



## **CITY OF WASHINGTON, ILLINOIS**

### **Committee of the Whole Agenda Communication**

**Meeting Date:** 07-11-2022

**Prepared By:** Dennis Carr – City Engineer

**Agenda Item:** Illinois American Water – Bulk Water Sale

**Explanation:** Illinois American Water Company (ILAWC) is responsible for providing water to 432 City of Washington Resident Accounts in the Washington Estates Area. Their system has a well, a treatment plant, and a water tower that serve this area. Their system is also currently isolated from any other water source. This isolation raises concerns for IAWC as there is no emergency plan in place for if something were to happen to a well or the plant.

In a meeting last year, staff brought forward an emergency interconnect with IAWC that council was in favor of. While the initial talks stemmed around an emergency connection, talks continued regarding a future bulk sale of water to IAWC to supply Washington Estate with water. IAWC would maintain their infrastructure, they would just purchase their water from the City instead of pumping it and treating it themselves.

Eric Larson with ILAWC came to a COW and presented ILAWC's case for the bulk sale of water. Council discussed and a majority of council was in favor. Rather than push for a multiplier that would increase revenues by under \$20,000 a year, council was more interested in making ILAWC continuously upgrade their infrastructure to provide a better product to citizens of Washington.

Under the presented Bulk Sale agreement, ILAWC would need to expend \$200,000/year on average in Capital Projects. The two interconnections do not count towards this total and ILAWC would be responsible for showing the \$1,000,000 in expenditures in year 5 and year 10.

**Fiscal Impact:** There would be additional cost to produce/treat more water for the residents, but the City would receive more revenue for the sale of the water and the infrastructure fees. There would be no investment on our part in infrastructure.

ILAWC has provided an average day consumption number of 100,000 gallons per day. With our current rate, this would bring in just over \$180,000 in additional revenue for the water fund.

**Recommendation/Committee Discussion Summary:** Staff requests discussion on the attached agreement for the bulk sale of water to IAWC.

**Action Requested:** Discussion and recommendation to move the bulk sale agreement to the next Council meeting for approval.

**INTERCONNECTION AGREEMENT  
BETWEEN THE CITY OF WASHINGTON AND  
ILLINOIS-AMERICAN WATER COMPANY**

This Interconnection Agreement (the “Agreement,” herein) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2022, by and between the City of Washington, an Illinois municipal corporation (“Washington,” herein), and Illinois-American Water Company, an Illinois corporation (“Illinois-American,” herein).

**WITNESSETH**

WHEREAS, Washington is the owner and operator of a public water supply and distribution system in and around the City of Washington, Illinois (“Washington System”) and currently has capacity available to provide potable water for Illinois-American’s service area, as hereinafter defined;

WHEREAS, Illinois-American currently provides water service within a service area commonly known as “Washington Estates Subdivision,” and additional area to the south said service area being depicted on **Exhibit A**, attached hereto and incorporated herein by this reference (the “Service Area,” herein);

WHEREAS, Illinois-American desires to install and operate, at its sole cost and expense, two interconnections to the Washington System in order to provide a water supply for the Service Area as outlined in this Agreement; and

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually agreed between the Washington and Illinois-American as follows:

1. ***Definitions.*** All words contained in this Agreement shall be as defined as follows:

- A. “Emergency” as used in this Agreement shall mean any temporary and unexpected disruption of the designed and established manner of public water supply production and distribution resulting from, without limitation, an act of God, a catastrophe, or major system failures for an extended period of time exceeding twelve (12) hours, and which results in low water pressure or low water storage levels that endanger public safety, public health, or fire prevention or suppression efforts.
- B. “Emergency Conditions” as used in this Agreement shall mean a temporary period of time as a result of an emergency, during which Illinois-American’s potable water distribution system is experiencing water pressure at or below thirty-five (35) pounds per square inch.

2. ***Construction of Improvements.*** Illinois-American shall construct, or cause to be constructed two interconnection facilities to the Washington System:

A. Connection Point 1: Illinois-American shall construct the first interconnection with a meter station and pressure reducing valve, on the main near Vernon Drive as further described in **Exhibit B** (“Interconnection Point No. 1”);

B. Connection Point 2: Illinois-American shall construct the second interconnection with a meter station and pressure reducing valve, on the main near the intersection of Dallas and Gillman Street as further described in **Exhibit C** (“Interconnection Point 2”).

Interconnection Point No. 1 and Interconnection Point No. 2 shall be referred to herein collectively as the “Interconnection Facilities.”

C. Illinois-American shall construct, or cause to be constructed, the Interconnection Facilities. The Interconnection Facilities shall be owned by Illinois-American, and Illinois-American shall be solely responsible for the operation and maintenance thereof. The Interconnection Facilities shall be designed, permitted, constructed, tested and maintained by Illinois-American at its sole costs and expense. The Interconnection Facilities shall be constructed within the public right of way. The Interconnection Facilities shall be subject to the following conditions, to-wit:

- i. The location of any connection to the Washington water supply system and the method of effecting such connection to the Illinois-American system shall be subject to the approval of Washington, and the work of effecting any such connection shall not be started until any such approval has been granted in writing by Washington;
- ii. Illinois-American shall submit engineering plans and specifications regarding such proposed connection to Washington for approval. The connection by Illinois-American to Washington’s water supply shall be as directed and approved by Washington. The connection to Washington’s water supply shall be performed in conformance with all applicable Washington ordinance requirements and other applicable requirements of law.
- iii. The connection shall be provided with a water measuring device meeting Washington’s specifications and capable of remote reading along with a water metering pit.
- iv. The connection shall be provided with a check valve to be mounted close to the water measuring device, as approved by Washington, in such a manner as to prevent the flow of water from Illinois-American to Washington. In addition, a valve on each side of the meter shall be provided.

3. ***Connection Fee and Capital Improvement Covenant.***

A. Within thirty (30) days of the entry into this Agreement and before initiation of any connection for water service to the Service Area by Washington, Illinois-American shall pay Washington a one-time fee in the lump sum amount of Thirty-Five Thousand Dollars (\$35,000.00). Such fee shall be in addition to any other charges and fees otherwise provided for in this Agreement and shall not be borne solely by Illinois-American's customers in the Service Area.

B. After the Bulk Sale Approval (as defined in Section 5C) is attained, Illinois-American shall make annual capital improvements in the Service Area with the annual average cost of such improvements equaling at least Two Hundred Thousand Dollars ("Capital Improvements"). Illinois-American agrees that it will have made Capital Improvements at a cost of not less than One Million dollars on the fifth anniversary of the Bulk Sale Approval and not less than Two Million Dollars on the tenth anniversary of the Bulk Sale Approval. Illinois-American shall certify to the City in writing on or before the fifth anniversary of the Bulk Sale Approval and the tenth anniversary of the Bulk Sale Approval that Illinois-American completed the Capital Improvements required under this paragraph.

4. ***Term and Termination.*** This Agreement will be in effect for a term of twenty (20) years from the date first written above. This Agreement may be terminated by either party for any reason or no reason upon giving one (1) year written notice to the other party. If Washington gives notice of termination to Illinois-American, Illinois-American shall have six months from the date of the notice of termination to request a change of source from the Illinois Environmental Protection Agency (IEPA) and one (1) year to implement the alternative water source plan approved by IEPA. Upon the termination of this Agreement, Illinois-American shall, upon Washington's written direction and at Illinois-American's sole cost and expense, remove the Interconnection Facilities in accordance with all applicable Washington ordinance and code requirements and other applicable requirements of law.

5. ***Water Supply.*** Washington shall provide Illinois-American water supply through the Interconnection Facilities as provided below:

A. ***Emergency Basis.*** Washington's water supply shall be available to Illinois-American on in an Emergency and in Emergency Conditions. In the event that Illinois-American believes that Emergency Conditions or an Emergency exist, Illinois-American shall advise Washington of its determination prior to availing itself of Washington's water supply or as soon thereafter as possible. Illinois-American's determination that Emergency Conditions exist shall be subject to the review and approval of Washington. If Washington provides Illinois-American written notice that it disagrees with Illinois-American's determination that Emergency Conditions or an Emergency exist, which determination shall be made in Washington's sole discretion, Illinois-American shall cease receiving Washington's water supply as soon as practicable but in no event longer than 24 hours from receiving such notice. Illinois-American shall be required to take appropriate steps to reestablish the Illinois-American water supply to the Service Area as soon as practicable

in order to discontinue the emergency use of Washington's water supply.

*B. Short Term Planned Work.* Illinois-American can request water supply from Washington on a short-term basis if Illinois-American has planned system work that needs to be completed (such as water tank inspection, tank maintenance or water treatment plant upgrades or repair) that would necessitate water supply from Washington through the Interconnection Facilities. Illinois-American will give notice to Washington at least thirty (30) days before any such planned work is to commence. If Washington consents to the use of Washington's water supply, Washington and Illinois-American shall work together to ensure Washington's customers and Illinois-American's customers are served during such planned work. Any short term planned work under this paragraph shall not exceed 30 days.

*C. IEPA Approval Permanent Supply.* Illinois-American shall seek approval from the Illinois Environmental Protection Agency ("IEPA") to have a permanent interconnection point and receive water supply from Washington as the permanent source of water for the Service Area ("Bulk Sale Approval"). Washington agrees to assist Illinois-American in seeking the IEPA approval. Once IEPA approval is granted and subject to this Agreement, Washington agrees to provide Illinois-American a continual permanent supply of water for the Service Area.

*D. Water Quality.* Water to be delivered at the point of delivery by Washington and received by Illinois-American hereunder shall be of the same quality as that provided to customers within the corporate limits of the City of Washington from the Washington System. Water quality after the point of delivery is the responsibility of Illinois-American, and Illinois-American will protect the quality of any water provided by Washington and delivered within the Service Area. In addition to any other protections set forth in this Agreement, this protection will also include, but shall not be limited to, the following procedures:

- i. Constructing the Interconnection Facilities in accordance with specifications approved by the Illinois Environmental Protection Agency (IEPA) and Washington;
- ii. Requiring plumbing to be constructed in accordance with the Illinois Plumbing Code and the Washington Municipal Code;
- iii. Enforcing the cross-connection regulations of the Illinois Pollution Control Board (IPCB), Illinois-American's tariffs, and the Washington Municipal Code;
- iv. Performing water sampling and analysis of distribution samples as required by the IEPA, Washington, or other regulatory agencies having jurisdiction.

*E. Water Quantity.* Washington agrees to supply water to Illinois-American for use within the Service Area only, and for use by Illinois-American customers. Illinois-

American shall not provide water supplied by Washington to any persons or properties located outside the Service Area without the prior written consent of Washington. There shall be no flow restrictions for fire flow demand or for testing the fire flow capacity of the system. Illinois-American agrees to maintain its water distribution system within the Service Area in good order to prevent water waste.

6. ***Water Metering.***

A. *Location of Meters.* Illinois-American, at its sole cost and expense, shall furnish, install, and replace as may be necessary, a meter to measure water usage at each Interconnection Facility to the Washington water system. The location of each such meter shall be subject to Washington's review and approval.

B. *Type of Meters.* The meter at each Interconnection Facility shall be a meter with strainers and check valves approved by Washington. Such meters shall be capable of reading rate and quantity, and shall include telemetering equipment to permit remote reading for measuring the quantity of water delivered under this Agreement. Illinois-American shall install a hydraulic flow control valve on each side of the meter at each Interconnection Facility. Each meter shall be installed in an below-ground station to allow for maintenance.

C. *Reading and Recording.* Washington shall read the meter at each Interconnection Facility in accordance with its then-current ordinances, regulations, practices and procedures, as may be from time-to-time amended. A dual read option shall be made available to Illinois-American for their independent reading of the meter.

D. *Water Connection.* Illinois-American shall provide reasonable notice to Washington and allow representatives of Washington to be present before Illinois-American opens or closes any Interconnection Facilities.

E. *Access, Testing and Calibration.* Each party shall have the right to access the meters at the Interconnection Facilities, the backflow control devices, and the recording instruments for the purpose of testing accuracy or calibration. Such tests shall be made only after giving the other party at least five (5) days prior written notice of the time and place that such tests are to be performed. In addition, meters shall be tested and calibrated in accordance to the Illinois Commerce Commission statutes for regulated water utilities, at Illinois-American's sole cost and expense. Such annual testing shall be performed by Washington and paid for by Illinois-American in accordance with the billing procedures set forth in Section 7 of this Agreement.

F. *Illinois-American Maintenance Responsibility.* Illinois-American shall continuously maintain and operate the meter at each Interconnection Facility at its sole cost and expense, and shall cause the same to be promptly repaired or replaced when necessary or upon reasonable written notice from Washington. There shall be no compensation to Illinois-American for reversal of flow through the meter. If a reversal of flow occurs, Illinois-American shall take such measures that are necessary to ensure that the backflow

control valve is functioning properly.

**7. Charges, Rates, Notice and Payment.**

A. *Water Service Charges.* The price to be paid for the furnishing of water under this Agreement by Illinois-American to Washington shall be 1.0 times the water rates established and collected for water furnished by Washington to consumers within Washington's corporate limits, in accordance with the Washington rate ordinance in effect at the time the water is supplied to Illinois-American, as may be from time-to-time amended.

B. *Billing and Payment.* Washington shall bill Illinois-American in accordance with its then-current ordinances, regulations, practices and procedures, as may be from time-to-time amended. Illinois-American shall pay said bill within thirty (30) days of receipt. Late payment shall bear interest at the rate of one and one-half percent (1 ½ %) per month.

C. *Nonpayment; Disconnection.* In addition to any other remedies available to Washington under this Agreement, after reasonable notice to Illinois-American and opportunity to cure, the failure of Illinois-American to make any payment provided for under this Agreement by the date on which it is due shall constitute grounds to shut-off and/or disconnect Illinois-American's water service, in accordance with the applicable provisions of the Washington Municipal Code.

8. *Washington's Right to Inspect and Review.* Washington upon reasonable notice first given to Illinois-American, shall have the right to inspect the Interconnection Facilities at any time to see that the same are being operated in compliance with Washington's, state, and federal requirements, as well as with the terms, provisions and conditions of this Agreement. Illinois-American shall not unreasonably delay any inspection by Washington.

9. *Continuity of Service – Conditions.* Washington reserves the right to curtail, reduce, suspend, discontinue, or terminate the water service to Illinois-American provided for in this Agreement at any time that Washington determines that it would be in the public interest to do so, in Washington's sole discretion after reasonable notice to Illinois-American. Washington shall not be liable for damages, whether for breach of contract or otherwise, for failure, suspension, diminution, or other variation of service occasioned by any cause, including without limitation any act or omission of Washington or any of its employees or agents, unless such person, act or omission was, or may be deemed as negligent, grossly negligent or intentional. In addition to the foregoing, such causes include, but are not restricted to, acts of God or of the public enemy, acts of the State or Federal government in either its sovereign or contractual capacity; fires, flood, epidemics, quarantine restrictions, strikes, or failure or breakdown of transmission or other facilities.

10. *Construction and Maintenance.* Illinois-American agrees that the improvements described herein shall be erected and maintained at all times in a safe, neat and good physical condition and in accordance with all requirements of the Washington Municipal Code. During the

term of this Agreement, Illinois-American shall, at Illinois-American's sole cost and expense, maintain the Interconnection Facilities in good condition and in compliance with any applicable requirements of law. Washington shall review the quality of the construction and maintenance and, upon written notice of Washington stating in general terms how and in what manner maintenance is required, Illinois-American shall be required to perform such maintenance, unless such maintenance is contrary to the rules and regulations of the Illinois Commerce Commission, IEPA, or other government regulatory body. If Illinois-American fails to do so after reasonable notice to Illinois-American, then Washington shall have the right to perform such maintenance, the full and complete cost of which shall be borne by Illinois-American. Illinois-American covenants and agrees to reimburse Washington its reasonable full cost and expense for any such maintenance.

11. ***Compliance with Law.*** Illinois-American shall adhere to and comply with all ordinances, laws, rules and regulations that may pertain to or apply to work and/or subject matter of this Agreement. Illinois-American agrees and warrants that it has procured or shall procure any licenses, permits or like permission required by law, if any, to conduct or engage in the work described herein, that Illinois-American will procure all additional licenses, permits or like permission hereinafter required by law during the term of this Agreement, and that Illinois-American will keep the same in full force and effect during the term of this Agreement. Illinois-American shall perform under this Agreement in accordance with all applicable legal requirements.

12. ***Insurance.*** Illinois-American shall maintain at all times during the term of this Agreement; at Illinois-American's sole cost, a policy or policies of comprehensive general liability coverage on an occurrence basis from an insurance company licensed with the State of Illinois or other insurer approved by Washington with at least \$1,000,000.00 single limit coverage on all risks. Such policy or policies shall provide that the coverage afforded thereunder shall not be canceled, terminated, or materially changed until at least thirty (30) days written notice has been given to Washington. Illinois-American shall name Washington as additional insured and shall furnish Washington with duplicate policies or certificates evidencing insurance in force as required herein prior to undertaking any of the work contemplated by this Agreement. Evidence of payment of premiums shall be delivered to Washington at least thirty (30) days prior to the expiration dates of each existing insurance policy. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Washington. There shall be no endorsement or modification of this insurance to make it excess over other available insurance; alternatively, if the insurance states that it is excess or prorated, it shall be endorsed to be primary with respect to Washington.

13. ***Indemnification.*** Notwithstanding anything to the contrary in this Agreement, to the fullest extent permitted by law, Illinois-American hereby agrees to and shall save Washington and its officials, officers, employees, agents, servants, boards and commissions harmless from and against and shall indemnify Washington from and against any and all losses, liabilities, damages, claims, judgments, fines, suits, demands, costs, interest and expenses of any kind or nature whatsoever (including, but not limited to, reasonable attorney's fees and expenses) asserted against: or incurred by Washington in connection with any claim, proceeding or judgment (and the defense thereof) arising out of or resulting from the terms or performance of this Agreement, and/or Illinois-American's connection to the Washington water supply system, and/or Washington's provision of water to Illinois-American and/or Illinois-American's customers under this Agreement unless such claims are the result

of the negligence, gross negligence or intentional act of a Washington official, officer, employee, agent, servant, board or commission .

In the event of any action against Washington, its officials, officers, employees, agents, servants, boards and commissions by the foregoing duty to indemnify, defend and hold harmless, such action shall be defended by legal counsel of the Washington's choosing and agreed to by Illinois-American and its insurers, if applicable. Illinois-American, on behalf of themselves and their successors, assigns and grantees further hereby acknowledge the propriety, necessity and legality of this Agreement and all of the terms thereof, including, without limitation, the obligations to indemnify and hold Washington harmless, and do further hereby agree and do waive any and all rights to any and all legal or challenges or defenses to this Agreement and the terms hereof. The provisions of this Section 13 shall survive any expiration, completion and/or termination of this Agreement.

14. ***Breach and Limitation on Damages.*** If either party violates or breaches any term of this Agreement, such violation or breach shall be deemed to constitute a default, and the other party shall have the right to seek such administrative, contractual or legal remedies as may be suitable for such violation or breach, provided, however, that in no event shall Washington be liable to Illinois-American in an amount that exceeds available insurance. In the event any legal action is brought by Washington for the enforcement of any of the obligations of Illinois-American related to or arising from this Agreement and Washington is the prevailing party in such action, Washington shall be entitled to recover from Illinois-American reasonable interest and attorney's fees. The provisions of this Section 14 shall survive any expiration, completion and/or termination of this agreement.

15. ***No Special Duty or Third-Party Beneficiaries; Non-waiver of Immunities.*** It is agreed and understood with respect to Washington that the services referred to in this Agreement, including but not limited to Washington's provision of water to Illinois-American, are general services only and that no special duties or obligations are intended nor shall be deemed or construed to be created by this Agreement. It is further agreed and understood that this Agreement is not intended nor shall be construed to alter, limit, or constitute a waiver of any of the civil immunities afforded Washington and/or its officials, officers, employees and/or agents pursuant to the Local Governmental and Governmental Employees Tort Immunity Act at 745 ILCS 10/1-101, et seq., as amended, and/or any other immunities afforded to Washington as otherwise provided by law, it being agreed that all of the civil immunities as set forth in such Act, as amended, and/or as otherwise provided by law shall fully apply to any claims asserted or which might be asserted against Washington and/or its respective officials, officers, employees and/or agents as a result of this Agreement or any actions of the parties pursuant to this Agreement. Without limiting the foregoing, it is further agreed and understood that Washington and/or its respective officials, officers, employees and/or agents, as a result of this Agreement or any of the actions of Washington pursuant to this Agreement, shall not be liable to any other person or entity for failure to provide adequate water, fire protection or emergency service, failure to suppress or contain a fire, and/or for any other act or omission in connection with Washington's provision of water to Illinois-American under this Agreement unless due to gross negligence or an intentional act. Notwithstanding anything to the contrary in this Agreement, it is agreed and understood that no third party beneficiaries are intended or shall be construed to be created by the provisions of this Agreement and it is the intention of the parties hereto that no action may be commenced by any person or entity against Washington and/or its respective officials, officers, employees, agents

and/or other related persons or entities for monetary damages for any alleged breach or failure to provide services described in this Agreement unless due to gross negligence or an intentional act. The provisions of this Section 15 shall survive any expiration and/or termination of this Agreement.

16. ***No Vested Right.*** Notwithstanding any expenditure of money, time and/or labor by Illinois-American pursuant to this Agreement, Illinois-American agrees that this Agreement shall in no event be construed to create an assignment coupled with an interest or any vested right in favor of Illinois-American. Illinois-American shall expend any time, money or labor pursuant to this Agreement at Illinois-American's own risk and peril.

17. ***Notices.*** All notices of communications as provided for herein shall be in writing and shall be either personally delivered, or sent via certified or registered U.S. Mail, postage pre-paid, to Washington or Illinois-American at the following address:

To Washington:                      City of Washington  
   301 Walnut Street  
   Washington, Illinois 61571  
   Attn: City Administrator

with a copy to                      Davis & Campbell L.L.C.  
   401 Main Street, Suite 1600  
   Peoria, Illinois 61602  
   Attn: Derek A. Schryer

To Illinois-American:              Illinois-American Water Company  
   Attention: President  
   300 North Water Works Drive  
   Belleville, Illinois 62223

With a copy to:

Illinois-American Water Company  
Attention: Legal Department  
300 North Water Works Drive  
Belleville, Illinois 62223

18. ***No Joint Venture or Partnership.*** This Agreement shall not be construed so as to create a joint venture, partnership, employment, or other agency relationship between the parties hereto.

19. ***No Personal Liability.*** No official, director, officer, agent or employee of Washington shall be charged personally or held contractually liable under any term or provision of this Agreement, or because of their execution, approval or attempted execution of this Agreement.

20. **Severability.** The terms of this Agreement shall be severable. In the event any of the terms or provisions of this Agreement are deemed to be void or otherwise unenforceable, for any reason, the remainder of this Agreement shall remain in full force and effect.

21. **Governing Law.** This Agreement shall be subject to and governed by the laws of the State of Illinois. The exclusive venue for the resolution of any disputes or the enforcement of any rights arising out of or in connection with this Agreement shall be in Tazewell County, Illinois.

22. **References in Agreement.** All references in this Agreement to the singular shall include the plural where applicable, and all reference to the masculine shall include the feminine and vice versa. If either reference shall be declared invalid, such decision shall not affect the validity of any remaining portion that shall remain in full force and effect.

23. **Multiple Counterparts.** This Agreement may be executed in any number of counterparts, which shall, collectively and separately, constitute one agreement. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection with this Agreement, to the extent signed and delivered by means of a facsimile machine or by emailed PDF, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or email to deliver a signature or the fact that any signature or agreement or instrument was transmitted through the use of a facsimile machine or email as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

24. **Section Headings.** Section headings are inserted for convenience only and in no way limit or define the interpretation to be placed upon this Agreement.

25. **Binding Agreement on Parties.** This Agreement shall be binding on the parties hereto and their respective successors and permitted assigns.

26. **Assignment.** This Agreement and the obligations herein may not be assigned without the express written consent of each of the parties hereto, in each party's sole discretion. Any rights granted herein are personal to Illinois-American. Any attempt to assign, transfer, or convey any right, title or interest in and to this Agreement without the written consent of Washington, which consent shall be in Washington's sole discretion, will automatically terminate the Agreement and any rights, title or interest granted to Illinois-American hereunder, provided, however, that the Illinois-American shall still be responsible for any and all obligations undertaken by it pursuant to this Agreement.

27. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement and understanding between the parties and supersedes any prior agreement or understanding relating to the subject matter of this Agreement.

28. **Modification.** This Agreement may be changed, modified or amended only by a

duly-authorized written instrument executed by the parties hereto. Each party agrees that no representations or warranties shall be binding upon the other party unless expressed in writing herein or in a duly-authorized and executed amendment hereof.

**SIGNATURE PAGES FOLLOWS**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly-executed on the day and year first written above.

CITY OF WASHINGTON

ILLINOIS-AMERICAN WATER COMPANY

By: \_\_\_\_\_  
Gary W. Manier, Mayor

By: \_\_\_\_\_  
Justin L. Ladner, President

Attest: \_\_\_\_\_  
Valarie L. Brod, City Clerk

## **EXHIBIT A**

### **Depiction of Service Area**

## **EXHIBIT B**

### **Final Engineering Drawings of Connection Point No. 1**

## **EXHIBIT C**

### **Final Engineering Drawings of Connection Point No. 2**