

RESOLUTION 2021-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT (UCFD), AUTHORIZING THE CONTRACTING OF CENTRAL ARIZONA PROJECT MUNICIPAL & INDUSTRIAL (M&I) PRIORITY WATER ACQUIRED BY UCFD IN CONDEMNATION FROM TOWN OF CAVE CREEK ARIZONA BY CAREFREE WATER COMPANY, INC. AND FURTHER AUTHORIZING CAREFREE WATER COMPANY INC. TO TAKE ALL STEPS NECESSARY TO EFFECT THE TRANSFER OF 378 ACRE-FEET OF WATER FROM TOWN OF CAVE CREEK TO THE EXISTING CAREFREE WATER COMPANY, INC. CAP M&I SUBCONTRACT.

WHEREAS, Town of Carefree, Arizona Utilities Community Facilities District (“UCFD”) has concluded the condemnation of certain assets of the Town of Cave Creek relating to the acquisition of the “Carefree Service Area” under that certain Intergovernmental Agreement between the Town of Carefree and the Town of Cave Creek dated August 2, 2005; and

WHEREAS, UCFD approved the final Settlement Agreement between the Town of Carefree, Arizona Utilities Community Facilities District and the Town of Cave Creek at the Joint Meeting of the Carefree Town Council and the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District on March 16, 2021 and UCFD accepted the assignment of all of Town of Carefree’s right, title and interest in and to the Intergovernmental Agreement dated August 2, 2005; and

WHEREAS, UCFD presently provides all water service within its boundaries through the Carefree Water Company, Inc. Carefree Water Company, Inc. operates as a large municipal water provider, Arizona Department of Water Resources Service Area No. 56-002007.0000. Carefree Water Company, Inc. also holds the Central Arizona Project (“CAP”) M&I Subcontract for the benefit of Town of Carefree and UCFD, being entitled “Subcontract Among the United States, The Central Arizona Water Conservation District, and Carefree Water Company, Providing Water Service, Central Arizona Project” Contract No. 07-XX-30-W0461 (“Carefree Water Subcontract”); and

WHEREAS, the Settlement Agreement provides that the Town of Cave Creek shall assign and transfer 378 acre-feet of CAP M&I Subcontract water from Town of Cave Creek to UCFD; and


WHEREAS, UCFD desires that the transferred CAP M&I Subcontract Water be included within the existing Carefree Water Subcontract and thereby be available to Carefree Water Company, Inc. for service to residents and customers within the Town of Carefree and the UCFD.

NOW, THEREFORE, IT IS RESOLVED by the Board of Directors of the UCFD that the UCFD's interest in the transferred 378 acre-feet of CAP M&I Subcontract water be assigned to Carefree Water Company, Inc. and the same be incorporated by amendment into the existing Carefree Water Subcontract; and

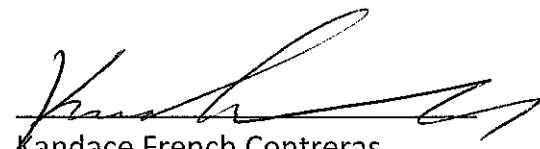
BE IT FURTHER RESOLVED that the General Manager of Carefree Water Company, Inc. be authorized to take all steps, including seeking review of the proposed transfer by the Arizona Department of Water Resources, review of the proposed transfer by the United States Bureau of Reclamation and the Central Arizona Water Conservation District, and final approval of the amendment to, and execution of, the amended Carefree Water Subcontract to include the 378 acre-feet of transferred CAP M&I Subcontract water.

PASSED AND ADOPTED BY the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District the 4th day of May, 2021.

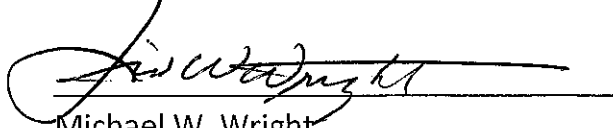
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TOWN OF CAREFREE, ARIZONA
UTILITIES COMMUNITY FACILITIES
DISTRICT


Les Peterson, Chairman of the
Board of Directors

ATTESTED TO:


Kandace French Contreras
Board Secretary/Treasurer

APPROVED AS TO FORM:


Michael W. Wright
UCFD Attorney