

INDIANAPOLIS DEPARTMENT OF WATERWORKS
BOARD OF DIRECTORS

RESOLUTION NO. 1, 2009

RATIFYING EXTENSION OF INTERIM EXECUTIVE DIRECTOR

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 ("Waterworks");

WHEREAS, the City-County Council of the Consolidated City of Indianapolis and Marion County ("Council") had engaged James Steele ("Steele") to perform services under a separate arrangement and offered to make him available to the Department while it searched for a new Director; and

WHEREAS, the Board of Waterworks ("Board") accepted the Council's offer and entered into the Acknowledgement of Appointment of James Steele to Serve as Interim Executive Director of Department of Waterworks ("Acknowledgment"), which expired October 26, 2008; and

WHEREAS, the Board requested that Steele remain as Interim Executive Director through the end of 2008; and

WHEREAS, Steele agreed to remain in the position for that time consistent with the terms contained in the Memorandum of Understanding ("MOU"); and

WHEREAS, at its December 16, 2008, meeting, the Board directed the Department to extend Steele's term by entering into an amendment to the MOU;

WHEREAS, Amendment No. 1, attached hereto as Exhibit A and incorporated by reference herein, was entered into by Steele and the Department and requires ratification by the Board at its January 15, 2009, meeting.

NOW, THEREFORE, BE IT RESOLVED the Board extends Steele's appointment as Interim Executive Director through February 28, 2009, and hereby ratifies Amendment No. 1, including the terms and conditions contained therein and any and all actions taken by the Department and Steele in accordance therewith and reliance thereon; and

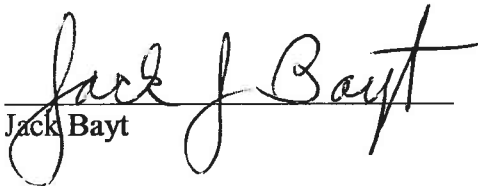
BE IT FURTHER RESOLVED by the Board that the Interim Executive Director in consultation with the Office of Corporation Counsel and the Office of Finance and Management is hereby authorized and directed to: (i) prepare, execute and deliver Amendment No. 1 and every other document, certificate, instrument, agreement or affidavit as may be necessary, convenient or proper to effectuate the intent and purposes of Amendment No. 1, 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 Interim Executive Director, the Office of Finance and Management 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.

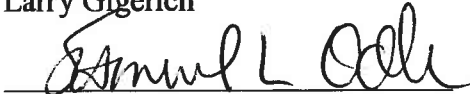
ADOPTED during a meeting of the Board this 15th day of January 2009.

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



Jack Bayt

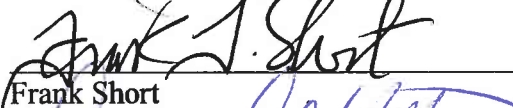
Larry Gigerich



Samuel L. Odle



Dr. Marvin B. Scott, Ph.D.




Frank Short



Dan DeMars

Attest:



James Atterholt,
Secretary-Treasurer

**AMENDMENT NUMBER 1
TO THE
MEMORANDUM OF UNDERSTANDING
BETWEEN THE DEPARTMENT OF WATERWORKS AND JIM STEELE**

This Amendment to the MOU (hereinafter referred to as "Amendment"), entered into by and between the Department of Waterworks ("DOW") and Jim Steele ("Steele"), is executed pursuant to the terms and conditions set forth herein.

WHEREAS, the Board of Waterworks ("Board") entered into an MOU with Steele for him to serve as Interim Executive Director of DOW through and including December 31, 2008; and

WHEREAS, DOW's search process for a new Executive Director is still ongoing; and

WHEREAS, the Board at its meeting on December 16, 2008, requested Steele to extend his service as Interim Executive Director; and

WHEREAS, Steele is willing to continue performing said services pursuant to the modified terms and conditions contained herein.

NOW, THEREFORE, the parties agree the MOU shall be amended as follows:

1. Section 2 of the MOU, Steele Responsibilities, shall be amended to read as follows:

Steele shall provide the services of Interim Executive Director in accordance with the Letter and Resolution 29, 2008, attached hereto as Exhibit B and incorporated by reference herein, at a level he determines is consistent with conducting the operation of the DOW in conjunction with the seated staff in an appropriate fashion. Additionally, one of Steele's primary functions during the term of the Amendment shall be to assist in the transition of his duties to a new Executive Director.

2. Section 3 of the MOU, Term, shall be amended by adding, "This MOU is hereby extended for a period of two (2) months through and including February 28, 2009."

3. Section 4 of the MOU, Compensation, shall be amended to read:

DOW shall compensate Steele in accordance with the compensation terms and conditions contained in his agreement with the City-County Council for the Consolidated City of Indianapolis and Marion County, attached hereto as Exhibit C and incorporated by reference herein, which shall include and be subject to any annual adjustment approved by the City-County Council. Any time expended in travel required to perform the duties of the Interim Executive Director shall be compensated at a rate of one-half of the hourly rate as contained in Exhibit C, including any adjustments thereto.

4. All other terms and conditions of the MOU (including all attachments not hereby amended) shall remain in full force and effect.

5. This Amendment may be signed in counterparts, which together shall constitute one amendment.

IN WITNESS THEREOF, the parties hereto have executed this Amendment on the dates subscribed below.

Jim Steele

By: _____

Printed: _____

Title: _____

Date: _____

DOW

By: _____

Printed: _____

Title: _____

Date: _____