

NOTICE OF JOINT MEETING OF THE CAREFREE TOWN COUNCIL, THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE UTILITIES COMMUNITY FACILITIES DISTRICT AND THE CAREFREE WATER COMPANY

WHEN: TUESDAY, SEPTEMBER 5, 2023

**WHERE: CAREFREE TOWN COUNCIL CHAMBERS
33 EASY STREET, CAREFREE, AZ 85377**

**LIVESTREAM: CAREFREE YOUTUBE CHANNEL
<https://youtu.be/Afuj9zAvVDw>**

TIME: 4:30 P.M.

Pursuant to A.R.S. § 10-822, notice is hereby given to the members of the Board of Directors of the Town of Carefree Utilities Community Facilities District and the Board of Directors of the Town of Carefree Water Company, Inc., and to the general public that the members of the Board will hold a meeting open to the public. For any item listed on the agenda, the Board may vote to go into Executive Session for advice of counsel and/or to discuss records and information exempt by law or rule from public inspection, pursuant to Arizona Revised Statutes §310-822.

ROLL CALL

Members of the Board of Directors may participate by technological means or methods pursuant to A.R.S. §10-708.

CALL TO ORDER

AGENDA

1. Confirm the appointment of Clint Miller as new Member of the Board of Directors of the Carefree UCFD and the Carefree Water Company, effective as of the Carefree Town Council meeting on July 11, 2023.
2. APPROVAL of the July 11, 2023 Minutes of the Regular Meeting of the Utilities Community Facilities District/Carefree Water Company Meeting Minutes.
3. Review, discussion, and possible action on UCFD and Water Company Resolution 2023-06 which authorizes the execution of Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement dated June 7, 2006, modifying the UCFD/Water Company repayment schedule.
4. Review, discussion, and possible action on Resolution 2023-08 which, 1) authorizes the transfer of Advance in Aid of Construction funds to the Carefree UCFD/Water Company, and 2) authorizes the execution of Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement dated June 7, 2006, modifying the UCFD/Water Company repayment schedule.

Adjournment.

DATED this 30th of August, 2023.

TOWN OF CAREFREE

BY:



Kandace French Contreras, Town Clerk/Treasurer

Items may be taken out of sequence
Council meeting are now broadcast live via the Town of Carefree YouTube channel: [@CarefreeAZgov](#)

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FOR SPECIAL ACCOMMODATIONS

Please contact the Town Clerk, 8 Sundial Circle (PO Box 740), Carefree, AZ 85377; (480) 488-3686, at least three working days prior to the meeting if you require special accommodations due to a disability.

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: 09/05/2023

SUBJECT: Confirm the appointment of Clint Miller as new Member of the Board of Directors of the Carefree UCFD and the Carefree Water Company, effective as of the Carefree Town Council meeting on July 11, 2023.

PREPARED BY: Greg Crossman, Carefree Water Company Manager

SUMMARY:

Confirm the appointment of Clint Miller as new Member of the Board of Directors of the Carefree UCFD and the Carefree Water Company, effective as of the Carefree Town Council meeting on July 11, 2023.

ACTION NEEDED:

Confirm the appointment of Clint Miller as new Member of the Board of Directors of the Carefree UCFD and the Carefree Water Company, effective as of the Carefree Town Council meeting on July 11, 2023.

**TOWN OF CAREFREE
MINUTES**

MEETING DATE: 09/05/2023

SUBJECT: APPROVAL of the July 11, 2023 Minutes of the Regular Meeting of the Utilities Community Facilities District/Carefree Water Company Meeting Minutes.

PREPARED BY: Kandace French Contreras, Town Clerk / Treasurer

Attachments

7-11-23 UCFD-CWC Minutes

**MINUTES OF JOINT MEETING OF THE BOARD OF DIRECTORS OF
THE TOWN OF CAREFREE UTILITIES COMMUNITY FACILITIES DISTRICT AND
THE BOARD OF DIRECTORS OF THE CAREFREE WATER COMPANY, INC.**

WHEN: TUESDAY, JULY 11, 2023

WHERE: CAREFREE TOWN COUNCIL CHAMBERS
33 EASY STREET, CAREFREE, AZ 85377

LIVESTREAM: CAREFREE YOUTUBE CHANNEL
<https://youtu.be/Afuj9zAvVDw>

TIME: 4:00 P.M.

BOARD MEMBERS PRESENT:

Chairperson John Crane
Vice Chairperson Cheryl Kroyer
Board Member Sheila Amoroso
Board Member Vince D’Aliesio
Board Member Steve Hatcher

ABSENT:

Board Member Mike Johnson

Staff Present:

Greg Crossman, Manager; Michael Wright, Attorney; Kandace French Contreras, Secretary/District Clerk

Chairman Crane called the meeting to order at 4:00 p.m.

SILENT ROLL CALL

AGENDA

ITEM #1 Approval of June 6, 2023 UCFD/CWC meeting minutes.

Chairman Crane asked for comments or changes to the minutes.

MOTION: Vice Chairman Kroyer moved to approve the minutes as presented.

SECOND: Board Member Hatcher.

VOTE: Approved 5-0-1

Voting Member	Aye/Nay
Chairman John Crane	Aye
Vice Chairman Cheryl Kroyer	Aye

Vince D'Aliesio	Aye
Sheila Amoroso	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM #2 Review, discussion, and possible action to approve Resolution 2023-05, adopting the FY 2023-2024 Carefree UCFD Budget, and adopting the FY 2023-2024 Carefree Water Company Budget, Rates, Fees, Deposits, and Charges.

Greg Crossman presented a Power Point and detailed information regarding the budget, rates, fees, deposits and charges. He reminded the Board that a tentative budget was approved June 6, 20023. Since that time there have been no changes.

MOTION: Vice Chairman Kroyer moved to approve Resolution 2023-05 adopting the fiscal year budget for 2023/2024 and adopting the FY 20023-2024 budget, rates, fees, deposits and charges as presented.

SECOND: Board Member D'Aliesio.

VOTE: Approved 5-0-1

Voting Member	Aye/Nay
Chairman John Crane	Aye
Vice Chairman Cheryl Kroyer	Aye
Vince D'Aliesio	Aye
Sheila Amoroso	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ITEM # 3 Adjournment.

MOTION: Board Member Amorosa to adjourn.

SECOND: Board Member D'Aliesio.

VOTE: Approved 5-0-1

Voting Member	Aye/Nay
Chairman John Crane	Aye
Vice Chairman Cheryl Kroyer	Aye
Vince D'Aliesio	Aye
Sheila Amoroso	Aye
Stephen Hatcher	Aye
Mike Johnson	Absent

ACTION: ADJOURNED at 4:16 p.m.

DATED this 14th day of July, 2023.

CAREFREE WATER COMPANY

BY:

Kandace French Contreras, Secretary/Treasurer

BOARD OF DIRECTORS

John Crane, Chairman

Attest:

Kandace French Contreras, Secretary/Treasurer

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Meeting of the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District and the Board of Directors of the Carefree Water Company, Inc. I further certify that the meeting was duly called and held and that a quorum was present.

Kandace French Contreras, Secretary/Treasurer

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: 09/05/2023

SUBJECT: Review, discussion, and possible action on UCFD and Water Company Resolution 2023-06 which authorizes the execution of Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement dated June 7, 2006, modifying the UCFD/Water Company repayment schedule.

PREPARED BY: Greg Crossman, Carefree Water Company Manager

SUMMARY:

BACKGROUND

During the Fiscal Year 2023-2024 (FY23-24) Town Budget Hearings, the Carefree UCFD/Carefree Water Company requested \$2M in funding as an Advance in Aid of Construction for two infrastructure improvement projects as follows:

- Peaceful Place Booster Pump Station (BPS) Improvements
- Silver Saddle Gravity Zone Improvement Project

The approved Town Budget included a line item for this \$2M funding request.

Concurrently with this Agenda item, the Carefree Town Council will consider authorizing Town staff to transfer the requested \$2M to the UCFD/Water Company. In addition, the Town Council will consider the same revisions to the Advance in Aid of Construction repayment schedule as shown in the attached to Resolution 2023-06 which is being considered under this Agenda Item.

The new repayment schedule includes repayment of the current outstanding balance, adding to it the \$2M advance, and the cost for the Town to acquire the Tom Darlington Water Storage Reservoir property.

REPAYMENT SCHEDULE REVISIONS

The revisions to the Aid in Advance of Construction (Capital Advance) repayment schedule have been developed based on discussions between the Town and UCFD/Water Company staff with the following goals in mind:

1. Repaying the total advance received from the Town in a reasonable time frame;
2. "Smoothing" the UCFD/Water Company's total debt obligation in order to minimize the impacts on our water rate payers. Other debt obligation considered in these discussions are as follows:
 - a. WIFA Loan (1MG Reservoir), \$245,000 Annually thru FY26-27
 - b. Series 2021 Water Revenue Bonds (Carefree Water Consolidation Project), \$1.1M Annually thru FY50-51

Based on the above referenced goals, the following table summarizes the recommended annual

Capital Advance repayment schedule.

FY Range		No. of FY's	Cap. Adv. Repay. Amt.	Total Ann. WC Debt	Notes (Repayment and Debt Amounts Rounded)
24-25	26-27	3	\$48,000	\$1.4M	Current FY23-24 Capital Advance payment is \$20,000 to meet Series 2021 Bond requirements.
27-28	37-38	11	\$300,000	\$1.4M	WIFA loan retired, annual \$245,000 payment applied to Capital Advance.
38-39	50-51	13	\$0	\$1.1M	Series 2021 Water Revenue Bonds Only, WIFA and Capital Advance retired.

ACTION NEEDED:

The attached Resolution 2023-06 authorizes the Chairman of the Board of Directors for both the UCFD and the Water Company to execute Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement. UCFD/Water Company staff recommend the approval of this resolution.

Please contact Greg Crossman (480-488-9100; greg@carefreewaterco.com) with any questions on this item.

Attachments

Resolution 2023-06

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

RESOLUTION 2023-06

A JOINT RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT (“DISTRICT”) AND THE CAREFREE WATER COMPANY, INC. (“COMPANY”) AUTHORIZING THE CHAIRMAN TO EXECUTE ADDENDUM NO. 4 TO THE ADVANCE IN AID OF CONSTRUCTION WATER FACILITIES AGREEMENT DATED JUNE 7, 2006.

WHEREAS, on June 7, 2006, the Town of Carefree (“Town”) and the District entered into an Advance In Aid of Construction Water Facilities Agreement (“Agreement”) which was accepted and approved by the Company; and

WHEREAS, Exhibit “B” of the Agreement establishes a schedule of repayment by the District and Company for certain public infrastructure improvements provided by the Town; and

WHEREAS, Exhibit “B” was subsequently modified three times by agreement among the Town, District, and Company; and

WHEREAS, the District and Company in good faith began making payments in FY 18-19 in accordance with latest version of Exhibit “B” and are current with payments through the end of FY 22-23; and

WHEREAS, the District and Company have incurred significant additional bonding debt for the Carefree Water Consolidation Project which entered into repayment status in calendar year 2023; and

WHEREAS, the District and Company have requested an additional \$2,000,000.00 Advance in Aid of Construction in order to assist with the funding of public infrastructure improvements; and

WHEREAS, the Town is anticipated to advance the \$2,000,000.00 as approved in its Fiscal Year 2023-2024 (FY 23-24) budget authorization; and

WHEREAS, the revised repayment schedule detailed in Exhibit “B” will fully repay the Town for the currently outstanding balance and the \$2,000,000.00 advance in a manner which moderates the annual debt obligation of the District and the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT AND THE CAREFREE WATER COMPANY, INC. AS FOLLOWS:

Section 1. The Chairman of the Board is hereby authorized to execute for both the District and the Company Addendum No. 4 to the Agreement, a copy of the Addendum being attached to this Resolution; and

Section 2. All resolutions and parts of resolutions in conflict with this Resolution are hereby repealed; and

Section 3. This Resolution is effective immediately.

PASSED AND ADOPTED by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District this 5th day of September, 2023.

John Crane, Chairman - Board of Directors

ATTEST:

Kandace French Contreras, District Clerk

APPROVED AS TO FORM

Michael W. Wright, District Attorney

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of the Town of Carefree, Arizona Utilities Community Facilities District at a regular meeting held on September 5, 2023, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Kandace French Contreras, District Clerk

PASSED AND ADOPTED by the Board of Directors of the Carefree Water Company, Inc.,
this 5th day of September, 2023.

John Crane, President

ATTEST:

Kandace French Contreras, Clerk

APPROVED AS TO FORM

Michael W. Wright, Water Company Attorney

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of the Carefree Water Company, Inc. at a regular meeting held on September 5, 2023, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Kandace French Contreras, Clerk

ATTACHMENTS:

Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement

ADDENDUM NO. 4
to the
Advance in Aid of Construction
Water Facilities Agreement
Originally Dated June 7, 2006

The Town of Carefree (“Town”), the Town of Carefree, Arizona Utilities Community Facilities District (“District”), and the Carefree Water Company, Inc. (“Utility”) hereby amend the Advance in Aid of Construction Water Facilities Agreement, originally dated June 7, 2006, as follows:

The attached Exhibit “B” Rev. 4 shall replace and supersede in its entirety Exhibit “B” – Schedule Lease Payments to Advance in Aid of Construction Water Facilities Agreement, originally dated June 7, 2006.

Dated: September 5, 2023

TOWN OF CAREFREE

By: _____
John Crane, Mayor

Attest: _____
Kandace French Contreras
Town Clerk

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

By: _____
John Crane, Chairman

Attest: _____
Kandace French Contreras
District Clerk

CAREFREE WATER COMPANY, INC.

By: _____
John Crane, President

Attest: _____
Greg Crossman
General Manager

**EXHIBIT "B" – REV. 4
 SCHEDULE LEASE PAYMENTS TO ADVANCE IN AID OF CONSTRUCTION
 WATER FACILITIES AGREEMENT**

Original Exhibit "B" Repayment Amount: \$2,303,124.81 Dated: June 7, 2006
Exhibit "B" – Rev. 1 Repayment Amount: \$3,020,217.21 Dated: July 12, 2011
Exhibit "B" – Rev. 2 Repayment Amount: \$3,217,354.08 Dated: June 7, 2012
Exhibit "B" – Rev. 3 Repayment Amount: \$3,217,354.08 Dated: August 3, 2021

REV. 3 COMPLETED PAYMENTS

	Beginning Balance	\$3,217,354.08
Date Paid	Payment Amount	Balance After Payment
12/31/2018	\$207,170.81	\$3,010,183.27
06/30/2019	\$207,170.00	\$2,803,013.27
12/31/2019	\$207,170.00	\$2,595,843.27
06/30/2020	\$207,170.00	\$2,388,673.27
12/31/2020	\$207,170.00	\$2,181,503.27
06/30/2021	\$207,170.00	\$1,974,333.27
12/31/2021	\$207,170.00	\$1,767,163.27
06/30/2022	\$207,170.00	\$1,559,993.27
12/31/2022	\$207,170.00	\$1,352,823.27
06/30/2023	\$207,170.00	\$1,145,653.27
Total	\$2,071,700.81	

Exhibit "B" – Rev. 4 Repayment Amount: \$3,288,956.69 Dated: September 5, 2023

Rev. 3 Ending Balance	\$1,145,653.27
New Capital Advance (09/05/23)	\$2,000,000.00
Tom Darlington WSR Property	\$ 143,303.42
Rev. 4 Beginning Balance	\$3,288,956.69

(SEE FOLLOWING SHEET FOR NEW REV. 4 REPAYMENT SCHEDULE)

NEW REPAYMENT SCHEDULE (REV. 4)

	Beginning Balance	\$3,288,956.69
Pay by Date	Payment Amount	Balance After Payment
12/31/2023	\$10,000.00	\$3,278,956.69
06/30/2024	\$10,000.00	\$3,268,956.69
12/31/2024	\$24,000.00	\$3,244,956.69
06/30/2025	\$24,000.00	\$3,220,956.69
12/31/2025	\$24,000.00	\$3,196,956.69
06/30/2026	\$24,000.00	\$3,172,956.69
12/31/2026	\$24,000.00	\$3,148,956.69
06/30/2027	\$24,000.00	\$3,124,956.69
12/31/2027	\$150,000.00	\$2,974,956.69
06/30/2028	\$150,000.00	\$2,824,956.69
12/31/2028	\$150,000.00	\$2,674,956.69
06/30/2029	\$150,000.00	\$2,524,956.69
12/31/2029	\$150,000.00	\$2,374,956.69
06/30/2030	\$150,000.00	\$2,224,956.69
12/31/2030	\$150,000.00	\$2,074,956.69
06/30/2031	\$150,000.00	\$1,924,956.69
12/31/2031	\$150,000.00	\$1,774,956.69
06/30/2032	\$150,000.00	\$1,624,956.69
12/31/2032	\$150,000.00	\$1,474,956.69
06/30/2033	\$150,000.00	\$1,324,956.69
12/31/2033	\$150,000.00	\$1,174,956.69
06/30/2034	\$150,000.00	\$1,024,956.69
12/31/2034	\$150,000.00	\$874,956.69
06/30/2035	\$150,000.00	\$724,956.69
12/31/2035	\$150,000.00	\$574,956.69
06/30/2036	\$150,000.00	\$424,956.69
12/31/2036	\$150,000.00	\$274,956.69
06/30/2037	\$150,000.00	\$124,956.69
12/31/2037	\$124,956.69	\$0

**TOWN OF CAREFREE
STAFF REPORT**

MEETING DATE: 09/05/2023

SUBJECT: Review, discussion, and possible action on Resolution 2023-08 which, 1) authorizes the transfer of Advance in Aid of Construction funds to the Carefree UCFD/Water Company, and 2) authorizes the execution of Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement dated June 7, 2006, modifying the UCFD/Water Company repayment schedule.

PREPARED BY: Greg Crossman, Carefree Water Company Manager

SUMMARY:

BACKGROUND

During the Fiscal Year 2023-2024 (FY23-24) Town Budget Hearings, the Carefree UCFD/Carefree Water Company requested \$2M in funding as an Advance in Aid of Construction for two infrastructure improvement projects as follows:

- Peaceful Place Booster Pump Station (BPS) Improvements
- Silver Saddle Gravity Zone Improvement Project

The approved Town Budget included a line item for this \$2M funding request.

Concurrently with this Agenda item, the UCFD/Water Company Board will consider the same revisions to the Advance in Aid of Construction repayment schedule as shown in the attached Resolution 2023-08 which is being considered under this Agenda Item. The new repayment schedule includes repayment of the current outstanding balance plus the \$2M advance and the cost for the Town to acquire the Tom Darlington Water Storage Reservoir property.

TRANSFER OF FUNDS AND REPAYMENT SCHEDULE REVISIONS

The attached Resolution 2023-08 authorizes two items; 1) the transfer of \$2M to the UCFD/Water Company to fulfill the requested Advance in Aid of Construction (Capital Advance), and 2) the execution of Addendum No. 4 of the repayment schedule for the Capital Advance.

The revisions to the Capital Advance repayment schedule have been developed based on discussions between the Town and UCFD/Water Company staff with the following goals in mind:

1. Repaying the total advance received from the Town in a reasonable time frame;
2. "Smoothing" the UCFD/Water Company's total debt obligation in order to minimize the impacts on their water rate payers. Other UCFD/Water Company debt obligations considered in these discussions are as follows:
 - a. WIFA Loan (1MG Reservoir), \$245,000 Annually thru FY26-27
 - b. Series 2021 Water Revenue Bonds (Carefree Water Consolidation Project), \$1.1M Annually thru FY50-51

Based on the above referenced goals, the following table summarizes the recommended annual Capital Advance repayment schedule.

FY Range		No. of FY's	Cap. Adv. Repay. Amt.	Total Ann. WC Debt	Notes (Repayment and Debt Amounts Rounded)
24-25	26-27	3	\$48,000	\$1.4M	Current FY23-24 Capital Advance payment is \$20,000 to meet Series 2021 Bond requirements.
27-28	37-38	11	\$300,000	\$1.4M	WIFA loan retired, annual \$245,000 payment applied to Capital Advance.
38-39	50-51	13	\$0	\$1.1M	Series 2021 Water Revenue Bonds Only, WIFA and Capital Advance retired.

ACTION NEEDED:

The attached Resolution 2023-08 authorizes Town staff to transfer \$2M to the UCFD/Water Company as a Capital Advance and authorizes the Mayor to execute Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement. Town and UCFD/Water Company staff recommend the approval of this resolution.

Please contact Greg Crossman (480-488-9100; greg@carefreewaterco.com) with any questions on this item.

Attachments

Resolution 2023-08

TOWN OF CAREFREE, ARIZONA

RESOLUTION 2023-08

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAREFREE, MARICOPA COUNTY, ARIZONA (“TOWN”) AUTHORIZING THE TRANSFER OF ADVANCE IN AID OF CONSTRUCTION FUNDS TO THE TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT (“DISTRICT”) AND THE CAREFREE WATER COMPANY, INC. (“COMPANY”) AND AUTHORIZING THE MAYOR TO EXECUTE ADDENDUM NO. 4 TO THE ADVANCE IN AID OF CONSTRUCTION WATER FACILITIES AGREEMENT DATED JUNE 7, 2006.

WHEREAS, on June 7, 2006, the Town of Carefree (“Town”) and the District entered into an Advance In Aid of Construction Water Facilities Agreement (“Agreement”) which was accepted and approved by the Company; and

WHEREAS, Exhibit “B” of the Agreement establishes a schedule of repayment by the District and Company for certain public infrastructure improvements provided by the Town; and

WHEREAS, Exhibit “B” was subsequently modified three times by agreement among the Town, District, and Company; and

WHEREAS, the District and Company in good faith began making payments in FY 18-19 in accordance with latest version of Exhibit “B” and are current with payments through the end of FY 22-23; and

WHEREAS, the District and Company have incurred significant additional bonding debt for the Carefree Water Consolidation Project which entered into repayment status in calendar year 2023; and

WHEREAS, the District and Company have requested an additional \$2,000,000.00 Advance in Aid of Construction in order to assist with the funding of public infrastructure improvements; and

WHEREAS, the Town included this \$2,000,000.00 Advance in Aid of Construction in its budget authorization for Fiscal Year 2023-2024 (FY 23-24); and

WHEREAS, the revised repayment schedule detailed in Exhibit “B” will fully repay the Town for the currently outstanding balance, the \$2,000,000.00 advance, and the funds expended by the Town for the Tom Darlington Water Storage Reservoir property in a manner which moderates the annual debt obligation of the District and the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAREFREE, MARICOPA COUNTY, ARIZONA AS FOLLOWS:

Section 1. Town staff are hereby authorized to transfer the sum of \$2,000,000.00 to the District/Company as an Advance in Aid of Construction; and

Section 2. The Mayor is hereby authorized to execute Addendum No. 4 to the Agreement, a copy of the Addendum being attached to this Resolution; and

Section 3. All resolutions and parts of resolutions in conflict with this Resolution are hereby repealed; and

Section 4. This Resolution is effective immediately.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Carefree, Arizona this 5th day of September, 2023.

John Crane, Mayor

ATTEST:

Kandace French Contreras, Town Clerk

APPROVED AS TO FORM

Michael W. Wright, Town Attorney

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by Council of the Town of Carefree, Arizona at a regular meeting held on September 5, 2023, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Kandace French Contreras, Town Clerk

Addendum No. 4 to the Advance in Aid of Construction Water Facilities Agreement

ADDENDUM NO. 4
to the
Advance in Aid of Construction
Water Facilities Agreement
Originally Dated June 7, 2006

The Town of Carefree (“Town”), the Town of Carefree, Arizona Utilities Community Facilities District (“District”), and the Carefree Water Company, Inc. (“Utility”) hereby amend the Advance in Aid of Construction Water Facilities Agreement, originally dated June 7, 2006, as follows:

The attached Exhibit “B” Rev. 4 shall replace and supersede in its entirety Exhibit “B” – Schedule Lease Payments to Advance in Aid of Construction Water Facilities Agreement, originally dated June 7, 2006.

Dated: September 5, 2023

TOWN OF CAREFREE

By: _____
John Crane, Mayor

Attest: _____
Kandace French Contreras
Town Clerk

TOWN OF CAREFREE, ARIZONA UTILITIES COMMUNITY FACILITIES DISTRICT

By: _____
John Crane, Chairman

Attest: _____
Kandace French Contreras
District Clerk

CAREFREE WATER COMPANY, INC.

By: _____
John Crane, President

Attest: _____
Greg Crossman
General Manager

**EXHIBIT "B" – REV. 4
 SCHEDULE LEASE PAYMENTS TO ADVANCE IN AID OF CONSTRUCTION
 WATER FACILITIES AGREEMENT**

Original Exhibit "B" Repayment Amount: \$2,303,124.81 Dated: June 7, 2006
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Exhibit "B" – Rev. 2 Repayment Amount: \$3,217,354.08 Dated: June 7, 2012
Exhibit "B" – Rev. 3 Repayment Amount: \$3,217,354.08 Dated: August 3, 2021

REV. 3 COMPLETED PAYMENTS

	Beginning Balance	\$3,217,354.08
Date Paid	Payment Amount	Balance After Payment
12/31/2018	\$207,170.81	\$3,010,183.27
06/30/2019	\$207,170.00	\$2,803,013.27
12/31/2019	\$207,170.00	\$2,595,843.27
06/30/2020	\$207,170.00	\$2,388,673.27
12/31/2020	\$207,170.00	\$2,181,503.27
06/30/2021	\$207,170.00	\$1,974,333.27
12/31/2021	\$207,170.00	\$1,767,163.27
06/30/2022	\$207,170.00	\$1,559,993.27
12/31/2022	\$207,170.00	\$1,352,823.27
06/30/2023	\$207,170.00	\$1,145,653.27
Total	\$2,071,700.81	

Exhibit "B" – Rev. 4 Repayment Amount: \$3,288,956.69 Dated: September 5, 2023

Rev. 3 Ending Balance	\$1,145,653.27
New Capital Advance (09/05/23)	\$2,000,000.00
Tom Darlington WSR Property	\$ 143,303.42
Rev. 4 Beginning Balance	\$3,288,956.69

(SEE FOLLOWING SHEET FOR NEW REV. 4 REPAYMENT SCHEDULE)

NEW REPAYMENT SCHEDULE (REV. 4)

	Beginning Balance	\$3,288,956.69
Pay by Date	Payment Amount	Balance After Payment
12/31/2023	\$10,000.00	\$3,278,956.69
06/30/2024	\$10,000.00	\$3,268,956.69
12/31/2024	\$24,000.00	\$3,244,956.69
06/30/2025	\$24,000.00	\$3,220,956.69
12/31/2025	\$24,000.00	\$3,196,956.69
06/30/2026	\$24,000.00	\$3,172,956.69
12/31/2026	\$24,000.00	\$3,148,956.69
06/30/2027	\$24,000.00	\$3,124,956.69
12/31/2027	\$150,000.00	\$2,974,956.69
06/30/2028	\$150,000.00	\$2,824,956.69
12/31/2028	\$150,000.00	\$2,674,956.69
06/30/2029	\$150,000.00	\$2,524,956.69
12/31/2029	\$150,000.00	\$2,374,956.69
06/30/2030	\$150,000.00	\$2,224,956.69
12/31/2030	\$150,000.00	\$2,074,956.69
06/30/2031	\$150,000.00	\$1,924,956.69
12/31/2031	\$150,000.00	\$1,774,956.69
06/30/2032	\$150,000.00	\$1,624,956.69
12/31/2032	\$150,000.00	\$1,474,956.69
06/30/2033	\$150,000.00	\$1,324,956.69
12/31/2033	\$150,000.00	\$1,174,956.69
06/30/2034	\$150,000.00	\$1,024,956.69
12/31/2034	\$150,000.00	\$874,956.69
06/30/2035	\$150,000.00	\$724,956.69
12/31/2035	\$150,000.00	\$574,956.69
06/30/2036	\$150,000.00	\$424,956.69
12/31/2036	\$150,000.00	\$274,956.69
06/30/2037	\$150,000.00	\$124,956.69
12/31/2037	\$124,956.69	\$0