



**CITY OF TACOMA, WASHINGTON,
ACTING BY OR THROUGH ITS
DEPARTMENT OF PUBLIC UTILITIES,
WATER DIVISION**

**VOLUNTARY INFORMATION
REGARDING LONG-TERM WHOLESALE WATER SUPPLY AGREEMENTS WITH
CASCADE WATER ALLIANCE**

**NOTICE DATED JUNE 11, 2025
Water System Revenue Bonds (CUSIP Base-6 873547)
Regional Water Supply System Revenue Bonds (CUSIP Base-6 87354T)**

The City of Tacoma, Washington (the “City” or “Tacoma”), acting by or through its Department of Public Utilities, Water Division (“Tacoma Water”) is filing this Voluntary Disclosure Notice (the “Notice”) regarding the approval of long-term wholesale water supply agreements with Cascade Water Alliance (“Cascade”).

Nothing contained in this Notice is, or should be construed as, a representation by the City that this Notice comprises all of the information that may be material to a decision to invest in, hold, or dispose of any City bonds. This information is provided voluntarily by the City, without intention to provide any update to this information or its subject matter or to provide similar information in the future. Any obligation to do so is expressly disclaimed.

Pursuant to Resolution No. U-11509 approved by the Tacoma Public Utility Board on February 26, 2025, and Ordinance No. 29024 approved by the Tacoma City Council on March 18, 2025, the City executed two long-term wholesale water supply agreements with Cascade (the “Agreements”). The Agreements enable Tacoma Water to supply up to 32.5 million gallons per day (“MGD”) of peak capacity (24 MGD on an average day) to Cascade, which Tacoma Water plans to gradually phase in between the years 2040-2062, with a commitment to deliver up to 15 MGD perpetually thereafter with an anticipated 12 MGD average.

Cascade is a municipal corporation that provides water to the Cities of Bellevue, Issaquah, Kirkland, Redmond, and Tukwila, Sammamish Plateau Water, and Skyway Water and Sewer District. Cascade currently gets up to 33 MGD of water from Seattle Public Utilities, but this allocation starts to decrease in 2040 until reaching 5.3 MGD in 2064. Cascade’s Board previously approved the Agreements on January 22, 2025.

Currently, there is no infrastructure connecting the Tacoma Water and Cascade water systems. Under these Agreements, Cascade will finance, construct, operate and maintain a water transmission main from Tacoma’s pipeline 5 to Cascade’s customers.

The Agreements are expected to have wide-ranging benefits for water supply and reliability across the region. It positions both water utilities to maximize future regional water projects and make certain shared additional investments in infrastructure. It helps support regional conservation efforts and coordinates more effective water management practices. Cascade and Tacoma Water will also enjoy enhanced supply resiliency through broader access to regional water supply, mitigating regional risks associated with

climate change and potential drought, wildfire, water quality, and seismic events. Execution of the Agreements also brings revenue opportunities to Tacoma Water, helps keep rates lower for residential, wholesale and business customers over time, and positions Tacoma Water to participate in major regional water projects in the future.

For additional information, see <https://www.mytpu.org/community-environment/projects/proposed-tacoma-water-partnership-with-the-cascade-water-alliance/> (which website is not incorporated herein by this reference).

Cautionary Notes

The information in this Notice speaks only as of its date, and includes “forward-looking statements.” Actual results may differ materially. Furthermore, the City expects these estimates and assumptions to change, including as actual revenue data is received and dependent on shifting variables such as the net impact of decreasing revenues and decreasing expenses for certain utilities and other factors.

The information in this voluntary disclosure notice has been obtained from the City and other sources that are considered reliable. Any statement in this notice that includes a matter of opinion, whether or not expressly so stated, is intended as such, and not as a representation of fact. The information contained in this notice is provided as of the respective dates specified herein and is subject to change without notice, and the filing of this notice shall not, under any circumstances, create any implication that there has been no change in the affairs of the City or in the other matters described herein since the dates as of which such information is provided.

This notice contains forecasts, projections, estimates and other forward-looking statements that are based on current expectations. The words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “assumes” and analogous or derivative expressions are intended to identify forward-looking statements. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. Any such forward-looking statements inherently are subject to a variety of risks and uncertainties that could cause actual results or performance to differ materially from those that have been forecast, estimated or projected. Such risks and uncertainties include, among others, changes in regional, domestic and international political, social and economic conditions, federal, state and local statutory and regulatory initiatives, litigation, technological change, seismic events, and various other events, conditions and circumstances, many of which are beyond the control of the City.

The City expressly disclaims any obligation or undertaking to release publicly any updates or revisions to this notice, including any forward-looking statement contained herein to reflect any changes in the City’s expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

The publication of this information does not constitute or imply any representation (i) that any or all of the foregoing is material to investors, (ii) regarding any other financial, operating, or other information about the City or its bonds, or (iii) that no other circumstances or events have occurred or that no other information exists concerning the City or its bonds that may have a bearing on the financial condition of the City, the security for its bonds, or an investor’s decision to buy, sell, or hold any bonds. The provision of this information to EMMA is not intended as an offer to sell any security.