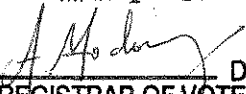


FILED

MAR 19 2014

BY  DEPUTY
REGISTRAR OF VOTERS

Argument in Favor of Measure E

Measure E authorizes the sale of the "Rimforest Water System" of the City of Big Bear Lake, Department of Water and Power ("DWP") to the Lake Arrowhead Community Services District ("LACSD").

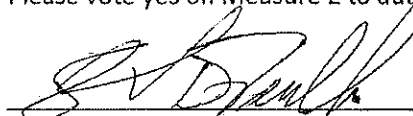
In June of 1989, the DWP acquired Southern California Water Company's Bear Valley Water System, which included not only their system within the Big Bear Valley, but also a small system outside the valley known as the Rimforest Water System. The Rimforest Water System provides water service to approximately 300 customers near Lake Arrowhead. The DWP did not want to operate the Rimforest System, but technicalities within the condemnation proceedings required us to take over this system in 1989.

Our Local Agency Formation Commission (LAFCO), the agency charged with overseeing government boundaries and services, has repeatedly encouraged the DWP and LACSD to negotiate a transfer of the Rimforest Water System because LACSD will be able to service the Rimforest customers more efficiently. Almost everyone agrees with this conclusion.

As part of the transfer LACSD has agreed to annually pay Rimforest's proportionate share of the remaining Bond and Loan, so the transfer will not financially impact DWP's customers here in Big Bear. LACSD has also agreed to maintain the DWP's water rate schedule for several years, so the transfer will not affect the Rimforest customer's bills through at least June 30, 2018.

The sale of the Rimforest Water System to LACSD would serve the interests of DWP's customers by eliminating the need to maintain and repair a water system that is 45 minutes away from DWP's office and is unnecessary for providing water service within the Big Bear Valley.

Please vote yes on Measure E to authorize the sale of the Rimforest Water System.



Stephen D. Foulkes

Chair, DWP Board of Commissioners

3/17/2014
Date

STATEMENT BY PROPONENTS/AUTHORS OF ARGUMENTS

Section 9600 of the Election Code requires that all arguments concerning measures shall be accompanied by the following form statement, to be signed by each proponent and by each author, if different, of the argument.

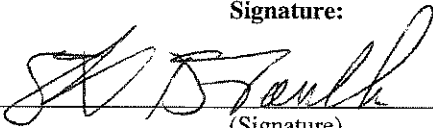
The undersigned proponent(s) or author(s) of the PRIMARY argument
IN FAVOR ballot proposition (measure) E (primary or rebuttal)
(in favor of or against) (letter) at the JUNE PRIMARY
(title of election)

election for the CITY of Big Bear Lake to be held on JUNE 3, 2014
(jurisdiction) (date of election)

hereby state that this argument is true and correct to the best of his
(his/her/their)

knowledge and belief.

Proponent's/Author's:

- | | Signature: | Date: |
|----|---|----------------------------|
| 1. | <u></u>
(Signature) | <u>3/19/2014</u>
(Date) |
| | <u>STEPHAN D. FOULKES</u>
(Print Name) | <u>CHAIR</u>
(Title) |
| 2. | _____
(Signature) | _____
(Date) |
| | _____
(Print Name) | _____
(Title) |
| 3. | _____
(Signature) | _____
(Date) |
| | _____
(Print Name) | _____
(Title) |
| 4. | _____
(Signature) | _____
(Date) |
| | _____
(Print Name) | _____
(Title) |
| 5. | _____
(Signature) | _____
(Date) |
| | _____
(Print Name) | _____
(Title) |