

PRESS RELEASE

Eagle City • 660 E. Civic Lane • Eagle, ID 83616

February 27, 2019

Contact: City Clerks Phone: (208) 939-6813



RE: CITY'S RESPONSE TO LAWSUIT AGAINST EAGLE WATER COMPANY

The City filed a lawsuit today against Eagle Water Company to preserve the right of our citizens to vote on whether to acquire Eagle Water's system and water rights.

In 2008, Eagle Water contractually agreed that the City would have a Right of First Refusal to buy Eagle Water if Eagle Water received an offer from a third party. Specifically, Eagle Water was required to give the City notice of the amount and details of the offer. The City has 30 days to give notice back that it intends to match the offer.

The City must then schedule a bond election as soon as practicable thereafter to fund part or all of the purchase.

The City believes Eagle Water received an offer that triggered the Right of First Refusal. But Eagle Water did not give the City the required Notice and opportunity to purchase. In fact, the City still does not know the amount of the offer Eagle Water received from a company called H2O Solutions.

The purpose of the lawsuit is to enforce the City's contract rights.

The complaint the City filed will be posted on the City's website. It sets out the City's position in detail. Of course, whether the City wins or not will be up to the courts. We believe our citizens expect the City to pursue its rights and we have done that.

We believe it is in the City's best interests to have local control of our water, the services provided, and on a non-profit basis.

We will keep you updated through postings on the website. Now that this issue is in the courts, our lawyers have asked us not to say more than this and to refer you to the complaint that will be posted.

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