



**Addendum No. 1 to
Cascade Water Alliance, Washington
Request for Financing**

\$55,935,000* Water Revenue Refunding Bond, 2019
Responses due by 3 PM, April 15, 2019

Cascade Water Alliance provides the following addendum to the above-referenced request for financing:

Attached is a summary table that shows some key financial metrics, including coverage. Cascade has policies regarding coverage both with and without growth-related capital charges (RCFCs). As a regional wholesale utility, Cascade's charges are operating expenses for Members and are senior to their debt obligations. Roughly 85% of that revenue comes from AAA utilities, and Members have contractual step-up obligations.

April 10, 2019.

* Preliminary; subject to change.

Cascade Water Alliance

Summary of Key Variables & Outcomes

Key Outcomes	2018		2019		2020		2021		2022		2023		2024		2025	
	3.00%	6.09%	4.50%	10.86%	3.00%	14.19%	3.00%	17.62%	3.00%	21.14%	4.00%	25.99%	4.00%	31.03%	4.00%	36.27%
Member Charge Revenue Adjustments:																
Annual																
Cumulative																
Member Charges:																
Administrative Dues Rate per CERU	\$	20.03	\$	19.31	\$	19.42	\$	19.24	\$	19.66	\$	20.09	\$	20.52	\$	20.98
Conservation Charge per CERU	\$	4.75	\$	4.82	\$	4.82	\$	4.93	\$	5.03	\$	5.14	\$	5.25	\$	5.37
Demand Share Charge per Demand Share %	\$	345,956	\$	364,124	\$	375,670	\$	387,970	\$	399,609	\$	416,025	\$	433,111	\$	450,893
RCFC per New CERU	\$	6,005	\$	6,416	\$	6,607	\$	6,885	\$	7,057	\$	7,235	\$	7,515	\$	7,806
Member Payments Excluding RCFCs (Net of Rebates)																
Belleveue	\$	19,795,040	\$	20,643,064	\$	21,372,374	\$	21,846,202	\$	22,321,491	\$	23,115,549	\$	23,931,996	\$	24,760,658
Issaquah		1,912,462		2,095,905		2,225,146		2,315,799		2,448,912		2,591,939		2,739,757		2,892,408
Kirkland		5,442,911		5,627,063		5,772,526		5,900,947		6,141,310		6,389,069		6,644,433		6,904,943
Redmond		6,900,057		7,294,636		7,396,527		7,833,739		8,038,482		8,402,232		8,759,201		9,124,344
Sammamish Plateau Water		1,559,311		1,672,423		1,724,635		1,810,544		1,893,377		2,006,019		2,158,767		2,353,645
Skyway WSD		473,390		481,275		492,327		508,096		523,660		540,554		568,001		575,686
Tukwilla		2,692,403		2,706,109		2,752,555		2,774,846		2,910,595		3,003,567		3,098,732		3,194,838
Total	\$	38,775,574	\$	40,520,475	\$	41,736,089	\$	42,988,172	\$	44,277,817	\$	46,048,930	\$	47,890,887	\$	49,806,522
Net RCFC Payments																
Belleveue	\$	2,645,203	\$	2,245,665	\$	2,312,450	\$	2,409,880	\$	2,470,121	\$	2,532,324	\$	2,630,193	\$	2,732,017
Issaquah		1,318,098		1,283,237		1,321,400		1,377,074		1,411,497		1,447,042		1,502,967		1,561,152
Kirkland		1,249,040		1,154,913		1,189,260		1,239,367		1,270,348		1,302,338		1,352,671		1,405,037
Redmond		3,041,533		1,924,855		1,982,100		2,065,611		2,117,246		2,170,563		2,254,451		2,341,729
Sammamish Plateau Water		2,023,685		2,566,474		2,642,800		2,409,880		2,470,121		2,532,324		2,630,193		2,732,017
Skyway WSD		36,030		32,081		33,035		34,427		35,287		36,176		37,574		39,029
Tukwilla		165,138		96,243		99,105		103,281		105,862		108,528		112,723		117,086
Total	\$	10,478,725	\$	9,303,468	\$	9,580,150	\$	9,639,520	\$	9,880,482	\$	10,129,296	\$	10,520,772	\$	10,928,067
Sufficiency Test Outcomes After Member Charge Adjustments:																
Coverage (Contractual)		1.18		1.43		1.33		1.38		1.34		1.43		1.51		1.61
Coverage Required		1.00		1.00		1.00		1.00		1.00		1.00		1.00		1.00
Coverage (With RCFCs)		1.69		1.61		1.74		1.79		1.77		1.88		2.00		2.11
Coverage Required		1.25		1.25		1.25		1.25		1.25		1.25		1.25		1.25