

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 78-8

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD
COMMUNITY SERVICES DISTRICT COMMENDING CARL KADIE FOR HIS
ASSISTANCE TO THE WATER SYSTEM ACQUISITION COMMITTEE
NEGOTIATING TEAM

WHEREAS, a negotiating team was formed to represent the Lake Arrowhead community in negotiating with Boise Cascade for the purchase of the local domestic water system; and,

WHEREAS, Mr. Carl D. Kadie's many years of experience and acknowledged expertise in the field of domestic water systems, both from the point of view of public and private ownership, proved an extremely valuable asset to the negotiating team in analysing pertinent data and reports on the local water system; and,

WHEREAS, Mr. Kadie was present and actively assisted at each of the negotiating sessions; and,

WHEREAS, the outcome of the negotiations resulted in an agreed upon purchase price which was significantly below the historic average price of sale of a private water company to a public district; and,

WHEREAS, the proposed purchase of the system will result in the following major benefits to the Lake Arrowhead community:

1. Local control of our domestic water supply.
2. Avoidance of an estimated increase in water rates over 5%.
3. The ability to reduce present water rates after acquisition by an estimated 15%.
4. The establishment of a \$380,000 bond reserve fund which will

earn interest payable to the District and which will be turned over to the District when its proposed bonds are paid off.

5. The purchase of accounts receivable (money due for water served but not yet billed) at 90% of face value providing the District with an immediate cash flow with which to begin operations.
6. Provision of a \$100,000 maintenance reserve fund to assure the District's ability to meet the cost of any unforeseen items of major maintenance and provide an adequate inventory of supplies and materials to operate the system efficiently.
7. Provide an initial operating surplus of \$150,000 per year to be used to finance a significant program of annual water system improvements; and,

WHEREAS, the success of these negotiations was reflected in the March 7, 1978 election to form the Lake Arrowhead Community Services District, which formation received the favorable vote of over 90% of those voting on the question;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lake Arrowhead Community Services District that Mr. Carl Kadie's efforts on behalf of the Lake Arrowhead Community be gratefully acknowledged.

PASSED AND ADOPTED this 16th day of March, 1978, by the following

vote:

AYES: Furness, Leo, Pearce, Vernon, Wagner

NOES: none

ABSENT: none



 President of the Board of Directors of
 Lake Arrowhead Community Services District

ATTEST:



 Secretary of the Board of Directors of
 Lake Arrowhead Community Services District