

## CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (the "Agreement") is made and entered into as of the 22<sup>nd</sup> day of April, 2014, by and between Illinois-American Water Company, an Illinois corporation ("IAWC"), and the City of Peoria, Illinois, an Illinois municipal corporation ("Peoria"). Hereinafter, IAWC and Peoria may be referred to individually as a "Party" or together as the "Parties".

### RECITALS:

A. IAWC is engaged in furnishing water utility service within Peoria.

B. The Illinois Department of Transportation ("IDOT"), in conjunction with Peoria, is planning the reconstruction of Allen Road between approximately Townline Road and Alta Lane, which reconstruction will require the relocation of IAWC's water main along a portion of Allen Road at IAWC's cost. Following completion of the Allen Road reconstruction and pursuant to a jurisdiction transfer agreement, IDOT will transfer jurisdiction and maintenance of the reconstructed Allen Road to Peoria.

C. IDOT and Peoria are willing to perform, through IDOT's contractors, the relocation of IAWC's water main in return for cost reimbursement by IAWC to Peoria, which will then reimburse IDOT for the cost of the relocation, subject to the limitations set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and agreements set forth herein, the parties hereto agree as follows:

### Article I Water Service Facilities

**1.1 Construction.** In accordance with the approved plans and specifications attached hereto as Exhibit 1 and incorporated herein by reference, Peoria shall effect the construction and installation of approximately 1,835 lineal feet of 16-inch ductile iron water main along the designated portion of Allen Road, together with all valves, fittings, hydrants, and other items indicated in Exhibit 1, hereinafter collectively referred to as the "Facilities." The size, design, type and quality of materials and of the system location and manner of installation of the Facilities shall be as indicated on Exhibit 1. No material change shall be made in the plans and specifications for the Facilities without the prior written approval of IAWC.

**1.2 Cost Reimbursement.** IAWC shall pay to Peoria all costs actually paid by Peoria to IDOT associated with the construction and installation of the Facilities in accordance with Exhibit 1. An itemized total cost estimate of the Facilities to be constructed pursuant to this Agreement is attached hereto as Exhibit 2 and incorporated herein by reference. The final cost to be paid by IAWC shall not exceed the Exhibit 2 estimate by more than ten (10) percent (the "Final Cost"). Peoria shall invoice IAWC for the Final Cost after completion of construction. Final Cost shall be determined by the unit prices of the successful bidder and quantities actually installed. IAWC shall pay the Final Cost within forty-five (45) days of receipt of the invoice.

Any amount not paid within forty-five (45) days shall be subject to interest at ten (10) percent per annum.

## **Article II Rights-of-Way**

Peoria shall provide to IAWC satisfactory evidence of rights-of-way and permits for all portions of the route along which the water main is installed as may be necessary to provide water service to each parcel or lot on said route and to operate, repair, and maintain the Facilities.

## **Article III Performance**

**3.1 No Encumbrances.** Peoria shall cause the construction and completion of the Facilities to be free of all security interests, liens, and encumbrances of any nature. Peoria's general contract and all subcontracts shall contain a provision requiring a written release of the contractor's and subcontractors' and supplier's liens before IAWC's payment for any work performed by such persons will be made. Copies of all such releases shall be conveyed to IAWC upon transfer of the Facilities in accordance with Section 3.4.

**3.2 Inspection.** IAWC shall have the right at all times during construction to inspect the progress of the work performed and to determine whether the work is being performed in accordance with the plans and specifications contained in Exhibit 1. IAWC shall retain the services of an engineering firm for the purpose of inspecting and monitoring the performance of work and to ensure compliance with the plans and specifications contained in Exhibit 1, or IAWC may utilize its own associate engineers to perform any of such services. If, in IAWC's reasonable opinion, the work has not been, or is not being, performed in a good and workmanlike manner and in accordance with the plans and specifications contained in Exhibit 1, IAWC shall have the right to require the correction of any defects and compliance with the plans and specifications contained in Exhibit 1.

**3.3 Documentation.** Peoria shall deliver to IAWC, or shall cause IDOT to deliver to IAWC, a detailed itemization of all amounts paid in connection with the construction of the Facilities together with satisfactory evidence of full and final payment (or provision for payment satisfactory to IAWC) of all amounts due and payable in connection with such construction.

**3.4 Indemnity.** Peoria shall protect, indemnify, and hold harmless IAWC from and against any and all loss, damage, claims of damage, liability, judgments, or causes of action (including, but not limited to, court costs and reasonable attorneys' fees), caused or occasioned by or resulting from construction of the Facilities and/or any action undertaken by or on behalf of Peoria, or its agents or employees, during or following such construction. In addition, Peoria shall cause the contract with the general contractor retained to construct and install the Facilities to contain the following provision: "Contractor shall protect, indemnify, and hold harmless IAWC from and against any and all loss, damage, claims of damage, liability, judgments, or causes of action (including, but not limited to, court costs and reasonable attorneys' fees), caused or occasioned by or resulting from Contractor's construction of the Facilities and/or any action undertaken by or on behalf of Peoria, or its agents or employees, during or following such construction."

#### **Article IV Service Connections**

IAWC shall be responsible for making all service connections from the Facilities to customers along the portions of the route in which the water main is installed.

#### **Article V Notice**

Any notice required or permitted to be given under this Agreement shall be deemed delivered and be effective on the date physically delivered to the party to whom notice is being provided or two (2) calendar days following the date on which the notice is deposited in the United States Mail, postage prepaid, certified delivery, and addressed to the party to whom notice is being provided, as follows:

IAWC:

Illinois-American Water Company  
7500 N. Harker Drive  
Peoria, IL 61615  
Attn: Christian S. Volz

Peoria:

City of Peoria  
3505 N. Dries Lane  
Peoria, IL 61604  
Attn: Jeffrey M. Smith

Each party shall promptly provide written notice to the other party, as provided herein, of any subsequent change of address.

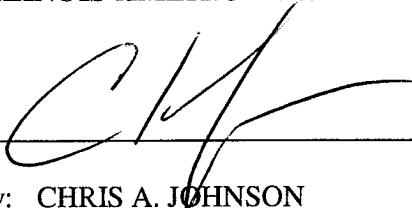
#### **Article VI Miscellaneous**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. This Agreement, together with the exhibits hereto, sets forth the entire

agreement between the parties and supersedes all prior negotiations, understandings, and agreements between them. No change in, addition to, or waiver of any of the provisions of this Agreement shall be binding upon any party unless in writing and signed by the party sought to be bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, that an assignment or other transfer of this Agreement or any rights or obligations hereunder by Peoria shall not be binding upon IAWC or create any rights in the assignee until such assignment or other transfer is approved and accepted in writing by IAWC.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by their authorized individuals to be effective as of the day, month, and year first above written.

**ILLINOIS-AMERICAN WATER COMPANY**

  
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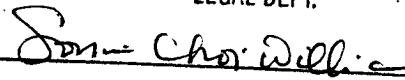
By: CHRIS A. JOHNSON  
Senior Manager of Field Services and  
Production, Peoria District

**CITY OF PEORIA, ILLINOIS**

  
\_\_\_\_\_

By: JIM ARDIS  
Mayor

APPROVED  
LEGAL DEPT.

BY  \_\_\_\_\_











PROJECT TITLE	STATE
SHEET NO.	
DATE	

PLAN	DATE
SCALE	
BY	

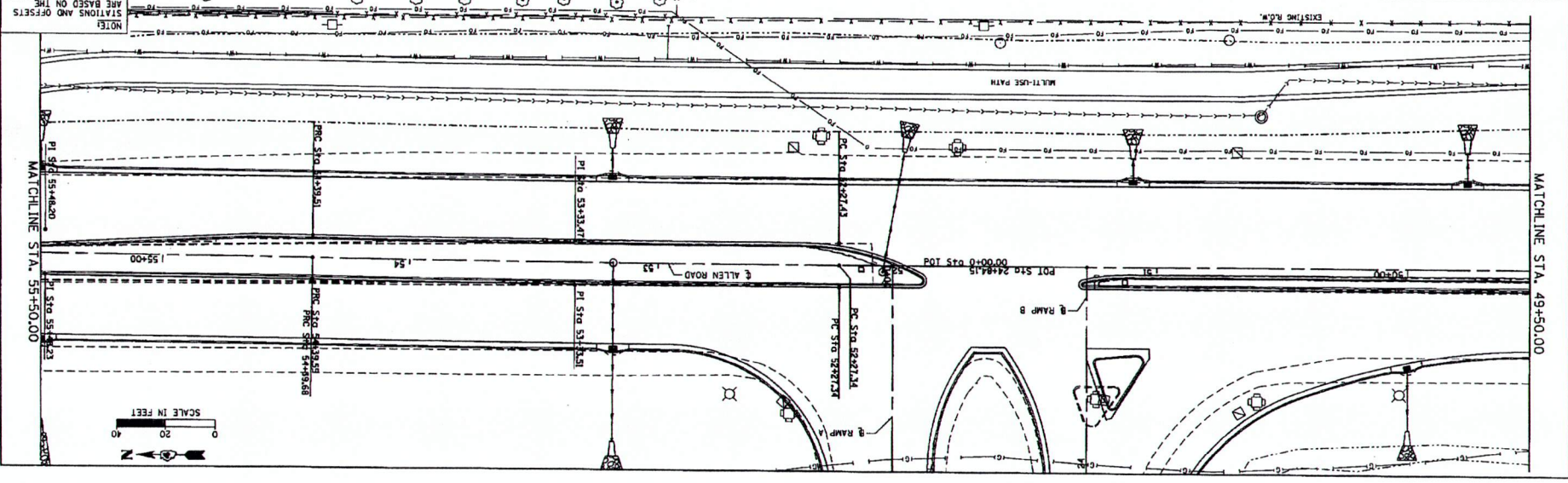
DATE	DESIGNED	REVISION
CHECKED	DRAWN	REVISION
DATE		REVISION

STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

SCALE	SHEET 3 OF 17 SHEETS STA.	TO STA.
PROJECT	ALLEN ROAD IMPROVEMENTS	
CONTRACT NO.	66683	
PERIOD	1051 (72-78)BY	
COMTY		
SHEETS	55	
NO.	55	

STATION	EXIST. PROP.	801.08	801.10	801.12	801.14	801.16	801.18	801.20	801.22	801.24	801.26	801.28	801.30	801.32	801.34	801.36	801.38	801.40	801.42	801.44	801.46	801.48	801.50	
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785																								
790																								
795																								
800																								
805																								
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815																								
820																								

NO WATER MAIN  
RELOCATION  
ON THIS SHEET













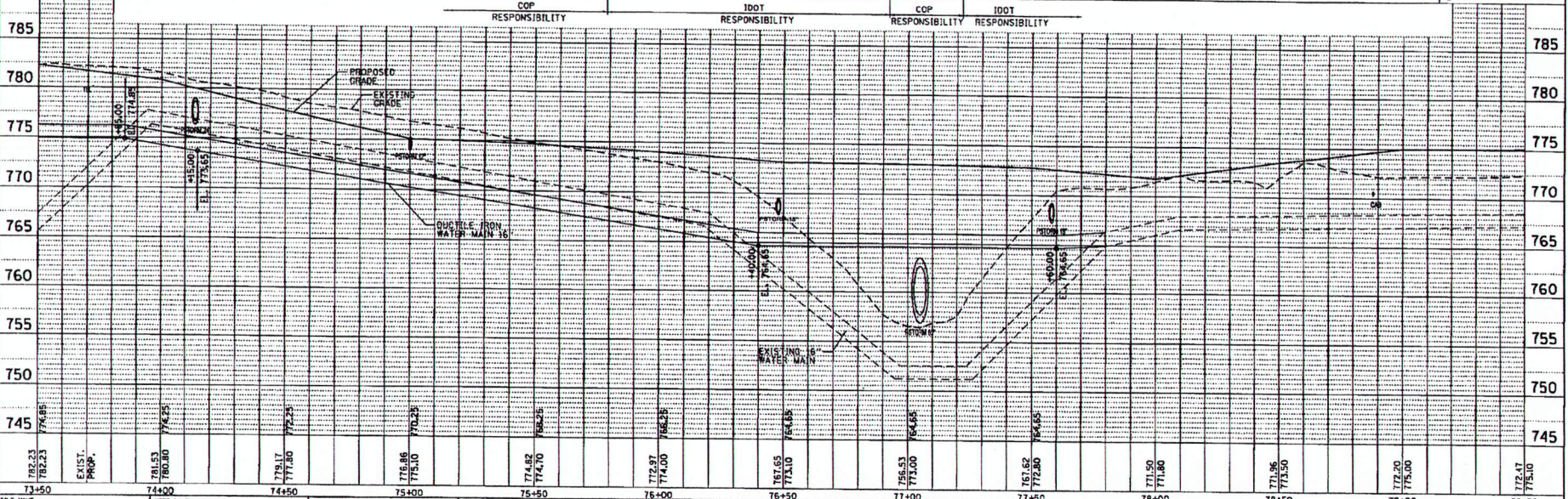
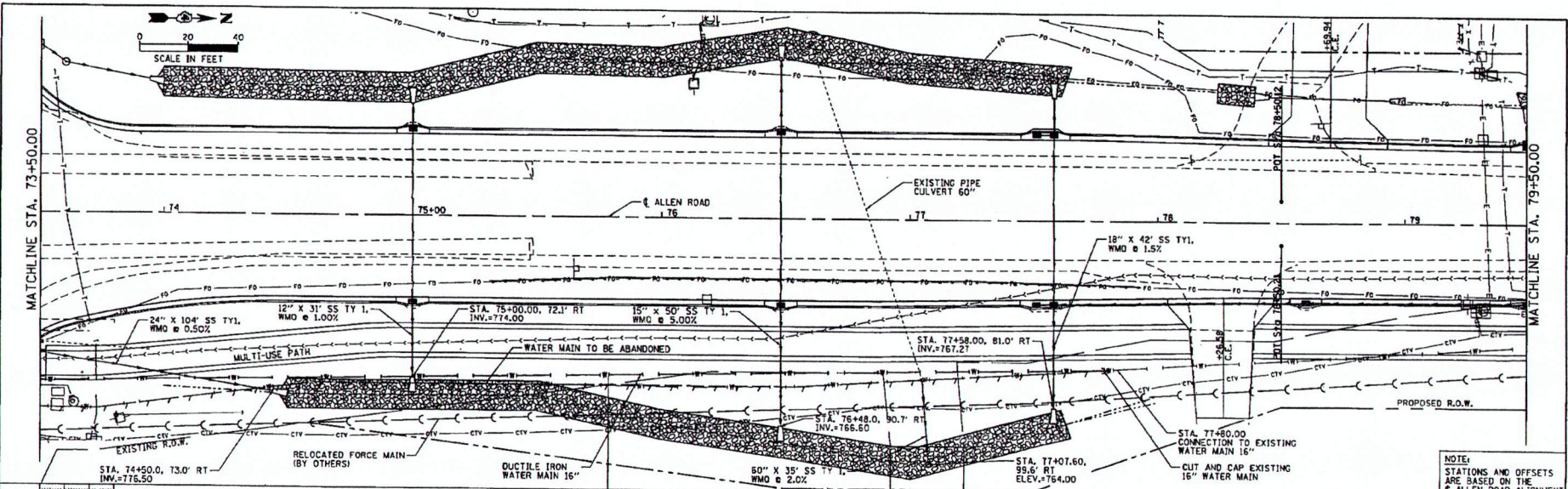




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MAURER-STUTZ  
INCORPORATED



73+50	74+00	74+50	75+00	75+50	76+00	76+50	77+00	77+50	78+00	78+50	79+00	79+50
782.23	782.23	781.53	780.80	779.17	778.40	776.86	774.82	772.97	767.65	756.53	761.62	771.50
782.23	782.23	781.53	780.80	779.17	778.40	776.86	774.82	772.97	767.65	756.53	761.62	771.50
782.23	782.23	781.53	780.80	779.17	778.40	776.86	774.82	772.97	767.65	756.53	761.62	771.50

STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

ALLEN ROAD IMPROVEMENTS  
WATER MAIN RELOCATION - ALLEN ROAD

P.L.U. NO.	SECTION	COUNTY	TOTAL SHEET NO.
6584	105	PEORIA	487
6585			361
CONTRACT NO. 686B3			

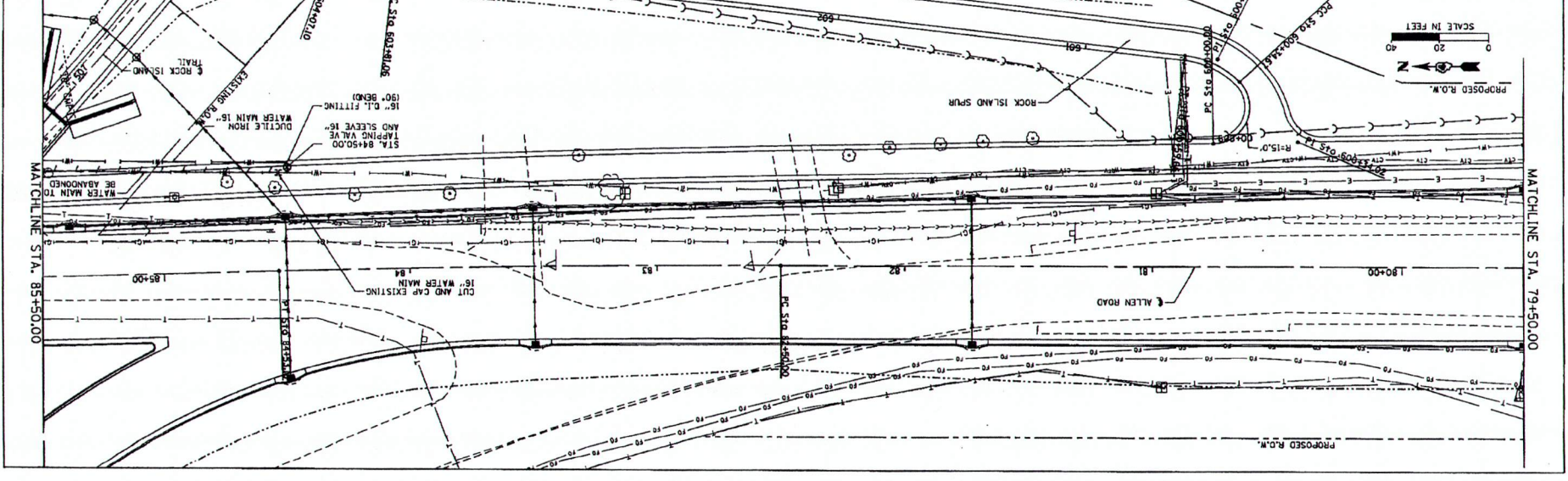


MURER-STUTZ

DATE	DESIGNED	DRAWN	CHECKED	DATE

DATE	DESIGNED	DRAWN	CHECKED

STATION	EXIST. PROP.	79+50	79+75	79+100	79+125	79+150	79+175	79+200	79+225	79+250	79+275	79+300	79+325	79+350	79+375	79+400	79+425	79+450	79+475	79+500
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STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

ALLEN ROAD IMPROVEMENTS  
WATER MAIN RELOCATION - ALLEN ROAD

SHEET 8 OF 11 SHEETS STA. TO STA.

SCALE: 1" = 40'

DESIGNED: [blank] DATE: [blank]

DRAWN: [blank] CHECKED: [blank]

PROJECT NO. 68683 CONTRACT NO. 487

SECTION 1051.172-THEORY

DATE: 10/1/14

PROJECT: ALLEN ROAD IMPROVEMENTS

SECTION: 1051.172-THEORY

DATE: 10/1/14

PROJECT: ALLEN ROAD IMPROVEMENTS

SECTION: 1051.172-THEORY

DATE: 10/1/14

PROJECT: ALLEN ROAD IMPROVEMENTS

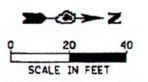
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DATE: 10/1/14

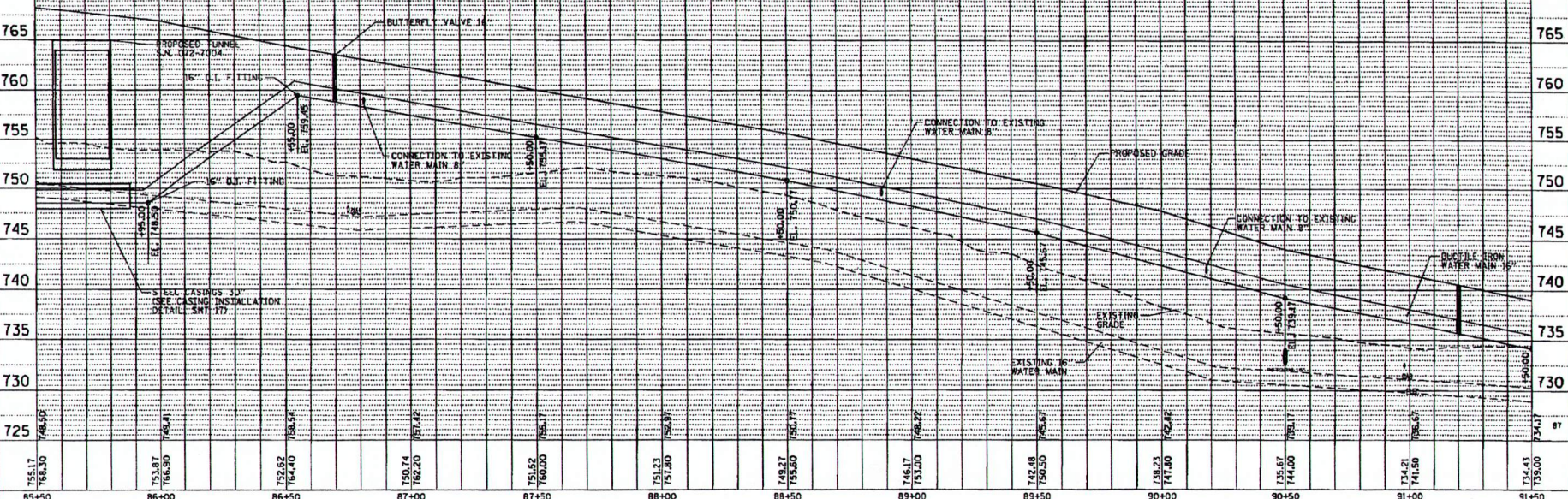
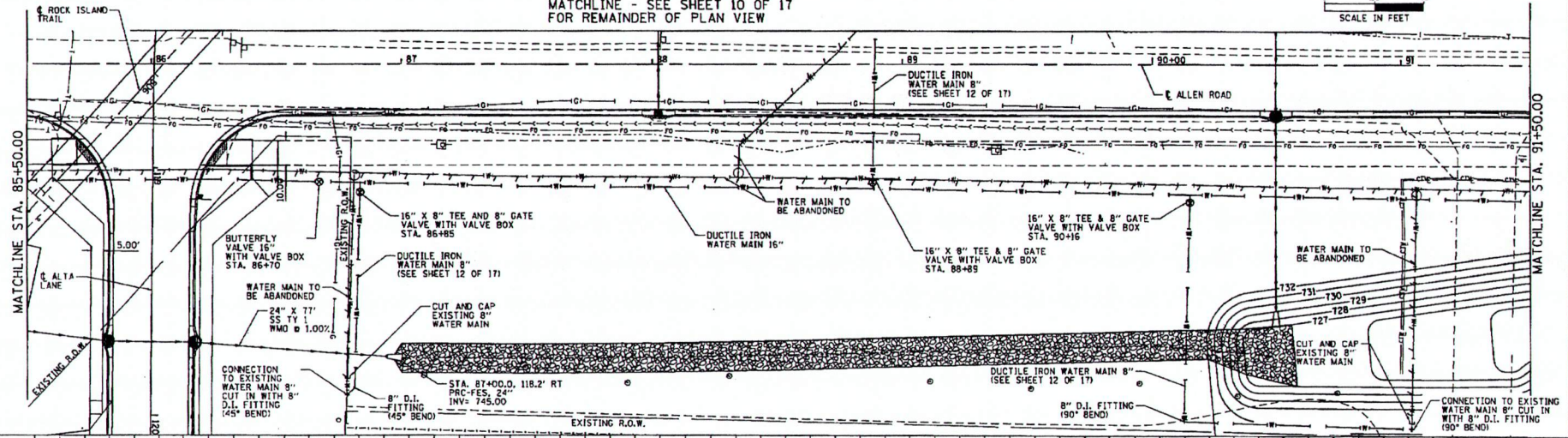
PROJECT: ALLEN ROAD IMPROVEMENTS

SECTION: 1051.172-THEORY





MATCHLINE - SEE SHEET 10 OF 17 FOR REMAINDER OF PLAN VIEW



PLAN	DATE
REVISION	BY
DATE	BY
DATE	BY
DATE	BY
DATE	BY

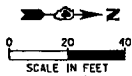
PROFILE	DATE
REVISION	BY
DATE	BY
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DATE	BY
DATE	BY

**MAURER-STUTZ**  
ENGINEERS ARCHITECTS

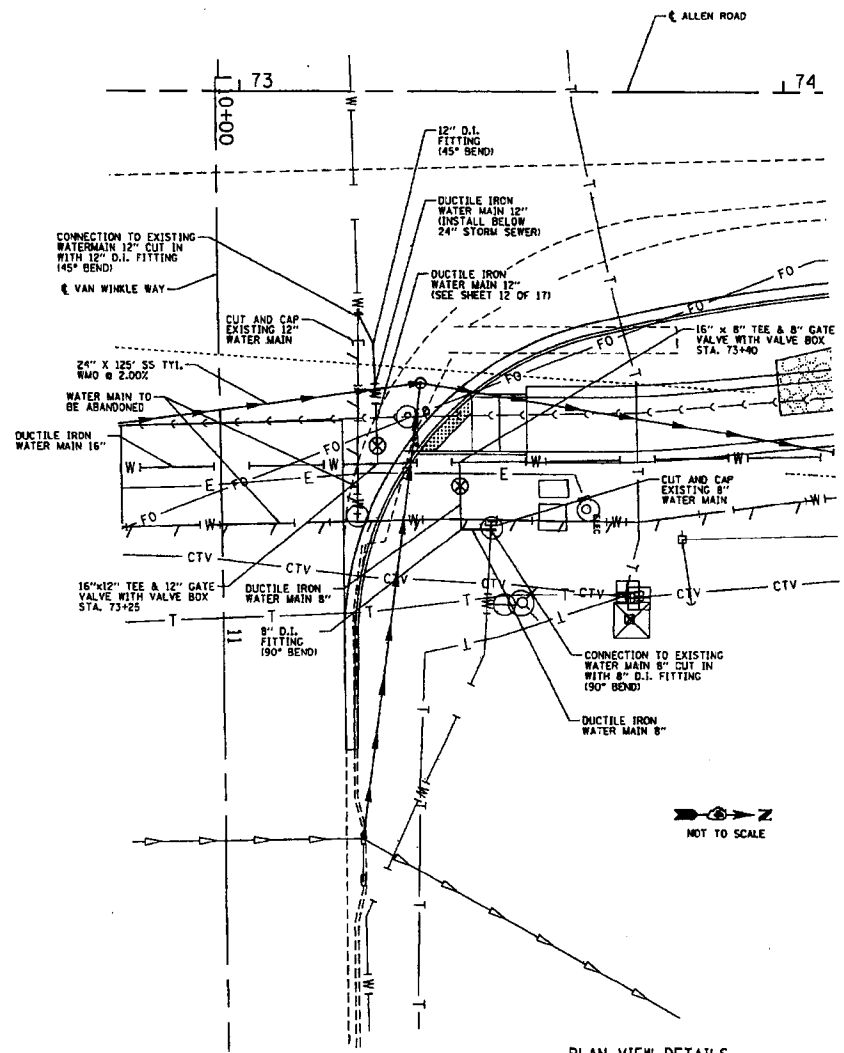
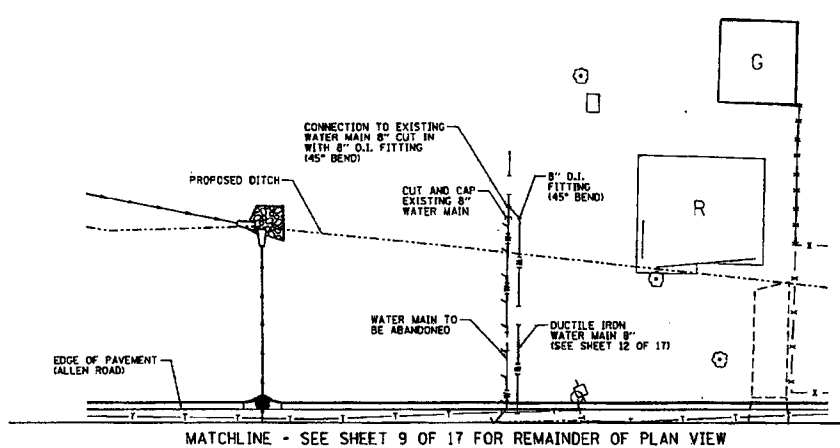
FILE NAME: 14158A.DWG	USER NAME: jgambino	DESIGNED -	REVISOR -	<b>STATE OF ILLINOIS</b> <b>DEPARTMENT OF TRANSPORTATION</b>	<b>ALLEN ROAD IMPROVEMENTS</b> <b>WATER MAIN RELOCATION - ALLEN ROAD</b>		F.A.I.L. SHEET NO. 5884	SECTION 105 (172-T)HDST	COUNTY PEORIA	TOTAL SHEET NO. 283
DATE: 1/28/2014	PROJECT: 14158A	DRAWN -	REVISION -		SCALE: 1" = 40.000'	SHEET 9 OF 17 SHEETS	STA. TO STA.	5885	ILLINOIS FEDERAL PROJECT	CONTRACT NO. 68683
DATE: 1/28/2014	PROJECT: 14158A	CHECKED -	REVISION -							
DATE: 1/28/2014	PROJECT: 14158A	DATE -	REVISION -							

FILE NO. 14-158 A





SCALE IN FEET



NOTE:  
CONTRACTOR TO FIELD VERIFY (AS NEEDED)  
ELEVATIONS OF EXISTING 8" AND 12" WATER  
MAINS AT PROPOSED CONNECTIONS PRIOR TO  
INSTALLATION OF MAINS.

PLAN VIEW DETAILS  
VAN WINKLE WAY

MAURER-STUTZ  
ENGINEERS

FILE NAME	USER NAME	DESIGNED	REVISED
6/12/27/2014/23713044/0001-0001/01/0001	gandrom		
CAD	DRAWN	REVISED	
6/12/27/2014/23713044/0001-0001/01/0001	gandrom		
PLAT SCALE = 48.0000 1/4" = 1'	CHECKED	REVISED	
DATE	DATE	REVISED	
6/24/14 AM			

STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

ALLEN ROAD IMPROVEMENTS  
WATER MAIN RELOCATION - ALLEN ROAD  
SCALE: SHEET 10 OF 17 SHEETS STA. TO STA.

F.A.D. R.E.	SECTION	COUNTY	TOTAL SHEET NO.
8584	105 (12-THIRD)	PEORIA	487 364
8585			CONTRACT NO. 69683
(ILLINOIS) FOR AND PROJECT			

FILE NO. 14-158 A

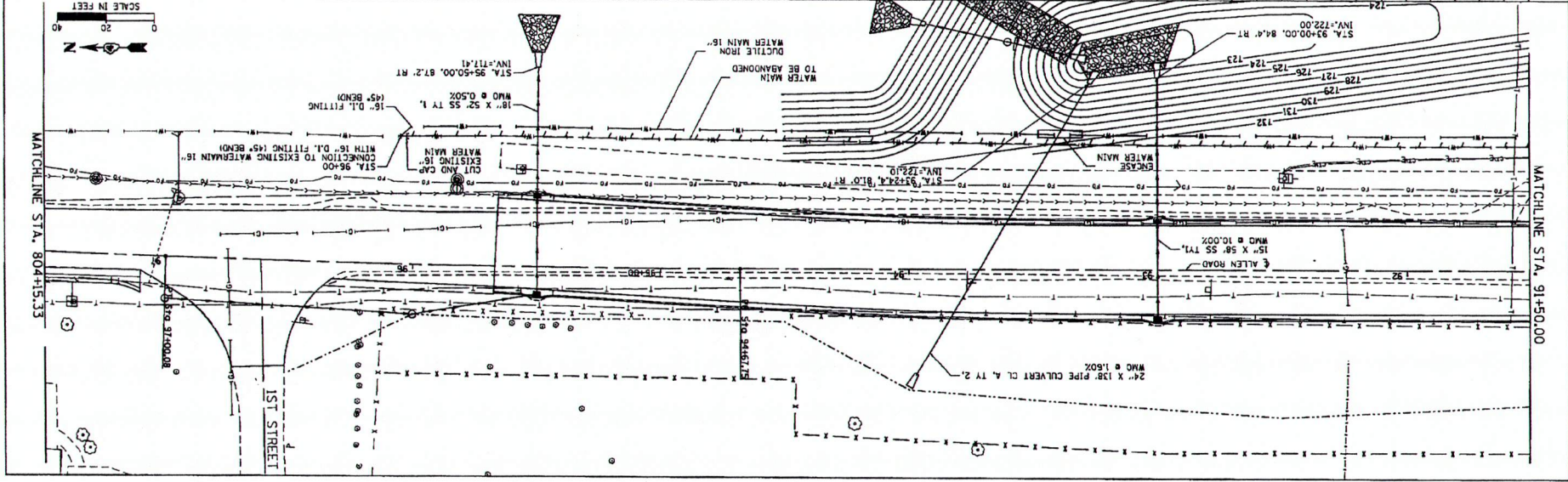
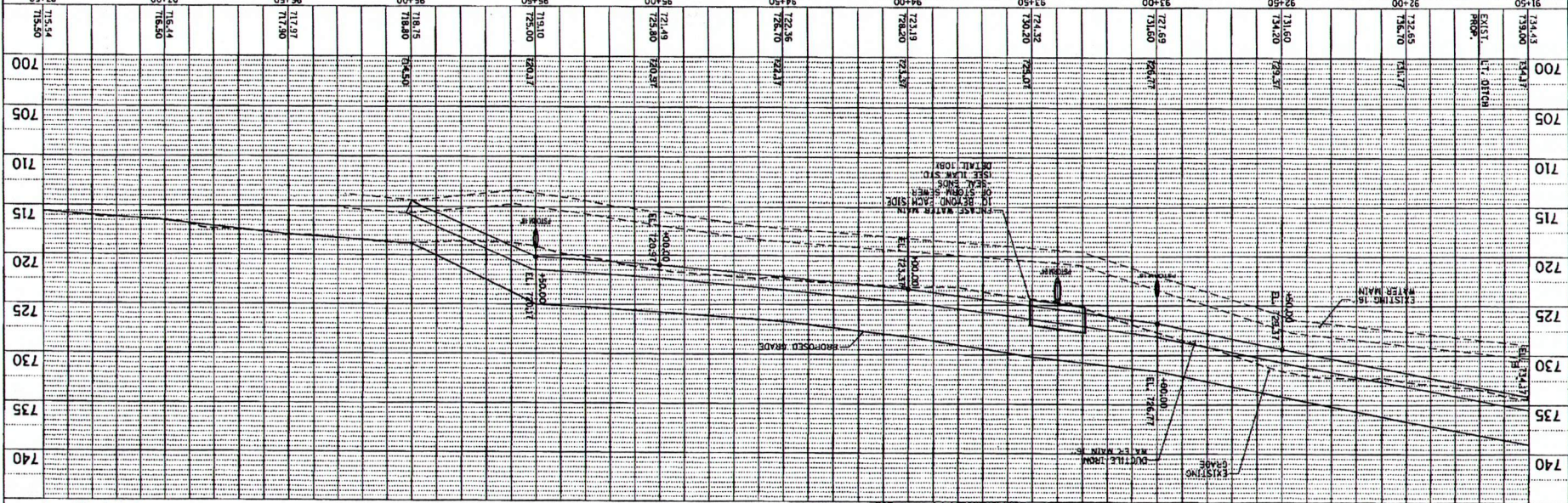


**HAUER-STUTZ**  
ENGINEERS

PROFILE	DATE	BY
PLAN	DATE	BY
REVISION	DATE	BY

DATE	BY

STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION  
ALLEN ROAD IMPROVEMENTS - ALLEN ROAD  
WATER MAIN RELOCATION - ALLEN ROAD



SCALE IN FEET  
MATCHLINE STA. 804+15.33  
MATCHLINE STA. 91+50.00



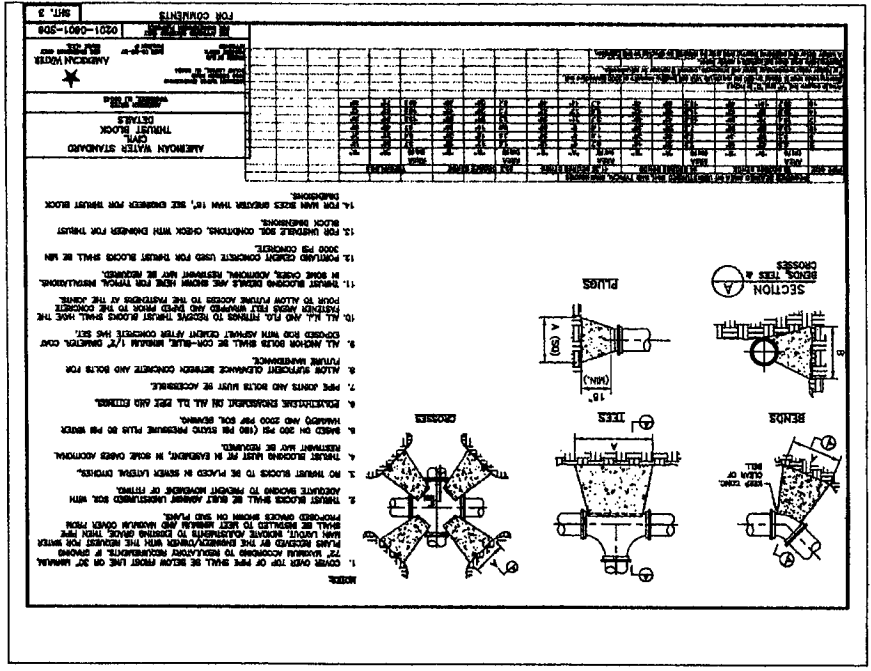
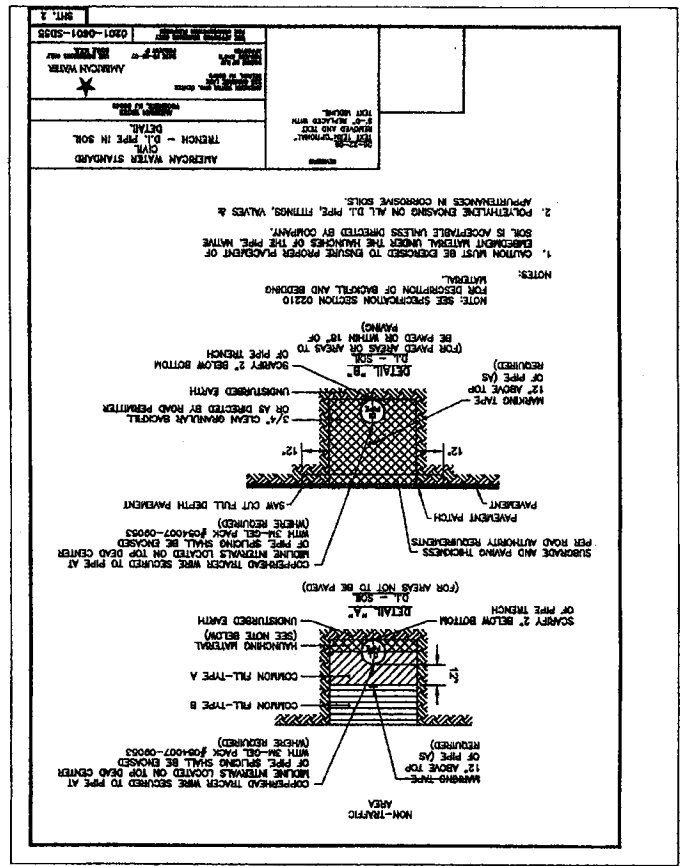




DESIGNED	REVISION	DATE
DRAWN	REVISION	
CHECKED	REVISION	
PLANT DATE	REVISION	

STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

SCALE	SHEET 13 OF 17 SHEETS STA.	TO STA.
SECTION	ATTEN ROAD IMPROVEMENTS	
COUNTY	JEFFERSON	
TOTAL SHEETS	17	
CONTRACT NO.	100-172-TRNGY	
CONTRACT NO. 88683		





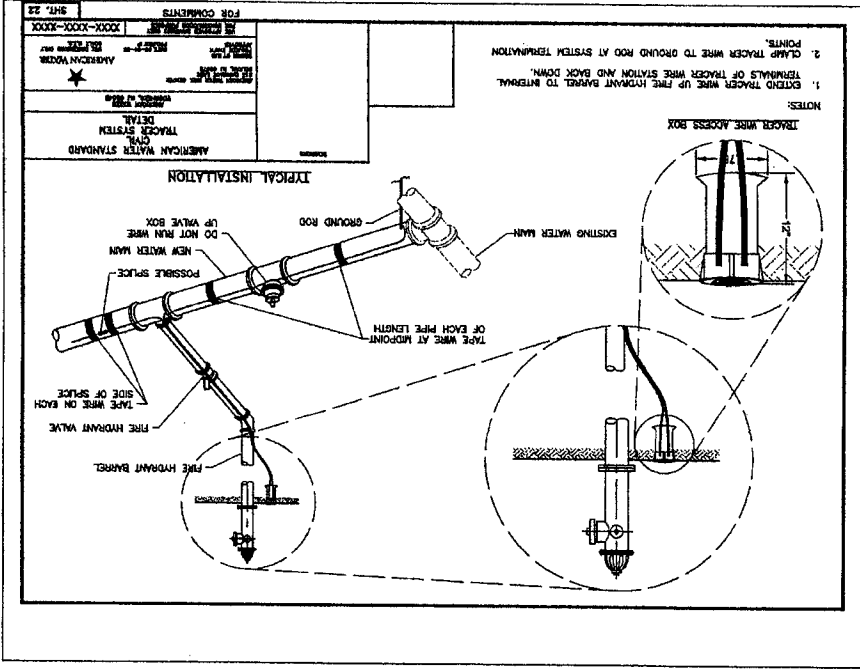
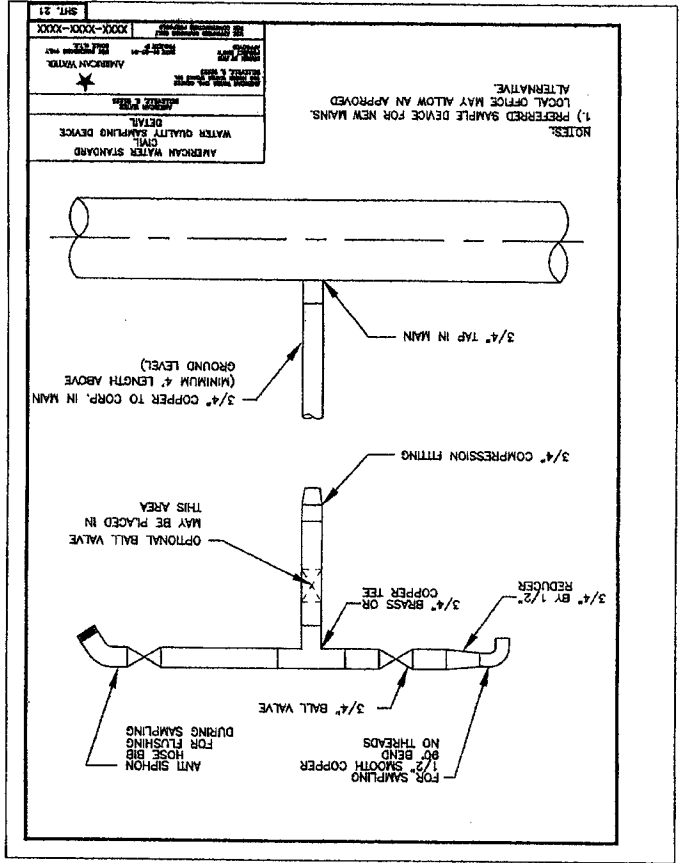


DESIGNED	DATE	REVISIONS
REVISIONS	DATE	REVISIONS
REVISIONS	DATE	REVISIONS
REVISIONS	DATE	REVISIONS

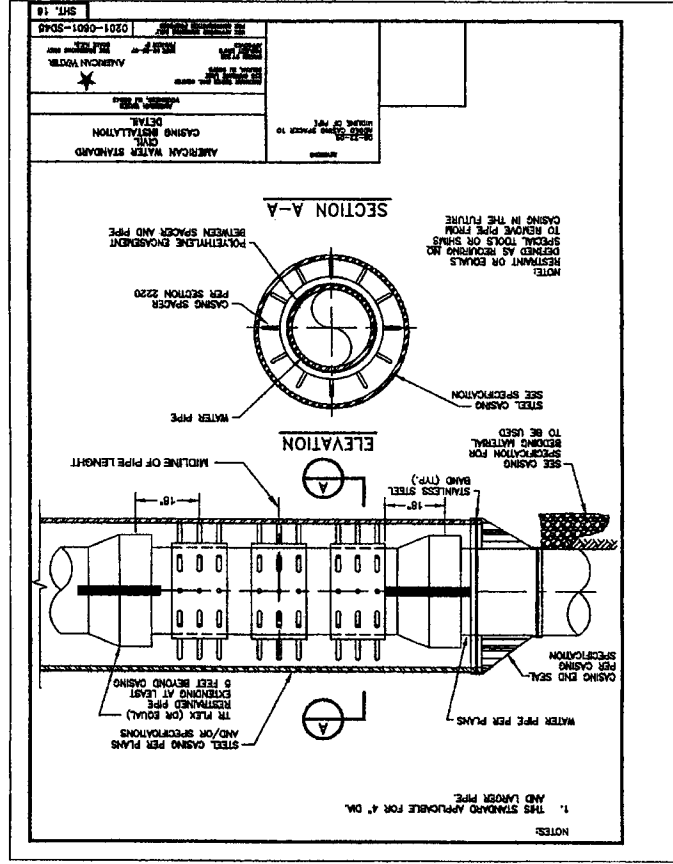
STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

SCALE: SHEET IS OF 11 SHEETS STA. TO STA.  
ALLEN ROAD IMPROVEMENTS  
WATER MAIN RELOCATION - DETAIL SHEETS

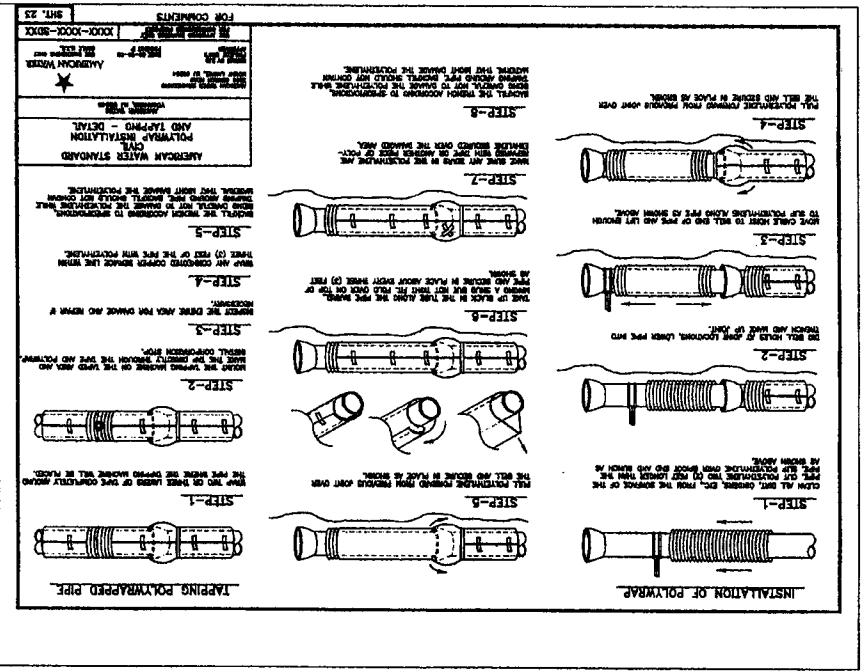
SECTION	COUNTY	TOTAL SHEETS
109-172-MHBY	MCRIA	487 370
CONTRACT NO. 68683		







DATE: 1/28/2016	DESIGNED: [REDACTED]	STATE OF ILLINOIS	SCALE: SHEET 17 OF 17 SHEETS STA.
DECIDED: [REDACTED]	DEPARTMENT OF TRANSPORTATION	ALLEN ROAD IMPROVEMENTS	WATER MAIN RELOCATION - DETAIL SHEETS
REVISIONS: [REDACTED]			
CONTRACT NO. 68683	SECTION	COUNTY	SHEET NO.



**Construction Agreement between the City of Peoria and Illinois-American Water Company**  
**Allen Road from Townline Road to North of Alta Lane**  
**Exhibit 2**

**Estimated "City" Watermain Cost**

Item	Quantity	Unit	Est Unit Cost	Est Total Cost
Trench Backfill	21	CY	\$ 35.00	\$ 735.00
Class B Patches, Type II, 10 inch	30	SY	\$ 250.00	\$ 7,500.00
Dowel Bars 1 1/2"	84	EA	\$ 25.00	\$ 2,100.00
Saw Cuts	144	FT	\$ 10.00	\$ 1,440.00
Ductile Iron Water Main 8"	29	FT	\$ 70.00	\$ 2,030.00
Ductile Iron Water Main 12"	29	FT	\$ 90.00	\$ 2,610.00
Ductile Iron Water Main 16"	1835	FT	\$ 110.00	\$ 201,850.00
Water Valves 8"	2	EA	\$ 2,000.00	\$ 4,000.00
Water Valves 12"	1	EA	\$ 3,000.00	\$ 3,000.00
Tapping Valves and Sleeves 16"	2	EA	\$ 12,000.00	\$ 24,000.00
Connection to existing Water Main 8"	1	EA	\$ 2,500.00	\$ 2,500.00
Connection to existing Water Main 12"	1	EA	\$ 3,000.00	\$ 3,000.00
Connection to existing Water Main 16"	1	EA	\$ 4,000.00	\$ 4,000.00
Cut and Cap existing 8" Water Main	2	EA	\$ 1,000.00	\$ 2,000.00
Cut and Cap existing 12" Water Main	1	EA	\$ 1,500.00	\$ 1,500.00
Cut and Cap existing 16" Water Main	5	EA	\$ 2,000.00	\$ 10,000.00
8" D.I. Fittings	6	EA	\$ 500.00	\$ 3,000.00
12" D.I. Fittings	4	EA	\$ 1,000.00	\$ 4,000.00
16" D.I. Fittings	7	EA	\$ 1,500.00	\$ 10,500.00
				<b>Subtotal</b>
				\$ 289,765.00
				Prorated share of traffic control and mobilization
				\$ 8,235.00
				<b>Estimated construction total</b>
				\$ 298,000.00
				Construction engineering at 10% of construction
				\$ 29,800.00
				<b>TOTAL ESTIMATED "CITY" WATERMAIN COST</b>
				<b>\$ 327,800.00</b>

prepared by City of Peoria, based on pricing and quantities provided by IDOT  
4/13/2014