share by the Board meeting.

#### **Finance and Intergovernmental Committee**

Chair: Tom McLeod

Members:

#### **Resource Management Committee**

Chair: Lloyd Warren

Members:

#### **Supply Program Oversight Committee**

Chair: Dave Hamilton

Members:

#### **Next Steps**

The term for each committee chair and the term for each committee member will take effect upon the Board’s adoption of Resolution No. 2026-07 and stay in effect for two years until the Board takes action for new chairs and membership next in 2028.

### **PRIOR BOARD ACTIONS**

Board Action	Date	Resolution No. (if Applicable)
Appointing Standing Committee Membership	February 28, 2024	2024-03

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

Without this action, Cascade's current committee chairs and membership will continue until changes are adopted by the Board.

**PROCUREMENT PROCESS**

N/A

**FISCAL IMPACT**

N/A

**RECOMMENDED ACTION**

Motion to adopt Resolution No. 2026-07 to appoint Board Standing Committee Chairs and Membership.

**ATTACHMENTS**

1. Resolution No. 2026-07.



CASCADE WATER ALLIANCE  
RESOLUTION NO. 2026-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,  
A WASHINGTON MUNICIPAL CORPORATION  
APPOINTING STANDING COMMITTEE MEMBERSHIP

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, the Cascade Water Alliance Code ("CWAC") 2.05.330 provides that the Cascade Board of Directors ("Board") may create standing committees, and following solicitation of self-nominations, will approve a slate of Chairpersons and Members of standing committees from the Board members and alternates;

WHEREAS, the Board now desires to appoint chairpersons and members of the standing committee.

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

**Section 1. Appointment of chairpersons, members, and alternates of such standing committees.**

As provided in CWAC 2.05.330, the Chairs and Members of the standing committees are as follows:

**Finance and Intergovernmental Committee**

Chair: Tom McLeod

Members:

**Resource Management Committee**

Chair: Lloyd Warren

Members:

**Supply Program Oversight Committee**

Chair: Dave Hamilton

Members:

**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 special meeting thereof, held on the 25th day of March 2026.

CASCADE WATER ALLIANCE

\_\_\_\_\_  
Angela Birney, Chair

\_\_\_\_\_  
Attest – Melina Thung, Interim CEO

\_\_\_\_\_  
Tom McLeod, Vice Chair

\_\_\_\_\_  
Dave Hamilton, Secretary/Treasurer

Members  
Yes \_\_\_\_\_  
No \_\_\_\_\_

Demand Share  
Yes \_\_\_\_\_ %  
No \_\_\_\_\_ %

Include in CWAC?  
\_ Yes  
X No

## **AGENDA MEMORANDUM**

### **PROPOSED BOARD ACTION**

No action is requested at this time. This item is for discussion only.

### **SUMMARY OF CURRENT PROPOSED BOARD ACTION**

N/A – no action is proposed at this time.

The purpose of this discussion item is to provide background information and context for Cascade’s Capital Funding Plan (“Funding Plan”) for Phase I of the Cascade Supply Program (“CSP”). Staff will present how the Funding Plan fits into Cascade’s existing fiscal policy framework, the key policy questions the Board will ultimately be asked to consider, and other necessary foundational information.

### **BACKGROUND**

Cascade is embarking on a major supply program to deliver Tacoma water to Cascade members. For projects of this scale, Cascade code requires Board adoption of a Capital Funding Plan designed to fulfill capital funding needs while satisfying applicable fiscal policies, mitigating risks, and limiting rate impacts on Members and their customers. The Capital Funding Plan will be structured to satisfy these objectives, to document the policy decisions of the Board, and to define the long-term rate strategy guiding future budget and rate development.

The Funding Plan does not replace or supersede the budget and rates process; rather, the long-term strategy established in the Funding Plan will inform the budget and rates developed each biennium. Additionally, the Funding Plan will be updated to ensure the Board has an opportunity to address any changes to key assumptions, inputs, or conclusions of the Plan over the course of the project.

#### **Existing Cascade Fiscal Policy Framework**

Cascade has a robust framework of fiscal policies, developed with the objective of promoting financial integrity and stability, rate equity, and efficiency and conservation. The need for a Capital Funding Plan is anticipated in these policies, and the adopted fiscal policies form the basis and guidance for how the Funding Plan is formed. The following are the key fiscal policies relevant to the Funding Plan, as adopted in Cascade Code Chapter 5.05 Fiscal Policies.

*5.05.030 (A). Revenue Stability. Cascade will establish and maintain a financial structure that provides for stable and predictable revenues, relying primarily on fixed charges to members.*

*5.05.030 (D). Contingency Planning. Cascade will incorporate adequate contingencies in its capital planning to provide for orderly cash flow on capital projects and accommodate reasonable adjustments to capital budgets, scope, and schedule, including an explicit provision for capital risk to provide for as-yet unidentified capital needs.*

*5.05.030 (F). Water Supply Development Fund. Cascade will plan for major capital initiatives, such as major new supply and transmission facilities, through the establishment and use of a water supply development fund (WSDF) intended to provide equity funding toward such major projects and provide financial stability and compliance with debt/equity policies. The Board shall direct and monitor the use of the WSDF for accumulation of equity funding and application toward major projects.*

*5.05.040. Funding growth-related system expansion. Cascade will establish and impose member charges that provide for equitable recovery of growth-related costs from member agencies experiencing growth. The regional capital facilities charge (RCFC) is the member charge imposed for this purpose and is applicable to all new or expanded water services within Cascade member service areas as defined in the RCFC methodology.*

*5.05.040 (D). RCFC Use and Restrictions. RCFC revenues will be used to offset system capital costs, including debt service and funding of debt related reserves. RCFCs shall be received into the operating fund and then transferred to the construction, bond and/or water supply development fund as directed by Board policy. They may be used for any authorized capital purpose including debt service and debt retirement.*

*As a part of Cascade's adopted budget, the Board shall set a minimum annual transfer of RCFC revenues from the operating fund to the construction fund to be used as cash funding for capital projects, attaining a minimum transfer of 75 percent of annual RCFC revenues by 2020. For this purpose, the portion of RCFCs used in support of debt service will be funded first, with all additional RCFC revenues then allocated to capital purposes. The Board will also determine appropriate restrictions, if any, on transferred funds as related to specific projects or uses.*

*When major construction projects cause a substantial increase in debt burden, when accumulated construction funds exceed reasonably projected needs, or when debt funding obligations require increased deposit into the debt funds (such as for bond reserves), the Board may take action to temporarily reduce the annual capital transfer of RCFC revenues to as little as 50 percent, provided that the 75 percent minimum transfer level is restored within 10 years.*

*5.05.070 (C). Rate Transitions / Planning. In order to maintain orderly and reasonable transitions in rates, Cascade shall rely on the most current rate forecast as guidance in establishing member charges. Member charges (meaning unit charges applied to calculate member payments) shall not be reduced any year when a net increase in*

*required revenues derived from member charges is projected within the upcoming five-year period. When substantial future revenue increases are forecast, Cascade shall, to the extent practical, increase member charges in an orderly fashion through a series of moderate annual adjustments with an intent to provide smoothing of increases and impacts over a prospective five-year period.*

Cascade's fiscal policies have been periodically reviewed and updated by the Board, with the most recent update in June 2022. These fiscal policies, combined with sound financial management, have resulted in Cascade receiving an AAA rating from S&P Global.

#### Code Requirements for Capital Funding Plan

Section 5.05.050 of the Cascade code (Fiscal Policies) specifically requires advance planning when projects could lead to high levels of debt leverage or when projects are substantial relative to existing Cascade infrastructure. Specifically, subsections E and F provide:

*“E. Advance Financial Planning. It is Cascade’s intent that major capital projects, such as regional water supply and conveyance, be implemented in a planful manner that moderates impacts on Member charges and Cascade’s capital structure. When planned capital projects could lead to an accumulation of debt that ultimately exceeds 80 percent of Cascade’s net book value, Cascade will develop and implement a strategy for generating and accumulating a cash contribution toward the project in advance of the project’s scheduled development so that this policy is satisfied and volatile impacts on Member charges are mitigated. The Board will adopt appropriate measures to enable the accumulation of such funds and safeguard the funds for their intended purpose.*

*F. Project Funding Plan. For specific major capital projects that would represent 25 percent or more of Cascade’s total fixed assets (undepreciated original cost) when completed, such as development of a major new supply source, a project funding plan will be developed that identifies and includes a schedule of anticipated costs, planned sources of cash, grant and debt financing, a planned schedule of debt issuance, compliance with fiscal policies, and a projection of impacts on Member charges. The project funding plan will also include a contingent funding strategy in the event that project costs were to increase up to 20 percent above estimates or if assumed grant funding were lost. The project funding plan will be adopted by the Board in advance of initiating the project and will be subject to periodic update as appropriate during the development of the project.”*

In 2021, the Cascade Board created the Water Supply Development Fund (“WSDF”). The purpose of the WSDF is to provide direct cash funding for major supply projects, to promote compliance with the fiscal policies limiting debt leverage and calling for rate planning to provide smooth and predictable transitions in member costs (rates).

As part of the WSDF formation, further guidance on capital planning requirements related to use of the WSDF was adopted in Cascade Code section 5.70.040.B, which provides:

*“B. Funding Plan. When development of the Water Supply Project is imminent, but in no case later than the budgeting process for the biennium in which work shall materially commence, Cascade shall, in consultation with Cascade’s financial advisors and other consultants, develop and present to the Board a funding plan for its consideration of the Water Supply Project capital funding, and its authorization of related financial activities including bond issues, rate increases and use of the Water Supply Development Fund. The funding plan shall:*

- 1. Address the planned and scheduled use of equity funds, loans, grants, and revenue bonds during development of the Water Supply Project.*
- 2. Outline a schedule for the use of equity and debt resources that enables rational and timely access to bond markets, adequate funding throughout the Water Supply Project construction period, and a reasonable rate strategy to transition Member charges to a level that fully funds the development of Water Supply Project.*
- 3. Include reasonable contingencies for unanticipated cost increases and schedule alterations.*
- 4. If grants or low-cost loans cannot be confidently relied upon, address a structure without those sources, but with flexibility to accommodate the benefits of such funding sources if and when they are secured.”*

Together, these code elements indicate the high priority the Board placed on adequate capital financial planning that contemplates contingencies and risks. This Funding Plan is structured to satisfy the requirements of both 5.05.050 and 5.70.040 as related to Phase I of the Cascade Supply Program needed to deliver Tacoma wholesale water to Cascade members.

#### Anticipated Policy Decisions in the Capital Funding Plan

The existing policy framework described above establishes the goals for advance planning, contingency planning, and financial stability. There are policy decisions that remain to be made that are specific to the funding of the Cascade Supply Program. Cascade staff anticipates asking the Board for direction and decision on three key policy topics:

- *Direction on the degree of conservatism for rate setting.* There is uncertainty about a range of factors that will impact the rates over the course of the project, from project cost, schedule, and funding assistance, to inflation, interest rates, and other economic factors. Over the course of the project, this uncertainty will diminish as planning and design milestones are met, but at the outset, there is a wide range of uncertainty.
  - Board direction on the assumed degree of conservatism will inform the 2027-2028 budget and rates process, for rates, RCFCs, and planning for an initial revenue bond.

- *Rate Smoothing.* Cascade currently has a policy of smoothing rates over five years. Should this policy be broadened to consider the full term of Phase 1 of the CSP?
- *Direction to prioritize outside funding.* Cascade is committed to pursuing funding assistance. Direction from the Board would guide our budget requests (related to State and Federal lobbying), inform how staff resources are prioritized, and lay the groundwork for coordination with Members in supporting outside funding assistance requests.

### Managing Uncertainty: Cost Projection Changes

One of the core challenges of the Capital Funding Plan is how to manage uncertainty. For capital projects of this nature, cost uncertainty is one of the most significant factors as it pertains to the long-term rate strategy and funding approach.

As part of commencing the Cascade Supply Program, Cascade has developed a new pre-planning cost projection range. This new projection range is significantly higher than the dollar amounts referenced as recently as 2024. Part of that is simply the continued impact of inflation, but there are a few additional significant factors that bear understanding:

- The CSP has been envisioned as a multi-phase, multi-decadal program. Based on the input of the CSP staff and consultant team, some elements of the CSP that were anticipated in Phase II (in the 2040s) have been identified as necessary in Phase I (in the 2030s). This represents a shift of costs forward, which increases the Phase I cost, even though long term it will reduce the inflated cost. The most significant of these is the need to secure a storage tank site and construct a storage tank as part of Phase I.
- There are also changes to the overall CSP cost that impact the cost projection. The planning and engineering work is by no means complete at this time, but these reflect the input and expertise of the CSP staff and consultant team.
  - Higher per unit costs for the transmission pipe, above general inflation.
  - Addition of a rechlorination station and maintenance and operations yard to Phase I.
  - Reduced pipe size from 66 inches to 54 inches based on the flow rates necessary through Phase III of the CSP.
  - Updated allowances for indeterminates, contingencies, and management reserves.
- These cost projections include construction costs, allowances for indeterminates, land acquisition and major permitting fees, project and program soft costs, contingency, and a management reserve, at levels consistent with the early stage of program development.

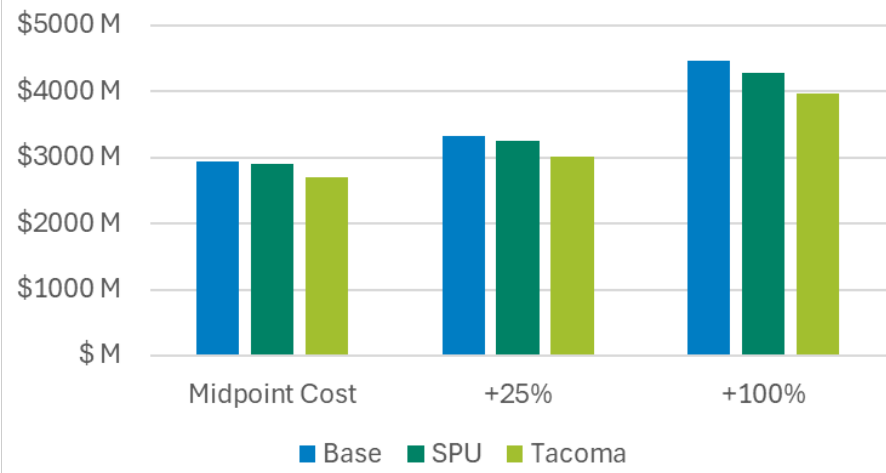
For the Capital Funding Plan, Cascade is evaluating a range of cost outcomes based on both code requirements and the range of probable construction costs based on the AACE International cost estimation guidelines. Exhibit 1 presents how these cost ranges have changed relative to the cost projections used previously.

Exhibit 1. Summary of CSP Phase I Cost Sensitivities, 2026\$

	2023 Cost Projection	Jan 2026 Pre-Planning Cost Projection Range
+100%	\$1.42 B	
Mid	\$707.9 M	
-25%	\$566.3 M	
+100% Construction Cost		\$1.94 B
+20% 'Cost Over-run' Scenario		\$1.62 B
+Board Management Reserve		\$1.35 B
Preplanning Projection		\$1.13 B

The Capital Funding Plan will use sensitivity analyses to evaluate a range of scenarios for what could happen, in order to inform the Board for their rate strategy decisions. Sensitivity analysis is the same tool Cascade has used successfully to manage cost uncertainty in the past, most recently as part of the supply contract alternatives decision process. To illustrate this example, Exhibit 2 shows the sensitivity analysis for cost that was performed as part of that process in 2023 and 2024.

Exhibit 2. Sensitivity: Supply Development Cost (NPV through 2100)



In this analysis, each potential decision was evaluated under a range of supply cost scenarios. Each option available included building a pipeline and bringing the Lake Tapps Reservoir into service for drinking water production, just with a question of when that infrastructure would be needed. Each option is compared on an apples-to-apples basis by two means. First, the comparison is made using net present value to reflect the lifecycle cost of decisions, rather than costs which would only benefit one generation of ratepayers. Second, the comparison is made with the same cost assumption for each set of options – if the project were to cost more, it would cost more under all the options.

This sensitivity analysis showed the Tacoma option was the best value to Cascade Members under each of the cost scenarios, which demonstrated it was not necessary to know the exact cost in order to come to a decision.

Cascade will use this same approach of evaluating sensitivity to the areas of uncertainty as part of the Capital Funding Plan, in order to provide the Board with an understanding of the range of what could happen. This will include both factors within the Board’s control and broader economic factors that are outside the Board’s control, so the funding strategy and rate strategy defined in the Plan will be able to reflect the range of potential outcomes.

**Next Steps**

As mentioned above, this is the first in a series of anticipated discussions with the Board regarding the Capital Funding Plan. Cascade staff are continuing to engage with Member staff to vet the range of sensitivities considered and recommendations developed in the Plan. The anticipated upcoming schedule of engagement with the Board is:

- May:
  - Capital Funding Plan – Discussion and Direction
  - Preliminary Budget & Rates
- June:
  - Proposed Budget & Rates – Discussion & Feedback
- July:
  - (Revised) Proposed Budget & Rates
  - (Revised) Capital Funding Plan
- September:
  - Anticipated Adoption of Budget, Rates, & Capital Funding Plan

**PRIOR BOARD ACTIONS**

Board Action	Date	Resolution No. (if Applicable)
WSDF Adoption & Fiscal Policy Amendment	2022-02-23	2022-06
2025-2026 Biennial Budget	2024-09-25	2024-11

**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**

N/A

**ATTACHMENTS**

1. Presentation: Capital Funding Plan – Background & Fiscal Policies Overview

# Capital Funding Plan: Background and Fiscal Policy Overview

Presentation to Cascade Board  
March 25, 2026



# Overview

- Today's Purpose: To give an overview of Cascade's first Capital Funding Plan, including the core policy questions, related fiscal policies, and foundational context.

This will be the first of multiple Board presentations regarding the Capital Funding Plan this year.

# Agenda

- ❖ Capital Funding Plan: What is it?
- ❖ Bottom line: what decision will the Board be asked to make?
- ❖ Relevant Cascade Fiscal Policies
- ❖ Context and Foundation
  - Uncertainty: Cost Projection Changes
  - Example: TPU Decision Analysis
- ❖ Sensitivity Analyses in the Capital Funding Plan
- ❖ Next Steps

# Capital Funding Plan: What is it?

- ❖ Required plan in Cascade Code for Water Supply Projects.
- ❖ Will be a Board-adopted plan that defines the strategy for funding the Cascade Supply Program (Phase I), including long term rate strategy.
- ❖ Will not be a static document – to be updated regularly to remain relevant.
- ❖ Will ensure compliance with Cascade’s fiscal policies regarding funding of major water supply projects.
- ❖ Does not replace or supersede the budget and rates process - the strategy of the Funding Plan informs the budget and rates each biennium.

# Board Decisions in the Plan

*What will be the ask of the Board in terms of decisions?*

- Direction on the degree of conservatism for now
- What actions to take based on that for the next two years as part of the budget and rates process:
  - Rates
  - RCFCs
  - Initial revenue bond
- Whether the rate smoothing policy should be extended from five years to the term of the project in the Funding Plan
- Direction to begin prioritizing actions to pursue outside funding assistance

# Key Fiscal Policies

## General Cascade Fiscal Policies

- Revenue stability
- Contingency planning
- Avoid over-reliance on debt
- Forward-looking rate smoothing
- Equitable funding of growth-related system expansion

## Capital Funding Plan Policies

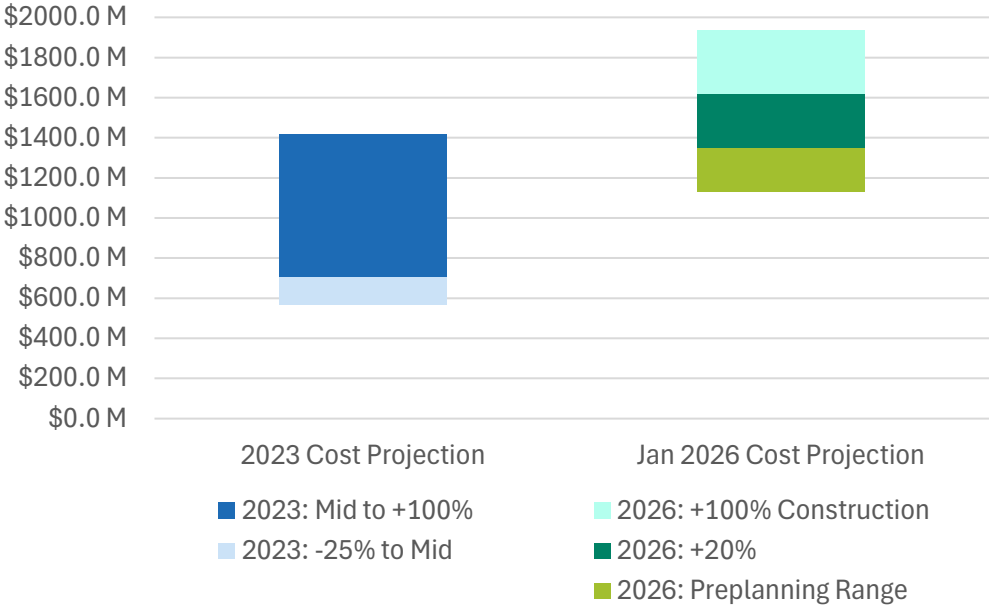
- Board-adopted plan, subject to periodic updates
- Total cumulative debt not to exceed 80% of Cascade assets
- Advanced planning to mitigate risk of compromising fiscal policies & covenants
- Appropriate cost contingencies and factors
- Strategy for unanticipated increases

# Uncertainty: Cost Projections & Sensitivities

## Summary of CSP Phase I Cost Sensitivities, 2026\$

	2023 Cost Projection	Jan 2026 Capital Funding Plan
+100%	\$1.42 B	
Mid	\$707.9 M	
-25%	\$566.3 M	
<hr/>		
+100% Construction Cost		\$1.94 B
+20% 'Cost Over-run' Scenario		\$1.62 B
+Board Management Reserve		\$1.35 B
Preplanning Projection		\$1.13 B

Comparison of CSP Phase I Cost Scenarios, 2026\$

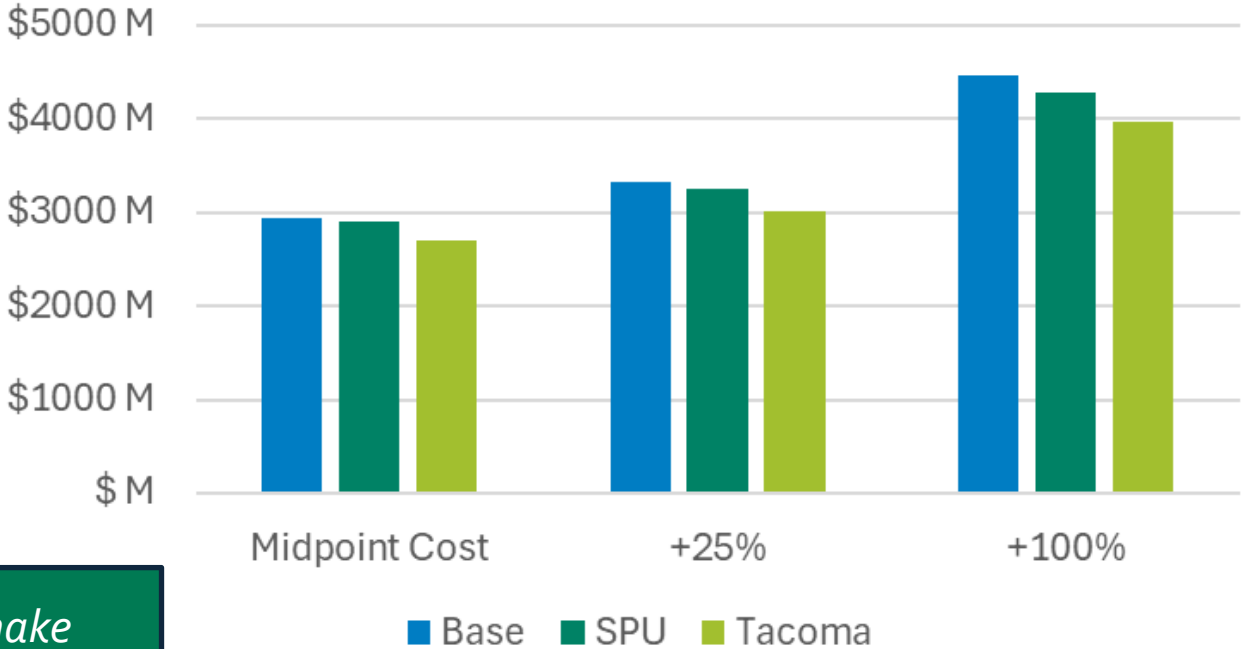


# Decision Tool: Sensitivity Analysis

Supply cost is very important to the overall net present value outcome.

However: the decision amongst the options doesn't change based on supply cost regardless of the range.

Sensitivity: Supply Development Cost (NPV through 2100)



*Takeaway: sensitivity analysis can help us to make decisions even in the face of significant uncertainty*

# What's Next?

## ❖ May:

- Capital Funding Plan – Discussion and Direction
- Preliminary Budget & Rates

## ❖ June:

- Proposed Budget & Rates – Discussion & Feedback

## ❖ July:

- (Revised) Proposed Budget & Rates
- (Revised) Capital Funding Plan

## ❖ September:

- Anticipated Adoption of Budget, Rates, & Capital Funding Plan

# Thank You





## FINANCE & MANAGEMENT COMMITTEE

Dave Hamilton, Chair, City of Bellevue

**Meeting Recap**  
**Tuesday, March 17, 2026**  
**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 March 25, 2026 Board Meeting**
4. **Discussion Items.**

**A. Financial Overview.** In preparation for the 2027-2028 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 2025 budget, revenue, and member charges; prior rate increases; the Water Supply Development Fund; and 2027-2028 key unknown issues.

*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 2027-2028 budget.*

**B. Capital Funding Plan: Background & Fiscal Policy Overview.** This is the first of a series of presentations regarding the Capital Funding Plan for Phase I of the Cascade Supply Program. Staff will present background information regarding the purpose of the Capital Funding Plan, discuss how the funding plan fits in with Cascade's existing fiscal policy framework, and provide context for how Cascade is approaching evaluating uncertainty and risk in the Plan.

*Recap: The committee discussed the Capital Funding Plan and related policies. The committee expressed a desire for prioritizing rate predictability, understanding the rate impact of conservative assumptions, and prioritizing seeking external funding assistance.*

5. **Other Issues.**

**6. Next Meeting Date and Location.**

The next meeting will be held Tuesday, April 21, 2026, 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  
Vishal Bhargava, 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, March 12, 2026**  
**2:00 PM – 3:30 PM**

**Held at Cascade's office and via Zoom**

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

**A. Phase 3 Wrap-Up and Reservoir Refill Update.** The contractor has mostly demobilized from the Headworks project site and is in the process of completing all punch list work items. The final punch list is expected to be completed at the end of March.

Cascade staff attended a kickoff meeting with the U.S. Army Corps of Engineers team to begin talks for developing a Joint Operations Protocol Manual. An additional joint workshop will be scheduled for the development of the manual. It is expected the manual will be completed no later than 12 months after construction completion.

As of Monday, March 2, the reservoir level is 540.26, with little to no precipitation recently. Cascade's commitment to the community is to reach 541.5 by April 15.

*Recap: Staff presented a status update on the project and went over the project objectives, project achievements, budget, and a list of potential follow-up work items as Cascade learns more about the dynamic river and the new intake facility. Staff also discussed the purpose of the Joint Operations Protocol and timeline.*

**B. Water Supply Update and Shortage Management.** Staff will provide an update on current water supply conditions and an overview of Cascade's Shortage Management Plan.

*Recap: Staff updated the committee on current water supply conditions. While the region has received a lot of precipitation this year, the majority has fallen as rain in the watersheds. Because of that, snowpack is extremely low this year (less than 50% of the historical average). Cascade plans to increase conservation messaging this spring and*

*is encouraging all drinking water utilities in the region to coordinate their messaging. Staff also provided an overview of the Shortage Management Plan, which can be found at the following location: [20251125-WSP-Exhibits-A-J-Final-Submitted-to-DOH.pdf](#).*

- C. Snoqualmie Aquifer Project Update.** Staff recently met with Seattle Public Utilities on the status of its long-term water supply planning effort and next steps on the Snoqualmie Aquifer Project. Staff will update the committee on that meeting and proposed next steps.

***Recap:** Staff updated the committee on a recent meeting with Seattle Public Utilities (SPU) staff, and the committee discussed the background of the water right applications and the reasons for acquisition. SPU regularly updates the Department of Ecology on the status of its water rights applications, including the Snoqualmie Aquifer Project (SAP), and wanted to check in with Cascade on next steps. SPU is working on a long-term water supply analysis that includes the SAP as a future option and agreed to share additional information later this year. Given Cascade Board direction to limit expenditures on this project without additional direction from the committee and Board, staff will hold off on any work until additional information is received and next steps can be developed. The next update is likely to be at the end of this year or potentially early next year depending on what staff receive from SPU and when that occurs.*

**4. Items Recommended for Action at the March 25, 2026 Board Meeting.**

**5. Other Issues.**

***Recap:** The committee discussed and supported revising its meeting time to 10 am. The change will be included in the proposed committee actions at the Board meeting on March 25.*

**6. Next Meeting Date and Location.**

The next meeting will be Thursday, April 9, 2026, 2:00 p.m. – 3:30 p.m. at Cascade’s office and via Zoom.