

Aliso Springs Property Owners Association, Inc.
Board Resolution #2
Subject: Conclusion of Owens Negotiations

WHEREAS, ASPOA owns and operates a domestic water system which provides potable water service to ASPOA's members in an unincorporated area in Santa Cruz County, Arizona; and,

WHEREAS, from time-to-time ASPOA needs to develop or acquire additional wells and storage reservoir capacity, in order to be able to continue to provide adequate and reliable water service to ASPOA's members; and,

WHEREAS, Ronald and Patricia ("Owens") own property within the boundaries of the geographic area in which ASPOA is prepared to provide water service; and,

WHEREAS, Owens are members of ASPOA by reason of their ownership of the aforesaid property; and,

WHEREAS, Owens have drilled and developed a well on a portion of the aforesaid property, which well would be suitable for ownership and use by ASPOA in conjunction with ASPOA's conduct of its water utility operations; and,

WHEREAS, there is also a site on Owens' property, which would be suitable for development and use as a storage reservoir site by ASPOA in conjunction with ASPOA's ownership and operation of ASPOA's present water system; and,

WHEREAS, for approximately two (2) years, representatives of ASPOA and Owens have been engaged in the negotiation of documents by means of which ASPOA, among other things, would acquire (i) Owens' well and well equipment and (ii) access to and use of a well site and a storage reservoir site on Owens' property; and,

WHEREAS, such negotiations have been conducted in good faith by ASPOA and Owens, and have included the exchange of written proposals and counter-proposals on various issues and concerns of interest to ASPOA and Owens, respectively; and,

WHEREAS, such negotiations have now reached a stage where ASPOA and Owens should be in a position to conclude whether or not they each can agree on both the form and content of three (3) transactional documents by means of which ASPOA would acquire the aforesaid (i) Owens' well and well equipment and (ii) access to and use of a well site and a storage reservoir site on Owens' property; and,

WHEREAS, said three (3) transactional documents are (i) an Agreement for Sale of Tangible Personal Property and Grant of Easement, (ii) a Grant of Easement and (iii) a Termination of Conditions Subsequent; and,

WHEREAS, ASPOA's representatives to the aforesaid negotiations with Owens have recommended that (i) ASPOA approve each of the aforesaid three (3) transactional documents in the form and content attached to this Resolution as Appendices "A," "B" and "C," respectively; and,

WHEREAS, ASPOA's aforesaid representatives to the negotiations with Owens have further recommended that ASPOA's President be authorized to execute (as appropriate) and transmit the aforesaid three (3) transactional documents to Owens for execution (as appropriate) by Owens; and,

WHEREAS, ASPOA's representatives to the negotiations with Owens have finally recommended that, in the event Owens should be unwilling to execute the same transactional documents executed by ASPOA's President, ASPOA should conclude its negotiations with Owens and begin to actively investigate other arrangements for adding to the well production and storage reservoir resources available to ASPOA for its water system.

NOW, THEREFORE, be it resolved by the Board of Directors of the Aliso Springs Property Owners Association, as follows:

1. The President of ASPOA shall execute the aforesaid Agreement for Sale of Tangible Personal Property and Grant of Easement, and Grant of Easement, in the form and content attached hereto as Appendix "A" and Appendix "B," respectively.
2. The President of ASPOA shall transmit to Owens for consideration and execution the aforesaid Agreement for Sale of Tangible Personal Property and Grant of Easement, and Grant of Easement, as executed by ASPOA's President, together with the aforesaid Termination of Conditions Subsequent, in the form and content attached hereto as Appendix "C," which Termination of Conditions Subsequent does not require execution by anyone at this time.
3. As a part of the aforesaid transmittal to Owens, the President of ASPOA shall clearly state that, in the event Owens should conclude they are unwilling to execute the Agreement for Sale of Tangible Personal Property and Grant of Easement, and Grant of Easement, as executed by the President of ASPOA, then will deem the negotiations with Owens to be over, and ASPOA will begin to actively investigate other arrangements for adding to the well production and storage reservoir resources available to ASPOA and its water system.

Adopted on: **April 29, 2013** by the following Directors, which constitutes a 2/3 majority.

Judi Monday:	Emilio Falco:
Ed Stubbs:	Jackson Jenkins:
Ronnie Johnston:	