

RESOLUTION NO. 2010-01

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 not to exceed \$13,000,000 (the “Series 2010A Bonds”).

Section 2. CAW shall reimburse itself for the original expenditures from proceeds of the Series 2010A Bonds within 18 months after the later of:

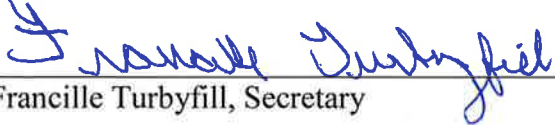
- (a) the date of the original expenditure is paid, or
- (b) the date the project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid.

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

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

ADOPTED: April 8, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:


Jay Hartman, Chairperson

APPROVED AS TO FORM:

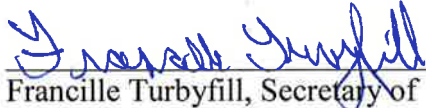
C. Tad Bohannon,
Counsel for Central Arkansas Water

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-01 of the Resolutions of Central Arkansas Water, entitled: 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, adopted April 8, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of April, 2010.



Francille Turbyfill, Secretary of
Central Arkansas Water

RESOLUTION NO. 2010-02

A RESOLUTION DECLARING THE INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD THE PROTECTION OF THE WATER QUALITY OF LAKE MAUMELLE 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 property within the watershed of Lake Maumelle to protect its water quality (the “Project”); and

WHEREAS, it is appropriate that CAW assure that its power to issue capital improvement bonds to finance the costs of the Project, 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 the Project 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 a total principal amount not to exceed \$10,000,000 (the “Series 2010B Bonds”).

Section 2. CAW shall reimburse itself for the original expenditures from proceeds of the Series 2010B Bonds within 18 months after the later of:


- (a) the date of the original expenditure is paid, or
- (b) the date the Project is acquired, 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 the Secretary of the Board of Commissioners CAW where it will be available for public inspection.

ADOPTED: April 8, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:


Jay Hartman, Chairperson

APPROVED AS TO FORM:

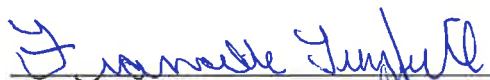
C. Tad Bohannon,
Counsel for Central Arkansas Water

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-02 of the Resolutions of Central Arkansas Water, entitled: A RESOLUTION DECLARING THE INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN EXPENDITURES TOWARD THE PROTECTION OF THE WATER QUALITY OF LAKE MAUMELLE AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS OF THE UTILITY; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted April 8, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of April 2010.



Francille Turbyfill, Secretary of
Central Arkansas Water

RESOLUTION NO. 2010-03

**RESOLUTION ESTABLISHING A RATE STABILIZATION ACCOUNT AND
PRESCRIBING OTHER MATTERS RELATING THERETO**

WHEREAS, a rate stabilization account is a means to provide more stable retail water rates to customers of a water utility;

WHEREAS, the availability of funds within a rate stabilization account will assist Central Arkansas Water ("CAW") in its efforts to meet its financial performance indicators and goals specified in bond covenants and monitored by various financial rating agencies, including but not limited to the maintenance of a strong debt service coverage ratio; and

WHEREAS, the Board of Commissioners has determined that it is in the best interest of the customers of CAW to establish a rate stabilization account.

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

Section 1. There is hereby established a Rate Stabilization Account ("RSA"). The purpose of the RSA is, among other things, to absorb fluctuations in CAW's annual revenue in any given year due to deviations in the actual sales revenues from the amount assumed in the adopted budget for that year. The RSA shall be separately maintained from other funds of CAW.

Section 2. CAW may at any time deposit into the RSA, revenues and any other money received by CAW and available to be used therefore.

Section 3. Thereafter, CAW may withdraw any or all of the money from the RSA and place it in CAW's general revenue fund for inclusion in the net revenue calculations for the then current fiscal year of CAW. Funds withdrawn from the RSA may be used for any purpose for which gross revenues of CAW may be lawfully expended. Withdrawals from the RSA may include but shall not be restricted to:

- (a) mitigate revenue shortfalls in years where projected revenues are not met due to atypical events such as unusually wet weather or other unexpected negative influence on CAW's revenue stream;
- (b) pay for catastrophic repair events of such magnitude that the cost of such would initiate an unplanned rate increase or a greater than planned rate increase (i.e., increases that would not have been needed if such event had not occurred);

- (c) reduce the impact on rate increases to allow for smoother rate increases over time; or
- (d) smooth a sharp rate increase necessitated by sudden increase in an uncontrollable, ongoing expense (such as a major costs increase passed by one (1) of CAW's utility or chemical suppliers).

Section 4. Such deposits or withdrawals may be made up to and including the date ninety (90) days after the end of the fiscal year for which the deposit or withdrawal will be included in the net revenue calculations.

Section 5. Transfers to and from the RSA shall be approved by the Commission unless already approved as part of the annual Financial Plan.

Section 6. Except as otherwise provided in Section 8 hereof, the amount on deposit in the RSA shall not exceed the sum of Twenty Million Dollars (\$20,000,000) (the "RSA Funding Limit").

Section 7. Funding of the RSA may come from a variety of sources including:

- (a) cash from operations in excess of that required for operations and debt service;
- (b) revenue from the sale of surplus property not already recognized in CAW's then existing annual budget;
- (c) all interest earnings and/or other proceeds from investment of the funds within the Rate Stabilization Account; and
- (d) other sources of revenue as determined by the Board of Commissioners.

Nothing in this Section 7 shall be construed to mean that any contribution to the fund is mandatory, but such will be solely at the discretion of the Board of Commissioners.

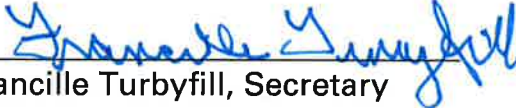
Section 8. If the amount on deposit in the RSA reaches the RSA Funding Limit, interest earned on funds within the account will be deposited to the account but CAW shall not make any additional contributions to the Rate Stabilization Account, and any excess funds over the RSA Funding Limit will be transferred at the end of the fiscal year into CAW's general revenue fund.

Section 9. Each or any of the Chief Executive Officer, Chief Operating Officer or Chief Financial Officer is hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution and to take all other actions necessary or desirable in connection with the foregoing sections of this Resolution.

Section 10. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: May 13, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:


Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-03 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION ESTABLISHING A RATE STABILIZATION ACCOUNT AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted May 13, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of May 2010.


Secretary
Board of Commissioners, Central Arkansas Water

RESOLUTION NO. 2010-04

A RESOLUTION EXPRESSING THE WILLINGNESS OF

Central Arkansas Water

TO UTILIZE FEDERAL-AID RECREATIONALS FUNDS

WHEREAS **Central Arkansas Water** understands Federal-aid Recreational Trails Funds are available at 80% federal participation and 20% local match to develop or improve **Farkleberry Trail**, and

WHEREAS **Central Arkansas Water** understands that Federal-aid Funds are available for this project on a reimbursable basis, requiring work to be accomplished and proof of payment prior to actual monetary reimbursement, and

WHEREAS **Central Arkansas Water** understands that there will be no reimbursement for any work accomplished prior to the issuance by the Arkansas State Highway and Transportation Department of an official Notice to Proceed, and

WHEREAS this project, using federal funding, will be open and available for use by the general public and maintained by the applicant.

NOW, THEREFORE, BE IT RESOLVED BY **Board Of Commissioners, Central Arkansas Water** THAT:

SECTION I: **Central Arkansas Water** will participate in accordance with its designated responsibility, including maintenance of this project.

SECTION II: **Graham W. Rich, P.E., B.C.E.E.** is hereby authorized and directed to execute all appropriate agreements and contracts necessary to expedite the construction of the above stated project.

SECTION III: **Board Of Commissioners, Central Arkansas Water** pledges its full support and hereby authorizes the **Central Arkansas Water** to cooperate with the Arkansas State Highway and Transportation Department to initiate action to implement this project.

THIS RESOLUTION adopted this 13th day of May 2010

Signed: _____

Graham W. Rich, P.E., B.C.E.E.

ATTEST: _____

(SEAL)



RESOLUTION NO. 2010-05

**RESOLUTION EXPRESSING SUPPORT FOR ADOPTION OF THE
*STORMWATER MANAGEMENT AND DRAINAGE MANUAL FOR THE
LAKE MAUMELLE DRAINAGE BASIN, THE PULASKI COUNTY SITE
EVALUATION TOOL, AND THE SITE EVALUATION TOOL USER
GUIDANCE AND DOCUMENTATION FOR THE LAKE MAUMELLE
DRAINAGE BASIN* BY THE PULASKI COUNTY QUORUM COURT,
AND PRESCRIBING OTHER MATTERS RELATING THERETO**

WHEREAS, the Board of Commissioners of Central Arkansas Water (the "Commission") adopted the *Lake Maumelle Watershed Management Plan* (the "Watershed Management Plan") on February 23, 2007, to establish parameters and methods of development for the protection of the water quality within Lake Maumelle; and

WHEREAS, the Pulaski County Quorum Court (the "Quorum Court") adopted Chapter 8 of the *Pulaski County Subdivision & Development Code* ("Chapter 8") and made it effective as of April 30, 2009, to codify, to the extent practical, the protections suggested by the Watershed Management Plan; and

WHEREAS, on March 16, 2009, Pulaski County (the "County") and CAW entered into an Agreement for Watershed Protection whereby the County and CAW agreed to work together for the development of a stormwater and drainage manual for the Lake Maumelle watershed and a site evaluation tool for consideration of alternative development plans within the Lake Maumelle watershed; and

WHEREAS, the Pulaski County Planning & Development staff has recommended the adoption of the *Stormwater Management and Drainage Manual for the Lake Maumelle Drainage Basin* presented to the Commission at this meeting (the "Stormwater Manual"), the *Pulaski County Site Evaluation Tool* presented to the Commission at this meeting (the "SET"), and the *Site Evaluation Tool User Guidance and Documentation for the Lake Maumelle Drainage Basin* presented to the Commission at this meeting (the "SET Manual," which together with the Stormwater Manual and the SET shall be referred to herein as the "Watershed Documents"); and

WHEREAS, the Commission desires to express its support for adoption of the Watershed Documents.

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

Section 1. The Commission encourages the Quorum Court to adopt the Watershed Documents as proposed, with only those amendments or technical

corrections agreed to by CAW staff to assure that the Watershed Documents are in accordance with the applicable provisions of the Watershed Management Plan and Chapter 8.

Section 2. The Commission makes this statement with the understanding that "Surface Runoff Loading Rates" in the *Pulaski County Subdivision & Development Code* is equivalent to "Site Scale Performance Standards" in the Watershed Management Plan, and that compliance with those values is required of developments within the Pulaski County portion of the watershed.

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

ADOPTED: June 10, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:


Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-05 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION EXPRESSING SUPPORT FOR ADOPTION OF THE *STORMWATER MANAGEMENT AND DRAINAGE MANUAL FOR THE LAKE MAUMELLE DRAINAGE BASIN*, THE *PULASKI COUNTY SITE EVALUATION TOOL*, AND THE *SITE EVALUATION TOOL USER GUIDANCE AND DOCUMENTATION FOR THE LAKE MAUMELLE DRAINAGE BASIN* BY THE PULASKI COUNTY QUORUM COURT, AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted June 10, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of June 2010.



Francille Turbyfill, Secretary
Board of Commissioners, Central Arkansas Water

RESOLUTION NO. 2010-06

RESOLUTION AMENDING THE MASTER INDENTURE TO PERMIT THE ISSUANCE OF SUBORDINATE DEBT, AND PRESCRIBING OTHER MATTERS RELATING THERETO

WHEREAS, the Board of Commissioners of Central Arkansas Water (the "Commission") has previously entered into that certain Master Trust Indenture, dated as of October 1, 2002, by and between Central Arkansas Water ("CAW") and Metropolitan National Bank ("Trustee"), pursuant to which CAW has issued bonds secured by a first lien on and pledge of the revenues of CAW (the "Indenture"); and

WHEREAS, the Indenture does not specifically provide for or permit the issuance of subordinate debt; and

WHEREAS, Section 8.01(b)(2) of the Indenture provides that the Indenture may be amended, without the consent of any Bondholders (as defined in the Indenture), "to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Master Indenture or in regard to questions arising under the Master Indenture, as CAW may deem necessary or desirable, and which shall not adversely affect the interests of the Holders of the Bonds"; and

WHEREAS, CAW desires to amend the Indenture to permit the issuance of subordinate debt in a manner that shall not adversely affect the interests of the Holders of the Bonds.

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

Section 1. The form of the Amended and Restated Master Trust Indenture in the form exhibited to and before the Commission at the meeting at which this Resolution is adopted, is hereby approved.

Section 2. The Chair of the Commission is hereby authorized and directed to execute and acknowledge the Amended and Restated Master Trust Indenture between CAW and the Trustee, and the Secretary of the Commission is hereby authorized and directed to execute and acknowledge the Amended and Restated Master Trust Indenture, and C. Tad Bohannon, as general counsel to CAW, is hereby authorized and directed to cause the Amended and Restated Master Trust Indenture to be accepted, executed and acknowledged by the Trustee.


Section 3. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and general counsel, for and on behalf of CAW, are authorized and directed to do any and all things necessary to

effect the execution and delivery of the Amended and Restated Master Trust Indenture, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. The Chair, the Secretary, Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer are further authorized and directed, for and on behalf of CAW, 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 4. This Resolution shall be in effect from and after the date of its adoption.

APPROVED June 10, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:

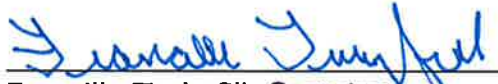

Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-06 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION AMENDING THE MASTER INDENTURE TO PERMIT THE ISSUANCE OF SUBORDINATE DEBT, AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted June 10, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of June 2010.



Francille Turbyfill, Secretary
Board of Commissioners, Central Arkansas Water

RESOLUTION NO. 2010-07

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A NEW REVENUE BOND WHICH AMENDS THE SECURITY FOR A PREVIOUSLY ISSUED REVENUE BOND ISSUED 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 TRUST INDENTURE AND A REVISED BOND PURCHASE AGREEMENT; 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 previously determined in Resolution 2009-06 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 to its water treatment and distribution system (the "System") more particularly described as (i) new sodium hypochlorite storage and feed systems at the Ozark Point Treatment Plant ("Ozark") and the Jack H. Wilson Treatment Plant ("Wilson") to discontinue use of gaseous chlorine and support the increased capacity rating at Wilson; (ii) additional feed system improvements at both plants to replace older equipment, provide needed hydro fluorosilicic acid storage, and support increased Wilson capacity; (iii) new maintenance facility at Wilson to provide office/shop space and inventory management; (iv) two finished water tanks in West Little Rock addressing storage deficiencies in the Highland Ridge and West Markham Pressure Plains; and (v) the costs of related engineering and other services (collectively, the "Improvements"); and

WHEREAS, the Commission has previously determined that the cost of accomplishing the Improvements shall be paid from a combination of the following sources: (1) the proceeds of revenue bonds issued pursuant to the Act in the approximate aggregate principal amount of \$13,400,000; and (2) funds derived from the operating revenues of the Water System; and

WHEREAS, the Issuer previously issued \$13,400,000 of its Water Revenue Bond, Series 2009, dated October 8, 2009 (the "Series 2009 Bond"), pursuant to a Master Trust Indenture dated as of October 1, 2002 (the "Master Trust Indenture"), as

supplemented and amended by a Supplemental Trust Indenture dated as of October 8, 2009 (the "Series 2009 Supplemental Indenture"); and

WHEREAS, the Issuer desires to issue a new revenue bond in the principal amount of \$13,400,000 (the "Series 2010A Bond") to the Arkansas Natural Resource Commission and the Arkansas Development Finance Authority (collectively, the "Purchaser") in accordance with the terms and conditions of this Resolution; and

WHEREAS, the Series 2010A Bond will replace the Series 2009 Bond.

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 Revenue Bond, Series 2010A (the "Series 2010A Bond") to the Purchaser is hereby in all respects approved, and the issuance of the Series 2010A Bond in the aggregate principal amount not to exceed \$13,400,000.00 is hereby authorized, and the Chair and Secretary-Treasurer of the Board of Commissioners are hereby authorized to execute, by manual or facsimile signature, and deliver the Series 2010A Bonds to the Arkansas Natural Resources Commission and the Arkansas Development Finance Authority (collectively, the "Purchaser") as directed. The Bond shall be issued in the form and denomination, shall be dated, shall be numbered, shall mature on October 15, 2032, shall be subject to mandatory sinking fund redemption on April 15, 2013 and on each October 15 and April 15 thereafter to and including October 15, 2032, the final maturity of the Series 2010A Bond, in the amounts, shall bear interest at the rate of 2.00% per annum, and shall be subject to optional redemption prior to maturity, all upon the terms and conditions set forth in the Bond Purchase Agreement, as amended, and the Series 2010A Trust Indenture, which are identified and authorized below. The Series 2010A Bond shall be not a general obligation of the Issuer, but shall be a special obligation payable solely from revenues of the water system and certain other funds more specifically identified in the Series 2010A Trust Indenture.

Section 2. The Bond shall be sold pursuant to the specific terms and conditions set forth in the Series 2009 Bond except as otherwise amended in the Amendment to Bond Purchase Agreement presented to the Commission at this meeting, for the purchase price of 100% of the principal amount thereof.

Section 3. The terms and of the Amendment to Bond Purchase Agreement are hereby approved in substantially the form submitted at this meeting, and the Chair is hereby authorized, upon the advice of bond counsel, to execute the Amendment to Bond Purchase Agreement, or similar document, with such modifications as shall be approved by the Chair, with his execution to constitute conclusive evidence of such approval. An executed copy of the Bond Purchase Agreement, as amended, shall be filed in the permanent records of CAW and kept by the Secretary.

Section 4. To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, delivered, issued, accepted, held, and secured, the Chair is hereby authorized and directed to execute a Trust Indenture, to be dated as of the date of closing, by and between the Issuer and Metropolitan National Bank, as Trustee, and to cause the Series 2010A Trust Indenture to be accepted, executed, and acknowledged by the Trustee. The Series 2010A Trust indenture shall reflect those modifications to the Series 2009 Supplemental Indenture necessary to conform the terms and conditions for the issuance of the Series 2010A Bond to the terms and conditions of the Amendment to Bond Purchase Agreement. The Chair is hereby authorized, upon the advice of bond counsel, to execute the Series 2010A Trust Indenture with such modifications as shall be approved by the Chair, with his execution to constitute conclusive evidence of such approval.

Section 5. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer, for and on behalf of the Issuer, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Series 2010A Bonds, the Series 2010A Trust Indenture, and the Amendment to Bond Purchase Agreement; the execution and delivery of such other papers and documents necessary to effect the issuance of the Series 2010A Bonds; and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Resolution. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer are hereby 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 6. The Issuer by resolution of the Commission effective, August 14, 2008, levied rates and charges sufficient to provide for the payment of the principal of, premium, if any, interest on and Trustees' and paying agents' fees in connection with the Bonds and to provide for the operation and maintenance of CAW's Water System. The revenues derived from the collection of the rates and charges are hereby pledged to the payment of the Series 2010A Bond and the operation and maintenance of the Water System as provided in the Series 2010A Trust Indenture. The rates as previously approved are hereby reaffirmed and ratified and the Issuer covenants with the Purchaser that it shall faithfully and diligently levy and collect such rates and charges and, furthermore, that so long as the Series 2010A Bond is outstanding, that CAW shall not reduce such rates and charges except in accordance with the Series 2010A Trust Indenture. The Commission further covenants that it shall from time to time as necessary to provide for the payment of the Series 2010A Bond and the operation and maintenance of the Water System, increase such rates and charges as necessary or as requested by the Purchaser.

Section 7. The selections of Wright, Lindsey & Jennings LLP as bond counsel and the appointment of Metropolitan National Bank, Little Rock, Arkansas, to serve as Trustee are hereby ratified and approved.

Section 8. The Secretary shall maintain, as a part of the minutes of the meeting at which this Resolution is adopted, and in the permanent records of the Issuer, for inspection by any interested person, a copy of the Series 2010A Trust Indenture and the Bond Purchase Agreement, as amended.

Section 9. All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Series 2010A Bond, including the preparation of this Resolution, are hereby in all respects ratified and approved.


[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

ADOPTED: June 10, 2010

ATTEST:



Francille Turbyfill, Secretary



Jay Hartman, Chair

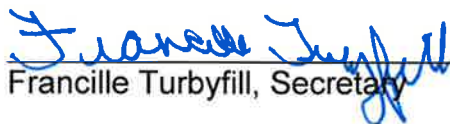
CERTIFICATE

STATE OF ARKANSAS)

COUNTY OF PULASKI)

I, Francille Turbyfill, 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. 2010-07 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A NEW REVENUE BOND WHICH AMENDS THE SECURITY FOR A PREVIOUSLY ISSUED REVENUE BOND ISSUED 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 TRUST INDENTURE AND A REVISED BOND PURCHASE AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO** passed by the Commission on June 10, 2010, said Resolution now appearing of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 10th day of June 2010.


Francille Turbyfill, Secretary

RESOLUTION NO. 2010-08

A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$9,500,000 CENTRAL ARKANSAS WATER REVENUE BONDS, SERIES 2010B (GENERAL IMPROVEMENTS PROJECT); 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, Central Arkansas Water (the "Issuer") has engaged Stephens Inc. as its Financial Advisor, Wright, Lindsey & Jennings LLP as its Bond Counsel, Kutak Rock LLP as its Disclosure Counsel, Metropolitan National Bank as Trustee, and JW&J Investments, LLC as its Structuring Consultant for the continued issuance of bonds to finance its capital improvement program; and

WHEREAS, pursuant to the direction of the Board of Commissioners of the Issuer (the "Commission"), the Issuer's Chief Financial Officer together with the Financial Advisor, Bond Counsel, and Disclosure Counsel 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 Chief Financial Officer, the Commission is now prepared to authorize the offering of 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 Revenue Bonds, Series 2010B (General Improvements Projects) (the "Series 2010B Bonds"). The Series 2010B Bonds shall be offered for sale in the aggregate principal amount of up to \$9,500,000 by written or electronic bids, at such time as may be approved by the Chief Financial Officer 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 Chief Financial Officer shall meet with the Financial Advisor to receive the bids, and the Chief Financial Officer 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 Chief Financial Officer shall deem advisable and the Preliminary Official Statement is hereby approved for use in connection with the sale of the Series 2010B Bonds.

Section 4. The Chief Financial Officer 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 Series 2010B Bonds, substantially in the form exhibited to the meeting at which this Resolution is adopted.

Section 5. The Chief Financial Officer, 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 prospective bidders for the Series 2010B Bonds, in substantially the forms submitted to this meeting, with such changes and modifications as the Chief Financial Officer shall deem appropriate.

Section 6. The Chief Financial Officer 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 Series 2010B 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 June 10, 2010

ATTEST:



Francille Turbyfill, Secretary

APPROVED:



Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-08 of the Resolutions of Central Arkansas Water entitled: A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$9,500,000 OF CENTRAL ARKANSAS WATER REVENUE BONDS, SERIES 2010B (GENERAL IMPROVEMENTS PROJECT); 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 June 10, 2010, said Resolution now appearing of record in the office of Central Arkansas Water.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of June 2010.



Francille Turbyfill, Secretary

RESOLUTION NO. 2010-09

A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$9,200,000 CENTRAL ARKANSAS WATER REFUNDING REVENUE BONDS, SERIES 2010C (WATERSHED PROTECTION PROJECT); 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, Central Arkansas Water (the “Issuer”) has engaged Stephens Inc. as its Financial Advisor, Wright, Lindsey & Jennings LLP as its Bond Counsel, Kutak Rock LLP as its Disclosure Counsel, Metropolitan National Bank as Trustee, and JW&J Investments, LLC as its Structuring Consultant for the proposed issuance of bonds to finance the acquisition of real property within the Lake Maumelle watershed from the Trust for Public Land; and

WHEREAS, pursuant to the direction of the Board of Commissioners (the “Commission”), the Issuer’s Chief Financial Officer together with the Financial Advisor, Bond Counsel, and Disclosure Counsel 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 Chief Financial Officer, 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 Refunding Revenue Bonds, Series 2010C (Watershed Protection Project) (the “Series 2010C Bonds”). The Series 2010C Bonds shall be offered for sale in the aggregate principal amount of up to \$9,200,000 by written or electronic bids, at such time as may be approved by the Chief Financial Officer 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 Chief Financial Officer shall meet with the Financial Advisor to receive the bids, and the Chief Financial Officer 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 Chief Financial Officer shall deem advisable and the Preliminary Official Statement is hereby approved for use in connection with the sale of the Series 2010C Bonds.

Section 4. The Chief Financial Officer 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 Series 2010C Bonds, substantially in the form exhibited to the meeting at which this Resolution is adopted.

Section 5. The Chief Financial Officer, 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 prospective bidders for the Series 2010C Bonds, in substantially the forms submitted to this meeting, with such changes and modifications as the Chief Financial Officer shall deem appropriate.

Section 6. The Chief Financial Officer 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 Series 2010C 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 June 10, 2010

ATTEST:


Francille Turbyfill, Secretary

APPROVED:



Jay Hartman, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Francille Turbyfill, Secretary of the Board of Commissioners of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-09 of the Resolutions of Central Arkansas Water entitled: A RESOLUTION AUTHORIZING THE OFFERING OF UP TO \$9,200,000 OF CENTRAL ARKANSAS WATER REFUNDING REVENUE BONDS, SERIES 2010C (WATERSHED PROTECTION PROJECT); 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 June 10, 2010, said Resolution now appearing of record in the office of Central Arkansas Water.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of June 2010.



Francille Turbyfill, Secretary

RESOLUTION 2010-10

A RESOLUTION APPROVING TECHNICAL CORRECTIONS TO THE REGULATIONS FOR LAKE MAUMELLE AREA, AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO IMPLEMENT THOSE CORRECTED REGULATIONS IMMEDIATELY.

WHEREAS, Central Arkansas Water, an Arkansas public body politic and corporate created under the Consolidated Waterworks Authorization Act, Act 982 of the 83rd General Assembly of the State of Arkansas (“CAW”), operates the state’s largest water treatment and distribution system which serves, directly or indirectly, citizens in portions of Pulaski, Saline, and Lonoke counties; and

WHEREAS, the Board of Commissioners, Central Arkansas Water (the “Board”) approved CAW’s Regulations for Public Use of Lake Maumelle and Surrounding Property (the “Lake Maumelle Regulations”) in Resolution 2009-08 on December 10, 2009; and

WHEREAS, the CAW staff presents and request the Board’s approval of an amendment to the current Lake Maumelle Rules making technical corrections; and

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

1. The amended *Regulations for Public Use of Lake Maumelle and Surrounding Property* (the “Amended Lake Maumelle Regulations”), in the form presented at the meeting at which this Resolution is addressed, are hereby approved.

2. The Chief Executive Officer (the “CEO”) is authorized to implement the Amended Regulations and cause them to become effective immediately for the effective management of CAW’s property in and around Lake Maumelle.

ADOPTED this 8th day of July, 2010.



Anthony Kendall, Chair

CERTIFICATE

I, Thomas Rimmer, Secretary of the Board of Commissioners, Central Arkansas Water, certify that the foregoing pages is a correct copy of Resolution 2010-10 adopted by said Board of Commissioners at a meeting held on the 8th day of July 2010.

GIVEN under my hand and seal on this 8th day of July 2010.



Thomas Rimmer, Secretary

RESOLUTION 2010-11

**A RESOLUTION TO DESIGNATE A LAKE WARDEN FOR CENTRAL
ARKANSAS WATER; AND FOR OTHER PURPOSES**

WHEREAS, the Board of Commissioners, Central Arkansas Water, is the "operating authority" for Lake Maumelle and Lake Winona in accordance with Title 14, Chapter 234, Subchapter 4; and

WHEREAS, Arkansas Code Annotated § 14-234-407 allows the "operating authority" to designate employees of the utility as wardens to enforce the rules and regulations of the operating authority (the "Rules and Regulations").

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER that Michael Mitchell, Lake Ranger; is designated as "warden" for Lake Maumelle and Lake Winona and has the authority to enforce the Rules and Regulations.

AND BE IT FURTHER RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER that Billy Zulpo, who was previously designated as a warden for Lake Maumelle and Lake Winona, is no longer a warden for Lake Maumelle and Lake Winona, and he no longer has the authority to enforce the Rules and Regulations.

CERTIFICATE


I, Thomas Rimmer, 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 as its regular meeting held July 8, 2001.

Attest:

APPROVED:



Thomas Rimmer, Secretary



Anthony Kendall, Chair

RESOLUTION NO. 2010-12

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF SERIES 2010B 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 OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A 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 Board of Commissioners of the Issuer (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 including (i) the acquisition, construction and/or installation of additional water distribution and transmission mains, and water storage facilities; (ii) facilities updates; (iii) a preliminary study to maximize the efficiency of the Issuer's water treatment and distribution system as may be approved by the Commission; (iv) the costs of related engineering and other services (collectively, the "Improvements") and (iv) creation and funding of a debt service reserve having a total approximate cost of \$9,230,000; 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) the proceeds of water revenue bonds issued pursuant to the Act and (2) funds derived from the operating revenues of the Water System; and

WHEREAS, the Issuer previously issued \$13,400,000 of its Refunding Water Revenue Bonds, Series 2010A, dated July 1, 2010 (the "Series 2010A Bonds"), pursuant to the Series 2010A Trust Indenture, dated as of July 1, 2010 (the "Series 2010A Indenture"); and

WHEREAS, pursuant to the Agreement, the Issuer, by letter of its Chief Operating Officer dated January 18, 2010, notified the cities of Little Rock and North Little Rock of its intention to issue the Series 2010B Bonds (identified hereinafter) and neither City as of the date of this resolution has voted its disapproval of the Series 2010B Bonds; and

WHEREAS, pursuant to the Agreement and the Revenue Bond Act of 1987 (Act 852), the Issuer caused to be published on May 15, 2010, a notice of public hearing on the question of issuing the Series 2010B Bonds and thereafter, on June 10, 2010, held a public hearing, as advertised; and

WHEREAS, pursuant to Resolution No. 2010-08 of the Commission dated June 10, 2010, the Chief Financial Officer was authorized to accept the bid resulting in the lowest true interest cost to the Issuer and accordingly the Chief Financial Officer approved the sale of the Series 2010B Bonds in the principal amount of \$9,230,000.00 to Morgan Keegan (the "Purchaser") for a sale price of Ninety-Eight Point Eight Four Five percent (98.845%) of par, being the aggregate sum of \$9,123,431.10 plus accrued interest in the amount of \$4,705.73, resulting in a true interest cost of 3.5042594%; and

WHEREAS, the Series 2010B Bonds will be issued in the aggregate principal amount of \$9,230,000.00; 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 Series 2010B Bonds to the Purchaser for a price of Ninety-Eight Point Eight Four Five percent (98.845%) of par, being the aggregate sum of \$9,123,431.10, plus accrued interest in the amount of \$4,705.73, is hereby in all respects ratified and approved following the public hearing conducted in accordance with the Agreement and Act 852, and accordingly the Series 2010B Bonds are hereby authorized and ordered to be sold and issued in the total principal amount of \$9,230,000.00. The Series 2010B 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 the Series 2010B Indenture (as hereinafter defined).

Section 2. To prescribe the terms and conditions upon which the Series 2010B 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 Series 2010B Trust Indenture (the "Series 2010B Indenture") by and between the Issuer and the Trustee (as hereinafter defined), and the Secretary of the Commission is hereby authorized and directed to execute and acknowledge the Series 2010B Indenture and the Chair and the Secretary of the Commission are hereby authorized and directed to cause the Series 2010B Indenture to be accepted, executed and acknowledged by the Trustee. The Series 2010B 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 3. The issuance of the Series 2010B Bonds is hereby authorized for the purposes of (i) providing funds to finance a portion of the costs of the Improvements (ii) to

fund the Series 2010B Debt Service Reserve Fund as provided in the Series 2010B Indenture, and (iii) to pay the costs of issuance of the Series 2010B Bonds. The Series 2010B Bonds will mature, bear interest and be subject to redemption in accordance with the provisions of the Series 2010B Indenture. The Series 2010B Bonds will be issued on a parity of security with the Series 2010A Bonds, the Issuer's \$8,875,000 Refunding Revenue Bonds, Series 2010C, dated July 21, 2010 (the "Series 2010C Bonds"), and all other bonds, if any, to be issued hereafter by the Issuer in accordance with the terms of the Series 2010B Indenture.

Section 4. All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Series 2010B 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 June 10, 2010, acceptance of the bid received from the Purchaser, 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 Chief Financial Officer 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 2010B Bonds and other interested persons.

Section 5. The Series 2010B Bonds are hereby designated a "qualified tax-exempt obligations" for purposes of paragraph (3) of Section 265(b) of the Code and the Issuer covenants that the Series 2010B Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$30,000,000 aggregate principal amount of obligations the interest on which is excludable, under Section 103(a) of the Code, from gross income for federal income taxes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds, as defined in Section 145 of the Code), including the Series 2010B Bonds, have been, or are reasonably anticipated to be, issued by the Issuer during the calendar year 2010.

Section 6. The appointment of Metropolitan National Bank, Little Rock, Arkansas, to serve as trustee for the Bonds is hereby approved and ratified (the "Trustee").

Section 7. The Chair of the Commission and the Chief Executive Officer are hereby authorized and directed to execute the Series 2010B Bonds on behalf of the Issuer.

Section 8. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer 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 Series 2010B Indenture, the issuance, execution, sale and delivery of the Series 2010B 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 Chief Financial Officer 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 9. The appointments of Stephens Inc., as Financial Advisor, Wright, Lindsey & Jennings LLP, as Bond Counsel, and Kutak Rock LLP, as Disclosure Counsel, and JW&J Investments, LLC as Structuring Consultant, are hereby approved and ratified.

Section 10. This Authorizing Resolution shall be in effect from and after the date hereof.

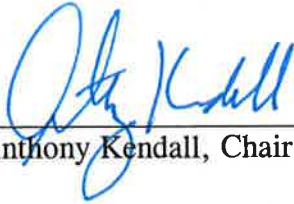
[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

ADOPTED: July 8, 2010

ATTEST:



Thomas W. Rimmer, Secretary



Anthony Kendall, Chair

CERTIFICATE

STATE OF ARKANSAS)

COUNTY OF PULASKI)

CITY OF LITTLE ROCK)

I, Thomas W. Rimmer, 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. 2010-12 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF 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 OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE; APPROVING THE OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO;** passed by the Commission on July 8, 2010, said Resolution now appearing of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 8th day of July 2010.



Thomas W. Rimmer, Secretary

RESOLUTION NO. 2010-13

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF SERIES 2010C REFUNDING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION OF PROPERTY IN THE LAKE MAUMELLE WATERSHED; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A 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 Board of Commissioners of the Issuer(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 (i) finance to the purchase of approximately Nine Hundred Fifteen (915) acres of real property within the Lake Maumelle watershed (the "Project"); and (ii) create and fund a debt service reserve, having a total approximate cost of \$8,830,000; and

WHEREAS, the Commission has further determined that the cost of accomplishing the Project shall be paid from a combination of the following sources: (1) the proceeds of water revenue bonds issued pursuant to the Act and (2) funds derived from the operating revenues of the water system; and

WHEREAS, the Issuer previously issued \$13,400,000 of its Refunding Water Revenue Bonds, Series 2010A, dated July 1, 2010 (the "Series 2010A Bonds"), pursuant to the Series 2010A Trust Indenture, dated as of July 1, 2010 (the "Series 2010A Indenture"); and

WHEREAS, pursuant to the Agreement, the Issuer, by letter of its Chief Operating Officer dated January 18, 2010, notified the cities of Little Rock and North Little Rock of its intention to issue the Series 2010C Bonds (identified hereinafter) and neither City as of the date of this resolution has voted its disapproval of the Series 2010C Bonds; and

WHEREAS, pursuant to the Agreement and the Revenue Bond Act of 1987 (Act 852), the Issuer caused to be published on May 15, 2010, a notice of public hearing on the question of issuing the Series 2010C Bonds and thereafter, on June 10, 2010, held a public hearing, as advertised; and

WHEREAS, pursuant to Resolution No. 2010-09 of the Commission dated June 10, 2010, the Chief Financial Officer was authorized to accept the bid resulting in the lowest true interest cost to the Issuer and accordingly the Chief Financial Officer approved the sale of the Series 2010C Bonds in the principal amount of \$8,830,000.00 to Crews & Associates, Inc. (the "Purchaser") for a sale price of Ninety-Eight Point Four Six Eight percent (98.468%) of par, being the aggregate sum of \$8,694,680.40 plus accrued interest in the amount of \$4,540.94, resulting in a true interest cost of 3.5728635%; and

WHEREAS, the Series 2010C Bonds will be issued in the aggregate principal amount of \$8,830,000.00; 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 Series 2010C Bonds to the Purchaser for a price of Ninety-Eight Point Four Six Eight percent (98.468%) of par, being the aggregate sum of \$8,694,680.40, plus accrued interest in the amount of \$4,540.94, is hereby in all respects ratified and approved following the public hearing conducted in accordance with the Agreement and Act 852, and accordingly the Series 2010C Bonds are hereby authorized and ordered to be sold and issued in the total principal amount of \$8,830,000. The Series 2010C 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 the Series 2010C Indenture (as hereinafter defined).

Section 2. To prescribe the terms and conditions upon which the Series 2010C 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 Series 2010C Trust Indenture (the "Series 2010C Indenture") by and between the Issuer and the Trustee (as hereinafter defined), and the Secretary of the Commission is hereby authorized and directed to execute and acknowledge the Series 2010C Indenture and the Chair and the Secretary of the Commission are hereby authorized and directed to cause the Series 2010C Indenture to be accepted, executed and acknowledged by the Trustee. The Series 2010C 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 3. The issuance of the Series 2010C Bonds is hereby authorized for the purposes of (i) providing funds to finance a portion of the costs of the Project (ii) to fund the Series 2010C Debt Service Reserve Fund as provided in the Series 2010B Indenture, and (iii) to pay the costs of issuance of the Series 2010C Bonds. The Series 2010C Bonds will mature, bear interest and be subject to redemption in accordance with the provisions of the Series 2010C Indenture. The Series 2010C Bonds will be issued on a parity of security with the Series 2010A Bonds, the Issuer's \$9,230,000 Revenue Bonds, Series 2010B, dated July 21,

2010 (the “Series 2010B Bonds”), and all other bonds, if any, to be issued hereafter by the Issuer in accordance with the terms of the Series 2010C Indenture.

Section 4. All actions heretofore taken by the Commission and officers of the Issuer in connection with the offering of the Series 2010C 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 June 10, 2010, acceptance of the bid received from the Purchaser, 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 Chief Financial Officer 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 2010A Bonds and other interested persons.

Section 5. The Series 2010C Bonds are hereby designated a “qualified tax-exempt obligations” for purposes of paragraph (3) of Section 265(b) of the Code and the Issuer covenants that the Series 2010C Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$30,000,000 aggregate principal amount of obligations the interest on which is excludable, under Section 103(a) of the Code, from gross income for federal income taxes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds, as defined in Section 145 of the Code), including the Series 2010C Bonds, have been, or are reasonably anticipated to be, issued by the Issuer during the calendar year 2010.

Section 6. The appointment of Metropolitan National Bank, Little Rock, Arkansas, to serve as trustee for the Bonds is hereby approved and ratified (the “Trustee”).

Section 7. The Chair of the Commission and the Chief Executive Officer are hereby authorized and directed to execute the Series 2010C Bonds on behalf of the Issuer.

Section 8. The Chair, the Secretary, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer 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 Series 2010C Indenture, the issuance, execution, sale and delivery of the Series 2010C 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 Chief Financial Officer 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 9. The appointments of Stephens Inc., as Financial Advisor, Wright, Lindsey & Jennings LLP, as Bond Counsel, and Kutak Rock LLP, as Disclosure Counsel, and JW&J Investments, LLC as Structuring Consultant, are hereby approved and ratified.

Section 10. This Authorizing Resolution shall be in effect from and after the date hereof.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

ADOPTED: July 8, 2010

ATTEST:



Thomas W. Rimmer, Secretary



Anthony Kendall, Chair

CERTIFICATE

STATE OF ARKANSAS)

COUNTY OF PULASKI)

CITY OF LITTLE ROCK)

I, Thomas W. Rimmer, 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. 2010-13 of the Resolutions of Central Arkansas Water, entitled: **A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF SERIES 2010C REFUNDING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION OF PROPERTY IN THE LAKE MAUMELLE WATERSHED; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE; APPROVING THE OFFICIAL STATEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO;** passed by the Commission on July 8, 2010, said Resolution now appearing of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office on this 8th day of July 2010.



Thomas W. Rimmer, Secretary

RESOLUTION NO. 2010-14

A RESOLUTION APPROVING THE FACILITY PLAN FOR IMPROVEMENTS NECESSARY FOR CENTRAL ARKANSAS WATER TO CONNECT TO THE WYE MOUNTAIN WATER SYSTEM; AMENDING THE DECLARATION OF INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN CAPITAL IMPROVEMENTS AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the Wye Mountain Water Facilities Board of Perry County, Arkansas owns and operates the Wye Mountain Water System, a rural water system whose purpose is to provide safe dependable and affordable potable water to customers located within the water system's service area ("Wye Mountain"); and

WHEREAS, Wye Mountain serves customers in northwestern Pulaski and eastern Perry Counties and currently receives its water supply from the City of Perryville; and

WHEREAS, Central Arkansas Water ("CAW") owns and operates the water system providing water to the central Arkansas cities of Little Rock, North Little Rock, and other cities and unincorporated areas of Pulaski County, as well as supplying water on a wholesale basis to other neighboring central Arkansas cities and communities; and

WHEREAS, Wye Mountain has determined that it needs to obtain a new, safe, and more dependable water supply for its customers to meet the future growth anticipated in its service area and has determined that it is in the best interest of its customers to obtain such from CAW; and

WHEREAS, CAW has previously indicated its desire to provide water to Wye Mountain; and

WHEREAS, both CAW and Wye Mountain acknowledge that improvements will need to be made to both CAW's water distribution system and Wye Mountain's water distribution system; and

WHEREAS, connection of the CAW's water system to Wye Mountain's water system will require the improvements to the CAW Water System specifically set forth in the "facility plan" presented to the Board of Commissioners at this meeting (the "Facility Plan"); and

WHEREAS, CAW has determined that it is in the best interest of CAW and the public to acquire, design, construct and equip a portion of the improvements set forth in the Facility Plan, more particularly described as a water transmission main adjacent to Arkansas State Highway 10 running West from CAW's current distribution system to connect with Wye Mountain's distribution system near the intersection of Arkansas State Highway 10 and Arkansas State Highway 113 (the "Improvements"); and

WHEREAS, CAW does not have funds on hand to pay the costs of the Improvements and the expenses related thereto; and

WHEREAS, CAW proposed to obtain funds to accomplish the Improvements and to pay expenses from issuing tax-exempt bonds; and

WHEREAS, in September 2008 CAW previously declared its “official intent,” within the meaning of United States Treasury Regulation §1.150-2, to issue tax-exempt bonds to pay for the Improvements; and

WHEREAS, CAW desires to amend its declaration of “official intent” to issue tax-exempt bonds and to reimburse itself for expenses from the proceeds of such bonds.

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

Section 1. CAW hereby adopts the Facility Plan and directs the staff to make the necessary Improvements to CAW’s water distribution system to assure that the Improvements are built and operated in conformance with the Facility Plan.

Section 2. CAW hereby amends and re-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, designing, constructing and equipping the Improvements between the date that is sixty (60) days prior to the date of Resolution 2008-09 dated September 11, 2008, the date the Series 2010D Bonds (as hereinafter defined) are issued, plus a de minimis amount and preliminary expenditures, with the proceeds of tax-exempt bonds in the principal amount of not to exceed Four Million Dollars (\$4,000,000) (the “Series 2010D Bonds”).

Section 3. CAW shall reimburse itself for the original expenditures from proceeds of the Series 2010D Bonds within eighteen (18) months after the later of:

- (a) the date 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 4. The appointment of Wright, Lindsey & Jennings LLP, as Bond Counsel, is hereby approved and ratified.

Section 5. This Resolution shall be in effect upon its adoption and approval.

Section 6. A copy of this Resolution shall be filed with Secretary of CAW where it will be available for public inspection.

Section 7. A copy of this Resolution with original signatures shall be furnished by the Chief Financial Officer of CAW to the Executive Director of the Arkansas Natural Resources Commission.

ADOPTED: July 8, 2010

ATTEST:



Thomas Rimmer, Secretary

APPROVED:



Anthony Kendall, Chair

APPROVED AS TO FORM:




C. Tad Bohannon,
Counsel for Central Arkansas Water

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Thomas Rimmer, Secretary of the Board of Commissioners, Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-14 of the Resolutions of Central Arkansas Water, entitled: A RESOLUTION APPROVING THE FACILITY PLAN FOR IMPROVEMENTS NECESSARY FOR CENTRAL ARKANSAS WATER TO CONNECT TO THE WYE MOUNTAIN WATER SYSTEM; AMENDING THE DECLARATION OF INTENT OF CENTRAL ARKANSAS WATER TO MAKE CERTAIN CAPITAL IMPROVEMENTS AND TO REIMBURSE ITSELF FOR SUCH EXPENDITURES FROM THE PROCEEDS OF BONDS; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted July 8, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of July 2010.



Thomas Rimmer, Secretary
Board of Commissioners
Central Arkansas Water

RESOLUTION NO. 2010-15

RESOLUTION APPROVING AGREEMENT FOR ESTABLISHMENT AND OPERATION OF MAUMELLE RIVER WILDLIFE MANAGEMENT AREA BETWEEN CENTRAL ARKANSAS WATER AND THE ARKANSAS STATE GAME AND FISH COMMISSION; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE SUCH AGREEMENT; AND PRESCRIBING OTHER MATTERS RELATING THERETO

WHEREAS, the Arkansas Game and Fish Commission ("AGFC") and Central Arkansas Water ("CAW") previously entered into a Memorandum of Agreement in June 2008, whereby the parties agreed, among other things, to develop a program for the management of fish and wildlife and their habitats within Lake Maumelle and certain property surrounding Lake Maumelle (the "Wildlife Management Area"); and

WHEREAS, CAW desires to grant a license for the control, management, restoration, conservation and regulation of birds, fish, game, and wildlife resources within the Wildlife Management Area; and

WHEREAS, AGFC desires to accept the license granted by CAW.

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

Section 1. The Agreement for Establishment and Operation of Maumelle River Wildlife Management Area (the "Agreement") presented to the Board of Commissioners, Central Arkansas Water, at this meeting is hereby approved and Graham Rich, as Chief Executive Officer of CAW, is authorized to execute such Agreement on behalf of CAW.

Section 2. Each or any of the Chair, Secretary, Chief Executive Officer or Chief Operating Officer is hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution and to 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: July 8, 2010

ATTEST:



Thomas Rimmer, Secretary

APPROVED:



Anthony Kendall, Chair

RESOLUTION 2010-16

VOID

RESOLUTION 2010-17

A RESOLUTION APPOINTING CARMEN SANDERS SIMPSON TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Ms. Francille Turbyfill, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), expired on June 30, 2010; and

WHEREAS, by law it is the duty of the remaining commissioners to nominate and appoint a commissioner when a vacancy occurs on the CAW Board, subject to confirmation by the City Council of the City of North Little Rock, Arkansas and the Board of Directors of the City of Little Rock, Arkansas.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT the remaining commissioners do hereby appoint Ms. Simpson to a seven-year term, subject to confirmation by the duly elected and qualified members of the City Council of the City of North Little Rock, Arkansas and the Board of Directors of the City of Little Rock, Arkansas, and that her term of office shall be through June 30, 2017.

BE IT FURTHER RESOLVED THAT the City Council of the City of North Little Rock and the Board of Directors of the City of Little Rock be requested to confirm this appointment.

CERTIFICATE

I, Thomas W. Rimmer, 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 a meeting held July 21, 2010.


Thomas W. Rimmer, Secretary

In Honor and Appreciation

Commissioner Francille Turbyfill

Resolution 2010-18

WHEREAS, Ms. Francille Turbyfill served on the Central Arkansas Water Board of Commissioners since the Board's formation in 2001 and prior to that time served with the Board of Commissioners for the North Little Rock Water Department, from 1996-2001; and

WHEREAS, during her tenure she provided exemplary vision and leadership for the Board and Central Arkansas Water; and

WHEREAS, Ms. Turbyfill was instrumental in the historic consolidation of the Little Rock and the North Little Rock water systems, taking a leadership role in executing the merger and fostering unprecedented support from elected officials and rate payers; and

WHEREAS, her extensive background in business and civic affairs has been integral to the Board in its public-policy decisions and governance of the water utility; and

WHEREAS, she also committed more than a decade to addressing and formulating sound public policy on the challenging issues of watershed management and future source to ensure the utility continues to meet the water supply needs of the 16 cities and communities that CAW serves; and

WHEREAS, the utility's world-class standing in water quality, affordability, service, and system integrity is directly attributable to her commitment to excellence; and

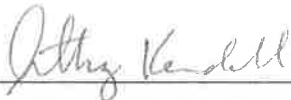
WHEREAS, Ms. Turbyfill has served for fourteen years, nine years on the Central Arkansas Water Board of Commissioners and five years on the North Little Rock Water Department Board of Commissioners, and retires with a legacy of distinction and accomplished leadership.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners, Central Arkansas Water, hereby does express sincere appreciation to Ms. Turbyfill for her distinguished service to CAW and its customers and honor her for her contributions to the Board and utility.

FURTHER, IT IS DIRECTED THAT a copy of this resolution be included in the official Minutes of the Board of Commissioners and a copy be presented to Ms. Turbyfill.

* * * * *

We, Adrienne Bradley, Jay Hartman, Anthony Kendall, Eddie Powell, Thomas W. Rimmer, Carmen Sanders Simpson, and Dr. Roby Robertson, as members of the Board of Commissioners, Central Arkansas Water, hereby do certify that the above and foregoing is a correct copy of the resolution adopted on this 12th day of August 2010.



Anthony Kendall, Chair



Adrienne Bradley, Vice Chair



Thomas W. Rimmer, Secretary



Jay Hartman, Commissioner



Eddie Powell, Commissioner



Dr. Roby Robertson, Commissioner



Carmen Sanders Simpson, Commissioner

RESOLUTION NO. 2010-19

**RESOLUTION APPROVING RELEASE OF OPTION TO PURCHASE
REAL ESTATE; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO
EXECUTE THE APPROPRIATE AGREEMENTS; AND PRESCRIBING
OTHER MATTERS RELATING THERETO**

WHEREAS, the Trust for Public Land ("TPL") contracted to purchase approximately nine hundred and fifteen (915) acres of land in Pulaski County commonly referred to as the Winrock Grass Farm (the "Grass Farm Property") and acquired an option to purchase an additional forty (40) acres of land between the Grass Farm Property and Higginbotham Road (the "Option Property"); and

WHEREAS, Central Arkansas Water ("CAW") leased the Grass Farm Property from TPL and, as part of that transaction, TPL assigned all of its rights to acquire the Option Property to CAW; and

WHEREAS, CAW purchased the Grass Farm Property from TPL; and

WHEREAS, Canterbury Park Limited Partnership ("Canterbury") desires to sell the Option Property as eight (8) separate five (5) acres parcels; and

WHEREAS, Canterbury desires that CAW release its option to acquire the Option Property; and

WHEREAS, CAW is willing to release its option to acquire the Option Property provided Canterbury agrees to certain conditions and restrictions on and relating to the Option Property as specifically set forth in the "Agreement for Termination of Option Agreement (for Remainder Lots) and Restrictive Covenant" and its Exhibits.

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

Section 1. The Chair of the Commission, Anthony Kendall, is hereby authorized and directed to execute the Agreement for Termination of Option Agreement (for Remainder Lots) and Restrictive Covenant, together with the Exhibits attached thereto, including specifically the Termination of Option Agreement (for Remainder Lots) and the Restrictive Covenant Agreement (collectively the "Agreements"), and the Agreements are hereby approved in the form submitted to this meeting.

Section 2. CAW's General Counsel, C. Tad Bohannon, is authorized to deliver the fully executed Agreements to the appropriate persons or entities, as needed, to assure that CAW's option to acquire the Option Property is released only if the Restrictive Covenant Agreement is recorded in a timely manner so the covenants contained therein become covenants that "run with the land."

Section 3. Each or any of the Chair, Chief Executive Officer, Chief Operating Officer and General Counsel are hereby authorized and directed to do any and all things necessary to effect the purpose of this Resolution and to take all other actions necessary or desirable in connection with the foregoing sections of this resolution.

Section 4. This Resolution shall be in effect upon its adoption and approval.

ADOPTED: September 9, 2010

ATTEST:



Thomas W. Rimmer, Secretary

APPROVED:




Anthony Kendall, Chair

CERTIFICATE

STATE OF ARKANSAS)
)
COUNTY OF PULASKI)

I, Thomas W. Rimmer, Secretary of Central Arkansas Water, do hereby certify that the foregoing is a true and correct copy of Resolution 2010-19 of the Resolutions of Central Arkansas Water, entitled: RESOLUTION APPROVING RELEASE OF OPTION TO PURCHASE REAL ESTATE; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE APPROPRIATE AGREEMENTS; AND PRESCRIBING OTHER MATTERS RELATING THERETO, adopted September 9, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand this 9th day of September 2010.



Thomas W. Rimmer, Secretary
Board of Commissioners, Central Arkansas Water

RESOLUTION 2010-20

RESOLUTION APPROVING AMENDMENTS TO THE CENTRAL ARKANSAS WATER EMPLOYEES SAVINGS PLAN AND THE CENTRAL ARKANSAS WATER SECTION 125 CAFETERIA PLAN TO REFLECT RECENT LAW CHANGES PURSUANT TO THE HEROES EARNINGS ASSISTANCE AND RELIEF TAX ACT OF 2008 AND THE PATIENT PROTECTION AND AFFORDABLE CARE ACT OF 2010

WHEREAS, Central Arkansas Water maintains the Central Arkansas Water Employees Savings Plan (the "Savings Plan") and the Central Arkansas Water Section 125 Cafeteria Plan (the "Cafeteria Plan") for the benefit of its employees; and

WHEREAS, Central Arkansas Water desires to amend the Savings Plan to adopt certain provisions enacted by the Heroes Earning Assistance and Relief Tax Act of 2008; and

WHEREAS, Central Arkansas Water desires to amend the Cafeteria Plan to comply with the required and optional provisions of the Heroes Earning Assistance and Relief Tax Act of 2008 ("HEART") and the Patient Protection and Affordable Care Act of 2010 ("PPACA").

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

1. Central Arkansas Water amends its Central Arkansas Water Employees Savings Plan effective January 1, 2010, for the purpose of adopting certain optional provisions of HEART which provide for certain benefits to be provided to Participants who die or become disabled while performing qualified military service and, in addition, to permit differential wage payments to be treated as Compensation for purposes of determining contributions and benefits under the terms of the Plan, all as set forth in the Amendment attached as Exhibit A hereto; and

2. Central Arkansas Water amends its Central Arkansas Water Section 125 Cafeteria Plan to permit certain distributions to be made to Participants called to qualified military service, effective January 1, 2010; to permit pre-tax contributions to be used to purchase group health plan coverage on behalf of an Employee's eligible dependent who has not attained age 27 as of the end of the Employee's taxable year, effective January 1, 2011; and to permit Participants who elect to participate in the Unreimbursed Medical/Dental Plan to submit claims for reimbursement of medical expenses for themselves, their spouse and their eligible dependents up to age 27, effective January 1, 2011.

3. The Chief Executive Officer and the Director of Human Resources are authorized and directed to execute all documents, instruments and certificates required or necessary to carry out the foregoing resolution and take all other actions necessary or desirable in connection with the foregoing resolution.

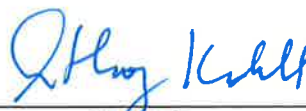
The foregoing resolutions have been duly adopted by the Board of Commissioners of Central Arkansas Water at a meeting of the Board of Commissioners of Central Arkansas Water held on October 14, 2010.

Attest:

APPROVED:



Thomas W. Rimmer
Secretary/Treasurer



Anthony Kendall
Chair

Exhibit A

CENTRAL ARKANSAS WATER EMPLOYEES SAVINGS PLAN

GOOD FAITH AMENDMENT PURSUANT TO THE THE HEROES EARNINGS ASSISTANCE AND RELIEF TAX ACT OF 2008

This Amendment is adopted by Central Arkansas Water (“Employer”) for the Central Arkansas Water Employees Savings Plan (the “Plan”). The Employer hereby amends and modifies the Plan to be generally effective as of January 1, 2010, unless otherwise noted, to adopt, in good faith, certain provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008 (“HEART”). The provisions of this Amendment are only intended to cover those optional provisions of HEART and shall not be deemed to override or supersede the good faith amendments which were previously incorporated to comply with the requirements of HEART.

SECTION 1. CONTRIBUTIONS ON DEATH OR DISABILITY

- 1.1 **Death or Disability.** For purposes of contributions and allocations under the terms of the Plan, any Participant who dies or becomes disabled while performing qualified military service (as defined in Code §414(u)) will be deemed to have resumed employment with the Employer in accordance with the Participant's reemployment rights under USERRA on the day preceding such death or Disability and will be deemed to have terminated employment on the actual date of death or Disability.
- 1.2 **Contributions Contingent on Employee Contributions.** With respect to Employer contributions that are contingent on the amount of a Participant's employee contribution made to the Plan (i.e., Employer Matching Contributions), a Participant who dies or becomes disabled while performing qualified military service shall be deemed to have made an employee contribution to the Plan during the first five years of qualified military service for purposes of determining the Employer contribution available to the Participant under Code §414(u)(8)(C). For this purpose, the Employer contribution, up to a maximum of five years, for the period of qualified military service will be determined based on the actual average employee contributions made by the Participant during the 12-month period prior to qualified military service or, if service with the Employer is less than 12 months, the average actual employee contributions for the actual length of continuous service with the Employer.
- 1.3 **Vesting.** For purposes of determining service for vesting under the terms of the Plan, any Participant who dies or becomes disabled while performing qualified military service will be deemed to have resumed employment with the Employer on the day preceding such death or Disability and will be deemed to have terminated employment on the actual date of death or Disability. Such vesting

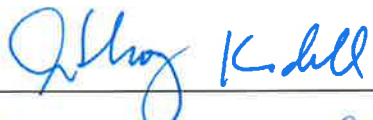
shall apply to all of the Participant's Accounts under the Plan and shall also apply to any Employer contribution that the Participant is entitled to receive pursuant to Section 1.1 or 1.2 above.

SECTION 2. DIFFERENTIAL WAGE PAYMENTS

- 2.1 **Differential Wage Payments.** Differential wage payments, as defined by Code §3401(h)(2), which are made by the Employer to Participants during a period of qualified military service will be treated as Compensation for purposes of contributions and benefits under the terms of the Plan.

Executed this 14th day of OCTOBER, 2010.

CENTRAL ARKANSAS WATER

By: 

Title: CHAIR, BOARD OF COMMISSIONERS

Resolution 2010- 21

Whereas, the Arkansas State Highway and Transportation Department (“AHTD”) is in the process of widening and reconfiguring the intersection at Financial Center Parkway and Shackelford Road (the “Highway Project”); and

Whereas, AHTD requires that Central Arkansas Water (“CAW”) relocate its 12-inch water line adjacent to Financial Center Parkway in order to complete the Highway Project; and

Whereas, CAW has negotiated acquisition of all but one of the necessary easements for relocation of its 12-inch water line; and

Whereas, CAW continues to negotiate with C2 Land, L.P. , the property owner, for acquisition of the final easement needed for the relocation project; and

Whereas, time is of the essence and CAW requires the authority to institute condemnation proceedings in the event CAW is unable to acquire the necessary easement from C2 Land, L.P. in a timely manner through the negotiation process.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Central Arkansas Water, that in the event Central Arkansas Water is unable to negotiate an exclusive easement for relocation of a 12-inch water main on property belonging to C2 Land, L.P. adjacent to Financial Center Parkway, C. Tad Bohannon, as outside general counsel for Central Arkansas Water, is hereby authorized to institute condemnation proceedings to acquire the easement by power of eminent domain.

Adopted: December 9, 2010



Thomas W. Rimmer, Secretary

RESOLUTION 2010-22

A RESOLUTION APPOINTING **MARIE-BERNARDE MILLER** TO THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, AND FOR OTHER PURPOSES

WHEREAS, the term of Ms. Adrienne Bradley, a member of the Board of Commissioners, Central Arkansas Water ("CAW Board"), ended on December 1, 2010 due to Ms. Bradley's resignation; and

WHEREAS, by law it is the duty of the remaining commissioners to nominate and appoint a commissioner when a vacancy occurs on the CAW Board, subject to confirmation by the Board of Directors of the City of Little Rock, Arkansas and the City Council of the City of North Little Rock, Arkansas.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, CENTRAL ARKANSAS WATER, THAT the remaining commissioners do hereby appoint **MARIE-BERNARDE MILLER** to serve the remainder of a seven-year term ending June 30, 2015, subject to confirmation by the duly elected and qualified members of the Board of Directors of the City of Little Rock, Arkansas and the City Council of the City of North Little Rock, Arkansas.

BE IT FURTHER RESOLVED THAT the Board of Directors of the City of Little Rock and the City Council of the City of North Little Rock be requested to confirm this appointment.

CERTIFICATE

I, Thomas W. Rimmer, 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 a meeting held December 15, 2010.



Thomas W. Rimmer, Secretary