



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade's Office and Via Zoom
April 22, 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 two minutes per person.	
4. APPROVAL OF AGENDA	
5. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
6. CONSENT ITEMS	
a. Board Meeting Minutes for March 25, 2026.	<u>17</u>
7. OTHER ACTION ITEMS	
a. Motion to adopt Resolution No. 2026-08, amending the 2026 Budget and the 2025-2030 Capital Improvement Program.	<u>21</u>
b. Motion to authorize the Chief Executive Officer to amend the current contract with Stantec Consulting Services, Inc., to provide program and engineering support services for the Cascade Supply Program, to increase maximum compensation by \$3,563,000, from \$1,000,000 to \$4,563,000.	<u>28</u>
8. STAFF PRESENTATIONS	
9. COMMITTEE REPORTS	
a. Executive Committee – <i>no meeting held.</i>	
b. Finance and Intergovernmental Committee – <i>April 21, 2026</i> (Meeting recap to be included in next month's packet).	
c. Resource Management Committee – <i>April 9, 2026.</i>	<u>37</u>

d. Supply Program Oversight Committee – *April 8, 2026.*

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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 – *May 27, 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: April 22, 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

- Cascade finalized the second amendment that the Board approved in January with BrightNight (GREE). BrightNight's contractor is working on getting its permits and has begun to mobilize construction on other parts of the project. Upon construction commencement, Cascade is due \$1.4M.
- Cascade's 2027 - 2028 internal budget and rate development continue. Cascade staff has refined a budget draft and will present it to the Finance and Intergovernmental Committee (FIG) in May along with a list of unknowns. Seattle's rate study and true-up, a major factor in Cascade's budget, is one of several unknowns and will not be available until June, so the final budget will not be complete until then.
- Clark Nuber, Cascade's outside auditing firm, completed their onsite work in March and will present the results of the audit at the June FIG meeting. The auditors examined Cascade's financial reports, internal controls, and compliance with policies and procedures. The State Auditor's Office will conduct a separate audit later this year.
- Clark Nuber will be on site in May to conduct a review of the first quarter of Cascade's 2026 financial transactions. The results of the reviews will be reported to the FIG.
- Regional capital facilities charges (RCFCs) are still not on pace to meet 2026 budget expectations. Cascade is waiting for one Member to report on their March 2026 connections, but as of now, only 187 new net Cascade equivalent residential units (CERUs) have been reported for the year.
- TeamLogic, Cascade's IT consultant, and staff met for their quarterly technical business review of Cascade's system in April. The review was a chance to look at the overall health of Cascade's systems and networks and look at the bigger picture of Cascade's technology, security, and long-term IT strategy. Overall, Cascade's network is secure and stable, but there are a few items that will be addressed to improve the system's reliability.
- Cascade's bond team met and continued the planning work necessary for bringing a bond resolution to the Board for consideration in fall 2026 to help fund the Cascade Supply Program.

Cascade Supply Program

- Please see the (revised) monthly CSP Status Update attached.
- Program Management
 - Staff are presenting the next budget request for approval today. 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.
 - Staff have identified a path forward to adding a communications/outreach person to the team.
- Board Oversight
 - Staff have created the first draft of the Board Oversight Plan for internal review. This is on track for delivery to the Board by the June deadline.
- Management and Planning
 - Staff are continuing to advance the hydraulic modeling, GIS mapping, tank siting, and pipeline routing.
 - Staff are starting to build the Risk Register and develop risks for the program.
- CMMS (Computer Maintenance Management System)
 - All staff interviews were completed, and a needs assessment worksheet was also completed. The consultant is now working through the information and developing a list of recommended software programs for Cascade.

Capital Projects and Operations

- Cascade is operating the new White River - Lake Tapps Reservoir (WRLTR) Headworks intake facility and continues to update operational procedures based on the new intake configuration, rate of water intake, and sediment management protocol. Cascade is applying 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.
- The Lake Tapps Reservoir level was 542.56 feet as of April 13. 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 staff attended the first workshop in a series of workshops to jointly develop a Joint Operations Protocols Manual with the U.S. Army Corps of Engineers (USACE) for the water intake and diversion at the section of the White River where the USACE's new barrier structure, its new fish handling facility, Muckleshoot's fish facility, and Cascade's new intake all converge.
- WRLTR 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. Three firms attended 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.

- The Lewis Creek Bellevue-Issaquah Pipeline relocation project is advancing to 90% design. Staff have reached out to Members served by this regional transmission pipeline and hosted a 60% design review briefing with interested technical staff to incorporate feedback.

Water Efficiency

- 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. Cascade plans to increase conservation messaging this spring and is encouraging drinking water utilities in the region to coordinate their messaging.
- In 2025, Cascade's Water Efficiency Program saved 34,152 gallons of water per day. Here is a link to the 2025 Water Efficiency Annual Report, which highlights program accomplishments: [2025-Water-Efficiency-Program-Annual-Report.pdf](#)
- Cascade is currently running an online contest to encourage people to use mulch in their yards to reduce evaporation.
- Cascade will be participating in the Issaquah Sustainability Fair on April 26.

Intergovernmental and Communications

- Cascade staff continue to schedule 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.
- Bellevue Utilities staff have invited Cascade to participate in a Bellevue Television Lake to Lake episode on utilities, focusing on long-term planning, the importance of investing in infrastructure for the future, costs, and resources for bill assistance. Melina Thung will participate along with Kamuron Gurol, King County Wastewater Treatment Division Director; Lucy Liu, Bellevue Utilities Director; and other Bellevue staff. It is scheduled to tape in late April and air in May.

Attachments

1. Budget to Actual Expenditure Report through March 31, 2026.
2. Statement of Revenues and Expenditures through March 31, 2026.
3. Statement of Net Position as of March 31, 2026.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of March 31, 2026.
7. Draft 2026 Board Meeting Calendar.
8. CSP Performance Update.

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- March 31, 2026
 25% of the year completed

Administration		Budget		Actual		Balance		% Expended
Salaries	\$	1,353,486	\$	469,308		884,177		34.7%
Benefits		350,482		115,324		235,158		32.9%
Wellness program		1,000		0		1,000		0.0%
Prof. Fee (Technical)		200,000		54,253		145,747		27.1%
Prof. Fee (Legal)		697,000		251,990		445,010		36.2%
Prof. Fee (Audit)		106,000		73,271		32,729		69.1%
Prof. Fee (Other)		55,000		2,779		52,221		5.1%
Seismic Resiliency		100,000		0		100,000		0.0%
Meetings Expense		12,000		645		11,355		5.4%
Telephone/Internet		45,000		13,928		31,072		31.0%
Office Rent		418,144		28,370		389,773		6.8%
Office Supplies Admin.		15,000		8,162		6,838		54.4%
Equip. and Furniture		1,000		855		145		85.5%
Bank Fees		500		70		430		13.9%
Dues & Subscriptions		30,000		26,573		3,427		88.6%
Taxes/Licenses		15,000		1,216		13,784		8.1%
Travel		10,000		1,442		8,558		14.4%
Professional Dev.		10,000		2,063		7,938		20.6%
Computer Equipment		20,000		0		20,000		0.0%
Software Licenses		72,000		17,243		54,757		23.9%
Postage & Delivery		1,500		479		1,021		31.9%
Printing & Repro.		3,500		0		3,500		0.0%
Insurance		251,798		127,333		124,465		50.6%
Contingency		442,500		0		442,500		0.0%
Total	\$	4,210,910	\$	1,195,305	\$	3,015,605		28.4%

Debt Service		Budget		Actual		Balance		% Expended
Bond Debt Service	\$	9,224,541		3,603,271		5,621,271		39.1%
Total	\$	9,224,541	\$	3,603,271	\$	5,621,271		39.1%

Conservation		Budget		Actual		Balance		% Expended
Salaries	\$	162,893	\$	32,296	\$	130,597		19.8%
Benefits		44,460		8,018		36,442		18.0%
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		7,163		107,838		6.2%
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		146,207		228,793		39.0%
Misc. Serv. and Sup.		38,000		24,520		13,480		64.5%
Total	\$	831,853	\$	225,649	\$	606,204		27.1%

Com. and Intergovern		Budget		Actual		Balance		% Expended
Salaries	\$	128,199	\$	36,121	\$	92,077		28.2%
Benefits		39,683		8,757		30,926		22.1%
Special Events		10,000		0		10,000		0.0%
Prof. Fee (Other)		165,000		40,500		124,500		24.5%
Sponsorships		30,000		0		30,000		0.0%
Comm. and Public I		280,000		10,685		269,315		3.8%
Total	\$	652,881	\$	96,063	\$	556,818		14.7%

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- March 31, 2026
 25% of the year completed

Operations-General		Budget		Actual		Balance	% Expended
Wholesale Water	\$	25,648,897	\$	4,132,865	\$	21,516,032	16.1%
Salaries		76,815		7,218		69,597	9.4%
Benefits		16,767		1,771		14,995	10.6%
BIP O&M		80,000		107		79,893	0.1%
Pipeline Prop. O&M		90,000		201		89,799	0.2%
Total	\$	25,912,479	\$	4,142,162	\$	21,770,317	16.0%

Operations-Lake Tapps		Budget		Actual		Balance	% Expended
Salaries	\$	925,920	\$	163,908	\$	762,013	17.7%
Benefits		210,861		40,301		170,560	19.1%
Prof. Fee (Technical)		934,550		135,610		798,940	14.5%
Prof. Fee (Other)		60,000		0		60,000	0.0%
Meetings Expense		4,000		94		3,906	2.4%
Telephone/Internet		2,700		1,879		821	69.6%
Office Supplies		7,000		4,740		2,260	67.7%
Equipment & Furn.		34,000		9,928		24,072	29.2%
Taxes/Licenses		18,000		697		17,303	3.9%
Travel		5,000		3,804		1,196	76.1%
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		3,516		112,484	3.0%
LT Operator		3,063,598		405,527		2,658,071	13.2%
Unplanned O&M		100,000		8,034		91,966	8.0%
Misc. Facility Repairs		135,000		0		135,000	0.0%
USGS Joint Fund		420,000		0		420,000	0.0%
Milfoil Control		210,000		2,783		207,217	1.3%
Vendor Services		130,000		15,463		114,537	11.9%
Water Quality		50,000		0		50,000	0.0%
Dike and Roads		92,000		0		92,000	0.0%
Total	\$	6,567,629	\$	800,733	\$	5,766,896	12.2%

Cascade Supply Program		Budget		Actual		Balance	% Expended
Salaries	\$	415,000		202,322		212,678	48.8%
CSP Consultants		1,194,000		10,053		1,183,947	0.8%
CSP Contingency		161,000		0		161,000	0.0%
Total CSP Budget	\$	1,770,000	\$	212,376	\$	1,557,624	12.0%

Total Operating Budget **\$** **49,170,294** **\$** **10,275,559** **\$** **38,894,735** **20.9%**

Capital Projects (multi-yr bdgt not shown)		Budget		Actual		Balance	% Expended
Upper Conveyance	\$	100,000		73,680		26,320	73.7%
Lower Conveyance		2,050,000		153,372		1,896,628	7.5%
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		202,222		1,567,778	11.4%
Capital Risk		700,000		0		700,000	0.0%
IT Infrastructure		35,000		0		35,000	0.0%
Total CIP Budget	\$	12,098,033	\$	6,286,102	\$	5,811,931	52.0%

Total Overall Budget **\$** **61,268,327** **\$** **16,561,661** **44,706,666** **27.0%**

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2026 Through 3/31/2026

Attachment 2

Operating Revenue		
Water sales	\$	8,279,311
Administrative dues		4,366,139
Conservation program		158,340
Total Operating Revenue		12,803,790
Operating Expenses		
Cost of water sold		4,132,865
Salaries and benefits		1,208,192
Professional services		580,048
Conservation program		7,163
Depreciation and amortization		39,122
Communication and public information		146,498
Office expenses		215,227
Operations		417,852
Bank charges		70
Rent		28,370
Maintenance		18,712
Dues and subscriptions		31,913
Miscellaneous		8,600
Total Operating Expenses		6,834,631
Operating Income		5,969,159
Non-Operating Revenue (Expenses)		
Interest income		375,676
Other income		6,048
Interest expense, net of amount capitalized		(422,027)
Total Non-Operating Revenue (Expenses)		(40,303)
Increase in Net Assets		5,928,856
Net Assets, Beginning of Year		180,519,139
Net Assets, End of Year	\$	186,447,995

Cascade Water Alliance
Statement of Net Position
As of 3/31/2026

Attachment 3

Assets	
Current Assets	
Cash and cash equivalents	\$ 39,530,175
Accounts receivable	3,516,439
Prepaid expenses	135,628
Total Current Assets	43,182,242
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	(75,295,172)
Total Capital Assets	133,937,527
Projects in process and assets not yet in service	
Lake Tapps	111,731,414
Tacoma Cascade pipeline	26,656,211
Total Projects in process and assets not yet in service	138,387,625
Restricted cash and cash equivalents	21,190,869
Total Assets	336,698,262
Liabilities	
Current liabilities	
Payables and accrued liabilities	3,103,919
Retroactive water credit	756,482
Accrued interest	2,652,030
Long-term debt current portion	7,355,000
Total Current liabilities	13,867,430
Long-term Liabilities	
Long-term debt	60,705,000
Tacoma contract	73,981,576
Bond premium, net of amortization	1,379,684
Total Long-term Liabilities	136,066,261
Total Liabilities	149,933,691
Net Assets	
Restricted for debt service	148,029,719
Unrestricted	38,734,852
Total Net Assets	186,764,571
Total Liabilities & Net Assets	\$ 336,698,262

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	4/13/2026	5%	\$ 165,000	\$ 2,228	1%	\$ 162,772
Ballard Spahr	1	Legal Services	C. Paulucci	1/1/2026	12/31/2026	4/13/2026	35%	\$ 25,000	\$ 8,852	35%	\$ 16,148
Ben Bernstein Music	1	Podcast production	M. Brent	1/1/2026	12/31/2026	4/13/2026	0%	\$ 7,000	\$ -	0%	\$ 7,000
BHC Consulting	1	Planning & Permit Assistance	T. Richmond	1/1/2026	12/31/2026	4/13/2026	0%	\$ 45,000	\$ -	0%	\$ 45,000
Brilliant Marketing	1	We Need Water Social Media Outreach	J. Amspacher	1/1/2026	12/31/2026	4/13/2026	25%	\$ 64,000	\$ 14,956	23%	\$ 49,044
Catalyst Workplace Activation	1	Additional Workstations & Private Office	C. Paulucci	4/9/2026	N/A	4/13/2026	50%	\$ 42,577	\$ 21,288	50%	\$ 21,288
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	C. Paulucci	1/1/2026	N/A	4/13/2026	80%	\$ 89,200	\$ 52,175	58%	\$ 37,025
Clark Nuber	2	RCFC member process	C. Paulucci	10/1/2025	N/A	4/13/2026	25%	\$ 105,000	\$ 21,096	20%	\$ 83,904
Colehour and Cohen	1	Staffing for classes and events	J. Amspacher	1/1/2026	12/31/2026	4/13/2026	40%	\$ 117,525	\$ 47,362	40%	\$ 70,163
Confluence Engineering Group, LLC	1	Lake Tapps Supply & BIP Water Quality Advisory Services Project	H. Chen	12/1/2023	N/A	4/13/2026	80%	\$ 49,000	\$ 24,158	49%	\$ 24,842
Confluence Engineering Group, LLC	2	Joint Operations Protocol Manual	H. Chen		N/A	4/13/2026	80%	\$ 49,658	\$ 39,384	79%	\$ 10,274
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2026	4/13/2026	45%	\$ 160,000	\$ 54,380	34%	\$ 105,620
David McGrath	1	Irrigation Program Assistance	M. Brent	1/1/2026	12/31/2026	4/13/2026	0%	\$ 20,000	\$ -	0%	\$ 20,000
Environmental Science Assoc (ESA)	1	Aquatic Plant Management	P. Anderson	1/1/2026	12/31/2026	4/13/2026	5%	\$ 49,000	\$ 555	1%	\$ 48,445
Fluid and Motion Control Technologies, LLC	1	Valve House Preventative Maintenance	W. Smythe	3/9/2026	12/31/2026	4/13/2026	5%	\$ 45,000	\$ -	0%	\$ 45,000
GeoEngineers	1	Dam Engineering/Hydrology/ Geotechnical Service	H. Chen	1/3/2024	12/31/2026	4/13/2026	60%	\$ 570,000	\$ 321,126	56%	\$ 248,874
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2026	12/31/2026	4/13/2026	25%	\$ 84,000	\$ 21,000	25%	\$ 63,000
Hawkins Delafield & Wood	1	Procurement and contracting for a contract operator for the WRLTR project.	M. Thung	1/1/2026	12/31/2026	4/13/2026	80%	\$ 110,000	\$ 89,854	82%	\$ 20,146
Hawkins Delafield & Wood	2	Advisory and support services for Transition Plan	M. Thung	3/23/2026	N/A	4/13/2026	0%	\$ 45,000	\$ -	0%	\$ 45,000
Herrera	1	On-Call Water Supply Modeling Services	M. Thung	11/4/2024	12/31/2027	4/13/2026	0%	\$ 40,000	\$ -	0%	\$ 40,000
Herrera	2	Bulkheads Study	M. Thung	6/5/2025	N/A	4/13/2026	75%	\$ 49,000	\$ 36,081	74%	\$ 12,919
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	4/13/2026	99%	\$ 1,518,000	\$ 1,428,512	94%	\$ 89,488
Jennergy	1	Website Maintenance	M. Brent	1/1/2026	12/31/2026	4/13/2026	25%	\$ 25,000	\$ 5,042	20%	\$ 19,958
Johansen Construction	1	2025 Winter Weather Event Emergency Repairs	H. Chen	12/29/2025	N/A	4/13/2026	85%	\$ 20,000	\$ 8,034	40%	\$ 11,966
Johansen Construction	2	Owner's Minor Construction, Repair, and Maintenance	W. Smythe	3/5/2026	N/A	4/13/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Jon Shimada	1	On-Call Project Support Services	M. Thung	4/8/2024	12/31/2026	4/13/2026	75%	\$ 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	4/13/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Langton Spieth	1	Community relations	A. Bennett	1/1/2026	12/31/2026	4/13/2026	0%	\$ 78,000	\$ 19,500	25%	\$ 58,500
Long Building Tech	1	Security Maintenance	H. Chen	1/1/2026	12/31/2026	4/13/2026	0%	\$ 78,000	\$ -	0%	\$ 78,000
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2026	12/31/2026	4/13/2026	40%	\$ 135,466	\$ 54,700	40%	\$ 80,766
Northwest Municipal Advisor	1	Financial Advisory Services	C. Paulucci	9/17/2025	12/31/2027	4/13/2026	0%	\$ 49,999	\$ -	0%	\$ 49,999
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2026	4/13/2026	65%	\$ 650,000	\$ 413,741	64%	\$ 236,259
Parametrix	2	On-Call Electrical Engineering Svcs	H. Chen	4/7/2025	12/31/2027	4/13/2026	40%	\$ 600,000	\$ 230,377	38%	\$ 369,623
Performance Dimension Group	1	Organizational Performance Services	M. Thung	1/9/2026	12/31/2027	4/13/2026	10%	\$ 30,000	\$ 1,463	5%	\$ 28,538
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2026	12/31/2026	4/13/2026	50%	\$ 120,000	\$ 5,902	5%	\$ 114,098
Rok Technologies, LLC	1	Implementation of GIS Cloud Migration	H. Chen	10/10/2025	4/10/2026	4/13/2026	100%	\$ 48,627	\$ 48,627	100%	\$ -
Sammamish Plateau Water	1	GIS support services	H. Chen	12/6/2022	N/A	4/13/2026	95%	\$ 50,000	\$ 49,001	98%	\$ 999
Sazan	1	On-call value analysis/engineering	J. Shimada	10/23/2023	10/23/2025	4/13/2026	50%	\$ 250,000	\$ 98,941	40%	\$ 151,059
Seattle Public Utilities	1	Garden Hotline	J. Amspacher	1/1/2026	12/31/2026	4/13/2026	0%	\$ 17,620	\$ -	0%	\$ 17,620
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2026	12/31/2026	4/13/2026	25%	\$ 31,000	\$ 6,550	21%	\$ 24,450
Stantec	1	BIP Relocation at Lewis Creek	W. Smythe	8/27/2025	N/A	4/13/2026	10%	\$ 283,684	\$ 29,411	10%	\$ 254,273

Stantec	2	CSP - Program and Engineering Support	B. Bartle	11/4/2025	N/A	4/13/2026	20%	\$ 1,000,000	\$ 162,661	16%	\$ 837,339
Stantec	3	CMMS Evaluation Support	M. Thung	3/9/2026	N/A	4/13/2026	10%	\$ 49,500	\$ -	0%	\$ 49,500
Sunbreak Talent	1	Recruitment assistance	M. Thung	3/27/2025	N/A	4/13/2026	75%	\$ 6,000	\$ 4,910	82%	\$ 1,090
Sustainable Seattle	1	Problem-Based Learning for Water Systems	J. Amspacher	1/1/2026	12/31/2026	4/13/2026	5%	\$ 60,000	\$ 2,864	5%	\$ 57,136
Tacoma-Pierce County	1	LakeWise Program at Lake Tapps	A. Bennett	1/1/2026	12/31/2026	4/13/2026	17%	\$ 140,000	\$ -	0%	\$ 140,000
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2026	12/31/2026	4/13/2026	25%	\$ 148,840	\$ 40,514	27%	\$ 108,326
TechniArt	1	Conservation Website Order page	M. Brent	1/1/2026	12/31/2026	4/13/2026	15%	\$ 17,000	\$ 2,035	12%	\$ 14,965
Terese Richmond LLC	1	On-Call Strategy, Policy and Program Support Services	M. Thung	6/9/2025	12/31/2026	4/13/2026	10%	\$ 45,750	\$ 4,479	10%	\$ 41,271
Tetra Tech	1	AWIA 2025-2026 Updates	M. Thung	12/9/2024	12/31/2026	4/13/2026	40%	\$ 350,000	\$ 132,909	38%	\$ 217,091
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2026	12/31/2026	4/13/2026	20%	\$ 65,000	\$ 11,700	18%	\$ 53,300
TITAN Earthwork	1	Owner's Minor Construction, Repair, and Maintenance	H. Chen	4/1/2026	12/31/2026	4/13/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Transpo Group	1	On-Call GIS Support	H. Chen	1/1/2026	12/31/2026	4/13/2026	35%	\$ 49,500	\$ 16,040	32%	\$ 33,460
Upstream PBC	2	HydroForecast Subscription Service	M. Thung	10/1/2024	9/30/2026	4/13/2026	75%	\$ 49,350	\$ 23,500	48%	\$ 25,850
USGS	1	Joint Funding Agre-Streamgaging	H. Chen	1/1/2026	12/31/2026	4/13/2026	25%	\$ 352,000	\$ -	0%	\$ 352,000
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	N/A	4/13/2026	85%	\$ 790,000	\$ 665,707	84%	\$ 124,293
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2026	12/31/2026	4/13/2026	25%	\$ 900,000	\$ 152,139	17%	\$ 747,861
Veolia	1	White River-Lake Tapps Reservoir Project Operations and Maintenance Agreement \$2,430,226 fixed, \$50,000 variable, \$12,385 bond	H. Chen	1/1/2026	12/31/2026	4/13/2026	25%	\$ 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	4/13/2026	100%	\$ 20,000	\$ 20,000	100%	\$ -
Confluence Engineering Group, LLC	2	Water Quality Blending Study	M. Thung	12/5/2004	N/A	4/13/2026	100%	\$ 230,000	\$ 229,918	100%	\$ 82

Payment Authorization Warrants and Wire Transfers 4/22/26

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 4/26	\$1,492,522.00
33234	Tacoma Public Utilities	<u>\$152,807.20</u>
		\$1,645,329.20

CONSULTANTS

33170	Ballard Spahr LLP	\$6,142.30
33181	Pacifica Law Group	\$1,144.50
33184	Tetra Tech	\$6,022.26
33185	Transpo Group	\$9,691.74
33186	Van Ness Feldman, LLP	\$60,150.00
33190	Hawkins Delafield & Wood LLP	\$89,854.00
33194	Clark Nuber P.S.	\$34,912.50
33199	Environmental Science Associates (ESA)	\$555.00
33200	Gordon Thomas Honeywell Govern. Affairs	\$7,000.00
33218	Confluence Engineering Group, LLC	\$3,415.50
33224	Langton Public Affairs LLC	\$6,500.00
33229	Parametrix	\$40,313.84
33235	TeamLogic IT of Bellevue, WA	\$9,663.38
33237	Tetra Tech	\$11,609.59
33238	Transpo Group	<u>\$3,565.92</u>
		\$290,540.53

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (March)	
33177	Paula Anderson	\$335.07
33187	AWC Employee Benefit Trust	\$33,540.17
33189	John Holmes	\$189.44
33191	MissionSquare-107080	\$71,805.61
33192	MissionSquare-304525	\$25,645.90
33201	HRA VEBA Trust	\$26,216.06
33219	Paula Anderson	<u>\$92.80</u>
		\$157,825.05

CONSERVATION

33175	Colehour & Cohen	\$38,438.99
33180	Nita-Jo Rountree	\$400.00
33183	Tilth Alliance	\$11,700.00
33203	Nature Vision, Inc.	\$23,824.28
33206	Sue Goetz, CPH, Eco-Pro	\$600.00
33207	Sustainable Seattle dba Sustainability Ambassadors	\$2,864.00
33214	BRILLIANT MARKETING LLC	\$5,484.17
33217	Colehour & Cohen	\$3,275.47
33222	Jennergy	\$1,680.56
33231	Puget Sound Energy	\$1,737.50
33233	SMC Consulting LLC	\$3,300.00
33236	Techniart C S D	<u>\$670.46</u>
		\$93,975.43

SOFTWARE AND EQUIPMENT

33212	Abila	\$655.93
33215	Catalyst Workplace Activation	<u>\$21,288.35</u>
		\$21,944.28

CONSTRUCTION

33210	Parametrix	\$3,547.50
33211	Vanir Construction Management Inc.	<u>\$1,462.50</u>
		\$5,010.00

GENERAL

33169	AT&T FirstNet	\$731.40
33171	Bellevue Downtown Association	\$5,000.00
33172	Bellevue Gateway One Equities, LLC	\$34,055.94
33174	Code Publishing Co.	\$375.00
33176	Comcast	\$2,063.98
33182	Pacific Office Automation	\$316.59
33193	CIT	\$1,745.61
33195	CLEARFLY	\$1,112.73
33196	Code Publishing Co.	\$860.34
33197	Comcast	\$612.37
33198	Covington Water District	\$100.44
33202	Lakemont Business Services Inc.	\$200.00
33205	Staples Advantage	\$95.25
33209	Washington State Department of Revenue	\$1,216.38
33213	Association of Metropolitan Water Agencies	\$14,200.00
33223	King County Treasury	\$7,579.26
33225	Lumen	\$115.40
33227	Pacific Office Automation Inc.	\$100.98
33228	Pacific Office Automation	\$723.33
33230	Pierce County Budget & Finance	\$7,385.44
33232	City of Redmond	\$3,000.00
33239	U.S. BANK	\$8,828.06
33240	Utilities Underground Location Center	\$39.50
33241	Verizon Wireless	<u>\$135.03</u>
		\$90,593.03

LAKE TAPPS

33173	Cintas Corporation	\$322.73
33178	Johansen Construction Company, Inc.	\$8,033.92
33179	Linde Gas & Equipment Inc.	\$808.63
33188	Cintas Corporation	\$3,652.21
33204	Puget Sound Energy	\$4,580.40
33208	United Rentals Northwest, Inc.	\$615.14
33216	Cintas Corporation	\$564.14
33220	Heidelberg Materials	\$931.80
33221	Honey Bucket	\$160.00
33226	Murreys Disposal Co, Inc.	<u>\$109.65</u>
		\$19,778.62

DESTROYED AND VOIDED CHECKS:

Total Warrants	\$832,474.14
Total Wires	\$1,492,522.00
Total warrants/wire transfers authorized for April 2026	\$2,324,996.14

Approved: _____ Date: _____
 Andy Baker, Economist

Approved: _____ Date: _____
 Dave Hamilton, Secretary/Treasurer

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

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, March 1	\$ 23,883,930	\$ 9,525,490	\$ 8,135,565	\$ -	\$ 16,171,446	\$ 2,590,610	\$ -	\$ 60,307,040
Additions:								
Cash received	\$ 3,728,138	\$ 33,175	\$ 12,715	\$ -	\$ 33,577	\$ 9,017	\$ -	\$ 3,816,622
Transfers from other Cascade funds	\$ -	\$ 3,628,470	\$ 761,065	\$ -	\$ -	\$ -	\$ 258,328	\$ 4,647,862
Total additions	\$ 3,728,138	\$ 3,661,645	\$ 773,780	\$ -	\$ 33,577	\$ 9,017	\$ 258,328	\$ 8,464,485
Subtractions:								
Bank fees, payroll, and bond payments	\$ 87	\$ (21)	\$ 805,441	\$ -	\$ 198	\$ (5)	\$ 258,328	\$ 1,064,029
Warrants paid	\$ 1,122,477	\$ 195,133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,317,611
Wire and other electronic payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers to other Cascade funds	\$ 4,647,862	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,647,862
Total subtractions	\$ 5,770,427	\$ 195,113	\$ 805,441	\$ -	\$ 198	\$ (5)	\$ 258,328	\$ 7,029,502
Ending Balances, March 31, 2026	\$ 21,841,641	\$ 12,992,022	\$ 8,103,904	\$ -	\$ 16,204,824	\$ 2,599,632	\$ -	\$ 61,742,023

**DRAFT****Cascade Board Meeting Calendar**

Updated 4/20/2026

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

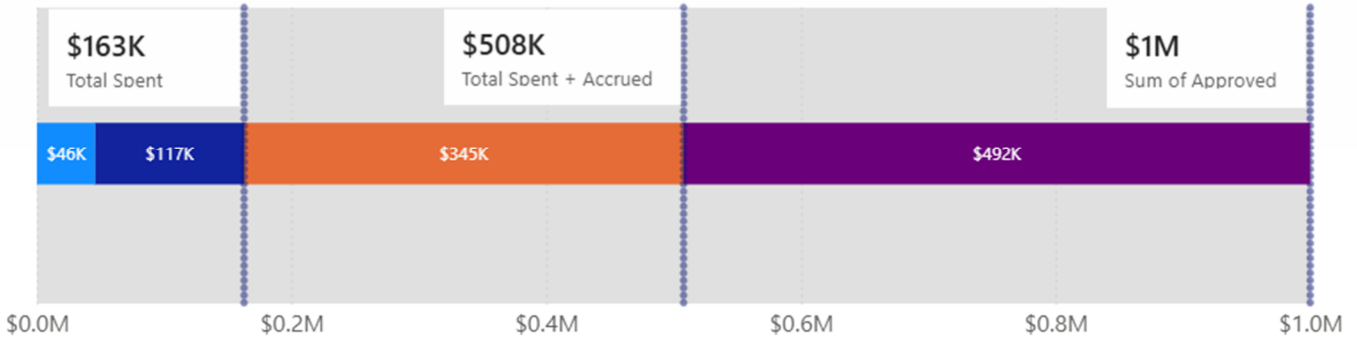


April CSP Status Update

Financials (through 03/31/2026)

Program Engineering Support (PES) Contract

● Spent Work Assignment 001 ● Spent Work Assignment 002 ● Accrued as of 3/31/26 ● Committed Unspent



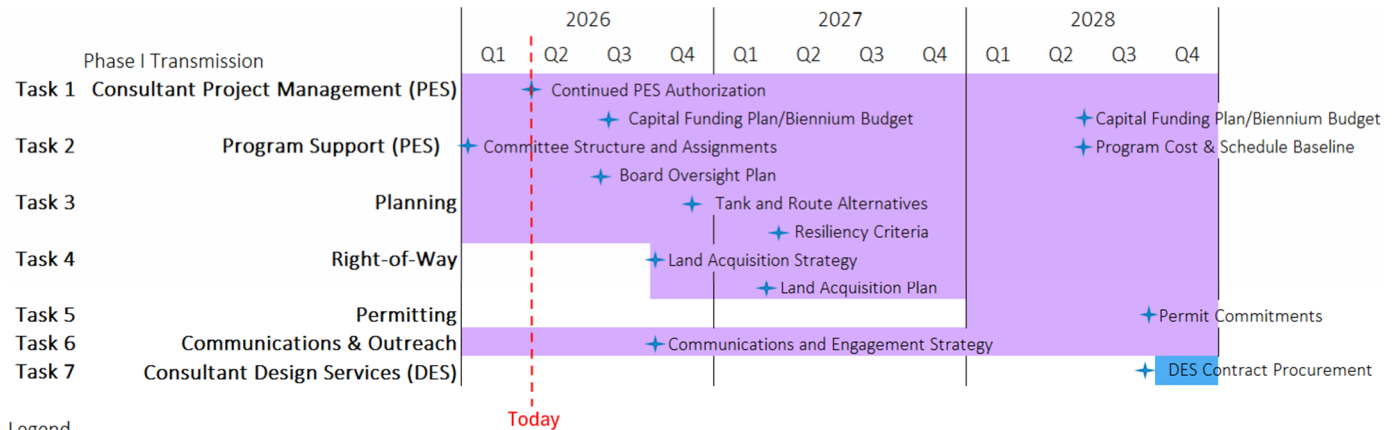
Board Authorized Amount: \$1,000,000

Amount committed in current Work Assignments: \$1,000,000

Work Assignment 001: 94% Spent (with accrued) – Forecasted finish: May 2026 – On Track

Work Assignment 002: 48% Spent (with accrued) – Forecasted finish: June 2026 – On Track

Schedule



Legend

- ✦ Anticipated Board Actions
- Program & Engineering Support Contract (PES)
- Design & Engineering Contract (DES)
- Construction Contract (CON)

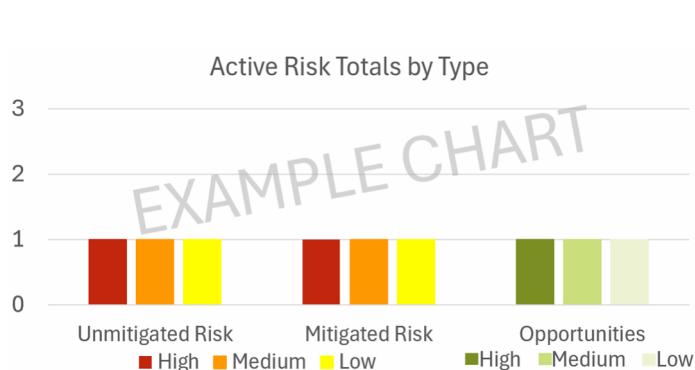
3-Month Activity Lookahead

- **CSP Team**
 - Alternative analysis:
 - Pipeline corridors and preliminary tank sites identification; preliminary hydraulic analysis
 - Prepare for Subject Matter Expert workshop in May to gather input on pipeline corridors and potential tank sites
 - GIS development
 - Complete draft Board Oversight Plan
 - Begin populating risk register
 - Begin drafting portions of Program Management Plan: communications and risk
 - Scoping and negotiating WA.003
- **Upcoming Board Actions and Discussions:**
 - PES Funding Authorization (Action, April)
 - Capital Improvement Plan/Budget review (Discussion, May)
 - Draft Board Oversight Plan (Discussion, June)

Accomplishments

- Held Board Oversight Workshop and reconfigured Board committee structures
- Convened the first Member Staff Technical Subgroup (MST) and the new Supply Program Oversight Committee (SPOC)
- Prepared calendar of topics for presenting to Member Staff Technical Subgroup (MST), Member Staff, Supply Program Oversight Committee (SPOC), and the Board
- Continued alternatives analysis to help identify tank sites and Tacoma Cascade Transmission Line (TCTL) routes
- Continued building CSP GIS platform to support alternatives analysis, hydraulic model parameters
- Continued developing tools for program management
 - Began development of risk register framework and user manual
- Onboarded communications consulting staff
- Identified the need for adding a communications or public involvement team member to the CSP staff team

Risks



Risk categories:

- **Unmitigated Risk:** No identified mitigation to reduce/eliminate the risk currently. High risks are concerns to address with SPOC and the Board. Medium and Low risks will be addressed by CSP staff.
- **Mitigated Risks:** The CSP team has identified mitigation measures to reduce the risk. High risks should be reviewed with SPOC and the Board. Medium and Low risks will be addressed by CSP staff.
- **Opportunities:** Items identified that could reduce risk or benefit the program if they are fulfilled. Opportunities are discussed with SPOC but only elevated to the Board if there is a need for Board member assistance to fulfill the opportunity.



MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA HYBRID
MARCH 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 Issaquah (Mullet), City of Kirkland (Pascal), City of Redmond (Birney), Sammamish Plateau Water & Sewer District (Warren¹), Skyway Water and Sewer District (Ault), City of Tukwila (McLeod)

Board Member Absent: City of Bellevue (Hamilton)

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

3. PUBLIC COMMENT

None.

4. APPROVAL OF AGENDA

Motion by Mr. Bhargava and second by Mr. Ault 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 ITEMS

- A. Board Meeting Minutes for February 25, 2026.
- B. Special Board Meeting Minutes for March 6, 2026.

Motion by Mr. Pascal and second by Mr. Bhargava to approve Consent Action Items A-B as

¹ Arrived at 3:45 p.m.

presented. Motion carried unanimously (7-0).

7. ACTION ITEM

- 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.

Resolution No. 2026-06 amends the Cascade Water Alliance bylaws and code to update how the Board's standing committees are structured and operated. This item was presented and explained by Alison Bennett during the meeting. The resolution establishes a revised committee framework by creating new committees—most notably the Supply Program Oversight Committee (SPOC)—and consolidating existing ones, such as merging finance and public affairs into a combined Finance and Intergovernmental Committee, while retaining the Resource Management Committee. It also clarifies and formalizes committee procedures, including meeting schedules, roles, and expectations, and explicitly allows participation by non-committee Board Members. Additionally, the resolution ensures that all committee meetings comply with the Open Public Meetings Act by requiring appropriate notice and enabling public access and comment. Overall, the changes are intended to improve governance, transparency, coordination, and oversight—especially in light of upcoming major decisions related to Cascade's supply program.

Motion by Mr. Mullet and second by Mr. Ault to adopt Resolution No. 2026-06 to appoint Board Standing Committee Chairs and Membership. Motion carried unanimously (7-0).

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

The motion to adopt Resolution No. 2026-07—appointing Board Standing Committee Chairs and membership—was primarily introduced and explained by Alison Bennett and Melina Thung. They noted the Board needed to formally designate committee chairs and members following the restructuring approved earlier and highlighted that three Board Members had volunteered to serve as chairs. Ms. Bennett also presented the list of committee assignments and confirmed that most members had responded and each committee had at least three participants.

There was a brief discussion about whether the Supply Program Oversight Committee (SPOC) might be too large compared to other committees like the Resource Management Committee, which had fewer members. In response, staff explained that the larger size of SPOC was intentional because many significant decisions related to the supply program would flow through that committee and broader participation would be beneficial.

Motion by Mr. McLeod and second by Mr. Pascal to adopt Resolution No. 2026-07 to appoint Board Standing Committee Chairs and Membership. Motion carried unanimously (7-0).

8. STAFF PRESENTATIONS

A. Capital Funding Plan: Background & Fiscal Policy Overview

The Capital Funding Plan: Background & Fiscal Policy Overview was presented by Andy Baker, Economist, and served as an introductory briefing on Cascade's first-ever capital funding plan for the Cascade Supply Program. He explained that the plan is required by Cascade code and will establish a long-term funding strategy—particularly rate-setting—for Phase 1 of the program, with adoption targeted for September. The presentation outlined three key policy decisions the Board will need to make: the level of financial conservatism in setting rates, approaches to rate smoothing over time, and whether to prioritize pursuing external funding sources such as state and federal support. Mr. Baker also emphasized the plan must balance financial stability, rate equity, and flexibility, while avoiding over-reliance on debt (capped at 80%) and ensuring sufficient cash funding. A major focus was the significant uncertainty in project costs, which have increased from earlier estimates to a current range of approximately \$1.13B–\$1.35B (with potential for higher), and how sensitivity analysis can help guide decisions despite that uncertainty.

9. COMMITTEE REPORTS

- A. Executive Committee – No meetings held since the last Board meeting.
- B. Finance & Management Committee – Meeting held March 17, 2026. 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 March 12, 2026. The meeting recap was included in the Board Packet.

10. EXECUTIVE SESSION

At 4:25 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 35 minutes.

At 5:00 p.m., the Executive Session was extended an additional 10 minutes.

At 5:10 p.m., the Executive Session was extended an additional 10 minutes.

At 5:20 p.m., the Executive Session was extended an additional 5 minutes.

At 5:25 p.m., the Executive Session was extended an additional 2 minutes.

The Executive Session adjourned at 5:27 p.m.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regularly scheduled Board meeting will be held on April 22, 2026 at 3:30 p.m.

13. ADJOURN

The meeting adjourned at 5:27 p.m.

APPROVED BY:

Angela Birney, Chair

Tom McLeod, Vice-Chair

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

Motion to adopt Resolution No. 2026-08, amending the 2026 Budget and the 2025-2030 Capital Improvement Program.

SUMMARY OF CURRENT PROPOSED BOARD ACTION

When the 2025-2026 Budget was developed, it was assumed the Cascade Supply Program (“CSP”) would substantially commence in early 2025. Additionally, it was assumed expenditures related to the CSP would be operational in nature until half-way through 2026. The proposed budget amendment updates those prior assumptions.

Due to hiring timelines and the consultant selection process timeline, Cascade’s CSP staff were not fully hired until part way through 2025, and professional services expenditures did not begin until the end of 2025. This resulted in a higher beginning balance in the Operating fund for 2026. Separately, Cascade staff have determined CSP expenses have reached the threshold for capitalization earlier than anticipated.

If adopted, this resolution would update the 2026 Budget to authorize additional expenditures from the Operating fund and shift expenditure authorization from where it had been assumed to be needed in the Operating Budget to the Capital Budget.

This resolution would not increase the total authorized expenditure in the biennium and would not require any changes to Cascade’s rates.

BACKGROUND

In September 2024, by Resolution 2024-11, the Cascade Board of Directors (“Board”) approved the 2025 – 2026 Budget, including the Capital Improvement Budget (“CIP”). At that time, it was assumed the CSP would substantially commence in early 2025, and it would shift from operating expenditures to capital expenditures in mid-2026. The authorized budget included costs for professional services, Cascade staff, and contingency – a total of \$6,691,000 in the biennium, as summarized in Exhibit 1.

Exhibit 1. CSP costs in Adopted 2025-2026 Budget

CSP Portion of Adopted Budget	2025	2026	Biennium Total
Operating	\$3,151,000	\$1,770,000	\$4,921,000
Capital	\$0	\$1,770,000	\$1,770,000
Total - CSP	\$3,151,000	\$3,540,000	\$6,691,000

Due to hiring timelines and the consultant selection process timeline, Cascade’s CSP staff were not fully hired until part way through 2025, and professional services expenditures did not begin until the end of 2025. This resulted in lower-than-anticipated expenses in 2025, without appropriation authority in the 2026 Budget for those under-expended amounts.

Additionally, prior assumptions about when CSP expenses would be eligible for capitalization should be updated. Cascade staff have determined the threshold for capitalization has been reached earlier than anticipated.

Exhibit 2 summarizes the proposed amendment and the resulting budget, if amended. There is no net change in expenditure across the biennium as requested.

Exhibit 2. Proposed Amendment to CSP Budget

CSP Budget	Proposed Amendment			Budget if Amended		
	2025	2026	Biennium Total	2025	2026	Biennium Total
Operating	(\$2,139,218)	(\$1,572,196)	(\$3,711,414)	\$1,011,782	\$197,804	\$1,209,586
Capital	\$0	\$3,711,414	\$3,711,414	\$0	\$5,481,414	\$5,481,414
Total - CSP	(\$2,139,218)	\$2,139,218	\$0	\$1,011,782	\$5,679,218	\$6,691,000

Budget Expenditures and Budget Appropriation

The Board adopts by resolution an annual appropriation, authorizing the combined expenditures, transfers, and ending fund balances for each separate fund. It is customary to use shorthand of ‘operating budget’ and ‘capital budget’ as descriptors for the expenditure component of the adopted budget appropriation. For purposes of the budget appropriation, operating budget expenditures are shown in the Operating fund and capital budget expenditures in the Construction fund.

To address the changes discussed above, a 2026 budget resolution amendment is necessary to increase net appropriation authority in the Operating fund, and in turn to the Construction fund.

The subject Resolution 2026-08 would:

1. Amend the adopted 2026 Operating fund to increase appropriation authority by \$2,139,218 to allow use of 2025 underexpenditures in 2026, and
2. Amend the adopted 2026 Construction fund to increase appropriation authority by \$3,711,414 to cover Cascade Supply Program expenditures as capital rather than operating.

The appropriation authority increase in the Operating Fund is necessary to allow for the transfer of unexpended funds from Operating to Construction.

Cascade staff will propose updates to 2027 and beyond as part of the 2027-2028 budget process later this year.

As shown in the tables above, the proposed amendment does not impact revenues, does not require any change to Cascade rates, and does not impact Cascade’s financial capacity in future years, with no change in ending fund balances.

The proposed amendments are necessary in order to make the full expenditures originally budgeted for the CSP in the 2025-2026 biennium and are required prior to authorizing that full expenditure authority under the Master Services Agreement with Stantec.

Next Steps

The next step for this process is for the Board to review and approve expenditure authority for 2026 work authorizations under the CSP Program and Engineering Support Master Services Agreement.

PRIOR BOARD ACTIONS

Board Action	Date	Resolution No. (if Applicable)
Authorization of PES MSA and Initial Work Authorizations	2025-10-22	
Amendment of 2025 – 2026 Cascade Budget: Staffing	2025-04-23	2025-10
Adoption of 2025 - 2026 Cascade Budget	2024-09-25	2024-11

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

Without this amendment to Cascade’s budget, the CSP team would be required to delay activities anticipated in 2026 until such time as the Board has authorized additional capital budget.

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

There is no change in total authorized expenditures in the biennium as a result of the proposed resolution.

There is no change to rates or member charges as a result of the proposed resolution.

RECOMMENDED ACTION

Adopt Resolution No. 2026-08, amending the 2025-2026 Budget and the 2025-2030 Capital Improvement Program.

ATTACHMENTS

1. Proposed Resolution No. 2026-08



RESOLUTION No. 2026-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE,
A WASHINGTON MUNICIPAL CORPORATION,
AMENDING THE 2026 BUDGET AND 2025 - 2030 CAPITAL IMPROVEMENT PROGRAM

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 Resolution No. 2024-11 the Cascade Board of Directors (“Board”) approved the 2025 - 2026 Budget, including the 2025 – 2030 Capital Improvement Program (“CIP”); and

WHEREAS, anticipated expenditures for the Cascade Supply Program (“CSP”) in 2025 shifted to 2026; and

WHEREAS, Cascade’s Finance Director has determined that work conducted on the CSP has met the standard for capitalization earlier than anticipated; and

WHEREAS, the Board now desires to amend the 2026 Budget and the 2025 – 2030 CIP, as set forth in Resolution No. 2024-11, to increase appropriation authority from the Operating fund to account for delayed operational expenses for the CSP and to increase appropriation authority to the Construction fund to allow for capitalization of CSP expenditures.

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

Section 1. 2026 Budget.

Resolution No. 2024-11, §2.A., establishing the 2026 Budget estimated resources and expenditure authority of the Cascade Water Alliance, is amended as follows:

Fund	2026 appropriation authority as adopted 2024-09-25	2026 appropriation authority as amended 2026-04-22
Operating	\$57,891,383	\$60,030,600
Water Supply Development	\$17,796,414	\$17,796,414
Rate Stabilization	\$2,516,297	\$2,516,297
Construction	\$29,635,156	\$33,346,570
Bond	\$19,789,791	\$19,789,791
Total	\$127,629,041	\$133,479,671

Section 2. 2025 – 2030 Capital Improvement Program.

Resolution No. 2024-11, §3., establishing the 2025-2030 Capital Improvement Program, is amended as follows:

Project	2025	2026	2027	2028	2029	2030
<i>Upper Conveyance</i>	\$1,550,000	\$50,000	\$500,000	\$1,000,000	\$100,000	\$200,000
<i>Lower Conveyance</i>	\$550,000	\$2,050,000	\$150,000	\$500,000	\$1,800,000	\$2,600,000
<i>Lake Tapps Reservoir</i>	\$0	\$0	\$500,000	\$1,000,000	\$1,000,000	\$0
<i>Facilities</i>	\$100,000	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000
<i>Equipment</i>	\$75,000	\$75,000	\$75,000	\$75,000	\$100,000	\$100,000
<i>Bellevue - Issaquah Pipeline (BIP)</i>	\$800,000	\$800,000	\$50,000	\$50,000	\$50,000	\$50,000
<i>IT Infrastructure</i>	\$25,000	\$35,000	\$25,000	\$35,000	\$35,000	\$35,000
Subtotal - Non-CSP Projects	\$3,100,000	\$3,110,000	\$1,400,000	\$2,760,000	\$3,235,000	\$3,135,000
<i>Cascade Supply Program</i>	\$0	\$5,481,414	\$11,848,000	\$16,949,000	\$19,982,000	\$63,584,000
<i>Capital Risk</i>	\$750,000	\$750,000	\$600,000	\$600,000	\$700,000	\$700,000
<i>Tacoma Agreement</i>	\$6,341,209	\$6,468,033	\$6,597,394	\$6,729,342	\$6,863,929	\$1,000,000
Grand Total	\$10,191,209	\$15,809,447	\$20,445,394	\$27,038,342	\$30,780,929	\$68,419,000

Section 3. Effect.

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

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a meeting thereof, held on the 22nd of April 2026.

CASCADE WATER ALLIANCE

Attest – Melina Thung
Interim Chief Executive Officer

Angela Birney, Chair

Thomas 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 authorize the Chief Executive Officer to amend the current contract with Stantec Consulting Services, Inc. (Stantec), to provide program and engineering support (PES) services for the Cascade Supply Program, to increase maximum compensation by \$3,563,000, from \$1,000,000 to \$4,563,000.

SUMMARY OF CURRENT PROPOSED BOARD ACTION

This action authorizes the execution of an amendment to the consulting contract for planning and engineering support (PES) for the Cascade Supply Program (CSP). The PES contract is structured as a Master Service Agreement that is intended to span multiple years. It uses the issuance of individual work assignments with defined scopes, budgets, and deliverables to provide Cascade with both flexibility and control over PES services. The Board has previously authorized and approved (1) the contract that will govern the initial six-year term of the PES contract, and (2) an initial authorization of up to \$1,000,000 for the PES consultant. When that was authorized, it was noted that in 2026, staff would request authorization from the committees and Board for additional funding for the PES contract. This amendment request would change the maximum compensation from \$1.0M to \$4.563M. Future requests for funding will be through the biennium budget process.

BACKGROUND

In October 2025, the Board authorized signature of the PES consultant contract with Stantec. This initial authorization was for a six-year renewable timeframe and an initial \$1.0M in services for program oversight and initiating the program. At that time, staff noted the total expenses for 2025-2026 would be in the \$2.0-4.5M range. Cascade's adopted 2025-2026 budget for the program anticipated \$4.56M in CSP consultant expenditures.

The Board is also considering Resolution 2026-08. This resolution transfers funds from the 2025 Budget to 2026 and from the Operating Budget to the Capital Budget. These changes are necessary to provide the additional 2026 expenditure authority requested in this motion: \$3.563M in capital expenditures for the program.

The re-allocated funds for 2026 will be used to further the route planning and selection process that has started. The goal is to identify the future tank site by the end of this year. Additionally, the funds will be used to begin permitting, right-of-way, and communications planning services. These activities are necessary to continue to advance the program.

Next Steps

During the implementation of the PES contract, Cascade will work with Stantec to deliver the program. Staff will seek input and provide regular updates to the committees and Board on the

progress of the CSP. Funding for PES activities beyond 2026 will be requested as part of the biennial budget process. The first discussion session on funding needs for the upcoming biennium and associated program activities is anticipated in May.

PRIOR BOARD ACTIONS

Board Action	Date	Resolution No. (if Applicable)
Authorize the Chief Executive Officer to initiate a qualifications-based selection process for a consultant to provide Program and Engineering Support services for the Cascade Supply Program.	04/23/2025	N/A
Authorize the Chief Executive Officer to execute a contract with Stantec Consulting Services, Inc. (Stantec) to provide program and engineering support services for the Cascade Supply Program, with an initial contract maximum not to exceed \$1,000,000.	10/22/2025	N/A

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

If the Board does not approve this action, Stantec will pause their work to support the Cascade Supply Program through the Program and Engineering Support contract. The PES contract provides Cascade with access to a large team of more than 100 consultant staff with the flexibility to mobilize different expertise at different times. Without this contract, the alternative is to increase Cascade staffing by an estimated 30-40 FTE (full-time equivalent) employees plus issuing multiple smaller consultant contracts (assumed 10-15) for specialized work such as geotechnical, seismic, and modeling support.

PROCUREMENT PROCESS

This contract was previously procured with an open RFQ/RFP/interview process in 2025.

FISCAL IMPACT

Requested Amount: \$3,563,000.

Budget Line	2026 Budget	Spent and Committed to Date	Available 2026 Budget	This Action	2026 Remaining Balance*
325 – Cascade Supply Program	\$5,481,414	\$1,039,561	\$4,441,853	\$3,563,000	\$878,853

**2026 Remaining Balance is anticipated to be spent on CSP capitalized salary and benefits, plus a small contingency.*

There is sufficient budget authority to authorize the contract amendment considered in this motion.

RECOMMENDED ACTION

Motion to authorize the Chief Executive Officer to amend the current contract with Stantec Consulting Services, Inc. (Stantec), to provide program and engineering support services for the Cascade Supply Program, to increase maximum compensation by \$3,563,000, from \$1,000,000 to \$4,563,000.

ATTACHMENTS

1. Cascade Supply Program Presentation.

Cascade Supply Program

April 22, 2026



Program Update

- Revised Program Status sheet attached
- Communication/Outreach Staff hiring
 - Re-classifying a position for 2026; included in budget request for 2027
- Motion on additional Program and Engineering Support (PES) funding

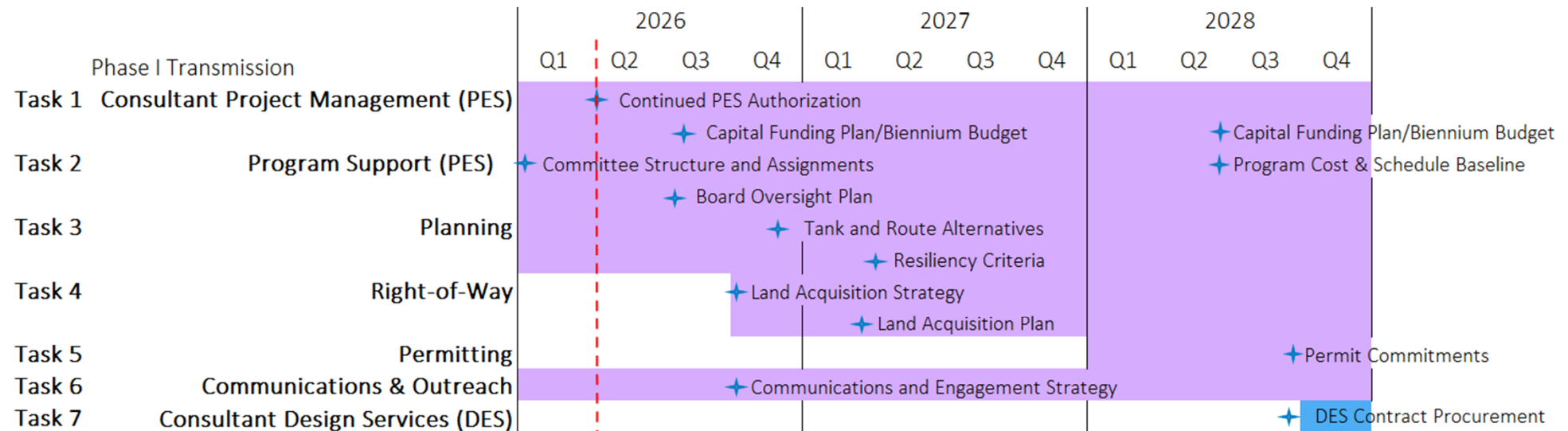
Requested Board Action

- Motion to authorize additional funds for the Program and Engineering Support (PES) Master Services Agreement (MSA) with Stantec
- The initial authorization will run out in June
- Additional funding for the remainder of 2026
- Future authorization requests through the biennium budget process





Preliminary Scope Topics

- Adding new activities/teams: permitting, real estate, and communications/outreach planning
- Permitting: Strategy document on land use, cultural resources, fees, potential conditions, and Federal nexus.
- Real Estate: Strategy document, property research, acquisition type, timelines.
- Continued Planning Work: Tank siting, pipeline routing, sizing and modeling.
- Comms/Outreach: Outreach strategy, program website, communication planning around tank site and pipeline routes.

Working Board Action Calendar



Legend

-  Anticipated Board Actions
-  Program & Engineering Support Contract (PES)
-  Design & Engineering Contract (DES)
-  Construction Contract (CON)

Questions?





RESOURCE MANAGEMENT COMMITTEE
Lloyd Warren, Chair, Sammamish Plateau Water
Jon Ault, Skyway Water & Sewer District
Angie Nuevacamina, City of Redmond

Meeting Recap
Thursday, April 9, 2026
10:00 AM – 11:30 AM

Held at Cascade's office and via Zoom

1. **Call to Order.**
2. **Public Comment** - Members of the public may address the committee for a maximum of two minutes per person.
3. **Executive Session.**
4. **Discussion Items.**
 - A. **Water Supply Update & Implications of a Potential Water Shortage.** Staff will provide an update on current water supply conditions and will explain what will happen if there is a water shortage in 2026.

Recap: Staff provided details on current water supply conditions and reported that the Department of Ecology issued a statewide emergency drought declaration. Staff also presented information regarding past water shortages, contractual obligations, and how Cascade and Members have responded in the past. The committee discussed related issues, including the problems with effectiveness of delayed messaging balanced against the retail revenue impacts of over-aggressive messaging and how shortage response impacts Cascade Members with independent supply differently. Water supply condition updates will be a recurring agenda item for the committee.

- B. **White River-Lake Tapps Reservoir (WRLTR) Operations and Management (O&M) Contracted Services Request for Proposals (RFP) Update.** Staff will provide an update on the RFP process, including results of the pre-submission meeting, the timeline, and the transition plan with the current contract operator if a different firm is selected for the new contract.

Recap: Staff provided details on the status of the RFP, including the number of firms that attended the optional pre-submittal meeting and some questions that came up from the attendees. Staff also provided a schedule update on major check-in touchpoints for various committees and the Board.

C. Water Quality Monitoring and Sampling Five-Year Plan. Following up on presentations to the RMC last year, staff will present a five-year water quality and monitoring plan for the Lake Tapps Reservoir. Staff will seek the committee's feedback on whether to include the elements of this plan in the upcoming budget proposal.

Recap: Staff presented a five-year water quality and monitoring plan for the Lake Tapps Reservoir. Staff's recommendation was to delay the implementation until 2029, primarily due to budget constraints but also due to the need to ensure the upper flowline is operating regularly as the sediment loading pattern changed because of the new intake structure at the White River. Committee feedback includes developing a work plan to list Lake Tapps Reservoir as a phosphorus sensitive water body, potentially beginning implementation of the proposed five-year work plan in 2028, and identifying critical items in the five-year work plan that need to be started prior to 2028 to continue progress on achieving designation of the reservoir as a phosphorus sensitive water body.

5. Items Recommended for Action at the April 22, 2026 Board Meeting.

6. Other Issues.

7. Next Meeting Date and Location.

The next meeting will be Thursday, May 14, 2026, 10:00 a.m. – 11:30 a.m. at Cascade's office and via Zoom.



SUPPLY PROGRAM OVERSIGHT COMMITTEE

Dave Hamilton, Chair, City of Bellevue
Jon Ault, Skyway Water & Sewer District
Vishal Bhargava, City of Bellevue
Kelli Curtis, City of Kirkland
Ryika Hooshangi, Sammamish Plateau Water
Mark Mullet, City of Issaquah
Jon Pascal, City of Kirkland

Special Meeting Recap
Wednesday, April 8, 2026
2:30 PM – 4:00 PM

Held at Cascade's Office and via Zoom

- 1. Chair Comments**
- 2. Public Comment** - Members of the public may address the committee for a maximum of two minutes per person.
- 3. Executive Session**
- 4. Member Staff and Member Staff Technical (MST) Recap** – Summary of the previous Member staff and MST subgroup meetings.

Recap: The MST meeting was the first meeting of the sub-group, and a mixture of engineering, operations, and Member staff representatives were present. The sub-group intends to discuss technical CSP topics in more depth (e.g. pipeline materials, routing and tank siting analysis, etc.). The MST plans to meet monthly.

- 5. Monthly Key Performance Indicators Review** – Review of the scope, schedule, and budget.
 - A.** Board Summary/Performance Update review and comments.

Recap: Staff provided an update of the Program Engineering Support contract financial performance. Following that discussion, the committee provided insights into what they would like to see in the monthly performance/status report going forward.

- 6. Discussion Items and Presentations**
 - A. Supply Program Oversight Committee (SPOC) Calendar Review.** Staff will review the draft SPOC presentation calendar for the remainder of the year.

Recap: Staff provided an overview of the upcoming calendar for the remainder of the year. The committee discussed the calendar and expressed a desire to highlight items the committee and Board will be seeing in the next three months.

- B. Communications Staff Need.** Staff will discuss the need to add a communications or public involvement team member to the CSP team and an approach to filling that need.

Recap: Staff provided information on the need for the position and how it could fit within the staff count this year. Staff is still investigating the funding for the position. The committee supports the plan to add a communications or public involvement team member to the CSP team.

- C. 2026 Budget Amendment.** Staff will present information that will be shared with Finance and Intergovernmental Committee (FIG) regarding two actions to allocate funding to the CSP for the remainder of 2026. The preliminary list of tasks to be completed this year will be included. This will be a future Board Action item.

Recap: Staff provided a summary of what will be presented to FIG and background information on what the additional funding would be used for during the rest of this year. The committee had feedback and questions on the upcoming scope of work. The committee recommended the amendment be provided at the next Board meeting. Staff will prepare the agenda memorandum for the amendment for the April Board meeting.

7. Items Recommended for Action at the April 22, 2026 Board Meeting

- 8. Risk Register Review** – Review the risk log format (future meetings to review the risk log).

Recap: Staff provided information on the risk register creation. The risk register user manual is in progress to create a uniform understanding of how to enter information. Some items placed in the risk register will require executive session to discuss at future meetings. The committee had a discussion around how they like to see and review risks. In the upcoming meetings, staff will present further information on the risk register and how risks are categorized and ranked.

9. Other Issues

10. Next Meeting Date and Location

The next meeting will be Wednesday, May 13, 2026, 2:00 p.m. – 3:30 p.m. at Cascade's office and via Zoom.