



MEETING OF THE BOARD OF DIRECTORS

MINUTES

BELLEVUE CITY HALL

FEBRUARY 28, 2007

ROLL CALL

At 3:35 PM Lloyd Warren, Vice Chair called the meeting to order. Board Members or Alternate Board Members from the City of Bellevue, Covington Water District, the City of Issaquah, the City of Kirkland, the City of Redmond, Sammamish Plateau Water and Sewer District, Skyway Water and Sewer District and the City of Tukwila were present, constituting a quorum.

CONSENT ITEMS

- A. Approval of Agenda
- B. Approval of Minutes from the Regular Meeting held on January 24, 2007
- C. Approval of the revised Treasurer's Report

A motion to approve the consent items was made by Joe Forkner, seconded by Jim Haggerton and unanimously approved.

PUBLIC COMMENT

No members of the public in attendance commented.

ACTION ITEMS

There were no action items for this meeting.

STANDING COMMITTEE AND STAFF REPORTS

- A. Executive Committee

No specific report.

- B. Resource Planning Committee

Discussions have been initiated with King County regarding development of a Coordinated Water Supply Plan per the King County/Cascade Memorandum of Understanding and in accordance with the conditions of the County's approval of the Cascade Transmission and Supply Plan. The Committee will meet on this topic and provide a report to the Board.

The Committee meeting on March 8 will feature a presentation from Dr. Richard Palmer of the University of Washington Climate Impacts Group. Dr. Palmer is involved in the climate change assessment activities of the King County Regional Planning Process. He will be discussing the assessment of the White River basin. Cascade provided funding to include the White River in the work scope of the Planning Process.

- C. Membership Committee

No specific report

- D. Finance Committee

The Washington State Auditor issued their final Accountability Audit Report for 2003-2005. The results state, "The Alliance complied with state laws and regulations and its own

policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets.”

The Committee will review 2006 finances at the March meeting.

E. Public Affairs Committee

House Bill 1561, amending the watershed management partnership provisions of the Interlocal Cooperation Act had a hearing before the House Judiciary Committee on February 2. Lloyd Warren and Michael Gagliardo represented Cascade at the hearing. A number of groups expressed concerns about the bill and an amendment developed to address the concerns raised. HB 1561 unanimously passed the Judiciary Committee on February 14. The bill then moved to the House Rules Committee prior to going to the House floor for a vote by the full House.

Grant Degginger met with members of the State Congressional Delegation in Washington, DC on February 6 and 7. The major item discussed was Cascade’s Environmental and Fishery Enhancement Initiative. Cascade requested \$3 million in FY 2008 under the account for the Environmental Protection Agency’s State and Tribal Assistance Grant program, to be used initially to prioritize all the habitat restoration projects identified by the various stakeholders in the White/Puyallup Basin and to begin work on the highest priority projects. The prioritization and success of initial projects will establish the need for future funding requests. Cascade is soliciting support for these activities from other groups interested in the basin. Mr. Degginger also discussed Federal funding for construction of the Tacoma/Cascade Pipeline and US Army Corps of Engineers appropriations for Mud Mountain Dam.

Cascade Land Conservancy has requested sponsorship of 2 tables at their 12th Annual Conservation Award Breakfast scheduled on May 15. A motion to approve the request was made by John Marchione, seconded by Jim Haggerton and unanimously approved.

Cascade’s inaugural e-Newsletter was distributed on February 21.

GENERAL MANAGERS REPORT

The build-out of Cascade’s new office suite is proceeding on schedule for a move-in date of March 12. Announcements of the move will be distributed.

The lawsuits filed by the Muckleshoot Indian Tribe (with the City of Auburn as a Plaintiff-Intervenor) related to alleged violations of SEPA and the Public Water Supply Coordination Act in connection with Cascade’s January 2003 adoption of a Plan for Regional Water Supply and May 2003 adoption of a Resolution relating to acquisition of Lake Tapps water rights and assets have been dismissed. The lawsuit named Cascade, its individual Members and Puget as Defendants. Dismissal was by joint request of all the parties, for the reason that it is now moot. Cascade has prepared its Transmission and Supply Plan that supersedes the Plan for Regional Water supply (and is subject of a separate suit filed by the MIT and Auburn) and the 2003 Report of Examination has been remanded and a draft ROE was issued in September 2006.

Member Audits are being finalized and a special meeting of the Finance and Resource Planning Committees will be held to review the Audits. Member Audit Agreements are needed from each Member, authorized by their legislative bodies. A Resolution for each Member’s Audit will be subject to Board approval at the March meeting. The draft Resolution, Water Audit Methodology and draft Issue Paper were distributed at the February Board Meeting.

NEW BUSINESS

Jim Haggerton noted that Tukwila was in the process of assuming a portion of the service area of Water District 125. Specifics will be presented to the Resource Planning and Finance Committees prior to presentation to the Board.

EXECUTIVE SESSION

At 3:55 PM the Chair announced an Executive Session to last approximately 40 minutes to discuss the Due Diligence Process and real estate acquisition.

Grant Degginger joined the meeting at 4:15 PM and assumed the responsibilities of Chair.

The Executive Session was adjourned and the regular meeting reconvened at 4:35 PM.

ADJOURN

The meeting was adjourned at 4:35 PM.

Board Members signed approved Minutes and checks.

NEXT MEETING DATE

The next regular meeting will be held:

March 28, 2007

3:15 PM – Roundtable discussions and refreshments

3:30 PM – Meeting of Cascade Water Alliance Board of Directors

ATTENDANCE

Board Members Present:

Grant Degginger, City of Bellevue
Don Davidson, City of Bellevue
David Knight, Covington Water District
Joe Forkner, City of Issaquah
Mary-Alyce Burleigh, City of Kirkland
Jim Lauinger, City of Kirkland
John Marchione, City of Redmond
Lloyd Warren, Sammamish Plateau W&S District
Jon Ault, Skyway W&S District
Jim Haggerton, City of Tukwila

Staff Present:

Michael Gagliardo, General Manager
Steven Call, Director of Finance
Dennis Fields, Engineering Projects Manager
Mike Brent, Water Resources Manager
Pamela Higbee, Office Manager

Others Present:

Alison Bennett
Pat Brodin
Joel Gordon
Erin Leonhart
Ron Little

Mike Ruark
Betty Spieth
Scott Thomasson

APPROVED BY:

Grant Degginger, Chair

Lloyd Warren, Vice Chair