

**MEMORANDUM OF UNDERSTANDING**  
**On**  
**Management of Lake Tapps for Public Water Supply and Recreation**  
**Between the Cascade Water Alliance and Pierce County**  
**August 2, 2005**

This Memorandum of Understanding (MOU) between the Cascade Water Alliance, a Washington non-profit corporation, and Pierce County, a Washington municipal corporation, is dated this 2nd day of August, 2005.

**Whereas**, the Cascade Water Alliance (Cascade) is a nonprofit intergovernmental organization created by an Interlocal Contract (the Interlocal) effective April 1, 1999 (as amended and restated) to exercise certain essential governmental functions with respect to water supply on behalf of its Members as authorized by the Interlocal Cooperation Act Chapter 39.34 of the Revised Code of Washington (RCW); and

**Whereas**, Pierce County (the County) is a political subdivision of the State of Washington, organized as a home rule charter county under Article XI, Section 4 of the Washington State Constitution, and under the County Charter and a variety of State laws exercises governmental authorities over comprehensive planning, natural resource management and provision of public services within the County and the region; and

**Whereas**, the Lake Tapps Reservoir was created by Puget Sound Energy, Inc. (Puget) in 1911 for the purpose of producing electrical energy at its White River Hydroelectric Project (the White River Project); and

**Whereas**, the Lake Tapps Reservoir has become an important recreational, economic and environmental asset to Pierce County and the region;

**Whereas**, production of electric power requires a license from the Federal Energy Regulatory Commission (FERC) which was issued to Puget in 1997;

**Whereas**, the conditions of the 1997 license were found to be unacceptable to Puget and others involved in the process; and

**Whereas**, FERC agreed to a stay of the license conditions while Puget, the County and other interested parties, through the Lake Tapps Task Force, attempted to collaboratively find a solution to maintain economical power production and thus preserve Lake Tapps; and

**Whereas**, the Lake Tapps Task Force identified a number of options, the most significant being the development of Lake Tapps as a municipal water supply reservoir; and

**Whereas**, permit applications were filed by Puget with the State Department of Ecology (DOE) and Puget and Cascade have cooperated in seeking issuance of the permits; and

