

## WATER SYSTEM BID BACKGROUND

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Between 2009 and 2011, the Association Board chartered a Financial Committee to recommend ways in which future community financial needs could best be addressed. One of the committee's considerations was the sale of assets, including the water system. Such a sale would provide revenue and would reduce future investment needs. Several commercial water companies were contacted and some evaluated the system but declined to bid. Aqua NJ New Jersey ("Aqua NJ") indicated a possible future interest. With no serious interest, the Financial Committee dropped the idea of a sale.

In 2012, Aqua NJ expressed interest and the Lakeshore Company pursued discussions with Aqua NJ and contacted six additional commercial water companies to determine their possible interest. As a result of this, two companies evaluated the water system and tendered bids. One was from Aqua NJ and the other was from the Middlesex Water Company. In January 2013, Middlesex withdrew its bid citing a shift in business strategy.