



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

January 11, 2011

Central Shoshone County Water District
409 Main St
Kellogg ID 83837-2699

RE: Notice of Change in Water Right Ownership
Water Right Nos. 94-2094, 94-2132, 94-2166, 94-4007 and 94-4008

Dear Water Right Holder:

The Department of Water Resources acknowledges receipt of the Notice of Change in Water Right Ownership (notice) you submitted for the water rights referenced above. Our review of your notice indicates that the water rights have been claimed in the Coeur d' Alene-Spokane River Basin Water System Adjudication (CSRBA) under your name.

I am returning your notice form and all documentation submitted since the ownership change has been accomplished through the CSRBA claims. The adjudicated rights will supercede the existing water right records when the adjudication is completed. The Department could not process the notice for the water rights because the required fees were never received. No further action regarding this returned notice will be taken.

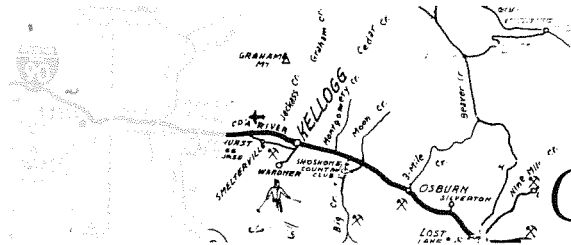
If you have any questions, please contact me at 208-287-4910.

Sincerely,

A handwritten signature in black ink that reads "Danni M. Smith". The signature is written in a cursive, flowing style.

Danni M. Smith
Technical Specialist 2

Enclosures



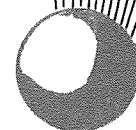
Central Shoshone County
WATER District

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MAY 05 2005
DEPARTMENT OF
WATER RESOURCES

From Snowflakes to Pure Water...via...Dependable Distribution Systems 409 Main Street, Kellogg, Idaho 83837-2699

Basin 94

5/3/05



KARI LYNN,

HERE IS AFFIDAVIT BOB HAYNES
TOLD FORMER MANAGER MAC POOLER TO
WRITE REGARDING OWNERSHIP FROM KELLOGG
POWER AND WATER AND IDAHO WATER.

ALSO SALE'S DATES FROM IDAHO WATER
TO CENTRAL SHOSHONE WATER DISTRICT.

I HOPE THIS IS WHAT YOU NEED.
CALL WITH ANY QUESTION'S

Barney Navis

MANAGER

*From Snowflakes to
Pure Water...via...Dependable
Distribution Systems*



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MAY 05 2005

DEPARTMENT OF WATER RESOURCES
409 Main Street
Kellogg, Idaho 83837
(208) 786-9141
(208) 784-5151 Fax

April 29, 2005

Mr Robert Haynes
State of Idaho
Department of Water Resources
1910 Northwest Blvd.
Coeur d'Alene, Idaho

Mac Pooler
C.S.C. Water Co
409 Main St
Kellogg, Idaho 83837

Dear Robert;

The following is an affidavit by me concerning water rights that Central Shoshone County Water District currently holds on the following:

- A. South and West Fork of Big Creek
- B. McFarren and Shields Gulch-Osburn

I have researched all the files that I had in the Water District Office, I retired from the District June of 2004 but they currently employ me as their consultant.

I worked for Idaho Water Company from 1966 to 1974 when Central Shoshone County Water District bought out Idaho Water Company. I served as Manager for the District from 1974 to 2004.

The District has asked me to do a historical search for ownership of water rights on the above mentioned locations, I have included documents that state Kellogg Power and Water Company held the original water rights, and then Idaho Water Company bought out Kellogg Power and Water Company. I could not find documents stating when the actual buy out was done between Kellogg Power and Water Company to Idaho Water Company.

I contacted Mr Jack Jacobs who lives here in Kellogg and he stated he went to work for Idaho Water Company in 1954 to 1968, and attached Document A refers to a franchise with the City of Kellogg dated September 3, 1915 for 35 years to September 3, 1950. Document B dated 1959 on the second page at the top references water filing Idaho Water Company-formerly Kellogg Power and Water Company.

The conclusion on the question of Kellogg Power and Water Company transferring water rights to Idaho Water Company time frames is as follows:

1. Document A gives history of Kellogg Power and Water Company 1915 to 1950.
2. Verification by Mr Jack Jacobs who went to work for the then owner Idaho Water Company in 1954.
3. My conclusion is Idaho Water Company took over from Kellogg Power and Water Company when the Franchise expired with the City of Kellogg in 1950. Idaho Water Company operated the water rights from 1950 to 1974.

If I can be of further assistance in this matter please contact me at 208-786-9141.

Sincerely,

A handwritten signature in cursive script that reads "Mac Pooler".

Mac Pooler,
Consultant

DEV

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MAY 05 2005
DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided, if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
94-2094					
94-2132					
94-2166					

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or SURVEY MAP clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) are for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the PLAT OF PROPERTY or SURVEY MAP.

3. Name and Address of Former Owner/Claimant(s)

United Water Idaho (Formerly Kellogg Power Water)

4. New Owner/Claimant(s)

CENTRAL SHOSHONE COUNTY WATER DISTRICT

Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

New Mailing Address

409 MAIN ST

City, State and ZIP Code

KELOGG IDAHO 83837

New Telephone Number

(208) 786-9141

5. Date you acquired the property

12/27/74

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT
(If the right(s) will not be split, skip this area and proceed to item 7)

Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	

DESCRIPTION OF YOUR PORTION OF WATER RIGHT
(If the right(s) will not be split, skip this area and proceed to item 7)

Water Right and/or Adjudication Claim Number _____		
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Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	

7. Signature of New Owner(s) or Claimant(s) _____
(include title if applicable)

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee _____
Received by _____	Date _____	Receipt No. _____
Processed by _____	AJ Date _____	WR _____ Date _____

RECEIVED
MAY 05 2005
DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
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WR 94-4007					
WR 94-4008					

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3. Name and Address of Former Owner/Claimant(s)

United Water Idaho

4. New Owner/Claimant(s)

CENTRAL SHOSHONE COUNTY WATER DIST.

Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

New Mailing Address

409 MAIN ST.

City, State and ZIP Code

KELOGG IDAHO 83837

New Telephone Number

(208) 786-9141

5. Date you acquired the property

12/27/74

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Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

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Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s) _____
(include title if applicable) _____

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____ Date _____ Fee _____
 Receipted by _____ Date _____ Receipt No. _____
 Processed by _____ AJ Date _____ WR _____ Date _____

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MAY 05 2005

DEPARTMENT OF
WATER RESOURCES

SPOONER & MERRILL, INC.

CONSULTING ENGINEERS
111 West Monroe St.

CHICAGO, ILLINOIS

September 12, 1940

American States Public Service Co.,
100 West Monroe Street,
Chicago, Illinois.

Gentlemen:

Pursuant to your request we have examined the properties of the Kellogg Power & Water Company of Kellogg, Idaho. inventoried as of date of September 1928.

The Kellogg Power and Water Company was organized in July 1900 to serve water to the City of Kellogg, Idaho, also the Town of Wardner, Idaho.

Kellogg is a thriving business and trade center, located in one of the rich mining districts of Northern Idaho, and is located 75 miles east of Spokane, Wash. The principal mining interests are the Bunker Hill and Sullivan Mining Company, The Sullivan Mining Company, and the Sidney Mining Company.

The Company has had a steady growth since the date of organization and now serves a population of approximately 8,000 with a total of 915 customers.

The resulting inventory as of September 1928 has been priced, using present day costs for material and labor. The value for these properties are as follows:

	COST	OF REPRODUCTION
	<u>New</u>	<u>Less Depreciation</u>
PHYSICAL PROPERTY	\$306,090.	\$277,900.
WORKING CAPITAL	5,000.	5,000.
WATER RIGHTS	25,000.	25,000.
GOING CONCERN VALUE	<u>25,000.</u>	<u>25,000.</u>
	\$361,090.	\$332,900.

KELLOGG POWER AND WATER COMPANY
Kellogg, Idaho.

HISTORY

The company was organized in 1900 to furnish water service to the City of Kellogg, Idaho. A water right was obtained from a stream called Silver Creek located immediately South of Kellogg within the Town site of Wardner, this was used until 1915 when, since the supply was insufficient to meet the demands, a well was sunk. This well proved inadequate and was abandoned. It was then decided to obtain water from Big Creek which empties into the South Fork of the Coeur-d'Alene River in section 3 township 38 north, range 3 east of the Boise Meridian.

The site on Big Creek was developed and supplied the needs until 1927 at which time the lines were extended further up the creek to obtain sufficient additional water to fill the increasing demand for some years to come.

GENERAL DESCRIPTION OF PROPERTY

The Kellogg Power & Water Company's system is a gravity system. There is a concrete diversion dam and intake at the Big Creek head works where the water is conducted thru several sets of screens into the transmission main and thence to Kellogg thru a Chlorinator installed in 1922 to improve the sanitary quality of the water. The water is of excellent quality and a State analysis taken just previous to this report shows no contamination and that no filtration or treatment is needed.

The transmission main is 7 1/2 miles long and is wire wound woodstave pipe laid on private right-of-way. The distribution mains are wire wound wood stave, standard steel Matheson joint black and galvanized iron pipe. The services are galvanized iron pipe with lead gooseneck connection.

FRANCHISE

The company operates under a franchise from the City of Kellogg dated September 3, 1915 and extending 35 years to September 3, 1950. There are no burdensome provisions and the franchise does not regulate rates.

Our values do not include such intangible values as preliminary costs, costs of financing or promotional expense. Descriptions of the property, together with historical data and a detailed appraisal are presented herewith.

Respectfully submitted,

SPOONER & MERRIL, INC.

By. CHAS. W. SPOONER

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DEPARTMENT OF
WATER RESOURCES

January 12, 1939

P. O. Box 548
Boise, Idaho

E. F. Burwell, Manager
Idaho Water Company
P. O. Box 636
Kellogg, Idaho

Dear Benny:

This will acknowledge your letter of January 7. Thanks for the information on Osburn.

Concerning the water rights on Big Creek, I do not believe the engineer at Sunshine Mining Company are fully informed as to the water rights. Listed below, for your information, is the complete information on the water rights of Big Creek as recorded in the State Reclamation Engineer's office.

Big Creek

<u>Priority</u>	<u>Holder Of Permit</u>	<u>Date of Priority</u>	<u>Quantity</u>
1.	Kellogg Power & Water Company	April 13, 1915	5.0 Sec.Ft.
2.	Sunshine Mining Company	Dec. 9, 1920	2.0 " "
3.	Kellogg Power & Water Company	Apr. 22, 1925	2.75 " "
4.	Kellogg Power & Water Company	Nov. 6, 1931	1.0 " "
5.	Sunshine Mining Company	Jan. 8, 1933	5.0 " "

In addition to the above five licenses on Big Creek, there is a license issued on the West Fork of Big Creek to Mike Alaska on March 2, 1926 for 0.5 Sec. Ft. Also Shoshone Country Club filed in 1925 for 1.0 Sec. Ft. and in 1927 for 0.5 Sec. Ft., but they never received a license. It is probable that they would have to go to court to prove their beneficial use since that time and to establish their priority. A second foot of water is 443.83 gpm. Hence by order of priority, we would have the first 2244 gpm, Sunshine Mining Company the next 897.6 gpm, we would have the next 1683.11 gpm and Sunshine would have the next 2244.15 gpm. I don't know what quantities of water Sunshine are talking about but it is probable that they are using more than 900 gpm with their plant in full operation. Howard's calculations last year indicated that we were using approximately 2,500 gpm. On that basis they would have no complaint unless there were less than approximately 6 1/2 Sec. Ft. of water available in Big Creek. This appears doubtful to me and I think they would have a difficult time to prove otherwise. Howard should keep these figures available for our own comfort.

Very truly yours,

Walter H. Smith

WHS:h

WATER FILINGS(Idaho Water Company - formerly Kellogg Power
and Water Company)

<u>SOUTH FORK</u>	<u>COEUR d'ALENE RIVER</u>	<u>BIG CREEK</u>	
<u>LICENSE</u>	<u>APPROPRIATOR</u>	<u>CU. FT.</u>	<u>PRIORITY</u>
I { 1964 } { 11212 }	K. P. & W. Co.	5.0	4-13-15
II { 3155 } { 15030 }	Sunshine M. Co.	2.0	12-9-20
III { 3541 } { 16245 }	K. P. & W. Co.	2.75	4-22-25
IV { 4538 } { 17623 }	K. P. & W. Co. (20 cfs applied for)	1.00	11-6-31
V { 3952 } { 18061 }	W. M. Yeaman Conveyed 1-29-38 Sunshine Min. Co.	5.00	1-8-35

<u>WEST FORK</u>	<u>BIG CREEK</u>	<u>COEUR D'ALENE RIVER</u>
K. P. & W. Co.	none	
Others	none	

<u>EAST FORK</u>	<u>BIG CREEK</u>	<u>COEUR D'ALENE RIVER</u>
I { 3493 } { 14972 }	D.+ Hattie Blake	0.5 3-2-26
	K. P. & W. Co.	none
	Others	none

MISCELLANEOUS
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MAY 05 2005

DEPARTMENT OF
WATER RESOURCES

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, That on this 27 day
of December, 1974, IDAHO WATER COMPANY, an Idaho corporation
organized under the laws of the State of Idaho, with its
principal place of business at Boise, Idaho, Seller, in lieu
of the exercise by Buyer of its right of eminent domain over
Seller's property and business, does by these presents Grant,
Bargain, Sell and Convey, unto the CENTRAL SHOSHONE COUNTY
WATER DISTRICT, a corporation organized and existing under the
laws of the State of Idaho, Buyer, its successors and assigns,
the following described personal property and facilities, to-wit:

The entire water transmission and distribution system
in Shoshone County, State of Idaho, owned and operated
by Seller, including all water mains and water lines,
services, meters, meter boxes, vaults, valves, pumps,
machinery, equipment, inventory, small tools, trucks,
supplies, customer lists, books, records, maps, surveys,
franchises, licenses, permits, water rights, accounts
receivable, unbilled water revenue and physical assets
used or held for use by Seller in the County of Shoshone,
in the operation of Seller's Kellogg-Osburn Division.

TO HAVE AND TO HOLD the same to the said party of the
second part, its successors and assigns, forever.

IN WITNESS WHEREOF, the said party of the first part here-
unto sets its hand and seal the day and year first above written.

IDAHO WATER COMPANY

BY John F. [Signature]

ATTEST:

STATE OF IDAHO)
County of (Shoshone)) SS.

On this 27th day of December, 1974, before me, a Notary Public in and for said State, personally appeared James R. Masotta and Peter K. Kiser, known to me to be the Vice President and Vice President - Genl. Secy, respectively, of the corporation that executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Thomas J. Dwyer
Notary Public for Idaho,
Residing at:

Grantee's Mailing Address:
Central Shoshone County Water Dist.
Box 367
Kellogg, Idaho 83837

RECORDED
at the request of

William F. Boyd
in

Miscellaneous
Return to:

William F. Boyd

254862

BROWN, PEACOCK, KEANE & BOYD
ATTORNEYS AT LAW
311 MAIN STREET
KELLOGG, IDAHO 83837

ROBERT E. BROWN
JOHN J. PEACOCK
JAMES P. KEANE
WILLIAM F. BOYD

RECEIVED

MAY 05 2005

DEPARTMENT OF
WATER RESOURCES
TELEPHONE 359
AREA CODE 208
784-1105

August 1, 1974

Mr. Bernard Goodson
318 Maple
Kellogg, Idaho 83837

Robert L. Svingen
234 E. Cameron Avenue
Kellogg, Idaho 83837

Mr. Stanley Huff
204 W. Oak
Osburn, Idaho 83849

Mr. Lewis Lavigne
Sunshine Star Route
Kellogg, Idaho 83837

Darrell I. Peterson
106 W. Mission
Kellogg, Idaho 83837

Gentlemen:

Enclosed herewith is a photocopy of the final executed agreement between the water district and Idaho Water Company. There were some minor changes made in this draft from the last one I sent to you. By copy of this letter I am forwarding to Bob Svingen one executed copy for your files, and I am retaining in my files the other executed copy.

Very truly yours,



WILLIAM F. BOYD

WFB:jd
Enc.

AGREEMENT OF SALE

Agreement made this 22nd day of July, 1974, by and between the IDAHO WATER COMPANY, a corporation organized and existing under the laws of the State of Idaho, (hereinafter called the "Seller") and CENTRAL SHOSHONE COUNTY WATER DISTRICT, a corporation organized and existing under the laws of the State of Idaho, (hereinafter called the "Buyer").

WHEREAS, Seller has agreed, in lieu of the exercise by Buyer of its right of eminent domain over Seller's property and business, to sell and Buyer to purchase the Water Company Property, as such term is identified hereinafter, of Seller.

NOW, THEREFORE, Seller and Buyer, each intending to be legally bound hereby, covenant and agree as follows:

A. Property to be Sold and to be Purchased

1.1 Upon the terms and conditions stated hereinafter, Seller agrees to sell and Buyer agrees to purchase all right, title and interest of Seller in the following property (identified collectively herein as the "Water Company Property"):

(a) All right, title and interest of the Seller in each and every lot and parcel of real property owned by the Seller in the County of Shoshone, State of Idaho, together with all structures and improvements constructed thereon including without limitation inlets, outlets, storage sheds, tanks, standpipes and appurtenances thereto, wells, springs, water rights, private rights-of-way and other interests in realty (such property being referred to herein as the "Real Property"); and (b) All water mains and water lines, services, meters, meter boxes, vaults, valves,

pumps, machinery, equipment, inventory, small tools, trucks, supplies, customer lists, books, records, maps, surveys, franchises, licenses, permits, water allocations, water diversion rights, accounts receivable; unbilled water revenue and physical assets used or held for use by Seller in the County of Shoshone, State of Idaho, in connection with the operation of what is and has been denominated by the Seller as its Kellogg-Osburn Division, but expressly excluding from the property to be sold hereunder, and from the term "Personal Property," all Seller's cash, bank accounts, securities and intangible property rights and interests other than those specifically described before as property interests to be sold (such property to be sold being referred to herein as the "Personal Property"); and

(c) Any real and personal property constituting a capital addition or betterment constructed, purchased or otherwise added to the Seller's property described in subparagraphs (a) and (b) of this paragraph, between the date hereof and the Closing Date.

B. Representations by Seller

Seller makes the following representations, and Seller and Buyer agree that, if any material inaccuracy in any representation is ascertained by the Buyer prior to the Closing, such inaccuracy shall justify only the Buyer's election to terminate this Agreement prior to the Closing thereby terminating all rights, duties and obligations of Buyer and Seller. Buyer and Seller agree that any inaccuracy in any representation shall not be the basis of any claim, right of action or suit for damages or loss against Seller or an officer or representative of Seller, that no representation

or warranty shall survive the Closing and that there is no implied representation or warranty.

2.1 Seller will deliver at the Closing title to the Water Company Property free and clear of all liens and encumbrances except restrictions and easements of record or visible on the ground.

2.2 Seller is, and will be on the Closing Date, a duly organized and validly existing corporation in good standing under laws of the State of Idaho and has corporate power and authority to sell and dispose of the Water Company Property as provided in this Agreement.

2.3 There is now pending no litigation, proceeding or controversy, to which Seller is a party or of which Seller has knowledge, before any court, regulatory agency or other authority with respect to: (a) The Water Company Property, (b) Seller's right to operate the Water Company Property, (c) Seller's right to make this Agreement, or (d) the rates charged by Seller. To the best of Seller's knowledge, no such litigation, proceeding or controversy is threatened or contemplated.

2.4 Seller has filed all tax returns required by law and has paid all taxes due. Seller has not received any notice of a proposed assessment of a tax.

2.5 Seller has not been advised of any default under any law, regulation, ordinance or contract and knows of none.

C. Purchase Price

3.1 Buyer shall pay to Seller, for the Water Company Property, an amount determined as follows:

(a) For the Real Property and the Personal Property an amount of \$1,350,000.00, plus

(1) An additional amount equal to 90% of the total of the accounts receivable of Seller, representing

amounts due from customers as of the Closing Date;
and (2) An additional amount equal to 90% of the amount determined by multiplying the total billing by Seller for monthly period in the preceding year, which corresponds to the monthly period in which the Closing is held, by the percentage that the number of elapsed days in the monthly billing period in which the Closing is held is to the total number of days in such period, and
(3) The cost of any additions and betterments to the Seller's property and business between the date hereof and the Closing Date as described in paragraph marked 1.1(c) hereof.

D. Closing and Closing Date

4.1 The Closing hereunder shall be held at a place and time to be designated by Seller and Buyer on or before January 1, 1975, (the "Closing Date").

4.2 At the Closing, Buyer shall deliver to Seller:

- (a) Cash or certified check(s) in the amount of the purchase price set forth in Section 3.1 above;
- (b) A certified copy of all statutes, laws, ordinances, articles of incorporation, resolutions and other authorities creating the Buyer and/or adopted by it which authorize and empower the consummation of the transaction provided for herein and which comply with all the provisions of the laws of the State of Idaho;
- (c) An opinion of Counsel for the Buyer stating that Buyer is a duly organized and existing Water District under the

provisions of the laws of the State of Idaho; that (2) Buyer has all necessary and required statutory and other legal authority and power to enter into and complete the transactions herein provided for; and (3) that Buyer has taken all action required for Buyer to acquire all right, title and interest of Seller in the Water Company Property;

(d) A certificate of the Corporate Secretary of the Buyer or its Attorney that there is no litigation pending or threatened which would affect Buyer's purchase of all right, title and interest of Seller in the Water Company Property.

4.3 At the Closing, Seller shall deliver to Buyer:

(a) A deed or deeds equivalent to the deeds into Seller for the same property with covenants against Seller's acts conveying to Buyer the real property with any required Idaho realty transfer tax stamps affixed thereto; any local realty transfer tax shall be paid by Buyer;

(b) A bill of sale and other documents transferring to Buyer all right, title and interest of Seller in and to the Personal Property;

(c) A certified copy of all resolutions adopted by Seller's stockholders and Board of Directors authorizing the transactions provided by this Agreement;

(d) An opinion of Kenneth G. Bergquist, Esquire, attorney, P. O. Box 1775, Boise, Idaho, stating that:

1. Seller is a duly organized and validly existing corporation in good standing under the laws of the State of Idaho; and
2. Seller has taken all corporate action necessary

to transfer all right, title and interest of Seller in
the Water Company Property; and

(e) A certificate of Seller's President or Vice President
stating that there is no litigation or other proceeding pending
or threatened of the type described in Section 2.3, above.

E. Conditions

The obligation of Buyer to complete the purchase hereunder is
subject to fulfillment of the following conditions on or before the Closing
(in addition to those expressed elsewhere herein):

5.1 That the purchase herein contemplated has been referred
to the electorate and such referendum duly approved. The Buyer shall
undertake, as promptly as possible, to conduct such referendum.

5.2 Prior to the Closing, Seller shall have operated the Water
Company Property in the usual manner, shall have maintained its books
and records in the usual manner, shall not have permitted any liens
or encumbrances against the Water Company Property other than those
described in Section 2.1, above, and shall not have disposed of the Water
Company Property or any part thereof other than in the usual course
of business.

5.3 Between the date hereof and the Closing, there shall have
been no material and adverse change in the condition of the Water Company
Property.

5.4 Buyer and Seller will exercise their best efforts to cause
the respective conditions mentioned in Sections 5.1, 5.2 and 5.3 to be
performed. If, despite such efforts, the condition in Section 5.1 is not
performed by the Closing Date, this Agreement shall be terminated and
if the conditions in Section 5.2 or 5.3 are not performed by the Closing
Date, this Agreement may be terminated. In the event of termination

as permitted in this Section 5.4, neither party hereto shall have any further obligation hereunder and neither party shall be liable for any damage or loss claimed by the other party.

F. Miscellaneous

6.1 The Buyer and Seller shall mutually assume, indemnify and hold each other harmless against any and all claims or liabilities arising from ownership and operation of the Water Company Property, the ^{Buyer's} attributable to the period after the Closing, and ^{the Seller's} before the Closing, respectively, or based upon any contract, obligation or liability specifically assumed, in writing, by either.

6.2 Buyer shall have the right to examine and inspect, during normal business hours prior to the Closing, the Water Company Property and all books, records and documents of Seller which relate thereto, and Seller shall deliver to Buyer, at the Closing, all books, records and documents related to the Water Company Property.

6.3 Subsequent to Closing, Seller shall execute and deliver such additional documents as Buyer reasonably may request in order to perfect Buyer's title to the Water Company Property or to carry out the purposes of this Agreement.

6.4 Any notice to be given hereunder shall be in writing and shall be sent by certified mail to Buyer's attorney, William F. Boyd, Esquire, at Brown, Peacock, Keane & Boyd, Esquires, 311 Main Street, Kellogg, Idaho 83837; and to Seller addressed to General Waterworks Corporation, 1500 Walnut Street, Philadelphia, Pennsylvania 19102, with a copy thereof sent to Kenneth G. Bergquist, Esquire, Post Office Box 1775, Boise, Idaho 83701.

6.5 This agreement shall be construed and enforced in accordance with the laws of Idaho, shall not be assigned by either party hereto

and may be amended only by a writing signed by both parties hereto.

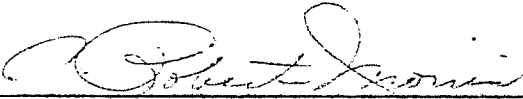
6.6 This Agreement shall not be construed to nor shall it create any right in favor of anyone except the parties hereto.

6.7 Consummation of the transaction at the Closing shall constitute a full release of each party to the other and to its officers and representatives and shall terminate any and all liability of Seller and its officers and representatives based upon any covenant or promise contained in or connected with this Agreement.

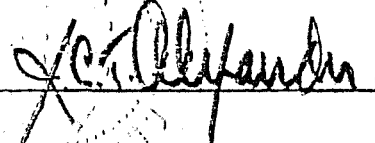
6.8 Real estate taxes, if any, shall be charged to Buyer and Seller, pro rata, at Closing.

IN WITNESS WHEREOF, Seller has caused this Agreement to be executed by its President or Vice President and its corporate seal to be hereunto affixed and attested by its Secretary, and Buyer has caused this Agreement to be executed by its President and Treasurer all as of the date first written above.

IDAHO WATER COMPANY

By 

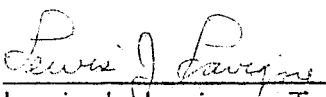
ATTEST:



CENTRAL SHOSHONE COUNTY WATER DISTRICT

By 
Darrell Petersen, President

ATTEST:


Lewis J. Lavigne, Treasurer

STATE OF PENNSYLVANIA)
: ss.
(COUNTY OF PHILADELPHIA)

On this 22d day of July, 1974, before me, a Notary Public in and for the State of Pennsylvania, personally appeared C. Robert Morris and J. C. T. Alexander known to be the Senior Vice President and Secretary respectively of the corporation that executed this instrument or the persons who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Evelyn H. Werner
Notary Public for Pennsylvania
Residing at: Philadelphia, Pa

EVELYN H. WERNER
Notary Public, Philadelphia, Philadelphia Co.
My Commission Expires January 2, 1978

STATE OF IDAHO)
) ss.
County of Shoshone)

On this 9th day of July, 1974, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared DARRELL PETERSEN and LEWIS J. LAVIGNE, known to me to be the President and Treasurer, respectively, of the CENTRAL SHOSHONE COUNTY WATER DISTRICT, the corporation that executed this instrument or the persons who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

William H. Boyd
Notary Public for the State of Idaho
Residing at Kellogg, Idaho