

RESOLUTION NO. 04-2006

COPY

A RESOLUTION of the Board of Directors of the North Beach Public Development Authority, Pacific County, Washington, authorizing expenditures to permit the PDA to complete its acquisition of certain water system facilities formerly owned by Ocean Park Water Company, Inc.

WHEREAS, the North Beach Public Development Authority, Pacific County, Washington (the "PDA") is authorized by its charter to improve municipal water and fire suppression water supply to the unincorporated communities in the vicinity of Ocean Park in Pacific County; and

WHEREAS, the PDA's Board of Directors (the "PDA Board") has heretofore determined that it is in the best interests of the residents of Ocean Park and in furtherance of the PDA's purpose to establish a water supply and distribution system by acquiring facilities owned by Pacific Water Company and Ocean Park Water Company, Inc. ("OPWC" and the "OPWC Facilities"); and

WHEREAS, the PDA has completed its acquisition of the facilities formerly owned by Pacific Water Company; and

WHEREAS, Ocean Park Acquisitions LLC, a Washington limited liability company of which the PDA is the manager and sole member ("OPA LLC"), has, at the PDA's direction, completed its acquisition of a controlling interest in OPWC and intends to dissolve OPWC and distribute its assets to the PDA and make cash distributions to shareholders of OPWC other than OPA LLC; and

WHEREAS, by its Resolution No. 02-2006, the PDA Board has authorized capital contributions to OPA LLC to complete the PDA's acquisition of the OPWC Facilities;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY, PACIFIC COUNTY, WASHINGTON, in its regular meeting this 13th day of March, 2006, as follows:

To complete the PDA's acquisition of the OPWC Facilities, as heretofore authorized by the PDA Board, the PDA Board hereby approves additional capital contributions by the PDA to OPA LLC. In accordance with the wishes of the PDA Board and resolutions of OPA LLC, such capital contributions shall be made directly to OPWC, its shareholders, and creditors, as follows:

\$207,000 shall be paid to OPWC shareholders (other than OPA LLC), as set forth on Exhibit A attached to this resolution.

Approximately \$1,000,000 shall be paid to OPWC (or, at its direction, directly to the United States Treasury) in connection with the filing of OPWC's final federal income tax returns and its payment of taxes due upon the distribution of its assets to the PDA. The amount and manner of payment shall be specified by subsequent resolution of the PDA Board.

Amounts sufficient to pay other state and local taxes, registration and transfer fees, and other costs associated with the distribution of OPWC assets to the PDA shall be paid directly to such entities, as the President or Vice President of the PDA Board may direct by vouchers submitted to the office of the Pacific County Treasurer.

OPA LLC shall be dissolved as soon as possible after these transactions are completed.

The officers, agents and attorneys of the PDA are hereby authorized to take any actions and to execute agreements, certificates and other documents as in their judgment may be necessary or desirable to carry out the terms of, and complete the transactions contemplated by, this resolution and by the prior acts and agreements of the PDA. Resolution Nos. 01-2006 and 02-2006 and all other acts heretofore taken to accomplish the transactions described in the recitals of this resolution are hereby ratified, and all acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.


This resolution shall become effective upon its adoption as provided by law.

ADOPTED by the Board of Directors of the North Beach Public Development Authority, Pacific County, Washington, at a regular meeting thereof held this 13th day of March, 2006.

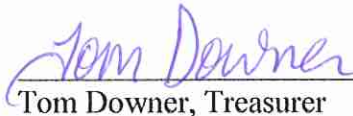
NORTH BEACH PUBLIC DEVELOPMENT
AUTHORITY, PACIFIC COUNTY, WASHINGTON



R D Williams; President, Board of Directors



Ken Karch, Vice President




Tom Downer, Treasurer



Jin Hagen, Director

Brad Weatherby, Director

Attest:



Secretary to the Board of Directors

Distribution to Shareholders

Ocean Park Water Company, Inc.

Shareholder	Certificate #	Number of Shares	Price	Amount
CAROL E. LEBECK 10436 RUSSELL RD LA MESA, CA 91941-4391 Phone: 619-444-2445	# 2 # 5	100 900	36.00 36.00	3,600.00 32,400.00
Total Payout \$ 36,000.00				
HERMAN CLARK P.O. Box 279 Ocean Park, WA 98640 Phone: 360.665.4479	# 7	800	36.00	28,800.00
SIDNEY SNYDER P. O. Box 531 Long Beach, WA 98631 Phone: 360.642.2519	# 8	800	36.00	28,800.00
Total Payout \$ 28,800.00				
CENTURY TELECOM 805 Broadway, P. O. Box 9901 Vancouver, WA 98668-9901 Phone: 360.905.6843	#9	850	36.00	30,600.00
Total Payout \$ 30,600.00				
EARL NICHOLS P. O. Box 15 Amboy, WA 98601 Phone: 360.247.5569	# 11 # 25	950 50	36.00 36.00	34,200.00 1,800.00
Total Payout \$ 36,000.00				

Ocean Park Water Company, Inc.

Distribution to Shareholders

Shareholder	Certificate #	Number of Shares	Price	Amount
GUSTOV WEIGARDT P.O. Box 305 Ocean Park, WA 98640 Phone: 360.665.4966	# 19	100	36.00	3,600.00
Total Payout \$				3,600.00
YONA WATTS 9501 N.E. 80th Avenue Vancouver, WA 98662 Phone: 360.254.3490	# 22	100	36.00	3,600.00
Total Payout \$				3,600.00
STEVEN CADONAU 258 Wieri Rd Woodland, WA 98674 Phone: 360.225.5764	# 33	100	36.00	3,600.00
Total Payout \$				3,600.00
BRADLEY C. WOODHAM P.O. Box 79 Ocean Park, WA 98640 Phone: 360.665.5145	# 43	500	36.00	18,000.00
Total Payout \$				18,000.00
MOORE FAMILY TRUST P. O. Box 337 Ocean Park, WA 98640 Phone: 360.665.4422 Attn: Lib Moore	# 45	300	36.00	10,800.00
Total Payout \$				10,800.00

Ocean Park Water Company, Inc.

Distribution to Shareholders

Shareholder	Certificate #	Number of Shares	Price	Amount
Leslie C. Atkinson 1419 9th Astoria, OR 97103 Phone: 503.325.8127	# 47	100	36.00	3,600.00
Total Payout				\$ 3,600.00
Sarah Lynn Hall 4125 Rose Valley Road Kelso, WA 98625 Phone: 360.501.5784	# 50	50	36.00	1,800.00
Total Payout				\$ 1,800.00
Rees Allen Hall 4125 Rose Valley Road Kelso, WA 98625 Phone: 360.501.5784	# 51	50	36.00	1,800.00
Total Payout				\$ 1,800.00
Total Outstanding Shares		5750	Total Payout	\$ 207,000.00