

## **Cascade Water Connections Working Group Meeting #1**

June 30, 2009, 8 am – 12pm  
Bellevue City Hall, Room 1E 108  
450 110<sup>th</sup> Ave. NE, Bellevue

### **Welcome**

The Cascade Water Connections Working Group convened for their first meeting on June 30, 2009. Chuck Clarke, CEO, Cascade Water Alliance (Cascade), welcomed everyone and thanked them for agreeing to participate in the Cascade Water Connections Working Group. The group will give important feedback to the Cascade Board on the options being considered for providing future water to the members of Cascade Water Alliance.

### **Mission Statement and Principles of Participation**

Chuck Clarke introduced Lewis Michaelson, Katz & Associates, as the facilitator of the group. Lewis reviewed the agenda and also the Mission Statement and Principles of Participation for the group.

#### Mission Statement

The mission of the Cascade Water Connections Working Group is to assist the Cascade Water Alliance staff in evaluating the Transmission and Supply Plan (TSP) and to ensure that community, stakeholder and purveyor values and input are included in the planning process.

The Principles of Participation included details about:

- The role of committee members
- Representation
- Discussion process
- Meeting attendance
- Meeting support
- Meeting agendas
- Timeline
- Work product

The facilitator asked for comments or questions on the mission of the group and the principles of participation.

Q: Will there be meetings in 2010?

A: Cascade Water Alliance is estimating six total meetings, extending into 2010.

Q: Who drafts the Transmission and Supply Plan (TSP)?

A: Consultants do some of the writing but Cascade staff ultimately owns the Plan and submits it to the Cascade Board.

Q: What is Cascade Water Alliance looking for from the group?

A: The Cascade Water Connections Working Group is meant to be a sounding board. It is not a decision making body, but Cascade would like input from a broad array of stakeholders. The group can provide valuable feedback and direction to Cascade staff and ensure that all perspectives are considered.

After discussion, the working group members present adopted the “Mission Statement” and “Principles of Participation” as drafted.”

### **Cascade Water Alliance Overview**

Elaine Kraft, Communications Director, Cascade Water Alliance provided a brief overview of Cascade. A short video was shown that describes Cascade as a non-profit corporation comprised of five cities and three water and sewer districts. Cascade’s mission is to provide water supply to meet current and future needs of its members.

Elaine Kraft also asked the group to contact her if there were any other groups or individuals that should be invited to join the group.

### **Presentation**

Michael Gagliardo, Director of Planning, Cascade Water Alliance, gave a presentation to the group that covered:

- An overview of Cascade Water Alliance;
- The region’s historic water supply;
- An explanation of why Cascade is planning now for future water needs;
- A description of planning objectives;
- An explanation of Cascade’s current demand forecasts;
- An introduction of the criteria used to conduct an initial screening of the various transmission and supply options.

- And the proposed criteria and weightings for future stages of screening and analysis.

Questions from the group on the presentation included:

Q: Are there demand forecast figures that break out conservation methods and their predicted effects?

A: Yes, those figures can be provided to the group.

Q: Does the forecast include water reclamation projects planned by individual jurisdictions?

A: Those projects are not represented in the forecast.

Q: Where did Cascade get their population figures?

A: Puget Sound Regional Council (PSRC) provides population projections. The demand forecast will be updated as PSRC releases new figures.

Q: Does the demand forecast look at the whole region or just members of Cascade Water Alliance?

A: The figures shown in the presentation are just for Cascade members for now. Later in the planning process, additional contingencies with regional partners can be built into the model.

Q: How does the forecast account for a new industry or business coming into the area, such as a paper mill, that requires a lot of water?

A: Projected increases in business activity are included in the model at a macro level. Large, new industries typically have a long lead time for planning purposes, so if a project large enough to have an appreciable impact on demand were to be proposed, there would be adequate time to factor it in.

Q: If Seattle's demand is flat why does the forecast for Cascade Water Alliance increase over time?

A: Looking forward, one big driver that causes the demand for water in Cascade's area to increase is the projection that income will increase. We know that there tends to be a positive correlation between income and water demand.

Q: If Seattle flattened its demand with major maintenance and improvements to the system, won't Cascade projects also be more efficient?

A: Yes, at first, except the model looks fifty years in the future and in that time Cascade's more recent and modern infrastructure will age and presumably become less efficient.

Seattle on the other hand had an aging infrastructure and so was in a position to reduce demand through system improvements in the more recent time frame.

Q: How will the energy bill that Congress is considering affect this forecast?

A: The proposed energy bill could affect rates and Cascade can run the model with a variety of rate scenarios.

Q: What supply threshold did Cascade use?

A: Options need to provide at least one million gallons per day.

Q: How do you account for assets shared or related to different options?

A: This is somewhat captured within the criterion, supply reliability and operations. Currently in the descriptions of each project, assets that could be shared or projects that deem other projects useless are noted. Later, once Cascade starts building a portfolio of projects, we will look at exactly how assets are shared and the timing of each project.

Q: How are you looking at sub-regions?

A: Some projects deal with specific regions. The plan will look at options in terms of where they are located and which sub-regions they are able to supply water to.

Q: Does the model used by Cascade put more emphasis on income than the one used by the Central Puget Sound Forum?

A: The econometric model used by Cascade is more refined, but the projection curves turn out to be very similar.

Q: Is there information about the current independent water supplies of individual jurisdictions?

A: Cascade staff can provide that information to the group.

Comment: It would be beneficial to separate out financial considerations during the next screening of options.

Lewis Michaelson suggested a scenario could be run where the financial weighting is set at zero to accomplish this.

Comment: It seems that in this region we usually look or plan for a single big project to meet our needs. We live in a high earthquake zone and it is important for emergency purposes to consider multiple small projects including maintaining groundwater wells and multiple transmission lines. Also, Cascade needs to consider potential terrorist targets when looking at options.

Michael Gagliardo responded that Cascade will definitely look at this once we begin building portfolios of projects. Then we can see how a bundle of smaller projects compares with one major project. One of the reasons for using a threshold of only one million gallons per day, is to consider smaller and medium sized projects.

Lewis Michaelson asked the group, that as they move forward in the meetings, to let Cascade know if they are concerned about options that have dropped off for some reason.

Lewis Michaelson summarized that the group wanted more details about the forecast sensitivities, assumptions and figures. Cascade staff will provide the group with more detailed information prior to the next meeting.

Some of the slides describing the initial projects being considered by Cascade included incorrect or misaligned information. Also, the group requested additional detail about each project. Cascade staff will correct the slides and provide more information to the group, including a narrative of each project and predicted water volumes. Cascade staff also agreed to provide an expanded slide for the screening criteria that includes sub-bullets explaining each criterion.

Because of a number of working group member questions about how the criteria weightings were arrived at and how different weightings could impact the ranking of options and scenarios, Elaine Kraft proposed conducting a “dot exercise” with the Working Group similar to the one used by the Cascade board and staff to identify and compare the screening criteria priorities of the group.

## **Adjourn and Next Steps**

Lewis Michaelson thanked the group for their time and reiterated the items they would receive as follow-up to the meeting. The next meeting is scheduled for August 13, 2009, at Bellevue City Hall, Room 1E-108. The July meeting was canceled as it was deemed unneeded at this point.

## **Attendees**

### Working Group Members

Ryan Harris

Mark Howe

Bob James

Michael Johnson

Joan Kersnar

Leslie Lloyd  
Ralph Mason  
Tim McDowd  
Linda McCrea  
Dave Monthie  
Beth Mountsier  
Bob Pancoast  
Paul Reitenbach  
Lydia Reynolds-Jones  
Anna Rising  
Dr. Leon Stucki  
Skip Swenson

Staff

Chuck Clarke, Cascade Water Alliance  
Michael Gagliardo, Cascade Water Alliance  
Elaine Kraft, Cascade Water Alliance  
Alison Bennett, City of Bellevue  
Erin Leonhart, City of Kirkland  
Betty Spieth, Langton Spieth

Facilitation Team

Lewis Michaelson, Katz & Associates  
Allison Turner, Katz & Associates  
Bryan Jarr, Katz & Associates