



# WHITE ROCK

*My City by the Sea!*

Water Utility Negotiations - Update  
September 18, 2017

# ACQUISITION

White Rock acquired the water utility on October 30, 2015.

White Rock made an advance payment of \$14 million.

# ACQUISITION

Agreement to negotiate a final price or accept a binding arbitrated settlement.

Arbitration is set for mid-October.

# ACQUISITION

White Rock and EPCOR have been in negotiations since exchange of valuations.

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# VALUATION (MILLIONS)

	Low	Mid	High
City	11.8	12.2	12.6
EPCOR	13.5	14.7	15.9

# VALUATION (MILLIONS)

	Mid
City	12.20
EPCOR	14.70
Average	13.45

# VALUATION (MILLIONS)

	Mid
Average	13.45
Offer from EPCOR	13.40

# VALUATION (MILLIONS)

Options:

1. Accept the offer (refund of \$600 K)
2. Reject the offer and counter
3. Proceed to arbitration



# VALUATION (MILLIONS)

Accept the offer (refund of \$600 K)

- Provides certainty
- Fair

# VALUATION (MILLIONS)

Proceed to arbitration

- Price is uncertain
- Advantage is that the final price was determined by independent means

# VALUATION (MILLIONS)

## Recommendation:

- Accept the offer (mutual release)
- Complete the deal and accept the \$600 K



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