



# Town of Apple Valley NEWS RELEASE

Town of Apple Valley **FOR IMMEDIATE RELEASE**

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## **Town of Apple Valley and City of Missoula forge collaboration**

Leaders of the City of Missoula, Montana and the Town of Apple Valley, met Monday in Missoula to discuss efforts to bring water service to citizens as municipal utilities owned by the public.

In Apple Valley, the Town's water system is owned and operated by Apple Valley Ranchos Water Company (AVRWC). In Missoula, it is Mountain Water Company (MWC). Both entities are owned by Park Water Company, which is owned by Western Water Holdings, LLC. In turn, Western Water Holdings is a wholly-owned indirect subsidiary of Carlyle Infrastructure Partners, a division of The Carlyle Group. According to a 2011 ranking called the PEI 300 based on capital raised over the last five years, Carlyle was ranked as the third largest private equity firm in the world.

In the face of continuing rate hikes and lack of local control over such an important resource, both communities are exploring options to acquire their respective water systems. They agreed Monday to share resources and collaborate in their efforts.

"Missoula and Apple Valley have a lot in common," Missoula Mayor John Engen said. "We have a belief that a community's water system should be under public ownership. We're disconcerted when we hear about proposed 35 percent increases in Apple Valley's water rates and bills higher than \$300 a month for residential service. We need to make sure this essential resource is treated with the respect it deserves and preserved in public ownership in perpetuity for the public."

Apple Valley officials who visited Missoula were Town Manager Frank Robinson, assistant town managers Marc Puckett and Dennis Cron and Town attorney John Brown.

"In light of the recent decision by Western Water Holdings, LLC, to accept offers to purchase its stock in Park Water, it makes sense to compare notes and possibly consider uniting resources in this effort," Town attorney Brown said.

Both Apple Valley and Missoula are committed to acquisition of their water utilities. Apple Valley's Town Council recently authorized the preparation of a Request for Proposals for appraisal services for appraisals of property including the Apple Valley Ranchos Water Company system and related entities. The City of Missoula has made offers to purchase Mountain Water and is now pursuing condemnation through the exercise of eminent domain, pending in District Court.

Leaders of the City and the Town hope to collaborate on continuing efforts to fairly value their municipal water systems and to strategize about ways to raise capital to fund acquisition of those systems. They also hope to reach out to the water customers in the three separate water systems in southeast Los Angeles County also served by Park Water Company.

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