

RESOLUTION NO. 02- 24

A RESOLUTION SUPPORTING THE PURCHASE OF THE FLORIDA WATER SERVICES CORPORATION UTILITY SYSTEMS' ASSETS BY THE FLORIDA GOVERNMENTAL UTILITY AUTHORITY.

WHEREAS, the Florida Governmental Utility Authority ("FGUA") has been negotiating a Utility System Asset Acquisition Agreement ("Agreement") with Florida Water Services Corporation ("FWSC"); and

WHEREAS, the initial acquisition agreement provided for the transfer of the Marco Island Utility System from FWSC to the FGUA for the allocated purchase price of \$109,680,551, and

WHEREAS, the City of Marco Island City Council, on behalf of the citizens and utility customers, determined that the initial allocated purchase price was not in the public interest of the citizens and utility customers on Marco Island; and

WHEREAS, the City of Marco Island City Council adopted Resolution No. 02-09 on April 29, 2002; and

WHEREAS, Resolution No. 02-09 urged the FGUA Board of Directors to reject the proposed agreement and proceed to negotiate an acquisition purchase price of less than \$470 million; and

WHEREAS, the statewide leadership of the Marco Island City Council prompted other governing jurisdictions to object to the acquisition agreement as proposed; and

WHEREAS, the FGUA has solicited the participation of the City of Marco Island and other governing jurisdictions in the utility acquisition process and in the development of an acquisition agreement and purchase price; and

WHEREAS, the FGUA has proposed an acquisition agreement with a comparable purchase price of \$450 million with an allocated purchase price to Marco Island in the amount of \$82,913,503; and

WHEREAS, the acquisition price and the allocation for the Marco Island/Marco Shores System is deemed to be fair and reasonable and in the public interest of the citizens and utility customers on Marco Island.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Marco Island, Florida, that the Marco Island City Council supports the FGUA acquisition purchase price of \$450 million for the statewide utility assets of FWSC with allocation to Marco Island in the amount of \$82,913,503.

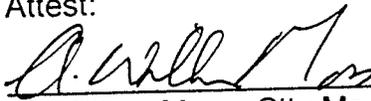
BE IT FURTHER RESOLVED that the Marco Island City Council supports the acquisition of the FWSC utility system assets by the FGUA, subject to further review of the Utility System Asset Acquisition Agreement.

Passed in open and regular session of the City Council of the City of Marco Island, Florida, this 3rd day of September 2002.



E. Glenn Tucker, Chairman

Attest:



A. William Moss, City Manager/City Clerk