REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA
CASCADE WATER ALLIANCE
Held at Cascade's Office and Via Zoom
October 28, 2026
3:30 PM

		Page
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	3
7.	CONSENT ITEMS	
	a. Board Meeting Minutes for September 23, 2026.	21
	b. Motion to authorize the Chief Executive Officer to renew contracts for engineering, vendor, and consulting services as shown in the table below totaling $3,259,307, and in accordance with the adopted 2027 - 2028 Cascade budget.	26
8.	OTHER ACTION ITEMS	
	a. Motion to approve the Board Oversight Strategy document outlining the oversight objectives for the Cascade Supply Program.	33
	b. Motion to approve a letter to King County regarding reclaimed water policy options.	97
9.	STAFF PRESENTATIONS	
	a. Cascade Supply Program Quarterly Update	111
	b. Cascade Supply Program Land Acquisition Strategy	123
	c. Bond Update – *No materials in packet.*	

10. COMMITTEE REPORTS

    a. Executive Committee – *no meeting held.*

    b. Finance and Intergovernmental Committee – *October 20, 2026.* 164

    c. Resource Management Committee – *October 8, 2026.* 166

    d. Supply Program Oversight Committee – *October 14, 2026.* 168

11. NEW BUSINESS

12. NEXT SPECIAL MEETING – *November 16, 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.

CASCADE WATER ALLIANCE

MEMORANDUM

DATE: October 28, 2026

TO: Angela Birney, Chair
Board of Directors

FROM: John Taylor, Chief Executive Officer

SUBJECT: Chief Executive Officer's Report

Administration, Finance, and Economics

- Regional Capital Facilities Charges (RCFCs) through the first three quarters of the year are still off track to meet the 2026 budget expectations. There have been 631 net Cascade Equivalent Residential Units reported with one member report not yet received. RCFCs are variable year-to-year and accounted for in the budget. This deviation should not have an overall adverse impact on the budget or the rates.
- Cascade met with its information technology (IT) consultant, TeamLogicIT, in October to discuss planned 2027 IT infrastructure improvements and work scheduled for the fourth quarter of 2026.
- Clark Nuber, Cascade's outside auditing firm, will conduct a review of the third quarter of Cascade's 2026 financial transactions in November. The results of the review will be reported to the Finance and Intergovernmental Committee.
- On October 20, 2026, the Office of the Washington State Auditor (SAO) presented the results of their 2025 accountability audit. No findings were reported. The SAO provided management with an exit recommendation to ensure that when entering an executive session, the time when the executive session will end must be announced. It was noted during a review of the meeting minutes that there was an incidence where the length of the executive session was announced but not the time when it would end. Cascade has taken steps to ensure this recommendation will be followed going forward.
- Cascade's wellness program participated in the Association of Washington Cities' (AWC) Fall into Fitness challenge this October, encouraging employees to increase their steps and providing them with wellness information. The campaign is part of the Wellness Committee's ongoing pursuit to meet the AWC's Employee Benefits Trust WellCity Award standard requirements necessary to win the WellCity Award next year.
- Redmond Mayor Birney, Cascade's financial advisors, Cascade's bond counsel, and Cascade staff met with S&P and Moody's on September 29. Both agencies maintained their ratings for Cascade's bonds. S&P maintained its AAA rating for Cascade, with a stable outlook. Moody's assigned Cascade an Aa1.

- Consistent with the delegation of authority the Board made in July 2026, on October 21, 2026, the CEO declared the intent to reimburse from proceeds of the upcoming bond for capital expenditures made by Cascade. The reimbursement declaration is attached to this report.

Cascade Supply Program

- The monthly CSP Status Update is attached.
- Staff are continuing to advance the hydraulic modeling, GIS mapping, heat maps, tank siting, and pipeline corridors.
- The revised Board Oversight Strategy is attached in this board packet and ready for Board review and approval.
- The revised Land Acquisition Strategy is attached in this board packet for discussion at the October Board Meeting.
- The Permitting Strategy and Communication and Outreach Strategy are drafted and are undergoing reviews.
- The team has identified preliminary transmission line corridors that are being reviewed and vetted. These will be used in the January Board Meeting to discuss corridor selection with the Board.
- Cascade developed a Communications Toolkit for the CSP. The toolkit includes messages and resources intended to support member communications on topics related to the program. The toolkit can be accessed here: CSP_Communications_Toolkit.October2026.pdf.

Capital Projects and Operations

- As of October 16, the Lake Tapps Reservoir elevation was 539.95 feet. Cascade will begin the active fall drawdown on November 1 and will bring the reservoir level down to approximately 538-539 feet for the fall and winter. The drawdown allows Cascade to perform necessary maintenance on the dikes and ensures safety from wind, storm, and wave action during the winter months.
- Cascade's contract operator, Veolia North America, has hired a new project leader, Kevin Layton, to lead Veolia's on-site operations and maintenance team for Cascade's White River – Lake Tapps Reservoir Project. Kevin started on October 12 and will work closely with John Holmes, Cascade's Operations Director.
- Contract negotiations continue to proceed well with Veolia. Cascade plans to seek Board approval for the CEO to finalize and execute the new five-year contract in November.
- Cascade has received an approved Franchise Utility Amendment from the Washington State Department of Transportation (WSDOT) because the relocation project for the Bellevue-Issaquah Pipeline (BIP) at Lewis Creek conflicts with the WSDOT fish passage project. This is the final piece of approval that is needed for Cascade to advance the relocation project to construction contract procurement. Cascade intends to advertise the project in November and open bids in December.

- Cascade has started the scoping phase for an inundation study to identify flooding areas from a dike breach. The previous study from the late 1990s and the resulting inundation maps are outdated due to large development activities surrounding the Lake Tapps Reservoir. GeoEngineers will be the lead consultant to update these maps.
- The Tunnel Intake Gate Replacement project continues to progress towards 60% design. Cascade has received confirmation of permit exemptions with Pierce County for critical areas and shorelines and is now working towards the same with the Washington Department of Fish and Wildlife (WDFW).
- The Wolslegal Basin Outlet Improvements project (6' valve replacement) continues to be monitored for changes in leakage with the anticipation of replacing the functionality of the gate during the next outage.
- Cascade started the process of procuring a Value Planning/Value Engineering consultant to perform Value Planning/Value Engineering study for the lower conveyance system downstream of the Tunnel Intake project. The outcome of the study will help inform Cascade's upcoming capital project decisions on the lower conveyance system.

Water Efficiency

- Combined reservoir storage in the Seattle system is slightly above where it was at this time last year. Seattle Public Utilities believe they will have enough water for people and fish this year.
- The first four Lawn Be Gone: Grass Removal projects have been completed, and Cascade has sent rebate checks to those program participants.
- The Soil and Water Stewards learned how to install rain barrels and cisterns.
- Cascade Gardener classes have shifted to fully online classes for the rest of the year.
- Cascade was able to connect with 500 people at Kirkland City Hall for All on September 19 and 1,784 people at Issaquah Salmon Days on October 3 and 4.



Kirkland City Hall for All & Issaquah Salmon Days

Intergovernmental and Communications

- On October 14, Cascade CEO John Taylor presented at the Bellevue Chamber of Commerce Policy Council. He gave an overview of Cascade and its governance structure, current and future water supply, the Cascade Supply Program, rates, and Regional Capital Facilities Charges.
- As Congress debates reauthorization of the Water Resources Development Act, Cascade sent a letter on September 16 requesting Congress fully fund both the Water Infrastructure Finance and Innovation Act (WIFIA) program and the Clean Water and Drinking Water State Revolving Funds (SRFs). The letter was sent to the House and Senate committees working on the bill, along with Cascade's Congressional delegation.
- As noted in the CSP update above, Cascade developed a CSP Communications Toolkit to support member communications and outreach efforts. The Toolkit is intended as a living document that will evolve as the program progresses.

Attachments

1. Budget to Actual Expenditure Report through September 30, 2026.
2. Statement of Revenues and Expenditures through September 30, 2026.
3. Statement of Net Position as of September 30, 2026.
4. Contract Status Summary.
5. Monthly Warrants Listing.
6. Monthly Treasurer's Report as of September 30, 2026.
7. Draft 2026 Board Meeting Calendar.
8. CSP Status Update.
9. Reimbursement Declaration.

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- September 30, 2026
75% of the year completed

Administration		Budget		Actual		Balance	% Expended
Salaries	$	1,603,486	$	1,466,196		137,290	91.4%
Benefits		480,482		473,995		6,488	98.6%
Wellness program		1,000		0		1,000	0.0%
Prof. Fee (Technical)		200,000		159,707		40,293	79.9%
Prof. Fee (Legal)		697,000		679,311		17,689	97.5%
Prof. Fee (Audit)		116,000		92,772		23,228	80.0%
Prof. Fee (Other)		55,000		45,974		9,026	83.6%
Seismic Resillency		100,000		0		100,000	0.0%
Meetings Expense		12,000		6,555		5,445	54.6%
Telephone/Internet		45,000		37,714		7,286	83.8%
Office Rent		418,144		84,659		333,484	20.2%
Office Supplies Admin.		15,000		13,554		1,446	90.4%
Equip. and Furniture		338,000		77,840		260,160	23.0%
Bank Fees		500		215		285	43.0%
Dues & Subscriptions		30,000		27,128		2,872	90.4%
Taxes/Licenses		15,000		8,732		6,268	58.2%
Travel		10,000		6,362		3,638	63.6%
Professional Dev.		10,000		3,670		6,330	36.7%
Computer Equipment		20,000		6,517		13,483	32.6%
Software Licenses		74,000		73,062		938	98.7%
Postage & Delivery		1,500		1,059		441	70.6%
Printing & Repro.		3,500		905		2,595	25.8%
Insurance		251,798		127,333		124,465	50.6%
Contingency		83,000		0		83,000	0.0%
Total	$	4,580,410	$	3,393,258	$	1,187,152	74.1%

Debt Service		Budget		Actual		Balance	% Expended
Bond Debt Service	$	9,224,541		9,222,041		2,500	100.0%
Total	$	9,224,541	$	9,222,041	$	2,500	100.0%

Conservation		Budget		Actual		Balance	% Expended
Salaries	$	162,893	$	112,933	$	49,960	69.3%
Benefits		44,460		17,399		27,061	39.1%
Prof. Fee (Technical)		25,000		24,325		675	97.3%
Prof. Fee (Legal)		1,000		0		1,000	0.0%
Dues & Subscriptions		5,500		896		4,604	16.3%
Rebate Reimb. Com.		115,000		48,421		66,579	42.1%
Irrigation Audit		15,000		0		15,000	0.0%
Turf Removal Rebates		50,000		0		50,000	0.0%
Comm. and Public I		470,000		469,587		413	99.9%
Misc. Serv. and Sup.		38,000		35,403		2,597	93.2%
Total	$	926,853	$	708,965	$	217,889	76.5%

Com. and Intergovern		Budget		Actual		Balance	% Expended
Salaries	$	128,199	$	108,843	$	19,355	84.9%
Benefits		39,683		17,528		22,155	44.2%
Special Events		10,000		0		10,000	0.0%
Prof. Fee (Other)		165,000		136,625		28,375	82.8%
Sponsorships		30,000		12,950		17,050	43.2%
Comm. and Public I		280,000		50,195		229,805	17.9%
Total	$	652,881	$	326,142	$	326,740	50.0%

Cascade Water Alliance
Budget to Actual Expenditure Report
January 1- September 30, 2026
75% of the year completed

Operations-General		Budget		Actual		Balance	% Expended
Wholesale Water	$	25,648,897	$	20,607,456	$	5,041,441	80.3%
Salaries		76,815		24,552		52,263	32.0%
Benefits		16,767		3,950		12,817	23.6%
BIP O&M		80,000		58,002		21,998	72.5%
Pipeline Prop. O&M		90,000		502		89,498	0.6%
Total	$	25,912,479	$	20,694,463	$	5,218,016	79.9%

Operations-Lake Tapps		Budget		Actual		Balance	% Expended
Salaries	$	675,920	$	458,570	$	217,351	67.8%
Benefits		160,861		71,598		89,263	44.5%
Prof. Fee (Technical)		934,550		486,998		447,552	52.1%
Prof. Fee (Other)		60,000		0		60,000	0.0%
Meetings Expense		4,000		94		3,906	2.4%
Telephone/Internet		8,700		5,461		3,239	62.8%
Office Supplies		8,000		7,910		90	98.9%
Equipment & Furn.		34,000		18,846		15,154	55.4%
Taxes/Licenses		18,000		8,991		9,009	50.0%
Travel		10,000		9,139		861	91.4%
Professional Dev.		2,500		0		2,500	0.0%
Software Licenses		37,000		12,795		24,205	34.6%
Permitting Costs		9,500		5,014		4,486	52.8%
Misc. Serv. and Sup.		109,500		18,051		91,449	16.5%
LT Operator		3,063,598		2,008,371		1,055,227	65.6%
Unplanned O&M		100,000		89,413		10,587	89.4%
Misc. Facility Repairs		135,000		31,428		103,572	23.3%
USGS Joint Fund		420,000		221,858		198,143	52.8%
Milfoil Control		210,000		182,517		27,483	86.9%
Vendor Services		130,000		3,678		126,322	2.8%
Water Quality		50,000		0		50,000	0.0%
Dike and Roads		92,000		1,250		90,750	1.4%
Total	$	6,273,129	$	3,641,981	$	2,631,148	58.1%

Cascade Supply Program		Budget		Actual		Balance	% Expended
Salaries	$	267,333		158,151		109,182	59.2%
CSP Consultants		30,471		28,329		2,142	93.0%
CSP Contingency		0		0		0	#DIV/0!
Total CSP Budget	$	297,804	$	186,480	$	111,324	62.6%
Total Operating Budget	**$**	**47,868,098**	**$**	**38,173,330**	**$**	**9,694,769**	**79.7%**

Capital Projects (multi-yr bdgt not shown)		Budget		Actual		Balance	% Expended
Upper Conveyance	$	1,250,000		1,114,091		135,909	89.1%
Lower Conveyance		1,550,000		67,120		1,482,880	4.3%
Equipment		75,000		0		75,000	0.0%
Facilities		100,000		0		100,000	0.0%
Bellevue-issaquah		800,000		264,282		535,718	33.0%
Tacoma Agreement		6,468,033		5,856,828		611,205	90.6%
Cascade Supply		5,481,414		1,938,809		3,542,605	35.4%
Capital Risk		50,000		0		50,000	0.0%
IT Infrastructure		35,000		0		35,000	0.0%
Total CIP Budget	**$**	**15,809,447**	**$**	**9,241,130**	**$**	**6,568,317**	**58.5%**
Total Overall Budget	**$**	**63,677,545**	**$**	**47,414,460**		**16,263,085**	**74.5%**

Cascade Water Alliance
Statement of Revenues and Expenditures
From 1/1/2026 Through 9/30/2026

Attachment 2

Operating Revenue		
Water sales	$	35,296,015
Administrative dues		4,366,139
Conservation program		675,048
Total Operating Revenue		40,337,202
Operating Expenses		
Cost of water sold		20,607,456
Salaries and benefits		3,543,150
Professional services		1,680,663
Conservation program		62,583
Depreciation and amortization		5,427,306
Communication and public information		493,763
Office expenses		462,609
Operations		2,260,580
Bank charges		215
Rent		84,659
Maintenance		320,166
Dues and subscriptions		33,937
Miscellaneous		35,095
Total Operating Expenses		35,012,183
Operating Income		5,325,019
Non-Operating Revenue (Expenses)		
Interest income		1,705,206
Other income		1,426,778
Interest expense, net of amount capitalized		(4,109,113)
Total Non-Operating Revenue (Expenses)		(977,130)
Capital Contributions		
Regional Capital Facilities Charges		4,186,499
Increase in Net Assets		8,534,388
Net Assets, Beginning of Year		179,348,460
Net Assets, End of Year	$	187,882,848

Cascade Water Alliance
Statement of Net Position
As of 9/30/2026

Attachment 3

Assets		
Current Assets		
Cash and cash equivalents	$	40,619,978
Accounts receivable		4,865,574
Prepaid expenses		201,177
Total Current Assets		45,686,729
Capital Assets		
Equipment and furniture		2,404,761
Seattle water contract		22,267,611
Bellevue Issaquah pipeline		22,557,390
Tacoma water contract		159,762,485
Capital Leases		2,437,349
Less accumulated depreciation and amortization		(82,119,110)
Total Capital Assets		127,280,467
Projects in process and assets not yet in service		
Lake Tapps		112,619,096
Tacoma Cascade pipeline		28,052,172
Total Projects in process and assets not yet in service		140,671,268
Restricted cash and cash equivalents		20,547,189
Total Assets		334,185,653
Liabilities		
Current liabilities		
Payables and accrued liabilities		3,018,797
Retroactive water credit		7,201
Accrued interest		1,914,511
Long-term debt current portion		7,535,000
Total Current liabilities		12,475,509
Long-term Liabilities		
Long-term debt		55,865,000
Tacoma contract		76,411,419
Bond premium, net of amortization		1,221,404
Total Long-term Liabilities		133,497,823
Total Liabilities		145,973,332
Net Assets		
Restricted for debt service		151,433,781
Unrestricted		36,778,540
Total Net Assets		188,212,321

Cascade Water Alliance
Statement of Net Position
As of 9/30/2026

Total Liabilities & Net Assets	$	334,185,653

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	10/15/2026	95%	$ 165,000	$ 134,358	81%	$ 30,642
Ballard Spahr	1	Legal Services	C. Paulucci	1/1/2026	12/31/2026	10/15/2026	95%	$ 49,000	$ 27,506	56%	$ 21,494
Ben Bernstein Music	1	Podcast production	M. Brent	1/1/2026	12/31/2026	10/15/2026	0%	$ 7,000	$ -	0%	$ 7,000
BHC Consulting	1	Planning & Permit Assistance	T. Richmond	1/1/2026	12/31/2026	10/15/2026	5%	$ 45,000	$ 480	1%	$ 44,520
Brilliant Marketing	1	We Need Water Social Media Outreach	J. Amspacher	1/1/2026	12/31/2026	10/15/2026	75%	$ 64,000	$ 46,623	73%	$ 17,377
Catalyst Workplace Activation	3	Lunch tables and hotel station chairs	C. Paulucci	7/20/2026	N/A	10/15/2026	50%	$ 11,830	$ 5,915	50%	$ 5,915
Clark Nuber	1	Annual Financial Audit and Quarterly AUPs	C. Paulucci	1/1/2026	N/A	10/15/2026	98%	$ 89,200	$ 85,801	96%	$ 3,399
Clark Nuber	2	RCFC member process	C. Paulucci	10/1/2025	N/A	10/15/2026	80%	$ 105,000	$ 40,794	39%	$ 64,206
Colehour and Cohen	1	Staffing for classes and events	J. Amspacher	1/1/2026	12/31/2026	10/15/2026	80%	$ 117,525	$ 91,965	78%	$ 25,560
Confluence Engineering Group, LLC	1	Lake Tapps Supply & BIP Water Quality Advisory Services Project	H. Chen	12/1/2023	N/A	10/15/2026	80%	$ 49,000	$ 39,384	80%	$ 9,616
Confluence Engineering Group, LLC	2	Joint Operations Protocol Manual	H. Chen	3/31/2026	N/A	10/15/2026	80%	$ 49,658	$ 21,087	42%	$ 28,571
David Evans	1	On-call Land Surveyor	H. Chen	11/18/2022	12/31/2026	10/15/2026	45%	$ 160,000	$ 61,259	38%	$ 98,741
David McGrath	1	Irrigation Program Assistance	M. Brent	1/1/2026	12/31/2026	10/15/2026	0%	$ 20,000	$ -	0%	$ 20,000
EMB Consulting	1	Powerhouse Paint Condition Assessment	W. Smythe	8/13/2026	N/A	10/15/2026	85%	$ 7,000	$ 6,507	93%	$ 493
Environmental Science Assoc (ESA)	1	Aquatic Plant Management	P. Anderson	1/1/2026	12/31/2026	10/15/2026	98%	$ 49,000	$ 48,159	98%	$ 841
Foster Garvey	1	Bond Counsel	C. Paulucci	7/24/2026	N/A	10/15/2026	50%	$ 48,000	$ -	0%	$ 48,000
Foster Garvey	2	Disclosure Counsel	C. Paulucci	7/24/2026	N/A	10/15/2026	50%	$ 37,000	$ -	0%	$ 37,000
Fluid and Motion Control Technologies, LLC	1	Valve House Preventative Maintenance	W. Smythe	3/9/2026	12/31/2026	10/15/2026	5%	$ 45,000	$ 2,189	5%	$ 42,811
GeoEngineers	1	Dam Engineering/Hydrology/ Geotechnical Service	H. Chen	1/3/2024	12/31/2026	10/15/2026	70%	$ 570,000	$ 397,386	70%	$ 172,614
Gordon Thomas Honeywell	1	State legislative outreach	A. Bennett	1/1/2026	12/31/2026	10/15/2026	75%	$ 84,000	$ 63,000	75%	$ 21,000
Hawkins Delafield & Wood	1	Procurement and contracting for a contract operator for the WRLTR project.	M. Thung	1/1/2026	12/31/2026	10/15/2026	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	10/15/2026	35%	$ 45,000	$ 14,446	32%	$ 30,554
Herrera	1	On-Call Water Supply Modeling Services	M. Thung	11/4/2024	12/31/2027	10/15/2026	0%	$ 40,000	$ -	0%	$ 40,000
HDR	1	MMD Fish Passage Design Review	H. Chen	12/1/2015	N/A	10/15/2026	99%	$ 1,518,000	$ 1,454,998	96%	$ 63,002
Jennergy	1	Website Maintenance	M. Brent	1/1/2026	12/31/2026	10/15/2026	67%	$ 25,000	$ 16,806	67%	$ 8,194
Johansen Construction	2	Owner's Minor Construction, Repair, and Maintenance	W. Smythe	3/5/2026	N/A	10/15/2026	55%	$ 150,000	$ 77,841	52%	$ 72,159
Jon Shimada	1	On-Call Project Support Services	M. Thung	4/8/2024	12/31/2026	10/15/2026	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	10/15/2026	20%	$ 150,000	$ 29,104	19%	$ 120,896
Langton Spieth	1	Community relations	A. Bennett	1/1/2026	12/31/2026	10/15/2026	75%	$ 78,000	$ 58,500	75%	$ 19,500
Long Building Tech	1	Security Maintenance	H. Chen	1/1/2026	12/31/2026	10/15/2026	50%	$ 78,000	$ 34,396	44%	$ 43,604
Nature Vision	1	Classroom Water Education	M. Brent	1/1/2026	12/31/2026	10/15/2026	85%	$ 135,466	$ 110,713	82%	$ 24,753
Northwest Municipal Advisor	1	Financial Advisory Services	C. Paulucci	9/17/2025	12/31/2027	10/15/2026	0%	$ 49,999	$ -	0%	$ 49,999
Pacifica Law	1	Legal Services	M. Thung	1/1/2026	12/31/2026	10/15/2026	25%	$ 49,000	$ 12,393	25%	$ 36,607
Parametrix	1	On Call Civ/Mech/Structural Eng	H. Chen	1/1/2023	12/31/2026	10/15/2026	75%	$ 650,000	$ 476,010	73%	$ 173,990
Parametrix	2	On-Call Electrical Engineering Srvs	H. Chen	4/7/2025	12/31/2027	10/15/2026	50%	$ 600,000	$ 288,678	48%	$ 311,322
Performance Dimension Group	1	Organizational Performance Services	M. Thung	1/9/2026	12/31/2027	10/15/2026	25%	$ 30,000	$ 1,463	5%	$ 28,538
Puget Sound Energy	1	Water Efficiency Rebates	M. Brent	1/1/2026	12/31/2026	10/15/2026	50%	$ 120,000	$ 49,585	41%	$ 70,415
Rok Technologies, LLC	1	Implementation of GIS Cloud Migration	H. Chen	6/23/2026	6/15/2027	10/15/2026	100%	$ 49,998	$ 49,998	100%	$ -
Seattle Public Utilities	1	Garden Hotline	J. Amspacher	1/1/2026	12/31/2026	10/15/2026	67%	$ 17,620	$ 8,810	50%	$ 8,810
Shaffer Corp.	1	Executive Coaching	M. Thung	6/18/2026	12/31/2026	10/15/2026	0%	$ 10,000	$ -	0%	$ 10,000
SMC Consulting	1	Water Efficiency Consultant	M. Brent	1/1/2026	12/31/2026	10/15/2026	80%	$ 31,000	$ 24,325	78%	$ 6,675
Stantec	1	BIP Relocation at Lewis Creek	W. Smythe	8/27/2025	N/A	10/15/2026	90%	$ 283,684	$ 279,837	99%	$ 3,847

Stantec	2	CSP - Program and Engineering Support	B. Bartle	11/4/2025	N/A	10/15/2026	35%	$ 4,179,956	$ 1,473,152	35%	$ 2,706,804
Sustainable Seattle	1	Problem-Based Learning for Water Systems	J. Amspacher	1/1/2026	12/31/2026	10/15/2026	65%	$ 60,000	$ 37,338	62%	$ 22,662
Tacoma-Pierce County	1	LakeWise Program at Lake Tapps	A. Bennett	1/1/2026	12/31/2026	10/15/2026	30%	$ 140,000	$ 36,052	26%	$ 103,948
TeamLogic IT	1	Info Technology Consulting	C. Paulucci	1/1/2026	12/31/2026	10/15/2026	65%	$ 148,840	$ 89,433	60%	$ 59,407
TechniArt	1	Conservation Website Order page	M. Brent	1/1/2026	12/31/2026	10/15/2026	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	10/15/2026	10%	$ 45,750	$ 4,479	10%	$ 41,271
Tetra Tech	1	AWIA 2025-2026 Updates	M. Thung	12/9/2024	12/31/2026	10/15/2026	55%	$ 350,000	$ 186,954	53%	$ 163,046
Tilth Association	1	Garden Water Efficiency	M. Brent	1/1/2026	12/31/2026	10/15/2026	75%	$ 65,000	$ 48,766	75%	$ 16,234
TITAN Earthwork	1	Owner's Minor Construction, Repair, and Maintenance	H. Chen	4/1/2026	12/31/2026	10/15/2026	50%	$ 150,000	$ 67,979	45%	$ 82,021
Transpo Group	1	On-Call GIS Support	H. Chen	1/1/2026	12/31/2026	10/15/2026	70%	$ 49,500	$ 34,581	70%	$ 14,919
Upstream PBC	2	HydroForecast Subscription Service	M. Thung	10/1/2024	9/30/2026	10/15/2026	75%	$ 49,350	$ 30,198	61%	$ 19,152
USGS	1	Joint Funding Agre-Streamgaging	H. Chen	1/1/2026	12/31/2026	10/15/2026	67%	$ 352,000	$ 221,858	63%	$ 130,143
Vanir Construction Management, Inc.	1	On-call Construction Management	J. Shimada	5/1/2021	N/A	10/15/2026	85%	$ 790,000	$ 672,630	85%	$ 117,370
VanNess Feldman	1	General Counsel	R. Hoffman	1/1/2026	12/31/2026	10/15/2026	70%	$ 900,000	$ 609,346	68%	$ 290,654
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	10/15/2026	67%	$ 2,492,611	$ 1,914,341	77%	$ 578,270

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	10/15/2026	100%	$ 20,000	$ 20,000	100%	$ -
Catalyst Workplace Activation	1	Additional Workstations & Private Office	C. Paulucci	4/9/2026	N/A	10/15/2026	100%	$ 42,577	$ 42,568	100%	$ 9
Catalyst Workplace Activation	2	2 Standing Desks	C. Paulucci	6/4/2026	N/A	10/15/2026	100%	$ 3,685	$ 3,685	100%	$ 0
Confluence Engineering Group, LLC	2	Water Quality Blending Study	M. Thung	12/5/2004	N/A	10/15/2026	100%	$ 230,000	$ 229,918	100%	$ 82
Herrera	2	Bulkheads Study	M. Thung	6/5/2025	N/A	10/15/2026	100%	$ 49,000	$ 46,332	95%	$ 2,668
Johansen Construction	1	2025 Winter Weather Event Emergency Repairs	H. Chen	12/29/2025	N/A	10/15/2026	100%	$ 20,000	$ 8,034	40%	$ 11,966
Sunbreak Talent	1	Recruitment assitance	M. Thung	3/27/2025	N/A	10/15/2026	100%	$ 6,000	$ 4,910	82%	$ 1,090
Stantec	3	CMMS Evaluation Support	M. Thung	3/9/2026	N/A	10/15/2026	100%	$ 49,500	$ 39,084	79%	$ 10,416

Payment Authorization Warrants and Wire Transfers 10/28/26

Attachment 5

WHOLESALE WATER		
WIRE	Seattle Contract Payment 10/26	$1,741,276.00
33632	Tacoma Public Utilities	$50,933.70
33664	Tacoma Public Utilities	$50,933.70
		$1,843,143.40
CONSULTANTS		
33624	Herrera	$282.88
33625	Jennergy	$1,680.56
33633	TeamLogic IT of Bellevue, WA	$10,869.99
33634	Tetra Tech	$6,117.37
33636	Van Ness Feldman, LLP	$58,424.79
33639	Confluence Engineering Group, LLC	$6,831.00
33642	Environmental Science Associates (ESA)	$3,752.43
33643	GeoEngineers	$11,837.50
33646	State Auditor's Office	$2,695.01
33659	Parametrix	$30,527.05
33666	bhc Consultants	$480.00
33671	Confluence Engineering Group, LLC	$5,791.50
33672	EMB Consulting, LLC	$6,507.20
33673	Gordon Thomas Honeywell Govern. Affairs	$7,000.00
33676	Langton Public Affairs LLC	$6,500.00
33677	MOODY'S INVESTORS SERVICE	$1,500.00
33684	Tacoma Pierce County Health Department	$11,041.56
33692	City of Bellevue	$5,815.85
33700	Pacifica Law Group	$545.00
33702	TeamLogic IT of Bellevue, WA	$10,031.79
33704	Transpo Group	$6,662.02
33705	Van Ness Feldman, LLP	$50,238.00
		$245,131.50
SALARY, BENEFITS AND EXPENSE REIMBURSEMENTS		
	Payroll (September)	$258,785.95
33637	AWC Employee Benefit Trust	$36,870.88
33640	Tara Wong Esteban	$997.10
33641	Paula Anderson	$189.54
33647	MissionSquare-107080	$70,820.68
33648	MissionSquare-304525	$26,941.18
33655	HRA VEBA Trust	$3,564.00
33674	Inslee, Best, Doezie & Ryder	$473.90
		$398,643.23
CONSERVATION		
33620	BRILLIANT MARKETING LLC	$3,566.89
33627	New Resources Group, Inc.	$4,515.00
33631	Tilth Alliance	$10,530.00
33649	Jessica Bloom	$450.00
33656	Le Jardinet LLC	$661.80
33657	Lisa Taylor	$1,489.05
33658	Nita-Jo Rountree	$400.00
33662	SMC Consulting LLC	$2,350.00
33663	Sustainable Seattle dba Sustainability Ambassadors	$6,706.00
33667	BRILLIANT MARKETING LLC	$5,535.32
33670	Colehour & Cohen	$4,337.02
33678	Nature Vision, Inc.	$8,037.32
33682	Puget Sound Energy	$3,725.00
33683	Resource innovations, Inc.	$1,295.26
33688	Susan Maxon	$500.00
33689	Brandon Shuman	$500.00
33693	Jennergy	$1,680.56
33699	The Master's Touch, LLC	$1,822.79
33706	Leslie Barber	$500.00
33707	Qinglin Ma	$500.00
		$59,102.01

GENERAL		
33618	AT&T FirstNet	$832.76
33619	Bellevue Gateway One Equities, LLC	$34,794.34
33621	CIT	$1.04
33622	Comcast	$2,069.15
33628	Pacific Office Automation	$387.26
33629	Pacific Office Automation	$316.88
33630	Puget Sound Regional Council	$794.00
33635	U.S. BANK	$8,987.78
33638	City of Seattle	$22,108.94
33645	spot-on print & design	$237.36
33650	Cintas Corporation	$46.06
33651	CIT	$1,746.65
33652	General Code	$726.25
33653	Comcast	$606.33
33654	Covington Water District	$100.44
33669	CLEARFLY	$1,123.23
33675	King County Treasury	$7,558.31
33679	Pacific Office Automation Inc.	$223.96
33680	Pacific Office Automation	$750.92
33681	Pierce County Budget & Finance	$6,144.67
33685	U.S. BANK	$6,002.68
33686	Utilities Underground Location Center	$19.32
33695	Lakemont Business Services Inc.	$340.00
33701	Sammamish Plateau Water & Sewer Distri	$6,133.19
		$102,051.52
LAKE TAPPS		
33623	US Geological Survey (USGS)	$73,952.50
33626	Linde Gas & Equipment Inc.	$809.37
33644	Lake Tapps Construction Unlimited	$9,360.23
33660	Puget Sound Energy	$97.08
33661	Rasmussen Equipment, Wire Rope & Rigg	$358.85
33668	Cintas Corporation	$409.96
33687	Veolia Water North America	$211,572.73
33690	Bob Wilson	$1,250.00
33694	Johansen Construction Company, Inc.	$33,671.64
33696	Lake Tapps Construction Unlimited	$18,850.91
33697	Linde Gas & Equipment Inc.	$809.37
33698	LONG Building Technologies, Inc.	$132.12
33703	TITAN Earthwork	$4,494.06
		$355,768.82
CONSTRUCTION		
33615	Stantec Consulting Services Inc. (SCSI)	$339,339.27
33616	Vanir Construction Management Inc.	$2,242.50
33617	Van Ness Feldman, LLP	$47,535.00
33665	HDR	$4,736.37
33691	Van Ness Feldman, LLP	$26,726.00
		$420,579.14
DESTROYED AND VOIDED CHECKS:		

Total Warrants	$1,683,143.62
Total Wires	$1,741,276.00
Total warrants/wire transfers authorized for October 2026	**$3,424,419.62**

Approved: _____ **Date:** _____

Andy Baker, Economist

Approved: _____ **Date:** _____

Dave Hamilton, Secretary/Treasurer

Cascade Water Alliance
Monthly Treasurer's Report
September 2026

	Operating Fund	Construction Fund	Bond Fund	RCFC Fund	Water Supply Development Fund	Rate Stabilization Fund	US Bank Payroll Account	All Funds
Beginning Balances, September 1	**$ 21,526,151**	**$ 15,027,200**	**$ 11,813,106**	**$ -**	**$ 18,296,906**	**$ 2,645,245**	**$ -**	**$ 69,308,609**
Additions:								
Cash received	$ 5,187,094	$ 50,946	$ 26,546	$ -	$ 41,544	$ 9,493	$ -	$ 5,315,624
Transfers from other Cascade funds	$ -	$ -	$ -	$ -	$ -	$ -	$ 259,934	$ 259,934
Total additions	$ 5,187,094	$ 50,946	$ 26,546	$ -	$ 41,544	$ 9,493	$ 259,934	$ 5,575,558
Subtractions:								
Bank fees, payroll, and bond payments	$ 1,787	$ 1,005	$ 5,466,383	$ -	$ 1,424	$ 187	$ 259,934	$ 5,730,722
Warrants paid	$ 696,305	$ 393,009	$ -	$ -	$ -	$ -	$ -	$ 1,089,314
Wire and other electronic payments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
King Co. Investment Pool impairment (realized)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
King Co. Investment Pool impairment (retained)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers to other Cascade funds	$ 259,934	$ -	$ -	$ -	$ -	$ -	$ -	$ 259,934
Total subtractions	$ 958,026	$ 394,015	$ 5,466,383	$ -	$ 1,424	$ 187	$ 259,934	$ 7,079,970
Ending Balances, September 30, 2026	**$ 25,755,219**	**$ 14,684,132**	**$ 6,373,269**	**$ -**	**$ 18,337,026**	**$ 2,654,551**	**$ -**	**$ 67,804,197**

Revised
2026 Cascade Board Meeting Calendar

Updated 10/21/2026

August 2026 (Board Recess)

- *Member staff review of draft Preliminary Official Statement (POS)*
  - *Draft POS to be distributed to Member staff by August 5; comments due **August 18***
- *Member staff review of final draft Capital Funding Plan*
  - *Final Draft Capital Funding Plan to be distributed to Board and Member staff July 31; comments due **September 1***
- *Member staff workshop on draft Board Oversight Strategy*
  - *Revised Board Oversight Strategy to be distributed to Member staff by August 20 for discussion at workshop; comments due **September 30***

September 23, 2026

- Capital Funding Plan: Resolution adopting Plan – **Action**
  - Final Capital Funding Plan in FIG and Board packets
- Resolution adopting O&M and CIP budget – **Action**
- Resolution adopting rates & RCFC – **Action**
- Resolution amending fund name and other finance code revisions – **Action**
- Bond Issuance approval – **Action**
- CSP: Land Acquisition Strategy – Presentation
  - Draft Land Acquisition Strategy in SPOC and Board packets; comments due **September 30**

October 28, 2026

- CSP: Revised Board Oversight Strategy – **Action**
  - Revised Board Oversight Strategy in SPOC and Board packets
- CSP: Land Acquisition Strategy – Presentation
  - Final Land Acquisition Strategy in SPOC and Board packets
- CSP Quarterly Update - Presentation
- Annual contracts renewal approval – **Action**
- Reclaimed water letter to King County - **Action**

November 16, 2026

- White River – Lake Tapps Reservoir Contract Operator Contract approval – **Action**
- 2027 Legislative Agenda – **Action**
- CSP: Final Board Oversight Strategy – **Action** (if no action in October)
- CSP: 2027 MSA Budget approval – **Action**
- Website Redesign and Maintenance Contract approval - **Action**
- CSP: Communications and Outreach Strategy – Presentation
  - Draft Communication and Outreach Strategy in SPOC, FIG, and Board packets; comments due **November 20**
- *CSP: Permitting Strategy – Presentation to SPOC*
  - *Permitting Strategy in Member staff and SPOC packets*

December 9, 2026 (if needed)

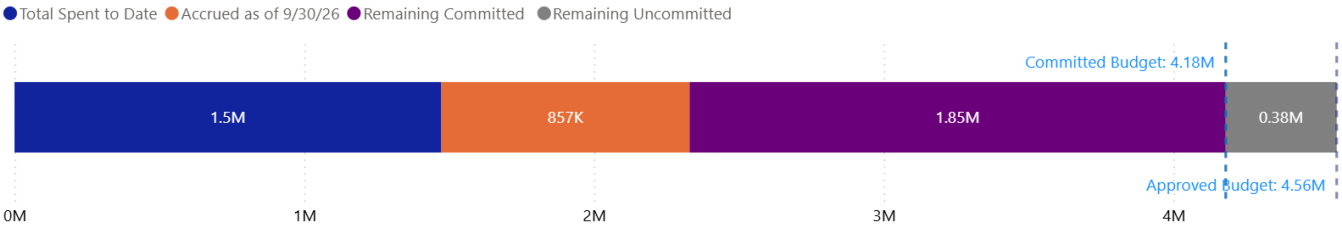
October CSP Status Update

Accomplishments

- Completed a draft Communications and Outreach Strategy and developed a Member Communications Toolkit
- Completed revision of Board Oversight Strategy, incorporated and responded to Member staff comments
- Completed revision of Land Acquisition Strategy, incorporated and responded to Member staff comments
- Drafted Regulatory Requirements and Permit Acquisition Strategy
- Drafted Opportunities Realization Plan
- Continued alternatives analysis with input from MST and MS
    - Identified preliminary transmission line corridor segments a result of the criteria established by subject matter experts, the five different lenses used in the least impact pathway analysis, and group consensus from the CSP team
    - Discussing potential tank sites within the jurisdictions of Bellevue and Issaquah
- Continued developing tools for program management
    - Development of risk register and Issues, Decisions, Actions and Changes log
    - Schedule analysis and adjustments based on clarified scope definition
    - Continued drafting Program Management Plan components

Financials (through 09/30/2026)

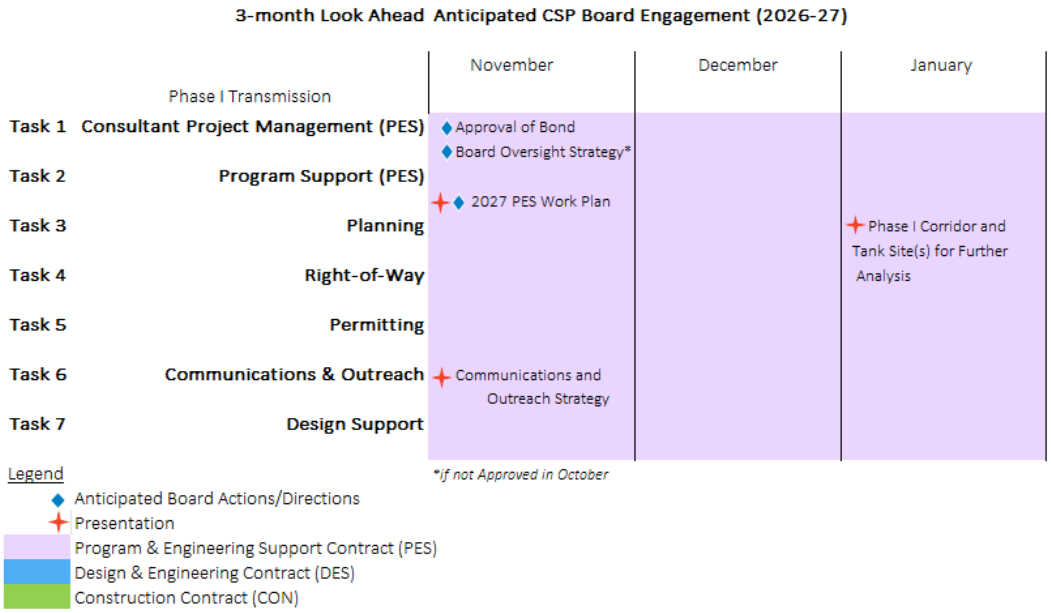
Program Engineering Support (PES) Contract



Board Authorized Amount: $4,563,000
Amount committed in current Work Assignments: $4,180,000
Work Assignment 003: 56% Spent (with accrued) – Forecasted finish: December 2026 – Active

Schedule & Activity Lookahead

3-Month Anticipated Board Engagement Lookahead



3-Month Activity Lookahead

CSP Team:

- Program management:
  - Develop opportunities register and draft Opportunities Realization Plan and user manual
  - Continue populating risk register; develop documentation and reporting method for mitigation measures
  - Internal review and discussion on draft CSP Partnership Policy
  - Program Management Plan chapter draft development and reviews
- Continue refining program schedule, defining program and project milestones
- Revise draft Regulatory Requirements and Permit Acquisition Strategy
- Begin early regulatory agency outreach and initiate outreach with Tribes
- Communications and Outreach Strategy presentation to the Board
- Communications Toolkit distributed to the Board and Member staff
- Alternatives analysis:
  - Identify complete corridors and tank site alternatives;
  - Continue ROW and Permitting evaluations of potential corridors and tank sites
  - Develop comparison framework for presentation of corridor and tank alternatives including Board Criteria
  - Confirm hydraulic compatibilities of potential corridor and tank sites
  - Draft Alternative Analysis Report Part 1 documenting alternatives analysis process completed this year
- Continue developing Design Standards and Guidelines, Design Criteria and other design support documentation

Upcoming Board Actions and Discussions:

- Revised Board Oversight Strategy (Action, November *if not in October*)
- 2027 PES Work Plan (Presentation and Action, November)
- Communications and Outreach Strategy (Presentation, November)
- Phase I Corridor and Tank Site(s) Direction for Further Analysis (Presentation, January)

Risks and Opportunities

The Program risk register has expanded to 79 preliminary risks. Over the coming months, staff are building out the Program opportunity register and Opportunities Realization Plan. This month, staff shared three risks with SPOC. SPOC did not recommended any risks be brought to the Board. Below is the risk matrix showing the total number of risks and opportunities within each ranking: High (probable), Medium (possible), Low (rare).

Legend			
Risk		**Opportunity**	
27	High	0	High
31	Medium	1	Medium
21	Low	0	Low

High (Probable)

Medium (Possible)

Low (Rare)

CASCADE WATER ALLIANCE

FORM OF DECLARATION OF OFFICIAL INTENT

I, the undersigned, am the duly appointed and qualified chief executive officer of the Cascade Water Alliance ("Cascade") and, as such, have been designated by the Board of Directors of Cascade to make declarations of official intent on behalf of Cascade when necessary or appropriate for any purpose under, and in compliance with, the requirements of section 1.150-2 of the Treasury Regulations promulgated by the United States Department of the Treasury (the "federal reimbursement regulations") relating to the use of proceeds of tax-exempt or other tax-advantaged bonds or other obligations ("bonds") to reimburse Cascade for capital expenditures (and certain extraordinary working capital expenditures) made by Cascade before the issue date of the bonds. On behalf of Cascade, I make the following declaration of official intent under the federal reimbursement regulations:

1. Description of Project for Which Expenditures are to be Made. Cascade intends to make (and/or, not more than 60 days before the date of this declaration, has made) expenditures, and reasonably expects to reimburse itself for those expenditures from proceeds of bonds, for Cascade's regional water transmission and supply system, including the following components (the "Project"):

- USACE intake modification phase 3 $9,600.42
- Cascade Supply Program $477,153.96
- BIP relocation $28,382.00

Total amount: $515,136.38

2. Maximum Principal Amount of Bonds Expected to be Issued for the Project. Cascade expects that the maximum principal amount of bonds that will be issued to finance the Project will be $41,630,000.

3. Declaration Reasonable. I have reviewed the existing and reasonably foreseeable budgetary and financial circumstances of Cascade and have determined that Cascade reasonably expects to reimburse itself for expenditures for the Project from proceeds of bonds.

4. Limitations on Uses of Reimbursement Amounts. Cascade will not, within one year after the expected reimbursement, use amounts corresponding to proceeds received from bonds issued in the future to reimburse Cascade for previously paid expenditures for the Project in any manner that results in those amounts being treated as replacement proceeds of any bonds, for example, as a result of being deposited in a reserve fund, pledged fund, sinking fund, or similar fund (other than a bona fide debt service fund) that is expected to be used to pay principal of or interest on bonds, nor will Cascade use those amounts in any manner that employs an abusive arbitrage device to avoid arbitrage restrictions.

5. Date of Declaration. This declaration of official intent is dated October 21, 2026.

CASCADE WATER ALLIANCE

John Taylor, Chief Executive Officer

CASCADE WATER ALLIANCE

MEETING MINUTES OF THE BOARD OF DIRECTORS VIA HYBRID SEPTEMBER 23, 2026

1. CALL TO ORDER

At 3:30 p.m. Vice-Chair McLeod called the meeting to order.

2. ROLL CALL

Board Members Present: City of Issaquah (Mullet), City of Kirkland (Pascal), City of Redmond (Birney[1]), Sammamish Plateau Water & Sewer District (Warren), Skyway Water and Sewer District (Ault), City of Tukwila (McLeod)
Board Member Absent: City of Bellevue (Hamilton)
Board Alternates Present: City of Bellevue (Bhargava), City of Kirkland (Curtis), City of Redmond (Nuevacamina), Sammamish Plateau Water & Sewer District (Hooshangi)

3. PUBLIC COMMENT

None.

4. EXECUTIVE SESSION

None.

5. APPROVAL OF AGENDA

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

6. CHIEF EXECUTIVE OFFICER REPORT

John Taylor reviewed the Chief Executive Officer's Report that was included in the Board Packet.

7. CONSENT ITEMS

A. Board Meeting Minutes for July 22, 2026.
B. Motion to authorize the Chief Executive Officer to execute an agreement for up to $100,000 with Northwest Municipal Advisors to serve as financial advisors for the upcoming bond issuance.
C. Motion to authorize the Chief Executive Officer to amend the On-Call Civil, Mechanical, and Structural Engineering Agreement with Parametrix, Inc. to extend the contract term through December 31, 2027, amend the scope of services, and increase

[1] Alternate Board Member Nuevacamina voted on behalf of the City of Redmond.

the contract amount by up to $330,000, for a total contract maximum of $980,000.

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

8. OTHER ACTION ITEMS

A. Motion to adopt Resolution No. 2026-13, amending Cascade Water Alliance Code Sections 2.05.170, 5.05.020, 5.05.030, 5.05.070, 5.05.080, 5.10.020, and 5.65.040 and rescinding Resolution 2018-20.

Motion by Mr. Pascal and second by Ms. Nuevacamina to adopt Resolution No. 2026-13.

Andy Baker, Economist, explained that the resolution addresses three items. It renames the Rate Stabilization Fund as the Coverage Stabilization Fund to clarify that its purpose is stabilizing debt service coverage and amends the fund's target balance to support the proposed strengthened bond coverage covenant. It also makes non-substantive housekeeping corrections where the Code had not been updated to reflect prior Board actions. There were no questions from Board Members.

At the question, motion carried unanimously (7-0).

B. Motion to adopt Resolution No. 2026-14 adopting the 2026 Capital Funding Plan and amending Chapters 4.05 and 4.15 of the Cascade Water Alliance Code.

Motion by Mr. Pascal and second by Ms. Nuevacamina to adopt Resolution No. 2026-14.

Mr. Baker noted that the Capital Funding Plan is required by the Code and outlines the planned use of cash, debt, grants, and loans for the Cascade Supply Program. It will be updated at least biennially, does not bind the Board to future design decisions, and does not authorize capital expenditures. He reported no changes to the underlying numbers since the July draft; the recommended strategy still reflects 9.5 percent rate increases in 2027 and 2028. The final plan addresses member comments and adds appendices, including an updated comment log and supplemental data requested by members.

Motion by Mr. Pascal and second by Mr. McLeod to amend by substituting Resolution No. 2026-14A.

Mr. Pascal said that Resolution No. 2026-14A, developed jointly by Kirkland and Cascade staff, adds policy statements to the recitals ensuring Phases 1 and 2 are forward-compatible, so no member must reconfigure its local system to connect to the new transmission line, and that all members share the costs of future phases regardless of when they connect. He also encouraged continued conversations with Seattle and Tacoma on shared regional infrastructure.

Mr. Taylor thanked Kirkland for its collaborative approach, and Mr. Bhargava expressed Bellevue's support. Ms. Nuevacamina expressed Redmond's support for the amended resolution, noting the plan does not bind the Board to specific designs, contracts, or expenditures.

At the question, motion carried unanimously (7-0) to amend Resolution No. 2026-14 by substituting Resolution No. 2026-14A.

At the question, motion carried unanimously (7-0) to adopt Resolution No. 2026-14A.

C. Motion to adopt Resolution No. 2026-15 adopting the 2027 – 2028 Cascade Budget.

Motion by Ms. Nuevacamina and second by Mr. Pascal to adopt Resolution No. 2026-15.

Mr. Baker reported one change since July: the purchased water line item increased after Seattle Public Utilities notified Cascade of higher water treatment operating costs, which Cascade shares under its contract. The impact is minimal in 2027 and significant in 2028, continues into future years, and was already reflected in the Capital Funding Plan analyses. The Capital Improvement Program budget is unchanged.

Mr. Pascal explained that Resolution No. 2026-15A, also developed with Cascade staff, directs a study of member systems' local connection points and other key information to inform Phase 1 decisions and Phase 2 routing, with the goal of avoiding costly local system reconfiguration. The report will be presented in time for Board discussion of the 2029–2030 biennial budget. Staff expressed support.

Motion by Mr. Pascal and second by Ms. Nuevacamina to amend by substituting Resolution No. 2026-15A.

At the question, motion carried unanimously (7-0) to amend by substituting Resolution No. 2026-15A.

Mr. Warren presented two amendments proposed by Sammamish Plateau Water. The first would identify and segregate costs related to the Seattle and Tacoma contracts and the Cascade Supply Program capital program, providing more clarity in how costs and resources are allocated without requiring a segregated demand charge. Mr. Warren did not move this amendment after staff committed to undertaking this work with member staff.

The second amendment builds on the Kirkland amendment and directs a Strategic Options Paper to continue evaluating supply and infrastructure opportunities as Phase 1 is implemented. The objective is to identify options that could save costs, delay expenditures, and provide flexibility for the future. Mr. Warren noted it is a paper, not a plan, and does not bind the Board. Mr. Taylor expressed support, noting it reflects what he has heard from most member jurisdictions, and Mr. Pascal asked that it also inform continued conversations with Seattle Public Utilities and Tacoma.

Motion by Mr. Warren and second by Ms. Nuevacamina to amend Resolution No. 2026-15A to add Section 6, directing the Chief Executive Officer to develop a Strategic Options Paper by the end of 2027 and update it annually through Phase 1 of the Cascade Supply Program.

At the question, motion carried unanimously (7-0) to amend Resolution No. 2026-15A.

At the question, motion carried unanimously (7-0) to adopt Resolution No. 2026-15A, as amended.

D. Motion to adopt Resolution No. 2026-16 adopting the 2027 and 2028 rates and charges.

Motion by Ms. Nuevacamina and second by Mr. Pascal to adopt Resolution No. 2026-16.

Mr. Baker reported no changes from July. The rates reflect Cascade-wide average increases of 9.5 percent in each year, with individual member increases varying based on demand and equivalent residential units. The finalized derivation of member charges memorandum reflects discussions with member staff since the May draft.

At the question, motion carried unanimously (7-0).

E. Motion to adopt Resolution No. 2026-17 establishing the Regional Capital Facilities Charge for 2027 and 2028, at $10,622 and $12,747 per Cascade Equivalent Residential Unit respectively.

Motion by Ms. Nuevacamina and second by Mr. Mullet to adopt Resolution No. 2026-17.

Mr. Baker reported the charges are unchanged from July and are based on Cascade's adopted methodology, which uses a proportional share of existing and planned infrastructure costs. Staff is coordinating with member staff on outreach to the development community.

At the question, motion carried unanimously (7-0).

F. Motion to adopt Resolution No. 2026-18, authorizing the borrowing of money and the issuance and sale of water system improvement and refunding revenue bonds.

Motion by Ms. Nuevacamina and second by Mr. Pascal to adopt Resolution No. 2026-18.

Mr. Baker explained that the resolution authorizes up to $50 million for Tacoma long-term supply capacity payments, up to $50 million for Capital Improvement Program projects, and up to $2.4 million to refund the 2014 bonds, with closing anticipated November 5, 2026. Given current market conditions, staff plans to issue about $52 million for current needs and defer the refunding and Tacoma prepayments. The resolution also strengthens the debt service coverage covenant to align with Cascade's policy and industry practice.

Board Members asked about call provisions, the revised covenant, and timing. Staff explained the bonds will be 30-year bonds with a 10-year call. Mr. Mullet questioned the advice to close before the November election, and staff acknowledged market uncertainty while relying on the bond team's advice. Staff confirmed that any additional issuance would require Board authorization and will keep the Board informed through weekly reports.

At the question, motion carried unanimously (7-0).

9. STAFF PRESENTATIONS

A. Cascade Supply Program Land Acquisition Strategy

Brian Bartle presented the draft Land Acquisition Strategy, including an opportunity for member

agencies to provide public land for a future tank site and options for delegating settlement authority to the Chief Executive Officer. Staff recommended allowing the Chief Executive Officer to approve settlements up to $150,000 and 50 percent over the initial offer. Comments are due September 30, with Board action planned for October.

10. COMMITTEE REPORTS

A. Executive Committee – No meeting held.

B. Finance & Intergovernmental Committee – Meetings held July 21, 2026 and September 15, 2026. The meeting recaps were included in the Board Packet.

C. Resource Management Committee – Meeting held September 10, 2026. The meeting recap was included in the Board Packet.

D. Supply Program Oversight Committee – Meeting held September 9, 2026. The meeting recap was included in the Board Packet.

11. NEW BUSINESS

No new business was brought before the Board.

12. NEXT REGULAR MEETING

The next regularly scheduled Board meeting will be held on October 28, 2026 at 3:30 p.m.

13. ADJOURN

The meeting adjourned at 5:12 p.m.

APPROVED BY:

_____
Angela Birney, Chair

_____
Tom McLeod, Vice-Chair

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

Motion to authorize the Chief Executive Officer to renew contracts for engineering, vendor, and consulting services as shown in the table below totaling $3,259,307, and in accordance with the adopted 2027 - 2028 Cascade budget.

SUMMARY OF CURRENT PROPOSED BOARD ACTION

Before the Board is a list of contracts that will expire on December 31, 2026, and which Cascade staff is requesting the Board's authorization to contract with again in 2027. All the consultants have been reviewed positively by staff.

BACKGROUND

The following table shows vendors and consultants with which Cascade is contracting for services during 2026 and whose current contracts expire on Dec. 31, 2026; staff recommend the contracts for renewal for 2027. The listed vendors and consultants provide services for legal, conservation, community relations, information technology support, on-call civil engineering, United States Geological Survey (USGS) joint funding agreements, Supervisory Control and Data Acquisition (SCADA) maintenance, and legislative outreach initiatives. All the contractors listed below have been evaluated positively in 2026. Prior year expenditures for each vendor and consultant are also shown below.

More detailed information about the contracts and the changes in compensation can be found in Attachment 1, Contract Summaries.

Vendor/Consultant	Work	2027 proposed	2026 contracts	2025 exp.	2024 exp.	2023 exp.
Brilliant Marketing	We Need Water social media Outreach	$65,100	$64,000	$48,443	$49,765	$40,020
Colehour + Cohen	Conservation class & event staffing	$123,000	$117,525	$116,045	$101,616	$90,146
GeoEngineers	Dam Engineer	$240,000	$570,000	$180,690	$119,995	$108,393
Gordon Thomas Honeywell	State legislative outreach	$84,000	$84,000	$84,000	$84,000	$84,000
Johansen Construction	On-call Minor Construction, Repair and Maintenance	$150,000	$150,000	$0	$0	$0
Lake Tapps Construction	On-call Minor Construction, Repair and Maintenance	$150,000	$150,000	$0	$0	$0
Langton Public Affairs LLC	Community relations	$78,000	$78,000	$78,000	$78,000	$78,000
Long Building Technology	SCADA/Security Maintenance Services	$78,000	$78,000	$58,175	$75,649	$58,810
Nature Vision	Classroom education programs	$138,402	$135,466	$118,333	$104,990	$99,993
Puget Sound Energy	Water efficiency rebates	$120,000	$120,000	$120,000	$120,000	$50,000

Sustainable Seattle	Problem-Based Learning for Water Systems	$60,000	$60,000	$59,999	$60,000	$60,000
Tacoma-Pierce County	LakeWise Program at Lake Tapps	$150,000	$140,000	$112,470	$107,060	$116,001
TeamLogic IT	IT Consultant	$153,805	$148,840	$124,388	$117,317	$128,568
Tilth Alliance	Garden Water Efficiency	$69,000	$65,000	$48,000	$45,201	$24,500
Titan Earthwork LLC	On-call Minor Construction, Repair and Maintenance	$150,000	$150,000	$0	$0	$0
USGS	Joint funding agreement	$350,000	$352,000	$291,620	$349,670	$323,468
Van Ness Feldman	General counsel/water right/real estate/franchises	$1,100,000	$900,000	$774,883	$619,553	$544,956
TOTAL		**$3,259,307**	**$3,362,831**	**$2,215,046**	**$2,032,817**	**$1,806,854**
Prior year renewal authorizations (including previously renewed contractors not being renewed by this memo for 2027)			**$2,536,134**	**$2,191,450**	**$2,116,062**	**$1,971,275**

PRIOR BOARD ACTIONS

Board Action	Date	Resolution No. (if Applicable)
Motion to authorize the CEO to renew contracts in accordance with Cascade budget.	11-19-2025	N/A

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

Cascade would bring the contracts back individually to the Board in November, so the vendors would be under contract in time for the start of 2027.

PROCUREMENT PROCESS

Each of the contracts listed above for renewal was individually procured using approved processes that led to prior Board authorization for each.

FISCAL IMPACT

The total maximum compensation for the contracts listed above is $3,259,307. These are anticipated costs for which funding has been included in the 2027-2028 operating and capital budgets.

Budget Line	2027 Operating Budget	Spent and Committed to Date	Available 2027 Budget	This Action	2027 Remaining Balance
Conservation professional services	$572,000	$0	$572,000	$455,502	$116,498
TappsWise Program	$150,000	$0	$150,000	$150,000	$0
Facilities Maintenance	$175,000	$0	$175,000	$78,000	$97,000
Legislative Strategy	$85,000	$0	$85,000	$84,000	$1,000

Members Communications and Outreach	$60,000	$0	$60,000	$46,800	$13,200
Lake Tapps Communications and Outreach	$50,000	$0	$50,000	$31,200	$18,800
Conservation rebates	$120,000	$0	$120,000	$120,000	$0
Professional Fees (Technical)	$163,724	$0	$163,724	$153,805	$9,919
USGS joint funding agreements	$350,000	$0	$350,000	$350,000	$0
Dam Engineering	$240,000	$0	$240,000	$240,000	$0
Lake Tapps Operator	$3,000,000	$0	$3,000,000	$450,000	$2,550,000
Legal services, general counsel	$925,000	$0	$925,000	$850,000	$75,000
Cascade Supply Program-Legal services	$250,000	$0	$250,000	$250,000	$0
Total	$6,140,724	$0	$5,890,724	$3,259,307	$2,881,417

RECOMMENDED ACTION

Authorize the Chief Executive Officer to renew contracts for engineering, vendor, and consulting services as shown in the table below totaling $3,259,307, and in accordance with the adopted 2027 - 2028 Cascade budget.

ATTACHMENTS

1. Contract Summaries.

Contract Summaries

Brilliant Marketing – We Need Water
Cascade is managing an active social media presence for promoting its classes, events, and mission. Social media is critical for promoting Cascade as a leader in water resource management and making its programs successful. Brilliant Marketing helps Cascade create content and strategies and works with Cascade members to align our respective social media strategies for maximum effectiveness. Brilliant Marketing also performs graphic design work for Cascade.

Colehour + Cohen – Community Event Staffing
Colehour + Cohen provides staffing and support services for Cascade's community events, inventory management, workshops, leak detection distribution, and social media content development. This support allows Cascade to provide programs and services that represent all members and serve thousands of residents, businesses, and schools. Colehour + Cohen helps to establish Cascade as an active community member and achieve its water efficiency program goals.

GeoEngineers, Inc. – On-Call Dam Engineering, Hydrology, and Geotechnical Services
GeoEngineers provides dam engineering, hydrology, and geotechnical services to support Cascade's ownership of the White River-Lake Tapps Reservoir Project, Bellevue-Issaquah Pipeline, and Cascade's future utility alignments. This work includes annual dike inspections and reporting, review and analysis of weekly/monthly dike instrumentation and observation data, providing input as requested, assisting with annual Emergency Action Plan updates, as-needed general dam engineering, hydrology, and geotechnical services. The Board authorized a three-year contract with an option for two additional one-year contracts (a total of five years). Cascade has been very satisfied with GeoEngineer's performance and seeks Board approval to extend the contract by one additional year now that the initial three-year period has expired. There is no change to the scope of work. The cost increase is to cover their annual expenditure, an inundation study (which was last done in 1999), and finishing the design for dikes 9 and 10.

Gordon Thomas Honeywell – State Legislative Outreach
Cascade will continue with this full-service, governmental affairs agency that provides lobbying and legislative presence for Cascade and its Members in relation to water supply and related issues at the Legislature, with state agencies and the industry. This includes, but is not limited to, creating legislation, amending legislation, working with lawmakers and key committee staff, as well as Cascade, its members and their lobbyists, and industry associations. With this contract, Cascade obtains the services of Diana Carlson, as well as other staff from Gordon Thomas Honeywell as needed to assist on Cascade work.

Johansen Construction, Titan Construction, Lake Tapps Construction - On-Call Minor Construction, Repair, and Maintenance Services
In 2026, Cascade staff decided to reduce the amount of work performed outside of the fixed fee contract with our Contract Operator (Veolia) under the variable task order process due to

administrative issues outside of Cascade's influence that were escalating project costs, incurring more Cascade staff time, and prolonging project close out. Johansen Construction, Titan Construction, and Lake Tapps Construction were selected under the Request for Proposal process and have all demonstrated excellent performance in 2026. Cascade staff intends to continue utilizing these three contractors to perform on-call minor construction, repairs, and maintenance services, mostly around the White River-Lake Tapps Reservoir Project, which includes dike repairs, facility maintenance, roadway improvements, security and safety improvements, and infrastructure inspections and repairs.

Langton Public Affairs – Community Relations
Sarah Langton provides community relations and outreach efforts with Cascade both in member service areas and in the Lake Tapps community. This includes, but is not limited to, work with each member, community and civic groups, the business community, and key stakeholders and organizations. Her knowledge and connections within these sectors help Cascade reach critical decision makers and keep them informed as to Cascade's work and potential future needs. At the Lake Tapps Reservoir, she works with the chambers and community groups and helps host public meetings, as well as provide written materials pertaining to critical needs or upcoming initiatives and measures residents need to know about.

Long Building Tech – Supervisory Control and Data Acquisition (SCADA)/Security Maintenance Services
Cascade completed the Security Improvement Program in 2023. As with newly acquired assets, this largely mechanical and electrical equipment requires annual scheduled maintenance to ensure proper performance. The scope of this contract is to provide routine, scheduled, and preventative equipment maintenance and related services for all security equipment installed between 2018 and 2023. The related services include fault verification, minor system add-ons, and system audit and upgrade recommendations. Cascade wants to continue with Long Building Tech for another year.

Nature Vision – Classroom Education Programs
Nature Vision provides excellent classroom education programs for schools in Cascade's member service area. Cascade's programs reach more than 12,000 students annually. Programs are aligned with Washington State Learning Standards and were specifically developed to address Puget Sound water issues. A portion of the increase is attributed to increasing programming by 50 additional classes.

Puget Sound Energy – Water Efficiency Rebates
Puget Sound Energy (PSE) invited Cascade to share costs on a variety of residential rebate and direct installation programs, including clothes washer and showerhead rebates, showerhead and aerator installation at apartment complexes, and fixture replacements at commercial properties. The partnership with PSE allows Cascade to leverage its program budget and resources to help more residents and achieve its water efficiency savings goals.

Sustainable Seattle – Problem-Based Learning for Water Systems
Cascade's partnership with Sustainable Seattle (Sustainability Ambassadors) allows Cascade to develop and provide water-related curricula and programming into middle and high schools. The Problem-Based Learning for Water Systems program is well-established in all four school districts Cascade serves.

Tacoma-Pierce County Health Department – TappsWise
Through this partnership, Tacoma-Pierce County Health engages in natural yard care and septic maintenance service education and workshops for the community to help residents prevent water quality challenges, as well as disseminates critical water quality information year-round. In addition, the contract ensures water quality at the Lake Tapps Reservoir is tested, monitored, and reported on at least a weekly basis over the summer months, which helps Cascade's water quality efforts on its future water supply. The minor contract increase is due to inflation.

TeamLogicIT – IT Consultant
TeamLogicIT has provided information technology support for Cascade for eight years, and their support has been excellent. Monthly services are billed at a flat rate of $6,150/month ($3,945 for Bellevue and $2,205 for Lake Tapps, for a total of $73,800/year) for IT managed services, $1,720/month ($20,640/year) for cloud backup, $800/month ($9,600/year) for the Egnyte cloud-based file system, and $600/month ($7,500/year) for Microsoft 365 security monitoring. Services are provided for both the Bellevue office and the Lake Tapps Reservoir facilities and include:

1. Remote Monitoring and Proactive Maintenance
2. Unlimited Remote and Telephone Support
3. Two onsite visits per location per month (one hour per visit)
4. IT Procurement
5. Strategic IT Planning, Training
6. Cloud backup storage
7. Cloud-based file system

Additionally, TeamLogicIT has recommended several IT projects that will improve the overall IT infrastructure, and this contract incorporates them as well. These additional projects ($30,125) include:

1. Penetration testing and network security assessment (audit recommendation) - $21K
2. Lake Tapps server replacement labor - $3.5K
3. Laptop replacement labor - $2.25K
4. Additional IT services billed at $225/hour - $3,375 budgeted

The remainder of the requested contract amount is for taxes.

Tilth Alliance – Soil and Water Stewardship
Cascade partners with Tilth alliance to deliver the Soil and Water Stewardship program, which provides free training for residents on sustainable landscaping practices, rainwater harvesting, drip irrigation, and other water-related topics. They also perform school, community, and volunteer projects that reduce water usage within Cascade's member service area.

United States Geological Survey (USGS) Joint Funding Agreement – White River Hydrologic Data Collection
Cascade is required, by the terms and conditions of the Lake Tapps Water Rights and White River Management Agreement, to maintain a system of stream flow gages on the White River – Lake Tapps Reservoir. The USGS operates and maintains a system of ten gaging stations on the White River – Lake Tapps Reservoir, which monitor stream flow, water quality, and lake water surface elevation. Data from these gaging stations is available to the public on the USGS website and real-time data from key gaging stations is provided directly to Cascade (and Veolia). Refurbishing an existing stream gaging station to provide additional data is planned for a future date. The service provided by the USGS has been very good over the years, and Cascade anticipates continuing to receive hydrologic data collection services from the USGS in 2027 and beyond.

Van Ness Feldman – General Counsel/Water Right/Real Estate/Franchises
Van Ness Feldman continues to provide excellent legal counsel services to Cascade. Their services are as general counsel. Their legal staff is competent, professional, proactive, and engaging. They understand Cascade's operational and organizational environment and work very well with staff to anticipate and address legal issues that Cascade encounters or may encounter. Van Ness Feldman communicates its own contract issues (scope, budget, etc.) well with Cascade management to manage its work and to prevent contract budget overruns. The 2027 budget increase is largely due to legal services for the Cascade Supply Program and a six percent rate increase.

Item No. 8a
October 28, 2026

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

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

BACKGROUND

Cascade's Board of Directors held a special meeting on March 6, 2026 to develop a framework to guide oversight of the Cascade Supply Program (CSP) Phase I planning and design stages.

To support effective Board Oversight of the CSP, the following three key oversight objectives were discussed during the 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 are documented in the Board Oversight Strategy. A summary of the workshop that documents the discussion and workshop activities is an appendix to the Strategy along with materials presented in the workshop. The Board will review CSP progress monthly to align the program with established goals, objectives, policy, and performance standards.

Next Steps

The Board Oversight Strategy is expected to guide oversight for CSP through the planning and design stages of Phase I. Modifications to the decision criteria and Authorization Matrix may be needed to guide oversight as the CSP enters the construction stage, for changes in authority delegation to the CEO, or at Board direction. Cascade will ask the Board if they would like to review and update the Strategy at major program milestones (such as moving from the design stage to construction stage), as the CSP progresses, and as Board oversight and accountability requirements change.

Staff received a recommendation from the Supply Program Oversight Committee to proceed with a motion to approve the Board Oversight Strategy.

PRIOR BOARD ACTIONS

Board Action	Date	Resolution No. (if Applicable)
A resolution amending CWAC 2.05.330 (Standing Committees), 2.05.340, 2.05.351, and 2.10.040	03/25/2026	2026-06
A resolution appointing standing committee membership	03/25/2026	2026-07

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

If the Board does not approve the Board Oversight Strategy, an additional special meeting of the Board may be required to understand key changes necessary to gain consensus on Board oversight objectives.

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

N/A

RECOMMENDED ACTION

Motion to approve the Board Oversight Strategy for the Cascade Supply Program.

ATTACHMENTS

1. Board Oversight Strategy, October 14, 2026.
2. Presentation Slides for the Board Oversight Strategy.



BOARD OVERSIGHT STRATEGY

Cascade Supply Program

Version 1

2026-10-14

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Appendix A. Board Oversight Workshop Summary Memo

Revision History

Date	Change Log
2026-06-24	Draft Board Presentation
2026-10-XX	Board Adoption

1.0 Executive Summary

The Cascade Supply Program (CSP) requires structured oversight to meet its goals. This Board Oversight Strategy (Strategy) 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 in 2026 and will guide oversight for the CSP Phase I planning and design stages.

The Board's oversight 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) regional partnerships.

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 A) 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 Water to its Member agencies. The CSP was established to plan, design, and deliver the major infrastructure needed to connect Tacoma Water supply and eventually 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 at least one Member connection point 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, respectively.

2.2 Purpose

This Strategy describes how Cascade's Board will provide oversight for the CSP through the planning and design stages of Phase I. The Board workshop objectives for providing oversight which are documented and established within this document included:

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

A Board Oversight Workshop Summary Memo is provided as Appendix A, and workshop summary minutes are provided as Attachment 2 of the Memo.

Coming out of the workshop and through the creation of this document, the Board discussed and are adding the following oversight objectives:

- Transparency: The Board discussed "no surprises" during the workshop. Staff recognize the need to share information in a timely manner, so that the Board is informed of changes. Additionally, limiting surprises means planning ahead by staff so that items are presented to the Board with sufficient time to make decisions. This is addressed throughout this document, specifically in the decision-making process and risk register.
- Accountability: The Board discussed the need for program tracking, specifically on budget and schedule. These items are further expanded in this document through the authorization matrix and performance reporting sections.

Although governance and Board decision-making actions were not addressed during the workshop, they are described in this document to demonstrate how Cascade staff will promote Board visibility into the program. Cascade will ask the Board if they would like to review and update the Strategy at major program milestones such as moving from the design stage to construction stage, as Board oversight and accountability requirements change, or as directed by the Board.

3.0 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 committees 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 for that particular topic, 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 authority[1]. 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 Supply Program Oversight Committee (SPOC)

The Board established the SPOC[2] 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.

3.3 Other Cascade 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 bond issuances, intergovernmental agreements and federal and state funding to supplement program resources. These committees are described in Cascade's Code[3].

3.4 Chief Executive Officer

The Board relies on Cascade's Chief Executive Officer (CEO) for day-to-day oversight of the program, including staffing, financial metrics, and schedule. The CEO has an integral part in the Authorization Matrix with delegated duties from the Board. Delegated duties are still under the Board's purview and will be reported back to the Board at regular intervals as described herein.

4.0 Member Staff Engagement

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 and Board consideration.

[1] Article II, CWAC 2.05.040
[2] Res. 2026-06
[3] Article V, CWAC 2.05.330

4.1 Member Staff Technical (MST) Subgroup

Cascade formed the MST Subgroup 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.

5.0 Authorization Matrix

Decision-making authority for the CSP is set at the Board and CEO levels. The Authorization Matrix (Table A) 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 A. 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
Real Estate Acquisition and Siting			
	Fee Simple Acquisitions	A	
	Use of Eminent Domain	A	
	Acquisition outside of delegated authority threshold[4]	A	
	Acquisition within delegated authority threshold[4]		A
	Acquisitions within the $50,000 codified delegation authority[5]		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	
Staffing			
	Establish position count through biennium budget or modification request	A	
	Select and hire staff		A

[4] An acquisition delegation proposal will be included within the future Land Acquisition Strategy. Resolutions adopting the delegation authority would not be completed until the first package of acquisitions is ready to move forward for Board approval.

[5] A $50,000 delegated contracting authority per CWA 5.60.020

5.1 Delegated Authority Oversight

Delegation of authority does not mean that the Board will lose visibility into CSP actions. All delegated items will be reported to the Board in the Monthly CSP Update (refer to Section 7). Deviations outside of delegated authority would require Board authorization. Some activities may require use of Executive Session[6] to discuss sensitive topics.

5.1.1 Contracting

Within the contracting activities, the Board delegated work assignment authorizations to the CEO. Work assignments are created by the consultant and CSP team together. The work assignments will be reviewed and approved by the CSP Program Executive and then forwarded to the CEO for review and approval. Once approved, the final version of the work assignment will be posted on the Member SharePoint site. Total work assignment value approved by the CEO will not be greater than the budget set and approved by the Board.

5.1.2 Program Budget

Within the budgeting activities, the Board delegated the use of project and program contingencies to the CEO. Each biennium, the Board approves the budget for the CSP as well as the rest of Cascade's budget. Additionally, at the start of each year, the Board approves the anticipated workplan for the CSP prior to approving a contract modification for the consultant team. Each of these yearly workplans is intended to be the bulk of work for that year and will be issued as one major work assignment. However, the CSP team acknowledges that things will come up throughout the year that were not initially anticipated. Within the approved budget, there will be a contingency reserve for the program consultant and in the future, design consultants. The pre-approved contingency budget will be utilized for additional authorized work assignments throughout the year. Each time a work assignment is issued, it will be discussed and shared with SPOC and documented in the monthly report the Board receives.

5.1.3 Program Schedule

The Board delegated schedule modifications that do not impact the program end date to the CEO. The program schedule is discussed in each SPOC meeting. A three-month look ahead schedule will be provided in the Board monthly update, and a one-year projection will be provided in the quarterly update. Any major deviations will be noted.

5.1.4 Real Estate Acquisition and Siting

Real estate acquisition activities are the purview of the Board. The Board has the authority to delegate acquisition activities to the CEO as documented in the Authorization Matrix:

1. Activities within the proposed Land Acquisition Strategy (LAS) delegation threshold
2. Activities under a $50,000 contracting authority delegation adopted by Cascade's Code (5.60.020)

Acquisition threshold delegation will be a Board action, however resolution(s) adopting the proposed delegation authority would not be completed until each package of acquisitions is

[6] Executive Sessions are used when legally allowed and/or required.

ready to move forward for Board approval. That information would be part of the annual workplan during each year in which the CSP intends to pursue property acquisition. This is expected to happen after 60% Design for the pipeline alignment; however, specific properties such as a tank site, may be presented to the Board as separate actions.

5.1.5 Permitting

The Board delegated permitting activities to the CEO since these are more tactical activities regarding the delivery of the program. Permit progress and issues will still be part of future discussions with SPOC.

5.1.6 Staffing

The staffing section for the program authority matrix matches the current practices of Cascade. The Board establishes the staff count through the biennium budget process or amendments. Selecting, interviewing, and hiring staff remain a function of the CEO. In some cases, positions approved through the budget process may be reallocated to the program (or taken from the program). In those cases, the Board would be notified during a regular meeting.

6.0 Decision Making

Governance is more than timely decision-making; it is continued engagement at multiple levels built on a thorough understanding of the scope of Board oversight. The following section provides an introduction to the types of decisions the Board will be asked to make, and the framework in which timely decision making can occur.

6.1 Decision Types

The Board's authority is executed through many types of document approvals and actions including but not limited to: program budget, rate adoptions, contracts, directing the work of the CEO, setting program performance metrics, etc. There will be a number of detailed documents developed for the CSP that will outline the proposed work. This will include both strategy development and specific plans for implementation as well as policy and code adoption. These documents and actions serve as vital components of the Board's governance framework.

Strategy documents will focus on aligning with longer range program goals, reflect the Board's values, and propose actions for Board oversight (such as defining delegation of approval and delegation thresholds as well as Board-specific actions like government-to-government outreach). Plan documents will focus on specific activities that align with the strategies and typically rely on more developed program information (such as design decisions). Strategies describe what needs to be done, how best to go about it, and highlight potential risks and benefits while plans provide the details of how the work will be done in the context of decisions that are made regarding alignments, options, design, regulatory and other requirements. Not all strategy documents will require Board action.

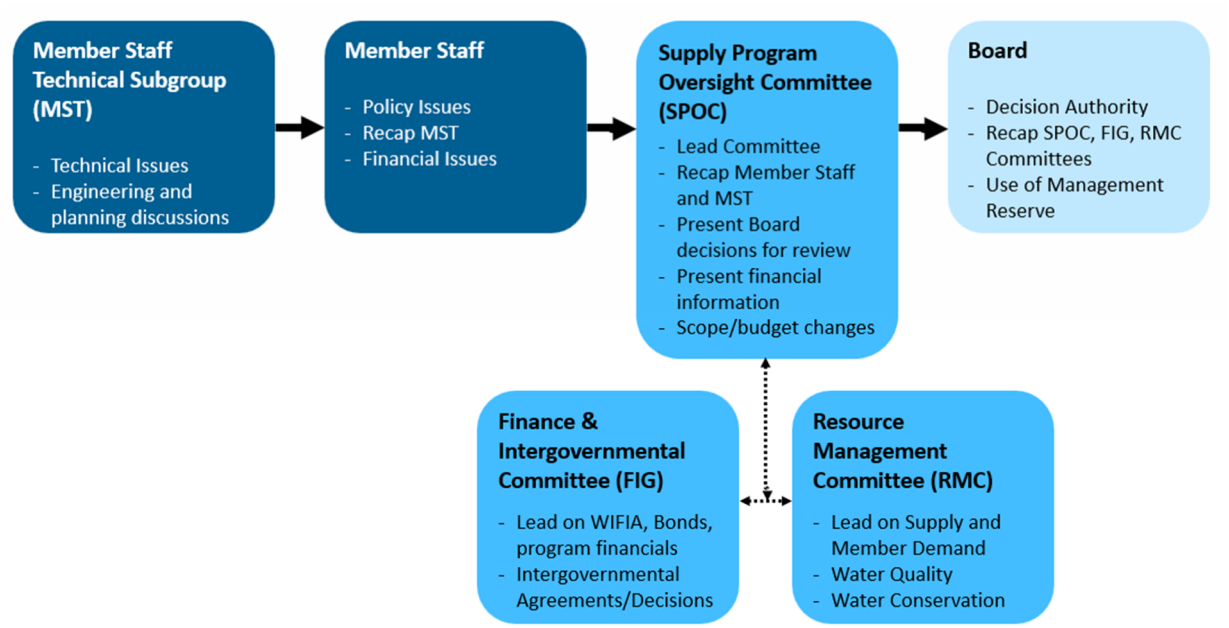
Plan documents are the implementation of the strategy.

Policies and code creation will provide rules that guide program actions, help manage risk and enable organizational continuity. All policies and code creation or revision will require Board action.

6.2 Decision Routing

Staff recognize that there will be a significant number of decisions to be made and aim to assist the Board by providing timely and high-quality information to support the decision. As shown in Figure 1, staff plan to rely on the committees and Member staff to vet and refine the information to support decisions. This will help provide relevant and concise information to the Board. Along with relevant information, staff will bring recommended actions, information on other options considered, and why they were not chosen. Finally, when presenting decisions, Staff will work with Member staff to review and consider implications to the work needed for future phases of the program. Figure 1 demonstrates the flow of information and how staff intend to use the existing meeting structure to bring information forward to the Board.

Figure 1. CSP Information Flow to the Board



6.3 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 B will be used by Cascade staff to evaluate alternatives and support informed choices by the Board in alignment with program goals.

During the Board Oversight Workshop, the Board generally prioritized the criteria below based on greater general importance to them and their constituents at the time of the workshop (see Appendix A for the ranking results from the workshop). Member staff may at times provide input on these criteria as appropriate and based on Board interest. CSP staff will vet criteria with SPOC for feedback prior to application of decision criteria; SPOC may request staff ask

the Board to review and update criteria prior to implementation. These criteria may also evolve over time based on Board direction.

Table B. 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.

6.3.1 Application of Decision Criteria

Items requiring Board decisions and action will be presented to the Board relative to the decision criteria in Table B. Although the Board generally prioritized the criteria, criteria weights are expected to change depending on each decision and its impacts. Certain decisions may require a more complex weighting and scoring application, while others could be relatively straightforward. The Board has the authority to redefine criteria depending on the decision at hand. When utilizing the criteria for Board consideration, 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.

Staff intend to present recommended options that have been pre-screened against the criteria; however, the criteria application can be adjusted based on Board input and direction. Decision criteria application will be presented to SPOC for feedback prior to Board presentation. The Board will ultimately make the decision on the preferred option based on the recommendations. As requested by the Board, both recommended option(s) and excluded options will be presented for Board review to promote informed decision-making.

7.0 Performance Reporting

Performance reporting is key to keeping the Board and Members informed on the CSP status. The CSP team has developed a plan to provide monthly, quarterly, and yearly updates.

7.1 Monthly

The performance of the CSP will be discussed monthly with both SPOC and the Board. Staff have developed a monthly status update for the Board packets that includes financial performance (work assignment spending), a three-month lookahead schedule indicating topic presentations and anticipated Board actions/direction, expected milestones, a description of accomplishments and upcoming work, and a risk summary matrix. The monthly status update is expected to evolve as the program matures and more information is developed, including confirmation of program scope and baselining the program budget and schedule. At that time, additional performance metrics may be created.

7.2 Quarterly

In addition to the monthly status update, a quarterly update will provide forward-looking information to the Board. Staff will focus on upcoming activities that will be presented via a PowerPoint presentation to both SPOC and the Board. The timeframe for the lookahead is approximately one year. The following information may be presented quarterly:

- Anticipated financial performance (projected work assignment spending) and management reserve funding resulting from annual Board authorization
- An approximate one-year lookahead schedule indicating anticipated Board actions/direction and expected milestones by task
- Detailed descriptions of task and work product, expected timing, Member and committee engagement, and anticipated Board actions described for:
    - Planning
    - Real Estate
    - Permitting
    - Communications and Outreach
    - Design
    - Construction
    - Operations

7.3 Annually

The Board authorizes annual spending every two years via the Cascade budget process; the annual Capital Improvement Program (CIP) budget for CSP is set during this process. Additionally, Cascade staff will prepare an annual work plan that will be presented in Q4 outlining the expected activities and milestones the program expects to achieve within that budget for the following year. This process adds additional Board oversight over program spending and activities and requires a Board action to increase consultant contract budgets.

8.0 Risk Management

Risk management was a primary discussion of the Board workshop, including adding "risk" as a decision-making criterion discussed above. Risk management has been a focus at subsequent SPOC and Board discussions. A program of this scale will encounter many different types of risks – ranging from programmatic long-term risks to simpler short-duration individual project risks.

8.1 Risk Register

To aid in the tracking and discussion of risks, staff are developing and maintaining a risk register to be used throughout the life of the program. The full risk register is intended for staff use in day-to-day management of the program.

Currently, the following items are tracked in the full risk register. This list may be modified as the program evolves. Asterisks denote information that will be brought to the Board as described below.

ID number*	Primary Technical Area	Risk Owner
Title*	Additional Technical Area	Source
Description*	Likelihood	Anticipated Closure Date
Risk Type	Impact	Closure Date
Category	Total Score	Notes
Consequences*	Response Plan*	Date Created
Stage of Occurrence	Status	Date Modified

8.2 Risk Reporting

Risks are being evaluated on the likelihood of the risk occurring and the impact of the risk if it did occur. These two metrics create an overall risk score for each identified risk. Risk scores are used to report to the Board and SPOC whether a risk is high (probable), medium (possible), or low (rare). Any risks with an overall high score, or that have been evaluated as high in likelihood or high in impact, will be discussed at the following SPOC meeting. Risks flagged by SPOC for discussion at the Board level will be presented at the next available Board meeting.

Risk reporting at the SPOC meeting will use a streamlined reporting structure. The above criteria with an asterisk (*) will be summarized in the SPOC presentation, with one additional column summarizing potential Board member interaction for feedback, if anticipated.

8.3 Opportunity Register and Reporting

Staff will also be tracking opportunities in a similar manner throughout the life of the program. Opportunities have the potential to improve costs or schedule or create and strengthen relationships. A separate opportunity register will be maintained, with similar information as the risk register. Opportunities will be reported to the Board and SPOC, commensurate to risks.

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	❌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	✅Alleviate time constraints on all Committees	✅Alleviate time constraints on all Committees
Use of Time	❌CSP discussion must be shortened, taking multiple meetings to get through one topic	✅Existing Committees focus on existing business ❌Will create more meetings	✅All Committees have dedicated and specific focus ❌FIG meetings may be longer
Engagement	❌Greatly expands RMC's scope	❌Difficult to split 7 Board members into 4 committees ✅Creates a program-dedicated and knowledgeable group of Board members	✅Combines two committees with smaller agendas into one robust group ✅Creates a program-dedicated and knowledgeable group of Board members

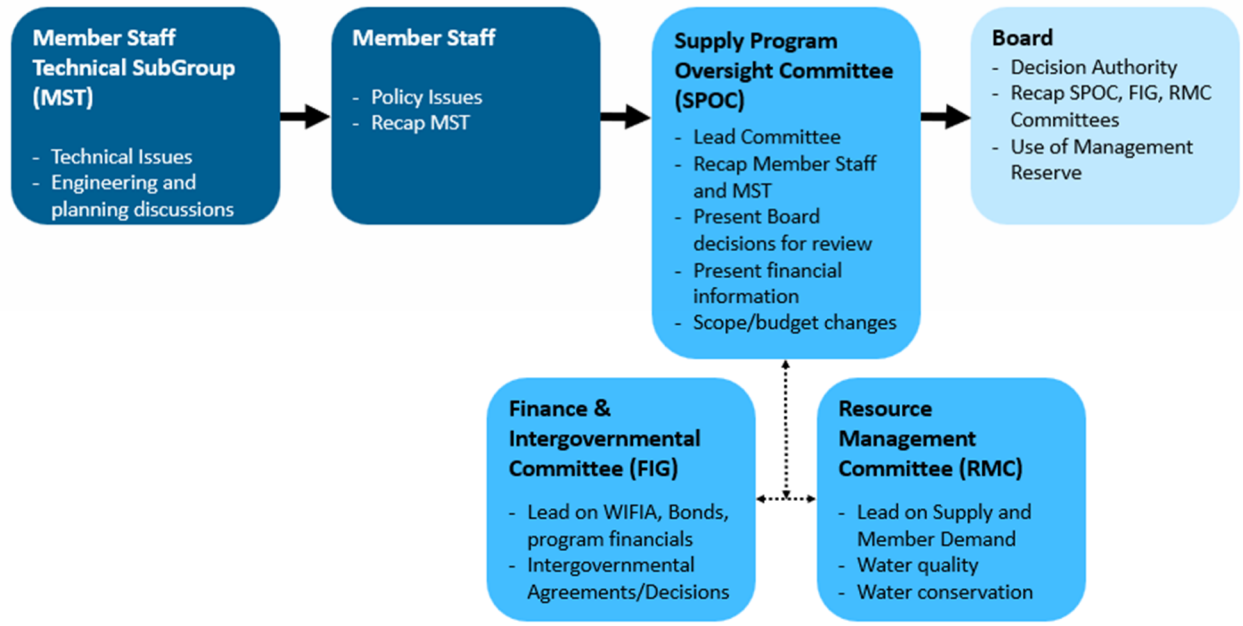
The "modified three" structure would reduce time constraints across committees, give committees clear and dedicated focus, and create a consistent group of Board members assigned to each topic area. The new CSP committee, Supply Program Oversight Committee (SPOC), is responsible for oversight of CSP 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).

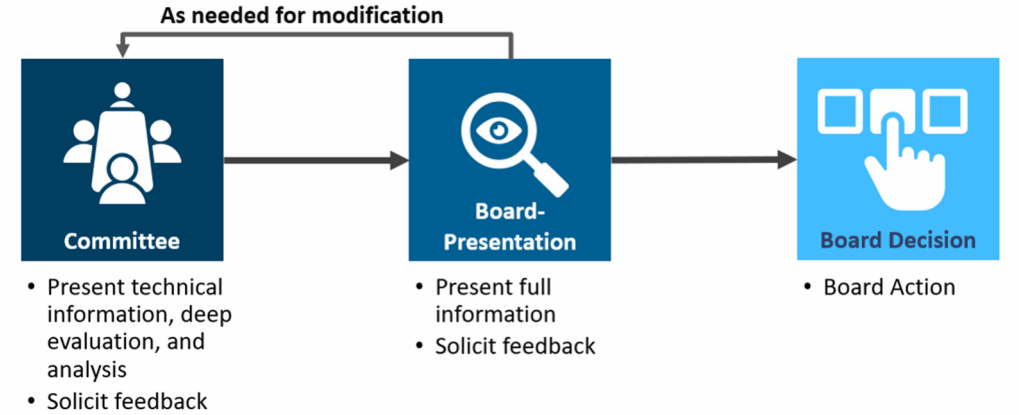
Cascade regularly interacts with Member staff, focusing on capital projects, cost and rates, policy, and operations. Cascade matters are often presented to Member staff prior to committee consideration. In addition, Cascade has formed the MST to provide technical input on CSP delivery during planning 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 criterion[1].

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 limit[3]. 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

CASCADE WATER ALLIANCE

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

CASCADE WATER ALLIANCE

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

CASCADE WATER ALLIANCE

Section Purpose

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

CSP Overview

CASCADE WATER ALLIANCE

Program Background

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

Cascade Supply Program
Phase Map

Phase II - 2030-2053
Distribution

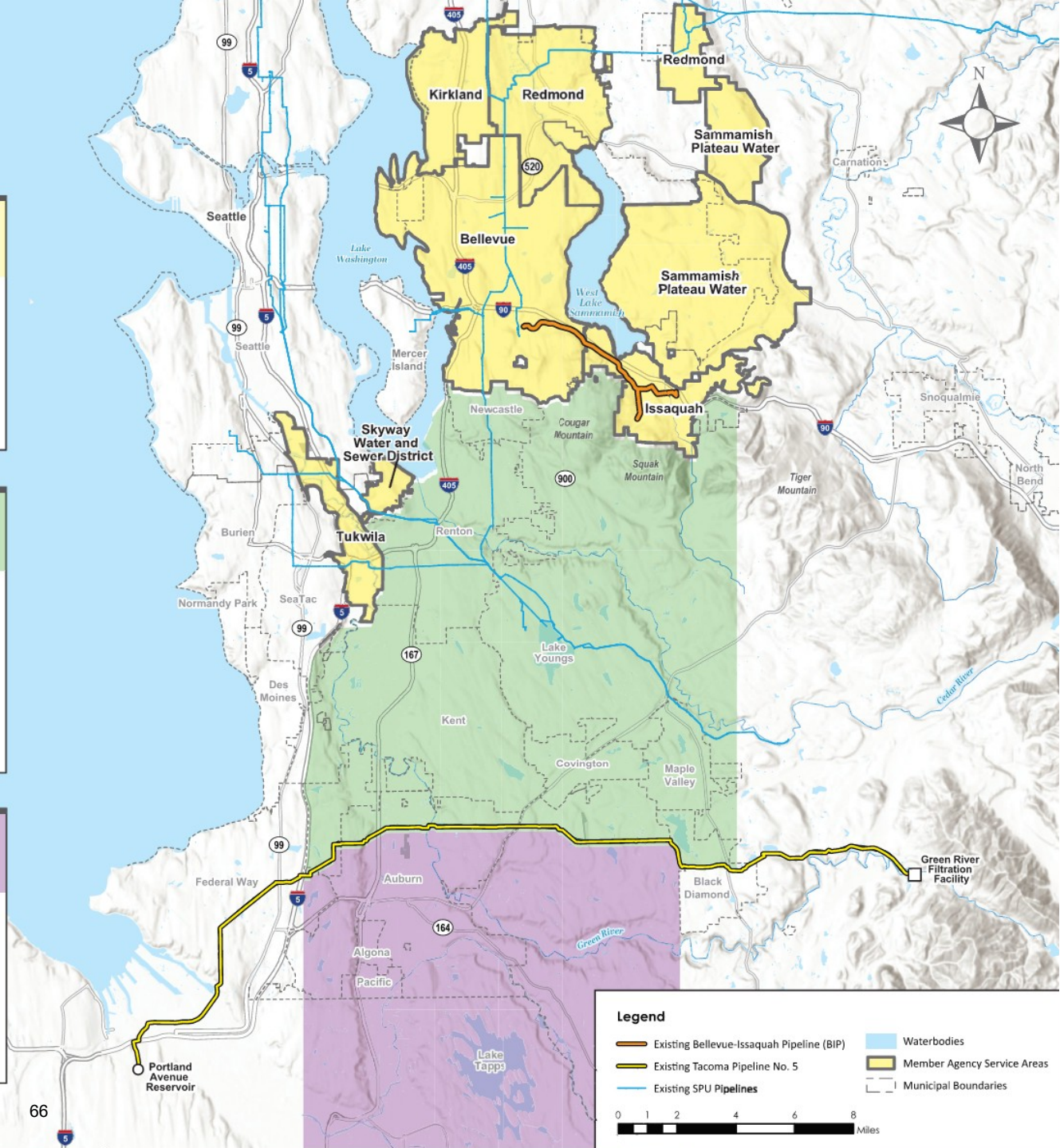
Member Distribution
- Potential additional storage tank
- Potential Bellevue-Issaquah Pipeline distribution improvements
- Potential Pump Station
- Potential Eastside distribution lines serving Bellevue/Kirkland/Redmond (BKR)

Phase I - 2026-2040
Transmission

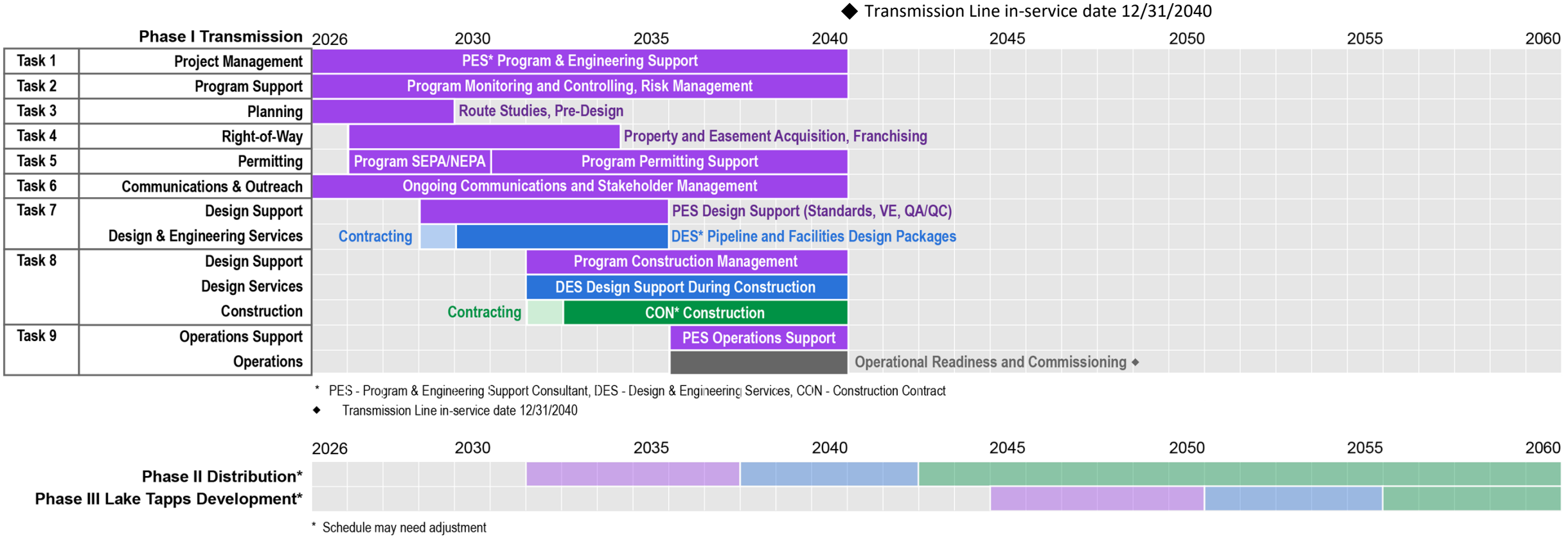
Connect Tacoma and Cascade
- Tacoma-Cascade Transmission Line
- Cascade Storage Tank
- Cascade Re-chlorination Station
- Building facilities for SCADA and Operations
- Building facilities for Storage and Maintenance

Phase III - 2043-2060
Water Supply Development

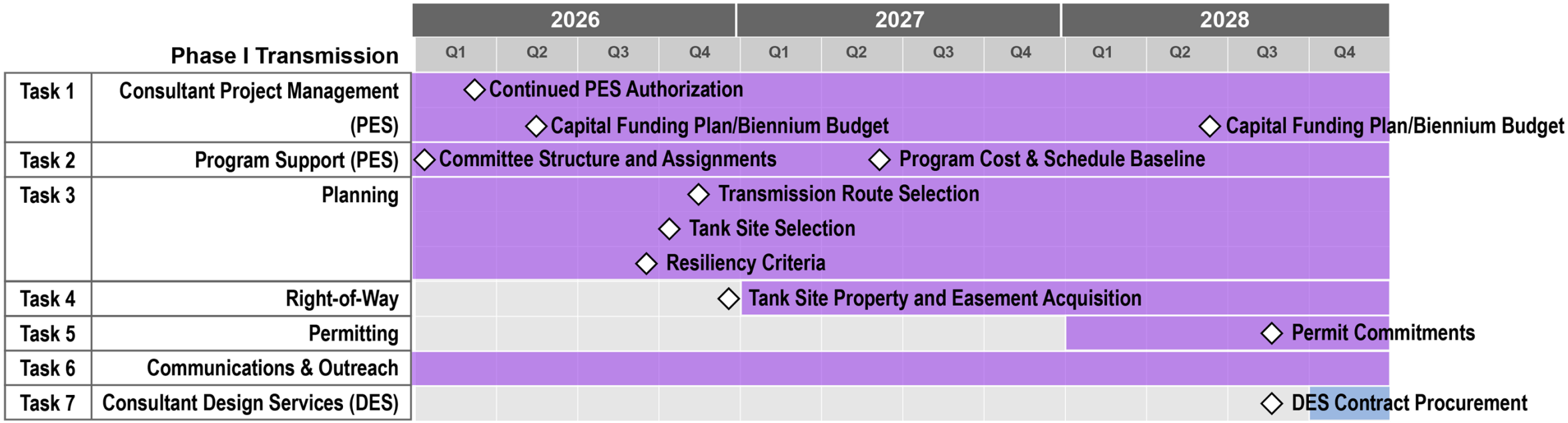
Treatment, Pumping and Transmission Pipeline
- Lake Tapps Reservoir Water Treatment Plant (water intake and filtration)
  Lake Tapps Transmission Line
- Potential appurtenant facilities
- Phase capacity buildout



Phase 1 Schedule – Big Picture



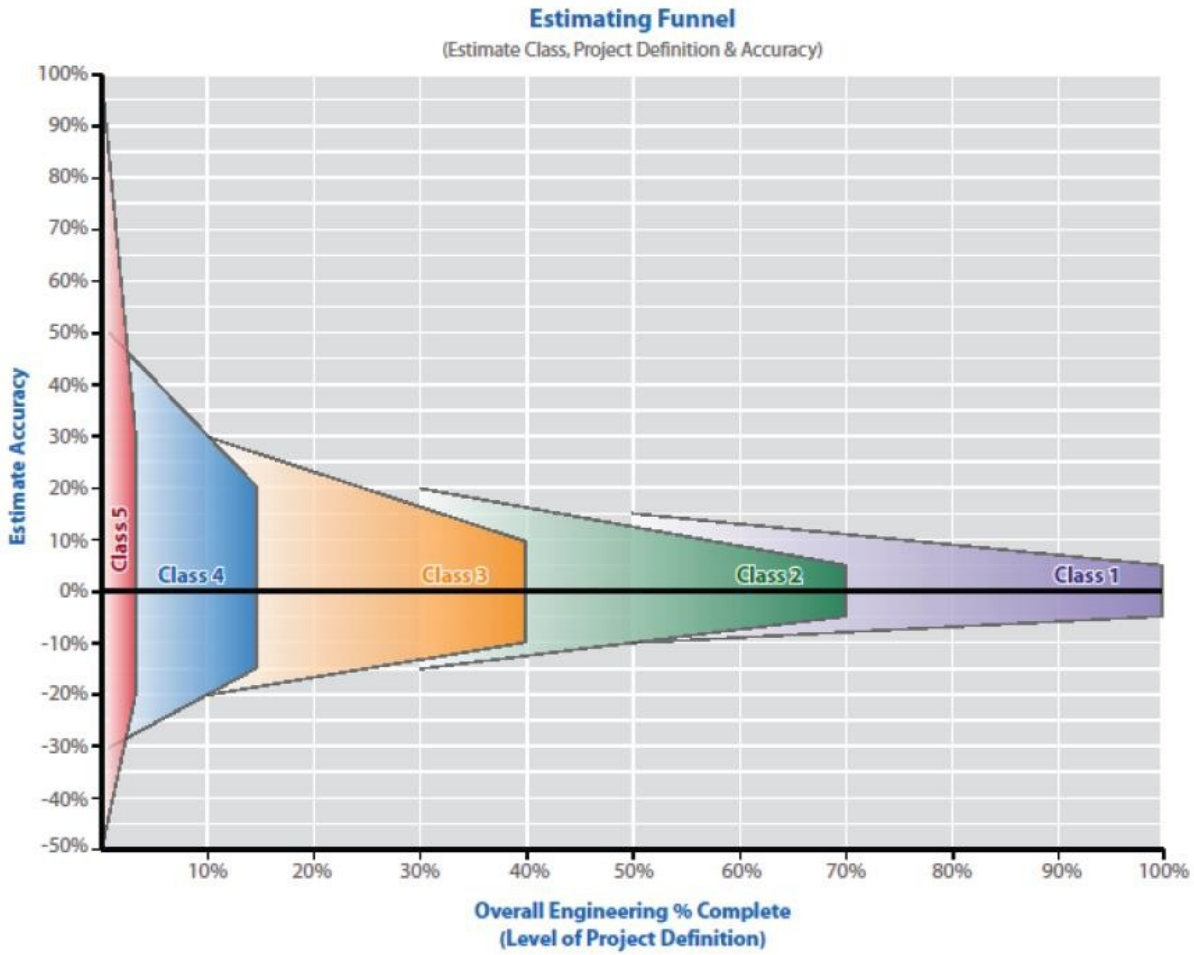
Anticipated Board Decisions



* 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/

CASCADE WATER ALLIANCE

Section Purpose

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

Principles of Board Oversight

CASCADE WATER ALLIANCE

Principles of Board Oversight



CASCADE WATER ALLIANCE

Section Purpose

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

Board Committee Structure

CASCADE WATER ALLIANCE

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

CASCADE WATER ALLIANCE

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



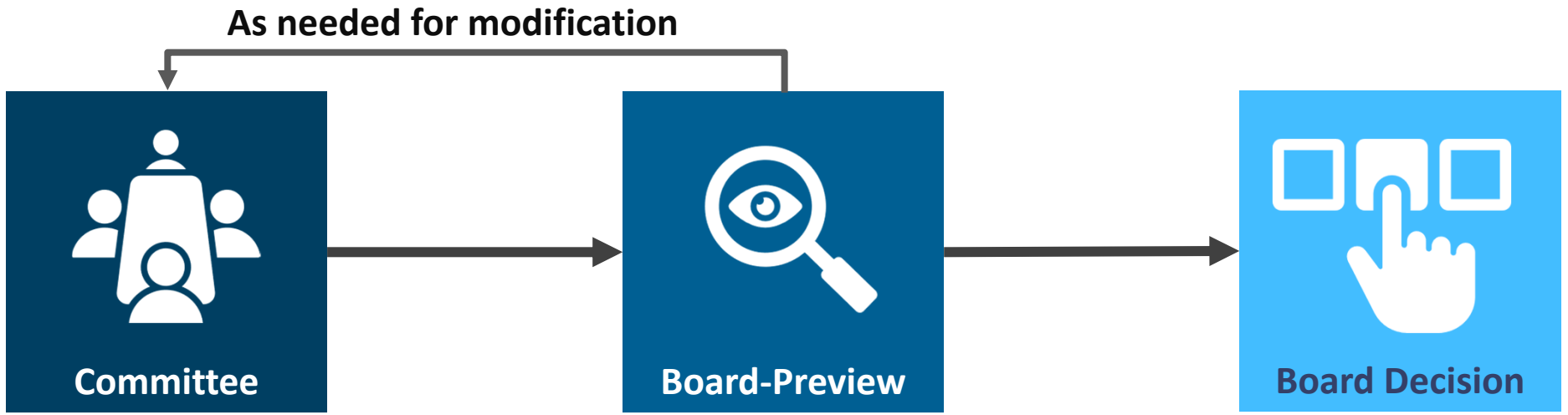
CASCADE WATER ALLIANCE

Board Committee Structure Options

	Current	4th 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	❌ 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	✅ Alleviate time constraints in all Committees	✅ Alleviate time constraints in all Committees
Use of Time	❌ CSP discussion must be shortened, taking multiple meetings to get through one topic.	✅ Existing Committees focus on existing business ❌ Will create more meetings	✅ All Committees have dedicated and specific focus ❌ FIG meetings may be longer
Engagement	❌ Greatly expands RMC's scope	❌ Difficult to split 7 Board members into 4 committees ✅ Creates a program-dedicated and knowledgeable group of Board members	✅ Combines two committees with smaller agendas into one robust group ✅ Creates a program-dedicated and knowledgeable group of Board members

CASCADE WATER ALLIANCE

Committee to Board Information Flow

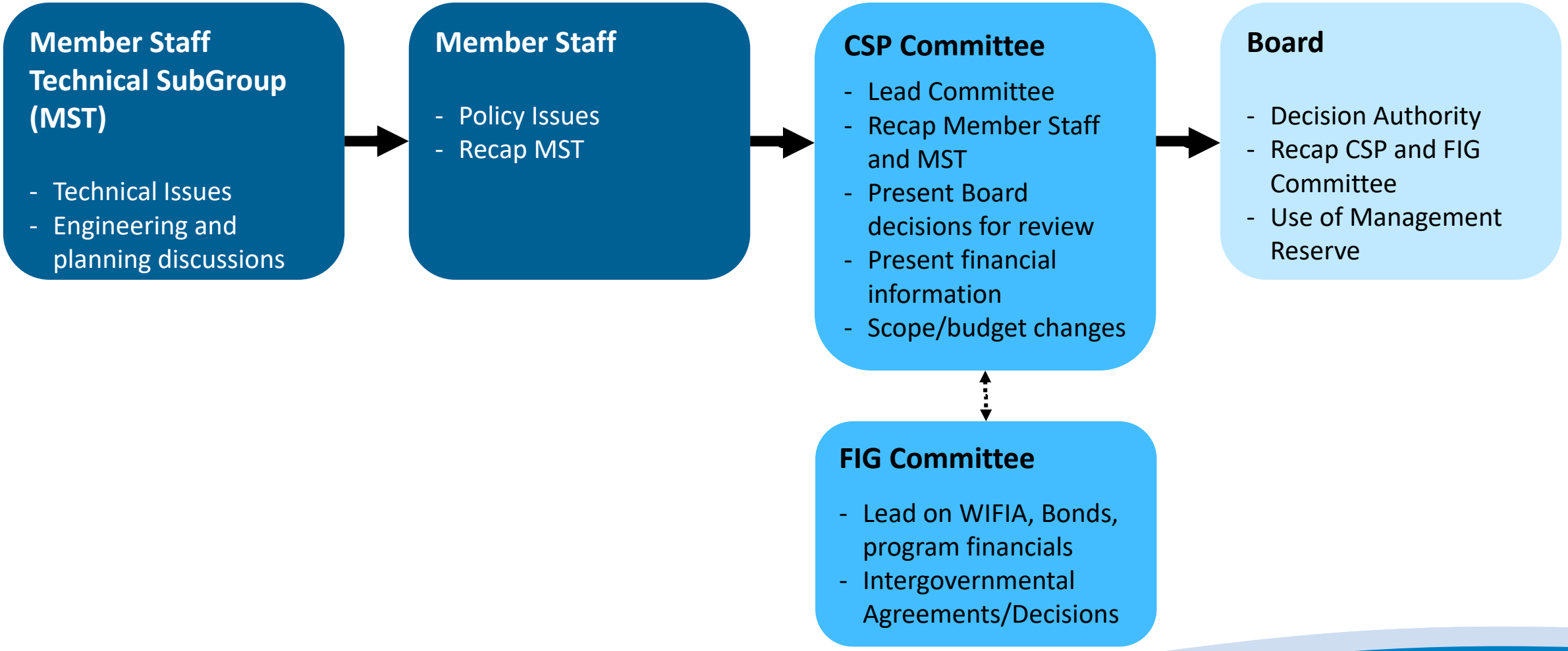


- Present technical information, deep evaluation, and analysis
- Solicit feedback

- Present quick summary
- Solicit feedback

- Present full information
- Board Action

CSP Information Flow to Board



Break

CASCADE WATER ALLIANCE

Section Purpose

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

CSP Decision Criteria

CASCADE WATER ALLIANCE

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.

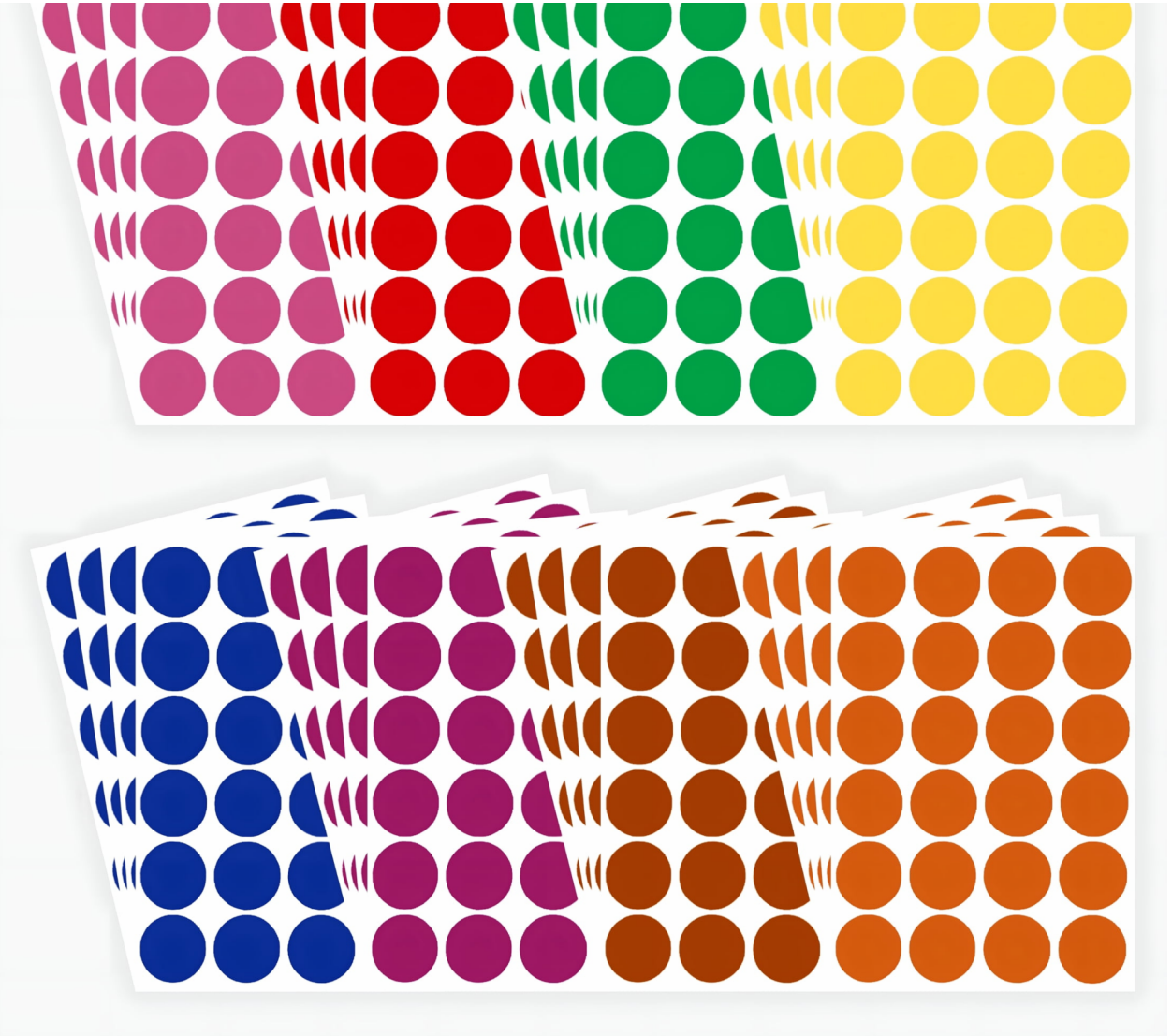
Schedule

- 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)



CASCADE WATER ALLIANCE

Lunch

CASCADE WATER ALLIANCE

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

CASCADE WATER ALLIANCE

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		

CASCADE WATER ALLIANCE

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

CASCADE WATER ALLIANCE

Next Steps

CASCADE WATER ALLIANCE

Next Steps

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

CASCADE WATER ALLIANCE

Questions?

CASCADE WATER ALLIANCE

MINUTES OF THE SPECIAL MEETING OF THE BOARD

CASCADE SUPPLY PROGRAM OVERSIGHT WORKSHOP

FRIDAY, MARCH 6, 2026

9:00 AM – 2:00 PM

HELD AT BELLEVUE CITY HALL

CALL TO ORDER

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

ROLL CALL

Board Members Present: City of Bellevue (Hamilton), City of Issaquah (Mullet), City of Kirkland (Pascal), City of Redmond (Birney), Sammamish Plateau Water & Sewer District (Warren), Skyway Water and Sewer District (Ault), City of Tukwila (McLeod)
Board Member Absent: City of Issaquah (Mullet)
Board Alternates Present: City of Bellevue (Bhargava), City of Kirkland (Curtis[1]), 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

Cascade Supply Program

October 28, 2026

CASCADE WATER ALLIANCE

Agenda Item: 8.a

Title:

Revised Board Oversight Strategy

Requested Feedback:

Information sharing; questions and feedback;
Board Action to adopt the plan

CASCADE WATER ALLIANCE

Board Oversight Strategy

- Name changed from Plan to Strategy
- Final document in your packet
  - Expanded from 5 to 8 Sections, restructured for better flow
  - Content expanded to provide detail on CSP actions to support governance decisions
  - Includes additional content on visibility and reporting on CSP actions
- SPOC recommended for Board approval

Thank you!

CASCADE WATER ALLIANCE

AGENDA MEMORANDUM

PROPOSED BOARD ACTION

Motion to approve a letter to King County regarding reclaimed water policy options.

SUMMARY OF CURRENT PROPOSED BOARD ACTION

The King County Wastewater Treatment Division (WTD) is developing an update to its Regional Wastewater Services Plan (RWSP), which includes consideration of existing and proposed reclaimed water[1] policies. Cascade and WTD have an agreement to coordinate reclaimed water, including reclaimed water policies as part of the RWSP update.

The proposed motion would approve transmittal of a letter to WTD, expressing Cascade's support for the potential for reclaimed water to be an important part of the regional water supply portfolio, with recognition of the need to protect existing uses and users from adverse impacts.

BACKGROUND

In 2017, at the request of Cascade members due to King County's actions to expand its use of reclaimed water, the Cascade Board adopted an interim policy regarding reclaimed water that is still in place today.

The key components of the interim policy are:

- The "grandfathering" of uses of reclaimed water applications for the City of Tukwila (Fort Dent Park and right-of-way irrigation) and the City of Redmond (Willows Run Golf Course and 60 Acres) as they exist as of the date of the interim policy;
- Until the interim policy is superseded, approval as independent supply under Article 1 of the Cascade Joint Municipal Utilities Services Agreement so that total new reclaimed water applications per Member do not exceed 1 mgd; and
- Financial treatment of new reclaimed water applications as volumes that derive from Cascade for demand share purposes and are incorporated into the three-year historical use for member charge allocations.

In 2019, Cascade and WTD executed an Agreement to Coordinate Reclaimed Water. This agreement was subsequently amended and restated in 2025 ("Agreement"). The key components of the Agreement are:

- The distribution and use of reclaimed water in Cascade's service area shall be limited to uses that do not displace uses of potable water by customers of Cascade's members;

[1] The terms "reclaimed water", "recycled water", and "water reuse" have been used inconsistently and interchangeably throughout the industry, by Cascade historically, and by the County. Washington State uses the term "reclaimed water" in its regulations, and therefore Cascade intends to use the same term consistently going forward.

- Reclaimed water customers or uses cannot be added by WTD without agreement from the Cascade member within whose service area the use would take place.
- Cascade and WTD will coordinate on reclaimed water policies as part of the RWSP update, including but not limited to evaluation of:
    - The distribution area for reclaimed water, and terms and conditions for reclaimed water distribution within Cascade's service area;
    - Planning coordination, including integration of reclaimed water into regional and individual wastewater, water, and capital improvement plans;
    - Decision-making for reclaimed water within Cascade members' service area, and costs and funding of the same;
    - Terms and conditions for any use agreements or third-party distribution agents;
    - Protection of drinking water sources, and provisions for monitoring, sampling, and protective actions; and
    - Environmental uses of reclaimed water such as wetlands or streamflow augmentation.

WTD has developed proposed policy options and presented them to the Metropolitan Wastewater Pollution Abatement Advisory Committee (MWPAAC), which is made up of WTD's 34 retail wastewater contract agencies, and to King County's Regional Water Quality Committee (RWQC). These policy options are summarized as:

1. **Policy 1: Maintain current policies** by continuing to serve very limited existing reclaimed water customers, adding new customers along existing infrastructure, while examining and expanding distribution on a case-by-case pilot-scale basis.
2. **Policy 2: Prioritize new strategic investments incrementally** to provide flexibility to adapt to current and future needs and increase environmental enhancement uses.
3. **Policy 3: Regionally expand** reclaimed water production and distribution systems, in partnership with drinking water utilities, to position the WTD to contribute major support to regional water resource needs.

Cascade has met with WTD to begin coordinating on the RWSP update and has reviewed both the presentations made to MWPAAC and RWQC, as well as a policy brief WTD prepared regarding reclaimed water policies. Cascade has had discussions and sought feedback from the Resource Management Committee and from member staff. The attached proposed feedback letter reflects that input and process.

<u>Next Steps</u>

Cascade will continue to coordinate with WTD in the RWSP update process, will continue to coordinate with Cascade members, and evaluate other avenues for engagement on reclaimed water policy, such as the Washington Water Future initiative.

PRIOR BOARD ACTIONS

Board Action	Date	Resolution No. (if Applicable)
2017 Interim Reuse Policy	02/22/2017	2017-04
2019 Agreement	01/08/2019	2019-01
2025 Agreement	06/25/2025	2025-11

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

If the letter is not approved, Cascade will continue to coordinate with WTD in the RWSP update process, will continue to coordinate with Cascade members, and evaluate other avenues for engagement on reclaimed water policy, such as the Washington Water Future initiative.

PROCUREMENT PROCESS

N/A

FISCAL IMPACT

N/A

RECOMMENDED ACTION

Motion to approve a letter to King County regarding reclaimed water policy options.

ATTACHMENTS

1. Presentation Slides.
2. Proposed Reclaimed Water Policy Comment Letter.

Reclaimed Water Policy Letter

Presentation to Board of Directors

October 28, 2026

CASCADE WATER ALLIANCE

Agenda

- Background
- Cascade Staff Recommendation for Feedback on King County Options
- Seeking Board Approval for letter (comment deadline 10/30)
- Next steps

CASCADE WATER ALLIANCE

Background: Current Agreement

- Current agreement with County lasts until RWSP is completed
- RWSP Coordination on policy topics including:
  - County's distribution area – existing and future;
  - Integration with regional and local plans;
  - Decision-making structure for reclaimed water within Cascade Members' service areas;
  - Terms and Conditions regarding use agreements or third-party reclaimed water distribution agents;
  - Protection of drinking water sources, and provisions for monitoring, sampling, and protective actions;
  - Environmental uses of reclaimed water such as wetlands or streamflow augmentation

Status of King County RWSP Process

- Mid August: King County reached out to Cascade to begin engaging on Reclaimed Water as part of RWSP
- Ongoing: King County presentations to MWPAAC on Treatment & Reclaimed Water Policy options
- Upcoming:
  - Comment period on options presented to RWQC – end of October
- Longer Term:
  - No cost information for policy process until 2027
  - Draft Plan: Mid 2028

CASCADE WATER ALLIANCE

Staff Recommendation for Feedback on King County Options

Policy Option #1

Maintain current policies by continuing to serve existing recycled water customers, adding new customers along existing infrastructure, examining and expanding distribution on a case-by-case basis.

- Revise the Policy Option 1 to a status quo that reflects no further action on agricultural or irrigation uses, rather than continued investment in an option that doesn't produce meaningful benefit
- Retain all the principles in the existing Cascade/ King County Agreement
  - Member agency required to consent to any new uses
  - Non-displacement of existing potable use
  - Required coordination
  - No adverse impacts on drinking water sources, including groundwater

CASCADE WATER ALLIANCE

Staff Recommendation for Feedback on King County Options

Policy Option #2

Prioritize new strategic investments incrementally to provide flexibility to adapt to current and future needs and increase environmental enhancement uses.

Suggested modifications to Policy Option 2:

- Expanded monitoring: activities to better understand everything that would be necessary about recycled water effluent for potential new industrial/commercial uses, including contaminants of emerging concern
- Study Costs: conduct studies to better understand costs/avoided costs
- Novel Pilots: activities for commercial/industrial uses, closed loop (discharge to sewer)
- Develop Regulatory Framework: working towards a mutually agreed-upon regulatory framework at the state level for Reclaimed Water, including PFAS for reclaimed water and other contaminants of emerging concern

CASCADE WATER ALLIANCE

Staff Recommendation for Feedback on King County Options

Policy Option #3

Regionally expand recycled water production and distribution systems to position the County to contribute major support to regional water resource needs.

Cascade staff recommend not supporting Policy Option #3, without:

- All the specific actions recommended under Policy Option #2, and
- Near term policy to frame future coordination:
  - Stipulation that WTD should not be a retailer
  - Water purveyors should be responsible for purveying water

CASCADE WATER ALLIANCE

Next Steps

- Cascade comment letter to WTD (by end of October)
- Continued engagement with WTD on RWSP process
- Continued coordination with Cascade Members
- Other avenues for engagement on Reclaimed Water?

CASCADE WATER ALLIANCE

Thank You

CASCADE WATER ALLIANCE

CASCADE WATER ALLIANCE

October XX, 2026

Board of Directors

Chair
Angela Birney
Mayor
City of Redmond

Vice Chair
Thomas McLeod
Mayor
City of Tukwila

Secretary/Treasurer
Dave Hamilton
Deputy Mayor
City of Bellevue

Mark Mullet
Mayor
City of Issaquah

Jon Pascal
Councilmember
City of Kirkland

Lloyd Warren
Commissioner
Sammamish Plateau Water

Jon Ault
President
Skyway Water & Sewer District

Chief Executive Officer
John Taylor

Cascade Water Alliance
11400 SE 8th Street
Suite 400
Bellevue, WA 98004

Phone: 425.453.0930
Fax: 425.453.0953

cascadewater.org

Kamuron Gurol, Director of the Wastewater Treatment Division
King Street Center - DNRP
201 S Jackson Street, Suite 6200
Seattle, WA 98104
kgurol@kingcounty.gov

Re: Cascade Water Alliance Comments on the Regional Wastewater Services Plan Update Reclaimed Water Policy Options

Dear Director Gurol:

Thank you for the opportunity to provide comments on the initial Policy Options for reclaimed water as part of the King County Regional Wastewater Services Plan (RWSP) Update process. Please accept this comment letter on behalf of the Cascade Water Alliance (Cascade).

Cascade is a municipal corporation that provides wholesale water service to its seven members: the cities of Bellevue, Issaquah, Kirkland, Redmond, Tukwila; and Sammamish Plateau Water and Sewer District and Skyway Water and Sewer District. Cascade and the King County Wastewater Treatment Division (WTD) have an Agreement to Coordinate Reclaimed Water, originally established in 2019 and amended and restated in 2025 (“Agreement”).

Cascade supports coordination for planning and protecting a water future for the region that is cost effective, environmentally responsible, and protects existing uses while ensuring flexibility to manage new risks and meet new needs. We appreciate the opportunity to engage on this issue and believe that reclaimed water has the potential to be an important part of the regional water supply portfolio, with recognition of the need to protect existing uses and users from adverse impacts.

We believe that the proposed policy options would be strengthened by the inclusion of the following concepts.

Policy Option 1

Cascade recommends either revising Policy Option 1, or creating a fourth policy option, that represents maintaining a true status quo, rather than continued incremental expansion of irrigation and agricultural pilots. Additionally, Cascade

supports incorporating the core principles of its existing Agreement with WTD into Policy Option 1, specifically:

- Water purveyor required to consent to any new uses;
- Non-displacement of existing potable use;
- Required coordination; and
- No adverse impacts on drinking water sources, including groundwater.

Policy Option 2

Cascade supports strategic and incremental investments that will prepare the region for a flexible and adaptable future. We believe that the following specific activities would strengthen the policy option, including:

- Expand Monitoring: monitor reclaimed water effluent, including per- and polyfluoroalkyl substances (PFAS), contaminants of emerging concern, seasonal and diurnal variations, and other areas to support potential new industrial/commercial uses;
- Study Costs: conduct studies to better understand costs/avoided costs;
- Novel Pilots: focus on activities for commercial/industrial uses, and other closed loop (discharge to sewer) uses; and
- Develop Regulatory Framework: work towards a mutually agreed-upon regulatory framework at the state level for reclaimed water, including PFAS for reclaimed water and other contaminants of emerging concern.

Policy Option 3

Cascade does not support Policy Option 3, unless all the specific activities discussed above in Option 2 are conducted, to provide essential information for informing any potential regional expansion of reclaimed water production. Additionally, Cascade suggests that two related policies would provide necessary shared understanding for engagement on regional expansion of reclaimed water production:

- A policy stating that water purveyors will be responsible for purveying water, including reclaimed water; and
- A policy stating that WTD will be a wholesaler of reclaimed water, not a retailer.

Cascade is committed to ongoing coordination with the County to promote cost-effective and environmentally responsible management of reclaimed water for the benefit of the region.

Thank you,

Mayor Angela Birney
Chair, Cascade Water Alliance Board of Directors

CC: Claudia Balducci, Chair of the King County Regional Water Quality Committee
Mo McBroom, Interim Director of the Department of Natural Resources and Parks
John McClellan, Chair of the Metropolitan Water Pollution Abatement Advisory Committee Executive Committee

Cascade Supply Program

October 28, 2026

CASCADE WATER ALLIANCE

Agenda Item: 9.a

Title:

Quarterly Update

Requested Feedback:

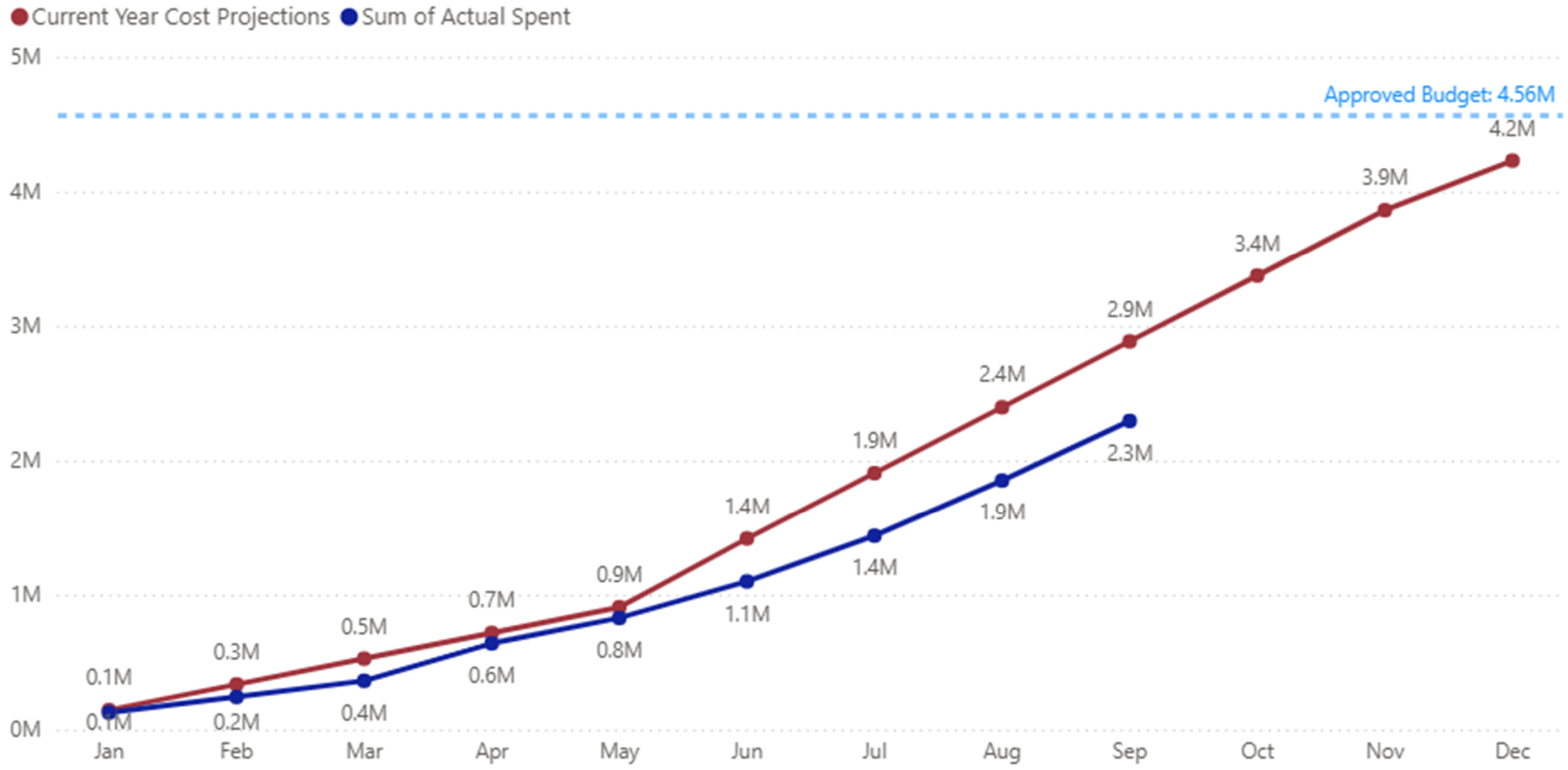
Information sharing; questions and feedback

CASCADE WATER ALLIANCE

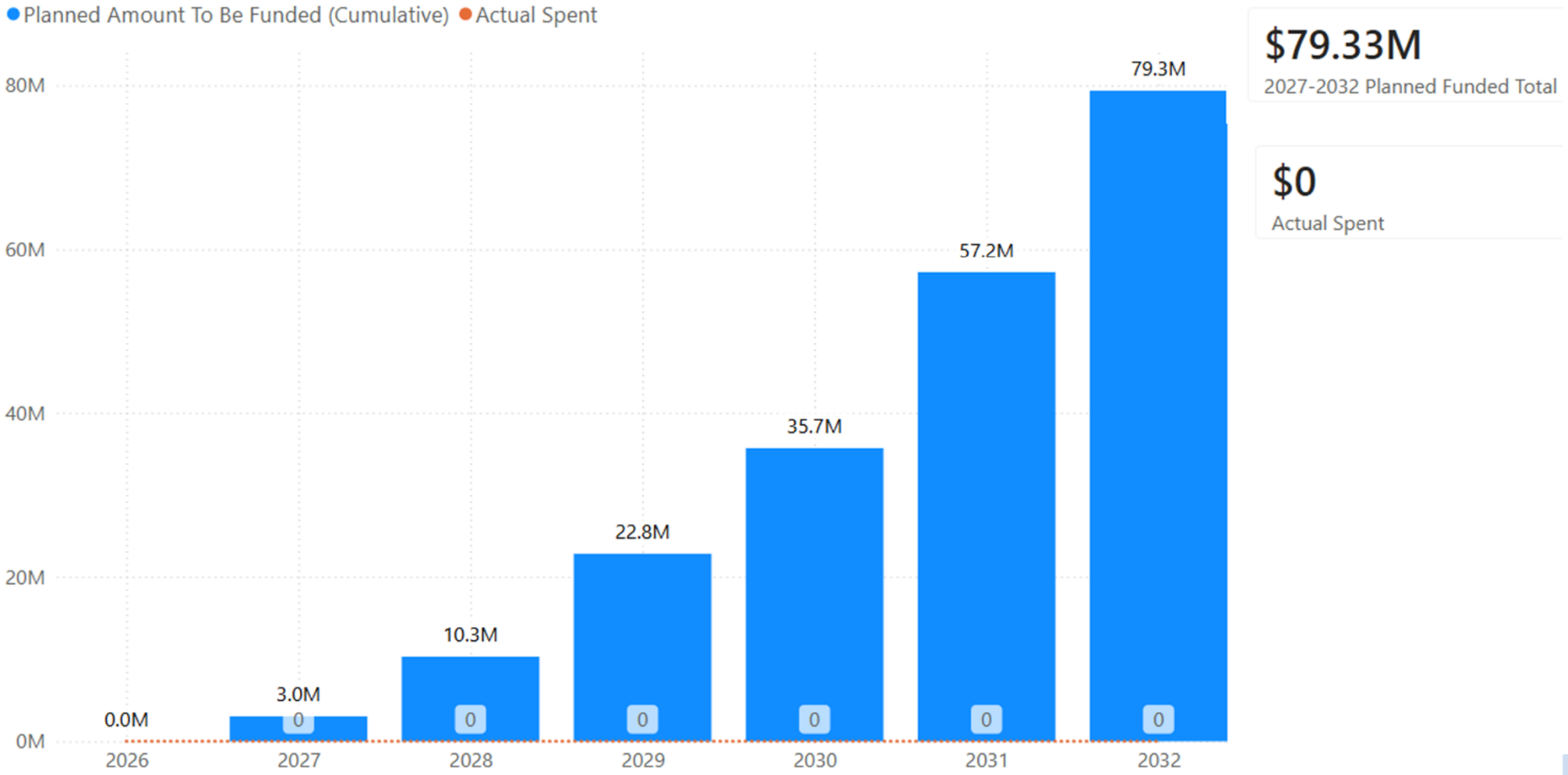
Quarterly Update Reminder

- Looking ahead, not recapping backward
- Focusing on 8 big topics, aligned with the Program Tasks: Cost, Schedule, Planning, Real Estate, Permitting, Communications and Outreach, Design, Construction
- Presentation and discussion quarterly, to SPOC and the Board

Cost: PES Current Year Projections



Cost: Management Reserve

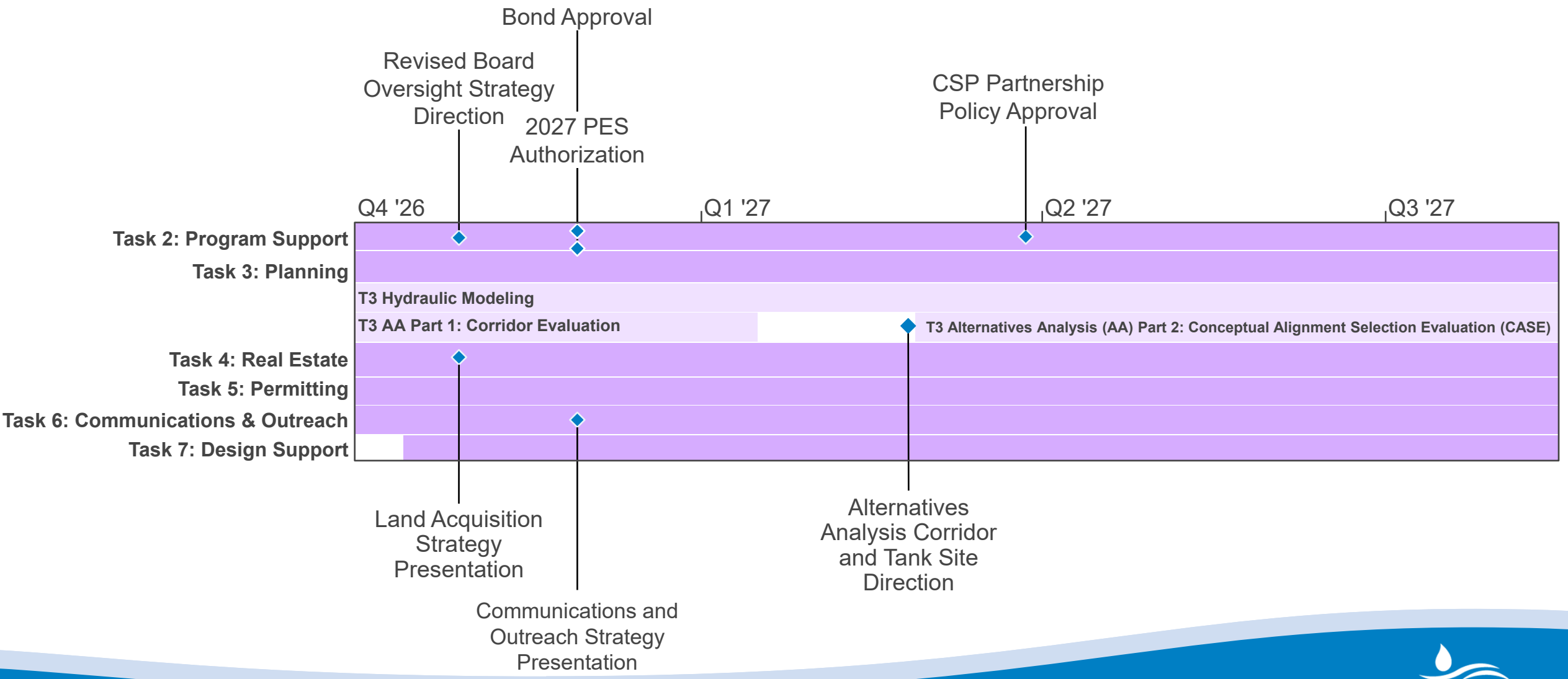


$79.33M
2027-2032 Planned Funded Total

$0
Actual Spent

CASCADE WATER ALLIANCE

Schedule – 1 year look-ahead



Planning

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Part 1: Corridor Evaluation • Draft Alternatives Analysis Report Part 1	January 2027	MST MS SPOC Board	January Board Direction on Corridor and Tank Sites to evaluate
Part 2: Conceptual Alignment Selection Evaluation (CASE) • Draft Alternatives Analysis Report Part 2	2027 Q4	MST MS SPOC Board	Board Direction on Alignment & Facilities to evaluate
Flow Allocation Planning, Hydraulic Analyses	On-going 2027	MST MS SPOC Board	Informational

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Real Estate

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Land Acquisition Strategy • Draft Land Acquisition Strategy	September (on-going)	MS SPOC Board	October Board Presentation
Corridor Alternatives ROW Evaluation • Risks and opportunities • Relative cost info for tank sites	ongoing	MST MS SPOC	--

Permitting

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Regulatory Requirements and Permit Acquisition Strategy • Overview and Draft Strategy • Permit Matrix	September	MS FIG SPOC	--
Corridor Alternatives Permitting Evaluation • Risks and opportunities	ongoing	MS SPOC	--
Agency Interest Holder Outreach • Early outreach to establish relationships • Jurisdictional coordination meetings with USACE, USFWS, Ecology, WSDOT, KC + more	ongoing	--	--
Tribal Coordination	Winter	--	--

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Communications and Outreach

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Communications and Outreach Strategy	Q4 2026 - Q1 2027	MS FIG SPOC Board	November –Board presentation and feedback
Digital Engagement Plan	Q4 2026 – Q1 2027	MS SPOC Board	Informational
Member Communications Toolkit	Q4 2026 → ongoing updates	MS SPOC Board	Informational
Comms Roundtable	Q1 2027 → ongoing	MS	Awareness

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Design

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Program Design Standards & Guidelines Development: • CASE-level design objectives and design criteria • Identify Program CAD platform and develop CAD standards • Establish design deliverable expectations by milestones • Seismic design criteria discussions • Cost Estimating Guidelines	Ongoing through 2027	MST MS SPOC	--
Conceptual Design: • Preliminary survey and early geotechnical support (budget pending)	Q4 2027	MST MS SPOC	--

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Construction

Task and Work Product	Expected Timing	Member Presentation	Board Direction
Delivery Methodology (budget pending) • Project packaging, sequencing and delivery methods for design and construction work packages	Q4 2027	MST MS SPOC Board	Informational

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Agenda Item: 9.b

Title:

Final Land Acquisition Strategy

Requested Feedback:

Information sharing; questions and feedback

CASCADE WATER ALLIANCE

Land Acquisition Strategy – New Approach

Previous Approach	New Approach
Now Board Approval of Land Acquisition Strategy: • LAS included the delegated authority • Required code change	**Now** Feedback/consensus on Land Acquisition Strategy
Future Board Approval of Annual Work Plan would include the following: • Request to purchase land/easements • Request for condemnation authority • Would require code change if delegated authority changed	**Future** Board Approval of Annual Work Plan would include the following: • Request to purchase land/easements • Request for delegated authority on settlements and negotiations • Request for condemnation authority

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Land Acquisition Strategy

- Establishes the framework, principles, and policies that govern acquisition of land
- Documents the planned Real Estate Acquisition Delegation Authority for settlements
  - $150,000 and 50% over initial offer
- Informs the future Land Acquisition Plan

Delegation of Acquisition Authority: In Practice

Appraised Value (initial offer)	Max settlement offer at $150K and 25%	Max settlement offer at $150K and 50%
$50,001	$62,500	$75,000
$150,000	$187,500	$225,000
$300,000	$375,000	$450,000
$500,000	$625,000	$650,000
$1,000,000	$1,150,000	$1,150,000
$5,000,000	$5,150,000	$5,150,000
$10,000,000	$10,150,000	$10,150,000
$20,000,000	$20,150,000	$20,150,000

Land Acquisition Strategy

Recommended Real Estate Acquisition Delegation Authority

- Delegation to CEO to approve and execute any contract to acquire real property interests within approved thresholds.
- Board approval is required outside of thresholds and for all fee simple acquisitions and condemnation actions.
- This structure balances flexibility and oversight and allows staff to resolve routine settlements efficiently while maintaining Board authorization for higher-value transactions and settlements that carry the greatest financial exposure and the greatest community relations risk.

Thank you!

CASCADE WATER ALLIANCE



LAND ACQUISITION STRATEGY

Cascade Supply Program

10/14/2026

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Acronyms and Abbreviations

BIA	Bureau of Indian Affairs (federal)
BLM	Bureau of Land Management (federal)
Cascade	Cascade Water Alliance
CEO	Chief Executive Officer
CFR	Code of Federal Regulations
CSP	Cascade Supply Program
DNR	Department of Natural Resources (state)
GIS	Geographic Information System
JMUSA Act	Joint Municipal Utilities Services Act (State RCW 39.106)
JMUSA Agreement	Cascade's Joint Municipal Utilities Services Agreement
LAP	Land Acquisition Plan
LAS	Land Acquisition Strategy
LWCF	Land and Water Conservation Fund
RCO	Recreation and Conservation Office (state)
RCW	Revised Code of Washington
ROW	right-of-way
SCADA	supervisory control and data acquisition
SEPA	State Environmental Policy Act
SPOC	Supply Program Oversight Committee
TCE	Temporary Construction Easement
URA	Uniform Relocation Assistance and Real Property Acquisition Policies Act
USDOT	U.S. Department of Transportation (federal)
USPAP	Uniform Standards of Professional Appraisal Practice
WDFW	Washington Department of Fish and Wildlife (state)
WSDOT	Washington State Department of Transportation (state)

1 Purpose and Overview

The Cascade Supply Program (CSP) provides a resilient water future by building vital new water connections within the Puget Sound region. Cascade Water Alliance (Cascade) supports communities by providing safe, reliable, cost-effective drinking water for generations to come.

The seven Cascade Member agencies (cities of Bellevue, Kirkland, Redmond, Tukwila, and Issaquah; Skyway Water and Sewer District; and Sammamish Plateau Water) serve nearly 400,000 residents and a business population of 380,000. The CSP is a regional program to expand and strengthen the area's water system in three phases, as shown in Figure 1, including:

- Phase I of the CSP will deliver water from Tacoma Water to at least one Member connection point. Phase I will be operational in 2041. Early plans include a new pipeline that could span up to 20 miles, storage, and initial connections.
- Phase II will expand distribution infrastructure and connections to Member agencies.
- Phase III will develop water treatment at the White River–Lake Tapps Reservoir and connect to infrastructure developed under Phases I and II.

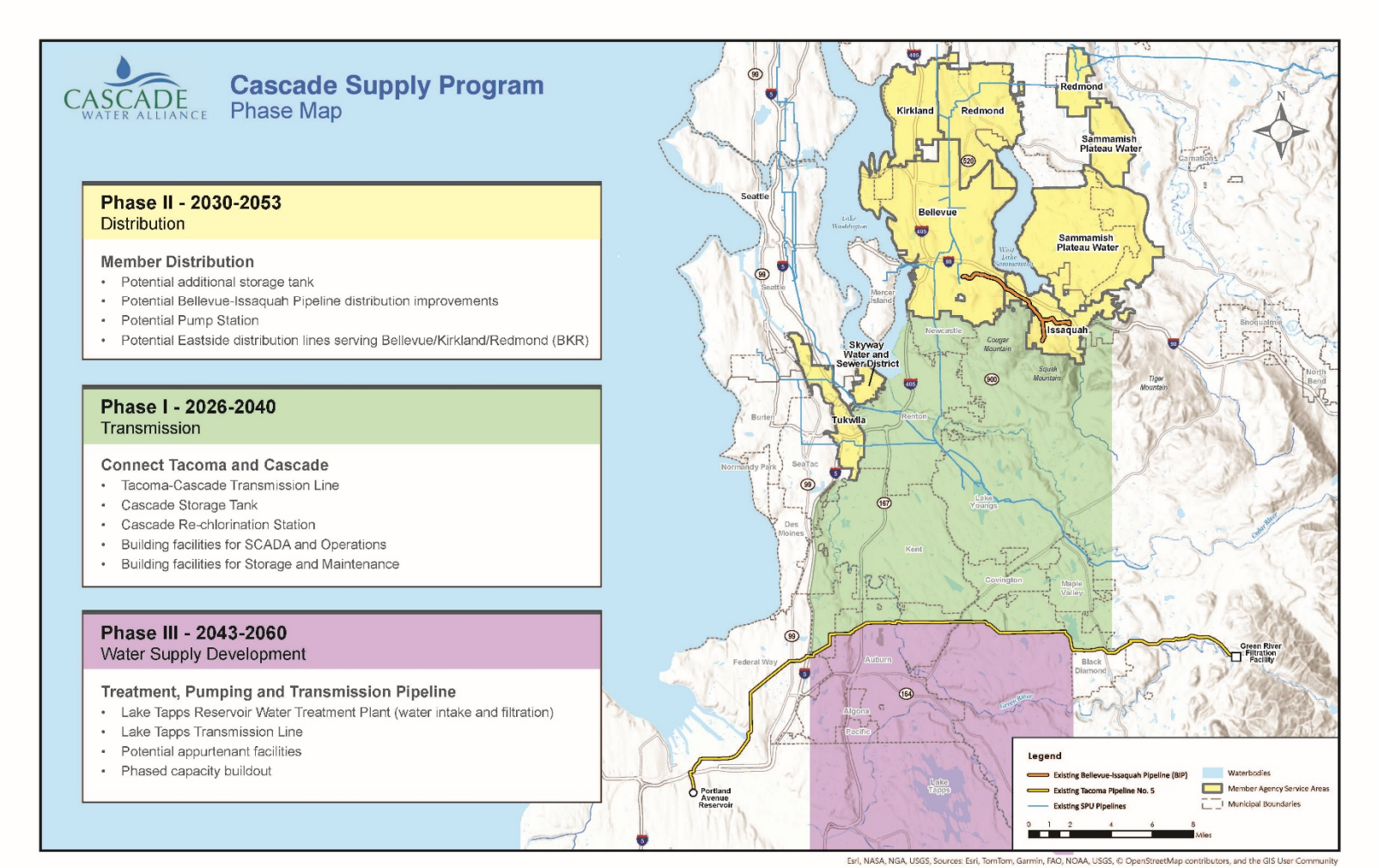


Figure 1. Phase Map

CSP's Land Acquisition Strategy (LAS) is to acquire property interests through a fair, transparent, and proactive process that respects landowners and provides just compensation. The approach prioritizes early engagement and negotiated agreements, with condemnation used only as a last resort. All activities will be conducted in compliance with applicable legal and professional standards.

The strategy establishes the framework, guiding principles, and policies that will govern the acquisition of land rights for the CSP. It is a program-level document intended to achieve the following objectives:

- Define CSP's overall approach to acquiring property rights.
- Describe the legal and regulatory framework within which all acquisitions will be conducted.
- Inform the Land Acquisition Plan (LAP). The LAP is a parcel-by-parcel workplan, prepared once the alignment is selected, that identifies each impacted property, the interests to be acquired, and the schedule and budget for securing them. Depending on how design and construction are packaged, CSP may prepare more than one LAP.
- Serve as the governing document from which all subsequent real estate program documents flow.
- Promote public confidence in CSP's land acquisition activities.

1.1 Program Overview and Context

This strategy is based on the CSP purpose, existing facilities and components, and geographic and jurisdictional contexts for CSP Phase I.

The CSP Phase I infrastructure will be defined through the planning and design stages. For the purpose of evaluation needs only, Phase I infrastructure is assumed to include the following:

- **Pipelines** – Approximately 19–22 miles of large-diameter (between 36 inches and 60 inches in diameter) water transmission pipelines connecting Tacoma Pipeline 5 to the vicinity of the Bellevue–Issaquah Pipeline
- **Storage tank** – One above-grade or buried tank with an approximately 15-million-gallon storage capacity
- **Rechlorination station** – A standalone facility with a building containing chemical storage and chlorine injection as well as water-analyzing equipment
- **System-wide supervisory control and data acquisition (SCADA) and operations facility** – System-wide SCADA controls system and communication system, housed within a building and subsurface conduit

- **Storage and maintenance facility** – A warehouse and open storage area for operating the system as well as storing and staging equipment to be used for maintaining the transmission pipeline and storage tank

The above infrastructure list is assumed from pre-planning considerations and will be revised through the Phase I planning and design stages.

Figure 2 shows the CSP Phase I study area. It is the area generally north of Tacoma Pipeline 5, south of the Bellevue–Issaquah Pipeline.

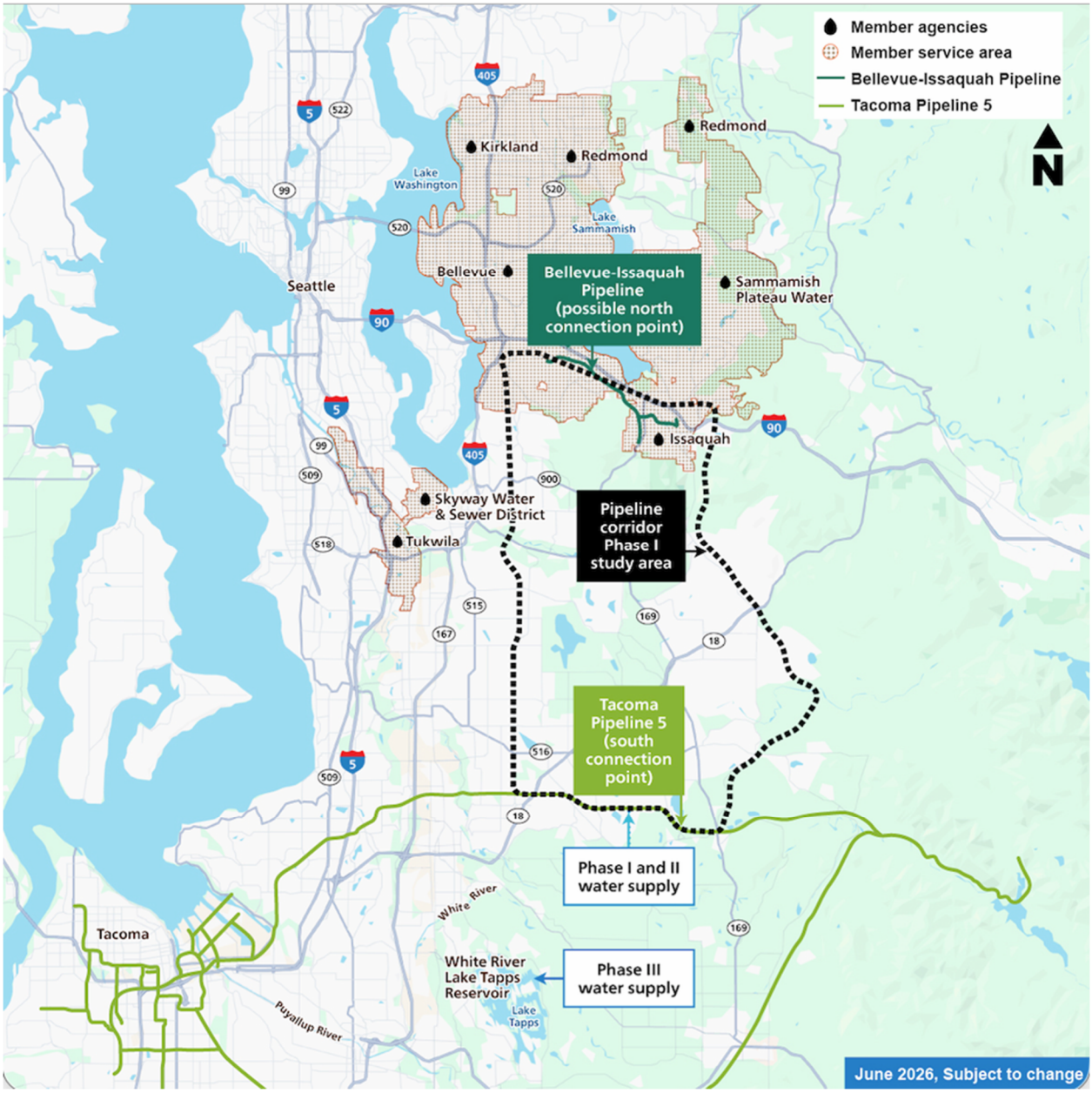


Figure 2. Phase I Study Area

1.2 Guiding Principles

The following principles govern all right-of-way (ROW) activities under this CSP. They guide the real estate team's approach to landowner relations, decision-making, and CSP conduct.

- **Fair and equitable treatment.** Treat property owners fairly, equitably, and with respect.
- **Just compensation.** Offer property owners just compensation based on fair market value as established by a qualified appraisal.
- **Transparency and communication.** Share clear, accurate, and timely information with interested parties.
- **Early and strategic engagement.** Initiate real estate activities as early as practicable to identify constraints, minimize hardships to landowners, and provide time for complex acquisitions.
- **Condemnation as last resort.** Use negotiated settlement wherever possible. Only initiate condemnation proceedings after Board authorization
- **Professional standards.** Adhere to the International Rights of Way Association Code of Ethics and applicable Washington State licensing requirements.
- **Legal compliance.** Comply with Washington State law, applicable federal requirements, and applicable Cascade resolutions and policies.

1.3 Relationship with Other CSP Documents

This LAS is the first and foundational program-level real estate document. The documents identified in Table A will be developed as the CSP matures and will be governed by and consistent with this real estate strategy. These include documents that apply to the entire program, including this strategy, as well as documents that may be prepared for subsections of the CSP Phase I, which may be broken out as separate projects for design and construction.

Table A. Dependencies

	Land Acquisition Strategy (This Document)	ROW & Property Evaluation Technical Memorandum	Land Acquisition Plan (LAP)	Relocation Plan (49 CFR 24.205)
Timing	Pre-corridor selection; early planning stage	During alternatives analysis; revised after corridor selection to support alignment selection	Post-alignment selection; pre-acquisition	Only required if residential or non-residential relocations are necessary; after occupant interviews are complete (prior to 60% design)
Audience	CSP staff, Member staff, Board, and committees, funders, oversight agencies	Design team, CSP staff, Member staff, Board, and committees	CSP Delivery team	Federal funding agency—URA compliance demonstration
Purpose	Inform future decisions; surface real estate risks early; define roles and responsibilities	Evaluate ROW/property needs for each alignment alternative; support corridor and alignment selection	Parcel-by-parcel workplan, prepared once the alignment is fixed, that identifies each impacted property, the interests to be acquired, and the schedule and budget for securing them	Demonstrate housing supply is sufficient to house all displacees; identify non-residential relocations; identify time constraints and schedule risks
Content level	Strategic, advisory, options-based	Technical, comparative, alternative-specific; includes high-level real estate cost estimates	Procedural, operational	Analytical, findings-based, procedural

Key:
CFR = Code of Federal Regulations
CSP = Cascade Supply Program
ROW = right-of-way
URA = Uniform Relocation Assistance and Real Property Acquisition Policies Act

Figure *3* shows the anticipated sequencing of real estate documents and select, anticipated Board approvals, relative to Phase I milestones. Not all Phase I Board approvals are shown. Many of these tasks are pre-design, however, following the LAP, the next major activity is 60% design.

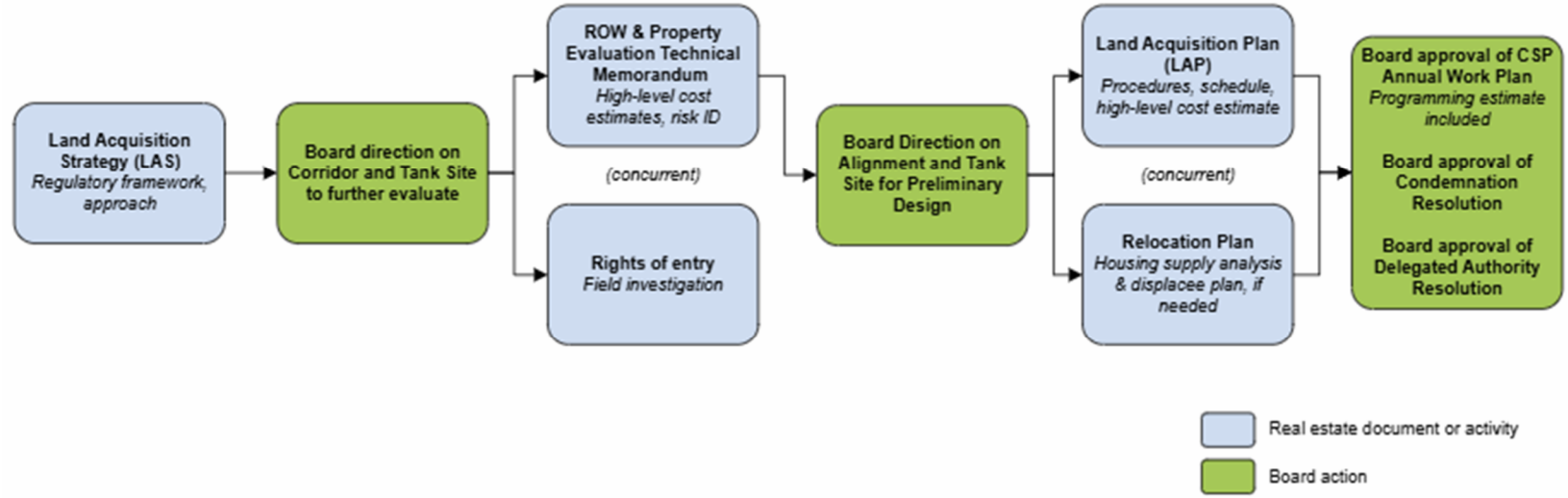


Figure 3. Real Estate Document Sequencing and Relationship to Anticipated Board Actions

1.4 Organization of the Strategy

The LAS is organized into the following sections:

- **Section 1.0 – Purpose and Overview:** This section introduces the CSP and the LAS.
- **Section 2.0 – Framework:** Describes the frameworks under which the LAS is defined. It describes the Cascade framework as well as federal and state requirements governing real property acquisition.
- **Section 3.0 – Technical Considerations:** Describes the studies, datasets, and analyses that are or will be used to complete land acquisition, conduct consultations, and keep the CSP compliant with regulations.
- **Section 4.0 – Approach Methodology and Coordination:** Describes the overall strategy for land acquisition under Phase I of the CSP, including processes and workflows, intergovernmental coordination, and community engagement.
- **Section 5.0 – Oversight and Roles:** Describes the makeup of the real estate team and how the team will execute the LAS within the broader context of the CSP. This includes identifying roles and responsibilities, oversight, and decision-making as it pertains to land acquisition and the real estate team.
- **Section 6.0 – Implementation**: Describes considerations for implementing the LAS, including schedule, milestones, and sequencing.
- **Section 7.0: Risk Management**: Describes risks and risk management within the context of acquiring property for Phase I.
- **Section 8.0: Next Steps**: Describes what immediate next steps are anticipated.

2 Framework

This section describes the framework under which the LAS is defined. It describes the acquisition authority and process of the CSP, the Washington State context for real property acquisition, and Federal requirements including the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

2.1 Cascade Framework

The following subsections summarize the legal authority and required processes relating to property acquisition for the CSP, including acquisition methods.

2.1.1 Acquisition Methods

The following subsections summarize the acquisition methods available to the CSP and applicable legal authority and required processes for each. Acquisitions will begin when CSP has identified a specific route, project area, or facility location and the specific properties required to construct and operate CSP infrastructure.

2.1.1.1 Acquisition by Purchase Where Condemnation Is Contemplated

The majority of CSP acquisitions will be conducted under the threat of eminent domain and requires Board approval prior to offers being made. CSP will request Board authorization of a condemnation resolution so that condemnation is available without delay as a last resort if good-faith negotiation fails. All condemnation proceedings require Board authorization through a Resolution Authorizing Condemnation and active coordination with CSP legal counsel.

2.1.1.2 Acquisition by Condemnation

Condemnation is the CSP's last resort. All condemnation actions require Board authorization and active coordination with the Program legal counsel. Cascade cannot initiate condemnation proceedings without prior consultation with and authorization from the Board.

2.2 Regulatory and Legal Framework

The regulatory and legal framework for CSP property acquisition is described below.

2.2.1 General Acquisition Authority

Cascade's authority to acquire real property is established under Washington State law, Chapter 39.106 Revised Code of Washington (RCW) Joint Municipal Utilities Services Act and specified under Cascade's Joint Municipal Utilities Services Agreement (JMUSA). The JMUSA (Act and Agreement) provide authority for the CSP's existence

and all real property acquisition powers. The Joint Municipal Utility Services Act , 39.106 RCW grants eminent domain authority to Cascade. Per the JMUSA, Cascade exercises condemnation authority in the same manner as a city under Chapter 8.12 RCW and Chapter 8.25 RCW, subject to two specific limitations under the Joint Municipal Utility Services Act , 39.106 RCW:

- **Utility services only.** Cascade may only exercise eminent domain authority as necessary to perform or provide utility services, as defined in the JMUSA Act and Agreement. This limitation is narrower than the general condemnation authority granted to cities and defines the permissible public use for any taking.
- **No condemnation of government property.** Cascade CANNOT exercise eminent domain with respect to property owned by a federal, state, city, town, county, special purpose program, authority, or other unit of local government. Those parcels must be acquired under mutually agreed-upon terms. Franchise agreements, ROW permits, and negotiated contracts are available tools. Government-owned parcels will be identified early in corridor screening.

All condemnation actions require active coordination with CSP legal counsel. The Real Estate Delivery Task Lead cannot initiate condemnation proceedings without prior authorization from the Board.

2.2.2 Key Washington State Legal Authority

The state legal authority listed in Table B form the primary legal framework for the CSP's acquisition activities.

Table B. Key Washington State Laws and Regulations

Statute	Title	Description
Washington State Constitution, Article I, Section 16	Eminent Domain	Establishes just compensation requirement for all takings of private property
Chapter 39.106 RCW	Joint Municipal Utility Services Act	Establishes that Cascade, as a joint municipal utility service authority whose members all have the power of eminent domain, has the power of eminent domain
Chapter 8.12 RCW	Eminent Domain by Cities	Cascade's JMUSA expressly adopts this chapter as the mechanism for exercising condemnation authority. Cascade exercises eminent domain in the same manner as a city under this chapter, subject to specific limitations under the State's Joint Municipal Utility Services Act described in Section 2.2.1
Chapter 8.25 RCW	Additional Provisions Applicable to Eminent Domain Proceedings	Supplementary procedural requirements adopted by reference in Chapter 8.12 RCW
Chapter 8.26 RCW	Relocation Assistance—Real Property Acquisition Policy	Washington's state-level equivalent of the Uniform Relocation Act; governs acquisition process and relocation assistance for all public agencies exercising condemnation authority
Chapter 468-100 WAC	Uniform Relocation Assistance and Real Property Acquisition	Implementing regulations for RCW 8.26; governs appraisal, negotiation, and relocation assistance requirements
Chapter 42.30 RCW	Open Public Meetings Act	Governs Board meetings and actions, including limited use of executive session for real property acquisition

Key:
RCW = Revised Code of Washington
WAC = Washington Administrative Code

2.2.3 Federal Requirements (Uniform Relocation Act)

The URA (42 United States Code 4601 et seq.) and its implementing regulations (49 Code of Federal Regulations (CFR) Part 24) apply to all acquisitions undertaken by a public agency using federal financial assistance. If the CSP receives federal funding from any source for any stage of the CSP, the URA will apply to all acquisitions and relocations, regardless of whether federal funds are used for a specific parcel.

3 Technical Considerations

This section describes the studies, datasets, and analyses that are or will be used to complete land acquisition, conduct consultations, and comply with all applicable laws and regulations.

3.1 Background Conditions

As of Strategy adoption, no preferred corridor or alignment has been identified. Key conditions that shape the real estate activities at this stage include:

- **No parcel-level acquisition activity.** Formal acquisition, including appraisals, offers, and negotiations, will not be initiated on the general parcel population until environmental review under State Environmental Policy Act (SEPA) has been completed, an alignment is approved by the Board, and design progresses to the appropriate level.
- **Early acquisition exceptions.** Two categories of acquisition may be initiated prior to an approved alignment. First, fee simple acquisition of the tank site may proceed before alignment selection, provided the site can be served by more than one viable corridor and does not by itself dictate a specific alignment. Second, parcels that appear on all viable alignment alternatives may be identified for early acquisition where doing so reduces CSP schedule risk. In both cases, acquiring a tank site before SEPA review is complete carries risk and timing would be coordinated with CSP's environmental review activities. All early acquisitions will comply fully with applicable laws and policies, regardless of timing.
- **Corridor constraints unknown.** The extent of private, city, county, state, federal, other governmental agencies and tribal lands within the corridor is unknown pending corridor definition.
- **Potential Federal funding.** The CSP is currently considering available federal funding opportunities. No federal funding has been confirmed at this time. In anticipation of federal funding for the CSP , this Strategy is being developed to fully comply with the URA (49 CFR Part 24, updated May 2024) and all applicable federal acquisition requirements, in addition to compliance Washington's Relocation Act. This approach positions the CSP for any federal funding that may be secured.
- **Existing utility and road ROW corridors.** Existing utility corridors, transmission line ROW, and public road rights-of-way within the study area will be mapped as potential alignment opportunities that may reduce acquisition burden.

3.2 Data, Tools, and Analytical Approaches

The following data sources, Geographic Information System (GIS) platforms, parcel research tools, and spatial workflows will be used to support real estate acquisition activities throughout the CSP. Table C lists real estate resources.

Table C. Key Resources

Resource	Reference	Description	Source / URL
Bureau of Indian Affairs (BIA)	-	Federal right-of-way (ROW) approval authority for acquisitions crossing tribal trust land	Bia.gov./bia/ots/dres
Governor's Office of Indian Affairs (GOIA)	-	Tribal consultation protocols and contacts	governor.wa.gov/issues/issues/goia
Recreation and Conservation Office Acquisition Toolkit	-	WA-specific templates: Voluntary Acquisition Notice, Just Compensation Notice, Title Checklist	rco.wa.gov/grant-requirements/acquisition-tool-kit
Washington Geospatial Open Data Portal	-	Statewide parcel and cadastral GIS data	geo.wa.gov
WSDOT Local Agency Guidelines Manual—Right of Way	Chapter 25	ROW procedures for local agencies on federally funded projects in Washington	wsdot.wa.gov/publications/manuals/fulltext/M36-63/Lag25.pdf
WSDOT Right of Way Manual	M 26-01	Primary WA state reference for ROW acquisition, appraisal, title, relocation, and property management	wsdot.wa.gov/publications/manuals/fulltext/M26-01/ROW.pdf

Key:
WSDOT = Washington State Department of Transportation (state)

3.2.1 Parcel Data and Ownership Research

Accurate, current parcel data and ownership information are foundational to all acquisition activities. The CSP will use the following primary data sources:

- **County Assessor GIS/Parcel Viewers.** Each Washington county maintains a public parcel database and GIS viewer. These are the primary source for ownership, parcel boundaries, assessed values, and tax records. King County is the only county impacted by CSP Phase I.
- **Washington Department of Natural Resources (DNR) Cadastral Data.** DNR maintains statewide parcel and cadastral data layers available through the

Washington Geospatial Open Data Portal. These are used for corridor-level parcel inventory.

- **Washington Secretary of State, Entity Search.** This is useful for ownership verification of parcels held by entities, Limited Liability Companies, or corporations.
- **County Auditor/Recorder's Office.** These offices hold recorded deeds, easements, covenants, and encumbrances. These are the basis for preliminary title review.
- **Washington Department of Fish and Wildlife (WDFW) Parcel Data.** These data are for identification of WDFW-owned lands and wildlife areas along potential corridors.
- **Bureau of Land Management (BLM) Land Status/Master Title Plats.** BLM tools are for identification of federal public land status along potential corridors.
- **Washington Recreation and Conservation Office (RCO) Project Search.** This tool is useful for identification of RCO grant-funded properties that require conversion review if acquired for pipeline use.

3.2.2 GIS and Spatial Analysis Workflows

The CSP will use GIS as the primary spatial platform for real estate analysis, parcel inventory, and acquisition tracking. The following spatial workflows will be employed:

- **Corridor Overlay Analysis.** Parcel ownership layers overlaid with proposed corridor alternatives to produce preliminary parcel counts, ownership type distribution, and ownership contact lists for each alternative
- **Land Use and Ownership Classification.** Corridor parcels classified by ownership type (private, county, city, state, federal, tribal) and land use to inform acquisition method, complexity, and cost estimating
- **Constraint Mapping.** GIS layers used to identify and map ROW constraints along each corridor alternative, including critical areas, shorelines, Federal Emergency Management Agency floodplains, contaminated sites, tribal territories, federal land boundaries, and RCO grant-funded properties
- **Existing Utility Corridor Identification.** Existing utility and infrastructure corridors (pipelines, transmission lines, road ROW) mapped as potential alignment overlaps that reduce new acquisition burden. Co-locating within these corridors can limit the need for new property rights and reduce impacts to privately held land.

3.2.3 Real Estate Tracking and Records Management

All acquisition activities will be tracked in a real estate parcel management system, from initial parcel identification through closing and recording. Currently, the program uses Microsoft Excel, Microsoft SharePoint, and ArcGIS. Any future management system must support:

- Parcel identification, ownership, and contact information
- Acquisition type, method, and current status for each parcel
- Complete contact log — all landowner interactions must be documented (date, method, participants, summary)
- Appraisal and offer history
- Executed agreement tracking and recording confirmation
- Integration with or export to CSP GIS

Relocation case management (when applicable)

4 Approach Methodology and Coordination

This section describes the overall strategy for land acquisition under Phase I of the CSP, including processes and workflows, intergovernmental coordination, and community engagement.

4.1 Overall Strategy

The overarching real estate strategy is to acquire all necessary property rights through good-faith negotiation using a phased, risk-informed approach.

4.2 Processes and Workflows

This section describes the acquisition methods toolkit, acquisition outcomes, and the standard acquisition workflow, summarized in Table D, Table E and Table F, respectively. Acquisition refers to the purchasing of land rights: fee simple, permanent easement, and temporary construction easement.

Table D. Acquisition Methods Toolkit

Method	Description	Typical Use
Fee Simple Acquisition	Full transfer of property ownership to CSP	Tank sites, treatment facilities, pump stations, permanent access roads, operations sites
Permanent Easement (PE) Acquisition	Non-possessory interest granting specific rights (pipeline installation, operation, maintenance, access). Does not transfer fee title	Primary acquisition method for pipeline corridor
Temporary Construction Easement (TCE) Acquisition	Time-limited easement for construction access, staging, and restoration. Expires upon project completion or defined term	Construction access and work areas adjacent to permanent easement
Right-of-Entry Agreement	Non-possessory, revocable permission to enter property for investigation, survey, and geotechnical work. Does not constitute initiation of negotiations under State Relocation Act or URA.	Pre-acquisition field investigations. Should not be used for construction activities.
License Agreement	Limited, revocable permission for a specific, defined use. Conveys no property interest and is less formal than an Easement. Often the appropriate instrument when the needed area is controlled by a government agency that grants use rights by license rather than conveying an Easement or Fee.	Government-agency-held land that cannot be condemned; use authorized by license rather than Easement or Fee Simple. Can construct on a license.

Method	Description	Typical Use
ROW Permit	Permit from public agency (county, city, Washington State Department of Transportation (WSDOT) for short-term use of public right-of-way	Crossings of or parallel routing within public ROW
Franchise Agreement	Agreement with county, city or WSDOT for long-term use or occupancy of public road ROW for utility purposes	Long-term pipeline routing within public ROW

Key:
CSP = Cascade Supply Program
ROW = right-of-way
URA = Uniform Relocation Assistance and Real Property Acquisition Policies Act

Table E. Acquisition Outcomes

Method	Description	Typical Use
Donation	Voluntary conveyance at no cost to CSP. NOTE: Relocation Act/URA protocols still apply	Willing property owners
Offer Acceptance	Property owner acceptance of CSP's written offer of just compensation at the appraised amount	Property owners who agree to the offer as presented, without dispute over value
Settlement	Negotiated settlement above approved appraisal when supported by documented justification. Requires approval by CEO if within delegated authority or Board if settlement exceeds delegated authority.	Resolution of legitimate disputes over fair market value
Condemnation	Exercise of eminent domain to acquire property rights through legal process when negotiation fails. Requires Board authorization. Last resort	Holdout landowners after good-faith negotiation are exhausted

Key:
CEO = Chief Executive Officer
CSP = Cascade Supply Program
URA = Uniform Relocation Assistance and Real Property Acquisition Policies Act

Table F. Standard Acquisition Workflow

Step	Activity	Description
1	Parcel Identification and Research	Identify potential displacements and relocation eligibility; conduct GIS corridor overlay, ownership research, preliminary title review.
2	Right-of-Entry	Obtain right-of-entry from landowner for survey, geotechnical, and investigation access. Does not initiate Relocation Act/URA negotiation clock.
3	Relocation Scoping	For any acquisition, permanent or temporary, involving a displaced person or business- initiate relocation scoping either prior to or concurrent with appraisal. Determine relocation eligibility, identify replacement housing or business sites, and begin relocation advisory services. Advisory contact is required before displacement occurs.

Step	Activity	Description
4	Appraisal/Valuation	Order USPAP®-compliant appraisal (or waiver valuation for low-value acquisitions); independent appraisal review; establish just compensation.
5	Offer and Negotiation	Deliver written offer of just compensation concurrent with written notice of relocation entitlements where applicable; negotiate in good faith; document all contacts; seek negotiated agreement.
6	Agreement Execution	Execute easement, deed, or other instrument; obtain necessary signatures; coordinate closing; confirm relocation plan is in place before any displacement occurs.
7	Closing and Recording	Close transaction; pay landowner; record instrument with county auditor; confirm recording; update tracking system.
8	Relocation Assistance	Provide Relocation Act/URA-compliant relocation assistance and benefits; issue relocation payments; confirm replacement housing or business site is available before requiring move; document all relocation activities. Applies whenever an acquisition displaces a person or business, regardless of whether the interest acquired is fee simple, permanent easement, or temporary easement.
9	Condemnation (if required)	After documented good-faith negotiation failure; Board authorization; legal counsel coordination; relocation obligations continue regardless of condemnation status.

Key:
GIS = Geographic Information System
URA = Uniform Relocation Assistance and Real Property Acquisition Policies Act
USPAP = Uniform Standards of Professional Appraisal Practice

4.2.1 Easement vs. Fee Simple Decision Criteria

The CSP's policy preference is to acquire permanent easements rather than fee simple title wherever operationally feasible. Fee simple acquisition is appropriate when:

- The CSP component requires permanent, exclusive use of the land;
- Permanent access roads are required to reach the component;
- The nature of operations creates incompatibility with continued private ownership in the immediate vicinity; or
- The property owner requests fee acquisition and the cost is comparable to the easement value. In these cases, Cascade will evaluate if it makes sense to retain an easement and sell the parcel after construction; this would be a discussion with the Board.

4.2.2 Valuation Approach

All offers of just compensation will be based on fair market value established by a Uniform Standards of Professional Appraisal Practice (USPAP®)-compliant appraisal or, for low-value acquisitions, a waiver valuation. The CSP will not acquire any property for less than the reviewed appraised value.

All appraisals will comply with USPAP®, Washington State Department of Licensing appraiser certification requirements and the State Relocation Act and federal URA. All appraisals must be independently reviewed by a qualified review appraiser before use in establishing an offer amount.

4.2.3 Prioritization Criteria

The CSP will prioritize acquisition activities based on the following factors:

- **Schedule criticality.** Parcels on the critical path for construction must be prioritized; long-lead parcels (tribal, federal, contaminated, condemnation candidates) must be identified and started earliest.
- **Complexity and risk.** High-risk parcels should be initiated early to allow maximum time for resolution. High-risk parcels could include government agencies and public utilities, where condemnation is not available, or when residential or business relocations are required.
- **Segment readiness.** Acquisition activities should track design readiness. Parcels should not be acquired significantly ahead of construction need, to minimize carrying costs and landowner disruption.
- **Geographic clustering.** Where possible, concentrate acquisition agent activity geographically to improve efficiency, consistency, and landowner familiarity with the CSP.

4.2.4 Tenets of Negotiation

All negotiations will be conducted in good faith, with the goal of reaching negotiated agreement, by employing the following tenets:

- All contacts and offers must be documented in the ROW tracking system within 48 hours.
- Property owners will be contacted prior to the appraisal task and given the opportunity to accompany the appraiser during the inspection.
- The initial offer will be the full, approved appraisal value.
- All offers will be in writing, with a copy of the appraisal provided to the property owner.
- Property owners will be informed of their right to obtain their own appraisal at their own expense.
- Negotiators will make reasonable efforts to accommodate legitimate landowner concerns about easement terms, construction methods, and restoration.

- Settlements above the appraised value may be authorized by the Board or otherwise delegated per the approval matrix in Section 0.

4.2.5 Documentation Standards

Complete and accurate documentation is both a legal requirement and a CSP protection. The fundamental forms of documentation for land acquisition include the following:

- **Negotiation diary.** Every landowner contact (phone, in-person, written, email) must be logged within 48 hours, and must include the date, method, participants, summary, and next steps.
- **Offer documentation.** The written offer letter, appraisal summary, property description, and statement of landowner rights must be delivered to the landowner and retained on file.
- **Executed instruments.** Copies of signed easements, deeds, and agreements; recording confirmation; and title insurance policy must be retained by Cascade in the parcel file.
- **File completeness.** Each parcel file must be complete, organized, and audit ready before closing.

4.3 Intergovernmental Coordination

The CSP will coordinate early and continuously with public agencies on land acquisition and ROW matters that have the potential to affect public land. The following public agencies may hold property or property interests, or have roles in public property acquisition within the CSP Phase I Study Area:

- Washington Recreation and Conservation Office (RCO
- Washington State Department of Transportation
- County Assessors and Recording Offices
- County and Municipal agencies
- Any other federal, state, city, town, county, special purpose program, authority, or other unit of local government

Because Cascade cannot use eminent domain to acquire property held by other government agencies, CSP will identify publicly owned parcels early in corridor and alignment evaluations and weigh them as a constraint in alignment evaluation, avoiding them where practicable. Where a government parcel cannot be avoided for a particular alignment CSP will engage the agency early to understand its requirements, approval process, and timeline, which are often longer and less flexible than those for private

acquisitions. Property rights will be secured through negotiated easements, permits, or interagency agreements, and the agency's approval timeline will be built into the CSP schedule so that these parcels do not become a critical-path risk. In the worst case scenario, modifications to the alignment and design may be required and the associated schedule and cost impacts absorbed, if the engagement reaches an impasse. Communications mitigation strategies for these situations would be developed with the CSP Communications and Outreach Team. Potential risks such as this will be part of CSPs proactive risk management and will be escalated to the Board for feedback and/or action as early as possible.

The real estate team will coordinate with CSP's Permitting team on all regulatory interfaces, as the permitting and land acquisition timelines are closely interdependent. Environmental review will inform corridor selection and may identify constraints on acquisition options.

In addition, Washington State is home to 29 federally recognized Native American tribal groups. A water supply program of this geographic scale will traverse a region where treaty rights (including fishing rights and usual and accustomed areas, and reserved water rights) create significant tribal interests that extend well beyond the boundaries of trust land. Tribal interests should be identified and addressed regardless of whether the alignment physically crosses tribal land.

CSP will retain a Tribal Liaison as a dedicated consultant whose primary responsibility is leading all tribal outreach and engagement activities. The Tribal Liaison’s role is distinct from and precedes the real estate team’s acquisition activities. The real estate team supports and facilitates the acquisition process once the Tribal Liaison has established the relationship foundation.

4.4 Community Engagement

The real estate team's community engagement activities are focused on landowner relations are coordinated with CSP's broader communications and outreach efforts and is described in the Communications and Outreach Strategy. The following principles govern the real estate program's engagement approach:

- **Landowner relations philosophy.** CSP is committed to treating all property owners fairly, equitably, and with respect throughout the acquisition process. All acquisitions will be pursued through good-faith negotiation before condemnation is considered.
- **Early outreach coordination.** Prior to initiating formal acquisition activities, CSP will conduct early outreach to affected landowners to introduce CSP, explain the acquisition process, and begin building relationships. This outreach will be coordinated with CSP's communications and outreach activities and will be timed to align with corridor development milestones. The real estate and communications and outreach teams will coordinate closely during all phases of

the CSP to make sure individuals working with the real estate team receive accurate and timely information about the CSP.

- **Environmental justice.** CSP will assess potential disproportionate impacts on low-income communities, communities of color, and other historically underserved populations in the acquisition area. Language access and translation services will be provided as needed to support meaningful participation in the acquisition process.

5 Oversight and Roles

This section describes the makeup of the real estate team and how the team will execute the LAS within the broader context of the CSP. This includes identifying roles and responsibilities, oversight, and decision-making as it pertains to land acquisition and the real estate team.

5.1 Roles and Responsibilities

The roles and key responsibilities for all parties involved in CSP land acquisition are defined in Table G.

Table G. Roles and Responsibilities

Role	Key Responsibilities	Cascade or Consultant
Board	Governing body for Cascade Water Alliance (Cascade), CSP land acquisition approval/authorization except as delegated, escalation intervention	Cascade
Chief Executive Officer	Oversight of Cascade employees and applicable CSP policies, approval authority as delegated by the Board, proactive escalation intervention as necessary	Cascade
Program Executive	Oversight and direction of CSP activities and staff, legal counsel interface, Member Staff/Board liaison, escalates real estate risks to CEO and Board as appropriate	Cascade
Program Planning Director	Oversight of planning studies and activities for the CSP, legal counsel interface, Board coordination, escalates real estate risks to PEO as appropriate	Cascade
Real Estate Manager	Oversight of real estate activities for the CSP, legal counsel interface, Board coordination, identifies risk mitigation and escalation measures	Cascade
Real Estate Delivery Task Lead	Real Estate Program strategy, policy oversight, team management; strategies on risk mitigation measures	Consultant
Consultant Program Manager	Consultant Team management, quality control	Consultant
Senior Acquisition Agent(s)	Complex parcel negotiations, settlement documentation, identifies real estate risks	Consultant
Acquisition Agent(s)	Standard parcel negotiations, landowner outreach, contact documentation, file management, identifies real estate risks	Consultant
Appraiser(s)	USPAP®-compliant appraisals; must be Washington State licensed/certified	Consultant

Role	Key Responsibilities	Cascade or Consultant
Review Appraiser	Independent review of all appraisals before offer; free of conflicts of interest	Consultant
Title/Escrow Coordinator	Title searches, curative work identification, closing coordination	Consultant
GIS/Parcel Research Analyst	Parcel inventory, ownership research, corridor overlay analysis, constraint mapping	Consultant/Cascade
Relocation Specialist(s)	URA-compliant relocation assistance when displacement is required	Consultant
Legal Counsel	Condemnation, OPMA compliance, legal review of acquisition documents and Board resolutions	Cascade Attorneys
Tribal Liaison	Leads all early tribal outreach on behalf of the CSP	Consultant/Cascade

Key:
CSP = Cascade Supply Program
GIS = Geographic Information System
OPMA = Open Public Meetings Act
URA = Uniform Relocation Assistance and Real Property Acquisition Policies Act
USPAP = Uniform Standards of Professional Appraisal Practice

5.2 Decision-Making Structure

Cascade recommends an approval authority structure that delegates certain authority to the Chief Executive Officer (CEO) to approve the acquisition of real property interests.

5.2.1 Programming Estimate and Annual Workplan

Cascade will prepare a Programming Estimate for each impacted parcel once property rights requirements are sufficiently defined. The Programming Estimate projects total acquisition cost on a parcel-by-parcel basis, including estimated compensation for land, improvements, and damages to the remainder; relocation and incidental costs; labor and costs to complete the acquisition; and a contingency. The Programming Estimate will inform the Annual Workplan and budget presented to the Board and will be updated as design advances and appraisals are completed.

5.2.2 Condemnation Resolution

CSP proposes that the Board adopt a condemnation resolution for real estate packages before offers are made on parcels in that package. The resolution will be based on the Programming Estimate and will identify the property rights needed for the CSP. Adopting the resolution before offers are made keeps eminent domain authority in place should negotiations reach an impasse, avoiding schedule delays later in the process. With the resolution in place, offers on parcels in each package may proceed as described below. Condemnation will remain a last resort, and CSP will continue good-faith negotiations consistent with the URA.

5.2.3 Offers to Property Owners

Initial offers occur after Board approval of the real estate budget via the annual work plan. Initial offers are based on the appraisal, as reviewed and approved by a review appraiser, which establishes just compensation under the URA. Because the offer amount is set by the approved appraisal and cannot be less than that amount, offers do not require individual Board approval and will be approved by the CEO once the condemnation resolution for the real estate package is in place. Board involvement at the parcel level applies only to settlements that exceed the appraised value beyond the delegated thresholds described below.

Under this recommended structure, the CEO may approve and execute any contract to acquire real property interests when both of the following conditions are met:

- The total settlement above appraised value is $150,000 or less, and
- The total settlement is no more than 50 percent above the appraised value.

For purposes of these thresholds, "total settlement" means the total compensation paid for the property rights acquired, including appraised value and any administrative settlement amount. It does not include relocation benefits or incidental expenses (such as closing, recording, and title costs), which are paid by the acquiring agency as required under the URA.

Board approval is required when settlement exceeds either $150,000 and 50 percent of appraised value. Board approval is also required for all fee simple acquisitions and condemnation actions, regardless of value.

This structure balances flexibility and oversight by considering both the settlement amount and the percentage above appraised value. It allows Cascade to resolve routine settlements efficiently while maintaining Board authorization for higher-value transactions and settlements that significantly exceed the appraised value. These transactions carry the greatest financial exposure and the greatest community relations risk.

5.2.4 Relocation Assistance and the Acquisition Budget

Relocation assistance is not included in the total settlement amount and is not subject to negotiation. Relocation is a reimbursement program: eligible displaced persons are entitled to payments established under chapter 8.26 RCW and the URA, and Cascade cannot cap these benefits except as provided in state and federal law. For example, reestablishment expenses for a displaced small business, farm, or nonprofit organization are capped under RCW 8.26.035 with annual inflation, and a business may instead elect a fixed payment in lieu of actual moving and reestablishment expenses, currently capped in Washington at $53,200. Estimated relocation costs are included in the Programming Estimate for each parcel, so the acquisition budget presented to the Board, and updated/re-approved annually through the Annual Workplan, reflects anticipated relocation costs alongside property acquisition costs.

6 Implementation

This section describes considerations for implementing the LAS, including schedule, milestones, and sequencing.

6.1 Schedule and Milestones

Table H describes six steps along the CSP planning schedule and describes the real estate activities associated with each step.

Table H. Real Estate Activities Associated with Planning Steps

Step	Description	Real Estate Activities
Step 1—Pre-Corridor (Current)	CSP initiation; no corridor identified. Strategy and policy framework development	LAS (this document); Tribal Liaison retained; Board considers delegation of certain acquisition authority to CEO
Step 2—Corridor and Tank Site Alternatives (anticipated through 2026)	Engineering develops and evaluates corridor and tank site alternatives.	ROW input into SEPA review and alternatives analysis; ROW criteria scoring; fatal flaw identification; preliminary cost/schedule estimates; local government parcel identification. Board direction on corridor and tank site to further evaluate.
Step 3—Alignment and Tank Site Alternatives (anticipated through 2027)	Engineering develops several possible alignments and evaluates tank sites within selected corridors	Parcel inventory; ownership research; preliminary title review; early landowner contact strategy; begin SEPA review
Step 4—Preferred Alignment and Tank Site/Preliminary Design (2028-2029)	Board selects a preferred alignment and tank site to move into preliminary design (10%); program divided into project segments	Land Acquisition Plan development; Relocation Study initiation; right-of-entry agreements; relocation scoping; TCE identification. Board decision on alignment and tank site; SEPA review.
Step 5—Design/Active Acquisition (60% Design trigger) (anticipated to begin ~2030)	Board makes final decision on alignment and tank site. Design advances from 10% to final. Legal descriptions and ROW plans available at 60% design, triggering active acquisition on each segment	Board approval of annual budget, Resolution authorizing condemnation, Resolution authorizing delegation authority, appraisals ordered at 60% design; offer packages; negotiation; agreement execution; closing and recording; condemnation as needed; relocation assistance
Step 6—ROW Certification/Construction (TBD)	ROW Certification and pipeline/facility construction	TCE management; construction access coordination; claim resolution; ROW certification per segment

Key:
CEO = Chief Executive Officer
LAS = Land Acquisition Strategy
SEPA = State Environmental Policy Act
CSP = Cascade Supply Program
ROW = right-of-way
TCE = Temporary Construction Easement

SEPA review is anticipated to be complete before project segment-level acquisition. Because acquisition follows SEPA completion, SEPA review is not expected to affect the acquisition schedule for most parcels. The exception is early acquisition (see Section 3.1), such as the tank site or parcels common to all viable alignments, which may occur before SEPA review is complete. To manage this risk, CSP will limit early acquisitions to those that do not narrow the range of alternatives under consideration, coordinate their timing with CSP's environmental review, and consider purchase options or agreements contingent on SEPA completion where appropriate. For more information on the SEPA process, refer to the Regulatory Requirements and Permit Acquisition Strategy .

6.2 Sequencing

The following considerations have long lead times and so govern land acquisition sequencing decisions to mitigate schedule risks. Long-lead acquisition types must be identified as early as possible and initiated well before other parcels.

- **Tribal Trust Lands.** Federal approvals and government-to-government consultation can create an extended and uncertain schedule. Initiate consultation immediately upon identification. Risk: Schedule slip from lengthy and unpredictable approvals; because condemnation is not available, the Tribe may decline to grant rights, forcing an alignment change late in design. Cultural resource findings may also add cost and further delay.

- **Contaminated Properties.** Environmental investigation and remediation may be required before acquisition or construction. Screen during corridor alternatives. *Risk:* Added cost for investigation, remediation, and handling of contaminated soils during construction, and potential cleanup liability if Cascade acquires fee title. Schedule slip if investigation or cleanup must be completed before acquisition or construction. Where costs or liability are significant, an alignment adjustment may be preferable.

- **Condemnation Cases**. Possession may take 6–18 months, or longer if the case is contested. Prioritize early identification and initiation. *Risk:* Schedule slip if possession is not obtained before construction on the affected segment. Added cost if the court award exceeds the appraised value, and Cascade may be required to pay the owner's attorney and expert fees if the award exceeds Cascade's final written offer by 10 percent or more (RCW 8.25.075).

- **Section 4(f) Lands.** Parks, recreation areas, wildlife refuges, and historic sites protected under Section 4(f) of the U.S. Department of Transportation (USDOT) Act. Approval for use of Section 4(f) lands may require an avoidance-alternative analysis or de minimis finding by USDOT. Screen alternatives for potential USDOT nexus during corridor alternatives analysis. *Risk:* If a feasible and

prudent avoidance alternative exists, USDOT may not approve use of the property, requiring an alignment change. Analysis and approval add schedule time, and mitigation measures may add cost.

- **Section 6(f) Lands.** Park and recreation properties funded with federal grants through the Land and Water Conservation Fund. Conversion of these lands to non-recreation use requires National Park Service approval and replacement land, creating a lengthy federal review process. Identify affected parcels during corridor alternatives development. *Risk:* Added cost to acquire replacement land of at least equal value and recreational usefulness, which may be difficult to find. Schedule slip from the federal review process, and an alignment change if suitable replacement land cannot be secured.

7 Risk Management Approach

Real estate acquisition risks are among the most consequential schedule and cost risks in a large pipeline program. The CSP applies a proactive, criteria-based approach to risk identification and mitigation, integrating real estate risk assessment into corridor and alignment selection so that the highest-risk options can be avoided or planned for before commitments are made. Because acquisition delays often translate directly into cost increases, CSP manages schedule and budget risk together, using the Programming Estimate as the baseline for tracking real estate costs.

The primary risk mitigation strategies for real estate risk are:

- Early identification through corridor-level constraint mapping and parcel screening.
- Incorporation of real estate criteria into corridor and alignment evaluation so that the most difficult options can be avoided.
- Early initiation of long-lead acquisition processes (tribal, federal, contaminated).
- Securing Board approval of a Resolution Authorizing Condemnation for parcels within each segment or area (a package), early avoids bringing individual parcels back to the Board for authority, one at a time, toward the end of the design phase, when acquisition close-out is driving the path to construction.
- Maintaining a contingency in the Programming Estimate and updating it annually and as design advances, so that cost changes are identified and reported before they affect CSP's budget.
- Long-lead constraints are identified through corridor-level constraint mapping and weighted in corridor and alignment evaluation so the most difficult parcels can be avoided before commitments are made.
- For long-lead parcels where they cannot be avoided, design strategies such as trenchless crossings or minimizing the permanent footprint will be considered to reduce the rights needed and the approvals they may trigger. Cascade will maintain a priority long-lead parcel list and initiate the time-consuming work immediately upon identification rather than waiting for 60% design. This includes early agency coordination supported by Cascade's Permitting and Communications teams as well as the Tribal Liaison, early engagement with impacted agencies to understand their requirements and approval timelines, submittal of applications for conversion approvals or agency easements as soon as sufficient information is available, early title research, and environmental due diligence on potentially contaminated sites. Where appropriate, the CSP may secure early commitments through interagency agreements, letters of intent, or options and may use early acquisition under the Section 3.1 exceptions. Agency

and tribal approval timelines will be built into the CSP schedule, and adopting condemnation resolutions for real estate packages before offers maintains that eminent domain proceedings, where available, can begin promptly if negotiations reach an impasse. Possession and use agreements may also be used to secure construction access while compensation is resolved. Long-lead parcel status will be tracked in the risk register, reviewed monthly, and reported to the Board through Cascade's monthly and quarterly reports.

The Real Estate Delivery Task Lead will review risk status monthly and status the risk register with the Real Estate Manager. Monthly review will include a comparison of actual and forecast acquisition costs against the Programming Estimate, and any significant variance will be reported to the Board along with high-priority risks via the CSP monthly update.

8 Next Steps

The next step in land acquisition is for the Board to consider the resolution to delegate authority as described herein to the CEO for certain real estate contracts. Until resolution is in place, all acquisition contracts require full Board approval regardless of dollar amount, which represents a significant schedule risk.

Item No. 10b
October 28, 2026

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 Recap
Tuesday, October 20, 2026
1:30 PM – 3:00 PM
Held at Cascade's office and via Zoom

Attendance: Thomas McLeod, 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. **Items Recommended for Action at the October 28, 2026 Board Meeting**

   A. **Contract Renewals.** Cascade staff will present a list of contracts that expire on December 31, 2026, and for which staff recommend renewal for 2027. It is recommended the Board authorize the Chief Executive Officer to execute the professional service agreements proposed for renewal in 2027 at its October 2026 meeting.

   Recap: *Staff presented the contracts proposed for renewal. The committee recommended the item be placed on the Board's consent agenda for October 28.*

5. **Discussion Items.**

   A. **Legislative Update and Priorities.** Staff will provide an update on legislative activities and preparation for the 2027 legislative session. This item is an opportunity for the committee to discuss legislative priorities for 2027. Cascade's 2026 Legislative and Public Policy Agenda is attached for reference.

   Recap: *Diana Carlen, Cascade's contracted state lobbyist, presented a few interim legislative updates. The Governor is expected to release a "no-tax" budget in December and has asked all state agencies to reduce budgets accordingly. Staff discussed potential changes and updates to the legislative agenda, including monitoring the Governor's Washington Water Future initiative, tracking legislation and reports regarding*

data centers and water use, and adding language to the federal agenda in support of Water Infrastructure Finance and Innovation Act (WIFIA) and state revolving funds (SRF) funding. Staff will mark up the current legislative agenda and return to the committee in November for review and action.

B. Bond Issuance Update. Staff will provide an informational update on the bond issuance process, including an update regarding bond ratings.

Recap: *Staff reported that Cascade has maintained its excellent bond ratings, with S&P Global maintaining a stable AAA rating and Moody's Ratings maintaining a stable Aa1 rating. Staff have continued to work with Cascade's municipal advisors and bond counsel to monitor and respond to market conditions and anticipate issuing $41.63 million of bonds on October 27. Staff will continue to update the Board and committee on the outcome of the bond sale.*

6. Other Issues.

7. Next Meeting Date and Location.

The next meeting will be held Tuesday, November 10, 2026, 1:30 p.m. – 3:00 p.m. at Cascade's office and via Zoom.

Item No. 10c
October 28, 2026

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, October 8, 2026
10:00 AM – 11:30 AM
Held at Cascade's office and via Zoom

Attendance: Lloyd Warren, Jon Ault, Dennis Martinez

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. **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: *This item was not presented. SPU will present in November.*

   B. **White River-Lake Tapps Reservoir Capital Projects.** Staff will present information on upcoming major White River-Lake Tapps Reservoir capital projects that are included in the recently approved six-year Capital Improvement Program.

   Recap: *Staff presented high-level project descriptions, planned project timelines, and cost estimates on upcoming major White River-Lake Tapps Reservoir capital projects, including the Tunnel Intake Improvement project and Wolslegal Basin Outlet Improvement project.*

   C. **Reclaimed Water Discussion.** Staff will present background information and Reclaimed Water policy options for discussion and feedback.

   Recap: *Staff presented a Cascade staff recommendation for feedback to the King County Wastewater Treatment Division (WTD) regarding their range of policy options for reclaimed water. The committee expressed support for the proposed feedback, a recognition for the need for specifics around monitoring, including groundwater impact*

and diurnal effluent concentrations, and suggested that Cascade should additionally coordinate with the MWPAAC working group going forward.

D. **On-Call Construction Management Update.** Staff will provide an update on an upcoming Request for Proposals (RFP) for a three-year on-call contract for construction management services.

Recap: *Staff updated the committee on the upcoming RFP for a three-year on-call contract for construction management services. The consultant is needed to assist Cascade in managing the next batch of capital improvement construction projects.*

E. **Joint Operations Protocol Update.** Staff will provide an update on the development of the Joint Operations Protocol between the U.S. Army Corps of Engineers and Cascade for the operations of the facilities located at the White River Diversion Point.

Recap: *Staff updated the committee on the progress of the development of the Joint Operations Protocol (JOP) between the U.S. Army Corps of Engineers and Cascade. The JOP is expected to be completed by the first quarter of 2027 and is expected to be updated annually, incorporating adopted management techniques as experience is gained by both entities operating in the same section of the White River.*

5. **Items Recommended for Action at the October 28, 2026 Board Meeting.**

6. **Other Issues.**

7. **Next Meeting Date and Location.**

The next meeting will be Thursday, November 5, 2026, 10:00 a.m. – 11:30 a.m. at Cascade's office and via Zoom.

Item No. 10d
October 28, 2026

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, October 14, 2026
2:00 PM – 3:30 PM
Held at Cascade's Office and via Zoom

Attendance: Dave Hamilton, Jon Ault, 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 presented preliminary transmission pipeline corridor segments that have been identified as a result of the criteria established by subject matter experts (SMEs), the five different lenses used in the least impact pathway analysis, and group consensus from the CSP team. The preliminary corridor segments also include the prior Tacoma-Cascade Pipeline alignment from the late 2000s. The segments are now being reviewed by the SMEs using their professional judgment to identify opportunities and constraints that may not be fully represented in the GIS analysis. Potential storage tank sites are also being reviewed further for how they fit with the preliminary corridor segments to create a complete system.*

5. **Monthly Key Performance Indicators Review.**

   A. Three-month SPOC lookahead.

   Recap: *Staff presented the three-month lookahead for the SPOC meetings and noted a number of documents and information to be presented for the remainder of the year.*

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

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

C. Risk Discussion.

Recap: *Staff presented three risks with either a high likelihood or high impact for the committee to review. The description, consequences, preliminary response plan, and anticipated Board action, if any, were discussed in detail. The committee did not recommend any risks be brought forward to the Board this month.*

6. Discussion Items and Presentations.

A. Quarterly Update.

Recap: *Staff reviewed the eight topics that may be presented in each quarterly update: Cost, Schedule, Planning, Real Estate, Permitting, Communications and Outreach, Design, and Construction. The cost topic included a review of PES spending and projections for the remainder of the year as well as the plan for funding the program management reserve. The schedule topic focused on the timing of anticipated Board direction or action for upcoming work. Other topics included a description of upcoming work for the remainder of the year and highlighted which committees and member groups will be engaged in each topic. Committee feedback was positive with direction to share the update with the Board.*

B. Final Land Acquisition Strategy.

Recap: *Staff provided further information on the Land Acquisition Strategy. The approach to this document has changed such that staff are no longer requesting Board action on the strategy. In the future, when land purchase packages come forward, they will include a request to purchase the parcels or easements, the ability for the CEO to negotiate settlements within an approved range, and condemnation authority for those parcels. Committee feedback was generally positive on this change. Committee members thought the settlement authority delegation that is discussed in the Land Acquisition Strategy is a reasonable starting point for the future purchase packages.*

C. Revised Draft Board Oversight Strategy.

Recap: *Staff provided an update on the Board Oversight Strategy, including the name change from a "Plan", the outreach efforts taken with Member staff, and the revised document layout. Committee discussion followed and indicated that they were comfortable recommending the revised Board Oversight Strategy for final Board approval.*

7. Items Recommended for Action at the October 28, 2026 Board Meeting.

A. Board Oversight Strategy.

Recap: *The committee members present were comfortable recommending the Board Oversight Strategy for final approval by the Board.*

8. Other Issues.

9. Next Meeting Date and Location.

The next meeting will be Wednesday, November 4, 2026, 9:00 a.m. – 10:30 a.m. at Cascade's office and via Zoom.