INDIANAPOLIS DEPARTMENT OF WATERWORKS
BOARD OF DIRECTORS

RESOLUTION NO. 22, 2004

APPROVAL OF CAPITAL PROJECTS

WHEREAS, the Department of Waterworks (the "Department") has entered into that certain Management Agreement dated as of March 21, 2002 (the "Management Agreement"), with Veolia Water Indianapolis, LLC ("VWI") for the operation of the waterworks assets;

WHEREAS, the Department has certain duties and obligations under the Management Agreement;

WHEREAS, under the terms of the Management Agreement, VWI may be authorized from time to time by the Department, in exchange for payment by the Department of a certain valuable consideration, to undertake certain Capital Projects (as defined in the Management Agreement) as the Department may deem advisable;

WHEREAS, the Board of Directors (the "Board") of the Department desires to authorize the Director of Contracts and Operations in consultation with the Office of Corporation Counsel and the Controller's Office to enter into a certain Capital Project pursuant to the terms and conditions of certain Capital Project Authorization documents as set forth in Exhibit A to Exhibit W attached hereto and made a part hereof (the "Authorization Documents"); and

WHEREAS, VWI, the Director of Contracts and Operations of the Department and the Office of Corporation Counsel have determined that such Capital Project set forth in the Authorization Documents are desirable, appropriate and advisable;

NOW, THEREFORE, BE IT RESOLVED by the Board that it hereby approves of the Department's entry into the Authorization Documents;

BE IT FURTHER RESOLVED by the Board that the Director of Contracts and Operations of the Department in consultation with the Office of Corporation Counsel and the Controller's Office is hereby authorized and directed to: (i) prepare, execute and deliver the Authorization Documents and every other document, certificate, instrument, agreement or affidavit as may be necessary, convenient or proper to effectuate the intent and purposes of the Authorization Documents, as appropriate; (ii) prepare, execute and deliver each and every document, certificate, instrument, agreement or affidavit as may be necessary, convenient or proper to effectuate the intent and purposes of these resolutions, as appropriate; and (iii) to take any and all such additional action as may be necessary, convenient or proper to effectuate the intent and purposes of these resolutions, as appropriate; and

BE IT FURTHER RESOLVED by the Board that it ratifies any and all actions of the Director of Contracts and Operations, the Controller's Office and the Office of Corporation Counsel previously undertaken as may have been necessary, convenient or proper to effectuate the intent and purposes of these resolutions.

ADOPTED during a meeting of the Board this 27th day of May 2004.

CONSOLIDATED CITY OF INDIANAPOLIS,
DEPARTMENT OF WATERWORKS,
BOARD OF DIRECTORS

Jack Bayt

Beulah Coughenour

Carmen Hansen-Rivera

Barbara Howard

Samuel L. Odle

Attest:

S. Michael Hudson,
Secretary-Treasurer

Capital Project Authorization Number: 2004-003

CAPITAL PROJECT TITLE: White River Purification Plant 84-MGD Filter Upgrade		
CAPITAL PROJECT NUMBER: 2004-003	**TYPE OF PROJECT: Infrastructure**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: October 1, 2004	**ESTIMATED COMPLETION DATE: February 6, 2006**	
CAPITAL PROJECT PRICE: $1,209,375		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials: $1,209,375

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-003 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: White River Purification Plant 84 MGD Filter Upgrade

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: October 1, 2004
Complete: February 6, 2006

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Upgrade underdrain system for four filters and install new filter media. Demolition and disposal of existing underdrain and filter media. Installation new filter underdrain systems. Installation of new anthracite and sand media. This project is a continuation of project 2003-403 and is part of a five-year project.

SCOPE OF WORK:

Upgrade 2 filters per year. The upgrade includes the demolition and replacement of the underdrain. Two filters consist of 4 bays approximately 18' x 60' x 2'. The underdrains are located at the base of each filter with an approximate 3.5' depth of media. All existing filter media will be removed and replaced. Each bay has approximately 4000 cubic feet of filter media consisting of gravel, sand and anthracite. The hydraulic design of the proposed replacement underdrain will allow for the elimination of support gravel. Replacement media will consist of sand and anthracite only. Air scour piping for better filter washing will also be installed.

PROJECT COST:
$1,209,375

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
35-40 years

Capital Project Authorization Number: 2004-025

CAPITAL PROJECT TITLE: River Side Yard Valve Operator Replacement		
CAPITAL PROJECT NUMBER: 2004-025	**TYPE OF PROJECT: Infrastructure**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: May 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $56,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition; **(C)** _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:_____

   [X] Time and Materials: $56,000

   [ ] Lump Sum:_____

   [ ] Combination/Other:_____

   Explanatory Note (if req.):_____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same

responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	VEOLIA WATER INDIANAPOLIS, LLC
DEPARTMENT OF WATERWORKS	
BY: _____	BY: C. S. Voltz
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: 5-13-04

G/18

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-025 **PROJECT TYPE: Infrastructure**

CAPITAL PROJECT TITLE: RS Yard Valve Operator Replacement

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Replace deteriorated electric operators on four (4) yard valves. Electric operators on valves B (36"), C (42"), G (30") and #102 (30") will be replaced.

SCOPE OF WORK:
To assure the proper operation during an emergency outage of the affected piping or reservoir. Several are utilized in controlling the levels of the reservoir and suction well to the high service pumps. These operators were originally installed in 1968.

PROJECT COST:
$56,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
20 years

A. Identification and Coding Information

1. Requisition #	Classification	Code
CP4-025	Infrastructure	B

2. Date: January 1, 2004
Revised: October 15, 2003

3. Project Name: **Riverside Yard Valve Operator Replacement**
4. Location: Riverside Station
5. County: Marion
6. Township: Center
7. Street Location: 1600 W. 16th Street
Marion County
8. Council Dist: 15

9. Capital Plan: CCP X
DCP

10. Project Number: 0402501
Activity Number: IC04SID

D. Approval and Expenditure Data

Date First in Capital Program	
Initial Cost Estimate	
Present Cost Estimate	
Date Initially Approved	

B. Expenditure Schedule

								2004			Total
Cost Elements											
Planning, Design & Supervision								7,000			7,000
Land											-
Site Improvements & Utilities											-
Construction								49,000			49,000
Other											-
Total	-	-	-	-	-	-	-	56,000	-	-	56,000

E. Status Information

F. Regulations affecting project

G. Project Leader

Jim McDonald

C. Description & Justification

DESCRIPTION

Replace deteriorated electric operators on four yard valves. Electric operators on valves B (36"), C (42"), G (30") and #102 (30") will be replaced.

JUSTIFICATION

To assure the proper operation during an emergency outage of the affected piping or reservior. Several are utilized in controlling the levels of the reservoir and suction well to the high service pumps. These operators were originally installed in 1968.

OTHER

NOTE

Riverside Station primarily serves downtown and these valves are critical in the reliable operation of this facility.

H. Other

Unit Price Work	N
Local Involvement	Y
MBE/WBE involvement	N
Project Priority	High
Critical Project	N
Map Attached	N
Classification	I
New/Existing Facility	Ex
Project span into following year(s	N
Expected Useful Life (years)	20

Capital Project Authorization Number: 2004-103

CAPITAL PROJECT TITLE: Transfer Funds from Reinforcement Main Account (2004-099) to Main Relocation Account (2004-103)		
CAPITAL PROJECT NUMBER: 2004-103	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: May 17, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $2,200,000.00		
ATTACHMENTS: (A) Description of Work; (B) Summary of Anticipated Public Improvement Projects Requiring Facility Adjustments within Current Budget Year **(C)** _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:_____

   [X] Time and Materials: 2,200,000.00

   [ ] Lump Sum:_____

   [ ] Combination/Other:_____

   Explanatory Note (if req.):_____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any

incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement.** Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	VEOLIA WATER INDIANAPOLIS, LLC
DEPARTMENT OF WATERWORKS	
BY: _____	BY: C. S. Voltz
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: 5-14-04

G 18

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-103 **PROJECT TYPE: Infrastructure**

CAPITAL PROJECT TITLE: Main Relocation Work for First Quarter

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 15, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW, HWC

DESCRIPTION OF WORK: Relocation associated with public improvement projects under construction in 2004.

SCOPE OF WORK: Adjustment of facilities as required.

PROJECT COST:
$2,200,000.00

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

ANTICIPATED PROJECTS WHERE THESE FUNDS WILL BE ALLOCATED

				Approved Amount
CIT4100018	2004-103	Main Relocation for First Quarter 2004		**$1,490,000.00**
		2004-103-E-03-004	Allisonville Road (Eller to Easy)	($1,257,590.00)
		2004-103-E-04-099	Value Engineering Associated with E & F	($100,000.00)
		2004-103-E-4-008	Normandy Farms Lowering	($13,243.00)
		2004-103-E-4-009	29th & Keystone (Hydt #7071) Relocation	($8,467.00)
		Cost Savings Add back to Balance		$0.00
5/13/04		2004-103-E-03-053	Hancock Co. Inter of CR600W & 300S	($27,000.00)
5/13/04		2004-103-E-03-063	Marion Co. 38th St Salem to FC	($673,000.00)
5/13/04		2004-103-E-04-012	Central Ave: 23rd to Sutherland Av	($75,000.00)
PROJECTED			113th St & Ringer Road	($70,000.00)
PROJECTED			116th St Brook Schl Rd to Olio Rd	($45,000.00)
PROJECTED		F-04-001	SR 32 at Little Chicago Rd	($91,000.00)
PROJECTED		E-04-003	Little Chicago Rd from SR 32 to SR 38	($75,000.00)
PROJECTED			East/Madison from Mills to Southern	($200,000.00)
PROJECTED			Southport Rd from SR 37 to Bluff	($100,000.00)
PROJECTED			Central Ave	($75,000.00)
PROJECTED			38th St from Salem to FC	($700,000.00)
PROJECTED			Hancock Co 300S/600W	($30,000.00)
PROJECTED			Stop 11 Rd from Madison to Sherman	($90,000.00)
PROJECTED			96th St & Ditch Rd	($19,000.00)
	*	**Balance Remaining**		**($2,159,300.00)**

* Design, review, and engineering is currently underway on all of these projects.

* There are additional projects where relocation work is anticipated in 2004.

Capital Project Authorization Number: 2004-097

CAPITAL PROJECT TITLE: Replace 4 Remote Operated Valves		
CAPITAL PROJECT NUMBER: 2004-097	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: October 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $85,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition; **(C)** _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:_____

   [X] Time and Materials: $85,000

   [ ] Lump Sum:_____

   [ ] Combination/Other:_____

   Explanatory Note (if req.):_____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same

responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	VEOLIA WATER INDIANAPOLIS, LLC
DEPARTMENT OF WATERWORKS	
BY: _____	BY: C. E. Voltz
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: 5-13-09

G/14

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-097 **PROJECT TYPE: Infrastructure**

CAPITAL PROJECT TITLE: Replace 4 Remote Operated Valves

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: October 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Replace 4 remote operated valves and actuators.

SCOPE OF WORK:
Remove and replace four (4) existing water main valves; remove and replace the existing operator and actuator on each valve. Valves are located in vaults. Re-use existing electrical wiring.

PROJECT COST:
$85,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
30 years

A. Identification and Coding Information

1. Requisition #	Classification	Code
CP4-097	I	B

2. Date: January 1, 2004
Revised: May 13, 2004

3. Project Name: **Replace 4 Remote Operated Valves**
4. Location: IW Service Territory
5. County: Marion
6. Township: Center
7. Street Location: Park N.: 2202 N. Park Ave.
Park C: 2202 N. Park Ave.
Bloyd: 2795 Bloyd Ave.
Dearborn: 3125 Brookside Pky. N.
Dr.
Marion County
8. Council Dist: 15

9. Capital Plan: CCP X
DCP

Project Number: 0409701
Activity Number: IC0436V
IC0420V
IC0418V
10. IC0412V

D. Approval and Expenditure Data

Date First in Capital Program
Initial Cost Estimate
Present Cost Estimate
Date Initially Approved

B. Expenditure Schedule

Cost Elements										2004	Total
Planning, Design & Supervision										11,000	11,000
Land											-
Site Improvements & Utilities											-
Construction										74,000	74,000
Other											-
Total	-	-	-	-	-	-	-	-	-	**85,000**	85,000

E. Status Information

F. Regulations affecting project:

G. Project Leader

Jim McDonald

C. Description & Justification

DESCRIPTION

Replace 4 remote operated valves and actuators.

JUSTIFICATION

Remove and replace four (4) existing water main valves; remove and replace the existing operator and actuator on each valve. Valves are located in vaults. Re-use existing electrical wiring. Valves, operators and actuators were installed circa 1960 & 1970.

OTHER

None.

NOTE

None.

H. Other

Unit Price Work	N
Local Involvement	Y
MBE/WBE involvement	N
Project Priority	H
Critical Project	N
Map Attached	N
Nature of Project	I
New/Existing Facility	E
Project span into following year(s	N
Expected Useful Life (years)	30-40

Capital Project Authorization Number: 2004-116

CAPITAL PROJECT TITLE: IW-Morgan Backup Power		
CAPITAL PROJECT NUMBER: 2004-116	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: May 17, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $270,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:$270,000_____

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-116 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: IW-Morgan Backup Power

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 17, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and Install backup power generation at Nast Chapel and New Harmony Stations

SCOPE OF WORK:
Installation of emergency power generator at New Harmony Booster station including concrete pad with stub area, conduit bank, automatic transfer switch, circuit breakers and associated electrical components. Installation of emergency power generator at Nast Chapel Booster station including concrete pad with stub area, conduit bank, automatic transfer switch, circuit breakers, and electrical components.

PROJECT COST:
$ 270,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
25 years

Capital Project Authorization Number: 2004-099Q

CAPITAL PROJECT TITLE: WEST 86TH ST STREET REINFORCEMENT MAIN		
CAPITAL PROJECT NUMBER: 2004-099Q	**TYPE OF PROJECT: Growth**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 1, 2004**	
CAPITAL PROJECT PRICE: $114,124.00		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [X] Unit Prices: $114,124.00

   [ ] Time and Materials: _____

   [ ] Lump Sum: _____

   [ ] Combination/Other: _____

   Explanatory Note (if req.): _____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS	**VEOLIA WATER INDIANAPOLIS, LLC**
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099Q **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: WEST 86TH STREET REINFORCEMENT MAIN

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 1, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK: Design and install 880 feet of 16-inch diameter water main to Close the loop and improve the flow characteristics in this area.

SCOPE OF WORK:

1. Install approximately 880 feet of 16-inch diameter water main and Appurtenances in East 86th Street from the EOEM near the intersection of Holiday Drive east to the EOEM east of the intersection of Meridian Street. This main closes the gaps and connects an existing dry main under Meridian Street.

PROJECT COST:
$114,124.00 - Unit Price

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099P

CAPITAL PROJECT TITLE: MICHIGAN ROAD DOUBLE TREE REINFORCEMENT MAIN		
CAPITAL PROJECT NUMBER: 2004-099P	**TYPE OF PROJECT: Growth**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 1, 2004**	
CAPITAL PROJECT PRICE: $166,768.00		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[X] Unit Prices: $166,768.00

[ ] Time and Materials: _____

[ ] Lump Sum: _____

[ ] Combination/Other: _____

Explanatory Note (if req.): _____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS	**VEOLIA WATER INDIANAPOLIS, LLC**
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099P **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: MICHIGAN ROAD DOUBLE TREE REINFORCEMENT MAIN

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 1, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK: Design and install 1,520 feet of 12-inch diameter water main to
Close the loop and improve the flow characteristics in this area.

SCOPE OF WORK:

1. Install approximately 1,520 feet of 12-inch diameter water main and Appurtenances in Michigan Road from the EOEM near the intersection of double Tree Boulevard south to the EOEP in Michigan Road north of the intersection of Thorny Croft Dr.

PROJECT COST:
$166,768.00 - Unit Price

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099N

CAPITAL PROJECT TITLE: VINCENNES CIRCLE		
CAPITAL PROJECT NUMBER: 2004-099N	TYPE OF PROJECT: Growth	[ ] DOW Funded Capital Project [X] Bond Funded Capital Project
ESTIMATED START DATE: June 1, 2004	ESTIMATED COMPLETION DATE: December 1, 2004	
CAPITAL PROJECT PRICE: $40,324.00		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices: _____

   [X] Time and Materials: $40,324.00

   [ ] Lump Sum: _____

   [ ] Combination/Other: _____

   Explanatory Note (if req.): _____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS	**VEOLIA WATER INDIANAPOLIS, LLC**
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099N **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: VINCENNES CIRCLE

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 1, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK: Design and install 395 feet of 12-inch diameter water main to Close the loop and improve the flow characteristics in this area.

SCOPE OF WORK:

1. Install approximately 395 feet of 12-inch diameter water main and Appurtenances from an existing 12-inch main in Waldemar Road at the intersection of Vincennes Circle north to the existing main in Waldemar Road south of West 92nd Street.

PROJECT COST:
$40,324.00 – Time & Material

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099M

CAPITAL PROJECT TITLE: Pike Plaza Reinforcement Main		
CAPITAL PROJECT NUMBER: 2004-099K	**TYPE OF PROJECT: Growth**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: November 15, 2004**	
CAPITAL PROJECT PRICE: $52,880		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[X] Unit Prices: $52,880.00

[ ] Time and Materials: _____

[ ] Lump Sum: _____

[ ] Combination/Other: _____

Explanatory Note (if req.): _____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS	**VEOLIA WATER INDIANAPOLIS, LLC**
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099M **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: Pike Plaza Reinforcement Main

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: April 30, 2005

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and install 775' of 12-inch diameter water main to close the loop and improve the flow characteristics in this area.

SCOPE OF WORK:
Install approximately 775' 12-inch diameter water main and appurtenances in Moller Road from the EOEM at the intersection of Gateway Drive and Moller Road northeast to an existing 12" diameter water main in Moller Road.

PROJECT COST:
$52,880.00 - Unit Price

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099J

CAPITAL PROJECT TITLE: East 106th Street and Lantern Road		
CAPITAL PROJECT NUMBER: 2004-099J	**TYPE OF PROJECT: Infrastructure**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 1, 2004+**	
CAPITAL PROJECT PRICE: $101,330		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[x] Unit Prices: $101,330

[ ] Time and Materials: _____

[ ] Lump Sum: _____

[ ] Combination/Other: _____

Explanatory Note (if req.): _____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and

measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099J **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: East 106th Street and Lantern Road

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 1, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and install 800 feet of 16-inch water main to close the loop and improve the flow and water quality in the Fisher's Exit 5 area.

SCOPE OF WORK:
Install approximately 800 feet of 16-inch water main and appurtenances from an existing 20-inch main in Lantern Road at 106th Street east to the EOEM in 106th Street

PROJECT COST:
$101,330

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099H

CAPITAL PROJECT TITLE: MICHIGAN ROAD REINFORCEMENT MAIN		
CAPITAL PROJECT NUMBER: 2004-099H	TYPE OF PROJECT: Growth	☐ DOW Funded Capital Project ☒ Bond Funded Capital Project
ESTIMATED START DATE: June 1, 2004	ESTIMATED COMPLETION DATE: December 1, 2004	
CAPITAL PROJECT PRICE: $182,176.00		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [X] Unit Prices: $182,176.00

   [ ] Time and Materials: _____

   [ ] Lump Sum: _____

   [ ] Combination/Other: _____

   Explanatory Note (if req.): _____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS	**VEOLIA WATER INDIANAPOLIS, LLC**
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099H **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: MICHIGAN ROAD REINFORCEMENT MAIN

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 1, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK: Design and install 1,500 feet of 12-inch water main

SCOPE OF WORK:

1. Install approximately 700 feet of 12-inch diameter water main and Appurtenances from an existing 12-inch main near the intersection of 67th Street and Michigan Road south to the existing 12-inch main near the Intersection of 65th St. and Michigan Road.
2. Install approximately 800 feet of 12-inch diameter water main from the EOEM Near the intersection of 60th Street and Michigan Road south to the EOEM North of 58th Street in Michigan Road.

PROJECT COST:
$182,176.00 - Unit Price

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099F

CAPITAL PROJECT TITLE: Westfield Boulevard Reinforcement Main		
CAPITAL PROJECT NUMBER: 2004-099F	**TYPE OF PROJECT: Infrastructure**	[ ] **DOW Funded Capital Project** [X] **Bond Funded Capital Project**
ESTIMATED START DATE: September 1, 2004	**ESTIMATED COMPLETION DATE: July 1, 2005**	
CAPITAL PROJECT PRICE: $171,932		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[X] Unit Prices: $171,932

[ ] Time and Materials: _____

[ ] Lump Sum: _____

[ ] Combination/Other: _____

Explanatory Note (if req.): _____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and

measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099F **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: Westfield Boulevard Reinforcement Main

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: September 1, 2004
Complete: July 1, 2005

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
In Westfield Boulevard from an existing water main at the intersection of 98th Street and Westfield Boulevard north approximately 1,800 feet to an existing main at the intersection of Westfield Boulevard and Walden Lane.

SCOPE OF WORK:
Design and install 1,800 feet of 16-inch water main and appurtenances from an existing 16-inch main near the intersection of 98th Street and Westfield Boulevard north to the end of the existing main in Walden Lane. These facilities will improve the ability to move water from White River North to the Nora, Meridian Hills and Lafayette Pressure Districts.

PROJECT COST:
$171,932

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-084

CAPITAL PROJECT TITLE: G.O. Emergency Power System		
CAPITAL PROJECT NUMBER: 2004-084	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: May 17, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $ 450,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:$450,000_____

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-084 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: General Office Emergency Power System

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 17, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and Install a new emergency power generator to support both buildings at the general office.

SCOPE OF WORK:
Installation of emergency power generator(s) to feed both buildings at the general office including both a 480V service and a 120V service. Installation to include setting of generator(s), concrete pad(s), and associated conduit, duct bank and pull stations. Installation including all electrical components associated with the emergency power system including circuit breakers and automatic transfer switches. Individual UPS's will be installed at Customer Service Representatives work stations and other critical workstations.

PROJECT COST:
$450,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
25 years

Capital Project Authorization Number: 2004-077

CAPITAL PROJECT TITLE: Madison Chemical Conversion		
CAPITAL PROJECT NUMBER: 2004-077	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: May 17, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $150,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:$150,000_____

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-077 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: Madison Chemical Conversion

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 17, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Installation of sodium hypochlorite feed system.

SCOPE OF WORK:
Demolition and disposal of existing chlorine gas equipment. Installation of sodium hypochlorite metering pump, bleach suction and feed piping, sodium hypochlorite storage tank, spill containment and install combination safety shower/eyewash. Installation of associated electrical and control work to allow report back to USFIW Central Control System (CCS).

PROJECT COST:
$150,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
15 years

Capital Project Authorization Number: 2004-066

CAPITAL PROJECT TITLE: Madison MCC Upgrade		
CAPITAL PROJECT NUMBER: 2004-066	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: May 17, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $600,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:$600,000_____

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

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4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-066 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: Madison MCC Upgrade

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 17, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and Replace 4160 Volt Switchgear and 480 Volt Motor Control Center

SCOPE OF WORK:
Replacement of 4160-Volt Switchgear and 480 Volt Motor Control Center at Madison Station. Demolition and removal of conduit and brick walls to accept new components. Installation of new conduits and brick walls to tie into new components. Rerouting of underground external conduit and cable to tie into new substation.

PROJECT COST:
$600,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
30 years

Capital Project Authorization Number: 2004-061

CAPITAL PROJECT TITLE: Ford Road Chemical Upgrade		
CAPITAL PROJECT NUMBER: 2004-061	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $165,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition; (C)		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:

   [X] Time and Materials: $165,000

   [ ] Lump Sum:

   [ ] Combination/Other:

   Explanatory Note (if req.):

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-061 PROJECT TYPE: Infrastructure

CAPITAL PROJECT TITLE: Ford Road Chemical Conversion Upgrade

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
The installation of double containment piping for the sodium hypochlorite (bleach) fill lines which pass through the Fluoride room, removal and replacement of two bleach feed pumps, the removal and replacement of 1" to 3" pump suction line from the bleach storage tanks, and modifying the Fluoride room to accept truck deliveries of Fluoride.

SCOPE OF WORK:
There is approximately 20' of double containment piping and the associated fittings and modifications to the piping to be installed. The two pumps to be installed will have an approximate feed range of 0 – 24 gph. Modifications to the Fluoride tank include piping to accept the truck deliveries, the installation of a tank level transmitter, and the installation of (1) transfer pump compatible with Fluoride to transfer the chemical from totes into the feed tank. The fluoride room modifications require a penetration through the exterior wall and the installation of a cam-lock fitting to accept truck deliveries.

PROJECT COST:
$165,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
15 years

Capital Project Authorization Number: 2004-051

CAPITAL PROJECT TITLE: TWM Generator Automatic Control		
CAPITAL PROJECT NUMBER: 2004-051	**TYPE OF PROJECT: Infrastructure**	☒ **Company Capital Project** ☐ **Dept. Capital Project**
ESTIMATED START DATE: May 3, 2004	**ESTIMATED COMPLETION DATE: September 30, 2004**	
CAPITAL PROJECT PRICE: $200,000		
ATTACHMENTS: (A) Description of Work; (B) Costing Sheet; **(C) _____**		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:____$200,000_____

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Kobi M. Wright, Special Assistant Corporation Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-051 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: TWM Generator Automatic Control

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: May 3, 2004
Complete: September 30, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Modify switchgear and generator controls to enable automatic starting of the generator during a power failure.

SCOPE OF WORK:
Perform a Power System Study to establish required settings for all electrical protective devices. Install a new Programmable Logic Controller (PLC) for emergency generator and switchgear management, and connect it to the plant SCADA network. Install generator protection relay and interface it to the control system. Install all required interconnecting wiring.

PROJECT COST:
$200,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
40 years

Capital Project Authorization Number: 2004-043

CAPITAL PROJECT TITLE: Fall Creek Traveling Screen Upgrade		
CAPITAL PROJECT NUMBER: 2004-043	**TYPE OF PROJECT: Infrastructure**	[ ] **DOW Funded Capital Project** [X] **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $260,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition; (C)		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:

   [X] Time and Materials: $260,000

   [ ] Lump Sum:

   [ ] Combination/Other:

   Explanatory Note (if req.):

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any

incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-043 PROJECT TYPE: Infrastructure

CAPITAL PROJECT TITLE: Fall Creek Traveling Screen Upgrade

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Removal and replacement of the existing traveling screens. As raw water enters the plant, it passes through the traveling screens. Debris is impinged on the baskets and is lifted out of the water. A high-pressure spray header on the front side of the screen discharges the debris into a ground trough for disposal. The traveling screens are a critical component to the reliable operation of the facility.

SCOPE OF WORK:
Purchase and install two traveling screens. Install controls, fiberglass grating over the floor, and all required interconnecting electrical wiring. This project includes lead paint removal if necessary during demolition of the existing screens.

PROJECT COST:
$260,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
35 years

Capital Project Authorization Number: 2004-030

CAPITAL PROJECT TITLE: White River North Well Water Transmission Main		
CAPITAL PROJECT NUMBER: 2004-030	**TYPE OF PROJECT: Infrastructure**	[ ] **DOW Funded Capital Project** [X] **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: October 1, 2005**	
CAPITAL PROJECT PRICE: $2,700,000		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials: $2,700,000

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and

measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

(b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

(c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-030 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: White River North Well Water Transmission Main

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: October 1, 2005

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Transmission main for White River North Plant to supplement water availability from White River North Treatment Plant. In conjunction with other projects will increase availability and allows water to be distributed to Westfield from White River North – reducing dependence on purchased water agreements from other utilities.

SCOPE OF WORK:
Install 18,000 feet of 36-inch diameter precast concrete pipe

PROJECT COST:
$2,700,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-014

CAPITAL PROJECT TITLE: WRPP Rehabilitate Finish Water RS Junction Box		
CAPITAL PROJECT NUMBER: 2004-014	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: February 28, 2005**	
CAPITAL PROJECT PRICE: $1,200,000		
ATTACHMENTS: (A) Description of Work; (B) Requisition_____; **(C) _____**		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

[ ] Unit Prices:_____

[X] Time and Materials:$1,200,000

[ ] Lump Sum:_____

[ ] Combination/Other:_____

Explanatory Note (if req.):_____

PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

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5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	**VEOLIA WATER INDIANAPOLIS, LLC**
DEPARTMENT OF WATERWORKS	
BY: _____	BY: _____
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: _____

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-014 **PROJECT TYPE:** Infrastructure

CAPITAL PROJECT TITLE: WRPP Rehabilitate Finish Water RS Junction Box

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: February 28, 2005

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design, specifications, and upgrade of the junction vault structure and improve hydraulic profile of conduit.

SCOPE OF WORK:
Modifications of the North Control Chamber will include modifications to the 30-inch pipe exiting the chamber to help facilitate drainage of the pipe line upstream of the chamber. The North Control Chamber will receive a new manual sluice gate. Modifications of the South Control Chamber includes replacement of five (5) sluice gates; two (2) electrically operated and three (3) manually operated. The top slab of the South Control Chamber will be demolished and replaced with a new concrete slab and the brick wall located on the top of the slab will be removed.

PROJECT COST:
$1,200,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

Capital Project Authorization Number: 2004-099G

CAPITAL PROJECT TITLE: Stop 11 Road Reinforcement Main		
CAPITAL PROJECT NUMBER: 2004-099G	**TYPE OF PROJECT: Growth**	☐ **DOW Funded Capital Project** ☒ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $86,844		
ATTACHMENTS: (A) Description of Work; (B) _____; (C) _____		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [X] Unit Prices: $86,844.00

   [ ] Time and Materials: _____

   [ ] Lump Sum: _____

   [ ] Combination/Other: _____

   Explanatory Note (if req.): _____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same

responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

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4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	VEOLIA WATER INDIANAPOLIS, LLC
DEPARTMENT OF WATERWORKS	
BY: _____	BY: C. S. Voltz
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: MAY 12, 2004

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-099G **PROJECT TYPE:** Growth

CAPITAL PROJECT TITLE: Stop 11 Road Reinforcement Main

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
Design and install 850' of 12-inch diameter water main along Stop 11 Road from Inverness Drive to Five Points Road.

SCOPE OF WORK:
Design and install approximately 850 feet of 12-inch diameter water main and appurtenances from an existing 12-inch main near the intersection of Inverness Drive and Stop 11 Road connecting to an existing 16-inch main and on the west side of the intersection of Five Points Road and Stop 11 Road.

PROJECT COST:
$86,844.00 - Unit Price

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
50 years

VEOLIA Water

COST ESTIMATE — **Feeder main** — 4/1/04

Project: CP4-099G Stop 11 Road

Reference: B-04-009 Stop 11 Road

Location:

PARAMETERS: Stop 11 Road from Inverness Blvd. To Five Points Road

City: Indianapolis, IN — 1

Overhead: 0 Percent

Profit: 0 Percent

COSTS:	Description	Qty		Cost		Total Cost
General						
	Permits	2		$ 150.00		
				Total of General		$ 150.00
Pipe						
	PVC Pipe (Under Non Paved Areas) (LFT)					
	12 Inch	550	Lf	$ 27.01	$ 14,855.50	
	PVC Pipe (Under Asphalt) (LFT)					
	12 Inch	296	Lf	$ 30.54	$ 9,039.84	
	Ductile Iron Pipe (Under Non Paved) (LFT)					
4310057	6 Inch	10	Lf	$ 24.49	$ 244.90	
				Total of Pipe		$ 24,140.24
MISCELLANEOUS						
	Concrete Placed (CY)	1	Cy	$ 252.44	$ 252.44	
	Gravel Trench Backfill (CY)	3	Cy	$ 20.19	$ 56.08	
	Haul Spoils (CY)	486	Cy	$ 7.57	$ 3,679.86	
	Flowable Backfill (CY)	389	Cy	$ 60.33	$ 23,461.67	
	Poly Wrap (LFT)	200	Lf	$ 0.50	$ 100.00	
	Traffic Control (Crew/Day)	6	Crew/Day	$ 754.03	$ 4,524.18	
	Tracing Wire	847	Lf	$ 0.22	$ 186.34	
	Warning Tape	846	Lf	$ 0.01	$ 8.46	
	RESTORATION					
	Lawn - Non Paved Areas					
	Top Soil Placed	9	Sy	$ 9.00	$ 84.00	
	Seed / Mulch	1244	Sy	$ 0.40	$ 497.78	
	Finished Grade	11200	Sf	$ 0.26	$ 2,912.00	
	Rough Grade	5600	Sf	$ 0.20	$ 1,120.00	
	Pavement					
	Asphalt Pavement Restored 8"	100	Sy	$ 44.43	$ 4,443.00	
				Total of Miscellaneous		$ 41,325.81
Valves						
	Valves (Labor)					
	of valve, valve box and appurtenances only					
	6 Inch	1	Ea	$ 336.25	$ 336.25	
	12 Inch	2	Ea	$ 463.47	$ 926.94	
	Valves (Cost)					
	Gate Valves (each)					
4310082	6 Inch	1	Ea	$ 187.81	$ 187.81	
4310234	12 Inch	2	Ea	$ 569.50	$ 1,139.00	
				Total of Valves		$ 2,590.00

VEOLIA WATER NORTH AMERICA
14950 Heathrow Forest Parkway, Suite 200 Houston TX 77032
Tel 281-449-7600 / 800-622-4774
www.veoliawaterna.com

VEOLIA Environment

VEOLIA Water

HYDRANT								
	Hydrant Assembly (New main)							
	12 Inch	1	Ea	$	1,345.49	$	1,345.49	
4310005	Hydrant (Each-Material only)	1	Ea	$	551.57	$	551.57	
					Total of Hydrants			$ 1,897.06
Fittings - Mechanical Extras								
	Tees							
4310220	Tee,Pipe,Hydt Swivel,MJ,12x6"	1	Ea	$	705.79	$	705.79	
	Sleeves - Solid							
4310212	Sleeve,Pipe,MJ,12"	2	Ea	$	423.71	$	847.42	
					Total of Mech. Extras			$ 1,553.21
PVC / Poly Extras								
	Single Band Restraints							
4310658	Restraint,Pipe,Sgl Bd,PVC,12"	16	Ea	$	75.85	$	1,213.60	
	Megalugs							
4310484	Restraint,Pipe,Megalug,DI,6"	2	Ea	$	36.45	$	72.90	
	Grip Rings							
4310661	Restraint,Pipe,1500,(Grip Ring)PVC,12"	8	Ea	$	102.68	$	821.44	
					Total PVC/POLY Extras			$ 2,107.94
Miscellaneous								
	Connect to 12" Main	2	Ea	$	2,088.61	$	4,177.21	
	8" Valve Box	3	Ea		N/C		N/C	
	8" Valve Box Lid	3	Ea		N/C		N/C	
	8" Valve Box Riser	3	Ea		N/C		N/C	
	Street & Drive Saw Cuts (Concrete, Asphalt, etc.)	600	Ea		1.68	$	1,008.00	
					Total of Serv. Materials			$ 5,185.21

Sub Total Estimate	$	78,949.47
Contingency	$	7,894.95
Estimate Total	$	86,844.42

VEOLIA WATER NORTH AMERICA
11650 Westheimer Forest Parkway, Suite 200 Houston TX 77082
Tel 281-440-1600 / 800-622-4774
www.veoliawaterna.com

VEOLIA Environment

Capital Project Authorization Number: 2004-078

CAPITAL PROJECT TITLE: St. Vincent Chemical Conversion		
CAPITAL PROJECT NUMBER: 2004-078	**TYPE OF PROJECT: Infrastructure**	☒ **DOW Funded Capital Project** ☐ **Bond Funded Capital Project**
ESTIMATED START DATE: June 1, 2004	**ESTIMATED COMPLETION DATE: December 31, 2004**	
CAPITAL PROJECT PRICE: $150,000		
ATTACHMENTS: (A) Description of Work; (B) _____Requisition_____; **(C) _____**		

THIS AGREEMENT (also called the "Authorization"), is entered into as of the Effective Date indicated below, by and between **CONSOLIDATED CITY OF INDIANAPOLIS, DEPARTMENT OF WATERWORKS** and **VEOLIA WATER INDIANAPOLIS, LLC** (individually a "Party," and collectively the "Parties"),

WITNESS THAT:

WHEREAS, the Parties have, on March 21, 2002, executed the Management Agreement, which is hereby fully incorporated by reference into this Agreement (NOTE: capitalized terms used in this Agreement shall, unless otherwise specifically stated, be as defined in the Management Agreement), which shall take precedence in the event of any conflict between the terms hereof and those of the Management Agreement; and

WHEREAS, under the terms of the Management Agreement, the Company may be authorized from time to time by the Department, in exchange for the payment by the Department of a certain valuable consideration, to undertake certain Capital Projects as the Department may deem desirable; and

WHEREAS, the Company, when so authorized by the Department, is obliged to execute those Capital Projects in a timely, workmanlike, efficient manner, in full compliance with all Applicable Laws and Prudent Industry Practices; and

WHEREAS, the Parties hereby wish to memorialize their agreement on the particulars of a specific, authorized Capital Project.

NOW, THEREFORE, in consideration of the premises, covenants, agreements and undertakings hereinafter provided, the Parties hereby agree that:

1. **The Capital Project.** By this Authorization, the Department hereby authorizes and directs the Company to undertake and complete the Capital Project described in Attachment A (hereinafter referred to as the "Work"), and to exert its reasonable best efforts to complete the same by the Estimated Completion Date indicated above

2. **Method and Amount of Compensation.** In consideration of the foregoing, the Department shall compensate the Company the Capital Project Price, as the work progresses, in the following manner and amounts:

   [ ] Unit Prices:_____

   [X] Time and Materials: $150,000

   [ ] Lump Sum:_____

   [ ] Combination/Other:_____

   Explanatory Note (if req.):_____

   PAYMENT: Department shall pay Company on a percentage-of-completion basis as the Work progresses. In no event shall the Department be required to pay for work not yet done.

   Company shall submit progress invoices monthly during the course of the Work. Payment will be made by the Department within thirty (30) days of receiving an invoice. Each invoice shall be annotated with the Department's assigned project designation, and shall be in sufficient detail to allow reasonable analysis of the invoice by the Department.

   Company accepts exclusive liability for payment of federal and state payroll taxes and for contributions for unemployment insurance, old age pensions, annuities, retirement, and other benefits, imposed under any provision of any law, and measured by remuneration paid or payable by Company to employees of Company engaged in the Project or in any

incidental operation. Company will require that each subcontractor who performs any part of the Project accept the same responsibility and liability with respect to employees of that subcontractor.

Contemporaneously with the Department's final payment to Company, Company shall provide the Department with a signed Waiver of Liens from itself and from each and every service provider, vendor, or subcontractor that has provided labor, services, materials or equipment in connection with the Project.

3. **Changes.** The Department may request changes to the Work at any time prior to completion by a written communication to Company. The Company shall promptly provide the Department with a written acknowledgment of such request. This acknowledgment will include a statement of the price and time impact of the change, as well as a recapitulation of the time, materials, and equipment that would be added or deleted by the change. When the Department and the Company have agreed on the price and time impact, they shall execute a Change Order, incorporating the change into this Authorization. Should the Department and Company not come to an agreement on price and/or time impact, the Department shall be free to employ others to implement the desired change, and Company will provide reasonable accommodations so that the work can be done by others.

4. **Termination**. (a) Convenience Termination. At any time after the Effective Date, the Department may with fifteen (15) days notice to the Company, terminate this Authorization for the convenience of the Department. In the event of such termination, then the Department shall be liable to the Company for: (a) all costs incurred by Company up to the effective date of the termination, (b) the cost of terminating any purchase orders and subcontracts, rental agreements, employment contracts and the like, (c) Company's termination costs, including demobilization, severance pay, and relocation costs, plus (d) ten percent (10%) of the value of the terminated portion of the Authorization for unquantified damages. Company shall turn over to the Department, and shall provide any necessary documentation of transfer of title to, any goods which have been paid for by the Department under the preceding provisions. In no event shall the Department be obliged to pay any more than the Capital Project Price (as the same may have been amended from to time by mutual agreement of the Parties) in the event of a termination under this paragraph.

   (b) Default. In the event the Company substantially fails to execute the Work as required by this Authorization, despite notice and a reasonable opportunity to cure, then the Department may, with fifteen (15) days notice, terminate the remainder of the Authorization for Company default. In the event of such termination by the Department, then the Department may demand that Company leave the Site, and it may thereupon take whatever reasonable and prudent means are necessary to have the Work completed by others, charging the excess cost thereof to the Company's account.

   (c) Termination of the Management Agreement. Should the Management Agreement be terminated before completion of the Capital Project, then this Authorization shall remain in effect until completion of the Work, and the applicable terms of the Management Agreement shall continue to apply as though the Management Agreement had not terminated, until the expiration of the warranty period.

5. **Warranty of Equipment, Materials, and Services**. Company warrants that the equipment, goods, and services provided to the Department under this Authorization shall be free from defects in design, process, material, and workmanship. Should any aspect of the Work prove defective within one year after completion of the Work, the Company shall promptly repair or replace the defective element, without cost to the Department. All manufacturers' warranties, to the extent practicable, shall be made assignable to the Department, and shall be enforced to the benefit of the Department, as appropriate.

6. **Audit**. Should any invoice submitted by Company contain cost or other quantitative data for Work which has been performed on a Unit Price or T&M basis, then Company shall maintain and retain all supporting documentation and calculations for not less than three (3) years after the completion of the Work or termination of the Management Agreement. The Department shall have the right at any reasonable time during that period and during normal business hours to inspect and audit those records by authorized representatives of its own or any third-party consultant selected by it.

   Should the audit reveal any discrepancies in the finally invoiced amounts, Company shall refund any overpayments within sixty (60) days of notice thereof, without interest.

7. **Environmental Impacts**. Company agrees to notify the Department as soon as possible should it discover any hazardous material during the course of Company's activities or its subcontractors' activities in carrying out the Work. For the purpose of this clause, "hazardous material" means any waste, substance, object or material deemed hazardous under Applicable Law including, without limitation, "hazardous substance" as defined under the Comprehensive Environmental Response, Compensation, and Liability Act and "hazardous waste" as defined under the Resource Conservation and Recovery Act. If such contamination poses an immediate risk to human health or safety, or to the environment, Company shall immediately take all appropriate measures that in Company's professional opinion are justified to preserve and protect human health or safety, and the environment. Except for contamination caused by Company's willful or negligent conduct, the Department shall, on a "Change Order" basis, reimburse Company for all of Company's costs related to any measures taken to address immediate risks that threaten human health, human safety and the environment.

Each Party agrees to fully indemnify, defend, protect, hold harmless and render whole the other Party from and against any fines, penalties, costs or losses of any kind resulting from any contamination by the indemnifying Party, or those for whom it is responsible.

8. **Entire Agreement**. Along with the Management Agreement and the enumerated attachments, this Authorization comprises the entire agreement between the Parties with respect to the Capital Project and the Work. Accordingly, this Authorization supersedes all prior oral or written proposals, communications or other agreements related to the Capital Project, and it may only be changed by a written instrument, signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have properly executed this Authorization as of the dates indicated below.

The **Department:**	The **Company:**
CONSOLIDATED CITY OF INDIANAPOLIS,	VEOLIA WATER INDIANAPOLIS, LLC
DEPARTMENT OF WATERWORKS	
BY: _____	BY: C. S. Voltz
PRINTED NAME: _____	PRINTED NAME: CHUCK VOLTZ
TITLE: _____	TITLE: VICE PRESIDENT CENTRAL REGION
EFFECTIVE DATE: _____	DATE SIGNED: 5-13-04

As to **Funding:**	As to **Legal Form:**
CONTROLLER FOR THE CITY OF INDIANAPOLIS	OFFICE OF CORPORATION COUNSEL
_____	_____
Charles H. White, Deputy Controller	Andrew I. Klineman, General Counsel
_____	_____
Date	Date

ATTACHMENT A

DESCRIPTION OF WORK

CAPITAL PROJECT #: 2004-078 PROJECT TYPE: Infrastructure

CAPITAL PROJECT TITLE: St. Vincent Tank Chemical Conversion

TASK ORDER ISSUED TO:
Veolia Water Indianapolis, LLC

PERIOD OF PERFORMANCE:
Start: June 1, 2004
Complete: December 31, 2004

WATER DISTRICT:
IW

DESCRIPTION OF WORK:
The existing system is set up for a gas feed. The conversion from a gas feed to a liquid feed system is a continuation of an Indianapolis Water program to convert from gaseous chlorine to sodium hypochlorite for safety reasons. The original system was installed in 1971 and needs to be removed to make room available for the new installation. The St. Vincent's tank is located adjacent to St. Vincent's hospital and the nun's residences.

SCOPE OF WORK:
The scope of this project includes the installation of one sodium hypochlorite metering pump, bleach suction and feed piping, demolition and removal of existing chlorine gas equipment, and the associated electrical interconnecting wire.

PROJECT COST:
$150,000

PAYMENT SCHEDULE:
Monthly progress invoices

EXPECTED USEFUL LIFE OF PROJECT:
15 years

A. Identification and Coding Information

1. Requisition #	Classification	Code
CP4-078	I	B

2. Date: January 1, 2004
Revised: May 11, 2004

3. Project Name: **St. Vincent Tank Chemical Conversion**
4. Location: St. Vincent Tank
5. County: Marion
6. Township: Washington
7. Street Location: 2141 Dugan Drive
Marion County
8. Council Dist: 2

9. Capital Plan: CCP X
DCP

10. Project Number:
Activity Number:

D. Approval and Expenditure Data

Date First in Capital Program	
Initial Cost Estimate	
Present Cost Estimate	
Date Initially Approved	

B. Expenditure Schedule

										2004	Total
Cost Elements											
Design										12,000	12,000
Land											-
Site Improvements & Utilities											-
Construction										138,000	138,000
Other											-
Total	-	-	-	-	-	-	-	-	-	150,000	150,000

E. Status Information

F. Regulations affecting project:

G. Project Leader

Kris Rubin

C. Description & Justification

DESCRIPTION

The scope of this project includes the installation of 1 sodium hypochlorite metering pump, bleach suction and feed piping, demolition and removal of existing chlorine gas equipment, and associated electrical interconnecting wiring.

JUSTIFICATION

The existing system is set up for a gas feed. The conversion from a gas feed to a liquid feed is a continuation of an Indianapolis Water program to convert from gaseous chlorine to sodium hypochlorite for safety reasons. The original system was installed in 1971 and needs to be removed to make room available for the new installation. The St. Vincent's tank is located adjacent to St. Vincent's hospital and the nun's residences.

OTHER

NOTE

H. Other

Unit Price Work	N
Local Involvement	Y
MBE/WBE involvement	N
Project Priority	M
Critical Project	N
Map Attached	N
Nature of Project	I
New/Existing Facility	E
Project span into following year(s	N
Expected Useful Life (years)	15