

APPROVED BY COMMISSION
DATE <u>2-14-02</u> INITIALS <u>cl</u>

RESOLUTION NO. 2002-01

A RESOLUTION DECLARING THE INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD CAPITAL IMPROVEMENTS FOR THE UTILITY AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS OF THE UTILITY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, Central Arkansas Water ("CAW") proposes to acquire, design, construct and equip capital improvements to its water distribution system and water treatment facilities (the "Improvements"); and

WHEREAS, it is appropriate that CAW assure that its power to issue capital improvement bonds to finance the costs of the Improvements, the interest on which is exempt from federal income tax, will, under applicable sections of the Internal Revenue Code and the Treasury Regulations promulgated thereunder, be preserved, and adoption of this Resolution serves that purpose.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CENTRAL ARKANSAS WATER:

Section 1. Pursuant to United States Treasury Regulation §1.150-2, CAW hereby declares its official intent and reasonable expectation to reimburse itself for original expenditures paid from its general or operating funds that are used in acquiring, constructing and equipping the Improvements between the date that is sixty (60) days prior to the date of this Resolution and the date the bonds are issued, plus a de minimis amount and preliminary expenditures, with the proceeds of one or more series of tax-exempt bonds in the principal amount of not to exceed \$100,000,000 (the "Bonds").

Section 2. CAW shall reimburse itself for the original expenditures from proceeds of the Bonds within 18 months after the later of:

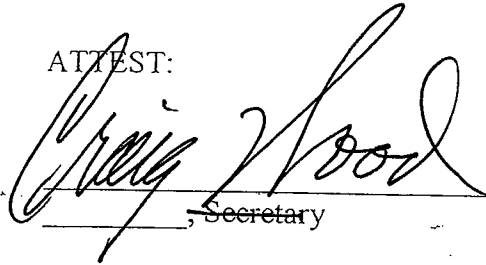
- (a) the date of the original expenditure is paid, or
- (b) the date the project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid.

Section 3. This Resolution shall be in effect upon its adoption and approval.

Section 4. A copy of this Resolution shall be filed with Secretary of CAW where it will be available for public inspection.

ADOPTED: 14 FEB., 2002

ATTEST:



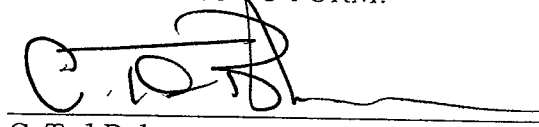
Secretary

APPROVED:



Jane Dickey, Chairperson

APPROVED AS TO FORM:



C. Tad Bohannon,
Counsel for Central Arkansas Water

RESOLUTION 2002-02

A RESOLUTION TO ESTABLISH A POLICY CONCERNING THE
UTILIZATION OF UTILITY BILLING SERVICES' MESSAGE
BLOCK AND DOCUMENT INSERT FEATURES

WHEREAS, CENTRAL ARKANSAS WATER (CARKW) through its billing entity, Utility Billing Services, has the capabilities of customer messaging and document inserts in the monthly billing process; and

WHEREAS, the primary purpose of the features is to provide customers with important information about their basic services from CARKW and other entities for which CARKW processes monthly customer billing; and

WHEREAS, UBS partners may utilize the features for the dissemination of messages and information to their customers; and

WHEREAS, the cities of Little Rock and North Little Rock are Consolidation Agreement parties with CENTRAL ARKANSAS WATER; and

WHEREAS, CARKW recognizes the benefit that customers derive from basic municipal services information provided by City of Little Rock and City of North Little Rock entities.

THEREFORE, BE IT RESOLVED THAT the Board of Commissioners, CENTRAL ARKANSAS WATER, does hereby adopt a policy for utilization of the Message Block and Document Insert features of the monthly billing process by UBS partners and City of Little Rock and City of North Little Rock entities.

CERTIFICATE

I, Eddie Powell, Secretary of the Board of Commissioners, CENTRAL ARKANSAS WATER, certify, as such Secretary, that I have custody of the Minutes and documents of CENTRAL ARKANSAS WATER and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at a regular meeting held 14 March 2002.

Secretary

RESOLUTION 2002- 03

A RESOLUTION TO ESTABLISH A SCHEDULE OF SYSTEM DEVELOPMENT CHARGES AND CAPITAL INVESTMENT CHARGES FOR CENTRAL ARKANSAS WATER; TO FIX THE EFFECTIVE DATE FOR THESE CHARGES; AND FOR OTHER PURPOSES

WHEREAS, the City of Little Rock and the City of North Little Rock have created Central Arkansas Water as a public body corporate and politic under the Consolidated Waterworks Authorization Act 982 of the 83rd Arkansas General Assembly, and have consolidated the ownership and operation of their municipal water utilities into Central Arkansas Water (the "System"); and

WHEREAS, the Consolidation Agreement between the City of Little Rock and the City of North Little Rock vested the authority to establish water rates in the Board of Commissioners, Central Arkansas Water; and

WHEREAS, the Consolidation Agreement further directed the Board of Commissioners to propose an equalizing schedule of water rates to take effect beginning January 1, 2002, or as soon thereafter as practicable, and directed that the schedule of rates shall be based upon a rate study utilizing a cost of service methodology; shall equalize water rates among similarly-situated classes of customers throughout the City of Little Rock and the City of North Little Rock over a reasonable period of time not to exceed 10 years; and shall provide sufficient funds for the accomplishment of the Improvement Agendas (as defined in the Consolidation Agreement); and

WHEREAS, Carter-Burgess, Inc., the rate consultant, completed the rate study and made a final recommendation on an initial schedule of System Development Charges to meet the requirements of the rate study project, and the Board of Commissioners adopted the recommendations with the approval of Resolution 2001-10 on October 11, 2001; and

WHEREAS, following a November 28, 2001, public hearing on the schedule of charges contained in Resolution 2001-10, the Board of Commissioners rescinded Resolution 2001-10 on December 13, 2001, and established a citizens task group to review the consultant's findings on System Development Charges and other capital investment charges and to make recommendations; and

WHEREAS, the task group has completed its review of the findings from the rate consultant and has presented its recommendations to the Board of Commissioners and the Board of Commissioners has reviewed the recommendations; and

WHEREAS, it is the adopted policy of Central Arkansas Water that a portion of the capital costs invested to expand the water facilities should be recovered, to the extent it is both reasonable and practical, through fees charged new System customers causing and benefiting from the expanded water facilities; and

WHEREAS, the Board of Commissioners finds that System Development Charges and Capital Investment Charges established herein are needed to recover a reasonable portion of the cost of expanding the existing System to serve the demands of new System customers.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:

Section 1. This resolution is intended to ensure the provision of adequate water facilities to serve new development in Central Arkansas Water's service area by requiring new development to pay a portion of the capital improvement costs necessitated by and attributable to the new development. System Development Charges established by this resolution are additional and supplemental to, and not in substitution of, any other charge, fee, rate, or requirement posed by Central Arkansas Water. Capital Investment Charges established by this resolution are implemented to replace existing charges known as "Acreage Fees" and "Development Fees."

Section 2. The following definitions apply to this resolution:

- a) assessment – a determination of the amount of the System Development Charge or Capital Investment Charge per service unit that may be imposed upon new development, pursuant to this resolution.
- b) capital improvements – water facility improvements that have a life expectancy of five (5) or more years and that are to be owned and operated by or on behalf of Central Arkansas Water in support of improvements needed by the utility to increase its water supply or transmission capabilities.
- c) Capital Investment Charge – a water facilities fee imposed upon new development by Central Arkansas Water, pursuant to this resolution, in order to fund or recover the cost of capital improvements or facility expansions in treated water transmission and distribution mains/appurtenances, pumping, and storage tanks that benefit specific geographic areas.
- d) Domestic Customer – a customer whose water meter serves a private residence with one family or a customer in a multi-family development where each unit is supplied through a separate meter. (A Domestic Customer typically is served by a 5/8-inch- or 3/4-inch-diameter water meter.)
- e) new development – a project involving the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure or any use or extension of land that has the effect of increasing the requirements for capital improvements or facility expansions, measured by the number of service units to be generated by such activity, and that results in a connection or an enlarged connection to the Central Arkansas Water system. New service to an existing municipality or other political jurisdiction on either a retail or wholesale basis shall be considered new development. The installation of a separate sprinkler meter by a Domestic Customer will not be considered new development.
- f) offset - the amount of the reduction in a Capital Investment Charge designed to fairly reflect the value of water facilities provided by a real estate developer/property owner, pursuant to Central Arkansas Water's development regulations and requirements.
- g) service unit – the unit equivalent to the hydraulic capacity of a 3/4-inch-diameter water meter.
- h) site-specific facilities – improvements or facilities that are for the primary purpose of safe and adequate provision of water service to a new development or geographically-identifiable area under applicable Central Arkansas Water regulations and requirements.

- i) System Development Charge – a water facilities fee imposed upon new development by Central Arkansas Water, pursuant to this resolution, in order to fund or recover a portion of the cost of capital improvements or facility expansions to sources, raw water transmission mains/appurtenances, and treatment that enhance the System and that are necessitated by and attributable to such new development.
- j) water facility – a capital asset for providing water service, including but not limited to, land or easements, water source facilities, water treatment facilities, raw and treated water transmission and distribution facilities, and pumping and storage facilities.

Section 3. Water service to a new customer shall not be approved without the assessment of a System Development Charge and Capital Investment Charge, if applicable, pursuant to this resolution, and water service will not be initiated until payment of the charge(s) is received. This resolution applies to all new customers of Central Arkansas Water and Master-metered (wholesale) Customers initiating service after the effective date of this resolution. Master-metered (wholesale) Customers will remit payment of the charge(s) to Central Arkansas Water with their monthly water payment.

Section 4. Central Arkansas Water will establish a separate account for System Development Charges. The funds in the account only shall be used to fund capital improvements, as defined in Section 2e. Interest earned on the System Development Charges account shall be considered funds of the account and shall be used solely for the aforementioned improvements. Central Arkansas Water shall establish adequate financial and accounting controls to ensure that the funds disbursed from the account are utilized solely for the purposes authorized. Central Arkansas Water shall maintain proper financial records on System Development Charges, and the records shall be open for public inspection.

Section 5. Existing “Acreage Charges” and “Development Fees” will be referred to hereafter as Capital Investment Charges. Existing Capital Investment Charges will continue until Central Arkansas Water recovers the cost of the site-specific facilities and, in the case of real estate developers/property owners, until the end of the contract period. In addition, the passage of this resolution does not preclude Central Arkansas Water or a real estate developer/property owner from recovering costs on future site-specific improvements. The following will become a part of Central Arkansas Water’s regulations and requirements:

- a) Central Arkansas Water will install re-inforcing water mains and facilities at its own expense when funds are available to improve water service to property already served by the System.
- b) Central Arkansas Water recognizes that water mains and facilities installed by a real estate developer/property owner and Central Arkansas Water sometimes may benefit and afford service to property held by landowners that do not participate in the cost of installation thereof.
- c) Real estate developers/landowners applying for water service are required to participate in or pay the entire cost of installing mains and facilities required to serve their premises.
- d) It is determined that non-participating landowners should not receive water service until they share in the cost of the installation of mains and facilities installed (prior to their requests) at the expense of anyone other than the owner of the property at the time the main or other facilities were installed.
- e) Specific geographic areas to be assessed Capital Investment Charges will be determined by the Chief Executive Officer from time to time.

Section 6. The effective date of the schedule of System Development Charges and Capital Investment Charges is September 1, 2002.

Section 7. The following assessment schedule of System Development Charges is hereby adopted for all customers of Central Arkansas Water, with the exception of Master-metered (wholesale) Customers:

Charges for meters will be in accordance to the following table:

ACTUAL METER SIZE	SERVICE UNITS	CHARGE BY METER SIZE
5/8- or 3/4-inch	1	\$150
1-inch	1.5	\$225
1½-inch	2.5	\$375
2-inch	5	\$750
3-inch	8	\$1,200
4-inch	15	\$2,250
6-inch	25	\$3,750

The charge for a meter above 6-inch diameter will be negotiated on a case-by-case basis.

Section 8. *Master-metered Customers.* The following assessment schedule of System Development Charges is adopted for all Master-metered Customers:

For Master-metered Customers with a rate of \$0.704 per hundred cubic feet (CCF), each new meter installation, except as noted in Section 3, will add a volumetric surcharge to the monthly consumption.

The volumetric surcharge will be in accordance to the following table:

ACTUAL METER SIZE	SERVICE UNITS	VOLUME (CCF)
5/8- or 3/4-inch	1	213.07
1-inch	1.5	319.61
1½-inch	2.5	532.68
2-inch	5	1,065.35
3-inch	8	1,704.56
4-inch	15	3,196.05
6-inch	25	5,326.75

For Master-metered Customers with a rate of \$0.515 per hundred cubic feet, each new meter installation, except as noted in Section 3, will add a volumetric surcharge to the monthly consumption.

The volumetric surcharge will be in accordance to the following table:

ACTUAL METER SIZE	SERVICE UNITS	VOLUME (CCF)
5/8- or 3/4-inch	1	291.26
1-inch	1.5	436.89
1½-inch	2.5	728.15
2-inch	5	1,456.30
3-inch	8	2,330.08
4-inch	15	4,368.90
6-inch	25	7,281.50

Section 9. The following assessment schedule of Capital Investment Charges is hereby adopted for all customers of Central Arkansas Water:

The Capital Investment Charge related to the geographic area benefited shall:

- a) Be in addition to any other Capital Investment Charge or System Development Charge, and
- b) Not be applicable to sprinkler meters for Domestic Customers.

Charges related to current geographic areas benefited:

Current "Acreage Charge"	CHARGE PER SERVICE UNIT
\$100 - \$150/ACRE	\$50.00
\$300/ACRE	\$100.00
\$600/ACRE	\$200.00
\$2,500/ACRE	\$400.00

At the time of future development, capital improvements needed for the geographic area affected will be determined by Central Arkansas Water and charges shall be based upon the amortization of the cost of the facilities over the acreage to be developed.

Charges related to benefit of connection to a specific water main:

METERED CONNECTION		END OF WATER MAIN, FIRE LINE, OR WATER MAIN TAP	
Size	Fee	Size	Fee
5/8-inch	\$2,000.00	2-inch	\$ 875.00
3/4-inch	2,400.00	3-inch	1,300.00
1-inch	2,800.00	4-inch	1,600.00
1½-inch	4,200.00	6-inch	2,400.00
2-inch	4,800.00	8-inch	3,200.00
3-inch	7,200.00	10-inch	4,000.00
4-inch	8,000.00	12-inch	4,800.00
6-inch	12,000.00	16-inch	6,400.00
		20-inch	8,000.00
		24-inch	9,600.00

A Capital Investment Charge also will apply to a connection to a specific water main in the following circumstances:

- a) If additional footage is installed across the last lot for future service to property under other ownership or gaps between developments if completion of a water main grid is beneficial to the water system hydraulics or is part of the master plan.
- b) To property that already has water service, when the request is for a larger connection than the property has at the time of the request for service.
- c) For any connection including residential and sprinkler meters off a fire service main that is connected to a water main that has a Capital Investment Charge.

- d) To reduce the hardship that may be imposed upon low-income households, a reduction in the Capital Investment Charge will apply as follows for 5/8-inch-diameter meters only, based on the number of persons residing in the household and the total household income:

Household Income Level

% Fee Due	50%	60%	80%	100%
Persons in Household				
1	Up to \$14,750	\$14,750 to \$17,700	\$17,700 to \$23,650	Above \$23,650
2	Up to \$16,900	\$16,900 to \$20,280	\$20,280 to \$27,000	Above \$27,000
3	Up to \$19,000	\$19,000 to \$22,800	\$22,800 to \$30,000	Above \$30,000
4	Up to \$21,100	\$21,100 to \$25,320	\$25,320 to \$33,750	Above \$33,750
5	Up to \$22,800	\$22,800 to \$27,360	\$27,360 to \$36,450	Above \$36,450
6	Up to \$24,500	\$24,500 to \$29,400	\$29,400 to \$39,150	Above \$39,150
7	Up to \$26,150	\$26,150 to \$31,380	\$31,380 to \$41,850	Above \$41,850
8+	Up to \$27,850	\$27,850 to \$33,420	\$33,420 to \$44,550	Above \$44,550

In order to wholly or partially reimburse applicants who participate in the initial cost of a distribution main or facility, Central Arkansas Water may offset all or a part of the Capital Investment Charge related to benefit of connection to a specific water main attributable to the facilities installed by a real estate developer/property owner applicant. In no event shall such offset exceed the amount of the real estate developer/property owner applicant's cost for the installation of the facilities. Reimbursement shall be made pursuant to the terms and conditions of a Capital Investment Charge Addendum to Contracts for Distribution System Facilities. The term of the Capital Investment Charge Addendum contracts shall be 10 years.

Section 10. Repealer. All resolutions and parts of resolutions inconsistent with provisions of this resolution are hereby rescinded, specifically including Resolution 2001-05 adopted July 1, 2001.

Section 11. Severability. The provisions of this resolution are separable, and if any portion, section, provision, or phrase of this resolution shall be declared invalid or unconstitutional, such action shall not affect the validity of the remainder of this resolution.

CERTIFICATE

I, Eddie Powell, Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held May 9, 2002.

Secretary

RESOLUTION 2002- 04

A RESOLUTION TO AMEND RESOLUTION 2002-03 AND TO CLARIFY THE BASIS FOR THE ESTABLISHMENT OF FUTURE CAPITAL INVESTMENT CHARGES; TO PROVIDE CONSIDERATIONS FOR LOW-INCOME FAMILIES IN THE SCHEDULE OF SYSTEM DEVELOPMENT CHARGES; AND FOR OTHER PURPOSES

WHEREAS, the Board of Commissioners, Central Arkansas Water (CAW), in Resolution 2002-03, as adopted on May 9, 2002, established a Schedule of System Development Charges and Capital Investment Charges for new development within the Central Arkansas Water ("System"); and

WHEREAS, the Board desires to clarify the basis for the establishment of future Capital Investment Charges and provide considerations for low-income families in the Schedule of System Development Charges; and

WHEREAS, the Board approves the amendments herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT Resolution 2002-03, adopted May 9, 2002, is hereby amended only in the following respects:

Section 1. Section 2e is revised to establish the following definition of a "low-income household" and the remaining items in Section 2 are renumbered, accordingly:

"low-income household – A Domestic Customer whose total income for all persons living within the household falls within the guidelines established by the U.S. Department of Housing and Urban Development for its Community Development Block Grant Program, as amended from time to time. Central Arkansas Water reserves the right to require such information, affidavits, or reports, as it deems necessary (including copies of federal or state income tax returns) for determination of eligibility for assistance as a low-income household."

Section 2. Section 5e is revised to read, as follows:

"At times, real estate developers/property owners may request CAW to invest in capital improvements ("Requested Capital Improvements"), such as pumping stations, water storage tanks, water mains, or other improvements that are not provided for, or that are in excess of, the planned capital investment program currently adopted by the Board of Commissioners. In most instances, the Requested Capital Improvements will be necessary to enable real estate developers/property owners to obtain water in the capacity and at the pressure required for the uses planned in the geographic area to be served by the Requested Capital Improvements, as well as uses likely in the surrounding geographic areas to be benefited by the Requested Capital Improvements. In order to pay for all or a portion of the costs of the Requested Capital Improvements, CAW may assess Capital Investment Charges in the geographic area served by the Requested Capital Improvements. The geographic area to be assessed Capital Investment Charges will be determined by the Chief Executive Officer of CAW (CEO). In making a determination of the dollar amount of the Capital Investment Charges and the geographic area served by the Requested Capital Improvements, the CEO may consider the recommendations of the real estate developers/property owners, the potential economic impact of the Requested Capital Improvements, and the extent of benefits to existing customers and future customers."

Section 3. Section 7 is revised by the addition of the following provision after the Schedule of System Development Charges for all Central Arkansas Water customers except Master-metered Customers:

“To reduce the hardship that may be imposed upon low-income households, a reduction in the System Development Charge will apply to 5/8-inch-diameter meters only. The reduction in the charge shall be based upon the number of persons residing in the household and the total household income, in accordance with the guidelines established by the U.S. Department of Housing and Urban Development for its Community Development Block Grant Program, as amended from time to time.”

Section 4. The provision in Section 9 between the schedule of “charges related to current geographic areas benefited” and the schedule of “charges related to benefit of connection to a specific water main” is revised, as follows:

“At the time of future development, capital improvements needed for the geographic area affected will be determined by Central Arkansas Water and charges shall be based upon the amortization of the cost of the facilities over the acreage to be developed. Examples of future capital improvements include pumping stations, water storage tanks, water mains, and other improvements that increase the capacity or integrity of the distribution system in a specific area.”

Section 5. Section 9d and the “Household Income Level” Table are deleted and replaced, as follows:

“To reduce the hardship that may be imposed upon low-income households, a reduction in the Capital Investment Charge will apply to 5/8-inch-diameter meters only. The reduction in the charge shall be based upon the number of persons residing in the household and the total household income, in accordance with the guidelines established by the U.S. Department of Housing and Urban Development for its Community Development Block Grant Program, as amended from time to time.”

Section 6. Section 9 is amended by the addition of the following provisions at the very end of the Section:

“In instances when a real estate developer/property owner is required to pay the initial cost of improvements to the system other than improvements to a distribution main or facility, it is permissible for CAW and the real estate developer/property owner to reach a mutual agreement for CAW to participate in the improvements with a method of reimbursement negotiated between CAW and the real estate developer/property owner. Such agreements must consider the potential economic impact of the improvements and the extent of the benefit to existing and future customers and may include the assessment of Capital Investment Charges in specific geographic areas.”

Section 7. In other respects, Resolution 2002-03 of the Board of Commissioners, Central Arkansas Water, remains in full force and effect, with the exception that the Chief Operating Officer, with the consent and approval of the Chief Executive Officer, is authorized to make technical corrections that

may be required in these amendments.

Section 8. *Repealer.* All resolutions and parts of resolutions inconsistent with provisions of this resolution are hereby rescinded.

Section 9. *Severability.* The provisions of this resolution are separable, and if any portion, section, provision, or phrase of this resolution shall be declared invalid or unconstitutional, such action shall not affect the validity of the remainder of this resolution.

Section 10. The effective date of these amendments to Resolution 2002-03 is December 1, 2002.

CERTIFICATE

I, M. Jane Dickey, Acting Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held August 8, 2002.

Secretary

RESOLUTION NO. 2002- 05

A RESOLUTION AUTHORIZING AND APPROVING THE SELECTION OF METROPOLITAN NATIONAL BANK, LITTLE ROCK, ARKANSAS AS TRUSTEE FOR THE CENTRAL ARKANSAS WATER REVENUE BONDS; AND FOR OTHER PURPOSES

WHEREAS, Central Arkansas Water (the "Issuer") has determined that the issuance of water revenue bonds (the "Bonds") to finance a portion of the costs of acquiring, constructing and equipping certain capital improvements (the "Capital Improvement Program") to the Issuer's water collection, treatment and distribution system (the "System") is in the best interests of the Issuer, the System and its customers;

WHEREAS, the Issuer has further determined that the selection of a corporate trustee to serve as Trustee for its Bonds is a necessary and appropriate aspect of its Capital Improvement Program;

WHEREAS, the Issuer, through its staff and Financial Advisor, Stephens Inc., solicited proposals for Trustee from interested financial institutions and in response thereto received proposals from: BancorpSouth Bank, Bank of New York, Bank of the Ozarks, Metropolitan National Bank, Regions Bank, Simons First Trust Company, N.A., and US Bank;

WHEREAS, after careful and considered review of all proposals, Metropolitan National Bank, Little Rock, Arkansas, is hereby recommended to serve as Trustee for the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY the Board of Commissioners of Central Arkansas Water, as follows:

Section 1. That Metropolitan National Bank is hereby approved to serve as Trustee for the Bonds subject to negotiation of an acceptable agreement between the Issuer and Metropolitan National Bank.

Section 2. That the Chief Executive Officer and Chief Financial Officer of Finance of the Issuer are hereby authorized to negotiate and enter into an agreement with Metropolitan National Bank to serve as Trustee for the Bonds.

Section 3. That this Resolution shall be in effect from and after the date hereof

CERTIFICATE

I, Eddie Powell, Secretary of the Board of Commissioners, CENTRAL ARKANSAS WATER, certify that, as such Secretary, I have custody of the Minutes and documents of CENTRAL ARKANSAS WATER, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held June 13, 2002

Eddie Powell, Secretary

RESOLUTION NO. 2002-06

A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$22,000,000 OF CENTRAL ARKANSAS WATER WATER REVENUE BONDS, SERIES 2002 (THE "BONDS"); APPROVING THE FORM OF AN OFFICIAL NOTICE OF SALE, OFFICIAL BID FORM AND PRELIMINARY OFFICIAL STATEMENT; AND PROVIDING FOR OTHER MATTERS IN CONNECTION WITH THE SALE OF THE BONDS.

WHEREAS, the Board of Commissioners (the "Commission") of Central Arkansas Water (the "Issuer") has previously authorized the employment of Stephens Inc., as its Financial Advisor, Wright, Lindsey & Jennings LLP, as its Bond Counsel and Metropolitan National Bank, as Trustee for the proposed capital improvement bond program; and

WHEREAS, pursuant to the direction of the Commission, the Issuer's Director of Finance together with the Financial Advisor, Bond Counsel, and Trustee have prepared and presented for consideration at this meeting of the Commission the forms of an Official Notice of Sale, Official Bid Form and Preliminary Official Statement; and

WHEREAS, upon the advice of the Director of Finance, the Commission is now prepared to authorize the offering of the Bonds for sale, and to approve the sale documentation as described hereinafter.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Central Arkansas Water, as follows:

Section 1. The Bonds shall be designated (Central Arkansas Water, Water Revenue Bonds, Series 2002) (the "Bonds"). The Bonds shall be offered for sale in the aggregate principal amount of not to exceed \$22,000,000 by written or electronic bids, at such time as may be approved by the Director of Finance upon advice of the Financial Advisor, at such location as may be provided for in the Official Notice of Sale. At such time and place, the Director of Finance shall meet with the Financial Advisor to receive the bids, and the Director of Finance is hereby authorized to accept the bid providing the lowest "true interest" costs (as defined in the Official Notice of Sale) in the name of the Issuer if, upon advice of the Financial Advisor, he shall determine to do so in the best interest of the Issuer.

Section 2. The forms of the Official Notice of Sale and the Official Bid Form, substantially in the form exhibited to and before the Commission at the meeting at which this Resolution is adopted, are hereby approved.

Section 3. The form of Preliminary Official Statement, substantially in the form exhibited to and before the Commission at the meeting at which this Resolution is adopted, is hereby "deemed final" except for such terms and conditions as are

determined by the sale and such other changes, omissions, insertions and revisions as for the Director of Finance shall deem advisable and the Preliminary Official Statement is hereby approved for use in connection with the sale of the Bonds.

Section 4. The Director of Finance shall cause to be published in newspapers in the Cities of New York, New York and Little Rock, Arkansas, within the time provided by law, the Notice of Sale of the Bonds, substantially in the form exhibited to the meeting at which this Resolution is adopted.

Section 5. The Director of Finance, after consultation with the Financial Advisor and Bond Counsel is hereby authorized to distribute the Official Notice of Sale, Official Bid Form and Preliminary Official Statement to perspective bidders for the Bonds, in substantially the forms submitted to this meeting, with such changes and modifications as the Director of Finance shall deem appropriate.

Section 6. The Director of Finance is authorized to take such other actions, and to approve such other documents as are, in his judgment, necessary or appropriate in order to provide for the sale of the Bonds, on the date specified, and accomplish the intent of this Resolution.

Section 7. This Resolution shall be in effect from and after the date of its adoption.

APPROVED, August 8, 2002.

Francille Turbyfill, Chair

ATTEST:

M. Jane Dickey, Assistant Secretary

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, M. Jane Dickey, Assistant Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2002-06 of the Resolutions of Central Arkansas Water entitled: A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$22,000,000 OF CENTRAL ARKANSAS WATER WATER REVENUE BONDS, SERIES 2002 (THE "BONDS"); APPROVING THE FORM OF AN OFFICIAL NOTICE OF SALE, OFFICIAL BID FORM AND PRELIMINARY OFFICIAL STATEMENT; AND PROVIDING FOR OTHER MATTERS IN CONNECTION WITH THE SALE OF THE BONDS, adopted by the Board of Commissioners of Central Arkansas Water on August 8, 2002, said Resolution now appearing of record in the office of Central Arkansas Water.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of August, 2002.

M. Jane Dickey, Assistant Secretary

RESOLUTION NO. 2002-07

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF WATER REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND EQUIPPING CAPITAL IMPROVEMENTS TO THE WATER COLLECTION, TREATMENT AND DISTRIBUTION SYSTEM OF CENTRAL ARKANSAS WATER; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER TRUST INDENTURE AND A SUPPLEMENTAL TRUST INDENTURE; APPROVING THE OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO;

WHEREAS, Central Arkansas Water, a body politic and corporate, (the "Issuer") created pursuant to the Consolidated Waterworks Authorization Act, Act No. 982 of the Acts of Arkansas of 2001, as amended (the "Act"), and pursuant to a Consolidation Agreement entered into by and between the cities of Little Rock and North Little Rock, Arkansas dated as of March 5, 2001, as amended by a First Amendment to Consolidation Agreement dated as of June 30, 2001 (collectively, the "Agreement") is being operated, managed, and maintained by the Central Arkansas Water Board of Commissioners (the "Commission"); and

WHEREAS, the Commission has determined that in order for it to continue to provide quality water service to the Issuer's customers, that it is necessary to undertake a program of capital improvements (the "Improvements") to the water collection, treatment and distribution systems (collectively, the "Water System") having a total approximate cost of \$101,000,000; and

WHEREAS, the Commission has further determined that the cost of accomplishing the Improvements shall be paid from a combination of the following sources: (1) trust funds which have been set aside and are available to make capital improvements to the Water System in the approximate amount of \$20,000,000; (2) the proceeds of water revenue bonds issued pursuant to the Act in the approximate aggregate principal amount of \$84,000,000; and (3) funds derived from the operating revenues of the Water System; and

WHEREAS, pursuant to the Agreement, the Issuer, by letter of its Chief Executive Officer dated June 26, 2002, notified the cities of Little Rock and North Little Rock of its intention to issue the Series 2002 Bonds (identified hereinafter) and neither City as of the date of this resolution has voted its disapproval of the Series 2002 Bonds; and

WHEREAS, pursuant to the Agreement and the Revenue Bond Act of 1987 (Act 852), the Issuer caused to be published on July 26, 2002 and July 31, 2002, a notice of public hearing on the question of issuing the Series 2002 Bonds and thereafter, on

August 7, 2002, held a public hearing, as advertised, at which comments from the public and customers of the Water System were heard; and

WHEREAS, pursuant to Resolution No. 2002-06 of the Commission dated August 8, 2002, the Director of Finance was authorized to accept the bid resulting in the lowest true interest cost to the Issuer and accordingly the Director of Finance approved the sale of the initial series of the Issuer's water revenue bonds in the principal amount of \$22,000,000 (the "Series 2002 Bonds") to Morgan Stanley DW Inc., Crews & Associates, Inc., Edward Jones, Prudential Securities Incorporated, Salomon Smith Barney, SAMCO Capital Markets, and A.G. Edwards & Sons, Inc., (collectively, the "Purchasers") for a sale price of ninety-nine percent (99%) of par resulting in a true interest cost of 4.347857%. The Purchasers' bid together with the two additional bids received by the Issuer are set forth in detail on Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the Series 2002 Bonds will be issued in the aggregate principal amount of \$22,000,000; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Central Arkansas Water:

Section 1. Under the authority of the Constitution and laws of the State of Arkansas, including particularly the Act and the Agreement, the sale of the Central Arkansas Water, Water Revenue Bonds, Series 2002 (the "Series 2002 Bonds") to the Purchasers for a price of ninety-nine percent (99%) of par is hereby in all respects ratified and approved following the public hearing conducted in accordance with the Agreement and Act 852, and accordingly the Bonds are hereby authorized and ordered to be sold and issued in the total principal amount of \$22,000,000. The Bonds shall not be general obligations of the Issuer but shall be special obligations payable solely from revenues of the water system and certain other funds more specifically identified in a Master Trust Indenture dated as of October 1, 2002, as supplemented and amended by the Series 2002 Supplemental Indenture (identified hereinafter).

Section 2. The issuance of the Series 2002 Bonds is hereby authorized for the purposes of (i) providing funds to finance a portion of the costs of designing, constructing and equipping certain improvements, including, but not limited to, acquisition of real property within the Lake Maumelle watershed, acquisition, construction and/or installation of additional water distribution and transmission mains, fire hydrants and storage tanks, the construction and equipping of additional pumping stations, the acquisition and installation of various water pumping, processing and production equipment, the costs of related engineering and other services, and related improvements, and to pay all expenses properly incident to such improvements, (ii) to fund the Series 2002 Debt Service Reserve Subaccount, and (iii) to pay the costs of issuance of the Series 2002 Bonds. The Series 2002 Bonds will mature, bear interest and be subject to redemption in accordance with the provisions of the Series 2002

Supplemental Indenture. The Series 2002 Bonds will be issued on a parity of security with all other bonds, if any, to be issued under the Master Trust Indenture.

Section 3. All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Series 2002 Bonds, including the preparation and distribution of the Official Notice of Sale and the Preliminary Official Statement, preparation of the Official Statement, holding of the public hearing on August 7, 2002, acceptance of the bid received from the Purchasers, and preparation of this Resolution (the "Authorizing Resolution") are hereby in all respects ratified and approved. The Official Statement is deemed a final Official Statement for purposes of the Securities and Exchange Commission Rule 15c2-12. The Official Statement of the Issuer in the form presented at this meeting with such changes, omissions, insertions and revisions as the Director of Finance shall deem advisable is hereby authorized and approved and the Chair and Chief Executive Officer shall sign and deliver such final Official Statement to the Purchasers for distribution to the owners of the Series 2002 Bonds and other interested persons.

Section 4. The appointment of Metropolitan National Bank, Little Rock, Arkansas, to serve as trustee for the Bonds is hereby approved and ratified (the "Trustee").

Section 5. The Chair of the Commission is hereby authorized and directed to execute the Series 2002 Bonds and the Chief Executive Officer is hereby authorized and directed to execute the Series 2002 Bonds and to affix the Seal of the Issuer thereto.

Section 6. To prescribe the terms and conditions upon which the Series 2002 Bonds, and all additional bonds are to be executed, issued, accepted, held and secured, the Chair of the Commission is hereby authorized and directed to execute and acknowledge a Master Trust Indenture (the "Master Indenture") and a Series 2002 Supplemental Trust Indenture (the "Series 2002 Supplemental Indenture") (collectively, the Master Indenture and the Series 2002 Supplemental Indenture are referred to hereinafter as the "Indenture") between the Issuer and the Trustee, and the Secretary of the Commission is hereby authorized and directed to execute and acknowledge the Indenture and to affix the seal of the Issuer thereto and the Chair and the Secretary of the Commission are hereby authorized and directed to cause the Indenture to be accepted, executed and acknowledged by the Trustee. The Indenture is hereby approved in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 7. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, the Director of Finance and the Commission, for and on behalf of the Issuer, are authorized and directed to do any and all things necessary to effect the execution and delivery of the Indenture, the performance of all obligations of the Issuer under the Indenture, the issuance, execution, sale and delivery of the Series 2002

Bonds, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Authorizing Resolution. The Chair, the Secretary, Chief Executive Officer, the Chief Operating Officer, the Director of Finance and the Commission are further authorized and directed, for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 8. The appointments of Stephens Inc., as Financial Advisor, and Wright, Lindsey & Jennings LLP, as Bond Counsel, are hereby approved and ratified.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

Section 9. This Authorizing Resolution shall be in effect from and after the date hereof.

ADOPTED: August 22, 2002

ATTEST:

Francille Turbyfill, Chair

M. Jane Dickey, Assistant Secretary

CERTIFICATE

STATE OF ARKANSAS)

COUNTY OF PULASKI)

CITY OF LITTLE ROCK)

I, M. Jane Dickey, Assistant Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2002-07 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF WATER REVENUE BONDS FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND EQUIPPING CAPITAL IMPROVEMENTS TO THE WATER COLLECTION, TREATMENT AND DISTRIBUTION SYSTEMS OF CENTRAL ARKANSAS WATER; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER TRUST INDENTURE AND A SUPPLEMENTAL TRUST INDENTURE; APPROVING THE OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO;** passed by the Commission on August 22, 2002, said Resolution now appearing of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 22nd day of August 2002.

M. Jane Dickey, Assistant Secretary

RESOLUTION 2002-08

A RESOLUTION TO AMEND RESOLUTION 2001-11 AND TO CLARIFY THE ANCILLARY SERVICE CHARGES THAT CENTRAL ARKANSAS WATER WILL CHARGE TO ITS CUSTOMERS FOR SERVICES ASSOCIATED WITH PROVIDING WATER SERVICE AND FOR OTHER PURPOSES

WHEREAS, the Board of Commissioners (the "Board"), Central Arkansas Water ("CAW"), in Resolution 2001-11, as adopted on October 11, 2001, established ancillary service charges within the CAW distribution system (the "System"); and

WHEREAS, the Board desires to amend Attachments "A" and "B".

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER THAT:

Section 1. Section 1 of Resolution 2001-11, adopted on October 11, 2001, is hereby amended and restated in its entirety as follows: The following ancillary service fees are established for customer service activities:

<u>ACTIVITY</u>	<u>CHARGE</u>
Service Charge	\$15.00*
Collection Visit	\$20.00
Non-Pay Turn-on	\$20.00
Non Pay Set Back	\$25.00
Non-Pay Set back Restore Closed Account	\$35.00
Bad Check Charge	\$15 + bank fee
No Contract - Restore Service	\$30.00
Straight Connection	\$40.00
Stolen Meter	\$50.00
Plugged SVC/Couplings	\$50.00
ETO (After Hrs Service)	\$50.00
Reroute – Same Day Turn-On	\$20.00
Lock – Broken or Missing	\$75.00

* This fee shall be reduced to \$5.00 for customers with "sprinkler" meters who notify CAW of their intent to open their "sprinkler" meter in the spring and who then open their "sprinkler" meter themselves.

Section 2. Section 2 of Resolution 2001-11, adopted on October 11, 2001, is hereby amended and restated in its entirety as follows: The following ancillary service fees are established for new service and development activities:

<u>New Service Charges</u>	<u>Charge</u>
Meter Connection and Development Fees	See "Attachment A" for Fee Schedule
Construction Standpipe	\$75.00*
Sprinkler Standpipe Fee	\$75.00*
County Cut Fee	\$25.00

Engineering Fees	See "Attachment B" for Fee Schedule
Violation of Temporary Water Service Contract (1 st Offense)	\$250.00
Violation of Temporary Water Service Contract (2 nd Offense)	\$500.00
Charge to Read a Temporary Construction Meter	\$25.00

* CAW shall refund \$25.00 to any customer who returns a reusable standpipe to CAW. CAW shall be the sole judge in determining whether a standpipe is in a reusable condition.

Section 3. Resolution 2001-11, adopted on October 11, 2001, is hereby amended by the repeal of Attachments "A" and "B" originally attached thereto and the substitution of the following Attachments "A" and "B".

ATTACHMENT A

METER COSTS AND DEPOSITS

METER SIZE	2-LANE ROAD 20' - 28'	3-LANE ROAD 29' - 36'	* 4-LANE ROAD 37' - 48'	** STATE HIGHWAY
*** METER CONNECTION CHARGES (diameter)				
5/8"	\$ 320.00	\$ 360.00	\$ 400.00	\$ 600.00
3/4"	380.00	460.00	540.00	780.00
1"	620.00	780.00	860.00	1,340.00
1-1/2"	1,340.00	1,500.00	1,640.00	2,640.00
2"	1,640.00	1,800.00	1,940.00	3,280.00
3"	5,900.00	6,870.00	7,370.00	12,110.00
4"	6,390.00	7,680.00	8,187.00	13,410.00

* Prices for Interstate Highway Systems are for Short-Side Taps ONLY using the 4-Lane Price.

** Twenty-five percent (25%) of this charge is to cover the costs of "Special Conditions" imposed by the Arkansas Highway and Transportation Department.

*** If at CAW's request, applicant installs the tap, service line, meter box, and meter setter, and CAW installs the meter only, the Meter Connection Charge will be half the normal 2-Lane Price. If a customer requests that CAW install a meter at a location other than CAW's typical meter placement location or if a customer requests that an existing meter be relocated to a new location, and CAW agrees that the meter can be installed at the new location, the Meter Connection Charge shall be double the normal Meter Connection Charge.

For meter connections larger than 4"-diameter, the Meter Connection Charge shall be based upon CAW's estimated cost of installing the service line, meter, meter box, and lid. In order to estimate the cost, it will be assumed in each instance that the service line was laid from the middle of the street. Cost shall include labor, materials (except the meter, itself), equipment rental, supervision, fees, permits, and overhead.

The Meter Connection Charge for 5/8"- through 4"-diameter meter sizes will be increased by 1/2% for each 1 foot of right-of-way width over 80 feet.

The Meter Connection Charge shall be as follows for a reduction in meter size:

1"-diameter to 5/8" - or 3/4"-diameter	\$ 140.00
1-1/2"- or 2" - diameter to a smaller size	225.00
3"- or 4" - diameter to a smaller size	190.00

If the existing tap and service line can be utilized when installing a new larger meter, the Meter Connection Charge shall be the difference in the Meter Connection Charges for the new meter and the old meter, plus \$100.00. Otherwise, the Meter Connection Charge shall be the Meter Connection Charge indicated above in the normal Meter Connection Charge schedule.

METER DEPOSITS

METER SIZE	DOMESTIC	SMALL BUSINESS	MULTIPLE UNIT	UNITS*
5/8"	\$ 35.00	\$ 50.00	\$ 80.00	1 to 3
3/4"	50.00	75.00	150.00	4 to 8
1"	75.00	125.00	300.00	9 to 28
1-1/2"		275.00	500.00	29 to 52
2"		425.00	850.00	53 to 100
3"		700.00	1,200.00	101 to 320
4"		1,000.00	1,700.00	320 to 700
6"		1,800.00	2,800.00	700 to 1,500

* Indicates the maximum number of residential or commercial "units" that can be served by a meter of the corresponding size.

The Fire Hydrant Meter Deposit shall be \$150.00 for local contractors and \$300.00 for out-of-town contractors. A \$25.00 Service Charge shall apply to the initial setting and each time the Fire Hydrant Meter is moved to an alternate location.

ATTACHMENT B

ENGINEERING FEES

Special Contracts for Installation of Public Water Facilities and Fire Services

<u>Construction Costs</u>		<u>Charge</u>	
\$0	-	\$5,000	\$250.00
\$5,001	-	\$10,000	\$500.00
\$10,001	-	\$20,000	\$750.00
\$20,001	-	\$50,000	\$1,250.00
\$50,001	-	\$100,000	\$2,500.00
\$100,001	-	\$250,000	\$4,000.00
\$250,001	-	\$500,000	\$6,000.00
\$500,001	-	Greater	\$10,000.00

Inspection Fees

Special Contract and Fire Service Inspection Fees

Charges

\$150.00 (per day maximum) or
\$45.00 (per hour) or whichever is less

Cross Connection Inspection

Charges

\$100.00 (per trip)

Bacteriological Samples

Special Contract and Fire Service Sample Fees

Charges

\$50.00 (per trip) or
\$25.00 (per sample) or whichever is less

Section 4. The Board of CAW finds that the foregoing schedule of service fees is required to provide sufficient revenue to ensure the proper operation and maintenance of the utility.

Section 5. All of the terms of Resolution 2001-11 not specifically modified by this Resolution shall remain unchanged

Section 6. The Board of CAW duly adopts the revisions to Sections 1 and 2 of Resolution 2001-11 and the revised Schedule of Ancillary Service Charges set forth on Attachments "A" and "B" of Resolution 2001-11 with an effective date of September 12, 2002.

CERTIFICATE

I, Alma Williams, Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held September 12, 2002.

Alma Williams, Secretary

RESOLUTION NO. 2002- 09

A RESOLUTION AUTHORIZING CENTRAL ARKANSAS WATER TO ENTER INTO A WATER SUPPLY CONTRACT WITH THE CITY OF CABOT, ARKANSAS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, Central Arkansas Water (“CAW”) desires to sell, and the City of Cabot, Arkansas (“Cabot”) desires to buy, potable water; and

WHEREAS, CAW and Cabot desire to share equitably in the cost of designing, developing and constructing a transmission pipeline to deliver such potable water to Cabot; and

WHEREAS, CAW and Cabot desire to memorialize the terms and conditions of their agreement to sell and buy potable water;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER:

Section 1. The Agreement by and between CAW and Cabot, in substantially the form presented to this Board, for the sale of water by CAW to Cabot and other matters related thereto is hereby approved; each or any of the Chair, Secretary, Chief Executive Officer or the Chief Operations Officers is hereby authorized to execute such Agreement on behalf of CAW; and such approval of any amendment to the form presented to the Board shall be conclusively evidenced by their execution and delivery of the same; and

Section 2. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operations Officers be and hereby are authorized and directed to execute all documents, instruments and certificates required or necessary to carry out the foregoing sections of this resolution and take all other actions necessary or desirable in connection with the foregoing sections of this resolution.

Section 3. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: October 10, 2002

ATTEST:

APPROVED:

M. Jane Dickey, Assistant Secretary

Francille Turbyfill, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, M. Jane Dickey, Assistant Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2002-09 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION AUTHORIZING CENTRAL ARKANSAS WATER TO ENTER INTO WATER SUPPLY CONTRACT WITH THE CITY OF CABOT, ARKANSAS; AND PRESCRIBING OTHER MATTERS RELATING THERETO**, adopted October 10, 2002.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of October, 2002.

M. Jane Dickey, Assistant Secretary
Board of Commissioners, Central Arkansas Water

RESOLUTION 2002-10

A RESOLUTION TO AMEND RESOLUTION 2001-11 AND TO CLARIFY THE ANCILLARY SERVICE CHARGES THAT CENTRAL ARKANSAS WATER WILL CHARGE TO ITS CUSTOMERS FOR SERVICES ASSOCIATED WITH PROVIDING WATER SERVICE AND FOR OTHER PURPOSES

WHEREAS, the Board of Commissioners (the "Board"), Central Arkansas Water ("CAW"), in Resolution 2001-11, as adopted on October 11, 2001, established ancillary service charges within the CAW distribution system (the "System"); and

WHEREAS, the Board desires to amend Section 3.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:

Section 1. Section 3 of Resolution 2001-11, adopted on October 11, 2001, is hereby amended and restated in its entirety as follows:

The following ancillary service fees are established for billing services to other entities:

<u>Customer</u>	<u>Charge</u>
Little Rock Wastewater Utility	\$0.70
Wrightsville Sewer	\$0.90
NLR Wastewater	\$0.70
LR Sanitation	\$0.40
Pulaski County Sanitation	\$0.40
Arch St. Improvement District	\$0.45
Higgins Improvement District	\$0.64
Spring Valley Improvement District	\$0.77

Section 2. The Board of CAW finds that the foregoing schedule of service fees is required to provide sufficient revenue to ensure the proper operation and maintenance of the utility.

Section 3. All of the terms of Resolution 2001-11 not specifically modified by this Resolution shall remain unchanged

Section 4. The Board of CAW duly adopts the revised Schedule of Ancillary Service Charges set forth in Section 1 hereof effective as of September 1, 2002.

CERTIFICATE

I, M. Jane Dickey, Assistant Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Assistant Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held November 14, 2002.

M. Jane Dickey, Assistant Secretary

RESOLUTION 2002-12

A RESOLUTION TO AMEND RESOLUTION 2001-11 AND TO CLARIFY THE ANCILLARY SERVICE CHARGES THAT CENTRAL ARKANSAS WATER WILL CHARGE TO ITS CUSTOMERS FOR SERVICES ASSOCIATED WITH PROVIDING WATER SERVICE AND FOR OTHER PURPOSES

WHEREAS, the Board of Commissioners (the "Board"), Central Arkansas Water ("CAW"), in Resolution 2001-11, as adopted on October 11, 2001, established ancillary service charges within the CAW distribution system (the "System"); and

WHEREAS, the Board desires to amend Section 3.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT:

Section 1. Section 3 of Resolution 2001-11, adopted on October 11, 2001, is hereby amended and restated in its entirety as follows:

The following ancillary service fees are established for billing services to other entities:

<u>Customer</u>	<u>Charge</u>
Little Rock Wastewater Utility	\$0.70
Wrightsville Sewer	\$0.90
NLR Wastewater	\$0.70
LR Sanitation	\$0.40
Pulaski County Sanitation	\$0.40
Arch St. Improvement District	\$0.45
Higgins Improvement District	\$0.64
Spring Valley Improvement District	\$0.77
Woodland Ridge Improvement District	\$0.77

Section 2. The Board of CAW finds that the foregoing schedule of service fees is required to provide sufficient revenue to ensure the proper operation and maintenance of the utility.

Section 3. All of the terms of Resolution 2001-11 not specifically modified by this Resolution shall remain unchanged

Section 4. The Board of CAW duly adopts the revised Schedule of Ancillary Service Charges set forth in Section 1 hereof effective as of January 1, 2003.

CERTIFICATE

I, M. Jane Dickey, Assistant Secretary of the Board of Commissioners, Central Arkansas Water, certify that, as such Assistant Secretary, I have custody of the Minutes and documents of Central Arkansas Water, and that the above and foregoing is a correct copy of a resolution adopted by said Board of Commissioners at its regular meeting held December 12, 2002.

M. Jane Dickey, Assistant Secretary