

DUPLICATE ORIGINALAGREEMENT

THIS AGREEMENT, made and entered into in triplicate this \_\_\_\_\_ day of \_\_\_\_\_, 1956, by and between William N. Taylor, on the one hand, and Antelope Mutual Water Company, a California mutual water company, on the other hand,

W I T N E S S E T H :

THAT WHEREAS, William N. Taylor is the president of Taylor Mutual Water Co., a small mutual company serving a few consumers in an area southwest of Lancaster, Los Angeles County, California, which mutual has a good water well capable of supplying water well in excess of that now supplied to its consumers; and

WHEREAS, Antelope Mutual Water Company now has shareholders and other water consumers requiring water at times in excess of that supplied from its own water sources and is faced with the proposition of either having to drastically increase its rates, or levy assessments, or both, in order to render its facilities adequate;

AND WHEREAS, said William N. Taylor is contemplating forming a public utility water company which, in exchange for the gifts of the respective water systems of the Taylor Mutual Water Co., the Antelope Mutual Water Company, and possibly other mutual water companies in the area, would provide a unified public utility water service to the consumers of such mutuels provided that the necessary approval can be obtained from all of the mutuels concerned and from the Public Utilities Commission of the state of California;

NOW, THEREFORE, in consideration of the premises and of the covenants hereinafter contained, it is hereby mutually agreed as follows:

1. William N. Taylor agrees that immediately upon obtaining the consent to the plan from the shareholders and consumers

of the Taylor Mutual Water Co. and the Antelope Mutual Water Company, he will commence the formation of a corporation or other organization designed for public utility water service, and will apply to the Public Utilities Commission of the state of California for approval of the contemplated plan, and for a proper authorization to render public utility service to the present consumers of said mutual water companies and possibly others which may adopt the plan, and for any other necessary authorities including construction involved in making a unified water system out of the separate systems now supplied by the mutual companies concerned, service to be rendered at rates consistent insofar as possible with those now charged in the mutual water companies' areas, such rates to be approved by the Commission until such time as meters could be installed, at which time metered rates would apply.

2. Immediately upon appropriate authorization from said Commission, and as soon as the necessary construction could thereafter be done, the public utility would commence service as a public utility water company and would, upon a Commission approval of the plan, assume all current obligations of the Antelope Mutual Water Company.

o. K. 3. Immediately upon appropriate authorization by said Commission, Antelope Mutual Water Company, pursuant to proper authorization by its Board of Directors and shareholders given prior to the execution of this Agreement, agrees that by action of its Board of Directors it will, by appropriate deeds and bill of sale, transfer to the public utility without compensation all of its real and personal property, with the exception of any cash on hand, which would be retained by it, such real and personal property to be available thenceforth to the public utility company for use in its operations.

4. Immediately upon the execution of this Agreement, pursuant to proper authorization theretofore had from both Antelope Mutual Water Company and Taylor Mutual Water Co., William N. Taylor agrees to construct a pipe line at his own expense from the existing facilities of the Taylor Mutual Water Co. to a point within the service area of the Antelope Mutual Water Company so as to provide standby water service available to the consumers of the latter company, pending the action of the Public Utilities Commission upon the application hereinabove referred to.

5. William N. Taylor also agrees, immediately upon the execution of this Agreement after proper authorizations by the mutuels concerned, to supply a motor and panel box for the well now operated by the Antelope Mutual Water Company, to be installed by the latter Company, and Antelope Mutual Water Company hereby agrees to pay him therefor immediately upon presentment of an appropriate statement or bill if public utility service is not authorized by said Commission.

6. In the event that said Commission should deny the application for public utility service according to the plan hereinabove briefly referred to, in whole or in substantial part, Antelope Mutual Water Company agrees to immediately reimburse William N. Taylor the cost of labor and materials to him for such portion of the standby water service pipe line hereinabove referred to as shall be constructed upon or within the service area of the Antelope Mutual Water Company, and such standby service shall be blocked and discontinued.

b.k 7. Antelope Mutual Water Company and its shareholders and consumers hereby agree to endorse and support the application to said Commission of said public utility water company insofar as it pertains to service to the consumers of Antelope Mutual

Water Company and otherwise, including furnishing testimony in support of such application if requested by the said William N. Taylor so to do.

8. The undersigned officers of Antelope Mutual Water Company hereby warrant to William N. Taylor by their signatures to this Agreement that they have been duly authorized by the Board of Directors of Antelope Mutual Water Company, and by the shareholders therein, to enter into this Agreement in behalf of said company, and that the Board of Directors of said company have been duly authorized to transfer the real and personal property of the company and its shareholders and consumers to the public utility company immediately upon the obtaining of appropriate authorization from said Commission and any other required authorizations.

In Witness Whereof, this Agreement has been executed the day and year first herein written.

William N. Taylor  
WILLIAM N. TAYLOR

ANTELOPE MUTUAL WATER COMPANY

By Blair W. Taylor  
BLAIR W. TAYLOR, President

Kathleen Hershberger  
KATHLEEN HERSHBERGER, Secretary

ATTEST:

(Corporate Seal)