

RESOLUTION 2021-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT (UCFD), AUTHORIZING THE ASSIGNMENT OF ALL WATER ASSETS WITHIN THE CAREFREE SERVICE AREA ACQUIRED FROM THE TOWN OF CAVE CREEK PER THE SETTLEMENT AGREEMENT DATED MARCH 16, 2021, TO THE CAREFREE WATER COMPANY, INC.

WHEREAS, Town of Carefree, Arizona Utilities Community Facilities District ("UCFD") has concluded the condemnation of all water assets of the Town of Cave Creek within 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. which operates as a large municipal water provider under Arizona Department of Water Resources Service Area No. 56-002007.0000 and the Carefree Water Company owns the assets required to deliver water within its service area; and

WHEREAS, the Settlement Agreement provides that, upon payment of the total amount of \$1,000,000 as full, fair, and total just compensation for the water assets within the Carefree Service Area, the UCFD shall be entitled to a Final Order of Condemnation vesting the UCFD with title to these assets, free and clear of all claims, liens, and encumbrances; and

WHEREAS, UCFD desires to assign the title to these assets to the Carefree Water Company, Inc. as the provider of all water service within the boundaries served by the UCFD;

NOW, THEREFORE, IT IS RESOLVED by the Board of Directors of the UCFD that the UCFD's interest in the water assets within the Carefree Service Area be assigned to Carefree Water Company, Inc.; and


BE IT FURTHER RESOLVED that the General Manager of Carefree Water Company, Inc. is authorized and shall take all steps necessary to disconnect these

assets from the Cave Creek water system and incorporate them into the existing assets of the Carefree Water Company.

PASSED AND ADOPTED BY the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District the 1st day of June, 2021.

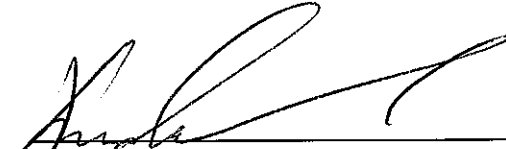
AYES 4 NAYS 0 ABSTENTIONS 0 ABSENT 2

**TOWN OF CAREFREE, ARIZONA
UTILITIES COMMUNITY FACILITIES
DISTRICT**



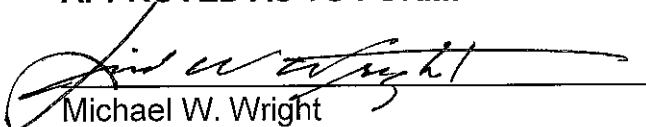
Les Peterson, Chairman of the
Board of Directors

ATTESTED TO:



Kandace French Contreras
Board Secretary/Treasurer

APPROVED AS TO FORM:



Michael W. Wright
UCFD Attorney