



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



EXHIBIT F-5
3 Pages

OLYMPIC VALLEY MUTUAL WATER COMPANY MERGER/ACQUISITION DISCUSSIONS

DATE: February 19, 2025

TO: District Board Members

FROM: Charley Miller, General Manager

SUBJECT: Olympic Valley Mutual Water Company

BACKGROUND: The District has received a resolution from the Board of the Olympic Valley Mutual Water Company (OVMWC) requesting to initiate discussions regarding merging with or being acquired by the District. Consolidating water service in the Olympic Valley can offer several benefits. By combining resources, management, and infrastructure, the community can experience improvements in efficiency, service delivery, and cost savings. This would result in greater administrative and operational efficiencies, less duplication of service, and improved public health and safety benefits for all customers within the District boundaries.

DISCUSSION: To advance these discussions in a structured and formalized manner, it is recommended that the District initiate formal negotiations with OVMWC regarding a merger or acquisition. The objectives of these negotiations will be to evaluate technical, financial, operational, and governance considerations to determine if consolidation is in the best interest of both entities.

Formal negotiations will include, but are not limited to:

- Assessing the financial and operational impacts of consolidation on both entities.
- Developing a framework for integration of infrastructure, management, and customer service.
- Identifying regulatory requirements and securing necessary approvals.

If authorized, staff will engage with OVMWC representatives, legal counsel, and technical consultants as necessary to facilitate negotiations. Regular updates will be provided to the Mutual Ad-Hoc Committee and Board, including key findings, proposed agreements, and any necessary Board actions.

ALTERNATIVES:

1. Approve authorization for the General Manager to initiate formal negotiations with OVMWC regarding consolidation.
2. Do not approve authorization to begin formal negotiations and continue with informal discussions only.
3. Provide alternative direction to staff.

FISCAL/RESOURCE IMPACTS: At this stage, no significant fiscal impact is anticipated. Staff time and limited consultant resources may be required to support negotiations. Any proposed agreements resulting from negotiations will include a detailed financial analysis and will be subject to Board approval before implementation.

RECOMMENDATION: Staff recommends that the Board authorize the General Manager to initiate formal negotiations with the OVMWC regarding potential merger or acquisition.

ATTACHMENTS: Olympic Valley Mutual Water Company Resolution dated February 12, 2025

DATE PREPARED: February 14, 2025

**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF
THE SQUAW VALLEY MUTUAL WATER COMPANY**

February 12, 2025

The undersigned, constituting all the members of the Board of Directors (the “Board”) of the Squaw Valley Mutual Water Company (the “Company”) in accordance with the Bylaws of the Company, without the formality of convening a meeting, do hereby take the following actions and adopt the following resolution by unanimous written consent, effective as of the date all directors have signed this consent, as reflected above:

WHEREAS the Board has determined that it is in the Company’s best interest to explore the possibility of merging with or being acquired by the Olympic Valley Public Service District (“OVPSD”),

NOW THEREFORE, BE IT RESOLVED that the Board hereby declares its interest in starting non-binding merger or acquisition discussions with the OVPSD; and

RESOLVED FURTHER, that the Board authorizes David. Stepner, the Company’s President, to share this Board resolution with the OVPSD.

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent as of the date herein first set forth above.



Signer ID: JBOF7PVD11...

Melanie Arens



Signer ID: WNU6SKILY9...

Richard Koffler



Signer ID: QPAQAQFT11...

Alexander Lintner



Signer ID: 6ZAGRNEU10...

David Stepner



Signer ID: JAS9SOAK11...

Kevin Strange