



REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade's Office and Via Zoom
June 24, 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. EXECUTIVE SESSION	
5. APPROVAL OF AGENDA	
6. CHIEF EXECUTIVE OFFICER'S REPORT	<u>3</u>
7. CONSENT ITEMS	
a. Board Meeting Minutes for May 27, 2026.	<u>19</u>
8. OTHER ACTION ITEMS	
9. STAFF PRESENTATIONS	
a. Proposed Budget, Rates, and Regional Capital Facilities Charges (RCFCs).	<u>23</u>
b. Cascade Supply Program Draft Board Oversight Plan.	<u>40</u>
10. COMMITTEE REPORTS	
a. Executive Committee – <i>no meeting held.</i>	
b. Finance and Intergovernmental Committee – <i>June 16, 2026.</i>	<u>97</u>
c. Resource Management Committee – <i>June 11, 2026.</i>	<u>99</u>
d. Supply Program Oversight Committee – <i>June 10, 2026.</i>	<u>101</u>
11. NEW BUSINESS	

12. NEXT REGULAR MEETING – *July 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: June 24, 2026

TO: Angela Birney, Chair
Board of Directors

FROM: John Taylor, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- There have been 341.5 net Regional Capital Facilities Charges (RCFCs) reported through May, with one member report not yet received. At this rate (820), Cascade will not meet 2026 budget expectations (1,150). However, I discussed this with staff, and they find RCFC's to be typically variable year-to-year and account for that in developing the budget. This deviation should not have an overall adverse impact on the budget or the rate.
- Cascade staff is expecting a draft Construction Plan from BrightNight (GREE) this week. BrightNight has made significant progress on its main parcel on East Valley Highway, where the batteries and substation will be located, and is working with Pierce County on the generation interconnection permit. Cascade staff anticipate Cascade will receive a request for preliminary notice to proceed soon. Upon construction commencement, Cascade is due \$1.4M.
- In June, TeamLogic IT, Cascade's IT consultant, increased cybersecurity for Cascade's offices with additional Data Loss Prevention policies.
- Interviews have been conducted for the Contracts and Project Support Lead position from a strong candidate pool; Cascade staff anticipate making an offer soon.
- Interviews are underway for the Communications and Outreach Manager position. Cascade has received over 55 resumes for the position. The new position will support communications, community outreach, and intergovernmental coordination for the Cascade Supply Program as well as Cascade's general external communications and intergovernmental work.

Cascade Supply Program

- The monthly CSP Status Update is attached.
- Board Oversight
 - The draft Board Oversight plan will be presented today for review.

- The CSP team is closing out the consultant support work (Work Assignment 001).
- Management and Planning
 - Work Assignment 3 has been finalized and executed. This work will provide additional planning support, as well as adding the real estate and communications teams.
 - Staff are continuing to advance the hydraulic modeling, GIS mapping, tank siting, and pipeline routing.
 - Staff are developing the Risk Register and risks for the program.

Capital Projects and Operations

- The Lake Tapps Reservoir level was 542.77 feet as of June 12. Cascade plans to keep the reservoir at 542.85 feet as much as allowable for the rest of the spring to hedge against the low river flows, which are expected throughout the summer.
- White River – Lake Tapps Reservoir (WRLTR) Operations and Maintenance (O&M) Services Contract:
 - Cascade’s current contract with Veolia for Operation and Maintenance of the WRLTR Project expires on December 31, 2026. Cascade issued the Request for Proposals and draft contract on March 2. Three firms submitted a proposal by the May 15 deadline.
 - Cascade has evaluated the proposals, and the highest scoring firm is Veolia. Cascade plans to enter into contract negotiations with Veolia starting late June.
- The Bellevue-Issaquah Pipeline Relocation at Lewis Creek project is currently progressing to final design. Cascade staff met with impacted member agencies in late May to solicit feedback on the 90 percent plan set for incorporation into final design. The plan set has been shared with the Department of Health, to which there were no significant comments, and currently the Washington State Department of Transportation (WSDOT) is in final review of the franchise application amendment. Cascade is finalizing the State Environmental Policy Act (SEPA) determination and other applicable local permitting. Cascade staff is coordinating closely with WSDOT and their Design Builder, Atkinson, for construction scheduling timeline and details.
- In early June, Cascade staff and the United States Army Corps of Engineers attended a second workshop for the development of Joint Operations Protocol Manual (JOP). The workshop was very successful. A draft table of contents and high-level material in the JOP will be under development prior to a third workshop later this year.
- Cascade is working with Veolia and GeoEngineers to prepare for the annual dike inspection that is scheduled for the end of June.
- Cascade staff are working on the following minor improvement projects that are needed to ensure safe and efficient operations at the WRLTR Project:
 - Powerhouse waterline and HVAC improvement
 - Headworks fencing and security improvements
 - Forebay decking

Water Efficiency

- Snowpack was extremely low this year and has all melted already. Seattle Public Utilities filled their reservoirs early this year and are holding them as high as possible for as long as possible. They have indicated it is too early to tell if they will have to activate their Water Shortage Contingency Plan this year. Cascade added information about the statewide drought declaration and low snowpack to their website and social media, along with ways people can conserve water.
- Cascade published a Sustainable Landscaping Guide for Homeowners Associations, which can be found here: [HOA Guide](#).
- Cascade Gardener classes continue to be well attended, and several in-person classes and garden walking tours are scheduled starting in June.
- Last month, the Soil and Water Stewards installed a rain garden as a cistern overflow, installed drip irrigation, harvested compost, and established native plants in Cascade's member service area.
- Cascade will be attending the Bellevue Family 4th event in Bellevue on July 4.



Soil and Water Stewards Install a Rain Garden



Students Learn about Watershed Ecosystems

Intergovernmental and Communications

- The annual Lake Tapps Reservoir Community Meeting was held on June 3 at North Tapps Middle School. Board Vice Chair Tom McLeod attended as the Board's representative. The meeting was attended by approximately 60 members of the community as well as Cascade's partner agency representatives. As always, milfoil and

trespassing questions were asked, but by far the biggest topic of the meeting was the impact of wake boats on the community. The Pierce County Sheriff's Office as well as the City of Bonney Lake Police were present and answered many questions about wake boats, regulations, and enforcement.

- On June 5, Cascade staff presented to Cascade member city and district leadership on the Cascade Supply Program, Capital Funding Plan, budget, rates, and RCFCs. Cascade staff presented to the Kirkland City Council on June 16. The presentation focused on Cascade's Capital Funding Plan, budget, rates, and RCFCs. Please let Alison Bennett know if you want a presentation but have not been scheduled yet.

Attachments

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

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- May 31, 2026
 42% of the year completed

Administration		Budget		Actual		Balance		% Expended
Salaries	\$	1,353,486	\$	736,518		616,967		54.4%
Benefits		350,482		255,094		95,389		72.8%
Wellness program		1,000		0		1,000		0.0%
Prof. Fee (Technical)		200,000		72,066		127,934		36.0%
Prof. Fee (Legal)		697,000		401,127		295,873		57.6%
Prof. Fee (Audit)		106,000		78,521		27,479		74.1%
Prof. Fee (Other)		55,000		2,954		52,046		5.4%
Seismic Resillency		100,000		0		100,000		0.0%
Meetings Expense		12,000		2,225		9,776		18.5%
Telephone/Internet		45,000		22,565		22,435		50.1%
Office Rent		418,144		169,828		248,316		40.6%
Office Supplies Admin.		15,000		5,755		9,245		38.4%
Equip. and Furniture		38,000		34,816		3,184		91.6%
Bank Fees		500		118		382		23.6%
Dues & Subscriptions		30,000		26,573		3,427		88.6%
Taxes/Licenses		15,000		8,796		6,204		58.6%
Travel		10,000		2,899		7,101		29.0%
Professional Dev.		10,000		2,063		7,938		20.6%
Computer Equipment		20,000		4,105		15,895		20.5%
Software Licenses		72,000		33,299		38,701		46.2%
Postage & Delivery		1,500		722		778		48.1%
Printing & Repro.		3,500		855		2,645		24.4%
Insurance		251,798		127,333		124,465		50.6%
Contingency		300,000		0		300,000		0.0%
Total	\$	4,105,410	\$	1,988,231	\$	2,117,179		48.4%

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	\$	59,470	\$	103,423		36.5%
Benefits		44,460		8,106		36,354		18.2%
Prof. Fee (Technical)		25,000		11,750		13,250		47.0%
Prof. Fee (Legal)		1,000		0		1,000		0.0%
Dues & Subscriptions		5,500		896		4,604		16.3%
Rebate Reimb. Com.		115,000		10,388		104,613		9.0%
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		204,620		170,380		54.6%
Misc. Serv. and Sup.		38,000		27,582		10,418		72.6%
Total	\$	831,853	\$	322,812	\$	509,042		38.8%

Com. and Intergovern		Budget		Actual		Balance		% Expended
Salaries	\$	128,199	\$	60,242	\$	67,957		47.0%
Benefits		39,683		8,757		30,926		22.1%
Special Events		10,000		0		10,000		0.0%
Prof. Fee (Other)		165,000		69,403		95,597		42.1%
Sponsorships		30,000		1,200		28,800		4.0%
Comm. and Public I		280,000		18,006		261,994		6.4%
Total	\$	652,881	\$	157,608	\$	495,274		24.1%

Cascade Water Alliance
 Budget to Actual Expenditure Report
 January 1- May 31, 2026
 42% of the year completed

Operations-General	Budget	Actual	Balance	% Expended
Wholesale Water	\$ 25,648,897	\$ 7,168,843	\$ 18,480,054	27.9%
Salaries	76,815	12,896	63,919	16.8%
Benefits	16,767	1,766	15,001	10.5%
BIP O&M	80,000	13,445	66,555	16.8%
Pipeline Prop. O&M	90,000	301	89,699	0.3%
Total	\$ 25,912,479	\$ 7,197,252	\$ 18,715,227	27.8%

Operations-Lake Tapps	Budget	Actual	Balance	% Expended
Salaries	\$ 925,920	\$ 260,549	\$ 665,371	28.1%
Benefits	210,861	40,301	170,560	19.1%
Prof. Fee (Technical)	934,550	268,345	666,205	28.7%
Prof. Fee (Other)	60,000	0	60,000	0.0%
Meetings Expense	4,000	94	3,906	2.4%
Telephone/Internet	3,200	3,078	122	96.2%
Office Supplies	7,000	6,145	855	87.8%
Equipment & Furn.	34,000	8,849	25,151	26.0%
Taxes/Licenses	18,000	8,476	9,524	47.1%
Travel	10,000	6,577	3,423	65.8%
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	8,406	107,594	7.2%
LT Operator	3,063,598	838,636	2,224,962	27.4%
Unplanned O&M	100,000	14,868	85,132	14.9%
Misc. Facility Repairs	135,000	20,996	114,004	15.6%
USGS Joint Fund	420,000	73,953	346,048	17.6%
Milfoil Control	210,000	7,014	202,987	3.3%
Vendor Services	130,000	2,797	127,203	2.2%
Water Quality	50,000	0	50,000	0.0%
Dike and Roads	92,000	0	92,000	0.0%
Total	\$ 6,573,129	\$ 1,573,534	\$ 4,999,595	23.9%

Cascade Supply Program	Budget	Actual	Balance	% Expended
Salaries	\$ 272,333	133,555	138,777	49.0%
CSP Consultants	25,471	25,471	0	100.0%
CSP Contingency	0	0	0	#DIV/0!
Total CSP Budget	\$ 297,804	\$ 159,027	\$ 138,777	53.4%

Total Operating Budget \$ **47,598,098** \$ **15,001,733** \$ **32,596,365** **31.5%**

Capital Projects (multi-yr bdtgt not shown)	Budget	Actual	Balance	% Expended
Upper Conveyance	\$ 200,000	171,210	28,790	85.6%
Lower Conveyance	2,050,000	80,463	1,969,537	3.9%
Equipment	75,000	0	75,000	0.0%
Facilities	100,000	0	100,000	0.0%
Bellevue-issaquah	800,000	215,819	584,181	27.0%
Tacoma Agreement	6,468,033	5,856,828	611,205	90.6%
Cascade Supply	5,481,414	523,029	4,958,385	9.5%
Capital Risk	600,000	0	600,000	0.0%
IT Infrastructure	35,000	0	35,000	0.0%
Total CIP Budget	\$ 15,809,447	\$ 6,847,349	\$ 8,962,098	43.3%

Total Overall Budget \$ **63,407,545** \$ **21,849,083** **41,558,463** **34.5%**

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2026 Through 5/31/2026

Attachment 2

Operating Revenue	
Water sales	\$ 14,379,855
Administrative dues	4,366,139
Conservation program	275,016
Total Operating Revenue	19,021,010
Operating Expenses	
Cost of water sold	7,168,843
Salaries and benefits	1,898,749
Professional services	936,671
Conservation program	10,388
Depreciation and amortization	2,986,157
Communication and public information	218,474
Office expenses	302,466
Operations	927,821
Bank charges	118
Rent	46,832
Maintenance	41,605
Dues and subscriptions	31,913
Miscellaneous	15,294
Total Operating Expenses	14,585,330
Operating Income	4,435,680
Non-Operating Revenue (Expenses)	
Interest income	846,514
Other income	9,282
Interest expense, net of amount capitalized	(2,270,508)
Total Non-Operating Revenue (Expenses)	(1,414,712)
Capital Contributions	
Regional Capital Facilities Charges	1,723,941
Increase in Net Assets	4,744,909
Net Assets, Beginning of Year	179,348,460
Net Assets, End of Year	\$ 184,093,369

Cascade Water Alliance
Statement of Net Position
As of 5/31/2026

Attachment 3

Assets	
Current Assets	
Cash and cash equivalents	\$ 41,355,234
Accounts receivable	3,206,364
Prepaid expenses	142,292
Total Current Assets	44,703,890
Capital Assets	
Equipment and furniture	2,404,761
Seattle water contract	22,267,611
Bellevue Issaquah pipeline	22,459,627
Tacoma water contract	159,762,485
Capital Leases	2,491,486
Less accumulated depreciation and amortization	(79,527,879)
Total Capital Assets	129,858,091
Projects in process and assets not yet in service	
Lake Tapps	111,745,883
Tacoma Cascade pipeline	26,880,637
Total Projects in process and assets not yet in service	138,626,520
Restricted cash and cash equivalents	21,616,128
Total Assets	334,804,630
Liabilities	
Current liabilities	
Payables and accrued liabilities	2,580,483
Retroactive water credit	714,075
Accrued interest	1,531,414
Long-term debt current portion	7,355,000
Total Current liabilities	12,180,972
Long-term Liabilities	
Long-term debt	60,705,000
Tacoma contract	76,411,419
Bond premium, net of amortization	1,299,112
Total Long-term Liabilities	138,415,531
Total Liabilities	150,596,503
Net Assets	
Restricted for debt service	147,895,848
Unrestricted	36,312,278
Total Net Assets	184,208,127
Total Liabilities & Net Assets	\$ 334,804,630

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	6/12/2026	5%	\$ 165,000	\$ 2,228	1%	\$ 162,772
Ballard Spahr	1	Legal Services	C. Paulucci	1/1/2026	12/31/2026	6/12/2026	95%	\$ 25,000	\$ 23,371	93%	\$ 1,629
Ben Bernstein Music	1	Podcast production	M. Brent	1/1/2026	12/31/2026	6/12/2026	0%	\$ 7,000	\$ -	0%	\$ 7,000
BHC Consulting	1	Planning & Permit Assistance	T. Richmond	1/1/2026	12/31/2026	6/12/2026	0%	\$ 45,000	\$ -	0%	\$ 45,000
Brilliant Marketing	1	We Need Water Social Media Outreach	J. Amspacher	1/1/2026	12/31/2026	6/12/2026	40%	\$ 64,000	\$ 24,082	38%	\$ 39,918
Catalyst Workplace Activation	1	Additional Workstations & Private Office	C. Paulucci	4/9/2026	N/A	6/12/2026	50%	\$ 42,577	\$ 21,288	50%	\$ 21,288
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	C. Paulucci	1/1/2026	N/A	6/12/2026	80%	\$ 89,200	\$ 57,425	64%	\$ 31,775
Clark Nuber	2	RCFC member process	C. Paulucci	10/1/2025	N/A	6/12/2026	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	6/12/2026	50%	\$ 117,525	\$ 58,318	50%	\$ 59,207
Confluence Engineering Group, LLC	1	Lake Tapps Supply & BIP Water Quality Advisory Services Project	H. Chen	12/1/2023	N/A	6/12/2026	80%	\$ 49,000	\$ 24,158	49%	\$ 24,842
Confluence Engineering Group, LLC	2	Joint Operations Protocol Manual	H. Chen		N/A	6/12/2026	80%	\$ 49,658	\$ 39,384	79%	\$ 10,274
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2026	6/12/2026	45%	\$ 160,000	\$ 61,259	38%	\$ 98,741
David McGrath	1	Irrigation Program Assistance	M. Brent	1/1/2026	12/31/2026	6/12/2026	0%	\$ 20,000	\$ -	0%	\$ 20,000
Environmental Science Assoc (ESA)	1	Aquatic Plant Management	P. Anderson	1/1/2026	12/31/2026	6/12/2026	10%	\$ 49,000	\$ 4,786	10%	\$ 44,215
Fluid and Motion Control Technologies, LLC	1	Valve House Preventative Maintenance	W. Smythe	3/9/2026	12/31/2026	6/12/2026	5%	\$ 45,000	\$ -	0%	\$ 45,000
GeoEngineers	1	Dam Engineering/Hydrology/ Geotechnical Service	H. Chen	1/3/2024	12/31/2026	6/12/2026	60%	\$ 570,000	\$ 344,025	60%	\$ 225,975
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2026	12/31/2026	6/12/2026	42%	\$ 84,000	\$ 35,000	42%	\$ 49,000
Hawkins Delafield & Wood	1	Procurement and contracting for a contract operator for the WRLTR project.	M. Thung	1/1/2026	12/31/2026	6/12/2026	95%	\$ 110,000	\$ 102,988	94%	\$ 7,012
Hawkins Delafield & Wood	2	Advisory and support services for Transition Plan	M. Thung	3/23/2026	N/A	6/12/2026	35%	\$ 45,000	\$ 14,446	32%	\$ 30,554
Herrera	1	On-Call Water Supply Modeling Services	M. Thung	11/4/2024	12/31/2027	6/12/2026	0%	\$ 40,000	\$ -	0%	\$ 40,000
Herrera	2	Bulkheads Study	M. Thung	6/5/2025	N/A	6/12/2026	75%	\$ 49,000	\$ 36,877	75%	\$ 12,123
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	6/12/2026	99%	\$ 1,518,000	\$ 1,430,941	94%	\$ 87,059
Jennergy	1	Website Maintenance	M. Brent	1/1/2026	12/31/2026	6/12/2026	35%	\$ 25,000	\$ 8,403	34%	\$ 16,597
Johansen Construction	1	2025 Winter Weather Event Emergency Repairs	H. Chen	12/29/2025	N/A	6/12/2026	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	6/12/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Jon Shimada	1	On-Call Project Support Services	M. Thung	4/8/2024	12/31/2026	6/12/2026	95%	\$ 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	6/12/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Langton Spieth	1	Community relations	A. Bennett	1/1/2026	12/31/2026	6/12/2026	42%	\$ 78,000	\$ 32,500	42%	\$ 45,500
Long Building Tech	1	Security Maintenance	H. Chen	1/1/2026	12/31/2026	6/12/2026	5%	\$ 78,000	\$ 3,906	5%	\$ 74,094
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2026	12/31/2026	6/12/2026	50%	\$ 135,466	\$ 68,224	50%	\$ 67,242
Northwest Municipal Advisor	1	Financial Advisory Services	C. Paulucci	9/17/2025	12/31/2027	6/12/2026	0%	\$ 49,999	\$ -	0%	\$ 49,999
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2026	6/12/2026	67%	\$ 650,000	\$ 438,358	67%	\$ 211,642
Parametrix	2	On-Call Electrical Engineering Svcs	H. Chen	4/7/2025	12/31/2027	6/12/2026	45%	\$ 600,000	\$ 272,496	45%	\$ 327,504
Performance Dimension Group	1	Organizational Performance Services	M. Thung	1/9/2026	12/31/2027	6/12/2026	10%	\$ 30,000	\$ 1,463	5%	\$ 28,538
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2026	12/31/2026	6/12/2026	50%	\$ 120,000	\$ 10,865	9%	\$ 109,135
Rok Technologies, LLC	1	Implementation of GIS Cloud Migration	H. Chen	10/10/2025	4/10/2026	6/12/2026	100%	\$ 48,627	\$ 48,627	100%	\$ -
Sammamish Plateau Water	1	GIS support services	H. Chen	12/6/2022	N/A	6/12/2026	98%	\$ 50,000	\$ 49,001	98%	\$ 999
Sazan	1	On-call value analysis/engineering	J. Shimada	10/23/2023	10/23/2025	6/12/2026	50%	\$ 250,000	\$ 98,941	40%	\$ 151,059
Seattle Public Utilities	1	Garden Hotline	J. Amspacher	1/1/2026	12/31/2026	6/12/2026	0%	\$ 17,620	\$ -	0%	\$ 17,620
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2026	12/31/2026	6/12/2026	38%	\$ 31,000	\$ 11,750	38%	\$ 19,250
Stantec	1	BIP Relocation at Lewis Creek	W. Smythe	8/27/2025	N/A	6/12/2026	85%	\$ 283,684	\$ 233,396	82%	\$ 50,288

Stantec	2	CSP - Program and Engineering Support	B. Bartle	11/4/2025	N/A	6/12/2026	68%	\$ 1,000,000	\$ 675,139	68%	\$ 324,861
Stantec	3	CMMS Evaluation Support	M. Thung	3/9/2026	N/A	6/12/2026	80%	\$ 49,500	\$ 39,084	79%	\$ 10,416
Sustainable Seattle	1	Problem-Based Learning for Water Systems	J. Amspacher	1/1/2026	12/31/2026	6/12/2026	15%	\$ 60,000	\$ 11,383	19%	\$ 48,617
Tacoma-Pierce County	1	LakeWise Program at Lake Tapps	A. Bennett	1/1/2026	12/31/2026	6/12/2026	17%	\$ 140,000	\$ 10,097	7%	\$ 129,903
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2026	12/31/2026	6/12/2026	38%	\$ 148,840	\$ 54,446	37%	\$ 94,394
TechniArt	1	Conservation Website Order page	M. Brent	1/1/2026	12/31/2026	6/12/2026	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	6/12/2026	10%	\$ 45,750	\$ 4,479	10%	\$ 41,271
Tetra Tech	1	AWIA 2025-2026 Updates	M. Thung	12/9/2024	12/31/2026	6/12/2026	45%	\$ 350,000	\$ 150,540	43%	\$ 199,460
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2026	12/31/2026	6/12/2026	48%	\$ 65,000	\$ 30,501	47%	\$ 34,499
TITAN Earthwork	1	Owner's Minor Construction, Repair, and Maintenance	H. Chen	4/1/2026	12/31/2026	6/12/2026	0%	\$ 150,000	\$ -	0%	\$ 150,000
Transpo Group	1	On-Call GIS Support	H. Chen	1/1/2026	12/31/2026	6/12/2026	38%	\$ 49,500	\$ 16,622	34%	\$ 32,878
Upstream PBC	2	HydroForecast Subscription Service	M. Thung	10/1/2024	9/30/2026	6/12/2026	75%	\$ 49,350	\$ 23,500	48%	\$ 25,850
USGS	1	Joint Funding Agre-Streamgaging	H. Chen	1/1/2026	12/31/2026	6/12/2026	25%	\$ 352,000	\$ 73,953	21%	\$ 278,048
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	N/A	6/12/2026	85%	\$ 790,000	\$ 668,827	85%	\$ 121,173
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2026	12/31/2026	6/12/2026	38%	\$ 900,000	\$ 335,237	37%	\$ 564,763
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	6/12/2026	42%	\$ 2,492,611	\$ 1,041,010	42%	\$ 1,451,601

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	6/12/2026	100%	\$ 20,000	\$ 20,000	100%	\$ -
Confluence Engineering Group, LLC	2	Water Quality Blending Study	M. Thung	12/5/2004	N/A	6/12/2026	100%	\$ 230,000	\$ 229,918	100%	\$ 82
Sunbreak Talent	1	Recruitment assistance	M. Thung	3/27/2025	N/A	6/12/2026	100%	\$ 6,000	\$ 4,910	82%	\$ 1,090

Payment Authorization Warrants and Wire Transfers 6/24/26

Attachment 5

WHOLESALE WATER

WIRE	Seattle Contract Payment 6/26	<u>\$1,492,522.00</u>
		\$1,492,522.00

CONSULTANTS

33329	Ballard Spahr LLP	\$8,030.86
33333	Environmental Science Associates (ESA)	\$2,277.00
33335	Inslee, Best, Doezie & Ryder	\$56.00
33339	Parametrix	\$18,773.75
33343	Tetra Tech	\$13,612.50
33355	Tacoma Pierce County Health Department	\$5,837.93
33363	Gordon Thomas Honeywell Govern. Affairs	\$7,000.00
33365	Langton Public Affairs LLC	\$6,500.00
33370	Stantec Consulting Services Inc. (SCSI)	<u>\$2,129.52</u>
		\$64,217.56

SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS

	Payroll (May)	\$223,725.14
33327	AWC Employee Benefit Trust	\$36,488.09
33331	Brian Bartle	\$884.99
33332	Paula Anderson	\$123.34
33344	MissionSquare-107080	\$65,062.83
33345	MissionSquare-304525	\$22,011.07
33349	Jami Shimada	\$72.21
33350	HRA VEBA Trust	<u>\$2,970.00</u>
		\$351,337.67

CONSERVATION

33340	Puget Sound Energy	\$3,225.00
33342	Tilth Alliance	\$18,801.25
33354	Sustainable Seattle dba Sustainability Ambassadors	\$5,381.66
33357	Jessica Bloom	\$1,400.00
33366	Nature Vision, Inc.	\$15,074.23
33369	SMC Consulting LLC	<u>\$2,500.00</u>
		\$46,382.14

SOFTWARE AND EQUIPMENT

33326	Abila	<u>\$9,155.96</u>
		\$9,155.96

GENERAL

33328	AT&T FirstNet	\$731.22
33330	Comcast	\$4,133.13
33336	City of Issaquah	\$28.00
33338	Pacific Office Automation	\$316.59
33346	Bellevue Gateway One Equities, LLC	\$34,794.34
33347	Cintas Corporation	\$538.08
33348	Covington Water District	\$100.44
33351	Pacific Office Automation	\$41.18
33352	Puget Sound Energy	\$130.18
33353	Staples Advantage	\$335.48
33359	CIT	\$1,745.61
33360	CLEARFLY	\$1,112.73
33361	Comcast	\$612.37
33364	Kirkland Downtown Association	\$2,750.00
33367	Pacific Office Automation	\$336.43
33368	Seattle Times	\$3,368.45
33371	Utilities Underground Location Center	\$30.36
33372	Verizon Wireless	<u>\$4.56</u>
		\$51,109.15

LAKE TAPPS

33334	Heidelberg Materials	\$509.63
33337	LONG Building Technologies, Inc.	\$3,906.44
33341	Salish Sea Tree Care and Consulting, LLC	\$3,749.13
33358	Cintas Corporation	\$409.72
33362	D. M. Recycling Co.	<u>\$178.00</u>
		\$8,752.92

CONSTRUCTION

33325	Parametrix	\$664.80
33356	Stantec Consulting Services Inc. (SCSI)	<u>\$274,904.99</u>
		\$275,569.79

DESTROYED AND VOIDED CHECKS:

Total Warrants	\$806,525.19
Total Wires	\$1,492,522.00
Total warrants/wire transfers authorized for June 2026	<u>\$2,299,047.19</u>

Approved: _____ Date: _____ Approved: _____ Date: _____
 _____ Andy Baker, Economist Dave Hamilton, Secretary/Treasurer

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

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, April 1	\$ 20,349,119	\$ 12,992,022	\$ 8,103,904	\$ -	\$ 16,204,824	\$ 2,599,632	\$ -	\$ 60,249,501
Additions:								
Cash received	\$ 3,596,963	\$ 34,913	\$ 13,015	\$ -	\$ 34,366	\$ 9,373	\$ -	\$ 3,688,629
Transfers from other Cascade funds	\$ -	\$ -	\$ 760,022	\$ -	\$ -	\$ -	\$ 249,296	\$ 1,009,318
Total additions	\$ 3,596,963	\$ 34,913	\$ 773,037	\$ -	\$ 34,366	\$ 9,373	\$ 249,296	\$ 4,697,947
Subtractions:								
Bank fees, payroll, and bond payments	\$ 1,829	\$ 688	\$ 1,021	\$ -	\$ 1,281	\$ 185	\$ 249,296	\$ 254,301
Warrants paid	\$ 1,112,696	\$ 121,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,234,665
Wire and other electronic payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (realized)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King Co. Investment Pool impairment (retained)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers to other Cascade funds	\$ 1,009,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,009,318
Total subtractions	\$ 2,123,842	\$ 122,657	\$ 1,021	\$ -	\$ 1,281	\$ 185	\$ 249,296	\$ 2,498,283
Ending Balances, April 30, 2026	\$ 21,822,240	\$ 12,904,277	\$ 8,875,920	\$ -	\$ 16,237,909	\$ 2,608,820	\$ -	\$ 62,449,165

DRAFT

2026 Cascade Board Meeting Calendar

Updated 6/17/2026

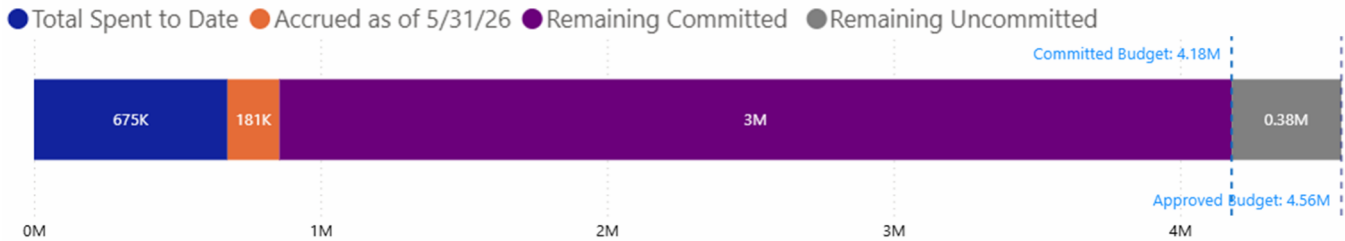
January 28, 2026	July 22, 2026
<ul style="list-style-type: none"> • 2026 Sponsorships – Action • Water Supply Forum ILA - Action • On-call minor construction contracts - Action • Reimbursement resolution - Action • BrightNight easement amendment - Action • Upcoming Cascade Supply Program (CSP) workshop 	<ul style="list-style-type: none"> • CSP: Final Board Oversight Plan - Action • Budget and Rates: Final budget and rates proposal – Presentation • WSDf: Biennial Report and Annual Transfer – Action • Bond Reimbursement Declaration - Action • CSP: Q2 Review - Presentation
February 25, 2026	August 26, 2026
<ul style="list-style-type: none"> • Annual meeting, elect officers - Action • Prep for CSP Workshop • Executive Session 	<ul style="list-style-type: none"> • Recess
March 6, 2026 (Special Meeting)	September 23, 2026
<ul style="list-style-type: none"> • Cascade Supply Program: Board oversight workshop 	<ul style="list-style-type: none"> • WSDf: Biennial Report and Annual Transfer – Action • Capital Funding Plan: Resolution adopting Plan – Action • Budget: Resolution adopting O&M and CIP budget – Action • Rates: Resolution adopting rates & RCFC – Action • CSP: Land Acquisition Strategy – Presentation • CSP: Partnership Policy – Presentation • Bond Issuance Approval – Action • Strategic Plan Discussion (tentative)
March 25, 2026	October 28, 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"> • CSP: Land Acquisition Strategy – Action • CSP: Comms and Outreach Strategy - Presentation
April 22, 2026	November 18, 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"> • Adoption of 2027 Legislative Agenda - Action • Approval to Finalize Contract Operator Contract – Action • CSP: Approval of 2027 MSA Budget – Action • CSP: Comms and Outreach Plan – Action • CSP: Executive Session
May 6, 2026 (Special Meeting)	December 16, 2026
<ul style="list-style-type: none"> • Resolution for new CEO – Action 	<ul style="list-style-type: none"> • Recess (<i>tentative</i>)
May 27, 2026	
<ul style="list-style-type: none"> • Budget & Rates: Preliminary budget and rates - Presentation • Capital Funding Plan – Presentation • Water Supply Status Update - Presentation 	
June 24, 2026	
<ul style="list-style-type: none"> • Budget & Rates: Proposed budget and rates - Presentation • CSP: Draft Board Oversight Plan – Presentation (Action if ready) 	



June CSP Status Update

Financials (through 05/31/2026)

Program Engineering Support (PES) Contract



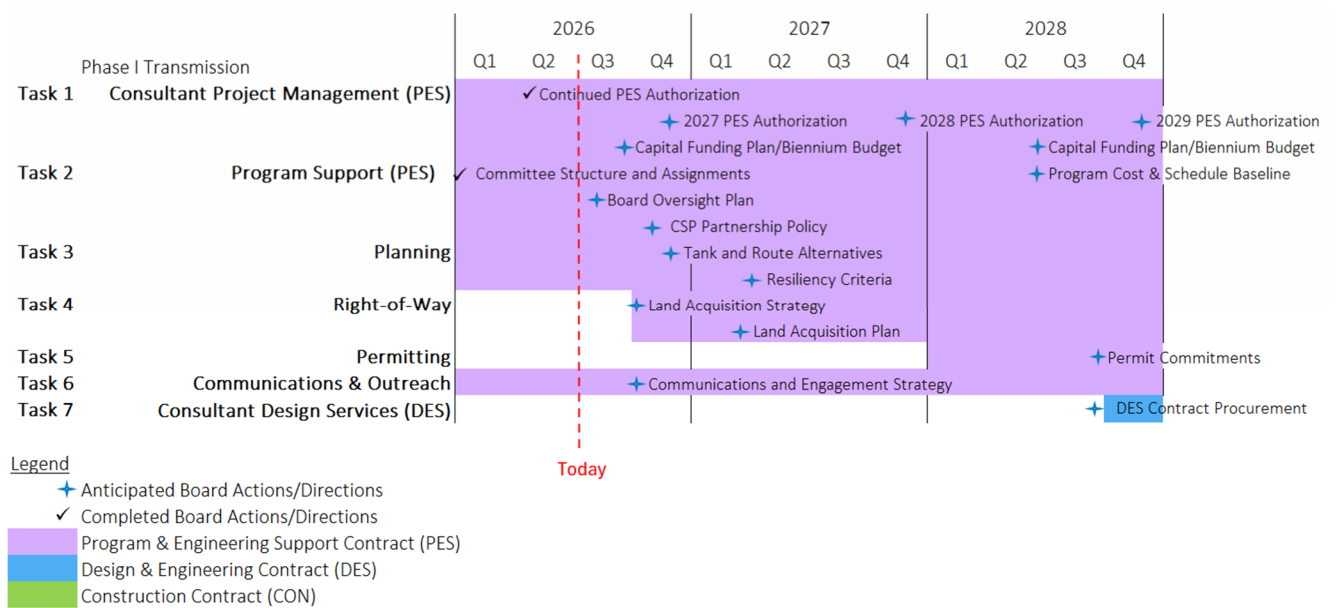
Board Authorized Amount: \$4,563,000

Amount committed in current Work Assignments: \$4,180,000

Work Assignment 001: 99% Spent (with accrued) – Forecasted finish: May 2026 – Closing

Work Assignment 002: 85% Spent (with accrued) – Forecasted finish: June 2026 – On Track

Schedule



3-Month Activity Lookahead

- **CSP Team:**
 - Program management:
 - Continue populating risk register; develop documentation and reporting method for mitigation measures
 - WA.003 Kickoff Meeting
 - Internal review and discussion on draft CSP Partnership Policy
 - Developing communication strategy around program messaging with fact sheets, program purpose statement, and drafting edits for website updates
 - Continue refining program schedule, defining program and project milestones
 - Alternatives analysis:
 - Review Subject Matter Expert input on pipeline corridors and potential tank sites
 - Develop “heat maps” to define the potential least impact corridors and tank sites
 - Continued GIS development
 - Preliminary hydraulic analyses to confirm member demand phasing assumptions and evaluate flow allocation scenarios to determine planning-level capacity requirements for the Phase I Tacoma Cascade Transmission Line (TCTL)
- **Upcoming Board Actions and Discussions:**
 - Draft Board Oversight Plan (Discussion, June)
 - Board Oversight Plan (Action, July)
 - Capital Funding Plan (Action, September)
 - CSP Partnership Policy (Discussion, September)
 - Land Acquisition Strategy (Discussion, September)

Accomplishments

- Executed Work Assignment 3 (WA.003) for continued Program Management and Alternatives Analysis support
- Updated draft Board Oversight Plan with Member staff feedback
- Continued alternatives analysis to help identify tank sites and pipeline corridors with input from Subject Matter Experts
- Lessons Learned survey results shared with MST, Member staff and SPOC
- Continued developing tools for program management
 - Continued development of risk register and Issues, Decisions, Actions and Changes log and user manuals
 - Schedule analysis and adjustments based on clarified scope definition

Risks

Continued discussion with the Supply Program Oversight Committee regarding how risks should be reported and discussed. The risk register is being populated with risks to assist with developing a simplified version of the risk matrix that focuses on the likelihood of occurrence of a risk and the impact if that risk were realized, as shown in the figure below.

		# of Risks in each category		
		Low	Medium	High
Likelihood	High	2	1	1
	Medium	1	2	5
	Low	0	0	3
		Low	Medium	High
		Impact		

The risks are then given a risk score based on their likelihood and impact. Risks that have either a high likelihood or impact will be shared and discussed with SPOC. Opportunities will be tracked similarly. There are currently 15 draft risks populating the register and we expect this number to climb into the hundreds over the next several months. Below is a proposed risk graphic intended to be used as part of KPI reporting going forward.

Legend			
Risk		Opportunity	
7	High	0	High
7	Medium	0	Medium
1	Low	1	Low

High (Probable)

Medium (Possible)

Low (Rare)



MEETING MINUTES OF THE
BOARD OF DIRECTORS
VIA HYBRID
MAY 27, 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), Sammamish Plateau Water & Sewer District (Warren), Skyway Water and Sewer District (Ault), City of Redmond (Birney), City of Tukwila (McLeod)
Board Alternates Present: City of Bellevue (Bhargava), City of Redmond (Nuevacamina), Sammamish Plateau Water & Sewer District (Hooshangi)

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

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

6. 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.

7. CONSENT ITEM

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

Motion by Mr. McLeod and second by Mr. Mullet to approve Consent Action Items A-B as presented. Motion carried unanimously (7-0).

8. OTHER ACTION ITEM

None.

9. STAFF PRESENTATIONS

A. Water Supply Update

James Amspacher, Cascade's Water Efficiency Director, provided an update on regional water supply conditions, highlighting concerns about extremely low snowpack and potential summer water shortages. Although precipitation levels for the 2026 water year were relatively high, warmer temperatures caused much of it to fall as rain instead of snow, resulting in the third-lowest snowpack on record. By late May, nearly all mountain snow had already melted, reducing the natural reservoir replenishment typically relied upon during peak summer demand. Mr. Amspacher reported that Seattle Public Utilities had already taken operational steps to prepare for dry conditions, including filling reservoirs earlier than normal and obtaining a waiver to raise Chester Morse Lake two feet above its usual maximum level. Reservoir storage remained stable but had begun to decline as outdoor water use increased with warmer weather. Cascade also expanded drought and conservation messaging through its website and social media platforms to encourage long-term water conservation.

B. Draft Capital Funding Plan

Andy Baker, Cascade's Economist, presented the Draft Capital Funding Plan for the Cascade Supply Program. The discussion emphasized a moderately conservative financial approach while balancing the need to fund major infrastructure investments over time. Board Members and staff discussed the importance of transparent cost tracking and documenting changes in assumptions to help future boards and member agencies understand how financial decisions evolve.

Discussion also focused on the potential impacts of future bond issuances on member agencies and the need for ongoing coordination between Cascade's bond counsel and member agency financial teams. Board Members raised concerns about long-term rate increases and the effect of higher capacity charges on housing affordability and development. In response, Mr. Baker stated Cascade plans to provide clearer member-specific cost forecasts, improve long-term financial reporting, and continue updating the funding plan as project assumptions become more certain.

Mr. Baker also discussed the federal loan program as a significant potential funding source that could reduce future rate increases if secured. However, he noted the program remains subject

to federal funding uncertainty, and Cascade likely will not be eligible to apply until the project reaches approximately 30 percent design completion. The discussion concluded with Board Members requesting continued refinement of the funding plan, clearer communication tools, and measurable indicators to help track financial assumptions and project risks over time.

C. Preliminary Budget and Rates

Mr. Baker presented the Preliminary 2027–2028 Budget and Rates, explaining the budget is closely tied to the Draft Capital Funding Plan and long-term financing for the Cascade Supply Program (CSP). He outlined the proposed capital and operating budgets, projected rate increases, staffing impacts, and Regional Capital Facilities Charges (RCFCs), noting that the CSP is the primary driver of future costs and rate increases needed to support long-term regional water reliability.

Mr. Baker explained preliminary rate increases for both 2027 and 2028 are projected at 9.5 percent annually, largely driven by new debt service associated with the CSP, including a planned \$60 million revenue bond. Additional cost pressures include anticipated increases in purchased water costs and future operations and maintenance expenses for the White River–Lake Tapps Reservoir system. He also noted a portion of future rate increases would support “rate smoothing” to reduce larger spikes in later years.

Board Members expressed concern about the long-term impacts of repeated rate increases and higher capacity charges on housing affordability and development. In response, Mr. Baker stated Cascade plans to provide clearer member-specific cost projections and continue updating the funding plan to improve transparency and track changing assumptions over time. Chair Birney also noted that the impacts of the proposed increases would vary among member agencies and encouraged future comparisons showing jurisdiction-specific effects.

The presentation concluded with staff explaining that feedback from the Board, committees, and member agencies would be incorporated into the Proposed Budget in June and the Draft Final Budget in July, with final budget and rate adoption anticipated in September 2026.

10. COMMITTEE REPORTS

- A. Executive Committee – No meetings held since the last Board meeting.
- B. Finance & Intergovernmental Committee – Meeting held April 21, 2026 and May 19, 2026. The meeting recaps were included in the Board Packet.
- C. Resource Management Committee – Meeting held May 14, 2026. The meeting recap was included in the Board Packet.
- D. Supply Program Oversight Committee – Meeting held May 13, 2026. The meeting recap was included in the Board Packet.

11. NEW BUSINESS

None.

12. NEXT REGULAR MEETING

The next regularly scheduled Board meeting will be held on June 24, 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

2027-2028 Proposed Budget, Rates, and RCFCs

Presentation to Cascade Board

June 24, 2026



Overview

- Today's Purpose: To present the Proposed Budget, Rates, and Regional Capital Facilities Charges (RCFCs), discuss member-specific charges, and review next steps for the budget process.

Agenda

- Proposed CIP Budget
- Proposed Operating Budget & Revenue
- Key Rate Drivers
- Member-Specific Charges
- RCFCs
- Bond Update
- Next Steps

What's changed from May?

Two changes:

- *Remove a one-time contingency for Operator overlap costs.*
- *Add Water Quality budget: \$40k in 2027, \$60k in 2028.*

No change in Proposed Rates due to these updates.

What's likely to change by July?

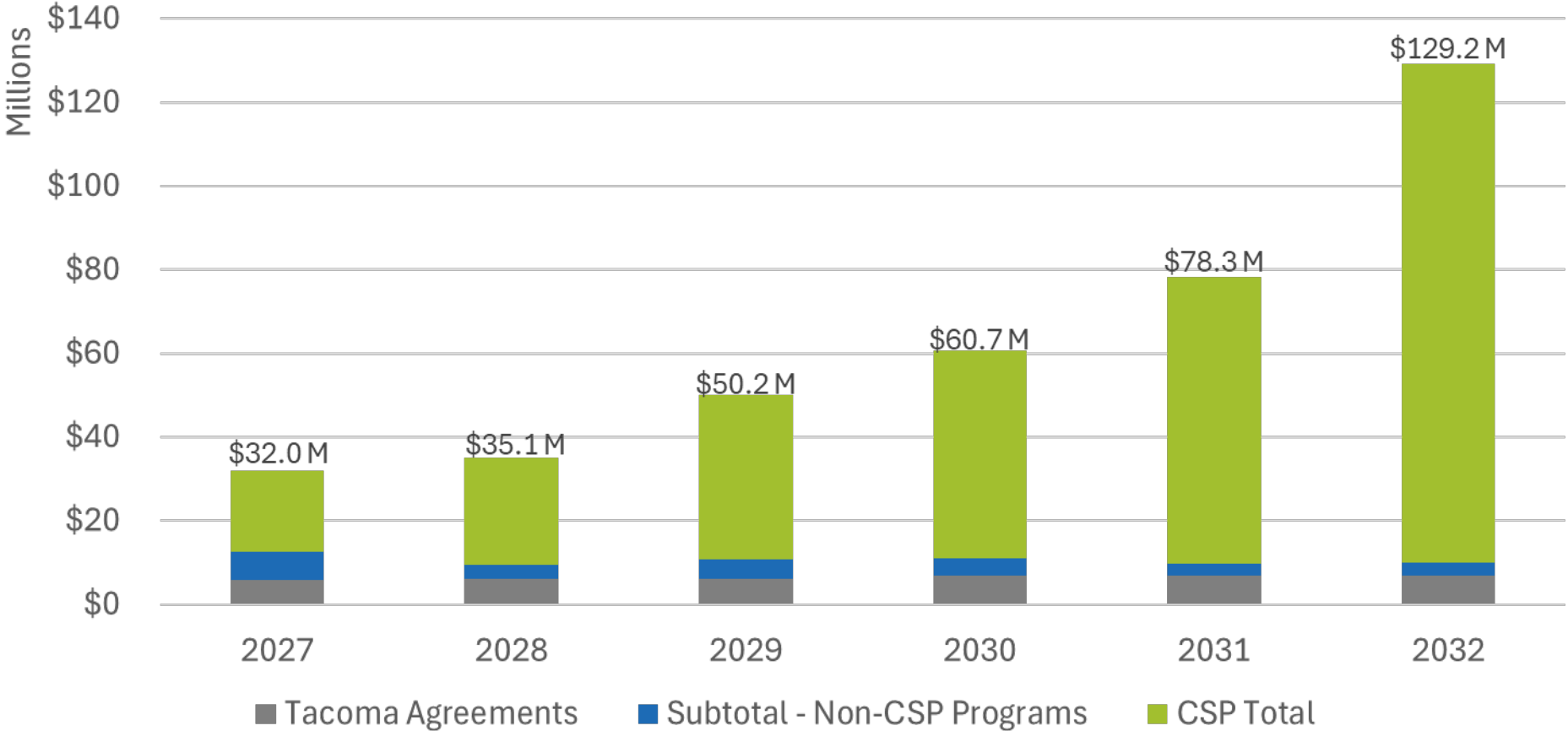
Budget:

- *Seattle water cost annual true-up*
- *June 30 CPI-W for cost escalations*

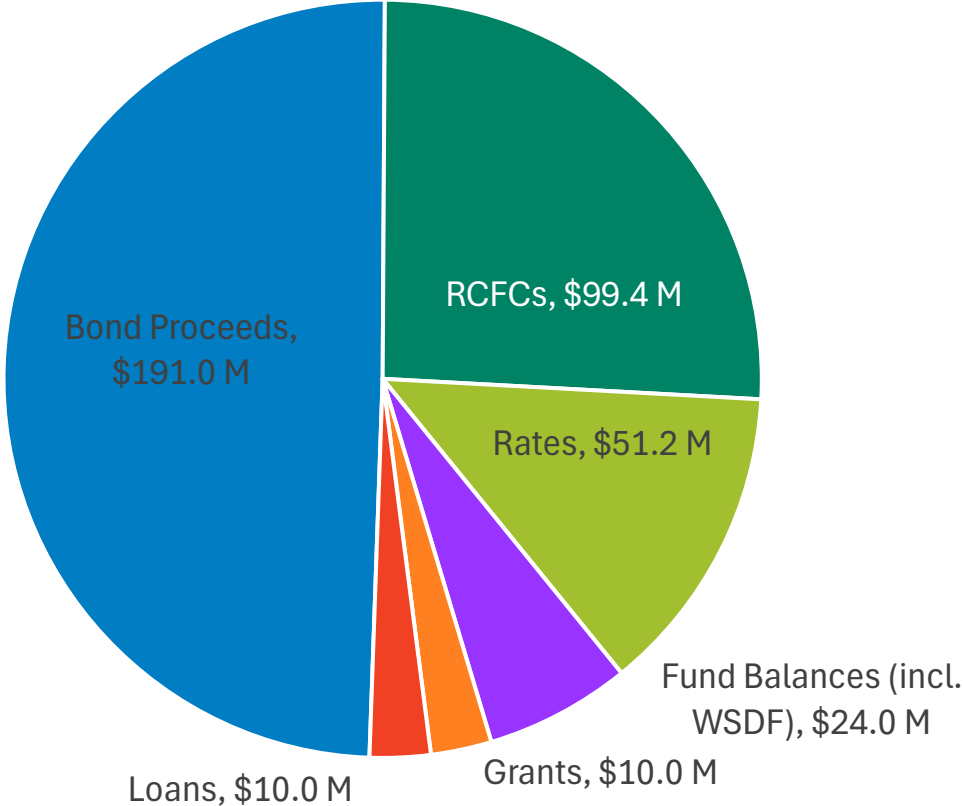
Rates / Member Charges:

- *Any changes based on feedback on Member-specific Charges, revisions to 2025 Demand data*

Proposed 2027-2032 Capital Budget



Proposed 2027-2032 CIP Funding



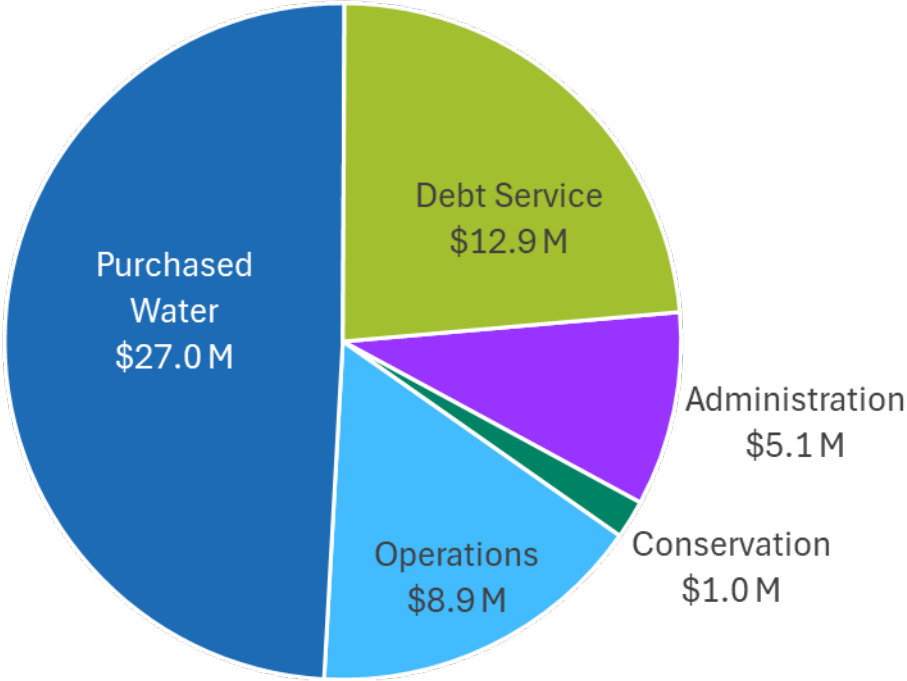
Balanced mix of funding sources, based on Capital Funding Plan.

Assumptions:

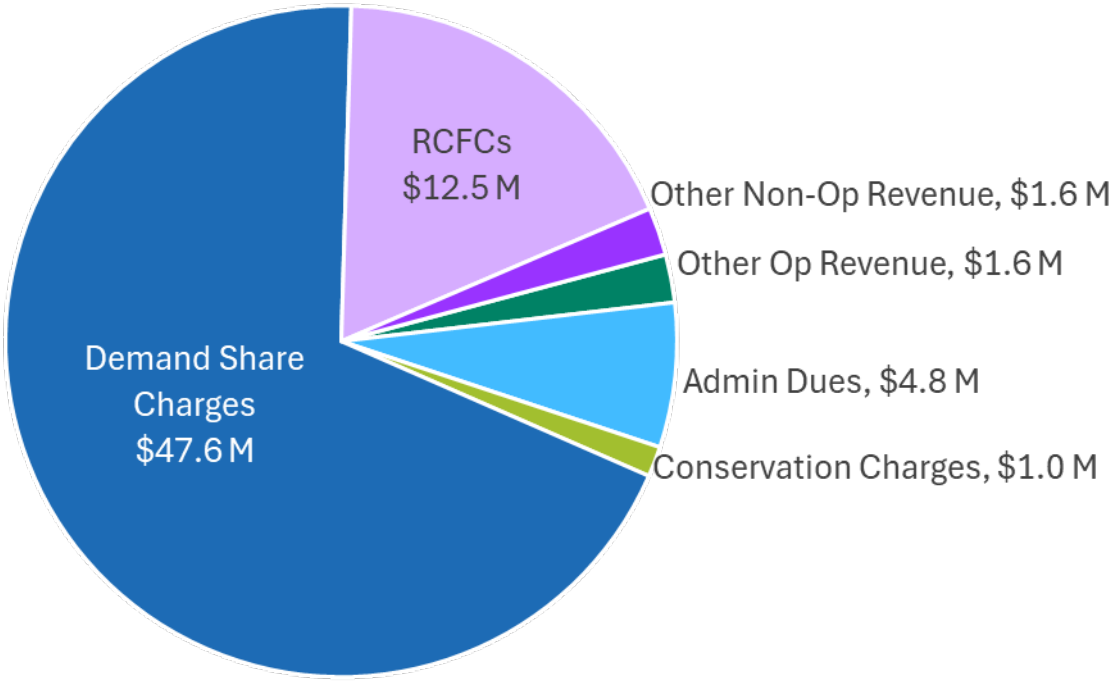
- Rate & RCFC increases based on Recommended Funding Plan
- Two Bond Issuances: 2026 and 2030
- \$20M in Grant & Loan funds – contingent strategies are available if these cannot be secured

Proposed 2027 Operating Budget & Revenue

2027 Operating Budget: \$54.8M

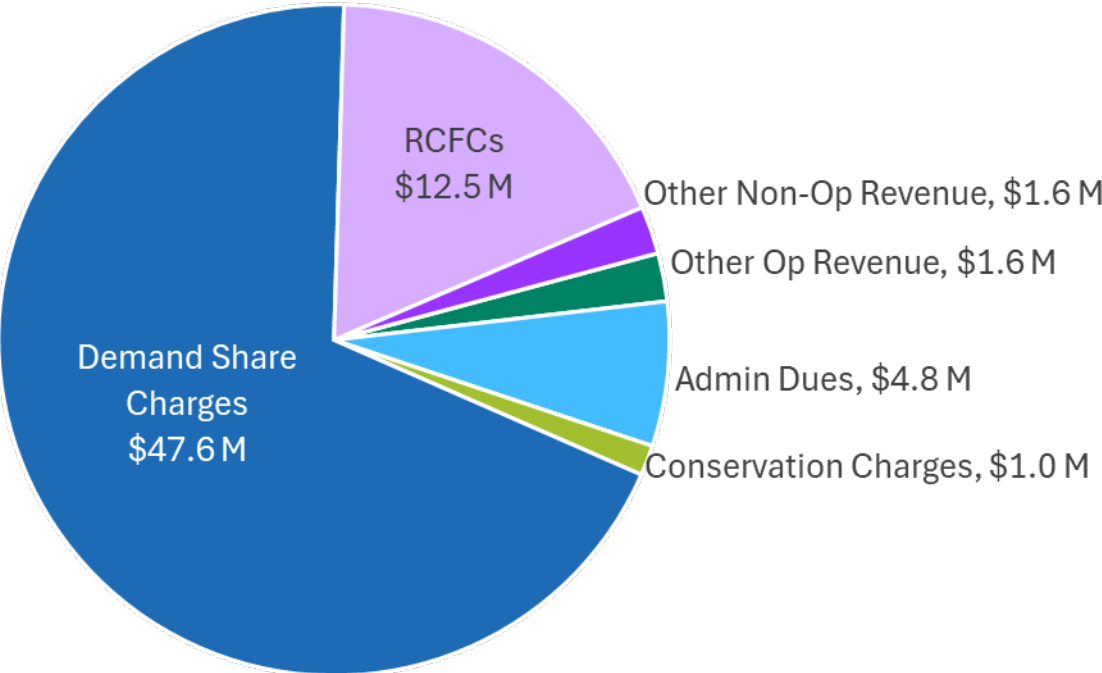


2027 Operating Revenue: \$55.0M
2027 Non-Operating Revenue: \$14.1M



Cascade Revenue Structure

2027 Operating Revenue: \$55.0M
 2027 Non-Operating Revenue: \$14.1M



Admin Dues: Based on Admin budget.
 Allocated to Members based on CERUs.
 Capped at 9% of Revenue Requirement.

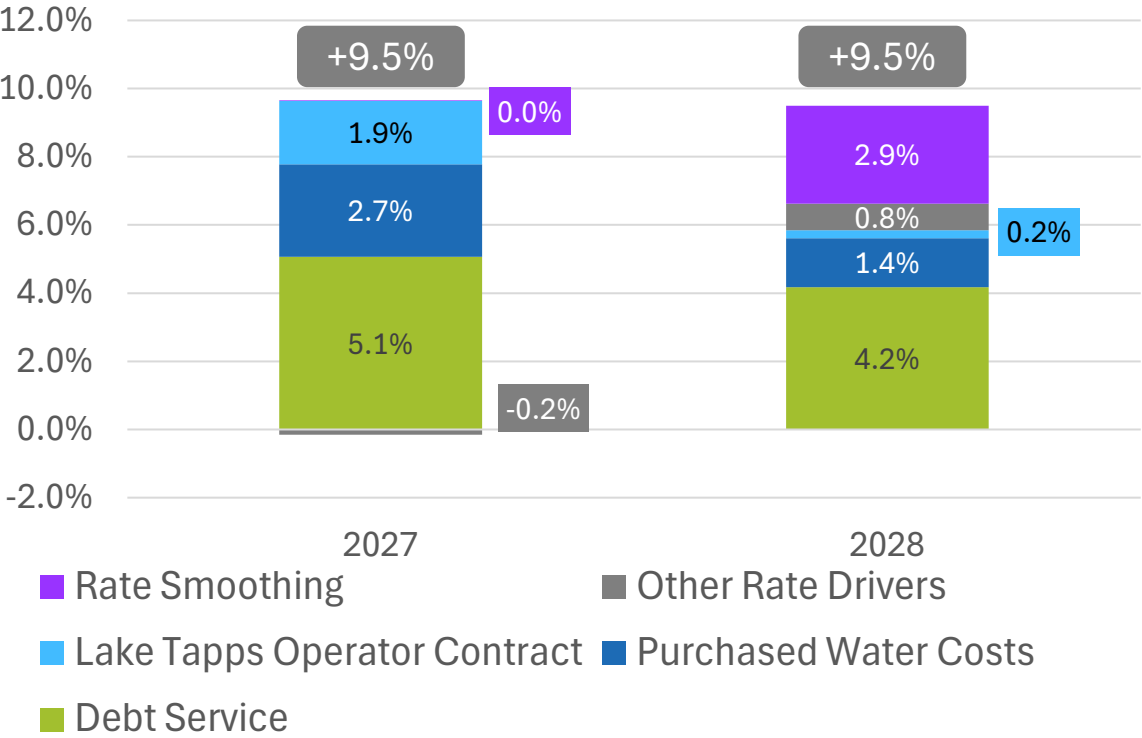
Conservation Charges: Based on Conservation budget.
 Allocated to Members based on CERUs.

Demand Share Charges: Balance of Revenue Requirement.
 Allocated based on 3-year demand history.

Regional Capital Facilities Charges: Pass-through connection charge, based on proportional share of existing and future infrastructure.

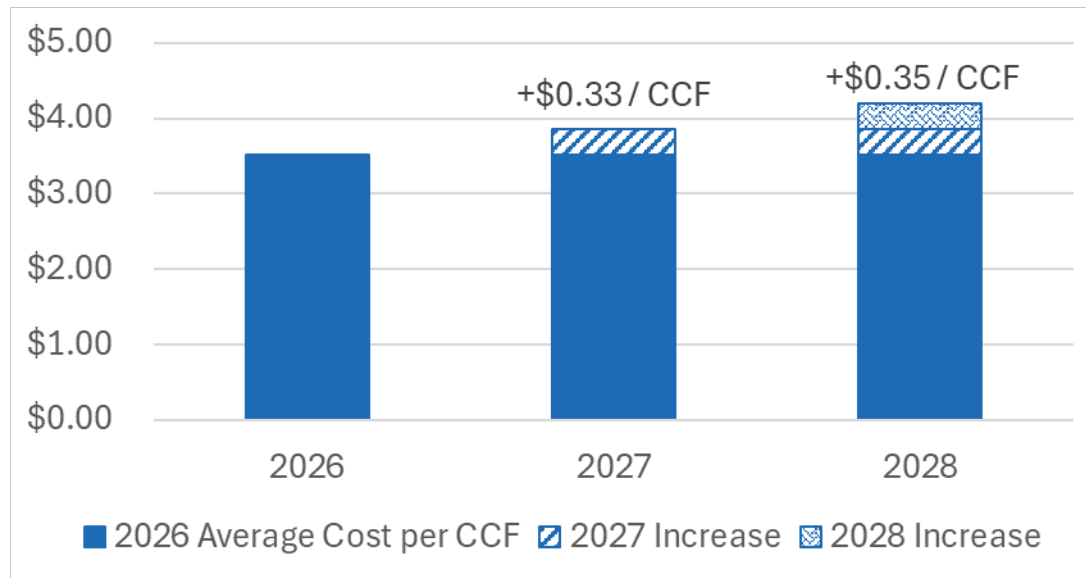
Proposed 2027-2028 Rates

Rate Drivers



- Four Major Rate Drivers in 2027-2028:
- *The Cascade Supply Program is the main rate driver due to new debt service*
 - *Purchased Water costs includes contingency for potential adjustments*
 - *Contract Operator increase anticipated due to new contract*
 - *Rate smoothing in 2028 will reduce rate increases in future years.*

Average Cost of Water



The proposed rate increases translate to increases in the average cost of water of \$0.33 per ccf in 2027, and \$0.35 per ccf in 2028.

Exact amounts will vary by member.

Typical monthly household use is between 5 and 8 CCF per month

Draft 2027 Member Charges

2027 Member Charges

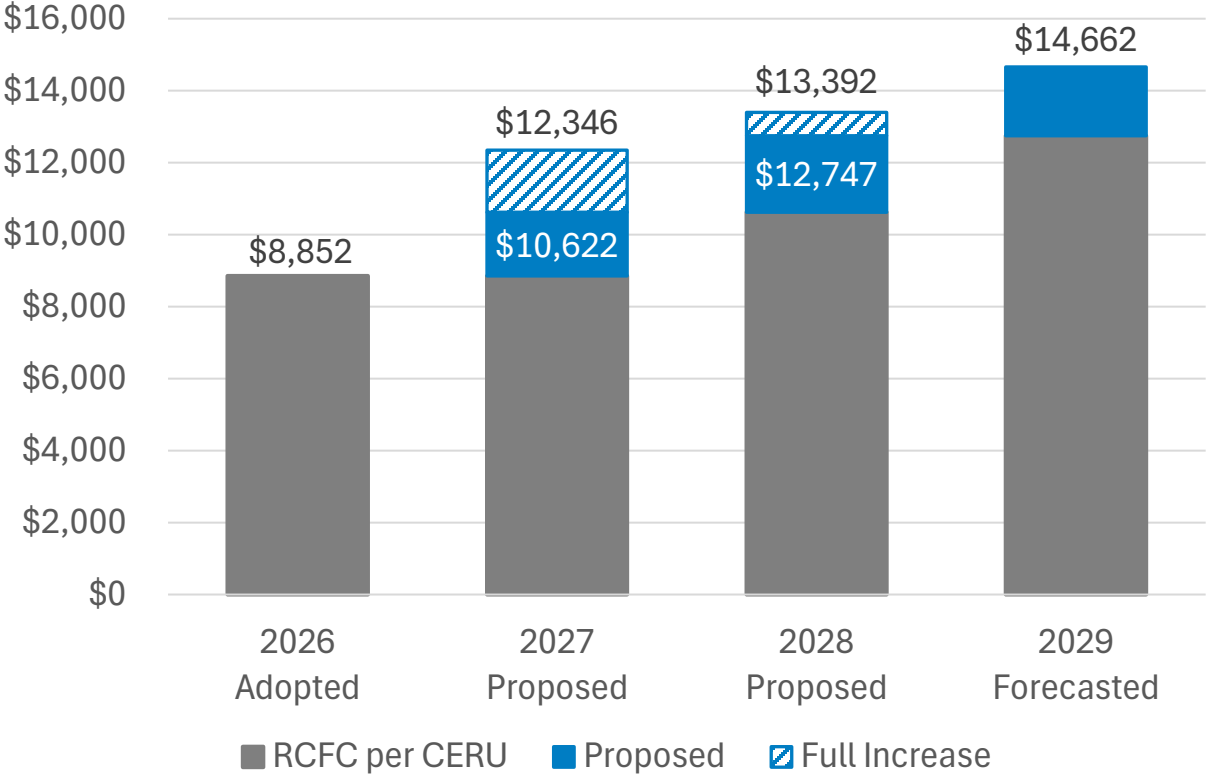
Member	2027 Member Charges		Demand Share Charges	Total	% Increase over 2026	2026 True-Up (50%)	Total Payments	% Increase with True-Up
	Administrative Dues	Conservation Charges						
Bellevue	\$1,897,293	\$398,097	\$24,048,513	\$26,343,903	8.51%	(\$76,407)	\$26,267,496	9.19%
Issaquah	403,794	84,726	2,286,300	2,774,820	12.48%	100,591	2,875,411	16.20%
<i>Issaquah Temporary</i>			217,818	217,818	4.29%	(12,980)	204,838	4.22%
Kirkland	569,805	119,559	6,741,333	7,430,697	6.01%	(67,452)	7,363,245	5.26%
Redmond City	814,524	170,907	7,472,837	8,458,268	11.58%	6,529	8,464,797	8.17%
Redmond Novelty Hill	119,534	25,081	1,540,898	1,685,513	11.56%	(3,665)	1,681,848	11.02%
Samm Plat Water	666,978	139,948	1,616,859	2,423,785	9.79%	9,802	2,433,587	9.99%
Skyway WSD	105,916	22,224	477,064	605,204	12.10%	4,626	609,830	14.44%
Tukwila	228,918	48,033	3,191,513	3,468,464	16.67%	38,955	3,507,419	18.24%
Total	\$4,806,762	\$1,008,575	\$47,593,135	\$53,408,472	9.50%	(\$1)	\$53,408,471	9.50%

Draft 2028 Member Charges

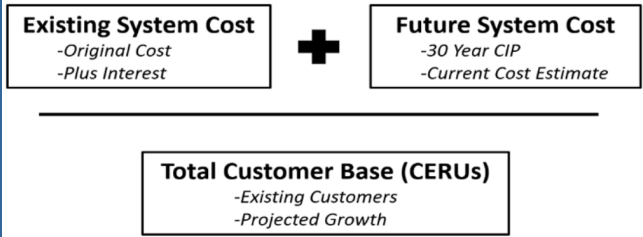
2028 Member Charges

Member	2028 Member Charges		Demand Share Charges	Total	% Increase over 2027	2026 True-Up (50%)	Total Payments	% Increase with True-Up
	Administrative Dues	Conservation Charges						
Bellevue	\$2,071,011	\$412,709	\$26,191,059	\$28,674,779	8.85%	(\$76,407)	\$28,598,372	8.87%
Issaquah	446,770	89,032	2,490,905	3,026,707	9.08%	100,591	3,127,298	8.76%
<i>Issaquah Temporary</i>			287,922	287,922	32.18%	(12,980)	274,942	34.22%
Kirkland	625,792	124,707	7,282,772	8,033,271	8.11%	(67,452)	7,965,819	8.18%
Redmond City	893,073	177,971	8,289,480	9,360,524	10.67%	6,529	9,367,053	10.66%
Redmond Novelty Hill	130,056	25,918	1,681,866	1,837,840	9.04%	(3,665)	1,834,175	9.06%
Samm Plat Water	731,227	145,718	1,854,159	2,731,104	12.68%	9,802	2,740,906	12.63%
Skyway WSD	115,531	23,023	532,239	670,793	10.84%	4,626	675,419	10.76%
Tukwila	249,944	49,809	3,559,584	3,859,337	11.27%	38,955	3,898,292	11.14%
Total	\$5,263,404	\$1,048,887	\$52,169,986	\$58,482,277	9.50%	(\$1)	\$58,482,276	9.50%

Proposed Regional Capital Facilities Charges



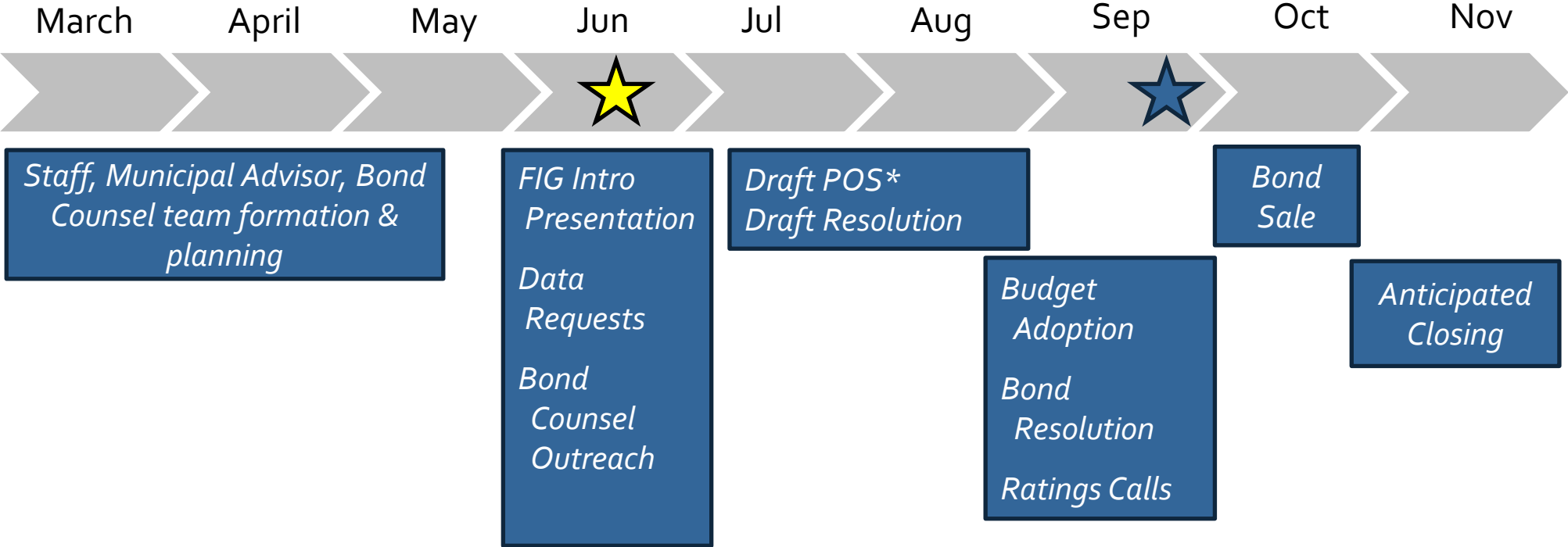
Calculated based on RCFC methodology:





based on a proportional share of both existing and planned infrastructure costs.

Increase limited to +20% per year consistent with historical Cascade practice.

2026 Bond Update – Overall Timeline



-  Member Data Requests
-  Board Action

POS: Preliminary Official Statement

2026 Bond Update – Upcoming Activities

- ❖ Bond Covenants and Related Code Updates

Discussion in July

- ❖ Bond Resolution

In progress. Will be brought for Board action in September

- ❖ Official Statement and Member Data

In progress. Will be reviewed by Members in August & September

- ❖ Presentation to Ratings Agencies

Planned for September

Budget Process Next Steps

- ✓ Member Staff (May 7): Preliminary Budget & Rates
- ✓ SPOC (May 13): CSP Budget
- ✓ FIG (May 19): Preliminary Budget & Rates
- ✓ Board (May 27): Preliminary Budget & Rates (higher level)
- June: Proposed Budget & Rates
(incorporating feedback from May, with Member-specific Charges)
- July: Draft Final Budget
- September: Anticipated Budget Adoption

Thank You



Cascade Supply Program

June 24, 2026



Draft Board Oversight Plan Schedule

May:

- Draft shared with Member staff and SPOC

June:

- Updated draft presented to SPOC for feedback
- Draft presented at Board Meeting today

July:

- Revise based on Member staff, SPOC, Board feedback
- Review with SPOC
- Board Action adopting Board Oversight Plan

Board Oversight Documents

- Board Oversight Plan
 - Initial oversight structure and criteria
 - May change throughout the life of the program
- Board Oversight Workshop Summary
 - Summary of the discussion and decisions made during the workshop
 - Will be static/unchanged.

Draft Board Oversight Plan Contents

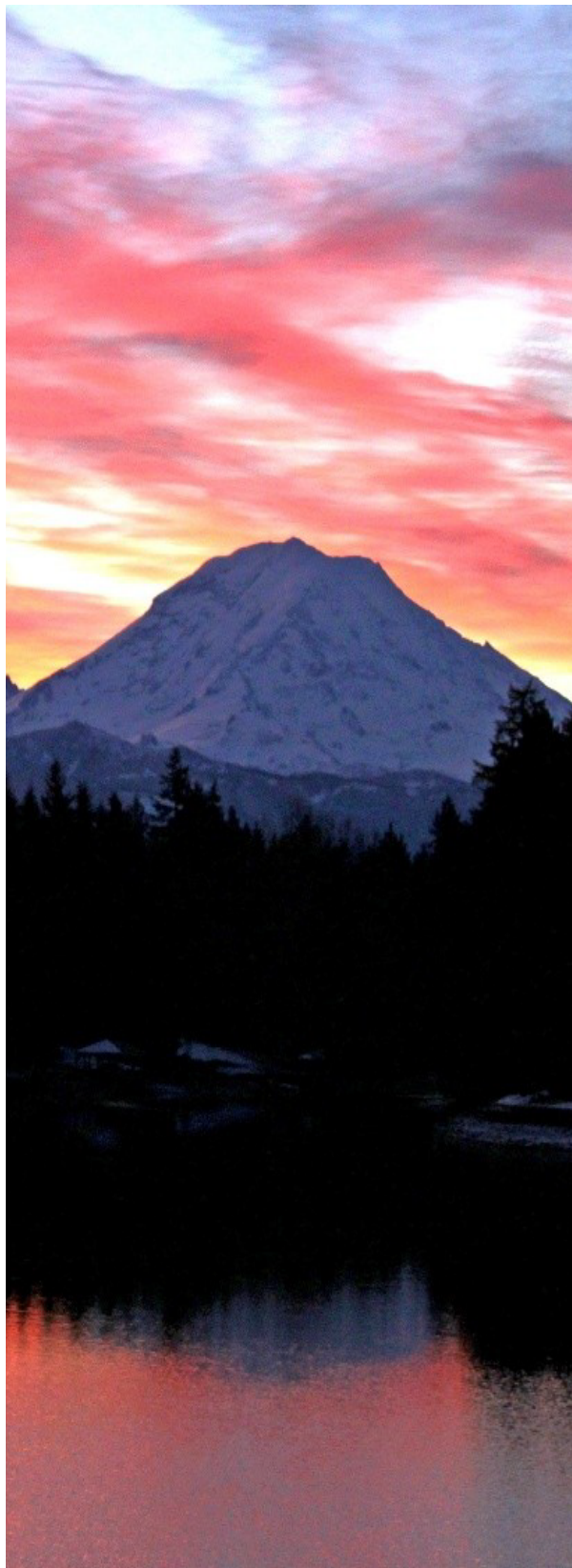
- Establishes Supply Program Oversight Committee
 - Plan describes Cascade governance structure, roles of MST, MS, SPOC and the Board, as well as information flow through each
- Adopts decision-making criteria
 - Community Impact
 - Rate Impact
 - Resiliency
 - Schedule
 - Cost
 - Redundancy
 - Risk
- Adopts an Authorization Matrix
 - Plan defines decision-making authority of Board and CEO (covering planning and design stages only)

Questions?





Providing a Resilient Future | Cascade Supply Program



BOARD OVERSIGHT PLAN

Cascade Supply Program

Version 1

2026-06-01

Revision History

Date	Revision	Change Log
XXX, XX, 2026	V1	Board Adoption
-	V2	-

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Appendix A. Board Oversight Workshop Summary Memo

1.0 Executive Summary

The Cascade Supply Program (CSP) requires structured oversight to meet its goals. This Board Oversight Plan (Plan) outlines key oversight objectives: establishing an oversight committee, setting criteria to guide decision-making, and defining levels of authority through an Authorization Matrix.

These objectives were discussed during the March 6, 2026 Cascade Board of Directors (Board) Oversight Workshop. The objectives were approved during subsequent Board meetings between March and July 2026 and will guide oversight for the CSP Phase I planning and design stages.

The Board's priorities include clear timelines, early visibility into major decisions and risks, and consistent, transparent communication by the Chief Executive Officer (CEO) and Cascade staff, particularly on issues impacting cost, schedule, and Cascade Water Alliance's (Cascade) reputation.

To support the Board's priorities, the Board created the Supply Program Oversight Committee (SPOC) to provide focused oversight of CSP progress, risks, and recommendations. The CSP Team will also work with other committees, staff from member agencies (Member Staff), and a new Member Staff Technical subgroup (MST). The Board approved the new SPOC and committee structure on March 25, 2026. Board-defined decision criteria will help filter options and streamline decisions requiring Board action. Cascade staff will clearly communicate how the criteria are used to evaluate alternatives. Most decision authority is retained by the Board, with some delegation to the CEO, as listed in the Authorization Matrix (Table 2) covering Phase I planning and design activities.

The Board will review CSP progress monthly to align the program with established goals, objectives, policy, and performance standards. This document will be reviewed and updated periodically as the CSP progresses and as Board oversight and accountability requirements change.

2.0 Introduction

2.1 Program Overview

Cascade is embarking on a long-term effort to provide a resilient water supply from Tacoma to its member agencies. The CSP was established to plan, design, and deliver the major infrastructure needed to connect the Lake Tapps Reservoir supply to the Cascade member agency service areas. The CSP will be delivered in three phases over several decades. Under Phase I, the CSP will deliver Tacoma supply to members by January 1, 2041. Phases II and III will focus on the distribution of supply among members and development of the Lake Tapps Reservoir supply.

2.2 Purpose

This Plan explains how Cascade’s Board will provide oversight for the CSP through the planning and design stages of Phase I. The Board has established three key objectives for providing oversight:

1. Establish a SPOC
2. Adopt criteria to facilitate decision-making
3. Adopt an Authorization Matrix to identify decision-making authority

These objectives were presented by the CSP Team during the March 2026 Board Oversight Workshop. No additional objectives were added by the Board. A Board Oversight Workshop Summary Memo is provided as Appendix A and workshop summary minutes are provided as Attachment 2 of the Memo.

This document will be reviewed and updated periodically as the CSP progresses and as Board oversight and accountability requirements change.

3. Governance Structure

Delivering CSP Phase I on time and on budget requires Cascade staff and the Board to make timely decisions. Cascade will use CSP staff and consultants, staff from member agencies, technical experts from member agencies, and a lead committee to support the Board’s decision-making process.

The CSP will initially share relevant information in a timely manner with the MST before coordinating more broadly with Member Staff. Recommendations for Board action will be advanced through the lead committee and other relevant committees before being presented to the Board for action. The major components of the Cascade governance structure are described in the following subsections and shown in Figure 1.

3.1 Cascade Board of Directors

Cascade is governed by a Board of Directors consisting of representatives appointed by resolutions from each member’s legislative authority¹. The Board meets monthly to review issues and provide direction on Cascade initiatives, including the CSP. The Board is the oversight authority for the CSP.

3.2 Member Staff

Staff from each member agency meet monthly with Cascade staff to support cross-agency coordination and help brief their respective Board members on current Cascade issues. These meetings focus on capital projects, cost and rates, policy, and operations, and provide an opportunity for Cascade matters to be discussed with Member Staff prior to committee consideration (Figure 1).

¹ Article II, CWAC 2.05.040

3.2.1 Member Staff Technical Subgroup

Cascade formed the MST to gather technical input during planning and design. Subject matter experts in engineering and operations, and in some cases other Member Staff, from each member agency, meet monthly with Cascade staff.

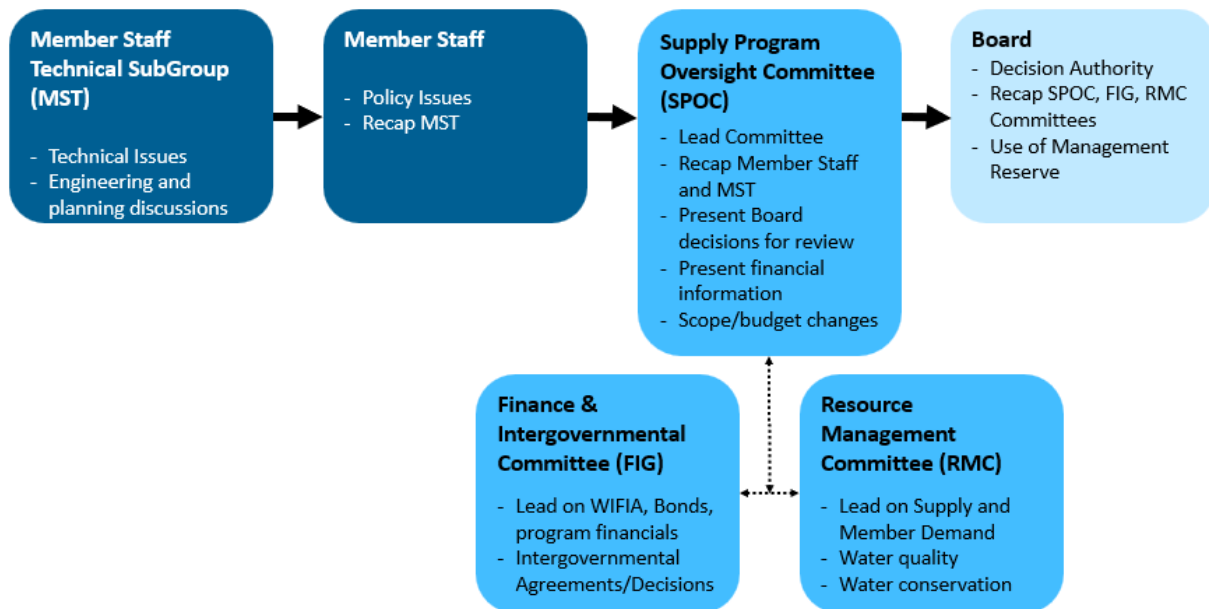
3.3 Supply Program Oversight Committee

The Board established the SPOC² to oversee CSP planning, design, construction, and operations activities. SPOC engagement will focus on a more in-depth review of complex issues, with summaries provided to the Board. Through this engagement, SPOC will enhance Board oversight of the CSP by helping to identify program risks and management strategies. Information provided to SPOC will include updates on current activities, reviews of draft reports and memos, previews of Board presentations and requests, reviews of budget and scope performance, feedback on risks and management strategies, and reviews of policies and procedures. SPOC will assist in vetting recommendations prior to Board engagement, helping the Board govern more effectively and responsibly.

3.4 Other Committees

Some CSP topics may fall within the scope of other committees. Overlaps with Resource Management Committee (RMC) may include supply-demand planning and delivery timing; overlaps with Finance and Intergovernmental Committee (FIG) may include justification for bond acquisition or federal and state funding to supplement program resources. These committees are described in Cascade’s Code³.

Figure 1. CSP Information Flow to the Board



² Res. 2026-06

³ Article V, CWAC 2.05.330

4.0 Decision Criteria

The Board will consider a wide range of decisions over the life of the CSP, each with implications for members and surrounding communities and potential tradeoffs. The decision criteria in Table 1 will be used by Cascade staff to evaluate alternatives and support informed choices by the Board in alignment with program goals. When utilizing these criteria for Board action, Cascade staff will provide information on how the criteria were weighed and utilized. As each alternative is analyzed using the framework, Cascade staff recommendations will summarize how each criterion influenced the preferred alternative. Member Staff may at times apply these criteria as appropriate and based on Board interest. These criteria may evolve over time based on Board direction.

Table 1. Program Decision Criteria

Community Impact	This criterion measures how a decision affects surrounding communities and the environment, considering both disruptions and benefits.
Cost	This criterion measures the total program cost against the authorized budget, including evaluating the value attained per dollar spent and life-cycle costs.
Rate Impact	This criterion measures how program costs will influence customer rates over time. Earlier investments may have greater short-term rate impacts than later ones.
Redundancy	This criterion measures whether the system can maintain service if one component is offline, such as dual pipelines, tanks, or other backup facilities.
Resiliency	This criterion measures how well the system withstands environmental, seismic, or other hazards. A facility may be redundant but not resilient if its components share the same risk corridor.
Risk	This criterion evaluates future events or scenarios that have the potential to significantly impact the scope, schedule, budget, or overall goals of the program.
Schedule	This criterion evaluates how a decision affects the ability to meet required timelines, including delivery speed, cash-flow demands, construction feasibility and likelihood of on-time completion of the overall program.

5.0 Authorization Matrix

Decision-making authority for the CSP is set at the Board and CEO level. The Board has adopted an authorization matrix (Table 2) that organizes decisions by type and identifies who has the authority to make the decision, indicated with an “A” next to each decision. The Authorization Matrix lists activities and decisions that are anticipated over the next three to five years, through the design stage. The current matrix does not apply to any construction activities and will be revised in advance of that stage of Phase I and in advance of future phases.

Table 2. Authorization Matrix through Phase I Design Stage

Program Activity or Deliverable		Board	CEO
Contracting			
	Start/Begin Solicitations	A	
	Award a Contract	A	
	Amend length or value of contract	A	
	Termination and Off-ramps	A	
	Work Assignment authorizations		A
Program Budget			
	Program budget	A	
	Biennium authorizations	A	
	Capital Funding Plan and modifications	A	
	Mid-Biennium modifications	A	
	Use of Management Reserves	A	
	Use of Program & Project Contingency		A
Program Schedule			
	Program end date and modifications	A	
	Modifications that do not impact the end date		A
Property Acquisition and Siting			
	Land Acquisition Plan (LAP) (route, site, strategy, overall acquisition budget)	A	
	Modifications to LAP over threshold ⁴	A	
	Modifications to LAP under threshold		A
	Use of Eminent Domain	A	
	Actual land purchases and negotiations within the approved LAP		A
Permitting			
	Short-term (within program timeline) commitments		A
	Sign and submit permit applications		A
Agreements			
	Intergovernmental Agreements, Memorandum of Understanding (MOU)	A	
	Long-term (extending beyond the program timeline) commitments	A	
Hiring Permanent Staff			
	Establish position count through biennium budget or modification request	A	
	Select and hire staff		A

⁴ A threshold proposal will be included within the future Land Acquisition Plan.

Appendix A. Board Oversight Workshop Summary Memo

MEMORANDUM

DATE: April 20, 2026
TO: Cascade Board of Directors
FROM: Cascade Supply Program Staff
SUBJECT: Board Oversight Workshop Summary Memo

Executive Summary

During a Board Oversight Workshop on March 6, 2026, the Cascade Board of Directors (Board), developed a framework to guide oversight of the Cascade Supply Program (CSP) Phase I planning and design stages. This memo summarizes the workshop discussion. The outcomes of the workshop are documented in the Board Oversight Plan which outlines the oversight approach for Phase I.

Introduction

The CSP will plan, design, and deliver the major infrastructure needed to connect Lake Tapps supply to the Cascade Water Alliance (Cascade) member agency service areas. Cascade will deliver the CSP in three phases over several decades. Phase I focuses on connecting Tacoma supply to members by January 1, 2041. Phases II and III will expand distribution among members and develop the Lake Tapps Reservoir supply.

To support effective Board Oversight of the CSP, the following three key oversight objectives were discussed during the March 6, 2026 Board Oversight Workshop:

1. Confirm the existing committee structure or establish a new one.
2. Identify decision criteria important to successful CSP delivery.
3. Develop an authorization matrix to clarify Board and Chief Executive Officer (CEO) decision-making during Phase I planning.

These objectives apply primarily to Phase I planning and design, although many will continue to later stages. The workshop was held at Bellevue City Hall with Board members and alternates, CSP staff and consultants, Cascade staff, and staff from member agencies (Member Staff) (Table 1).

Table 1. Board Oversight Workshop Attendees

Agency	Name		
	Board Member	Board Alternate	Staff
City of Bellevue	Dave Hamilton	Vishal Bhargava	Lucy Liu, Ella Williams, Scott Edwards, Dave Baisch
City of Issaquah	--	--	Matt Ellis
City of Kirkland	Jon Pascal	Kelli Curtis	Gena Jain, Julie Underwood
City of Redmond	Angela Birney (Chair)	Angie Nuevacamina	Amanda Balzer
City of Tukwila	Tom McLeod	--	Adib Altallal
Sammamish Plateau Water	Lloyd Warren	Ryika Hooshangi	Jay Krauss, Marissa Huntley
Skyway Water & Sewer District	Jon Ault	--	Cynthia Lamothe
Agency	Staff		
Cascade Water Alliance	Melina Thung, Alison Bennett, Chris Paulucci, Andy Baker, Jami Shimada, James Amspacher, John Holmes, Henry Chen		
Cascade Supply Program	Brian Bartle, Cody Nelson, Brittany Anderson, Colleen Petilla		
Stantec Consulting	Gabe Solmer, Gavin Gilchrist		
Van Ness Feldman	Ray Liaw		

The workshop was led by Board Chair, Angela Birney; CSP Program Executive, Brian Bartle; and Cascade’s Interim CEO, Melina Thung. Workshop materials are included as Attachment 1 and notes as Attachment 2. In advance of the workshop, participants were introduced to the workshop objectives at Board meetings in January and February, 2026.

Principles of Board Oversight

Oversight supports accountability, transparency, and integrity as Cascade delivers the CSP. During the workshop, the Board discussed a proactive and transparent oversight approach, emphasizing the need for early visibility into key decision points to avoid surprises. The Board also emphasized the importance of clearly defining thresholds that require Board involvement.

The Board views its role as focusing on major decisions, significant risks, and potential rate impacts. This role is supported through consistent communication on cost, schedule and emerging risks. The Board also acknowledged that effective oversight requires flexibility and agreed that its approach should be adjusted if it is not working as intended, whether evaluated annually or on a biennial (every two years) basis.

There was broad agreement that strong Board-level government relations will be critical to the success of the CSP. Effective oversight includes building relationships, preparing for public and stakeholder questions, and keeping all member agencies and regional partners informed.

Board Committees

At the workshop, Board members discussed how to structure standing committees to allow the Board to engage in effective and appropriate oversight of the CSP. The Board reviewed the

current committee structure and two proposed alternative structures: adding a fourth committee or modifying the existing three-committee structure. The current and proposed committee structures are shown in Table 2. The Board found consensus in support of the “modified three” committee structure. There was strong agreement that this approach is the most streamlined and practical, enabling the Board to receive the right information at the right time.

Table 2. Current and Proposed Committee Structures Presented at Workshop

	Current	Fourth Committee	Modified Three
Structure	Retain FMC, RMC, and PAC as-is, CSP information presented at RMC (and FMC)	Add dedicated CSP committee to focus on the program; other committees continue as-is	Add dedicated CSP, keep RMC as-is, and combine FMC and PAC into Finance and Intergovernmental (FIG)
Timeliness	<p>✗ Either CSP discussion is cut short, or non-CSP discussion is limited</p> <p>✗ Committee timing may prevent CSP issues from being presented in a timely manner</p>	<p>✓ Alleviate time constraints on all Committees</p>	<p>✓ Alleviate time constraints on all Committees</p>
Use of Time	<p>✗ CSP discussion must be shortened, taking multiple meetings to get through one topic</p>	<p>✓ Existing Committees focus on existing business</p> <p>✗ Will create more meetings</p>	<p>✓ All Committees have dedicated and specific focus</p> <p>✗ FIG meetings may be longer</p>
Engagement	<p>✗ Greatly expands RMC’s scope</p>	<p>✗ Difficult to split 7 Board members into 4 committees</p> <p>✓ Creates a program-dedicated and knowledgeable group of Board members</p>	<p>✓ Combines two committees with smaller agendas into one robust group</p> <p>✓ Creates a program-dedicated and knowledgeable group of Board members</p>

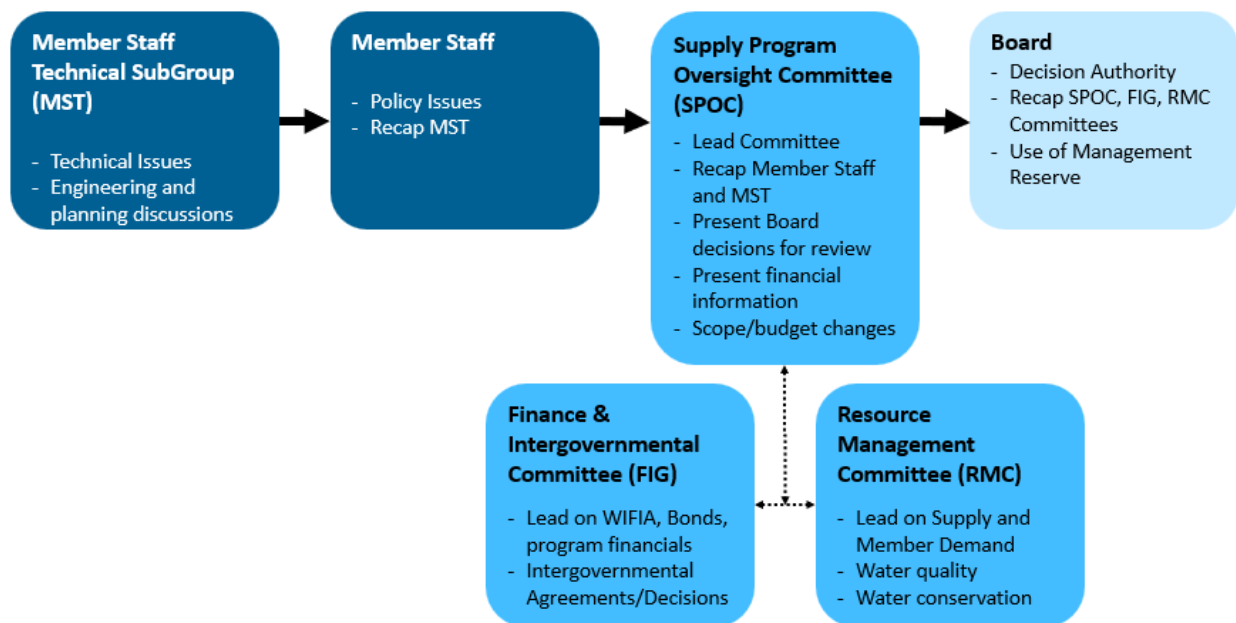
The “modified three” structure would reduce time constraints across committees, give committees clear and dedicated focus, and create a consistent group of Board members assigned to each topic area. The new CSP committee, Supply Program Oversight Committee (SPOC), is responsible for oversight of CSP planning, design, construction, and operations activities. This structure, along with the existing Resource Management Committee (RMC) and the consolidation of the Finance and Management Committee (FMC) with the Public Affairs Committee (PAC) into the Finance and Intergovernmental (FIG) Committee, was codified through Resolution No. 2026-06, adopted on March 25, 2026.

Communications with Members, Committees, and Board

Delivering Phase I by the in-service deadline will require timely and coordinated decision-making by Cascade staff and the Board. The Board emphasized the importance of early identification of issues requiring Board decision or action, as well as allowing sufficient time to engage with Member Staff, SPOC, FIG and RMC. Board members discussed how information flows from the CSP Team to the Member Staff Technical subgroup (MST), then Member Staff, SPOC, other committees as appropriate, and ultimately to the Board (Figure 1).

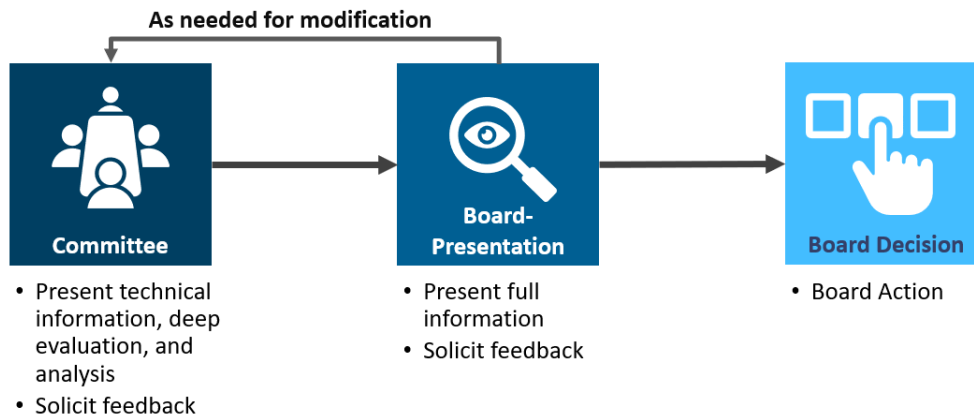
Cascade regularly interacts with Member Staff, focusing on capital projects, cost and rates, policy, and operations. Cascade matters are often presented to Member Staff prior to committee consideration. In addition, Cascade has formed the MST to provide technical input on CSP delivery during planning and design. Member Staff are invited to participate in the MST meetings to support communication between technical staff and Board and Alternate Board members. The SPOC will serve as the lead committee, engaging across all CSP-related topics and providing direction for Board presentations and actions. Final decision authority remains with the Board, including authority over the use of Management Reserve.

Figure 1. CSP Information Flow to the Board



The Board has requested to receive information at two key touchpoints—first for review and feedback, and again for action—to allow time for consideration and review prior to making a decision (Figure 2).

Figure 2. Committee to Board Information Flow



Decision Criteria

The CSP will require many Board decisions over the life of the program. To support clear and timely decision-making, the CSP Team will use Board-defined decision criteria to screen, filter, and prioritize options for decisions requiring Board action. This approach is intended to focus Board review on the most relevant and viable alternatives.

Six criteria were presented to the Board during the Board Oversight Workshop. The Board agreed these criteria provided a solid framework, added Risk as a seventh criterion, and refined the Community Impact criterion. The decision criteria may evolve as the program progresses and are anticipated to be adopted with approval of the Board Oversight Plan.

Community Impact

This criterion measures how a decision affects surrounding communities and the environment, considering both disruptions and potential benefits. In Phase I, community impacts will largely occur outside member service areas, as the transmission line will be constructed in communities outside member boundaries. One example of a decision with a high level of community impact that the Board discussed was whether to construct a pipeline within another city's property in exchange for partnership investments under a future partnership policy (not developed). Board members noted that Community Impact is a broad criterion and may manifest differently depending on the nature of the decision.

Redundancy

Redundancy measures whether the system can maintain service if one component is offline, such as dual pipelines, tanks or other backup facilities. The Board discussed redundancy at both a large scale (e.g., dual pipelines or tanks) and a smaller scale (e.g., backup pumps). As part of this discussion, it was noted that constructed assets will require ongoing maintenance, which may necessitate temporary pipeline or facility shutdowns for cleaning or repair.

Incorporating redundancy into the system could allow required maintenance to occur without interrupting service to members.

Resiliency

Resiliency measures how well the system can withstand environmental, seismic, or other hazards. A facility may be redundant but not resilient if its components share the same risk corridor. For example, two pipelines located within the same corridor may provide redundancy but offer limited resiliency, as a single disruptive event, such as an earthquake, could affect both pipelines simultaneously. Locating pipelines in separate corridors would provide a higher level of overall system resiliency.

Cost

Cost measures the total program cost relative to the authorized budget and the value attained per dollar spent. Cost considerations include direct and indirect costs, opportunity costs, and life-cycle costs. The Board emphasized the importance of clear and regular communication on cost trends, overall value, and potential risks to cash flow. Program decisions will be evaluated against the biennial budget and the Capital Funding Plan.

Rate Impact

This criterion measures how program costs (including life-cycle costs) affect customer rates over time. Early investments may result in greater short-term rate impacts than later investments, and rate impacts may vary across member agencies. Cascade's Rate Equity policy is supported through effective planning and phased implementation, including the use of rate smoothing strategies; debt, contingency, and risk thresholds; and external funding.

Schedule

This criterion evaluates how a decision affects the ability to meet required timelines, including delivery speed, cash-flow demands, construction feasibility, and likelihood of on-time completion of the overall program. The Phase I completion date of December 31, 2040 is a key driver for schedule-related decisions. For example, selecting two pipeline corridors may improve resiliency and redundancy but could delay the schedule due to additional permitting and property acquisition requirements.

Risk

Risk refers to events or scenarios that could significantly affect scope, schedule, budget, or overall program goals. While risk is inherent across all decision criteria, the Board agreed that a stand-alone risk criterion strengthens decision-making.

Decision Criteria Weighting

To express the relative importance of each decision criterion, Board members participated in a dot-voting exercise. Each Member placed ten dots (with no more than three dots assigned to any single criterion) to indicate its relative weight compared to the others. This weighting

provides insight into Board priorities and helps the CSP Team frame and present alternatives aligned with those priorities. Board members acknowledged that the relative weighting of criteria may change over time or vary depending on the specific decision under consideration. Table 3 summarizes the total number of dots assigned to each criterion¹.

Table 3. CSP Board Criteria Weighting

Community Impact	Redundancy	Resiliency	Cost	Rate Impact	Schedule	Risk
17	1	11	15	17	4	5

Rate Impacts and Community Impacts received the highest weighting, followed closely by Cost and Resiliency. Every agency assigned at least one dot to Community Impact. Lower weighting for Risk, Schedule, and Redundancy may change over time.

Authorization Matrix

The Authorization Matrix outlines the key CSP decisions expected during the next three to five years of planning and design. It groups decisions by type and identifies the authority responsible for each decision, as indicated by an “A” in Table 4. The matrix applies only to planning and design activities and will be updated prior to the construction phase or future program phases. The Authorization Matrix is anticipated to be adopted with approval of the Board Oversight Plan.

During the workshop, the Board reviewed the matrix, made minor revisions, and agreed that it supports streamlined decision-making while maintaining transparency. The Board also noted that as program activities intensify, authority levels may be adjusted or delegated to ensure efficient decision-making. Table 4 reflects the updates requested during the workshop; the initial draft matrix presented for discussion is included in Attachment 1.

¹ Issaquah Board member, Mayor Mark Mullett was absent from the workshop, however, he had provided his dot preferences during a workshop pre-briefing.

Table 4. Authorization Matrix through Phase I Design Stage

Program Activity or Deliverable		Board	CEO
Contracting			
	Start/Begin Solicitations	A	
	Award a Contract	A	
	Amend length or value of contract	A	
	Termination and Off-ramps	A	
	Work Assignment authorizations		A
Program Budget			
	Program budget	A	
	Biennium authorizations	A	
	Capital Funding Plan and modifications	A	
	Mid-Biennium modifications	A	
	Use of Management Reserves	A	
	Use of Program & Project Contingency		A
Program Schedule			
	Program end date and modifications	A	
	Modifications that do not impact the end date		A
Property Acquisition and Siting			
	Land Acquisition Plan (LAP) (route, site, strategy, overall acquisition budget)	A	
	Modifications to LAP over threshold ²	A	
	Modifications to LAP under threshold		A
	Use of Eminent Domain	A	
	Actual land purchases and negotiations within the approved LAP		A
Permitting			
	Short-term (within program timeline) commitments		A
	Sign and submit permit applications		A
Agreements			
	Intergovernmental Agreements, Memorandum of Understanding (MOU)	A	
	Long-term (extending beyond the program timeline) commitments	A	
Hiring Permanent Staff			
	Establish position count through biennium budget or modification request	A	
	Select and hire staff		A

² A threshold proposal will be included within the future Land Acquisition Plan.

Matrix Categories

The Board discussed seven authorization categories: contracting, budget, schedule, property acquisition, permitting, agreements, and hiring, with a focus on which authorizations should remain at the Board level. Board members agreed the CSP Team should develop a ‘happy path’ in which progress remains aligned with the approved budget and scope. This represents the ideal scenario for delivery and will be used to communicate anticipated deviations as the program develops to member staff, SPOC and the Board. Any necessary deviation from this path would be elevated to the Board for review and direction. Authorization thresholds for contracting and land acquisition that would constitute deviations are described below.

Contracting

The Master Services Agreement (MSA) for Phase I planning is in place. Future contracting during the design stage would require Board authorization, with the exception of work assignments authorized by the CEO. No separate thresholds are defined for contracting, as all CSP contracts are expected to exceed the current \$50,000 limit³. Work assignment authorizations delegated to the CEO under an executed contract are not subject to a dollar limit, provided they remain within the program budget authorizations previously approved by the Board. For transparency communication of contract contingency spending will be communicated to the Board through monthly/quarterly updates.

Program Budget

Budgeting actions require Board authorization, except for the use of program and project contingency, which is delegated to the CEO. Any deviation from the budget authorization would be elevated to the Board for consideration and approval, consistent with the ‘happy path’ approach.

Program Schedule

Schedule modifications that impact the CSP Phase I completion date require Board approval. Schedule adjustments that do not impact the Phase I completion date are under the authority of the CEO. The development of a ‘happy path’ may highlight other schedule areas that raise to Board communication and action.

Property Acquisition and Siting

Property acquisition emerged as the most complex authorization category, with strong interest in establishing clear guardrails once the recommended route and tank sites are more developed. Staff will prepare a Land Acquisition Plan (LAP) to describe the strategy for acquiring properties, including negotiation approaches, application of a partnership policy, and potential use of eminent domain. Given the sensitive nature of property acquisition, the LAP may involve

³ CWAC 2.05.380

attorney-client privileged information and be addressed through executive sessions at both the committee and Board levels.

Actions delegated to the CEO include implementation of activities defined in an approved LAP and modifications below a future-defined threshold.

Permitting

One modification requested for the matrix was to move long-term commitments from the Permitting category to the Agreements category. All permitting-related actions are delegated to the CEO.

Agreements

This category includes intergovernmental agreements required to facilitate the CSP, including Memoranda of Understanding (MOUs), Intergovernmental Agreements (IGAs), and other long-term commitments. Long-term commitments are those that have financial or operational impacts beyond the current phase of the CSP. While some long-term commitments may arise in connection with permitting requirements, it was agreed they should fall under the Agreements category. The Board retains complete authority for all agreements identified in the Authorization Matrix.

Hiring Permanent Staff

Board members supported approving a position count, along with high-level descriptions of duties and functions of new staff. This approach provides transparency and accountability while avoiding unnecessary delays in recruitment. Once positions are approved, classification, selection, and hiring are delegated to the CEO.

Program Policy Development

As the CSP advances, certain decisions may highlight the need for new or updated program policies. Clear policy direction helps prevent misunderstandings and enables consistent application across the organization and over time. An example discussed at the workshop was the potential need for a property acquisition policy, including clarity regarding the use of eminent domain and the application of a partnership policy, as well as potential code updates. Engagement with Member Staff is a critical first step in identifying policy items and confirming policies are well defined, appropriately scoped, and actionable. The SPOC will also provide feedback on policy procedures, roles and responsibilities, and communication approaches.

Next Steps

Follow-up activities to document the objectives discussed at the workshop include:

1. Board action in March 2026 on the code changes to achieve the modified committee structure
2. Board action in March 2026 on committee chairs and membership

3. Delivery of a Draft Board Oversight Plan to the Board by June 2026

Attachments

Attachment 1. Board Oversight Workshop Materials

Attachment 2. Minutes of the Special Meeting of the Board, Cascade Supply Program Oversight Workshop, March 6, 2026.



MEMORANDUM

DATE: February 27, 2026
TO: Board of Directors, Board Alternates, Member Staff
FROM: Melina Thung, Interim CEO, and Brian Bartle, Program Executive
SUBJECT: Board Oversight Workshop

Staff are looking forward to the Board Workshop on Friday, March 6. As a reminder, this is being held at Bellevue City Hall, starting at 9am. Listed below are a few items staff would like to highlight regarding the attached PowerPoint presentation slides which will be used during the workshop.

The three goals of the workshop are as follow:

- Program Criteria: Gather Board feedback on the program criteria.
- Committee Structure: Review and establish the committee structure for Cascade, provide direction for a future Board decision.
- Authorization Matrix: Review and establish an Authorization Matrix for use on the Cascade Supply Program, through design only, and provide direction for a future Board decision.

The slide deck will be used to facilitate discussion on these topics. Some slides were discussed during the recent Board Workshop Preview at the last Board Meeting. Staff will be looking for Board discussion and direction on the following slides:

- Slide 10, Principles of Board Oversight. In a previous meeting, a question was posed of “What does Board oversight mean?” This time on the agenda is allotted for the Board to discuss the principles of Board oversight and what good oversight for this program looks like.
- Slide 14, Board Committee Structure. This slide identifies the alternative committee structures previously discussed. If you have another idea to discuss at the workshop, please let staff know, and the slide can be modified. Staff are hoping to leave the workshop with Board direction on the preferred structure.
- Slide 20, Decision Criteria. Staff reviewed this at the Board meeting and will be looking for further direction on any other criteria the Board would like to include. Additionally, this will include the “dot exercise”, where the Board will have the opportunity to place dots on the criteria they feel are most critical to project success.
- Slide 25, Authorization Matrix. Discussion of the matrix and decision authorization will take the majority of the meeting. We have included a slide that has the staff’s recommendation on where decisions could be delegated. During the meeting, staff will look for Board discussion and direction on the matrix.

Once again, thank you for making time for this important workshop. Following the workshop and Board direction, staff will prepare appropriate Board actions for the following Board meeting.

Cascade Supply Program (CSP)

Board Oversight Workshop

March 6, 2026



Agenda

9:00 Call to Order, Roll Call, Approval of Agenda, Opening Remarks

9:10 Cascade Supply Program (CSP) Overview

9:50 Principles of Board Oversight

10:10 Board Committee Structure

10:40 Break

10:50 CSP Decision Criteria

11:30 Lunch

12:00 CSP Authorization Matrix

1:45 Next Steps

Section Purpose

- Informational Background
- Program Map
- Program Schedule
- Q&A

CSP Overview

Program Background

- Board Regional Vision
- Two agreements with Tacoma
- Program Staff hired
- Program and Engineering Support Consultant hired

Phase II - 2030-2053 Distribution

Member Distribution

- Potential additional storage tank
- Potential Bellevue-Issaquah Pipeline distribution improvements
- Potential Pump Station
- Potential Eastside distribution lines serving Bellevue/Kirkland/Redmond (BKR)

Phase I - 2026-2040 Transmission

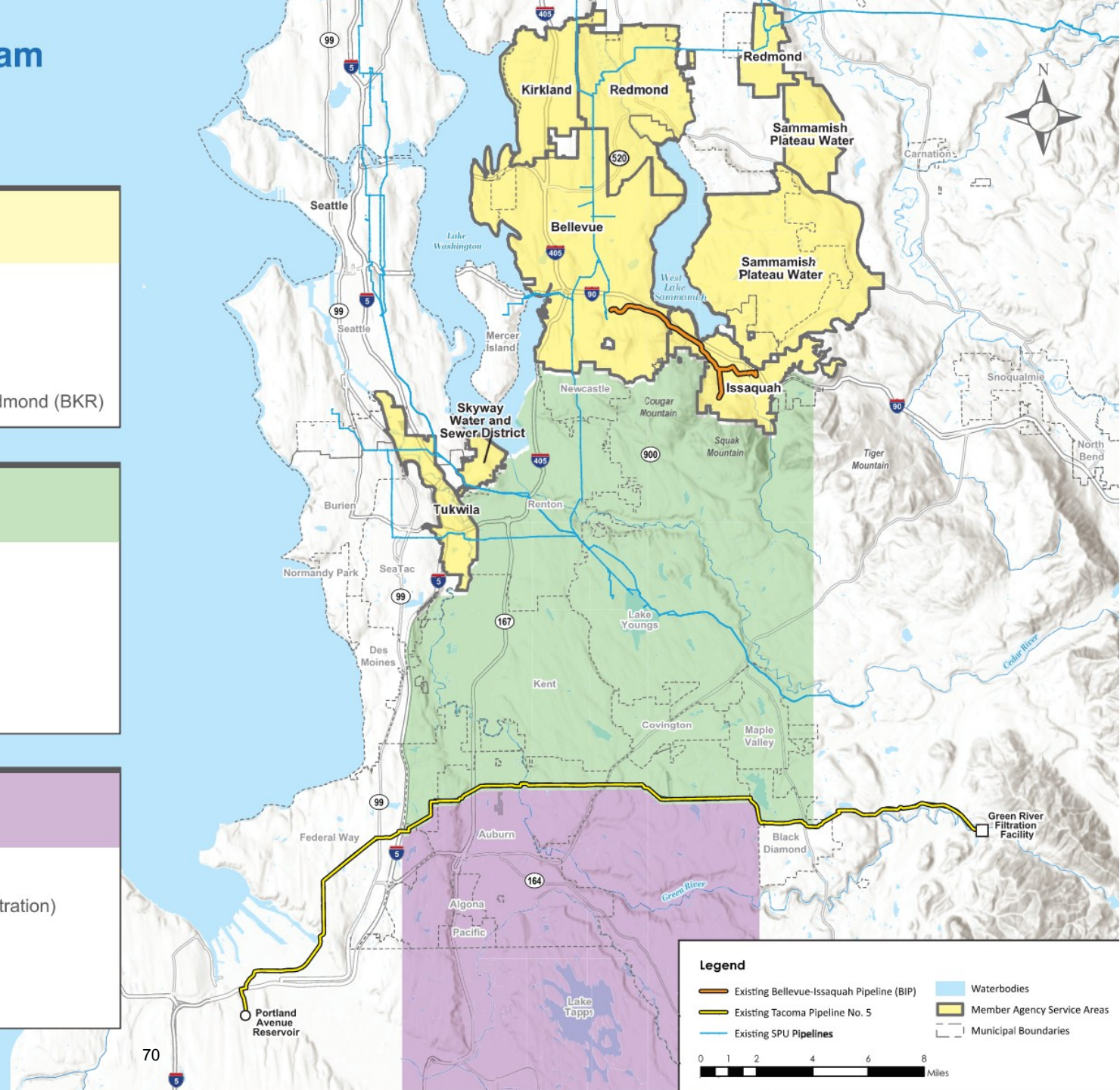
Connect Tacoma and Cascade

- Tacoma-Cascade Transmission Line
- Cascade Storage Tank
- Cascade Re-chlorination Station
- Building facilities for SCADA and Operations
- Building facilities for Storage and Maintenance

Phase III - 2043-2060 Water Supply Development

Treatment, Pumping and Transmission Pipeline

- Lake Tapps Reservoir Water Treatment Plant (water intake and filtration)
Lake Tapps Transmission Line
- Potential appurtenant facilities
- Phase capacity buildout

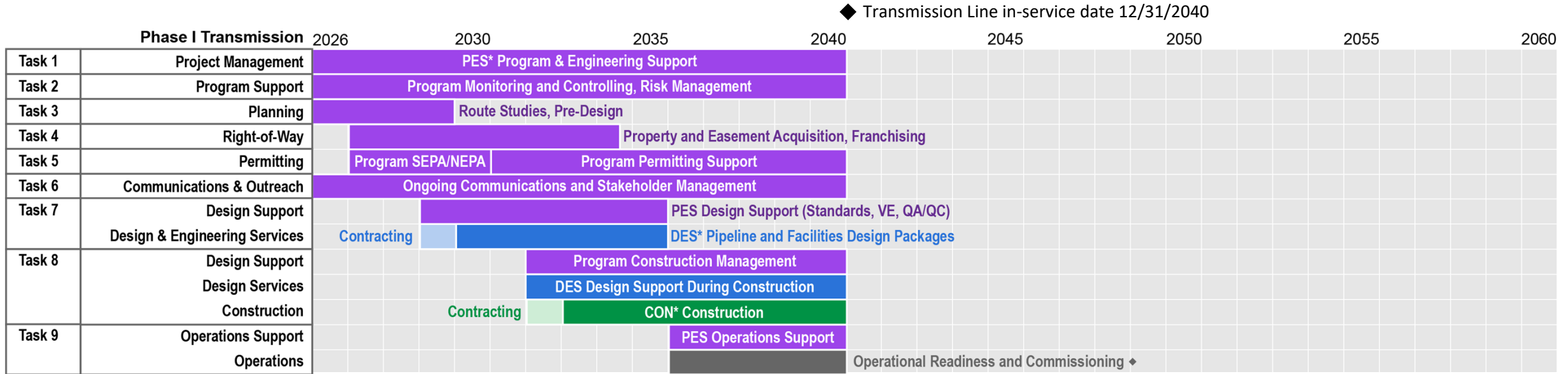


Legend

- Existing Bellevue-Issaquah Pipeline (BIP)
- Existing Tacoma Pipeline No. 5
- Existing SPU Pipelines
- Waterbodies
- Member Agency Service Areas
- Municipal Boundaries

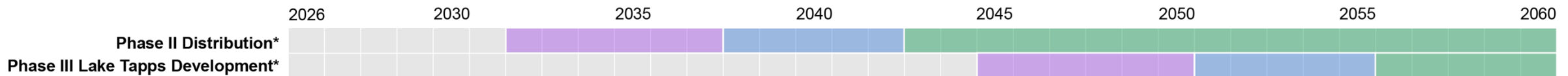
0 1 2 4 6 8 Miles

Phase 1 Schedule – Big Picture



* PES - Program & Engineering Support Consultant, DES - Design & Engineering Services, CON - Construction Contract

◆ Transmission Line in-service date 12/31/2040



* Schedule may need adjustment

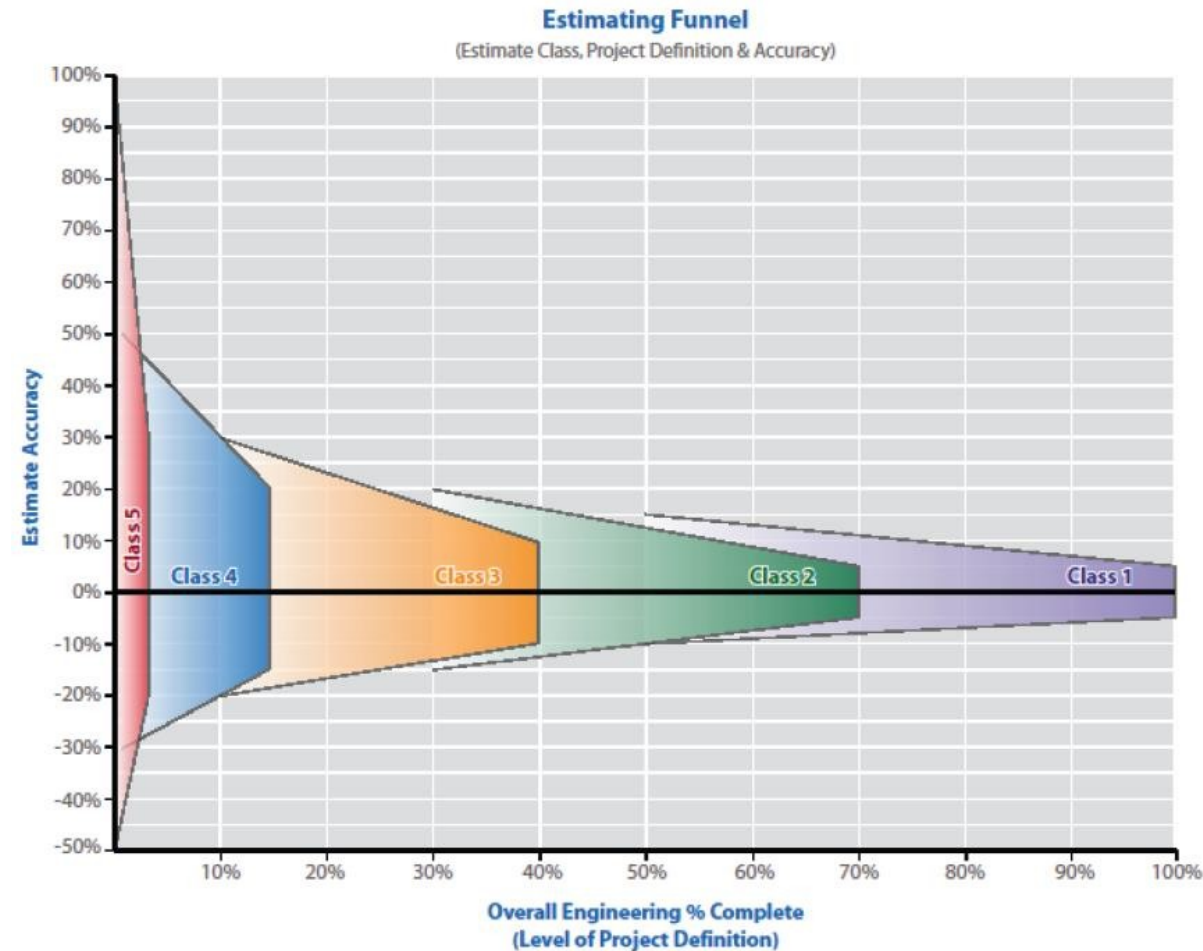
Anticipated Board Decisions

Phase I Transmission		2026				2027				2028			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Task 1	Consultant Project Management (PES)	◆ Continued PES Authorization								◆ Capital Funding Plan/Biennium Budget			
Task 2	Program Support (PES)	◆ Committee Structure and Assignments				◆ Program Cost & Schedule Baseline							
Task 3	Planning					◆ Transmission Route Selection							
						◆ Tank Site Selection							
						◆ Resiliency Criteria							
Task 4	Right-of-Way					◆ Tank Site Property and Easement Acquisition							
Task 5	Permitting									◆ Permit Commitments			
Task 6	Communications & Outreach												
Task 7	Consultant Design Services (DES)											◆ DES Contract Procurement	

* Schedule will also include quarterly reporting on budget and schedule

Phase I Cost Projection

- The Capital Funding Plan will be discussed at the upcoming FMC meeting and included with the biennium budget process
- High uncertainty in the numbers
- Past assumptions have changed over time
 - Building a new tank instead of Eastside Reservoir purchase
 - No chlorination facility, maintenance yard, controls facility were included
- Future estimates will discuss the “estimate class”



Source: AACE International Recommended Practice No. 18R-97, graphic courtesy of <https://www.linkedin.com/pulse/maturity-level-engineering-deliverable-estimate-class-haider-ali/>

Section Purpose

- Board Discussion on what oversight means to you
- How staff meets your objectives

Principles of Board Oversight

Principles of Board Oversight



Section Purpose

- Presentation and continued discussion on Committee structure options
- Board direction

Board Committee Structure

Current Committees

Resource Management Committee

- planning and development of water supply resources
- operations and maintenance
- water quality
- water conservation

Public Affairs Committee

- general outreach
- public information and communication programs
- community outreach and relationships
- public relations
- intergovernmental affairs
- state and federal affairs
- membership

Finance and Management Committee

- ongoing oversight of the administrative, business systems, and other management and financial affairs
- ensure outside annual audit is conducted

Program Needs

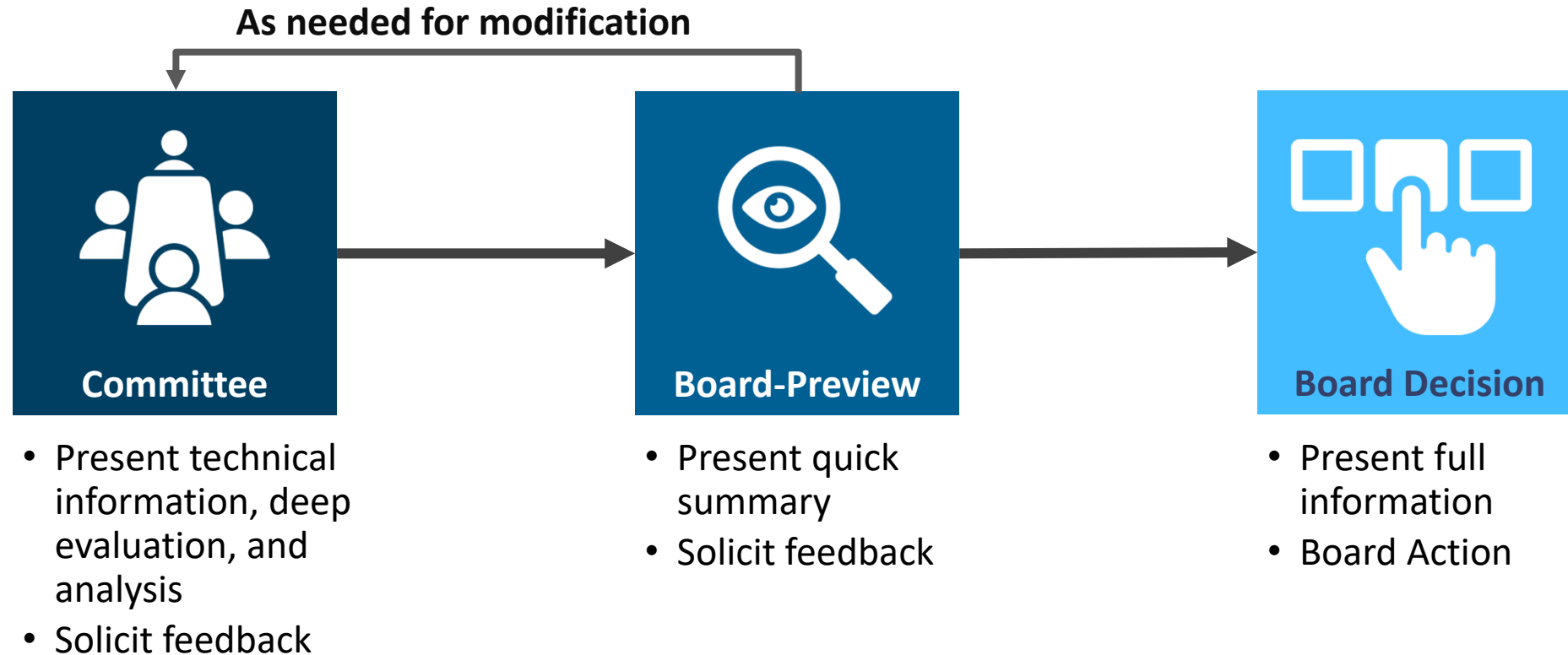
- Multi-step process
- Hundreds of decisions to be made
- CSP could take the majority, if not all, of the time at RMC
- Potential need for a different committee structure



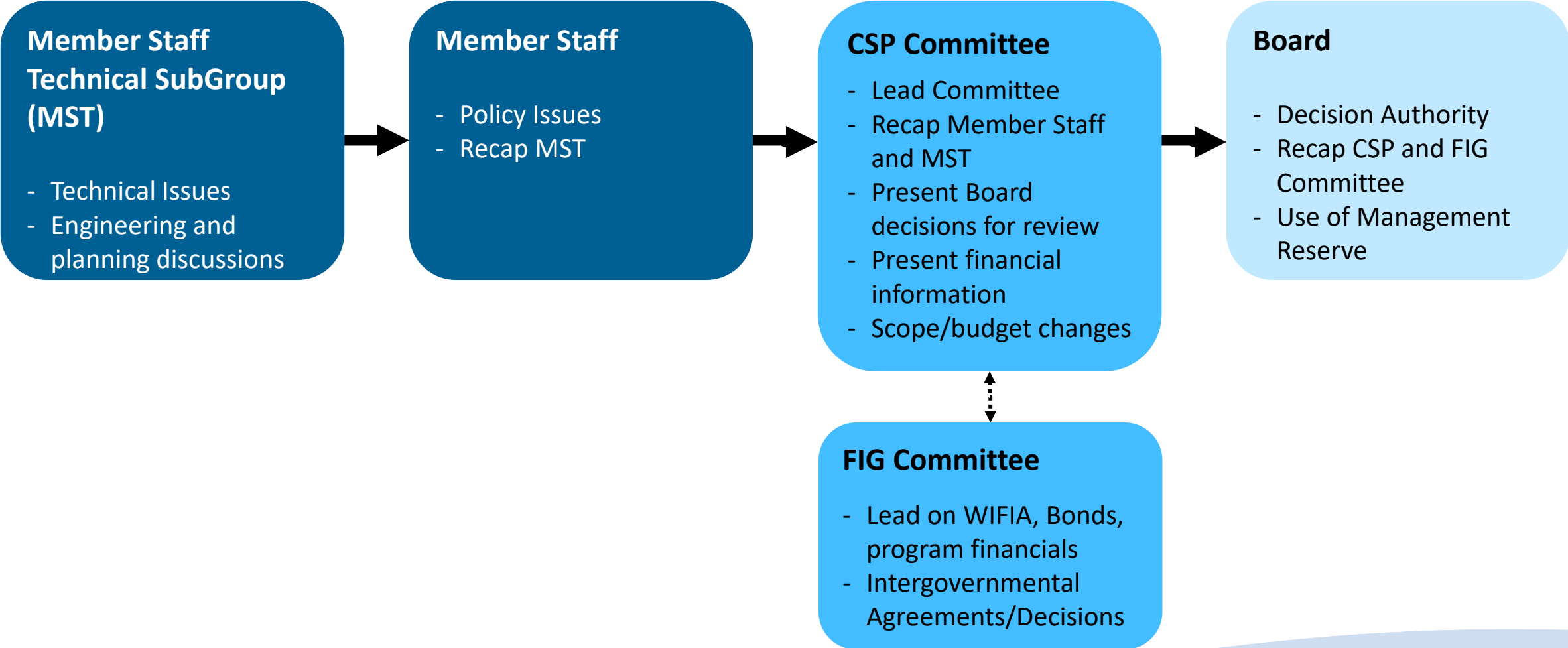
Board Committee Structure Options

	Current	4 th Committee	Modified Three
Structure	Retain FMC, RMC, and PAC as-is, CSP information presented at RMC (and FMC)	Add dedicated CSP committee to focus on the program; other committees continue as-is	Add dedicated CSP, keep RMC as-is, and combine FMC and PAC into Finance and Intergovernmental (FIG)
Timeliness	<ul style="list-style-type: none"> ✗ Either CSP discussion is cut short, or non-CSP discussion is limited ✗ Committee timing may prevent CSP issues from being presented in a timely manner 	<ul style="list-style-type: none"> ✓ Alleviate time constraints in all Committees 	<ul style="list-style-type: none"> ✓ Alleviate time constraints in all Committees
Use of Time	<ul style="list-style-type: none"> ✗ CSP discussion must be shortened, taking multiple meetings to get through one topic. 	<ul style="list-style-type: none"> ✓ Existing Committees focus on existing business ✗ Will create more meetings 	<ul style="list-style-type: none"> ✓ All Committees have dedicated and specific focus ✗ FIG meetings may be longer
Engagement	<ul style="list-style-type: none"> ✗ Greatly expands RMC’s scope 	<ul style="list-style-type: none"> ✗ Difficult to split 7 Board members into 4 committees ✓ Creates a program-dedicated and knowledgeable group of Board members 	<ul style="list-style-type: none"> ✓ Combines two committees with smaller agendas into one robust group ✓ Creates a program-dedicated and knowledgeable group of Board members

Committee to Board Information Flow



CSP Information Flow to Board



Break

CSP Decision Criteria

Section Purpose

- Presentation and discussion on program criteria
- Board feedback on criteria
- Board “dot exercise”

Decision Criteria

- CSP will be large dollars and big impacts to members.
- Staff will bring options and recommendations; ultimate decision will be with the Board.
- To help facilitate decisions and rank options, we are developing criteria. We will evaluate options against the criteria and bring the top 2-3 options to the Board.
- No option will be the clear winner across the criteria, i.e., the cheapest, most resilient, most redundant, fastest, etc.

Decision Criteria

Community Impact

- Measures how a decision affects surrounding communities and the environment, considering both disruptions and potential benefits such as a park or improved road surface.

Redundancy

- Measures whether the system can maintain service if one component is offline, such as dual pipelines, tanks, or other backup facilities.

Resiliency

- Measures how well the system withstands environmental, seismic, or other hazards. A facility may be redundant but not resilient if its components share the same risk corridor.

Cost

- Measures the total program cost against the authorized budget, including evaluating the value attained per dollar spent.

Rate Impact

- Measures how project costs influence customer rates over time; earlier investments may have greater short-term rate impacts than later ones.

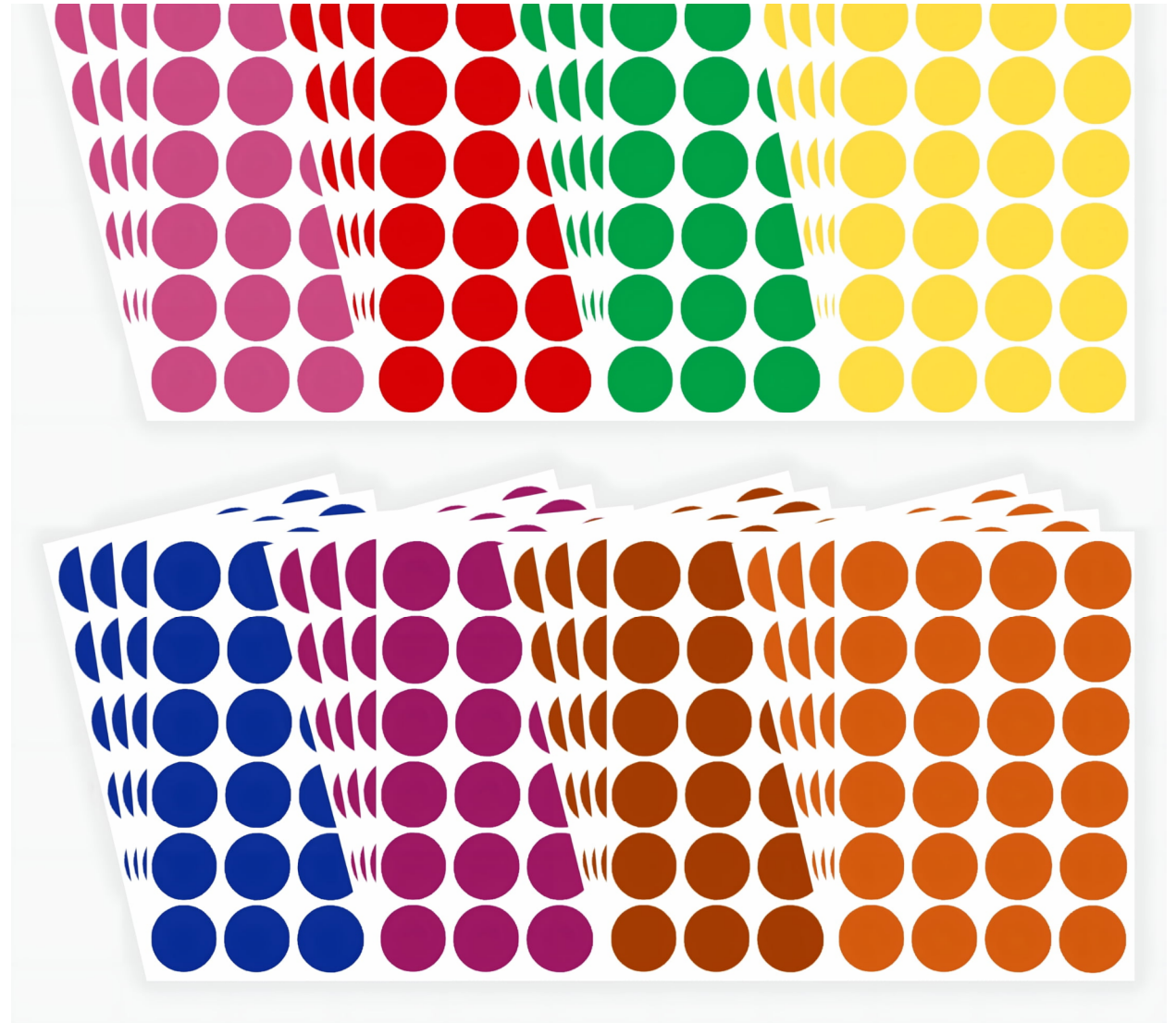
Schedule

- Evaluates how a decision affects ability to meet required timelines, including delivery speed, cash-flow demands, and likelihood of on time completion of the overall program.

Decision Criteria

Dot Exercise

- Each Member Agency will have 10 dots to place on criteria that are most important to them (no more than 3 dots per criterion)



Lunch

Section Purpose

- Presentation and discussion on the need for different levels of authorization
- Board direction on authorization activities
- Board direction on decision owner

CSP Authorization Matrix

Authorization Matrix

- The need: Make many decisions quickly
- For today, we are focusing on authorizations through design and planning, roughly the next 5 years (not including construction)
- Safeguards of delegated authority
 - Regular Board updates
 - CSP Committee
 - Member Staff meetings, Member Staff Technical SubGroup (MST)
 - Cascade Staff coordination
- We can change this anytime!

Authorization Matrix

Program Deliverable or Activity	Board	CEO
Contracting		
Start/Begin Solicitations		
Award a Contract		
Amend length or value of contract		
Termination and Off-ramps		
Work Assignment authorizations		
Program Budget		
Program budget		
Biennium authorizations		
Capital Funding Plan and modifications		
Mid-biennium modifications		
Use of Management Reserves		
Use of Program and Project Level Contingency		
Program Schedule		
Program end date and modifications		
Modifications that do not impact the end date		

Committees and Member Staff will be involved per our standard practices

Program Deliverable or Activity	Board	CEO
Property Acquisition and Siting		
Land Acquisition Plan (route, site, strategy, overall acquisition budget)		
Modifications to LAP over 10% of budget		
Modifications to LAP under 10% of budget		
Use of Eminent Domain		
Actual land purchases and negotiations within the approved LAP		
Permitting		
Long term (extending beyond the program timeline) commitments		
Short term (within program timeline) commitments		
Sign and submit permit applications		
Agreements		
Intergovernmental Agreements, Memorandum of Understanding, or any other intergovernmental agreement		
Hiring Permanent Staff		
Establish position count through biennium budget or modification request		
Select and hire staff		

Authorization Matrix

* Designates difference from current operating procedures

Program Deliverable or Activity	Board	CEO
Contracting		
Start/Begin Solicitations	A	
Award a Contract	A	
Amend length or value of contract	A	
Termination and Off-ramps	A	
Work Assignment authorizations		A
Program Budget		
Program budget	A	
Biennium authorizations	A	
Capital Funding Plan and modifications	A	
Mid-biennium modifications	A	
Use of Management Reserves	A	
Use of Program and Project Level Contingency		A
Program Schedule		
Program end date and modifications	A	
Modifications that do not impact the end date		A

Committees and Member Staff will be involved per our standard practices

Program Deliverable or Activity	Board	CEO
Property Acquisition and Siting*		
Land Acquisition Plan (route, site, strategy, overall acquisition budget)	A	
Modifications to LAP over 10% of budget	A	
Modifications to LAP under 10% of budget		A
Use of Eminent Domain	A	
Actual land purchases and negotiations within the approved LAP		A
Permitting		
Long term (extending beyond the program timeline) commitments	A	
Short term (within program timeline) commitments		A
Sign and submit permit applications		A
Agreements		
Intergovernmental Agreements, Memorandum of Understanding, or any other intergovernmental agreement	A	
Hiring Permanent Staff		
Establish position count through biennium budget or modification request	A	
Select and hire staff		A

Next Steps

Next Steps

- Board action on committee structure (March)
- Board action on committee chairs and membership (March)
- Draft CSP Board Oversight document (by June)

Questions?





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 (Curtis¹), 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.

¹ 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



FINANCE & INTERGOVERNMENTAL COMMITTEE

Thomas McLeod, Chair, City of Tukwila
Dave Hamilton, City of Bellevue
Ryika Hooshangi, Sammamish Plateau Water
Russell Joe, City of Issaquah

Meeting Agenda Tuesday, June 16, 2026 1:30 PM – 3:00 PM

Held at Cascade's office and via Zoom

Attendance: *Thomas McLeod, Dave Hamilton, Russell Joe*

1. **Call to Order.**
2. **Introduction of New Chief Executive Officer (CEO).** This is an opportunity for the committee to meet the new CEO, John Taylor.

Recap: John Taylor introduced himself to the committee.

3. **Public Comment.** Members of the public may address the committee for a maximum of two minutes per person.
4. **Executive Session.**
5. **Items Recommended for Action at the June 24, 2026 Board Meeting.**
6. **Discussion Items.**

A. Auditor Presentation. Clark Nuber will present Cascade's 2025 audited financial statements. The State Auditor's Office has been invited and will be in attendance.

Recap: Clark Nuber auditors presented Cascade's 2025 audited financial statements to the committee. The auditors issued an unmodified audit opinion. The State Auditor was also able to attend the presentation.

B. Bond Issuance Preparation Presentation. Northwest Municipal Advisors will provide a briefing on the bond issuance process, key provisions and covenants, the overall bond market, and considerations for Cascade's upcoming bond issuance.

Recap: Northwest Municipal Advisors presented the background of the municipal

revenue bond process to the committee and discussed the key components of the bonding process, including the bond resolution, the official statement, and the bond ratings process.

C. Proposed Budget, Rates, and Regional Capital Facilities Charges (RCFCs).

Cascade staff will present the Proposed Budget, Rates, and RCFCs, including member-specific charges. This is the fourth of six anticipated budget presentations to the committee, working towards an anticipated adoption in September.

***Recap:** The 2027-2028 Proposed Budget, Rates, and RCFCs are substantially similar to the Preliminary amounts presented to the committee in May. There are a few items that may still change before the Draft Final Budget in July, but staff does not anticipate these would impact the Proposed Rates or RCFCs.*

7. Other Issues.

8. Next Meeting Date and Location.

The next meeting will be held Tuesday, July 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
Dennis Martinez, City of Tukwila
Angie Nuevacamina, City of Redmond

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

Held at Cascade's office and via Zoom

Attendance: Lloyd Warren, Jon Ault, Angie Nuevacamina, Dave Hamilton

- 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. Introduction of New Chief Executive Officer (CEO). This is an opportunity for the committee to meet the new CEO, John Taylor.

Recap: John Taylor introduced himself to the committee.

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

Recap: SPU provided an update on current water supply conditions. Snowpack has all melted already. SPU filled both reservoirs early this year due to low snowpack and are holding them as high as possible for as long as possible. The drawdown season started on June 1, so they are monitoring reservoir levels closely. They are concerned about the forecast for warmer than normal temperatures this summer and the potential for a Super El Niño, which could potentially delay the fall rains. SPU said, however, that it is too early to tell if they will need to activate their Water Shortage Contingency Plan this year.

C. Water Quality Monitoring and Sampling Proposal. Following up on a presentation to the RMC in April, staff will present an updated five-year water quality and monitoring plan for the Lake Tapps Reservoir and an update on designating the reservoir as a phosphorus-sensitive water body. Staff will seek the committee's feedback on whether to include the elements of this plan in the upcoming budget proposal.

Recap: Staff presented an updated five-year water quality and monitoring plan for the Lake Tapps Reservoir and an update on designating the reservoir as a phosphorus-sensitive water body. The committee supported the staff plan, and the budget will be included in the 2027-2028 proposed budget.

- D. Briefing on the Capital Improvement Program Budget (excludes the Cascade Supply Program).** Staff will present the 2027-2032 Preliminary CIP Budget, highlighting upcoming major projects at the White River – Lake Tapps Reservoir.

Recap: Staff presented the 2027-2032 Preliminary CIP Budget and highlighted some upcoming major projects, including relocation of the Bellevue-Issaquah Pipeline (BIP) due to state culvert work, and work on the Lake Tapps Reservoir's Tunnel Intake facility and Powerhouse valve.

- E. White River-Lake Tapps Reservoir (WRLTR) Operations and Management (O&M) Contracted Services Request for Proposals (RFP) Update.** Cascade received three proposals for the new 2027 *White River - Lake Tapps Reservoir Project Operations & Maintenance Services Agreement* and will provide an update on the process.

Recap: Staff informed the committee that Veolia, Cascade's current contract operator, was the highest scoring proposer. Staff will begin contract negotiations with Veolia within the next few weeks. The committee asked staff to provide annual reports of Veolia's performance, starting in early 2027.

- F. Recap of Lake Tapps Reservoir Community Meeting.** Staff will provide a report on the June 3 community meeting.

Recap: Staff updated the committee about the issues raised during the meeting, which was attended by approximately 60 members of the community as well as Cascade's partner agency representatives. As always, milfoil and trespassing questions were asked, but by far the biggest topic of the meeting was the impact of wakeboats on the community. The Pierce County Sheriff's Office as well as the City of Bonney Lake Police were present and answered many questions about wakeboats, regulations, and enforcement.

5. Items Recommended for Action at the June 24, 2026 Board Meeting.

6. Other Issues.

7. Next Meeting Date and Location.

The next meeting will be Thursday, July 9, 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

Meeting Recap
Wednesday, June 10, 2026
2:00 PM – 3:30 PM

Held at Cascade's Office and via Zoom

Attendance: Dave Hamilton, Jon Ault, Vishal Bhargava, Ryika Hooshangi, Mark Mullet, Jon Pascal

- 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. Member Staff and Member Staff Technical (MST) Recap.** Summary of the previous Member staff and MST subgroup meetings.

Recap: Staff provided an update on the alternatives analysis “heat map” process that is underway by the Program and Engineering Support team and subject matter experts. Criteria developed by subject matter experts from eight disciplines are being developed into GIS layers, which will be overlaid to identify potential least-impact corridors and tank sites. When complete, this exercise will identify preferred corridors and tank sites. Board members were curious about potential data gaps in relying only on GIS to narrow down the corridors. Staff explained that the recent Board decision to delay community engagement until after receiving Board direction means the team will focus on corridor identification based on office research only. Public outreach efforts and preliminary site work to identify specific routes would follow based on that direction. Results of the Member staff lessons learned survey were also discussed.

- 5. Monthly Key Performance Indicators Review.**

A. Three-month SPOC lookahead.

Recap: Staff presented the three-month lookahead for the SPOC meetings. No questions or comments were received following the presentation.

B. Program & Engineering Services (PES) Cost Performance.

Recap: Staff provided an update on the PES contract financial performance.

6. Discussion Items and Presentations.

A. Introduction of New Chief Executive Officer (CEO). This is an opportunity for the committee to meet the new CEO, John Taylor.

Recap: John Taylor introduced himself and indicated he plans to engage with several of the committee and Board members over the coming months.

B. Cost Projection Discussion. At the recent Board meeting, there were questions around the program cost projection used in the Capital Funding Plan. Staff will share information on the development of the projection, including changes from previous projections.

Recap: Staff reviewed the timeline of the cost projection development and previous engagement with committees and the Board. The Cascade Supply Program Pre-Planning cost projection is based on several assumptions made by the team around the components of the transmission system, including core components and discretionary components. Staff reiterated the assumptions are not decisions; those decisions will be brought to the Board as more information is developed. Staff provided details on the differences in assumptions between the current cost projection and previous information from 2012 and 2023.

C. Program “Why” Statement Discussion. Staff are developing a purpose statement for the program. Staff are seeking information from the committee members on their thoughts around the importance and purpose of the program which can be incorporated into the statement.

Recap: Staff shared a draft purpose statement for the CSP (encompassing all phases). Committee feedback included agreement around the importance of defining the program’s purpose early on to create consistency in messaging and delivery, reducing lengthy and technical statements, placing emphasis on the goals of the CSP related to an interconnected supply system, and acknowledging the long-term benefits of the program.

D. Risk Register Discussion. At past meetings there have been multiple discussions around the risk register and framework. Staff will present example risks, how they would rate/score, and how they would be shared with the committee in the future.

Recap: Staff provided more information on the presentation of and information contained in proposed report-outs of the Risk Register; this included a final risk matrix describing the likelihood and impact scoring of potential risks. Example risks were shown with descriptions of whether they would be brought to the SPOC and Board depending on their overall risk score. Risks that are “high” in likelihood or impact would be discussed with the SPOC. Staff noted the example risks shown were categorized as unmitigated, and committee feedback was to bring the corresponding potential mitigation actions to the SPOC for discussion.

7. Items Recommended for Action at the June 24, 2026 Board Meeting.

A. Board Oversight Plan. Motion to approve the Board Oversight Plan document outlining the oversight objectives for the Cascade Supply Program.

Recap: A draft copy of the Board Oversight Plan was attached to the meeting packet. The committee provided feedback and, for the next draft, requested more details on next steps for how governance will be achieved. The current draft of the Board Oversight Plan will be provided to the Board for additional feedback this month.

8. Risk Register Review.

Recap: Staff noted the intent to move the risk section from Item 8 to be part of the KPI reporting in Item 5.

9. Other Items.

10. Next Meeting Date and Location

The next meeting will be Wednesday, July 8, 2026, 2:00 p.m. – 3:30 p.m. at Cascade’s office and via Zoom.