

This proposal for dissolution of the Lake Forest Water Cooperative Association, Inc. is based on Article IX of the ByLaws of the Association. It will be offered as a motion to the membership for consideration at the membership meeting on February 24, 2025. Seventy five per cent or more of members in attendance must vote in favor to approve the motion. Only members in good standing can vote.

Whereas

The Lake Forest Water Cooperative Association has operated a water system which has supplied water to the Lake Forest Neighborhood since 1943;

The main water line of the Association is over 100 years old and needs replacement;

The operating equipment of the Association also needs replacement;

The costs of undertaking the replacement of the line and equipment will exceed the available assets of the Association;

It will not be feasible to obtain sufficient funds for said undertaking either by borrowing or by assessment from the membership;

In consequence of these considerations the residents of the Lake Forest Neighborhood face the prospect of a prolonged loss of household water in the absence of a replacement of the water system of the Association.

Now therefore

The membership of the Association resolves

To request that Madison Water Utility (MWU) undertake a project to provide water to the Lake Forest neighborhood and to replace the water system of the Association;

To agree that the cost of the project will be borne by the members of the Association and apportioned amongst them by means of a standard formula based on the property owned by each member;

To request that MWU make an application for a loan with a 30 year term in order to finance the project and lessen the financial impact thereof on the property owners of the neighborhood;

To dissolve the Association according to Article 9 of the Restated Articles of Incorporation of the Association and Article IX of the Bylaws of the Association and with the following provisions:

The water service of the Association shall be terminated, and preparations for dissolution of the Association shall be undertaken no later than six months after a curb box has been installed for each membership property within the project;

Until the process of dissolution is completed all service units of the Association and the memberships based thereon shall remain within the Association;

All properties belonging to the Association shall be sold, any debts and obligations shall be settled and the equipment of the Association shall be removed or secured at the expense of the Association according to the requirements of the Wisconsin Department of Natural Resources and other governing agencies;

After the final winding up of the affairs of the Association all remaining dollars amounts shall be distributed to each member of the Association in proportion to the interest in the assets of the Association pertaining to said member at the time of the winding up;

The interest pertaining to a service unit shall be calculated as the ratio of the water charge for said unit to the sum of charges for all service units in the Association. The interest pertaining to a member is the sum of the interests of the service units owned by said member;

If the service charge billed to a member is in arrears then the amount in arrears shall be deducted from the amount distributed to said member;

Any cash advances made to a member shall also be deducted; and

If for whatever reason funds remain after the distribution to members, all such funds shall be distributed to one or more non-profit organizations to be determined by the Board of the Association, in its sole discretion.