

City of Rock Falls

603 W. 10th Street
Rock Falls, IL 61071-2854

Mayor

Rod Kleckler
815-380-5333

City Administrator

Robbin Blackert
815-564-1366



City Clerk

Pam Martinez
815-622-1100

City Treasurer


Kay Abner
815-622-1100

Rock Falls City Council Agenda Council Chambers 603 W 10th Street, Rock Falls, IL 61071

April 2, 2024
5:30 p.m.

Call to Order at 5:30 p.m.
Pledge of Allegiance
Roll Call

Proclamation



Proclaiming the Month of April 2024 as Sexual Assault Awareness Month in the
City of Rock Falls 

Audience Requests




Community Affairs

Rock Falls Chamber of Commerce, Sam Smith President/CEO

Consent Agenda:

1. Approval of the minutes of the March 9, 2024, City Council Meeting 
2. Approval of bills as presented 
3. Approve Mayor's Appointment of Chris King to the Whiteside Carroll Enterprise Zone Board – Term 10-01-2023 to 10-01-2026

Ordinance 1st Reading:

1. Ordinance 2024-2640 – Supplemental Appropriation Ordinance (Fiscal Year 2024) 
2. Ordinance 2024-2641 – Approving Annual Purchase Power Adjustment 
3. Ordinance 2024-2642 – Authorizing the Execution of a New Power Sales Contract and a New Capacity Purchase Agreement with the Illinois Municipal Electric Agency for the Delivery Period Commencing October 1, 2035 

Resolution:

1. Resolution 2024-919 – Authorizing Entry Into Intergovernmental Agreement Between the City of Rock Falls and Coloma Township Road District Regarding Winter Salting and Plowing 

City Administrator Robbin Blackert:

Rock Falls Tourism Director Melinda Jones:

1. 2024 Tourism Events

Information/Correspondence

Matt Cole, City Attorney

Corey Buck, City Engineer

Alderman Reports/Committee Chairman Requests

Ward 1

Alderman Bill Wangelin – Public Property/Public Works Committee Chairman/Tourism Committee

Alderman Gabriella McKanna – Finance/Insurance/Investment Committee Chairman

1. Recommendation from Finance Committee to approve a first reading of the Fiscal Year 2025 Budgets

Ward 2

Alderman Brian Snow – Building Code Committee Chairman/Utility Committee Vice Chairman

1. Recommendation from the Utility Committee to approve the Engineering Proposal for Upgrades to Metering points from BHMG, 9735 Landmark Parkway Drive, Suite 110A, St. Louis, MO 63127 in the amount of \$238,800.00 ☞☞
2. Recommendation from the Utility Committee to appoint Larry Hanrahan to the IMEA/IMUA Board effective June 21, 2024.
3. Recommendation from the Utility Committee to approve a Ten-Year License Agreement with IDNR for an overhead line across Hennepin Canal in the amount of \$2,420.00 ☞☞

Alderman Vickey Byrd

Ward 3

Alderman Steve Dowd

Alderman Cody Dornes

Ward 4

Alderman Violet Sobottka – Ordinance/License/Personnel/Safety Committee Chairman

Alderman Cathy Arduini

Mayor's Report:

1. Authorize the Mayor as a member of the Rock Falls Area Dog Control Board to vote to disband the Rock Falls Area Dog Control Board and to contract with Whiteside County Health Department for Dog Control

Executive Session:

1. Section 2(c)(21) – Review of Closed Session Minutes
2. Section 2(c)(2) – Collective negotiating matters and deliberations concerning salary schedules
3. Section 2(C)(1) – Employee hiring, firing, compensation, discipline and performance

Action taken from Executive Session

Adjournment

Next City Council Meeting – April 16, 2024, at 5:30 p.m.

Posted: March 28, 2024

Michelle Conklin, Deputy City Clerk

The City of Rock Falls is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with Disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in the meeting, or who have questions regarding the accessibility of the meeting or the facilities, are requested to contact Mark Searing, ADA Coordinator, at 1-815-622-1108 promptly to allow the City of Rock Falls to make reasonable accommodations within 48 hours of the scheduled meeting.

PROCLAMATION

SEXUAL ASSAULT AWARENESS MONTH

APRIL 2024

WHEREAS, Sexual Assault Awareness Month calls attention to the fact that sexual violence is widespread and impacts every person in this community.

WHEREAS, Rape, sexual assault, and sexual harassment harm our community, and statistics show one in five women and one in 71 men will be raped at some point in their lives (Black et al., 2011)

WHEREAS, Child sexual abuse prevention must be a priority to confront the reality that one in six boys and one in four girls will experience a sexual assault before age 18 (Dube et al., 2005).

WHEREAS, Young people experience heightened rates of sexual violence, and youth ages 12 – 17 were 2.5 times as likely to be victims of rape and sexual assault (Snyder & Sickmund, 2006).

WHEREAS, On campus, one in five women and one in 16 men are sexually assaulted during their time in college (Krebs, Lindquist, Warner, Fisher & Martin, 2007).

WHEREAS, We must work together to educate our community about sexual violence prevention, supporting survivors and speaking out against harmful attitudes and actions.

WHEREAS, Prevention is possible when everyone gets involved. The first step is increasing education, awareness and community involvement. It's time for all of us to take action to create a safer environment for all.

NOW, THEREFORE, I Rod Kleckler, Mayor of the City of Rock Falls, join advocates and communities across the country in taking action to prevent sexual violence and hereby proclaim the month of April 2024 as Sexual Assault Awareness Month in the City of Rock Falls.

Approved this 2nd day of April, 2024.

Rod Kleckler, Mayor

ATTEST:

Pam Martinez, City Clerk

City of Rock Falls

603 W. 10th Street
Rock Falls, IL 61071-2854

Regular meeting minutes of the Mayor and Aldermen of the City of Rock Falls

The regular meeting of the Mayor and City Council of Rock Falls, Illinois was called to order at 5:30 p.m. on March 19, 2024, in the Council Chambers by Mayor Rod Kleckler.

City Clerk Pam Martinez called the roll following the pledge of allegiance. A quorum was present including Mayor Kleckler, Aldermen McKanna, Wangelin, Snow, Byrd, Dowd, Dornes, Arduini, and Sobottka. In addition, Attorney Matt Cole and City Administrator Robbin Blackert were present.

Rock Falls Police Department

- Presentation of a Lifesaving Award to Officer Perez and Sergeant Gluff. Chief Pilgrim recounted the events of February 14, 2024, when a 911 call came in for assistance. Sergeant Gluff and Officer Perez along with Chief Pilgrim started lifesaving measures on Tim Issac until paramedics arrived. Officer Kristofer Perez and Sergeant Betony Gluff were presented with a Lifesaving Award by Chief Pilgrim. City Administrator Robbin Blackert presented Chief Dave Pilgrim with a Lifesaving Award as well. Rock Falls Fire Fighters were recognized by Chief Pilgrim for their assistance. Alexis Echebarria and Tara Baumgartner were also presented awards by their supervisor.

Public Hearing:

- Public Hearing for the purpose of discussing the construction of sanitary sewers in an unsewered area on the west side of Rock Falls.
 - The Public Hearing was entered at 5:43 p.m. and discussion was given by Matt Hansen with Willett, Hofmann & Associates. This proposal is for future planning only. This area would need to be annexed into the City of Rock Falls.

Public Hearing closed at 5:56 p.m.

Audience request:

None.

Community Affairs:

None.

Consent Agenda:

Consent Agenda items 1-2 were read aloud by City Clerk Pam Martinez.

1. Approval of the minutes of the March 5, 2024, City Council Meeting.
2. Approval of bills as presented.

A motion was made by Alderman Wangelin to approve the Consent Agenda and second by Alderman Snow.

Vote 8 aye, motion carried.

Ordinance 2nd Reading and Adoption:

1. Ordinance 2024-2637 – Amending Chapter 16 Relating to Business License Fee Increase.

A motion was made by Alderwoman Sobottka to approve Ordinance 2024-2637 – Amending Chapter 16 Relating to Business License Fee Increase for second reading and adoption and second by Alderwoman McKanna.

Vote 8 aye, motion carried.

2. Ordinance 2024-2638 – Approving Annual Fair Solar Credit.
A motion was made by Alderwoman McKanna to approve Ordinance 2024-2638 – Approving Annual Fair Solar Credit second reading and adoption and second by Alderman Wangelin.
Vote 8 aye, motion carried.

City Administrator:

1. Authorizing Street Superintendent or City Administrator Robbin Blackert to enter into contracts, to include joint participation agreements, on behalf of the City of Rock Falls with the State of Illinois and any of its agencies and further is authorized to execute any documents which may in his/her judgement be desirable or necessary to affect the purpose of this vote, this authorization shall be for Bulk Rock Salt.
A motion was made by Alderwoman Sobottka to approve the authorizing the Street Superintendent or City Administrator Robbin Blackert to enter into contracts, to include joint participation agreements, on behalf of the City of Rock Falls with the State of Illinois and any of its agencies and further is authorized to execute any documents which may in his/her judgement be desirable or necessary to affect the purpose of this vote, this authorization shall be for Bulk Rock Salt and second by Alderman Snow.

Vote 8 aye, motion carried.

2. Approve recommendation from Willett, Hofmann & Associate to approve the Avenue A Reconstruction and 5th Avenue Lift Station Replacement and award the bid from Martin & Company Excavating, 2456 East Pleasant Grove Road, Oregon, IL 61061 in the amount of \$5,565,369.89.

A motion was made by Alderman Snow to approve recommendation from Willett, Hofmann & Associate to approve the Avenue A Reconstruction and 5th Avenue Lift Station Replacement and award the bid from Martin & Company Excavating, 2456 East Pleasant Grove Road, Oregon, IL 61061 in the amount of \$5,565,369.89 and second by Alderman Wangelin.

Vote 8 aye, motion carried.

3. Approve recommendation from Terracon to award the Former Micro Industries Building Asbestos Abatement Project to the lower bidder Husar Abatement, Ltd., 10215 Franklin Avenue, Franklin Park, IL 60131 in the amount of \$188,000.00.
A motion was made by Alderwoman Sobottka to approve recommendation from Terracon to award the Former Micro Industries Building Asbestos Abatement Project to the lower bidder Husar Abatement, Ltd., 10215 Franklin Avenue, Franklin Park, IL 60131 in the amount of \$188,000.00 and second by Alderwoman Arduini.

Vote 8 aye, motion carried.

4. Recommendation from the Planning Zoning Commission to grant the Whiteside County Health Department's request for the rezoning of parcel #11-28-301-008 from R-2 to B-1.

A motion was made by Alderwoman Sobottka to approve the Recommendation from the Planning Zoning Commission to grant the Whiteside County Health Department's request for the rezoning of parcel #11-28-301-008 from R-2 to B-1 and second by Alderwoman McKanna.

Vote 8 aye, motion carried.

City Attorney:

None

City Departments:

None

Alderman Reports / Committee Chairman Requests

Alderman Wangelin made a motion to approve the Recommendation from the Public Property/Public Works Committee to approve the Phase II Engineering Agreement for the East 11th Street Bridge Project with Willett, Hofmann & Associates, 809 E 2nd Street, IL 61021 in the amount of \$174,461.06 and second by Alderwoman McKanna.

Vote 8 aye, motion carried.

Alderman Wangelin made a motion to approve the recommendation from the Public Property/Public Works Committee to approve the Motor Fuel Tax 2024 General Maintenance Materials bid from Helm Materials, Inc., 2283 Route 20 East, Freeport, IL 61032 and second by Alderman Snow.

Vote 8 aye, motion carried.

Alderwoman McKanna made a motion to approve Fire Department to purchase from ARPA Funds, 8 sets of Turn Out Gear in the amount of \$30,400.00 and second by Alderwoman Sobottka.

Vote 8 aye, motion carried.

Alderman Snow sent condolences to Daehle Reitzel and Karen Boesen families.

Mayor's Report:

None.

Executive Session:

1. Section 2(c)(21) – Review of Closed Session Minutes
2. Section 2(c)(2) – Collective negotiating matters and deliberations concerning salary schedules.

A motion was made by Alderman Snow to move into Executive Session and second by Alderwoman Sobottka.

Vote 8 aye, motion carried 6:13 p.m.

No action taken from Executive Session and return to regular session 6:35 p.m.

A motion was made by Alderwoman Sobottka to adjourn and second by Alderman Snow.

Vote via voice, all approved (6:35 p.m.)

Pamela Martinez

Pamela Martinez, City Clerk

CITY OF ROCK FALLS

603 W 10th Street

Rock Falls, Illinois

04/02/2024 Council Meeting

To the Mayor and City Council of the City of Rock Falls, your Committee on Finance would respectfully report that they have examined the following bills presented against the City, and have found the same correct and would recommend the payment of the various amounts to the several claimants as follows:

Tourism	\$1,882.02
General Fund	\$30,331.64
Demolition Fund	\$128.75
Drug Fund	\$3,407.43
Electric	\$39,199.13
Sewer	\$9,036.55
Water	\$19,094.51
Garbage	\$46,913.86
Customer Service Center	\$791.31
Customer Utility Deposits	\$453.51
	<u>\$151,238.71</u>

Alderman Wangelin
Alderman Palmer
Alderman Dornes
Alderman Arduini

DATE: 03/21/24
TIME: 12:43:46
ID: AP443000.WOW

CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 03/22/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

TOURISM			
05	TOURISM		
5015	CARD SERVICE CENTER	69,000.89	570.29
5032	COMCAST	5,052.88	11.81
5161	HUGHES MEDIA CORP	8,545.00	995.00
5308	LEAF	6,969.96	96.96
	TOURISM		1,674.06
GENERAL FUND			
01	ADMINISTRATION		
4331	CIRCUIT CLERK OF LEE COUNTY	4,130.00	250.00
5032	COMCAST	5,052.88	11.81
	ADMINISTRATION		261.81
02	CITY ADMINISTRATOR		
5032	COMCAST	5,052.88	5.90
	CITY ADMINISTRATOR		5.90
04	BUILDING		
5015	CARD SERVICE CENTER	69,000.89	40.00
5032	COMCAST	5,052.88	23.60
5308	LEAF	6,969.96	96.96
5311	SAMSARA NETWORKS INC	7,399.94	20.00
	BUILDING		180.56
05	CITY CLERK'S OFFICE		
5015	CARD SERVICE CENTER	69,000.89	21.24
5032	COMCAST	5,052.88	23.59
	CITY CLERK'S OFFICE		44.83
06	POLICE		

INVOICES DUE ON/BEFORE 03/22/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
06	POLICE		
194	GRUMMERT'S HARDWARE - R.F.	6,232.72	86.38
350	GISI BROS INC	14,743.18	126.66
4655	WHEELHOUSE, INC.	8,130.52	1,448.00
4692	PANTHER UNIFORMS, INC.		150.00
4981	AT&T MOBILITY	4,328.13	283.63
5015	CARD SERVICE CENTER	69,000.89	1,205.31
5032	COMCAST	5,052.88	182.76
651	NICOR	62,443.42	201.85
662	RAY O'HERRON CO., INC.	7,080.49	247.05
683	P. F. PETTIBONE & CO.	963.85	55.90
752	ROCK FALLS AREA DOG CONTROL	4,006.70	592.83
	POLICE		4,580.37
07	CODE HEARING DEPARTMENT		
4929	TIMOTHY J SLAVIN	7,750.00	1,700.00
	CODE HEARING DEPARTMENT		1,700.00
10	STREET		
194	GRUMMERT'S HARDWARE - R.F.	6,232.72	14.04
2451	MENARDS	14,814.72	273.67
4796	VERIZON WIRELESS	10,640.21	47.31
5015	CARD SERVICE CENTER	69,000.89	751.30
5032	COMCAST	5,052.88	11.81
5311	SAMSARA NETWORKS INC	7,399.94	200.00
5398	DOUGLAS MALMBERG	6,240.51	1,015.00
795	SBM BUSINESS EQUIPMENT CENTER	12,003.03	18.08
T0000024	MILES TRUCK & TRAILER WORKS	21,113.08	2,765.82
T0004412	PHYSICIANS IMMEDIATE CARE	3,169.00	110.00
	STREET		5,207.03
12	PUBLIC PROPERTY		
2451	MENARDS	14,814.72	95.01
5015	CARD SERVICE CENTER	69,000.89	42.69
533	ELECTRONICS, INC.	10,345.05	377.00
961	UNITED ELECTRIC	3,933.18	138.20

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CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 03/22/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
12	PUBLIC PROPERTY		
T0005828	AMERICAN TREE SERVICE		1,100.00
	PUBLIC PROPERTY		1,752.90
13	FIRE		
1493	WILLIAM & MARY COMPUTER CENTER	76,819.95	145.00
2776	EAGLE ENGRAVING INC	23.55	155.85
4385	DINGES FIRE COMPANY	30,185.50	186.50
4558	WHITESIDE COUNTY GIS		154.72
4651	MOST PLUMBING & MECHANICAL LLC	2,230.40	120.00
4664	STAPLES ADVANTAGE	1,010.89	112.01
5015	CARD SERVICE CENTER	69,000.89	1,411.65
5032	COMCAST	5,052.88	61.31
651	NICOR	62,443.42	605.61
956	UNIFORM DEN INC	1,356.34	295.00
T0003419	FIRE TEXT RESPONSE, LLC		600.00
T0004412	PHYSICIANS IMMEDIATE CARE	3,169.00	600.00
T0004954	LYNN CARD CO		170.00
	FIRE		4,617.65
BUILDING CODE DEMOLITION FUND			
12	BUILDING CODE DEMOLITION FUND		
1052	SAUK VALLEY MEDIA	11,578.43	128.75
	BUILDING CODE DEMOLITION FUND		128.75
ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
1702	INTERSTATE ALL BATTERY CENTER	1,978.70	42.80
194	GRUMMERT'S HARDWARE - R.F.	6,232.72	10.24
2451	MENARDS	14,814.72	71.85
2611	FISCH MOTORS INC	2,316.00	329.00
4207	O'REILLY AUTOMOTIVE INC	4,575.83	320.99
4215	POWER LINE SUPPLY	104,958.61	1,271.00
4796	VERIZON WIRELESS	10,640.21	315.64
4938	MICHLIG ENERGY LTD	182,864.53	20,326.03
5015	CARD SERVICE CENTER	69,000.89	5,883.21

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TIME: 12:43:46
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CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 03/22/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
5032	COMCAST	5,052.88	59.03
5110	KUNES COUNTRY AUTO GROUP	59,714.92	1,297.79
5193	TRI-STATE FIRE CONTROL	505.00	505.00
5311	SAMSARA NETWORKS INC	7,399.94	280.00
	OPERATION & MAINTENANCE		30,712.58
SEWER FUND			
38	OPERATION & MAINTENANCE		
1773	ATCO INTERNATIONAL		137.70
2451	MENARDS	14,814.72	415.36
34	ALTORFER INC.	138,190.36	55.87
4207	O'REILLY AUTOMOTIVE INC	4,575.83	59.96
4684	SCHMITT PLUMBING & HEATING INC	14,242.17	471.00
4796	VERIZON WIRELESS	10,640.21	279.78
482	JOHNSON OIL CO	290.50	714.28
5015	CARD SERVICE CENTER	69,000.89	1,871.92
5032	COMCAST	5,052.88	41.31
5264	FLOW-TECHNICS INC	4,000.00	750.00
5311	SAMSARA NETWORKS INC	7,399.94	120.00
	OPERATION & MAINTENANCE		4,917.18
WATER FUND			
40	WATER		
131	BURGER BROTHERS INC	2,005.00	300.00
	WATER		300.00
48	OPERATION & MAINTENANCE		
131	BURGER BROTHERS INC	2,005.00	300.00
194	GRUMMERT'S HARDWARE - R.F.	6,232.72	181.49
2301	STERLING NAPA	4,551.45	42.89
2939	FURR EXCAVATING, INC.	110.00	175.00
4141	BEHRENS TRUCKING &	53,992.50	405.00
4361	FERGUSON WATERWORKS #2516	209,350.55	935.28
4796	VERIZON WIRELESS	10,640.21	38.01
5032	COMCAST	5,052.88	29.51

INVOICES DUE ON/BEFORE 03/22/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER FUND			
48	OPERATION & MAINTENANCE		
5143	HAWKINS, INC	421.50	155.00
5296	BRADFORD SUPPLY CO	207.65	232.09
5311	SAMSARA NETWORKS INC	7,399.94	120.00
5345	QC ANALYTICAL SERVICES LLC	2,862.00	150.00
67	B & D SUPPLY CO.	2,294.15	79.23
852	S.J. SMITH CO INC	1,756.27	17.21
T0004455	ROCK RIVER CARTAGE INC	7,965.67	1,160.75
	OPERATION & MAINTENANCE		4,021.46
CUSTOMER SERVICE CENTER			
51	CUSTOMER SERVICE CENTER		
5015	CARD SERVICE CENTER	69,000.89	750.00
5032	COMCAST	5,052.88	41.31
	CUSTOMER SERVICE CENTER		791.31
DRUG FUND			
56	DRUG ABUSE		
4981	AT&T MOBILITY	4,328.13	42.23
5015	CARD SERVICE CENTER	69,000.89	2,500.00
	DRUG ABUSE		2,542.23
CUSTOMER UTILITY DEPOSITS			
75	CUSTOMER UTILITY DEPOSITS		
T0005829	CINNAMON WOLF		105.00
T0005830	ANDREW KENNEDY		235.83
T0005831	REMAX PROPERTY SOURCE		50.00
	CUSTOMER UTILITY DEPOSITS		390.83
	TOTAL ALL DEPARTMENTS		63,829.45

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TIME: 12:29:07
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CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 03/29/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

TOURISM			
05	TOURISM		
200	COM ED	1,669.41	33.09
5389	MELINDA JONES	826.22	174.87
	TOURISM		207.96
GENERAL FUND			
01	ADMINISTRATION		
4310	PITNEY BOWES	4,034.00	2,018.50
	ADMINISTRATION		2,018.50
06	POLICE		
1448	IL DEPT OF INNOVATION &	4,382.73	398.43
2699	WHITESIDE COUNTY HEALTH DEPT		56.42
5032	COMCAST	5,556.63	6.33
624	DIXON FORD VW	747.75	2,664.07
795	SBM BUSINESS EQUIPMENT CENTER	12,021.11	575.88
	POLICE		3,701.13
10	STREET		
110	BONNELL INDUSTRIES, INC.	24,675.66	1,979.80
194	GRUMMERT'S HARDWARE - R.F.	6,524.87	122.10
2451	MENARDS	15,670.61	639.01
2985	CAPITAL ONE	6,598.86	75.90
4207	O'REILLY AUTOMOTIVE INC	4,956.78	73.94
5394	OLIVIA GUTIERREZ	1,375.00	125.00
T0000024	MILES TRUCK & TRAILER WORKS	23,878.90	1,328.91
	STREET		4,344.66
12	PUBLIC PROPERTY		
2451	MENARDS	15,670.61	131.52
	PUBLIC PROPERTY		131.52

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CITY OF ROCK FALLS
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 03/29/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
13	FIRE		
2451	MENARDS	15,670.61	22.97
2515	MORLEY SIGNS	624.00	488.00
2985	CAPITAL ONE	6,598.86	129.61
956	UNIFORM DEN INC	1,651.34	1,144.20
	FIRE		1,784.78

ELECTRIC FUND			
20	OPERATION & MAINTENANCE		
1224	AIRGAS USA LLC	1,726.62	134.07
194	GRUMMERT'S HARDWARE - R.F.	6,524.87	19.79
2187	BORDER STATES INDUSTRIES INC	10,760.61	1,038.06
2451	MENARDS	15,670.61	21.86
2985	CAPITAL ONE	6,598.86	47.86
4215	POWER LINE SUPPLY	106,229.61	510.00
4383	GRAINGER	2,263.57	440.15
44	AMERICAN PUBLIC POWER ASSOC.		680.00
4544	UPS	424.28	22.12
4730	FLETCHER-REINHARDT CO	44,653.99	872.30
5127	JM TEST SYSTEMS LLC	6,792.05	3,399.84
5332	TYNDALE	14,548.80	140.00
5402	IFP MOTION SOLUTIONS INC	8,771.20	1,160.50
	OPERATION & MAINTENANCE		8,486.55

SEWER FUND			
38	OPERATION & MAINTENANCE		
1279	WILCO RENTAL	4,148.85	1,022.26
194	GRUMMERT'S HARDWARE - R.F.	6,524.87	20.75
200	COM ED	1,669.41	178.53
2301	STERLING NAPA	4,594.34	95.76
2449	CORE & MAIN LP	10,625.02	1,708.98
2985	CAPITAL ONE	6,598.86	107.81
4207	O'REILLY AUTOMOTIVE INC	4,956.78	84.28
5345	QC ANALYTICAL SERVICES LLC	3,012.00	761.00
5405	WCT	190.03	140.00
	OPERATION & MAINTENANCE		4,119.37

INVOICES DUE ON/BEFORE 03/29/2024

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER FUND			
40	WATER		
4361	FERGUSON WATERWORKS #2516	210,285.83	1,348.04
	WATER		1,348.04
48	OPERATION & MAINTENANCE		
1740	VIKING CHEMICAL CO	18,951.50	6,203.00
2985	CAPITAL ONE	6,598.86	228.70
338	GASVODA & ASSOCIATES, INC.	1,181.63	68.73
4361	FERGUSON WATERWORKS #2516	210,285.83	5,951.84
46	AMERICAN WATER WORKS ASSOC.		394.00
4707	KIMBALL MIDWEST	1,873.25	88.00
5395	ANDREW TRIBLEY	100.00	115.74
884	STERLING STEEL WAREHOUSE INC	1,986.00	375.00
	OPERATION & MAINTENANCE		13,425.01
GARBAGE FUND			
50	GARBAGE		
1258	REPUBLIC SERVICES #721	484,403.18	46,913.86
	GARBAGE		46,913.86
DRUG FUND			
56	DRUG ABUSE		
5362	RIVER RIDGE ANIMAL HOSPITAL	528.40	865.20
	DRUG ABUSE		865.20
CUSTOMER UTILITY DEPOSITS			
75	CUSTOMER UTILITY DEPOSITS		
T0005832	KELSEY & JUSTIN BROWN		62.68
	CUSTOMER UTILITY DEPOSITS		62.68
	TOTAL ALL DEPARTMENTS		87,409.26

CITY OF ROCK FALLS

ORDINANCE NO. 2024- 2640

SUPPLEMENTAL APPROPRIATION ORDINANCE
(FISCAL YEAR 2024)

ADOPTED BY THE
CITY COUNCIL
OF THE
CITY OF ROCK FALLS

THIS _____ DAY OF _____, 2024

Published in pamphlet form by authority of the City Council of the City of Rock Falls,
Illinois, this _____ day of _____, 2024.

SUPPLEMENTAL APPROPRIATION ORDINANCE

BE IT ORDAINED, by the City Council of the City of Rock Falls, Illinois;

WHEREAS, the Annual Appropriation Ordinance for the fiscal year 2024, Ordinance No. 2023-2608 appropriating revenue for the operation of the Municipal Government for the fiscal year 2024 was approved prior to the City Council's awareness of new and unanticipated revenues and expenditures; and

WHEREAS, the City of Rock Falls needs to supplement its appropriation ordinance to provide for said unanticipated revenues and expenditures.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Rock Falls that;

SECTION 1. Supplemental Appropriation to the Worker's Comp/General Liability Fund for unanticipated revenues as shown below:

Transfer from Reserves	\$7,500.00
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SECTION 2. Supplemental Appropriation to the Worker's Comp/General Liability Fund for unanticipated expenditures as shown below:

Insurance Deductible	\$7,500.00
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SECTION 3. Supplemental Appropriation to the Health Insurance Fund for unanticipated Revenues as shown below:

Transfer from Reserves:	\$135,000.00
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SECTION 4. Supplemental Appropriation to the Health Insurance Fund for unanticipated expenditures as shown below:

Employee Group Ins Expense:	\$135,000.00
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SECTION 5. Supplemental Appropriation to the Water Fund for unanticipated Revenues as shown below:

IEPA Revolving Loan:	\$1,210,000.00
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SECTION 6. Supplemental Appropriation to the Water Fund for unanticipated Expenditures as shown below:

Jobs in Process	\$1,210,000.00
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SECTION 7. Supplemental Appropriation to the Drug Fund for unanticipated Revenues as shown below:

DUI Fund Revenue	\$1,500.00
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SECTION 8. Supplemental Appropriation to the Drug Fund for unanticipated Expenses as shown below:

Drug Fund Expenses:	\$1,500.00
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SECTION 9. If any section, paragraph, sentence, clause of other portion of this ordinance is held or deemed to be unenforceable or invalid, then such holding or finding of unenforceability or invalidity shall not affect the validity of the remaining provisions of this ordinance.

SECTION 10. This ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

Passed this _____ day of April, 2023.

Mayor

ATTEST:

City Clerk

CERTIFICATION OF AN
AMENDED APPROPRIATION ORDINANCE
IN ACCORDANCE WITH P.A. 83-881

The undersigned, being the Deputy City Clerk and the Chief Financial Officer respectively, of the taxing district hereinafter named, do hereby certify that attached hereto is a true and correct copy of the Amended Appropriation Ordinance No. 2024-_____ of said district for its 2024 fiscal year, amended April _____, 2024.

We further certify that the estimate of expenditures, anticipated to be paid by said taxing district, either set forth in said ordinance as "Estimated Expenditures" or attached hereto by separate document, is a true statement of said estimate.

This certification is made and filed pursuant to the requirements of Public Act 83-881 (Section 643 of the Revenue Act as amended) and on behalf of the City Council of the City of Rock Falls, Whiteside County, Illinois.

Dated: April _____, 2024

Michelle Conklin, Deputy City Clerk

SEAL

Kay M. Abner, Treasurer

CITY OF ROCK FALLS

ORDINANCE NO. 2024-2641

**ORDINANCE APPROVING ANNUAL
PURCHASE POWER ADJUSTMENT**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF ROCK FALLS

THIS _____ DAY OF _____, 2024

Published in pamphlet form by authority of the City Council of the City of Rock Falls, Illinois,
this _____ day of _____, 2024.

ORDINANCE NO. 2024-2641

**ORDINANCE APPROVING ANNUAL
PURCHASE POWER ADJUSTMENT**

WHEREAS, Section 11-117-1 of the Illinois Municipal Code (65 ILCS 5/1-1-1 et. Seq.) authorizes any municipality to acquire, construct, own and operate within the corporate limits of the municipality any public utility the product of which is to be supplied to its inhabitants, including but not limited to electric power; and

WHEREAS, pursuant to the foregoing, the City of Rock Falls (the “City”) owns and operates its own electrical distribution system for the purpose of providing electrical power to the residents and businesses of the City; and

WHEREAS, Sections 32-348 of the Rock Falls Municipal Code (the “Code”) requires the City to annually update the figures utilized for its purchase power adjustment; and

WHEREAS, the Mayor and City Council (collectively, the “Corporate Authorities”) of the City have determined it in the best interests of the City and its residents to amend the provisions of the City Code as it relates to the annual purchase power adjustment, as more specifically set forth herein.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Rock Falls, Whiteside County, Illinois as follows:

SECTION 1: The City hereby finds that all of the recitals contained in the preambles to this Ordinance are true and correct and does incorporate them into this Ordinance by this reference.

SECTION 2. Chapter 32, Article V, Section 32-348(a) of the Rock Falls Municipal Code, as amended, is hereby further amended to read as follows:

“Sec. 32.348. – Purchase power adjustment factor.

- (a) The charges to all customers under all rates for all kilowatt hours in the billing period shall be increased or decreased by a purchase cost adjustment charge or credit (PPA factor) for each \$0.0001 or major fraction thereof by which the average cost for purchased power per kilowatt hour of input to the electrical system exceeds or is less than \$0.071 per kilowatt hour. The PPA factor shall be calculated by dividing the annual purchased power costs by the annual purchased and generated (hydroelectric plant) kilowatt hours, and by multiplying the quotient times a loss factor of 1.04 and then subtracting from the product a base power cost of \$0.071 per kilowatt hour. The PPA to be applied to all customer charges shall be determined in March of each year based upon the prior 12-month period (March through February) and shall be

effective as to all meter readings and billings rendered on and after the next succeeding May 1.

The PPA factor for the period May 1, 2024 through April 30, 2025 shall be \$0.0062.”

SECTION 3: In all other respects, Chapter 32, Article V of the Rock Falls Municipal Code shall remain in full force and effect as previously adopted and/or amended.

SECTION 4: The provisions and sections of this Ordinance shall be deemed to be separable and the invalidity of any portion of this ordinance shall not affect the validity of the remainder.

SECTION 5: The City Clerk is directed to publish this Ordinance in pamphlet form.

SECTION 6: This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law.

Approved this _____ day of April, 2024.

Mayor

ATTEST:

City Clerk

AYE

NAY

ORDINANCE NUMBER 2024-2642

AN ORDINANCE OF THE CITY OF ROCK FALLS,
WHITESIDE COUNTY, ILLINOIS AUTHORIZING THE
EXECUTION OF A NEW POWER SALES CONTRACT AND A
NEW CAPACITY PURCHASE AGREEMENT WITH THE
ILLINOIS MUNICIPAL ELECTRIC AGENCY FOR THE
DELIVERY PERIOD COMMENCING OCTOBER 1, 2035

WHEREAS, the Illinois Municipal Electric Agency (“IMEA” or the “Agency”) is a body politic and corporate, municipal corporation and unit of local government of the State of Illinois organized under the Illinois Joint Municipal Electric Power Act, 65 ILCS 5/11-119.1-1 et seq. (the “Act”) as a municipal power agency, and it provides electric power and energy and related services to its member municipalities that own and operate their own municipal electric utility and electric distribution systems; and

WHEREAS, the Agency was created as a means to achieve economy, adequacy and reliability in the supply of electric power and energy by planning, financing, owning and operating facilities for the generation and transmission of electric power and energy and related facilities or other facilities necessary or convenient for the planning and operation of a system for the production and transmission of electric power and energy thus making it possible for its member municipalities to achieve economies and efficiencies not possible for municipalities acting alone; and

WHEREAS, the City of Rock Falls is a municipality owning and operating a municipal electric utility and electric distribution system which furnishes retail electric service to the public in its service area, and the City is a member of the Agency; and

WHEREAS, the City Council of the City of Rock Falls and the Board of Directors of the Agency have previously approved, and the City and the Agency have heretofore entered into a long-term Power Sales Contract, as amended, pursuant to which the Agency provides and the City purchases the full requirements of power and energy needed to meet the load obligations of the City’s municipal electric utility and electric distribution system; and

WHEREAS, the existing Power Sales Contract, as amended, is set to expire on September 30, 2035; and

WHEREAS, under the Power Sales Contract, as amended, the Agency has full responsibility for planning and obtaining an adequate supply of power and energy for the City and other Agency members; and

WHEREAS, the City Council of the City of Rock Falls and the Board of Directors of the Agency have previously approved, and the City and the Agency have heretofore entered into a Capacity Purchase Agreement pursuant to which the City has dedicated the behind the meter generating resources owned and operated by the City to the Agency's control and use; and

WHEREAS, the existing Capacity Purchase Agreement is tied to and matches the term of the existing Power Sales Contract, as amended, through September 30, 2035; and

WHEREAS, in furtherance of its obligation under the Power Sales Contracts, the Agency plans for and takes all necessary steps to ensure a resource portfolio to meet the long- and short-term power and energy needs of the City and other members ("Participating Members"), including participation in and ownership of baseload generating resources, ownership of and Capacity Purchase Agreements with Participating Members that own behind the meter generating resources, entering into long and short term bilateral contracts with power suppliers for the purchase of capacity and energy from new and existing thermal, renewable and non-carbon generating resources, and participation in and purchases of capacity and energy from markets maintained by the Regional Transmission Organizations that control the regions where the Participating Members are located; and

WHEREAS, the electric industry in Illinois is undergoing a transition away from traditional thermal resources in favor of renewable and non-carbon generating resources; the Illinois General Assembly has passed new laws encouraging the development of renewable and non-carbon generating resources and restricting emissions from thermal resources; and traditional thermal generating resources have been retired or will be retiring due to age and emissions restrictions; and

WHEREAS, in light of this changing environment, the resource portfolio to meet the needs of the City and other Agency Participating Members will likely be primarily through contracting for capacity and energy from new renewable and non-carbon generating resources; developers of new renewable and non-carbon generating resources require long-term commitments for the purchaser of the output from these projects in order to finance and build such resources; typical financing by developers is currently for 20 to 25 years; in the short-term if developers are willing to contract for the shorter period that the Agency has remaining on its existing Power Sales Contracts, the pricing will necessarily be higher to allow the developer to finance the project and be assured of collecting its development and operational costs over the shorter period; in the long-term, if the Agency waits to begin supplementing its resource portfolio, it is anticipated that the cost of construction of new projects will increase making even full 20 to 25 year power supply contracts more costly; and

WHEREAS, in order to plan for and ensure that resources are in place to continue to meet the long- and short-term power and energy needs of its Participating Members, including the City, and to continue providing reliable, affordable, and sustainable power now and in the future, the Agency needs to provide for the continued contractual relationships with the Participating Members beyond September 30, 2035; without a firm commitment from Participating Members beyond September 30, 2035, the Agency will not be able to continue to ensure that resources are in place at favorable prices; and

WHEREAS, the Agency must also provide for the continued availability of the existing and future behind the meter generating resources owned and operated by its Participating Members as part of its resource portfolio beyond September 30, 2035; and

WHEREAS, the Agency Staff, with the input of a working group consisting of members of its Board of Directors, has developed the form of a new Power Sales Contract and a new Capacity Purchase Agreement, commencing immediately upon the expiration of the existing agreements, the form of which are attached hereto and incorporated herein; and

WHEREAS, upon approval of this Ordinance by the City of Rock Falls, the City and the Agency are agreeing to the continuation of the full requirements power supply relationship between the City and the Agency and to the form and terms and conditions of the new Power Sales Contract and new Capacity Purchase Agreement with Illinois Municipal Electric Agency for the delivery period commencing on October 1, 2035; and

WHEREAS, based upon the foregoing facts, the City by this Ordinance hereby finds and determines to accept and approve the new Power Sales Contract and the new Capacity Purchase Agreement with Illinois Municipal Electric Agency for the delivery period commencing on October 1, 2035.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF ROCK FALLS, WHITESIDE COUNTY, ILLINOIS, as follows:

Section 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the City Council of the City of Rock Falls and are incorporated into the body of this Ordinance as if set forth in full.

Section 2. The City Council of the City of Rock Falls hereby accepts and approves the new Power Sales Contract with Illinois Municipal Electric Agency for the delivery period commencing on October 1, 2035, which commencement date is immediately upon expiration of the existing Power Sales Contract with Illinois Municipal Electric Agency, as amended, in the form presented and agrees to be bound by the terms and conditions thereof. A copy of such new Power Sales Contract is attached hereto as Exhibit A and incorporated herein by reference.

Section 3. The City Council of the City of Rock Falls hereby accepts and approves the new Capacity Purchase Agreement with Illinois Municipal Electric Agency for the delivery period commencing on October 1, 2035, which commencement date is immediately upon expiration of the existing Capacity Purchase Agreement with Illinois Municipal Electric Agency, in the form presented and agrees to be bound by the terms and conditions thereof. A copy of such new Capacity Purchase Agreement is attached hereto as Exhibit B and incorporated herein by reference.

Section 4. By this Ordinance, the Mayor of the City of Rock Falls is hereby authorized and directed to execute and deliver and the City Clerk is hereby authorized and directed to attest and seal a new Power Sales Contract, substantially in the form of Exhibit A, and a new Capacity Purchase Agreement, substantially in the form of Exhibit B.

Section 5. By this Ordinance, the Mayor of the City of Rock Falls is hereby further authorized to take all steps and execute any and all other documents and agreements reasonably necessary or appropriate to implement and administer the new Power Sales Contract and the new Capacity Purchase Agreement approved hereby.

Section 6. All Ordinances and parts of Ordinances in conflict herewith are hereby superseded.

Section 7. This Ordinance shall be in full force and effect from and after its passage.

PRESENTED, PASSED AND ADOPTED at a regular meeting of the City Council of the City of Rock Falls, Whiteside County, Illinois, by an aye and nay roll call vote, with ____ voting aye, ____ voting nay, ____ absent, ____ passing, which meeting was held on the ____ day of _____, 2024.

Mayor

City Clerk



Illinois Municipal Electric Agency
3400 Conifer Drive, Springfield, IL 62711
217-789-4632 / Fax 217-789-4642

February 29, 2024

Dick Simon
City of Rock Falls
1109 Industrial Park Rd.
Rock Falls, IL 61071

Re: IMEA Power Sales Contract and Capacity Purchase Agreement

Dear Dick,

Under the Illinois Municipal Electric Agency's ("IMEA's") current Power Sales Contracts and Capacity Purchase Agreements, IMEA has provided the City of Rock Falls with reliable, affordable, and sustainable—and more importantly, stable—power and energy needs for several decades. The current Power Sales Contracts and Capacity Purchase Agreements are set to expire on September 30, 2035. In order to plan for and ensure that resources are in place to continue meeting your community's long- and short-term power and energy needs at favorable prices and to continue meeting the obligations imposed on Rock Falls as a load serving entity by the Regional Transmission Organization that controls the region where your community is located, IMEA is requesting that Rock Falls and its other Participating Members continue their relationship as all-requirements purchasers from IMEA beyond September 30, 2035, by approving and executing new Power Sales Contracts and new Capacity Purchase Agreements with IMEA.


To that end, and pursuant to the IMEA Board of Director's approval of the form of the new contracts at the meeting held on February 15, 2024, enclosed are two (2) originals of the new Power Sales Contract and Capacity Purchase Agreement with IMEA for the City that reflect IMEA's continued commitment to supply Rock Falls's power and energy needs. The new Power Sales Contract is for the delivery period of October 1, 2035 through May 31, 2055. IMEA requests that the new contracts be executed by the City of Rock Falls through signature by Rock Falls's Mayor after approval by the City Council. The terms and conditions of these contracts, as provided, shall be available through May 31, 2025. In order to determine the amount of resources needed to serve the loads of all Participating Members during the future delivery period, the IMEA Board of Directors has authorized holding the offer of these new contracts open through May 31, 2025. These new contracts will not be offered beyond that date without further authorization from the IMEA Board of Directors.

Please return the signed documents and a copy of the Ordinance adopted to approve the contracts to IMEA's office using a courier service that offers tracking information such as FedEx. IMEA will cover the cost of the return service. When you are ready to do so, please contact IMEA's Administrative Assistant, Sarah Cody, at (217) 789-4632, and she can help arrange the return for you. Upon receipt of those documents, IMEA will then seek approval and full execution of the City's new Power Sales Contract and new Capacity Purchase Agreement at the next IMEA Board

of Directors meeting following the City's execution thereof, with the then-fully executed document returned to you for your records. Additionally, please email the approved minutes of the City Council meeting wherein the contracts were approved to thall@imea.org for IMEA's records.

We greatly appreciate the long-term partnership that your community shares with the other participants of IMEA. We look forward to seeing you on March 25, 2024 at the Utility Committee meeting.

Best regards,

A handwritten signature in black ink, appearing to read "Kevin M. Gaden". The signature is fluid and cursive, with the first name "Kevin" and last name "Gaden" being more prominent than the middle initial "M".

Kevin M. Gaden
President & CEO

**POWER SALES CONTRACT
BETWEEN
ILLINOIS MUNICIPAL ELECTRIC AGENCY
AND THE
CITY OF ROCK FALLS, ILLINOIS**

This Contract entered into as of the _____ day of _____, 20____, by and between ILLINOIS MUNICIPAL ELECTRIC AGENCY ("IMEA" or the "Agency"), a body politic and corporate, municipal corporation and unit of local government of the State of Illinois, and the CITY OF ROCK FALLS, ILLINOIS ("Member"), a municipal corporation created and existing under the laws of the State of Illinois; the Agency and Member may also be referred to individually as a "Party" and collectively as the "Parties;" by executing this Contract, Member continues as a Participating Member of the Agency, and all references to "Participating Members" herein or in other IMEA Power Sales Contracts shall include Member unless the context expressly or by necessary implication requires otherwise;

W I T N E S S E T H:

WHEREAS, the Illinois Joint Municipal Electric Power Act (the "Act") enables municipalities owning or operating electric utilities, which furnish retail electric service to the public to jointly plan, finance, own and operate electric generation and transmission facilities, as well as the acquisition of fuel for the generation of electric energy, through the creation and continued operation of the Agency; and

WHEREAS, pursuant to the Act, a group of such municipalities joined together to form the Agency to acquire and construct projects or participate in projects with investor-owned utilities, generation and transmission cooperatives and others which may be used or useful in the generation, production, distribution, transmission, purchase, sale, exchange or interchange of electric energy, and the Agency has operated in accordance with the Act since 1984; the Agency presently has 32 Members, each of which is currently a Participating Member; and

WHEREAS, under the Act Member is a municipality owning and/or operating an electric utility which furnishes retail electric service to the public and may enter into and carry out contracts and agreements for the purchase from the Agency of power supply and energy transmission services, power supply development services and other services; and

WHEREAS, in order to secure an adequate, reliable and economic long term supply of electrical power and energy for Member, the Agency and Member hereby enter into this Power Sales Contract under the terms of which the Agency will sell to Member and Member will purchase from the Agency all of Member's power and energy requirements to meet the full service obligation of its service area, including all capacity obligations imposed by the applicable Regional Transmission Organization ("RTO"), and all delivery-related services, including but not limited to transmission and distribution services from transmission and wholesale distribution service providers and ancillary service requirements of the applicable RTO and/or its underlying Transmission Owners.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements set forth in this Contract, the Agency and Member agree as follows:

Definitions

When used herein, the following capitalized terms shall have the meanings ascribed to them below unless the context expressly or by necessary implication requires otherwise:

“Board of Directors” shall mean the corporate authority of the Agency with powers as provided in the Act.

“Bonds” shall mean any revenue bonds, notes and other evidences of obligations of the Agency issued under the provisions of the Act to finance any cost, expense or liability relating to the Power Supply System or service under the Power Sales Contracts.

“Bond Ordinance” shall mean any one or more ordinances, resolutions, indentures or other similar instruments of the Agency providing for the issuance of Bonds.

“Cost Causer;” “Cost Causation” shall mean the Participating Member that causes the Agency to incur an extra-ordinary expense or investment. Under the Cost Causation principle such costs are to be borne by those customers, including but not limited to Member and/or other Participating Members or other entities to whom IMEA provides service, who make a request or decision or otherwise require or cause the action to be taken by IMEA or one of its underlying power suppliers or transmission and/or distribution service providers, thereby causing the Agency to incur the extra-ordinary expense. For purposes of this definition, “extra-ordinary expenses” are any investment, cost or other expenditure or liability incurred, assumed by or imposed on the Agency: (1) that primarily benefit one Participating Member or a group of Participating Members or other entities to whom IMEA provides service directly, rather than providing a general benefit to all or a majority of Participating Members or the Agency as a whole; and (2) that are not or have not historically been of the type ordinarily shared between Participating Members. Costs are recognized as being caused by a service if the costs are brought into existence as a direct result of providing the service or facilities, or the costs are avoided if the service or facilities are not provided. The Board of Directors will make all final decisions on whether a cost item is an extra-ordinary expense and whether a Participating Member or group of Participating Members is or are Cost Causers for purposes of implementation of this and all other Power Sales Contracts, as well as any contracts entered into by the Agency to provide service that are excluded from the definition of Power Sales Contracts.

“Delivery Point” shall mean a presently existing metered connection or connections of IMEA’s or another party’s transmission or distribution system with Member’s transmission or distribution system as set forth in Schedule A or a new or modified connection as Member may request and IMEA or another party is willing to provide in the future. Schedule A shall be updated from time to time by the Agency to reflect any new or modified Delivery Points.

“Member” shall be the city, village or town executing this Contract.

“Member-Directed Resource” shall mean a resource that meets the requirements of this definition and the option in Section 2(b-1) for Member to self-direct one or more resources with nameplate ratings or contracted shares based on nameplate ratings not to exceed the percentage of the Member’s rolling 5-year average annual peak demand set forth in such Section or as otherwise approved by the Board of Directors to be used to serve the Member’s load. Any such resource shall be developed and/or contracted for by the Participating Member only after the Board of Directors formally approves the details of the project. Any such resource shall be located within the State of Illinois unless the Board of Directors approves otherwise. For purposes of this definition the term resource is limited to devices that produce, generate or otherwise create energy or that store energy for beneficial use at a different time that are powered by wind, solar thermal energy, photovoltaic cells or panels, biodiesel, landfill gas produced in Illinois, crops and untreated and unadulterated organic waste biomass, advanced nuclear technology or small nuclear reactors that generate clean energy, and batteries and other forms of energy storage. The term resource may be expanded to include any other such devices powered by other means if they would qualify under a current or future Illinois statute that addresses generating resources that are designated as renewable, carbon-free, net-zero, clean or other similar designation for energy for use in one or more Illinois programs, even if IMEA and/or its Participating Members would not be subject to such statute or qualify for such program due to their status as municipalities, municipal corporations or units of local government; provided however clean coal powered facilities, as defined in the Illinois Power Agency Act shall not be allowed as Member Directed Resources unless specifically approved by the Board of Directors of IMEA. The term resource may also be expanded to include additional types of devices powered by other means if approved by the Board of Directors.

The existing hydro-electric power resources that were owned and operated by Member and the City of Peru at the time of execution of this Agreement are specifically not included in the term Member Directed Resource.

“MISO” means Midcontinent Independent System Operator, Inc., or its successor.

“Participating Members” shall mean Member and those other members that are or hereafter become parties to Power Sales Contracts, as defined below.

“Party” shall mean a party to this Contract and its successors and permitted assigns.

“PJM” means PJM Interconnection, LLC, or its successor.

“Point of Measurement” shall mean any point at which metering equipment is located for purposes of measuring power and energy deliveries to Member as set forth in Schedule A hereof. Schedule A shall be updated from time to time by the Agency to reflect any new or modified Points of Measurement.

“Power Sales Contracts” shall mean this Contract and other contracts providing for the sale of power and energy by IMEA to the other Participating Members as amended from time to time (excepting therefrom the contracts entered into by the Agency and Participating Members for

power supplies which are specifically superseded by the Power Sales Contracts and any other contracts which the Agency by action of its Board of Directors designates as being excepted from being within the definition of Power Sales Contract).

"Power Supply System" shall be broadly construed to mean, encompass and include all Projects and all electric production, transmission, distribution, conservation, load management, general plant and related facilities, equipment or property, and any mine, well, pipeline, plant, structure or other facility for the development, production, manufacture, storage, transportation, fabrication or processing of fossil, nuclear or other fuel of any kind or any facility or rights with respect to the supply of water, in each case for use, in whole or in major part, in any of the Agency's generating plants, now existing and hereafter acquired by lease, contract, purchase or otherwise or constructed by the Agency, including any interest or participation of the Agency in any such facilities or any rights to the output or capacity thereof, together with all additions, betterments, extensions and improvements to said Power Supply System or any part thereof hereafter made and together with all lands, easements and rights-of-way of the Agency and all other works, property or structures of the Agency and contract rights and other tangible and intangible assets of the Agency used or useful in connection with or related to said Power Supply System, including without limitation a contract right or other contractual arrangement for the long term or short term interconnection, interchange, exchange, pooling, wheeling, transmission, purchase or sale of electric power and energy and other similar arrangements with entities having generation and transmission capabilities and located within or without the State of Illinois. Power Supply System shall not include (1) any properties or interest in properties of Member, except with respect to any contract rights the Agency may have in such properties pursuant to any contract between Member and the Agency other than this Contract, and (2) any properties or interest in properties of the Agency which the Board of Directors determines shall not constitute a part of the Power Supply System for the purposes of the Power Sales Contracts with the Participating Members.

"Project" means (i) any plant, works, system, facility, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, used or useful in the generation, production, distribution, transmission, purchase, sale, exchange or interchange of electrical energy and in the acquisition, extraction, conversion, transportation, storage or reprocessing of fuel of any kind for any such purposes, or (ii) any owned or contracted interest in, or right to the use, services, output or capacity, of any such plant, works, system or facilities.

"Prudent Utility Practice" shall mean, any of the practices, methods and acts which, in the exercise of reasonable judgment and in light of the facts (including, but not limited to, any practices, methods and acts engaged in or approved by a significant portion of electrical utility industry prior thereto) known at the time the decision was made, could have been expected to accomplish the desired result at reasonable cost consistent with reliability, safety and expediency. In applying the standard of Prudent Utility Practice to any matter under this Contract, equitable considerations shall be given to the circumstances, requirements and obligations of each of the Parties, and there shall be taken into account the fact that the Agency and Member are both political subdivisions and municipal corporations of the State of Illinois with prescribed statutory powers, duties and responsibilities. Prudent Utility Practice is not intended to be limited to the optimum practice, method or acts to the exclusion of all others, but rather to a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at reasonable

cost consistent with reliability, safety and expediency. Prudent Utility Practice includes due regard for manufacturer's warranties and the requirements of governmental agencies which have jurisdiction.

"Rate Schedule" shall mean the rate schedule or schedules setting forth the rates and charges for payments by Participating Members, including Member, for services rendered by the Agency pursuant to the Power Sales Contracts. The existing Rate Schedules are Schedule B and Schedules B-2, B-4, B-6 and B-7. The Rate Schedules may be revised from time to time by the Agency and/or new schedules may be adopted by the Agency, all in accordance with and in the manner provided for in Section 3 of this Contract, including, without limitation, any amendment, change, deletion or addition to any of the rates and charges, billing components, terms or conditions, or any adjustment set forth therein, including, but not limited to, amending the billing demand provision to impose a minimum demand whether or not based on prior demand measurements, which schedules may be applicable to any one or more Participating Members.

"Revenue Requirements" shall mean all costs and expenses paid or incurred or to be paid or incurred by the Agency resulting from the ownership, operation, maintenance, termination, retirement from service and decommissioning of, and repairs, renewals, replacements, additions, improvements, betterments and modifications to, the Power Supply System or otherwise relating to the acquisition and sale of power and energy, transmission, load management, conservation or related services hereunder and performance by the Agency of its obligations under the Power Sales Contracts for Participating Members, including, without limitation, the following items of cost:

- (1) payments of principal of and premium, if any, and interest on all Bonds issued by the Agency and payments which the Agency is required to make into any debt service reserve fund or account under the terms of any Bond Ordinance or other contract with holders of Bonds; provided, however, that Revenue Requirements shall not include any principal of or premium, if any, or interest on Bonds due solely by virtue of the acceleration of the maturity of such Bonds;
- (2) amounts required under any Bond Ordinance to be paid or deposited into any fund or account established by such Bond Ordinance (other than funds and accounts referred to in clause (1) above), including any amounts required to be paid or deposited by reason of the transfer of moneys from such funds or accounts to the funds or accounts referred to in clause (1) above including any rate stabilization fund or account;
- (3) amounts which the Agency may be required to pay for the prevention or correction of any loss or damage to the Power Supply System or for renewals, replacements, repairs, additions, improvements, betterments, and modifications which are necessary to keep any facility of the Power Supply System, whether owned by the Agency or available to the Agency under any contract, in good operating condition or to prevent a loss of revenues therefrom;
- (4) costs of operating and maintaining the Power Supply System and of producing and delivering power and energy therefrom (including, without limitation, fuel costs,

administrative and general expenses and working capital, for fuel or otherwise, regulatory costs (including but not limited to wholesale rate case intervention costs), insurance premiums, and taxes or payments in lieu thereof) not included in the costs specified in the other items of this definition, costs of power supply and demand-side planning and implementation associated with meeting the Agency's power supply obligations and costs of load management and conservation;

- (5) the cost of any electric power and energy purchased for resale by the Agency to the Participating Members and the costs of transmission, scheduling, dispatching and controlling services for delivery of electric power and energy under the Power Sales Contracts for Participating Members;
- (6) all costs incurred or associated with the salvage, discontinuance, decommissioning and disposition or sale of properties;
- (7) all costs, settlements and expenses relating to injury and damage claims asserted against the Agency;
- (8) any additional cost or expense not specified in the other items of this definition imposed or permitted by any regulatory agency or which is paid or incurred by the Agency relating to the Power Supply System or relating to the provision of services to Participating Members (including any amounts to be paid into any reserve account established by the Agency under the terms of any Bond Ordinance for the payment of Revenue Requirements in the future and any provision for depreciation) which is not otherwise included in any of the costs specified herein;
- (9) amounts required to be paid by the Agency including:
 - (i) any reserves the Agency shall determine to be necessary for the payment of those items of costs and expenses referred to in this definition to the extent not already included in any other clause of this definition; and
 - (ii) additional amounts which must be realized by the Agency in order to meet the requirement of any rate covenant with respect to coverage of principal and interest on Bonds contained in any Bond Ordinance or contract with holders of Bonds or which the Agency deems advisable in the marketing of its Bonds or under any contract to which it is a party.

"Regional Transmission Organization" or "RTO" shall mean the entity designated by the Federal Energy Regulatory Commission ("FERC") to direct operation of the regional electric transmission grid in its area, including the dispatching of generating resources, and that controls the wholesale electric markets for its area. The RTOs that currently control the areas where IMEA's Participating Members are located and where the generating resources owned by or under contract to IMEA are located or into which they are pseudo-tied are Midcontinent Independent System Operator, Inc., or its successor ("MISO"), and PJM Interconnection, LLC, or its successor ("PJM"). At the execution of this Agreement, for those Participating Members that are served by

Commonwealth Edison Company for transmission service, the currently applicable RTO is PJM. For those Participating Members that are served by Ameren Illinois Company, City of Springfield CWLP, Southern Illinois Power Cooperative, or Hoosier Energy Rural Electric Cooperative, Inc., the currently applicable RTO is MISO. Throughout the duration of this Agreement the applicable RTO is subject to change for reasons that are outside the control of the Agency and the Participating Members.

Section 1. Term

(a) Initial Term and Termination

This Contract shall take effect on the latter of the date of execution by the last party to sign hereon or the date specified by the Board of Directors in making the determination in Section 1(b) below. This Contract shall remain in effect for an initial delivery term commencing on October 1, 2035 (at the end of the then-current Power Sales Contract between Member and IMEA) and extending through and including May 31, 2055. The delivery term shall continue thereafter and run from year to year until terminated by five (5) years prior written notice.

(b) Conditions for Effectiveness of Contract

Notwithstanding any other provision herein, the Contract shall not become effective unless by April 30, 2025, or such later date as approved by the Board of Directors, (i) four (4) or more Participating Members with the combined Agency estimated coincident firm purchased power annual peak demand in 2022 of 50 MW or more have entered into new, renewed or extended Power Sales Contracts, or (ii) the Board of Directors has determined the mix of Members signing new, renewed or extended Power Sales Contracts results in sufficient benefits or cost reductions to the Participating Members in which event the Power Sales Contracts shall become effective. The Agency shall provide the Participating Members with written notice within sixty days of any final decision by the Agency that the Contract is to become effective. In the event this Contract does not become effective, any contracts between the Agency and the Participating Members, which are otherwise superseded by this Power Sales Contract, including any such contract with Member, shall not terminate but shall continue in full force and effect throughout its term.

(c) Commencement of Service and Cancellation of Existing Contract

Service to Member under this Contract shall commence on October 1, 2035.

All other power supply or transmission contracts between Member and any entity other than the Agency shall be terminated or assigned by Member to the Agency no later than the date upon which the Agency commences service to Member as provided in this subparagraph or such other action is taken as mutually agreeable by the Agency and Member.

If Member is taking power or transmission service from a supplier other than IMEA on such commencement date, the providing of power by IMEA shall commence only if that Member's obligations from such supplier have ceased pursuant to an assignment or termination of an existing contract.

Section 2. Purchase, Sale and Delivery of Electricity

(a) Sale and Purchase

The Agency agrees to provide and sell and Member agrees to take and pay for all of the electric power and energy required to meet the full service obligation of Member's service area during the term of this Contract and utilized in the operation of its municipal electric system, including all capacity obligations imposed by the applicable RTO, and all delivery-related services, including but not limited to transmission and wholesale distribution services from transmission and/or wholesale distribution service providers and ancillary service requirements of the applicable RTO and/or its underlying Transmission Owners. Batteries or other energy storage devices are a substitute for generation and are deemed to be power supply for purposes of the obligation to purchase Member's full requirements of electric power and energy under this subsection (a) and the restrictions on obtaining electric power and energy from other sources under subsection (b) of this Contract. Batteries or other energy storage devices may be used in an election for a Member Directed Resource in Section 2(b-1) below.

Under the previous Power Sales Contract, certain Participating Members, namely Member and Peru, each exercised an option to install, own and operate a hydro-electric power plant and to self-supply a portion of its load therefrom. That option is no longer available. Such Participating Members may continue to self-supply such portion of their respective loads subject to such reasonable terms and conditions and such rates and charges as the Board of Directors shall approve so long as the Participating Member owns and operates the existing hydro-electric plant. Such Participating Members shall bear all costs of ownership and operation of their hydro-electric plant and shall pay all such rates and charges established by the Board of Directors.

Member elected under the previous Power Sales Contract to install, own and operate a hydro-electric power plant and to self-supply a portion of its load not to exceed 5 MW. Member shall bear all costs of such ownership and operation. Member may continue to self-supply such portion of its load subject to substantially the same terms and conditions so long as Member owns and operates the existing hydro-electric plant. Such existing plant shall be specified in Schedule C hereto, and such terms and conditions are set forth in Schedule C or in an Addendum to this Power Sales Contract.

(b) Restrictions on Other Sources

Except as provided in the subsections of this Section 2 or in any policy, program or directive of the Agency approved and authorized by affirmative vote of the Board of Directors, Member shall not obtain electric power and energy required to meet the full service obligation of Member's service area and/or for the operation of its electric utility system from any other source; provided, however, if Member is required by law to purchase power and/or energy from a small power production facility, a cogeneration facility or other facility, Member shall immediately inform the Agency of such requirement whereupon Member and the Agency shall use their best efforts to arrange for such purchases to be made by the Agency. If such arrangements cannot be made, then Member shall make the required purchase and sell the power and energy to the Agency at the same price and on the same terms and conditions under which it was purchased by Member, unless Member agreed to pay more than required by the law that required the purchase of power and/or energy from such facility, in which case the Agency shall pay Member an amount reasonably calculated to match what the required amount should have been. Member hereby appoints the Agency to act as its agent in all dealings with the owner or operator of any such facility from which power or energy is to be purchased by the Agency directly or indirectly and in connection with all other matters relating to any such purchase and agrees unless ordered to do so by a court of competent jurisdiction not to make any such purchase at prices or on terms and conditions not approved by the Board of Directors.

If Member has an existing partial waiver from FERC of the PURPA requirement to purchase excess power and energy from Qualifying Facilities where that obligation has been undertaken by the Agency as of the effective date of this Contract, such waiver shall be maintained for the term and any extended term of this Contract. Member shall not take any steps or cooperate with steps taken by any others to withdraw or terminate such waiver. If Member does not have an existing partial waiver from FERC of the PURPA requirements and assignment thereof to the Agency as of the effective date of this Contract, Member shall cooperate with the Agency in seeking such waiver, and if granted such waiver shall be maintained for the initial term and any extended term of this Contract. Member shall not take any steps or cooperate with steps taken by any others to withdraw or terminate such waiver.

(b-1) Member-Directed Resources Option

Member and the other Participating Members shall each have the option, but not the obligation, to elect to self-direct a portion of the power supply to serve their load from qualifying generating resources or energy storage devices. The maximum amount of such election shall be ten percent (10%) of Member's rolling 5-year average annual peak demand based on the nameplate capability of, or the contracted share of the nameplate of the resource. The Board of Directors may approve a greater percentage or amount in the future. Resources put in place by

Member under one or more offerings, policies or programs of IMEA, other than this Member-Directed Resource Option, and IMEA-sponsored projects located within Member's service area will not count against the above percentage. The resource shall be located in the same delivery zone of the RTO region or Balancing Authority area as the Member or Participating Member making the election, or if approved by the Board of Directors may be located in the same zone of the RTO region or Balancing Authority area as other Participating Members, subject to such reasonable cost allocation as the Board of Directors shall require.

Under this option, Member and other Participating Members shall have the opportunity to contract for, develop, own and operate qualifying resources that would be directly connected to the Participating Member's distribution system, or alternatively to contract with a developer/provider for a portion of a large qualifying resource connected elsewhere on the regional transmission system. All power and energy to serve the total requirements load needs of such Participating Members would continue to be exclusively provided by IMEA, however, subject to the Participating Member's ability to negotiate and enter into ownership or long-term contractual commitment with one or more projects on its distribution system, or power purchase agreements with an eligible energy provider, and subject to reasonable approval by the Board of Directors, Participating Members will be able to commit to a project or a power purchase agreement and thereby self-direct the type of qualifying resource used to serve a portion of its load. The remainder of the full requirements of Participating Members electing this option shall be met under the Rate Schedules that recover the portion of the Revenue Requirement associated with the Agency's socialized resource portfolio. Such resources must be dedicated to IMEA under an agreement similar in concept to the Capacity Purchase Agreements pursuant to which Participating Members have historically dedicated their behind the meter generation to IMEA.

Member shall not use a Member Directed Resource to peak shave. Member shall still be required to purchase its full requirements from IMEA. The Member Directed Resource shall become part of the IMEA resource portfolio for serving Member. Member shall pay all costs associated with the Member Directed Resource and shall be credited or paid back for the actual RTO clearing price for capacity and day-ahead price for energy and any actual ancillary services revenues received by IMEA for the attributes used by IMEA from the Member Directed Resource to serve the participating Member. Member shall own any renewable energy or similar credits, but if they decide to sell them, rather than retire them, the Agency shall have a right of first refusal to purchase them. The Board of Directors would determine the equitable allocation of non-power supply Agency costs among Participating Members electing the option and making binding commitments to self-directed resources and those that elect to be served only from the socialized resource portfolio in the Rate Schedules to be developed and approved.

(c) Shortages

In the event that the Agency is not able to supply all of the power and energy requirements of its Participating Members because of an event of Force Majeure as defined in Section 2(d) or because of an outage of all or any part of Agency's Power Supply System or because of an event beyond Agency's control, and after such reasonable notice as the Agency may be able to give, the Agency shall allocate the power and energy available to it during any billing period among the Participating Members on a pro rata basis in accordance with the Participating Members' respective power and energy requirements supplied by the Agency during the corresponding billing period of the preceding calendar year. Where a Participating Member did not purchase power and energy from the Agency during the corresponding billing period of the preceding calendar year, that Participating Member's purchases during such billing period from its supplier replaced by the Agency shall be used.

Although the Agency agrees to use its best efforts to avoid a shortage in supply, during any period when the Agency is unable to supply all of the Participating Member's electric power and energy requirements, Member shall be permitted to acquire from other sources the amount of electric power and energy which is not supplied by the Agency; provided, however, that at such time as the Agency is again able to supply all of Member's electric power and energy requirements, Member shall be required to take and pay for such electric power and energy in accordance with the provisions of this Contract. Before entering into any arrangement to acquire power and energy from any source other than the Agency for any period in excess of 48 hours, Member will notify and consult with Agency as to the terms and length of such purchases and obtain Agency's consent before contracting for such supply, which consent shall not be unreasonably withheld.

(d) Continuity of Service

The Agency shall employ its best efforts, in accordance with Prudent Utility Practice, to provide a constant, adequate and uninterrupted supply of power and energy to Member (except where Member is purchasing interruptible or curtailable power or non-firm energy from the Agency under a separate interruptible, curtailable or non-firm rate schedule adopted by the Board of Directors) and shall seek to restore service promptly and diligently on any interruption, but the Agency does not guarantee that service hereunder will be uninterrupted or at all times constant.

If the supply of electric power and energy to Member hereunder shall fail, be interrupted, be reduced, or become defective through an event of Force Majeure, which shall include but not be limited to an act of God, nature, common enemy, failure of any power and energy or transmission service supplier of the Agency or any public authority, or because of accident, riot, insurrection, war, explosion, labor dispute, fire, flood or prudent actions taken to prevent or limit the extent or duration

of disturbances of service on Agency's system, or if one or more of its suppliers, or that of systems through which electric service is rendered to the Agency or Member is interrupted, or for any other cause beyond the reasonable control of the Agency, the Agency shall not be liable for damages caused thereby and such events shall not constitute a breach of the Agency's obligations under this Contract. No cause or contingency, however, including any failure of the Agency to supply electric power and energy to Member for any period because of any of the aforesaid conditions, shall relieve Member of its obligation to make all payments to the Agency required by this Contract, when due, for power and energy supplied by the Agency during any period.

The Agency or its underlying transmission and/or wholesale distribution service provider may interrupt service hereunder as necessary for repairs to, or changes of, equipment or facilities needed to provide service hereunder, or for installation of new equipment or facilities, but only for such reasonable times as may be unavoidable, and to the extent possible, with reasonable advance notice to, and in coordination with, Member.

Section 3. Rates and Charges

Member shall pay the Agency for all power and energy and other services furnished under this Contract from the date that service commences as provided in Section 1(c) at the rates and on the terms and conditions set forth in the Rate Schedule(s), as the Rate Schedule(s) may be changed and supplemented by the Board of Directors from time to time.

The Board of Directors shall establish and maintain its rates and charges under its Power Sales Contracts with its Participating Members to provide revenues which are sufficient, but only sufficient, together with other available revenues of the Agency, to cover the estimated Revenue Requirements of the Agency. In determining rates and charges necessary to produce sufficient revenues, the Agency shall take into account any anticipated (or actual) delinquency or default in payments by Participating Members. The Agency's rates and charges for power supply for the portion of a Participating Member's full requirements not met through the self-directed resource option discussed below and for all other bundled aspect of electric service to the Participating Members shall be set generally on a uniform postage stamp basis so as to recover all production and transmission costs in providing service to all Participating Members; provided, however, that the rates and charges may vary between Participating Members to reflect contracts with Participating Members having varying lengths of terms and/or contracts executed at different times, differences in delivery voltage level, delivery facilities costs, different load factors, and variances in service provided to Participating Members which enter into Capacity Purchase Agreements and Participating Members which do not (including a phase-in of postage stamp rates to reflect load factors of certain Participating Members) and may contain ratchets, premiums, load factor requirements and other provisions which affect all Participating Members or only Participating Members which obtain a portion of their requirements from any other source. Rates and charges may also vary between Participating Members based on the Cost Causation principle if the Board of Directors determines that Member or another Participating Member is a Cost Causer of an extra-ordinary expense or investment as defined herein above.

Notwithstanding the foregoing, the Board of Directors shall establish and maintain and may revise, amend or change from time to time in the future backup service rates for Participating Members with a hydroelectric plant and/or may charge such Participating Member for all actual costs incurred by IMEA attributable to the operation of said hydro-electric power plant, or the failure thereof, and/or costs incurred by IMEA due to the accreditation of said plant. In addition, the Board of Directors may establish separate Rate Schedules or may approve separate rate provisions in an Addendum to the Power Sales Contract for Participating Members that elect to have a portion of their full requirements met (as authorized herein) on a contracts-basis, rather than the standard socialized basis, or the Agency and one or more Participating Members, including Member, may execute Addendums to their Power Sales Contracts, so-as-to directly commit to a portion of the output from individual eligible resource power purchase agreements or ownership arrangements. Rates and charges for the portion of the Participating Member's requirements being met under such Rate Schedules or Addendum will vary from Participating Members served exclusively or in different proportions from the socialized resource portfolio. The remainder of the Participating Member's full requirements shall be met under the Rate Schedules that recover the portion of the Revenue Requirement associated with the socialized resource portfolio.

The methodology for establishing rates and charges used by the Agency may be modified by the Agency from time to time.

The Agency shall place into effect initial rates and charges applicable on commencement of service by the Agency to the Participating Members under this new Power Sales Contract and thereafter at such intervals as it shall determine appropriate, but in any event not less frequently than once in each calendar year, the Agency shall review and, if necessary, revise its rates and charges under the Power Sales Contracts, to ensure that the rates and charges thereunder cover the Agency's estimated Revenue Requirements.

The Agency's rates and charges hereunder may include one or more automatic adjustment clauses which may be modified or changed periodically to ensure that the Agency is protected against changing cost of fuel, purchased power, taxes, and other costs of service. The automatic adjustment clauses may use estimated costs, with a later true-up to actual costs. The Agency may place an automatic adjustment clause in effect to recover costs from the date they were incurred upon thirty (30) days' notice to Member and shall provide Member supporting information which need not be the same detailed analysis as for base rate changes.

In connection with any revision of the Rate Schedule, except as to automatic adjustment clause rate changes, the Agency shall cause a notice in writing to be given to all Participating Members which shall set out any proposed revision of the Rate Schedule with the effective date thereof, which shall be not less than sixty (60) days after the date of the mailing of the notice, and which shall be accompanied by an analysis of the estimated Revenue Requirements for which the Rate Schedule is proposed to be revised and the derivation of the proposed rate. Member agrees to pay for electric power and energy made available by the Agency to it hereunder after the effective date of any revisions in the Rate Schedule in accordance with the Rate Schedule as so revised.

Section 4. Payment Obligation

(a) Nature of Obligation to Pay.

The obligation of Member to pay all rates and charges established by the Agency under Section 3 of this Contract for the delivery of power and energy and for other services provided by the Agency shall not be subject to any reduction, whether by offset, counterclaim, recoupment or otherwise, and shall not be otherwise conditioned upon the performance by the Agency of its obligations under the Power Sales Contracts for Participating Members or any other instrument or agreement. It is expressly understood that Member shall be obligated to pay all rates and charges imposed for power and energy supplied hereunder regardless of whether any one or more projects or other facilities of the Agency constructed, purchased or undertaken to provide service hereunder are operating or operable at any time; provided, however, that except as provided by this subsection (a) nothing herein shall be construed to prevent or restrict Member from asserting any rights which it may have against the Agency under this Contract or under any provision of law, including the institution of legal proceedings for specific performance or recovery of damages.

(b) Limitation on Obligation to Pay.

All payments made by Member for services hereunder shall be made as operating expenses from the revenues of Member's electric utility system, or any integrated utility system of Member of which, Member's electric utility system may be a part, and from other funds of such system legally available therefor and shall be in addition to, and not in substitution for, any other payments, whether on account of dues or otherwise, owed by Member to the Agency. Member shall not be required to make payments under this Contract except from the revenues of Member's electric system, or other integrated public utility system of which the electric system is a part, and from other funds of such system legally available therefor. In no event shall the Agency, or any other person or entity, including any person or entity to which revenues under this Contract have been assigned or pledged, be entitled to look to, or seek to recover from, any other revenues, monies or property of Member for payment of any amounts due hereunder. The obligation of Member to make payments for services hereunder shall not constitute a general obligation of Member and shall not constitute indebtedness of Member for the purpose of any statutory limitation and Member shall not be required to make such payments from any source other than the revenues and funds referred to in the first two sentences of this paragraph. In no event shall Member be required to make payments under this Contract from tax revenues or to impose any new tax or adjust any existing tax for such purpose.

Member's electric utility system shall be deemed to be a part of an integrated utility system for purposes of this Contract if the revenues of the electric utility system (i) are commingled with the revenues of one or more utility systems owned by

Member, or (ii) are utilized to pay operating expenses of Member's electric utility system and one or more other utility systems owned by Member, or (iii) are pledged to secure any bonds or other evidences of indebtedness issued to finance one or more utility systems owned by Member. For purposes of this paragraph, the term "commingled" shall not be deemed to include the keeping of funds in one bank account so long as such funds are separately accounted for on the books and records of Member. An integrated utility system shall not be deemed to exist hereunder merely (i) because Member's electric utility and another utility of Member are managed by the same commission or other public body, have common employees or facilities, the costs of which are shared, or undertake joint projects or (ii) where surplus funds from one utility which are legally available for transfer to the general fund of Member are transferred or loaned to the other utility.

Section 5. Billing

(a) Billing Procedure

The calendar month shall be the standard period for all billing and settlements under this Contract. The Agency may, from time to time, adopt another standard period for billing and settlements. It is understood that, as soon as practicable after the end of each billing period, IMEA shall prepare and transmit a detailed statement to Member which shows amounts due from Member.

Billing period statements for charges under this Contract shall be rendered by IMEA in the month following the billing period in which the charges were incurred. Each payment shall be due, and payment of each bill shall be made to IMEA by electronic transfer or such other means as shall cause payment to be available for the use of IMEA on the first banking day following the tenth (10th) day after the date of invoice. Interest on unpaid amounts shall accrue daily at the then current published prime interest rate per annum as published in the Wall Street Journal or its successor to the extent permitted by law from the due date of such unpaid amount and until the date paid.

(b) Billing Disputes

In the event that Member takes exception to a bill rendered by the Agency, Member shall pay the disputed amount and promptly inform the Agency in writing of the basis for the dispute. Member will not be entitled to any adjustment on account of any disputed charges which are not brought to the attention of the Agency in the manner herein specified within thirty (30) days of when Member first learns of the basis for the dispute.

Within thirty (30) days of receipt of the notice of the dispute, including a written explanation by Member of the nature of the dispute, the Agency shall respond to Member's protest in writing. In the event it is determined that all or part of the disputed payment was not properly payable, then the Agency shall refund such

amount together with interest thereon from the date the amount was paid until the refund is made at an annual rate equal to that established pursuant to subsection (a) above.

In addition, any billing adjustment sought by Member which is related to the Agency obtaining a similar billing adjustment from any transmission or power or energy supplier to the Agency shall be dependent upon the Agency obtaining a corresponding adjustment from its supplier. The Agency shall pursue any such corresponding adjustment with due diligence, provided that the Agency considers such adjustment to be appropriate.

(c) Service Discontinuance and Contract Termination for Failure to Pay.

Whenever any amount due remains unpaid after the due date, the Agency may take all steps available to it under applicable law to collect such amount and, subject to any applicable regulatory requirements and any applicable requirements of the applicable Regional Transmission Organization, after giving thirty (30) days advance notice in writing of its intention to do so, suspend and discontinue service hereunder if the amount remains unpaid at the end of said 30-day period. Whenever any amount due remains unpaid for one hundred twenty (120) or more days after the due date and after giving thirty (30) days advance notice in writing of its intention to do so, the Agency may terminate this Contract. No such discontinuance or termination shall relieve Member from liability for payment for electric power and energy furnished hereunder or made available to Member where Member has an obligation to take such power and energy and has not, or for damages suffered by the Agency, or any other Participating Members, as a consequence of default by Member. The Agency may, either at law or in equity, by suit, action, mandamus, or other proceedings, enforce and compel the performance of the covenants, agreements, and obligations of Member under this Contract to be performed by Member or any officer or official thereof, including but not limited to an action for specific performance, injunction and/or for damages for the remaining term of this Contract.

(d) Partial Month Bill

In the event that the initial or final month's service under this Contract is for less than a full month's service, Member shall be billed for such partial month. The bill for such fractional part of a billing period shall be proportionately adjusted by IMEA in the ratio that the number of hours that electric service is furnished to Member (in such fractional billing period) bears to the total number of hours in the billing period involved. Except as provided in this subsection with respect to fractional billing periods at the beginning and end of service, there shall be no proration of demand charges under the Rate Schedule for any billing period during any part of which power is made available to Member.

Section 6. Delivery Conditions and Metering

(a) Electric Characteristics

The electric service furnished under this Contract shall be 60 Hertz, three phase alternating current and shall be delivered to the Delivery Points and metered by the Agency, or its designee, at such location or locations and such voltages as are shown on Schedule A. The Delivery Points, the Points of Measurement, the Delivery Voltage, and Special Conditions of Service shall be as set forth in Schedule A which may be amended by the Agency from time to time to include such other Delivery Points and Points of Measurements and other provisions as may be established by the Agency. In the event the Agency and Member agree on the need for an additional Delivery Point, the Agency will exercise Prudent Utility Practice to obtain it. When electricity is measured at more than one (1) Point of Measurement, the maximum total coincident demand of Member's system shall be determined by combining the recorded demand at each Point of Measurement during the same 60-minute interval. Member shall maintain its system power factor in accordance with the requirements of the underlying transmission and/or distribution service provider and with Schedule A as it may be amended from time to time by the Agency.

Member shall install, own and maintain or cause to be installed and maintained at Delivery Point(s) established pursuant to this Contract or elsewhere at a location mutually agreeable to the Parties hereto such facilities as may be necessary to protect the system of the delivering entity, including such transformation, control, switching and protective equipment as meets Prudent Utility Practice and the requirements of the underlying transmission and/or wholesale distribution service provider(s).

Member shall provide or cause to be provided and maintained suitable protective devices on its system to prevent any loss, injury or damage that might result from single phasing conditions or any other fluctuation or irregularity in the supply of electrical power and energy. IMEA shall not be liable for any loss, (including Member electric system revenues), opportunity costs, injury or damage resulting from a single phasing condition or any other fluctuation or irregularity in the supply of energy which could have been prevented by use of such protective device.

(b) Responsibility for Facilities

The Agency's undertaking shall be complete upon the delivery of electric power and energy to the Delivery Points. Beyond the Delivery Points, except as the Parties may agree in writing otherwise, Member shall furnish and maintain all devices, equipment and appliances, including but not limited to, control, protection, regulation and load shedding equipment, required to utilize safely and efficiently the power and energy delivered by the Agency.

If load growth or other power supply requirements or construction of facilities necessitate modifying, upgrading or relocating the existing Delivery Points on the effective date or the then-existing Delivery Point(s) or adding new Delivery Point(s), unless otherwise agreed between the Agency and Member, Member shall be responsible for construction of, and all of the costs of, the new, modified, upgraded or relocated Delivery Point(s), except that the Agency shall pay the reasonable costs actually incurred for the necessary metering equipment. The location of any new or relocated Delivery Point shall be subject to approval by the Agency, which approval shall not be unreasonably withheld. Upon request by Member, the Agency may (but shall not be obligated to) provide initial funding for the construction of new Delivery Points, subject to the requirement that Member reimburse the Agency therefor in the manner and timeframe determined by the Agency. In such event the cost thereof, with interest and Agency project management costs attributable to said Member requested service, shall be reimbursed by Member through lump-sum payment(s) or recovered from Member through the Agency's charges, all within a reasonable timeframe and as determined by the Agency.

Member shall provide, free of charge, suitable and sufficient space on its premises, including but not limited to all structures, enclosures and access facilities, for all electric facilities reasonably necessary for the Agency to deliver and measure power and energy to Member hereunder and shall grant to the Agency, or the Agency's designee, a right-of-way over Member's premises and property for the construction and maintenance of all such facilities as shall be placed thereon which are reasonably necessary for the provision of service to Member.

The design and operating characteristics of Member's electrical equipment at the Delivery Points shall be coordinated with the Agency and shall be subject to the Agency's approval, which approval shall not be unreasonably withheld.

(c) Metering

All electric power and energy delivered under this Contract shall be measured as to real and reactive demand and energy by suitable metering equipment, including any needed area interchange, totalizing or remote metering equipment, located, furnished, installed, maintained and tested by the Agency or its designated power or transmission supplier. All energy will be measured at the service voltage at the Delivery Point by IMEA or the delivering party. In cases where IMEA or the delivering party elects to measure at a secondary voltage, IMEA or delivering party may at its option adjust the reading to a primary basis by the use of compensating meters.

It is understood that in some instances the metering equipment may not be located at the Delivery Points. All meters shall be kept under seal, such seals to be broken only when the meters are to be tested and maintained.

Member shall provide at no cost to IMEA or delivering party suitable space, if necessary, for the installation of meters and metering equipment at the Delivery Points or Points of Measurement.

The Agency's meters or the meters of the underlying transmission or wholesale distribution service provider shall measure and record the electrical power and energy furnished hereunder at such Point of Measurement. Such metering equipment shall provide a continuous record of the 60-minute integrated total demand to Member at such Point of Measurement during each billing period throughout the term of the Contract. Such records shall be available at all reasonable times to authorized agents of Member. Meter readings will be adjusted for losses where appropriate.

(d) Meter Testing

The Agency or the underlying transmission and/or wholesale distribution service provider shall test and calibrate meters or cause meters to be tested and calibrated by comparison with accurate standards at intervals not to exceed the periodic test schedule approved by the Illinois Commerce Commission for entities subject to its authority for similar meters. The Agency shall make or cause to be made special meter tests at any time at Member's request. The cost of all tests shall be borne by the Agency, except that if any special meter test made at Member's request shall disclose that the meters are recording accurately, Member shall reimburse the Agency for the cost of such tests. Meters registering not more than 2% above or below normal shall be deemed to be accurate. The readings for any meter which shall have been disclosed by test to be inaccurate shall be corrected in accordance with the percentage of inaccuracy found by such test for the period, not exceeding ninety (90) days, that such inaccuracy is estimated to have existed. Should any meter fail to register, the electric power and energy delivered during such period of failure shall for billing purposes be estimated by the Agency and Member from the best information available. The Agency shall notify Member or cause Member to be notified in advance of the time of any meter test so that Member's representative may be present at such meter test.

Testing procedures may be changed by the Agency from time to time to reflect current electric industry practice and such change shall be incorporated by the Agency within Schedule B. Member shall be entitled to install its own backup parallel metering.

(e) Limited Agency Relationship

Member hereby designates IMEA to be the agent for Member for the limited purpose of: (i) planning for and meeting requirements and obligations imposed on Member by the applicable RTO in connection with its status as a load serving entity or other market participant activities in the wholesale electricity markets of the applicable RTO; (ii) purchase of transmission services and wholesale distribution services in connection with the delivery of power and energy to serve Member's load, including any connection, interconnection, construction or related agreement with or tariff of the owner and/or operator of the transmission and/or distribution system to which Member's system is directly or indirectly connected; (iii) negotiating, executing and implementing any agreements with the owners of the transmission and distribution systems to which Member's distribution system is physically connected and the applicable RTO regarding transmission and distribution service necessary to deliver the power and energy to be supplied hereunder to Member and agreements regarding the connection of the respective systems and upgrades or new connections thereof; and (iv) managing any power purchase agreement or ownership arrangement entered into by Member in connection with an election under the Member-Directed Resources option. IMEA agrees to act on Member's behalf as such agent.

Section 7. Additional Covenants of the Agency.

The Agency covenants and agrees as follows:

(a) Performance

The Agency shall perform all of its obligations under this Contract promptly with due diligence in accordance with Prudent Utility Practice. The Agency shall employ its best efforts to provide adequate, reliable and reasonable cost electric service to Member under this Contract. To this end the Agency shall plan to have such power and energy and such transmission resources available by contract or otherwise as are necessary and desirable to meet the requirements of all Participating Members, including reasonably anticipated growth as projected by the Agency.

The Agency will perform or cause to be performed services, including but not limited to, (i) coordinating and monitoring the investigating, studying, planning, engineering, designing, financing, installing, constructing, acquiring, operating, maintaining, retiring, decommissioning or disposing of any part of its Power Supply System; (ii) issuing and selling Bonds; (iii) planning, undertaking, coordinating and monitoring the economic dispatching and scheduling of power and energy to the Participating Members but only to the extent that the Agency possesses at the time its own load control capability; and (iv) providing such other services as the Agency from time to time shall determine to be appropriate or necessary to provide to Member and enable Member to utilize an adequate, reliable and economic supply of power and energy.

The duration and term of all contracts entered into by the Agency for the acquisition of facilities or for the acquisition of power and energy shall be determined by the Agency in light of its analysis of the power markets and determination of an appropriate mix of short, intermediate and long-term resources.

(b) Enforcement of Obligations

The Agency shall promptly collect all amounts due and enforce all provisions of the Power Sales Contracts and shall at all times maintain and promptly and vigorously enforce its rights against any Participating Member which does not pay sums when due or perform the contract obligations pursuant to the provisions of Section 5 of such Participating Member's Power Sales Contract. Likewise, IMEA will collect all amounts due and vigorously enforce its rights under and all provisions of any other contracts with any other purchasers.

(c) Records and Accounts

The Agency shall keep accurate records and accounts of its operations in connection with this Contract in accordance with generally accepted accounting practices. The Agency's books and records shall be audited independently once a year. Member shall have the right at any reasonable time to examine and audit such records at Member's expense.

(d) Prudent Utility Practice

The Agency shall, in accordance with Prudent Utility Practice: (i) at all times operate and conduct its business in connection with this Contract in an efficient manner, (ii) maintain the Power Supply System in good repair, working order and condition, and (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the Power Supply System so that at all times the business carried on in connection therewith shall be properly conducted.

(e) Other Services

The Agency may (but shall not be obligated to) provide such other services to Member as Member may request, including but not limited to, maintenance of Member's system, billing of Member's customers, safety training, load management, and meter reading. For any such service so provided by the Agency, the Agency will adopt charges therefor includable within its Rate Schedule(s), which charges shall be paid only by those Members requesting such service.

(f) Marketing Power.

After satisfying, to the extent provided for herein, the total requirements of all Participating Members, IMEA shall use its best-efforts to market and dispose of under the most economically advantageous terms and conditions obtainable, all its surplus electric power and energy which in the sole judgment of IMEA can be disposed of without adversely affecting performance by IMEA under this Contract.

(g) Sales to Non-Participating Members and Eligible Utilities

The Agency may provide power and energy to Members and eligible utilities as defined in the Act which are not Participating Members at rates and under terms and conditions to be prescribed by the Board of Directors.

Section 8. Additional Covenants of Member.

Member covenants and agrees as follows:

(a) Maintenance of Rates

Member shall maintain rates for electric power and energy to its customers so that such rates shall provide revenues which, together with other funds estimated to be available, will be sufficient to meet Member's obligations to the Agency under this Contract, and all other operating expenses of Member's electric system, and to pay all obligations of Member payable from, or constituting a charge or lien on, the revenues of its electric system.

If Member establishes or maintains an integrated utility system of which the electric system is a part for its electric, water, sanitary sewer, wastewater or similar utility systems (or any combination of two or more thereof which includes its electric system), it shall maintain its rates for the services provided to the customers of its integrated utility system so that such rates shall provide revenues, which, together with other funds estimated to be available, will be sufficient to meet Member's obligations to the Agency under this Contract, and all other operating expenses of Member's integrated utility system, and to pay all obligations payable from, or constituting a charge or lien on, the revenues of its integrated utility system.

(b) No Sale or Lease

Member shall not sell, lease or otherwise dispose of all or substantially all of its electric system except on one hundred twenty (120) days' prior written notice to the Agency and, in any event, shall not so sell, lease or otherwise dispose of the same unless all of the following conditions are met: (i) at the sole option of the Agency either (x) Member shall assign this Contract and its rights and interests hereunder to the purchaser, assignee or lessee of the electric system and such purchaser, assignee or lessee shall assume all obligations of Member under this

Contract in such a manner as shall assure the Agency to its sole satisfaction that the amount of electric power and energy to be purchased hereunder and the amounts to be paid therefor will not be reduced, and if and to the extent deemed necessary by the Agency in its sole discretion to reflect such assignment and assumption, the Agency and such purchaser, assignee or lessee shall enter into an agreement supplemental to this Contract to clarify the terms on which power and energy are to be sold hereunder by the Agency to such purchaser, assignee or lessee; or (y) such purchaser, assignee or lessee shall enter into a new contract with the Agency for the purchase of electric power and energy in amounts, at prices and on terms which the Agency in its sole discretion determines not to be less beneficial to it and the other Participating Members than this Contract is and, upon such sale, lease or other disposition and the entering into of such new contract, this Contract shall be terminated; (ii) the senior debt, if any, of such purchaser, assignee or lessee, if such purchaser, assignee or lessee is not a Participating Member, shall be rated in one of the three highest whole rating categories by at least one nationally-recognized bond rating agency; and (iii) the Agency shall by resolution determine that such sale, lease or other disposition will not adversely affect the other Participating Members of the Agency or the value of this Contract, or any new contract entered into pursuant to clause (i) (y) above, as security for the payment of Bonds and interest thereon or adversely affect the eligibility of interest on Bonds (then outstanding or thereafter to be issued) for federal tax-exempt status. The Agency shall make the determinations required by this subsection (b) within one hundred twenty (120) days of receipt by the Agency of the notice referred to in the first sentence of this subsection (b) and shall set forth those determinations in writing to Member.

In the event any sale, lease or other disposition is permitted pursuant to this subsection (b), Agency may request as additional security to preserve the flow of revenues under this Contract, and Member shall provide the funds to establish an escrow deposit equivalent to Member's pro rata contribution to the Agency's Revenue Requirements for the balance of this Contract's term. Every five years, after the establishment of such escrow deposit, Agency will release to Member such of the funds in the escrow equivalent to those paid to the Agency by Member's purchaser, assigns or lessee during such previous five years.

(c) Prudent Utility Practice

Member shall, in accordance with Prudent Utility Practice, (1) at all times operate its electric system, or integrated utility system of which the electric system is a part, and the business in connection therewith in an efficient manner, (2) maintain its electric system, or integrated utility system of which the electric system is a part, in good repair, working order and condition, and (3) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the electric system, or integrated utility system of which the electric system is a part, so that at all times the business carried on in connection therewith shall be properly conducted.

(d) Operating Expenses.

Member represents, warrants and covenants that all payments to the Agency pursuant to this Contract shall constitute operating expenses of Member's electric system (and any future ordinance authorizing borrowing by Member shall provide that such payments constitute operating expenses of the electric system) payable from any operating and maintenance fund established for such system, or for such integrated utility system of which the electric system is a part, and that such operating expenses are and shall remain payable from the revenues of Member's electric system, or integrated utility system, prior (except to the extent that any provision in any existing bond ordinance or borrowing resolution of Member governing outstanding obligations of Member provides to the contrary) to payment of any debt service payable from such revenues.

(e) Tax Status

- (i) Member shall not use or permit to be used any of the electric power and energy acquired under this Contract or operate its system in any manner or for any purpose or take any other action or omit to take any action which could, either alone or in conjunction with any other similar actions by Member or other Participating Members of the Agency, result in loss of the exclusion from gross income for federal income tax purposes of the interest on any Bond or Bonds issued by the Agency, or which could be issued by the Agency in the future, as that status is governed by the federal income tax laws, as amended from time to time, including but not limited to, Section 141 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations or any rulings promulgated thereunder or as affected by a decision of any court of competent jurisdiction (collectively, the "Tax Laws").
- (ii) At the time of execution of this Contract, Member has no contracts whereby any person, corporation, partnership or other non-governmental entity agrees to purchase from Member electric power and/or energy provided to Member under this Contract for a period of more than thirty (30) days except as shown on Schedule D hereto, and Member has no current expectation of entering into any such contracts, except as set forth in Schedule D hereto. At least sixty (60) days prior to entering into any contract whereby any person, corporation, partnership or other non-governmental entity agrees to purchase from Member electric power and/or energy provided to Member under this Contract for a period of more than thirty (30) days, Member shall notify the Agency of its intent to enter into such contract and provide copies of such contract to the Agency. Within sixty (60) days after receipt of such notice, the Agency shall advise Member as to whether, in the opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Agency, the entering into of such contract would result in a violation of the covenant in clause (i)

above. The cost of this opinion shall be borne by Member. Any determination by the Agency that any such contract would violate the-covenant set forth in clause (i) above shall be made by the Agency based upon the aforementioned opinion. In the event that allocations are necessary under the Tax Laws to determine whether entering into any such contract violates the covenant set forth in clause (i) above, the Agency shall make such allocations, in its sole discretion, after receipt of an opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Agency and paid for by Member.

(f) Sale of Power.

Member shall not sell at wholesale any of the electric power and energy delivered to it hereunder by the Agency to any customer of Member or any other entity for resale by that customer or entity, unless it has first given the Agency 60 days written notice of its intent to sell such power and energy. The Agency, after receipt of such notice, shall have 30 days in which to impose limits on the amount of power and energy to be sold or to veto such sale if the sale will jeopardize the Agency's availability of resources to serve its Participating Members or increase the cost of power and energy to the Agency.

- (g) Member Rate Design. Nothing in this Contract shall be construed to diminish or surrender the power of Member to regulate the rate design for public services rendered by Member to its ratepayers.

Section 9. Cooperation.

If it becomes necessary by reason of any emergency or extraordinary condition for either the Agency or Member to request the other Party to furnish personnel, materials, tools, or equipment for the accomplishment of its obligations hereunder, the other Party shall cooperate with the requesting Party and render such assistance as the other Party may determine to be available. The Party making such request, upon receipt of itemized bills from the other Party, shall promptly reimburse the other Party for all costs reasonably associated with providing assistance, including but not limited to costs of labor, supplies, facilities and equipment and may include an amount not to exceed ten percent (10%) of the total for administrative and general expenses; such costs are to be determined on the basis of current charges or rates used in its own operations by the Party rendering the assistance.

Section 10. Assignment of Contract.

- (a) This Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the Parties to this Contract provided, however, that, except for any assignment by the Agency authorized by subsection (b) of this section, and except for any assignment by Member in connection with the sale, lease or other disposition of all or substantially all of its electric system as provided for in Section 8(b) above, neither this Contract nor any interest herein shall be

transferred or assigned by either Party, except with the consent in writing of the other Party, which consent shall not be unreasonably withheld, it being understood that it would be reasonable for the Agency to withhold such consent if such transfer or assignment would (i) reduce the total amount of electric power or energy being sold hereunder; (ii) be to a party (other than a Participating Member of the Agency) with senior debt, if any, not rated in one of three highest whole rating categories by at least one nationally recognized bond rating agency; or (iii) adversely affect the value of this Contract or any new contract entered into pursuant to clause (i) (y) of Section 8(b) hereof as security for the payment of Bonds and interest thereon or affect the eligibility of interest on Bonds (whether then outstanding or thereafter to be issued) for federal tax-exempt status. No assignment or transfer of this Contract shall relieve the Parties of any obligation hereunder, unless specifically agreed to in writing by the other Party. It is understood and agreed that if this Contract is assigned or pledged by the Agency pursuant to subsection (b) of this section 10, no proposed assignment of this Contract by Member shall be consented to by the Agency except in accordance with the terms of such assignment and pledge by the Agency and any applicable Bond Ordinance or other governing instrument of the Agency, in addition to the foregoing.

- (b) It is understood and agreed that the Agency may issue Bonds (or other financial instruments) and enter into long-term contractual obligations on behalf of the Agency and Participating Members in connection with meeting its obligations under this Contract. Member acknowledges and agrees that the Agency may assign and pledge to any trustee or similar fiduciary designated in any Bond Ordinance all of, or any interest in, the Agency's right, title and interest in, to and under this Contract and all payments to be made to the Agency under the provisions of this Contract as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on any Bonds and all other payments as required by the Bond Ordinance and may deliver possession of this Contract to such trustee in connection therewith, and, upon such assignment, pledge and delivery, the Agency may grant to such trustee any rights and remedies herein provided to the Agency and thereupon any reference herein to the Agency shall be deemed, with the necessary changes in detail, to include such trustee. Member agrees to take all steps necessary to facilitate any such assignment and pledge.

Section 11. Insurance.

The Parties to this Contract shall each procure and maintain such policies of general liability insurance and other insurance or self-insurance as shall be necessary in accordance with Prudent Utility Practice to insure themselves against any claim or claims for damages arising by reason of property damage, personal injury or death occasioned directly or indirectly in connection with the operation of its electric system, or integrated utility system of which the electric system is a part, or the performance of activities undertaken by it in connection with this Contract.

The Agency and Member shall maintain insurance, if available, or self-insurance on their electric facilities to cover damage or accident to those facilities in an amount consistent with Prudent Utility Practice.

Each Party agrees to defend, indemnify and hold harmless the other Party against any and all claims, liability, loss, damages or expense, including attorneys' fees, caused by or resulting solely from the operation of the indemnifying Party's electric facilities, or integrated utility system facilities, or solely from the negligent acts or omissions of the indemnifying Party, its employees or agents. This provision is not intended to be, and shall not be construed to constitute, a waiver for any purpose as to any person or entity of any statutory claim, procedure or statutory limitation on liability applicable to either Party.

Section 12. Opinions as to Validity.

If reasonably requested by the Agency in connection with a financing or long-term contract by the Agency, Member shall timely furnish the Agency with an opinion by an attorney or firm of attorneys and a certificate from Member to the effect that (i) Member is a political subdivision and municipal corporation of the State of Illinois and is fully authorized and empowered under the laws of the State of Illinois to enter into this Contract and to perform its obligations hereunder, (ii) based upon the attorney's knowledge and due investigation, no consent, order, waiver or any other action by any person, board or body, public or private, is required as of the date of execution of this Contract by Member for Member to enter into this Contract and to perform its obligations hereunder, (iii) based upon the attorney's knowledge and due investigation, there is no action, suit or proceeding at law or in equity or by or before any court, administrative agency, governmental instrumentality or other agency pending or threatened against or affecting Member or its electric utility system (or, if Member's electric utility system shall be deemed to be a part of an integrated utility system, such integrated utility system) which seeks to prohibit, restrain or enjoin Member from entering into or complying with its obligations contained in this Contract, including payment of obligations to the Agency, or in any way affects or questions the validity or enforceability of this Contract, or in any way might materially adversely affect Member's ability to carry out the transactions contemplated by this Contract, (iv) this Contract has been duly and validly authorized, executed and delivered by Member and constitutes a legal, valid and binding obligation of Member enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to the rights and remedies of creditors, and (v) the execution and delivery of this Contract and compliance by Member with its terms will not conflict with, or constitute on the part of Member a breach of or a default under, any existing statute, law, governmental rule, regulation, decree, resolution, ordinance, charter or order, or any agreement, indenture, mortgage, lease or instrument to which Member is subject or by which it is or its properties are or may be bound.

Member shall at its sole expense furnish the Agency, in form and substance satisfactory to and at such time requested by the Agency, such additional legal opinions, certificates, instruments and other documents as the Agency may reasonably request. The Agency shall at its sole expense furnish Member, in form and substance satisfactory to and at such time requested by Member, such additional legal opinions, certificates, instruments and other documents as Member may reasonably request.

Section 13. Dispute Resolution/Procedure.

Should any dispute arise under this Contract concerning the interpretation or application of the Contract or should any controversy, claim or counterclaim arise, then before the initiation of litigation, such dispute shall be submitted to the chief executive officers of the Parties for resolution. Each Party shall designate its chief executive officer. In the event no agreement is reached, the Parties shall have all remedies, either at law or in equity, including but not limited to an action for specific performance, mandamus, and/or injunction.

Section 14. General Provisions.

(a) Regulation.

This Contract, and the respective obligations of the Parties hereunder, are subject to all valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction.

(b) Access and Information.

Duly authorized representatives of the Agency and Member shall be permitted to enter the other's premises at all reasonable times in order to carry out the provisions of this Contract.

The Agency and Member will promptly furnish each other such information as may be reasonably requested from time to time in order to carry out more effectively the intent and purpose of this Contract, or as may be reasonably necessary and convenient in the conduct of the operations of the Party requesting such information. Without limiting the generality of the foregoing, Member shall, upon request, furnish to the Agency all such information, certificates, engineering reports, feasibility reports, information relating to load forecasting and power supply planning, financial statements, opinions of counsel (including the opinion required by Section 12 hereof), official statements and other documents as shall be reasonably necessary in connection with any financial reporting by the Agency, or any issuance of Bonds or any other financing instruments and other contractual obligations undertaken by the Agency on behalf of the Participating Members.

Each Party may audit the books and records of the other Party upon reasonable request, and the cost shall be paid by the requesting Party.

Member shall assist the Agency in forecasting Member's power and energy requirements to be provided under this Contract. To this end Member shall promptly provide the Agency with notice of all anticipated changes in Member's electric load and shall provide the Agency with Member's projected future power and energy requirements in such form or for such periods as the Agency may from time to time request. Member also shall provide the Agency with all other

information reasonably sought by the Agency for the purpose of load forecasting and planning.

Member further agrees to provide such certificates and opinions as may be required by the Agency for any financing or other financial security.

(c) Compliance with Terms of Service.

Member agrees to comply with all terms and conditions of service applicable to sales of power and energy and/or transmission and wholesale distribution service procured by the Agency from any supplier for Member's load, including any connection, interconnection, construction or related agreement with or tariff of the owner and/or operator of the transmission and/or distribution system to which Member's system is directly or indirectly connected. The Agency shall provide Member with a copy of all such terms and conditions of service.

(d) Demand-Side Programs.

Member agrees to cooperate with and endeavor to implement at Member's cost any demand-side, demand response, conservation, load management and similar programs of the Agency adopted in connection with the provision of service hereunder.

(e) Relationship to and Compliance with Other Instruments.

It is recognized by the Parties hereto that, in undertaking, or causing to be undertaken, the planning, financing, construction, acquisition, operation and maintenance of the Power Supply System, the Agency must comply with the requirements of any Bond ordinance, any agreements for the purchase or transmission of power and energy, any agreement with any owner or co-owner of or participant or co-participant in any facility included in the Power Supply System relating to the construction, operation or maintenance thereof and all licenses, permits and regulatory approvals necessary for such planning, financing, construction, acquisition, operation and maintenance, and it is therefore agreed that the Agency's performance under this Contract must be consistent with the terms and provisions of any Bond Ordinance, any such agreements for the purchase or transmission of power and energy (including any provisions for the curtailment or interruption of power and energy or transmission service contained therein), any such agreement with any owner or co-owner of or participant or co-participant in any facility included in the Power Supply System and all such licenses, permits, and regulatory approvals.

(f) No Relationship Created

None of the provisions of this Contract is intended to create, nor shall it be deemed to create, any relationship between the Parties other than that of independent entities contracting with each other solely for the purpose of effectuating the provisions of this Contract. Except as specifically provided for herein, neither Party, nor any of their respective officers, agents or employees, shall be construed to be an officer, agent or employee of the other, solely by reason of the existence of this Contract. Except as specifically provided for herein, neither Party shall make any contract or representation, or incur any liability or obligation whatsoever, on behalf of or in the name of the other Party.

(g) Amendment.

Except as provided for expressly herein, neither this Contract nor any terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing executed by each Party to this Contract.

(h) Governing Law.

This Contract shall be governed by, and construed in accordance with, the laws of the State of Illinois without regard to any conflicts of law principles.

(i) Delays and Waivers.

The failure of either Party to insist in any one or more instances upon the performance of any of the terms, covenants or conditions of this Contract shall not be construed as a waiver or relinquishment of the future performance of any other term, covenant or condition, but the defaulting Party's obligation with respect to future performance of any other term shall continue in full force and effect. The failure of either Party to take any action permitted to be taken by it by this Contract shall not be construed as a waiver or relinquishment of that Party's right thereafter to take such action.

(j) Headings; References.

The headings used in this Contract are for convenience only and shall not constitute a part of this Contract. Unless the context clearly requires otherwise, all references to "Sections" and other subdivisions are to the sections and subdivisions of this Contract.

(k) Severability.

In the event that any of the terms, covenants or conditions of this Contract, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction under the circumstances,

the remainder of this Contract and the application of its terms, covenants or conditions to such persons or circumstances shall not be affected thereby. If any provision of this Contract is held invalid, the Parties agree to negotiate a revision to this Contract which to the extent possible restores the original intent of this Contract with respect to the invalid provision.

In the event that any of the terms, covenants or conditions of any Power Sales Contract for Participating Members (other than this Contract), or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction under the circumstances, it is agreed by the Parties hereto that such invalidity shall have no effect whatsoever upon any of the terms, covenants or conditions of this Contract.

(1) Notices.

Any notice required or permitted under this Contract shall be in writing and shall be given by personal delivery, including by electronic mail; by private courier service, such as Federal Express or United Parcel Service; or by certified mail, return receipt requested, addressed as follows:

To the Agency: Illinois Municipal Electric Agency
 Attention: President & CEO
 3400 Conifer Drive
 Springfield, Illinois 62711
 e-mail: kgaden@imea.org

To Member: City of Rock Falls
 Attention: Mayor
 603 W. Tenth Street
 Rock Falls, IL 61071

Either Party may, by written notice, designate a different or additional address for notices to it. All notices hereunder shall be effective only upon receipt by the Party to which notice is being given. If a Party declines or refuses to accept or otherwise frustrates reasonable attempts to make delivery of the notice, the notice shall be deemed to have been received and shall be effective as of the date one day after it was sent.

(m) Survivorship of Obligations.

The termination of this Contract shall not discharge either Party hereto from any obligation it owes to the other Party under this Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination. It is the intent of the Parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Contract

or whether the circumstances, events, or basis of the same shall be known or unknown at the termination of this Contract) shall survive the termination of this Contract.

Section 15. No Adverse Distinction

IMEA agrees that there shall be no adverse distinction and no pattern of undue discrimination in carrying out its obligations under this Contract relating to Member as compared to other Participating Members; provided, however, that differences in treatment between Participating Members based on variances in cost of service determined by the Agency and other criteria as provided for in Section 3 shall not be considered an adverse distinction or undue discrimination for purposes of this Contract. Member's sole remedy for adverse distinction is pursuant to this Contract.

Section 16. Intergovernmental Freeze.

This Contract and the obligations hereunder shall not be subject to the Local Government Financial Planning and Supervision Act of the State of Illinois, or, to the extent permitted, to any other stay, moratorium, freeze or bankruptcy law.

IN WITNESS WHEREOF, the Parties have caused this Contract to be executed by their proper officials, respectively, being thereunto duly authorized, and their respective corporate seals to be hereto affixed, as of the day, month and year first above written.

ILLINOIS MUNICIPAL ELECTRIC AGENCY

By: _____
President & CEO

ATTEST:

Assistant Secretary-Treasurer

CITY OF ROCK FALLS, ILLINOIS

By: _____
Mayor

ATTEST:

City Clerk

REVISED SCHEDULE A

ILLINOIS MUNICIPAL ELECTRIC AGENCY SERVICE SPECIFICATIONS

MEMBER: City of Rock Falls, Illinois

1. **Applicability.** These service specifications are applicable to the Power Sales Contract dated as of June 1, 1990 covering the supply and delivery of electric power and energy by the Agency to the City of Rock Falls, Illinois, hereinafter referred to as the "Participating Member."
2. **Points of Delivery.** The Agency is obligated to deliver electric power and energy contracted for by the Participating Member at the following points and voltages, which are shown in the diagram under paragraph 5 hereof:

<u>Delivery Point Identity and Location</u>	<u>Delivery Voltage</u>
a) Load side terminals of CE metering structure	34.5 kV
b) Load side terminals of CE Sw # [REDACTED]	34.5 kV
c) Load side terminals of CE Sw # [REDACTED]	34.5 kV
d) Load side terminals of CE Sw # [REDACTED]	34.5 kV
e) All dedicated generation	
1) Units 1, 2	4.16 kV
2) Units 3, 4, 5	12.47 kV
f) Solar Facility – 1000kW	34.5 kV

3. **Points of Measurement.** The Agency shall meter electric power and energy delivered to the Participating Member as follows and as shown in the diagram under paragraph 5 hereof:

<u>Metering Point Identity and Location</u>	<u>Metering Voltage</u>
a) CE metering structure	34.5 kV
b) [REDACTED] east of City's Delivery Point	34.5 kV
c) [REDACTED] north of City's Delivery Point	34.5 kV
d) [REDACTED] north of City's Delivery Point	34.5 kV
e) All dedicated generation	
1) Units 1, 2	4.16 kV
2) Units 3, 4, 5	12.47 kV
f) Solar Facility – 1000kW	34.5 kV

4. **Adjustments.** Where electric power and energy are metered on the low side of a transformer at any Point of Delivery, meter readings for all electric power and energy supplied by the Agency at such metering point will be increased to compensate for transformer losses between the delivery voltage and the metering voltage.

If there are other losses between any Point of Measurement and any Point of Delivery, an appropriate loss factor will be used to compensate for losses.

5. **Diagram:** Following is a one-line diagram of the facilities at each Point of Delivery and Point of Measurement. The engineering and electric system design information contained in the attached one-line drawing classifies as Critical Electric Infrastructure Information (CEII) and it is not available for public inspection. A public version is attached for public records purposes.

Effective: _____

Approved: _____

Issued by: _____

SCHEDULE B

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
POWER SALES RATE SCHEDULE**

TO BE APPROVED BY IMEA BOARD OF DIRECTORS IN THE FUTURE.

SCHEDULE C

HYDROELECTRIC FACILITIES

This Schedule C is part of the Power Sales Contract between the Illinois Municipal Electric Agency and the City of Rock Falls, Illinois dated _____, ____', ____'.

Hydroelectric Capacity

Unit	Original Nameplate Rating (kW)	Average hourly unit production (kWh) (2020-2023)
Rock Falls Hydro Unit 1	1,000	641
Rock Falls Hydro Unit 2	1,000	559
Total	2,000	1,200

SCHEDULE D

MEMBERS LONG TERM POWER CONTRACTS FOR SALES

CITY OF ROCK FALLS

RESOLUTION NO. 2024-919

**RESOLUTION AUTHORIZING ENTRY INTO
INTERGOVERNMENTAL AGREEMENT BETWEEN THE
CITY OF ROCK FALLS AND COLOMA TOWNSHIP ROAD DISTRICT
REGARDING WINTER SALTING AND PLOWING**

ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF ROCK FALLS

THIS _____ DAY OF _____, 2024

Published in pamphlet form by authority of the Mayor and City Council of the City of Rock Falls, Illinois, this _____ day of _____, 2024.

**CAPACITY PURCHASE AGREEMENT
BETWEEN
ILLINOIS MUNICIPAL ELECTRIC AGENCY
AND THE
CITY OF ROCK FALLS, ILLINOIS**

This Agreement is entered into as of the ____ day of _____, _____ between ILLINOIS MUNICIPAL ELECTRIC AGENCY ("IMEA" or the "Agency"), a body politic and corporate, municipal corporation and unit of local government of the State of Illinois, and the CITY OF ROCK FALLS, ILLINOIS ("Member" or "Rock Falls"), a municipal corporation created and existing under the laws of the State of Illinois. The Agency and Member may also be referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, IMEA and Member have entered into a Power Sales Contract, dated the same day as this Capacity Purchase Agreement, pursuant to which Member has agreed to purchase and IMEA has agreed to provide and sell, subject to certain limitations, all of the electric power and energy required for the operation of Member's municipal electric utility and to meet the full service obligation of Member's service area for an initial term of October 1, 2035 through May 31, 2055, the term of which may be extended from time to time in the future, either automatically or by amendment; and

WHEREAS, Member owns certain electric generating units connected to its electric distribution system that are available for dedication to IMEA; and

WHEREAS, the parties hereto desire to enter into an Agreement that will make available to IMEA effective use of Member's generating capacity on a year-round basis and for the duration of Member's Power Sales Contract; and

WHEREAS, IMEA and Member have agreed to Terms and Conditions, attached hereto as Exhibit "A", which are substantially the same as those in the Capacity Purchase Agreements that IMEA has entered or will enter into with other Participating Members that own and have dedicated all or a portion of their generating capacity to IMEA.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the parties do hereby mutually agree as follows:

1. The Board of Directors of IMEA shall adopt, approve, and provide for the implementation of the IMEA Member Generation Policy to govern the Generating Facilities dedicated to IMEA's use under this Agreement and Capacity Purchase Agreements with other Participating Members. The Board shall have full authority to revise existing provisions of the Member Generation Policy, to add to the matters and things covered thereunder as circumstances warrant, and to reorganize and/or restate the Member Generation Policy. The IMEA Member Generation Policy shall be revised, or shall be deemed to have been revised, to comport with any new or revised requirements of the applicable RTO as they relate to the Member's Generating Facilities.

2. The Member shall license, operate, and maintain, at its sole expense, the generating units ("Generation") identified in Table "A" of Exhibit "A" attached hereto, connected to Member's electric system through switchgear capable of operating in parallel with the utility grid. Table "A" identifies both Generation that is dedicated to IMEA hereunder as Dedicated Capacity and other Generation owned by Member, if any, that consists of either Non-Dedicated units or Emergency Only units as those terms are used from time to time under the then current IMEA Member Generation Policy.
3. The Generation identified as Dedicated Capacity on such Table "A" shall be treated as Dedicated Capacity under the terms and conditions set forth in Exhibit "A" attached hereto and incorporated herein by reference, and the IMEA Member Generation Policy in effect from time to time.
4. Member shall have sole responsibility for final determination of the suitability for service of the Generation. Member shall have sole responsibility for the safety of its workers on or about the Generation.
5. Member agrees to defend, indemnify, and hold harmless IMEA against any and all claims, liabilities, loss, damages, or expenses, including attorney's fees, caused by, or resulting solely from the operation of the Generation covered by this Agreement unless such claims, liabilities, loss, damages, or expenses are directly attributable to willful, malicious, or grossly negligent acts of IMEA.
6. For environmental purposes, without waiving the permitting requirements set forth in the Terms and Conditions in Exhibit A, IMEA will determine each year a targeted maximum annual plant factor for Members' generating units that are to be used as Dedicated Capacity (currently 10%), similar to how it has been done under IMEA Resolution #00-10-536 and Member shall license the Generation so as to be able to maintain at least such annual plant factor.
7. The Effective Date and delivery term of this Agreement shall be the same as the Power Sales Contract between Member and IMEA, which is a separate and distinct agreement between the Parties. The delivery term of this Agreement shall be extended to continue to match that of the Power Sales Contract as it may be extended from time to time in the future. Notwithstanding the foregoing, Member may terminate this Agreement with respect to any or all of the Generation with a 180-day notice to IMEA for the purpose of retiring or otherwise removing any or all of the Generation from Member's system. Otherwise, this Agreement shall terminate upon mutual consent of the parties or upon termination of the Power Sales Contract between Member and IMEA. In the event this Agreement should be terminated or not be in effect for any reason, or if the Member for any reason is not entitled to payment for services rendered hereunder, the Power Sales Contract shall remain in full force and effect.

8. To the extent that any provision of this Agreement is deemed to be inconsistent with the provisions of Exhibit "A" hereof, the provisions of Paragraphs 1 through 7 of this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers, respectively, being thereunto duly authorized, as of the day, month and year first above written.

ILLINOIS MUNICIPAL ELECTRIC AGENCY

BY: _____
President & CEO

ATTEST: _____
Assistant Secretary/Treasurer

CITY OF ROCK FALLS, ILLINOIS

BY: _____
Mayor

ATTEST: _____
City Clerk

Exhibit "A"

CAPACITY PURCHASE AGREEMENT

Terms and Conditions

SECTION 1 – DEFINITIONS

Definitions. The following terms when capitalized shall, for all purposes of this Agreement, have the following meanings:

Cost of Fuel shall mean the actual cost of fuel used as determined on a weighted average basis. The weighted average cost of fuel shall be defined as the cost of fuel on hand at the beginning of the month plus the cost of fuel received during the month, divided by the total quantity of fuel on hand and received during the month. The weighted average cost of fuel calculated in any month shall be used as the cost of fuel on hand for the following month. The cost of fuel shall include the cost of fuel in inventory and the expense of unloading the fuel from the shipping media. The cost of fuel in inventory includes the weighted average cost of fuel, freight, and other transportation expenses, including pipeline company charges or penalties related to restricted flow notices, excise taxes, and other expenses directly assignable to the cost of fuel. For all generation, the cost of transportation, in this usage, shall not include the cost of unloading the fuel, so as not to double count it.

Dedicated Capacity shall mean, with respect to any Generating Facility, the dependable capacity of such Generating Facility as established and revised from time to time by IMEA through tests performed pursuant to Section 3 hereof. As of any date, the preliminary Dedicated Capacity shall be the dependable capacity most recently established through such tests and shall be subsequently listed on Table A hereof, except that:

- For purposes of determining payments for the Dedicated Capacity/Capacity Credits, the amount of the Generation that is considered to be Dedicated Capacity shall be limited to the lesser of: (i) the net tested capability of the Generating Facilities listed under the category of Dedicated Capacity on Table A, as amended from time to time; (ii) such net tested capability as reduced by any limitations imposed under this Agreement and the IMEA Member Generation Policy for a replacement resource or other transfer that exceeded the allowed or approved amount, thereby creating non-dedicated capacity; (iii) the declared Dedicated Capacity for such Generating Facilities by the Member; (iv) the installed or net tested capacity value for the unit (currently referred to in the industry as ICAP) that is recognized by the RTO for purposes of bidding the forced outage adjusted or usable portion thereof (currently referred to in the industry as UCAP or SAC) and allowed to be bid into the RTO's capacity auctions or used in an IMEA capacity or load management program; and (v) Member's highest peak demand (kW) from the previous three calendar years. Notwithstanding the foregoing, if IMEA or the Member has appropriate rights and/or approvals from the RTO and any other required entity for the members' Generating

Facilities to exceed its peak demand by a limited or unlimited amount, that amount shall be added to the peak demand for purpose of the above determination. Such Dedicated Capacity Payment shall be adjusted on May 1 of each calendar year following the effective date of this Capacity Purchase Agreement based on the previous year's testing, and Table A will be or shall be deemed to be amended to reflect the new Dedicated Capacity amount for payment purposes.

Generating Facilities shall mean those generating facilities of Member which are listed (or if Table A has not been properly updated, those generating facilities of Member that should be listed) as Dedicated Capacity on Table A. Additional Generating Facilities may be added to Table A as Dedicated Capacity by the Member only with the written consent of IMEA, following approval by the IMEA Board of Directors, which approval and consent shall be determined in the Board's reasonable discretion. Where the Member's Generating Facilities or a portion thereof consist of one or more units of a common type (e.g. natural gas-fired steam generating units or internal combustion engines) such Generating Facilities shall be treated as a single Generating Facility for purposes of determining payments for Dedicated Capacity.

Point of Delivery shall mean any point at which IMEA shall be required to deliver power and energy to the Member as set forth in Schedule A of the Power Sales Contract, and will include the point of connection of each of the Generating Facilities and other Generation as listed on Table A.

Power Sales Contract shall mean the power sales contract, dated as of _____, _____, between IMEA and the Member pursuant to which IMEA sells to the Member, and the Member purchases from IMEA, capacity and energy on the terms and conditions set forth therein, as amended from time to time and/or Power Sales Contracts with other Participating Members, as the context requires.

Prudent Utility Practice shall mean any of the practices, methods and acts which, in the exercise of reasonable judgement in the light of the facts (including but not limited to any practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry prior thereto) known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with reliability, safety and expediency. In applying the standard of Prudent Utility Practice to any matter under this Agreement, equitable considerations shall be given to the circumstances, requirements and obligations of each of the Parties, and there shall be taken into account the fact that the Agency and Member are both political subdivisions and municipal corporations of the State of Illinois with prescribed statutory powers, duties and responsibilities. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or acts, to the exclusion of all others, but rather to a spectrum of possible practices, methods, or acts which could have been expected to accomplish the desired result at reasonable cost consistent with reliability, safety and expediency. Prudent Utility Practice includes due regard for manufacturer's warranties and the requirements of governmental agencies which have jurisdiction.

Regional Transmission Organization or "RTO" shall mean the entity designated by the Federal Energy Regulatory Commission ("FERC") to direct operation of the regional electric transmission grid in its area, including the dispatching of generating resources (which shall include the Generating Facilities covered by this Agreement), and that controls the wholesale electric markets

for its area. The RTOs that currently control the areas where IMEA's Participating Members are located are Midcontinent Independent System Operator, Inc., or its successor ("MISO"), and PJM Interconnection, LLC, or its successor ("PJM"). At the execution of this Agreement, for those Participating Members that are served by Commonwealth Edison Company for transmission service, the currently applicable RTO is PJM. For those Participating Members that are served by Ameren Illinois Company, City of Springfield CWLP, Southern Illinois Power Cooperative, or Hoosier Energy Rural Electric Cooperative, Inc., the currently applicable RTO is MISO. Throughout the duration of this Agreement the applicable RTO is subject to change for reasons that are outside the control of the Agency and the Participating Members.

SECTION 2 – DEDICATED CAPACITY

- (A) Commencing on October 1, 2035, Member shall make available to IMEA for use by IMEA and IMEA shall take delivery from Member of the Dedicated Capacity of each of Member's Generating Facilities.
- (B) The electrical output of the Dedicated Capacity shall be delivered to IMEA at Member's Points of Delivery.
- (C) Neither IMEA nor Member shall be responsible for the transmission, control, use or application of electric power provided under this Agreement on the other Party's side of the Point of Delivery therefor and shall not, in any event, be liable for damage or injury to any person or property whatsoever arising, accruing, or resulting from, in any manner, the receiving, transmission, control, use, application, or distribution by IMEA or Member of said electric power.
- (D) IMEA will not schedule the operation of Member's Generating Facilities at levels less than the minimum operating capacity of such Generating Facilities established in accordance with the provisions of Section 5(A) hereof.
- (E) The payment for Dedicated Capacity, Dedicated Capacity operation, dispatch, and the treatment of dedicated co-generation capacity under this agreement shall be in accordance with the provisions of Attachment I which is attached hereto and incorporated herein by reference.

SECTION 3 – TEST PROCEDURES

The preliminary Dedicated Capacity in kW of a Generating Facility shall be determined through tests performed according to the requirements of the RTOs as reflected in the testing provisions of the IMEA Member Generation Policy, as the same may be modified from time to time. If the RTO requirements change in the interim between annual tests and require retesting before the next normally scheduled test, then tests to confirm the new preliminary Dedicated Capacity shall be performed as soon as practical after a revision of the RTO requirements. Table A will then be modified according to the results of the test. If the relevant RTO stops having testing requirements, IMEA shall establish such testing requirements in the Member Generation Policy, as considered and approved by the IMEA Board of Directors from time to time.

Tests will be conducted at least annually, or more often at the request of either party or as required by the relevant RTO; in no case will the test be performed more than twice in one year unless a test required by the relevant RTO is called by the RTO after 2 tests have already been completed. IMEA shall base the net tested capability on periodic capability tests, but the tested capability will not exceed the manufacturer's name plate rating. Member may utilize the kVA nameplate rating as the maximum capability of a unit provided that the unit(s) can operate at the tested power factor during typical peak operations. Table A will then be modified according to the results of the test. Payment for the revised Dedicated Capacity shall begin on the later of May 1 or the first day of the month following the period in which the test was performed, and the test results were provided to and accepted by Member.

The tests shall be conducted jointly by representatives of IMEA and Member with Member personnel and equipment necessary to operate the Generating Facilities being furnished and paid for by Member.

SECTION 4 – PAYMENT FOR DEDICATED CAPACITY

- (A) Member Capacity Credits shall be determined in accordance with the provisions of Attachment I. The Board of Directors of IMEA shall review and, if necessary, revise the Member Capacity Credits along with its review of the Rate Schedules in the Power Sales Contract.
- (B) IMEA shall prepare and send to Member a statement showing the amounts due and payable for its Dedicated Capacity each month along with the bill for power supply under the Power Sales Contract. Payments will be in the form of credits on the Power Sales Contract bill unless requested otherwise by Member, in which case payments under this Agreement shall be due and payable on or before the 30th day following receipt of the statement. The form of the statement shall be specified by IMEA.
- (C) Should all or a portion of the Dedicated Capacity not be available to IMEA in any month due to equipment failure or breakdown, Member shall use its best efforts to correct such failure or breakdown as promptly as possible.
- (D) Dedicated Capacity of any Generating Facility removed from availability for scheduled maintenance procedures, testing and training may continue to receive monthly payments under certain circumstances if appropriate notice is given and approval granted by IMEA. The circumstances where payments will be withheld shall be as reasonably determined by the IMEA Board of Directors for different types and timing of outages as set forth in the IMEA Member Generation Policy in effect at that time, which may be amended from time to time.
- (E) If all or part of the Dedicated Capacity from any Generating Facility is unavailable for a continuous period of twelve (12) months other than due to its removal from availability by prior written notice to, and with the approval of IMEA, which period may be extended up to a total of twenty-four (24) months, or such longer period as allowed by the Agency's Board of Directors, in accordance with the then current Member Generation Policy, IMEA shall have the right to reduce the Dedicated Capacity for such Generating Facility for the

remainder of the term of this Agreement by the amount of such unavailability expressed in kilowatts and Table A shall be revised accordingly.

- (F) Reporting forms for Member to use in reporting costs and operational details to IMEA are included under Attachment II and shall be updated and amended from time to time by the Agency as required to comply with the policies, rules, and tariffs of the RTOs and/or as approved by the Agency's Board of Directors, as part of any amendments to the Member Generation Policy from time to time.

SECTION 5 – RESPONSIBILITIES OF MEMBER

Member shall, without any additional charge to IMEA:

- (A) Operate its Generating Facilities in accordance with Prudent Utility Practice to provide Dedicated Capacity whenever called upon by IMEA, and in accordance with the IMEA Generation Policy as in effect at the time. The IMEA Generation Policy may be reviewed and revised from time to time.
- (B) Maintain its Generating Facilities and any of its other Generation that IMEA may allow to be used as replacement capacity in good and readily operable condition and place Dedicated Capacity in service following notice by IMEA, synchronized and operated in parallel with IMEA's interconnected electric system, which transmits electricity to Member, and operating at scheduled load without abnormal delays for the type of generation facilities involved and shall produce requested output from the Dedicated Capacity within notice and start times specified by appropriate IMEA staff representatives in accordance with the IMEA Generation Policy as in effect at that time, which may be amended from time to time .
- (C) Have manpower available to operate up to all of the Generating Facilities producing Dedicated Capacity when called upon by IMEA to do so.
- (D) Make all necessary and required modifications to meet present or future local, state, or federal laws and regulations to permit operation of Member's Generating Facilities to the level specified as Dedicated Capacity. If Member does not make such modifications, the amount of Dedicated Capacity in kW shall be reduced to reflect the inoperability of such Generating Facility and Table A shall be modified accordingly.
- (E) Operate the Dedicated Capacity for the production of electric energy only for sale to IMEA and only when requested by IMEA; provided, IMEA shall schedule Dedicated Capacity in accordance with the schedules initially set by the IMEA operations staff for testing or periodic exercising of equipment. The Member may request a reasonable alternative time and IMEA agrees that approval of such shall not be unreasonably withheld. When transmission system failures prevent the delivery of electric power and associated energy to Member pursuant to the Power Sales Contract, Member may operate its Generating Facilities to provide for Member's requirements of power and energy during the period of such failures. Payments by IMEA for such power and energy shall be as required under Section 4 of this Agreement. Payments by Member for power and energy shall be as required under the Power Sales Contract.

- (F) Not schedule routine maintenance outages of all or any part of the Dedicated Capacity without prior written approval by authorized IMEA personnel in order that IMEA can schedule the operation of other available resources.
- (G) Exercise and test its Generating Facilities in accordance with the IMEA Generation Policy as is then currently in effect and as may be amended from time to time, and allow periodic inspections by IMEA at Member's Generating Facilities as required by IMEA from time to time and to demonstrate Dedicated Capacity according to tests required by Section 3 of this Agreement when requested by IMEA. Member may be subject to reasonable penalties under the Member Generation Policy for failure to exercise and/or failure to test designed to incentivize proper staff training, maintenance, and planning.
- (H) Prepare and submit to IMEA monthly reports concerning the Generating Facilities as may be reasonably requested and on forms provided by IMEA and to permit IMEA to cause an audit to be made of Member's books and records.
- (I) Install or cause to be installed the switches, controls, and other protective equipment necessary to protect Member's Generating Facilities when such Facilities are operating interconnected directly or indirectly with the interconnected electric system.
- (J) Maintain inventories of appropriate fuels as set forth in any approved operating provisions as adopted by IMEA. Such inventories will be based on the Generating Facility's expected generation output, consideration of Member's physical fuel handling facilities, and other economic or non-economic factors.
- (K) Maintain all relevant insurance on its Generating Facilities in accordance with Prudent Utility Practice.

Member has the right under Illinois law to incur indebtedness to facilitate compliance with this Section and this Agreement and to improve its electric utility system and nothing in this Agreement shall be construed as affecting that right.

SECTION 6 – RESPONSIBILITIES OF THE AGENCY

- (A) IMEA shall notify or cause to be notified Member when it is to operate Generating Facilities and IMEA agrees to give Member as much advance notice of required operation as is feasible under the circumstances then existing. IMEA's scheduling of the operation of Generating Facilities shall be in accordance with the IMEA Member Generation Policy in effect from time to time.
- (B) The duration of operating time requested by IMEA shall be a minimum of two hours for combustion turbine and diesel generating facilities or eight hours for steam generating facilities. The Board of Directors of IMEA may establish different minimum and/or maximum notice and run times in its Member Generation Policy that is currently then in effect and as may be amended from time to time.
- (C) [Reserved]

- (D) IMEA's records and accounts shall be audited annually by a firm of independent public accountants of national reputation, to be employed by IMEA. Such records and accounts and such annual audit, including all written comments and recommendations of such accountants, shall be made available for inspection at any reasonable time by Member at the principal office of IMEA.

SECTION 7 – METERING

- (A) IMEA shall furnish or cause to be furnished, install, and maintain metering equipment at the Generating Facilities if IMEA deems it appropriate to be able to reliably schedule and invoice the output of the generation output. The metering equipment shall be used to measure and record the capacity and energy generated by Member's Dedicated Capacity for the account of IMEA. Such metering equipment shall provide a continuous record of the 60-minute integrated kW generated net output of Member's Dedicated Capacity during each billing period throughout the term of this Agreement. Such records shall be available at all reasonable times to authorized agents of Member.
- (B) When Member is operating its Generating Facilities, the metering equipment at the Generating Facilities will be used in conjunction with other metering provided for in the Power Sales Contract to measure and compute all power and energy transactions between Member and IMEA under this Agreement and the Power Sales Contract.
- (C) If IMEA installs such metering, IMEA shall test and calibrate meters or cause meters to be tested and calibrated by comparison with accurate standards at intervals of not less than thirty-six (36) months. IMEA shall also make or cause to be made special meter tests at any time at Member's request. The cost of all tests shall be borne by IMEA except that if any special meter test made at Member's request shall disclose that the meters are recording accurately, Member shall reimburse IMEA for the cost of such test. Meters registering not more than two percent above or below normal shall be deemed to be accurate. The readings for any meter which shall have been disclosed by test to be inaccurate shall be corrected in accordance with the percentage of inaccuracy found by such test from the beginning of the first billing period which began after the next preceding metering test but in any case for no period longer than 90 days. Should any meter fail to register, the electric power and energy generated during such period of failure shall for billing purposes be estimated by IMEA from the best information available. IMEA shall notify Member or cause Member to be notified in advance of the time of any meter reading or test so that Member's representative may be present at such meter reading or test.

SECTION 8 – ASSIGNMENT

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto; provided, however, that this Agreement shall not be assigned by either party hereto without the consent in writing of the other party hereto, which consent shall not be unreasonably withheld. No assignment or transfer of this Agreement shall relieve the parties of any obligations hereunder.

SECTION 9 – SEVERABILITY

Should any part, term or provision of this Agreement be declared by a court of competent jurisdiction to be illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected thereby.

SECTION 10 – GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without giving effect to any principles of Conflicts of Law.

SECTION 11 – HEADINGS

The headings in this Agreement are for reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 12 – SURVIVORSHIP

The termination of this Agreement shall not discharge either party hereto from any obligation it owes to the other party under this Agreement by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination. It is the intent of the parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Agreement or whether the circumstances, events, or basis of the same shall be known or unknown at the termination of this Agreement) shall survive the termination of this Agreement.

SECTION 13 – NO ADVERSE DISTINCTION

IMEA agrees that there shall be no adverse distinction and no undue discrimination in carrying out its obligations under or implementing this Agreement or the Member Generation Policy in effect at any time as may be amended from time to time relating to Member as compared to other members of IMEA. Payment of different amounts or of only limited elements of the Capacity Credits; (a) to Participating Members who executed full requirements Power Sales Contracts at different points in time, or (b)(i) for new generating units added to this Agreement as additional Dedicated Capacity at different points in time or (ii) units that are designed to be operated more, have favorable economics and for which a commitment is made to available for a greater level of dispatchability, shall not be deemed to be an adverse distinction or undue discrimination.

Attachment I

ILLINOIS MUNICIPAL ELECTRIC AGENCY MEMBER CAPACITY CREDITS

PAYMENTS FOR DEDICATED CAPACITY

1. a) Capacity Credits to Member for Dedicated Capacity shall be as follows:

Base Component -	\$2.00 per kW/mo.
Production Component -	\$1.20 per kW/mo. for diesel and combustion turbine capacity, or \$2.00 per kW/mo. for steam driven capacity
Fuel Reimbursement -	Actual fuel costs, in accordance with the definition of Cost of Fuel in Exhibit A , after implementation of a uniform accounting and reporting system

For purposes of calculating the Dedicated Capacity Payments, one month shall be considered equal to 30 days.

The amounts of the Base Component and the Production Component shall not be reduced below a total of \$3.20 per kW/mo. for diesel and combustion turbine capacity, and \$4.00 per kW/mo. for steam driven capacity.

The Production Components may be adjusted by the IMEA Board of Directors one year from the effective date of this Agreement, and annually thereafter.

The Base Component and Production Component shall be paid monthly for Member's Dedicated Capacity as defined in Exhibit A that is in operating condition and capable of being dispatched by the Agency, unless one or both Components are retained or withheld pursuant to the provisions of the IMEA Generation Policy in effect at that time as may be amended from time to time regarding outages of Generating Facilities or other situations where the units are inoperable, or unable or unwilling to respond to Agency dispatch.

- b) In addition to the Member Dedicated Capacity Payment/Credits above, the Agency shall make a Member Generation Payment, as follows:

Generation Payment =	3 Mills per kWh for all net generation scheduled by the Agency and delivered by the Generating Member (excluding generation for periodic exercising, maintenance, or testing including periodic capacity testing)
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The Generation Payment may be adjusted by the IMEA Board of Directors one year from the effective date of this Agreement, and annually thereafter in accordance with the review and possible adjustment made to the Production Component of the Dedicated Capacity Payment, as determined by reviewing the Participating Members' capital and ongoing costs, as well as then current energy and capacity market conditions.

c) All payments by the Agency to Participating Members for Dedicated Capacity and net delivered energy shall be based on net tested capability declared as capacity by the Participating Member, subject to the limitations contained in this Agreement and the IMEA Member Generation Policy as then in effect, which may be amended from time to time, herein, and net energy produced and delivered on behalf of the Agency, which shall exclude all internal station usage necessary to operate power plant equipment and auxiliaries.

For purposes of determining the net delivered energy, the Agency will subtract the incremental metered unit auxiliary load from metered gross unit output. It is the intent of this policy to encourage Agency Members to provide sufficient metering so that accurate individual unit auxiliary load requirements may be determined on an hourly basis. House power, defined in the Member Generation Policy as power plant loads when there is no gross generation, will be treated as municipal load during all hours.

IMEA shall base the net tested capability on periodic capability tests, but the tested capability will not exceed the manufacturer's name plate rating. Members may utilize the kVA nameplate rating as the maximum capability of a unit provided that the unit(s) will operate at the tested power factor during typical peak operations, while at the same time maintaining any required distribution system operating conditions, such as power factor, that is then currently required by the RTO or the Transmission Owner to which the Member's system is connected, which requirements may change from time to time.

d) When dispatched by the Agency, Members shall be reimbursed their actual cost of fuel necessary to provide the Agency with the scheduled amount of net kilowatt hours leaving the scheduled unit(s), which shall include fuel reimbursement necessary to operate qualifying auxiliary and station power equipment. The Agency shall develop and issue to all Generating Members a revised uniform fuel cost reporting form, which shall be required to be submitted to IMEA by the Member each month in order to receive fuel reimbursement payments.

2. Dedicated Capacity Operation: Member agrees to operate its Dedicated Capacity for the production of electric energy only for sale to the Agency and only when requested by the Agency, provided the Agency shall schedule operation of Dedicated Capacity in accordance with schedules initially set by the Agency when the Agency determines testing or periodic exercising of equipment is necessary or appropriate. The Member may request a reasonable alternative time and IMEA agrees that approval of such shall not be unreasonably withheld.

Participating Members with installed Dedicated Capacity consisting of internal combustion engines and combustion turbines shall be allowed to operate each unit of such Dedicated Capacity for the purposes of testing, exercising and operating training for a period not to

exceed eight (8) hours per month at full rated capability, or greater periods at lesser capability but that will adequately test, exercise or provide for operating training with respect to the unit(s) (so as the total number of kilowatt hours generated per unit will not exceed the equivalent of eight (8) hours worth of generation per unit at full capability) plus the reasonable and necessary time required for ramping up to full capability and ramping down after the run. The Participating Member will be reimbursed by the Agency for all fuel expenses incurred during this operation.

Participating Members with installed Dedicated Capacity consisting of steam-driven turbine units shall be allowed to operate each unit of such Dedicated Capacity for the purposes of testing, exercising and operator training for a period not to exceed twenty-four (24) hours per month at full rated capability, or greater periods at lesser capability but that will adequately test, exercise or provide for operating training with respect to the unit(s) (so as the total number of kilowatt hours generated per unit will not exceed the equivalent of twenty-four (24) hours worth of generation per unit at full capability) plus the reasonable and necessary time required for ramping up to full capability and ramping down after the run.

Member will be reimbursed by the Agency for all fuel expenses incurred during this operation.

The maximum monthly hours of allowable operation of Participating Member Dedicated Capacity for testing, exercising and operating training may be changed periodically by the IMEA Board of Directors. To the extent that in any given month, the operation of any unit or units of Participating Member Dedicated Capacity is scheduled and dispatched by the Agency in excess of the maximum monthly hours of allowable operation for testing, exercising and operating training, and to the extent such Dedicated Capacity had not previously been scheduled for testing and/or periodic exercising by the Participating Member during that month, no further testing and periodic exercising of said units shall be allowed for the remainder of that month, unless it is approved by the IMEA.

To the extent that in any given month, the operation of any unit or units of Participating Member Dedicated Capacity is scheduled and dispatched by the Agency at levels less than the maximum monthly hours of allowable operation for testing, exercising and operating training, and to the extent such Dedicated Capacity had not previously been scheduled for testing and/or periodic exercising by the Participating Member during that month, the allowable testing and periodic exercising periods of said units shall be reduced proportionately for the remainder of that month.

3. **Dedicated Capacity Dispatch:** The Agency agrees to dispatch Participating Member Dedicated Capacity along with its other power supply resources according to either (i) a not unduly discriminatory stacking order by region, (ii) local needs of the RTO, or (iii) economic dispatch principles, as determined by the IMEA Board of Directors. The Agency shall attempt to schedule continuous operation of Member Dedicated Capacity when called insofar as possible in accordance with Prudent Utility Practice and economic dispatch principles.

Whenever the Agency schedules operation of steam-driven turbine unit Dedicated Capacity of any Participating Member, such operation shall be scheduled for a minimum of twenty-four (24) continuous hours, or such lesser time as Participating Member may request, at a load level which at all times shall be equal to or greater than the minimum load level at which said units could reliably operate on a continuous basis. Such minimum reliable load levels shall be determined in a commercially reasonable manner and provided annually to the Agency by the Participating Member.

4. [Reserved]
5. **Dedicated Capacity Replacement:** Any Participating Member having Dedicated Capacity that was in service and fully operational on the effective date of the Power Sales Contract, and who determines that such capacity should be permanently retired from service, will be allowed to replace any or all of the Dedicated Capacity at any time; provided, however, that the total Dedicated Capacity following such replacement shall not be greater than what was in service prior to such replacement. The Participating Member will continue to receive capacity credits for all existing and replacement capacity under the terms and conditions herein. All development and capital costs associated with the replacement of existing Dedicated Capacity shall be the sole responsibility of the Participating Member.
6. **Dedicated Capacity Additions:** Any Participating Member desiring to add capacity to its system, through either the installation of new capacity or the replacement of existing Dedicated Capacity with units of greater capability, shall advise the Agency of its intentions at least one (1) year prior to the scheduled date of operation of such additional capacity or such other time as the IMEA Board of Directors shall allow. The IMEA Board of Directors shall determine, on a case-by-case basis, whether or not the Participating Member will receive capacity credits for Dedicated Capacity additions under the terms and conditions herein. In addition, the IMEA Board of Directors may establish and approve programs and/or initiatives to allow and/or encourage participating Members to add Dedicated Capacity for beneficial use in the Agency's mix of resources, subject to reasonable and not unduly discriminatory criteria and/or limitations, including but not limited to fixed payment amounts that may differ from the standard capacity credits for fixed periods of time and different dispatching protocols, and as may be changed from time to time by the IMEA Board of Directors. Such determination shall be based on the Agency's current and future power supply resources and obligations, and the effect of new capacity on the Agency's obligations and the effect of new capacity on the Agency's obligations and its rates to the Participating Members. All development and capital costs incurred with the addition of Dedicated Capacity shall be the sole responsibility of the Participating Member.
7. The current IMEA Member Generation Policy expands on the points addressed in the Attachment I that was added to the then current capacity purchase agreements in 1990 and upon which this Attachment I is based. The IMEA Board of Directors may continue to interpret and expand on the core principles in this Attachment I through the IMEA Member Generation Policy and through its other programs, policies, ordinances, and resolutions, as approved by the IMEA Board of Directors in the future as conditions change or as warranted.

FUEL COST REIMBURSEMENT FORM

Member: City of Rock Falls

Reporting Period: _____

	Value (\$)	Quantity (Gal./Therm)	Heat Content (Btu)
[A] Balance of fuel oil at the beginning of the period: [1]			
[B] Fuel oil deliveries received during the period:			
[C] Total fuel oil available during the period: (A+B)			
[D] Average cost of the fuel oil: (\$/Gal.)			
[E] Fuel oil used for Agency reimbursable purposes:			
[F] Fuel oil used for Member or other purposes:			
[G] Total fuel oil used: (E+F)			
[H] Balance of fuel oil at the end of the period: (C-G) [2]			
[I] Average cost of the Natural Gas: (\$/Therm)			
[J] Natural gas used for Agency reimbursable purposes:			
[K] Natural gas used for Member or other purposes:			
[L] Total natural gas used: (J+K)			
[M] Total fuel used for Agency dispatch: (E+J)			
[N] Gross generation in the month: (kWh)			
[O] Average per kWh: (M/N)			

Prepared by: _____ Date: _____

[1] From line H from prior months Fuel Cost Reimbursement Form.

[2] Transferred to line A in next month's Fuel Cost Reimbursement Form.

TABLE "A"

**City of Rock Falls
Dedicated Capacity and other Generating Units**

Dedicated Capacity

Unit	Original Nameplate Rating (kW/kVA)	URGE Tested Net Capacity (kW)
1	1,825/2,281	1,828
2	1,825/2,281	1,826
3	1,825/2,281	1,823
4	1,825/2,281	1,821
5	1,825/2,281	1,816
Total	9,125/11,405	9,114*
Net Declared Capability:		9,114
Dedicated Capacity (kW) for payment purposes:		9,114

* For purposes of the Dedicated Capacity Payment, Dedicated Capacity shall be limited to a maximum equal to the highest of the previous three (3) calendar years' peak demand (kW) billed to Member, subject to any applicable replacement unit limitations as set forth in this Agreement and any declared lesser amount by Member; provided however if IMEA or the Member has appropriate rights and/or approvals from the RTO and/or the local Transmission Owner and any other required entity for the members' Generating Facilities to exceed its peak demand by a limited or unlimited amount, that amount shall be added back to the peak demand for purpose of the above determination; and provided further the maximum shall not exceed the installed or net tested capacity value for the unit (currently referred to in the industry as ICAP) that is recognized by the RTO for purposes of bidding the forced outage adjusted or usable portion thereof (currently referred to in the industry as UCAP or SAC) into the RTO's capacity auctions. Such Dedicated Capacity Payment shall be adjusted on May 1 of each calendar year following the effective date of this Capacity Purchase Agreement based on the previous year's testing.

Non-Dedicated Units

Unit	Original Nameplate Rating (kW/kVA)	URGE Tested Net Capacity (kW)
6	1,825/2,281	1,819
7	1,825/2,281	1,822
8	2,250/2,281	2,256
9	2,250/2,281	2,256

Emergency Only Units.

Unit	Original Nameplate Rating (kW/kVA)	URGE Tested Net Capacity (kW)
NONE	NONE	NONE

RESOLUTION NO. 2024-919

**RESOLUTION AUTHORIZING ENTRY INTO
INTERGOVERNMENTAL AGREEMENT BETWEEN THE
CITY OF ROCK FALLS AND COLOMA TOWNSHIP ROAD DISTRICT
REGARDING WINTER SALTING AND PLOWING**

WHEREAS, the City of Rock Falls (“City”) is a non-home rule municipality lawfully organized and existing under the Constitution and laws of the State of Illinois;

WHEREAS, Coloma Township Road District (“Township”) is a unit of local government lawfully organized and existing under the Illinois Highway Code, 605 ILCS 5/6-101, et seq.;

WHEREAS, Article VII, Section 10 of the Constitution of the State of Illinois, provides that units of local government may contract or otherwise associate among themselves to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance;

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1, et seq. authorizes Illinois public bodies to combine, transfer, and enjoy jointly with other public bodies any of their powers, privileges, functions, or authority; and

WHEREAS, the City and Township have determined that it is in the best interests of each of them, respectively, to enter into an Intergovernmental Agreement for the provision of roadway maintenance and other public works services between the Township and City in substantially the form attached to this Resolution as Exhibit A (the “Agreement”).

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Rock Falls, Whiteside County, Illinois as follows:

SECTION 1: The recitals in the preambles to this Resolution are declared to be true and accurate and are incorporated herein.

SECTION 2: The Agreement in substantially the form attached hereto as Exhibit A, and in such final form to be approved by the Mayor in consultation with the City Attorney, is hereby approved. The Mayor and City Clerk are hereby authorized to execute and attest the Agreement in its final form on behalf of the City.

SECTION 3: If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 4: All Resolutions, resolutions, motions, or parts thereof in conflict herewith and the same are hereby repealed.

SECTION 5: This Resolution shall be in full force and effect from and after its passage, adoption and approval in the manner provided by law.

Approved this _____ day of _____, 2024.

Mayor

ATTEST:

City Clerk

AYE

NAY

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF ROCK FALLS AND COLOMA TOWNSHIP ROAD DISTRICT

This Intergovernmental Agreement (hereinafter, "Agreement") is made and entered into this ____ day of _____, 2024, by and between the City of Rock Falls, an Illinois non-home rule municipality ("City"), and Coloma Township Road District, an Illinois unit of local government ("Township"),

RECITALS

WHEREAS, the City is a non-home rule municipality lawfully organized and existing under the Constitution and laws of the State of Illinois; and

WHEREAS, the Township is a unit of local government lawfully organized and existing under the Illinois Township Code, 60 ILCS 1/1-1, et seq.; and

WHEREAS, Article VII, Section 10 of the Constitution of the State of Illinois, 1970, provides that units of local government may contract or otherwise associate among themselves to obtain or share services and to exercise, combine or transfer any power or function, in any manner not prohibited by law or by ordinance; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1, et seq. authorizes Illinois public bodies to combine, transfer, and enjoy jointly with other public bodies any of their powers, privileges, functions, or authority; and

WHEREAS, the City and Township have determined that it is in the best interests of each of them, respectively, to enter into this Agreement for the provision of roadway maintenance and other public works services between the Township to the City; and

WHEREAS, the City and Township have determined that it is in the best interests of each of them, respectively, to enter into the terms of this Agreement, and that their residents and constituents will receive benefits from this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and upon the further consideration of the recitals hereinabove set forth, it is hereby agreed by and between the parties as follows:

SECTION 1: RECITALS. The recitals set forth above are incorporated herein as part of this Agreement.

SECTION 2: TERM OF AGREEMENT. This Agreement shall commence upon its approval and execution by both the City and the Township ("Commencement Date") and shall terminate on the date that is one (1) year after the Commencement Date. This Agreement shall

automatically renew for successive one (1) year periods unless one party provides written notice to the other of its desire to terminate this Agreement not less than sixty (60) days prior to the expiration of the then existing term.

SECTION 3: SERVICES. During the term of this Agreement, each of the Parties hereto shall provide certain services for an on behalf of the other including, but not limited to, salt storage and spreading, snow and ice removal and restoration of damaged street shoulders, sod, turf, mailboxes, driveways, signs, streets caused by any of the foregoing (collectively, the "Services"), over the roadways described in Exhibit A, attached hereto and incorporated herein ("Roadways").

SECTION 4: PAYMENT FOR SERVICES. Each of the Parties agree to be responsible for the payment of all costs and expenses associated with the performance of their respective Services on the Roadways, including, but not limited to, any costs for equipment, labor or materials necessary to perform the Services.

SECTION 5: INDEMNIFICATION. The Township, its employees, and its contractors shall indemnify and hold harmless the City and any of its officers, officials, employees, or agents from and against any and all claims, demands, liabilities, losses, damages, fines, penalties, attorneys' fees, and litigation expenses (collectively "Loss") arising out of injury to, including the death of, persons or damage to property, to the extent caused by the negligent acts or omissions of the Township or any of its officers, officials, employees, contractors, or agents, related to services performed under this Agreement.

The City, its employees, and its contractors shall indemnify and hold harmless the Township and any of its officers, officials, employees, or agents from and against any and all Loss arising out of injury to, including the death of, persons or damage to property, to the extent caused by the negligent acts or omissions of the City or any of its officers, officials, employees, contractors, or agents, related to the terms of this Agreement.

SECTION 6: PUBLIC LIABILITY INSURANCE. Each Party hereto shall each carry public liability insurance in an amount of not less than ONE MILLION and 00/100 DOLLARS (\$1,000,000.00) per person, per occurrence, and such policies shall name the other Party as an additional insured for the terms performed pursuant to this Agreement. The Parties shall name each other as an additional insured on their insurance policies and provide each other with copies of their certificates of insurance policies so stating.

SECTION 7: SEVERABILITY. If any part of this Agreement shall be held invalid for any reason, the remainder of this Agreement shall remain valid to the maximum extent permitted by law.

SECTION 8: NOTICES. All notices and other written communications in connection with this Agreement shall be deemed delivered to the addressee thereof when delivered by hand delivery, e-mail, or fax at the addresses set forth below, or three business days after deposit thereof in any main or branch United States post office, overnight express delivery, or mailed by

United States registered mail or certified mail, postage prepaid, properly addressed to the parties, respectively, as follows:

For notices and communications to the City:

City of Rock Falls
Attn: Street Department Superintendent
603 W. 10th Street
Rock Falls, IL 61071
Email: dmiller@rockfalls61071.net

For notices and communications to the Township:

Coloma Township
Attn: Township Road Commissioner
217 W. 14th Street
Rock Falls, IL 61071
Email: _____

By written notice complying with this Section, each party shall have the right to change the address or addressee, or both, for all future notices and communications to such party, but no notice of a change of address shall be effective until actually received.

SECTION 9: SUCCESSORS AND ASSIGNS. Neither party shall assign this Agreement, in whole or in part, or any of its rights or obligations under this Agreement, without the prior written consent of the other party.

SECTION 10: ENTIRE AGREEMENT. This Agreement, including the exhibits hereto, contains the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement and matters related thereto.

SECTION 11: GOVERNING LAW. This Agreement and the rights of the parties hereunder shall be interpreted and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

SECTION 12: COUNTERPARTS. This Agreement may be executed in one or more counterparts, all of which when taken together will constitute one and the same instrument.

(the signature of the parties appears on the following page)

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals all as of the day and year first written above.

CITY OF ROCK FALLS,
an Illinois municipal corporation

By: _____

Name: _____

Title: _____

ATTEST:

City Clerk

COLOMA TOWNSHIP ROAD DISTRICT

By: _____

Name: _____

Title: _____

ATTEST:

EXHIBIT A

Winter Salting and Plowing and any Emergency deemed necessary
by The City of Rock Falls or Coloma Township Highway Commissioner.

City:

All of Buell to Township line

All of McNeil Rd.

Lincoln St. between Emmons Ave to Martin Rd.

Martin Rd to Franklin St.

Emmons Ave between 2nd St. and Lincoln

Township:

All Haskell Ave

Emmons Ave between Dixon Ave and Lincoln

Thomas between Franklin and Minkle



BHMG Engineers, Inc.

9735 Landmark Parkway Drive
Suite 110A
St. Louis, MO 63127

Dick Simon

Electric Director / City of Rock Falls

E: dsimon@rockfalls61071.com

P: 815.622.1145

March 13, 2024

Ref: Cost Proposal for Metering Point Upgrades

Dear Dick,

Thank you again for coming to BHMG for a proposal on the engineering and design work on the Metering Point Upgrades. The project scope is detailed in Appendix A and includes design considerations, submittal requirements, project contacts, roles/responsibilities, and clarifications.

High-Level Project Scope:

- o Addition of reclosers and new line relaying panels for the city's four 34.5kV Metering Point connections with ComED.

Table 1: Consultant Design Cost Proposal

Description	Hours	Cost
Meter Point Design Support	-	\$ 238,800.00
Project NTE Total	x	\$ 238,800.00

***Note:


1. Construction Management Not included in above amount but available as T&E

BHMG will provide engineering and design services to support all work required by the project as stated in the following appendices:

- Appendix A: Detailed Project Scope, Rev1
- Appendix B: Redline System Oneline

BHMG appreciates this opportunity to provide Rock Falls with these services. Should any questions arise, please contact me at your convenience.

Sincerely,


Jason F. Jackson, P.E.
Consulting Department Manager

Empowering teams that develop successful relationships for the future.

Appendix A - Scope Document
City of Rock Falls, Illinois
Meter Point Upgrades



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A. GENERAL DESCRIPTION

The scope of the Meter Point Upgrades project will be to design new relay and equipment upgrades for the four 34.5kV meter point locations for interconnection between ComED and Rock Falls, based on the information provided by Rock Falls.

B. DETAILED WORK DESCRIPTION

a. Protective Relay Design:

i. Meter Point #1:

1. New free standing outdoor relay panel box. Approximately 36"x24"x72", aluminum or stainless steel with exterior locking door, and interior swing panel door. Including ventilation, electric and all other provisions for standalone application. Unit to be placed on concrete pad with bottom entry control cables.
 - a. SEL-311L or equal line differential protection relay
 - b. Sync check function relay with display, to be evaluated to upgrade from existing.
 - c. Woodward SPM synchronizer
 - d. SEL Programmable Automation Controller
 - e. Breaker control switch
 - f. Recloser on/off switch
 - g. Synchronizer HOA switch
 - h. Breaker position lights, red and green
 - i. Auto sync initiate button
 - j. Test Switches
 - k. SEL UPS sized for system
 - l. Fiber patch panel
 - m. Siemens Rugged Com ethernet switch
 - n. Condensation heaters
 - o. AC system
 - p. Ventilation system
2. SEL-651R Recloser control relay settings development and integration.
3. Create computer model for protection (or review and update client's model).
4. Design line relay protection and coordination.
5. Develop relay settings for relays (listed above). Provide the setting files, and coordination TCCs.
6. Develop points list for clients SCADA integrator.
7. Final settings may impact existing arc flash study results. BHM&G is not required to update the arc flash study.

ii. Meter Point #2:

1. New free standing outdoor relay panel box. Approximately 36"x24"x72", aluminum or stainless steel with exterior locking door, and interior swing panel door. Including ventilation, electric and all other provisions for standalone application. Unit to be placed on concrete pad with bottom entry control cables.
 - a. SEL-311L or equal line differential protection relay
 - b. Sync check function relay with display, to be evaluated to upgrade from

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City of Rock Falls, Illinois
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- existing.
 - c. Woodward SPM synchronizer
 - d. SEL Programmable Automation Controller
 - e. Breaker control switch
 - f. Recloser on/off switch
 - g. Synchronizer HOA switch
 - h. Breaker position lights, red and green
 - i. Auto sync initiate button
 - j. Test Switches
 - k. SEL UPS sized for system
 - l. Fiber patch panel
 - m. Siemens Rugged Com ethernet switch
 - n. Condensation heaters
 - o. AC system
 - p. Ventilation system
2. SEL-651R Recloser control relay settings development and integration.
 3. Create computer model for protection (or review and update client's model).
 4. Design line relay protection and coordination.
 5. Develop relay settings for relays (listed above). Provide the setting files, and coordination TCCs.
 6. Develop points list for clients SCADA integrator.
 7. Final settings may impact existing arc flash study results. BHM is not required to update the arc flash study.
- iii. Meter Point #3:
1. New free standing outdoor relay panel box. Approximately 36"x24"x72", aluminum or stainless steel with exterior locking door, and interior swing panel door. Including ventilation, electric and all other provisions for standalone application. Unit to be placed on concrete pad with bottom entry control cables at same location as existing panel.
 - a. SEL-311L or equal line differential protection relay
 - b. Sync check function relay with display, to be evaluated to upgrade from existing.
 - c. Woodward SPM synchronizer
 - d. SEL Programmable Automation Controller
 - e. Breaker control switch
 - f. Recloser on/off switch
 - g. Synchronizer HOA switch
 - h. Breaker position lights, red and green
 - i. Auto sync initiate button
 - j. Test Switches
 - k. SEL UPS sized for system
 - l. Fiber patch panel
 - m. Siemens Rugged Com ethernet switch
 - n. Condensation heaters
 - o. AC system
 - p. Ventilation system

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2. SEL-651R Recloser control relay settings verification.
 3. Create computer model for protection (or review and update client's model).
 4. Design line relay protection and coordination.
 5. Develop relay settings for relays (listed above). Provide the setting files, and coordination TCCs.
 6. Develop points list for clients SCADA integrator.
 7. Final settings may impact existing arc flash study results. BHM is not required to update the arc flash study.
- iv. Meter Point #4:
1. New free standing outdoor relay panel box. Approximately 36"x24"x72", aluminum or stainless steel with exterior locking door, and interior swing panel door. Including ventilation, electric and all other provisions for standalone application. Unit to be placed on concrete pad with bottom entry control cables at same location as existing panel.
 - a. SEL-311L or equal line differential protection relay
 - b. Sync check function relay with display, to be evaluated to upgrade from existing.
 - c. Woodward SPM synchronizer
 - d. SEL Programmable Automation Controller
 - e. Breaker control switch
 - f. Recloser on/off switch
 - g. Synchronizer HOA switch
 - h. Breaker position lights, red and green
 - i. Auto sync initiate button
 - j. Test Switches
 - k. SEL UPS sized for system
 - l. Fiber patch panel
 - m. Siemens Rugged Com ethernet switch
 - n. Condensation heaters
 - o. AC system
 - p. Ventilation system
 2. SEL-651R Recloser control relay settings verification.
 3. Create computer model for protection (or review and update client's model).
 4. Design line relay protection and coordination.
 5. Develop relay settings for relays (listed above). Provide the setting files, and coordination TCCs.
 6. Develop points list for clients SCADA integrator.
 7. Final settings may impact existing arc flash study results. BHM is not required to update the arc flash study.
- v. Source transfer programming system to automatically transfer from one source from ComED to another source on their system, this includes from meter point 1 to 2 and from 3 to 4 as first contingency. The desire to build a second contingency is present, however this will be a custom program in SEL relays. This second contingency will be addressed in the 34.5kV underground line extension which will install the required recloser for the system. This project will only be aware of the other project and note they may run concurrently.

Appendix A - Scope Document
City of Rock Falls, Illinois
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- vi. Testing and commissioning of all P&C work shall be performed by owner or owner selected contractor.
- vii. New communications shall be designed to connect to the owners SCADA system.
- viii. RTU/SCADA points list shall be developed and shared with owners SCADA integrator.

b. Line Design:

- i. Meter Point #1
 - 1. Add (1) – One 34.5kV overhead recloser with pole mounted SEL-651R control.
 - 2. Add (1) – 34.5kV pole for overhead recloser.
- ii. Meter Point #2
 - 1. Add (1) – One 34.5kV overhead recloser with pole mounted SEL-651R control.
 - 2. Add (1) – 34.5kV pole for overhead recloser.
- iii. Meter Point #3
 - 1. None
- iv. Meter Point #4
 - 1. None

c. Substation Physical and Civil Design:

- i. Meter Point #1
 - 1. Create conduit, grounding and cable schedules for recloser and panel.
 - 2. Specify pre-cast concrete vault for electric panel.
- ii. Meter Point #2
 - 1. Create conduit, grounding and cable schedules for recloser and panel.
 - 2. Specify pre-cast concrete vault for electric panel.
- iii. Meter Point #3
 - 1. Re-use conduit, grounding and cable schedules for recloser and panel.
- iv. Meter Point #4
 - 1. Re-use conduit, grounding and cable schedules for recloser and panel.

d. Project Management

- i. Project status meetings.
- ii. Lifecycle project schedule management.
- iii. Overall project management.
- iv. Plan room for public bidding.
- v. Contract management for procurement and installation services.
- vi. Construction admin for project.

C. MAJOR EQUIPMENT TO BE REMOVED

a. P&C

- i. Meter Point #3
 - 1. Removal of existing line protection panel.
- ii. Meter Point #4
 - 1. Removal of existing line protection panel.

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- b. Physical, and Civil
 - i. Update existing designs as required for new panels.

D. CLIENT PROVIDED DRAWINGS AND INFORMATION

- a. Metering Point and SCADA Equipment Installation
 - i. Revision A, 07/19/2013
- b. Existing wire types and poles classes to be provided to BHMG by owner for Line Design.

E. ROLES AND RESPONSIBILITIES

- a. BHMG Design Submittal Requirements:
 - i. 50% Design (IFR)
 - ii. Pre-IFB
 - iii. Issued for Bids
 - iv. Schematic Diagrams - IFR
 - v. Pre-IFC
 - vi. Relay Settings - IFR
 - vii. Issued for Construction
 - viii. As-builts
- b. Rock Falls Group Responsibilities:
 - i. All detailed engineering reviews to include but not limited to:
 - 1. One line diagram
 - 2. General arrangements
 - 3. Elevations
 - 4. Details
 - 5. Bill of Materials
 - 6. Design Calculations
 - 7. Outage and construction plans
 - ii. Operations support during construction
 - iii. Assist scheduling of outage and planning
- c. BHMG Engineers Responsibilities:
 - i. Project Management
 - 1. Scope, schedule, cost management.
 - 2. Status meetings and coordination.
 - 3. Procurement and installation coordination support.
 - ii. P&C Engineering/Design
 - 1. One Line Diagram
 - 2. Panel Layouts
 - 3. Schematic Diagrams
 - 4. Wiring Diagrams review, wiring diagrams will be generated via panel shop.
 - 5. Bill of Materials
 - iii. Relay Setting Documentation and Deliverables
 - 1. Relay Settings .RDB Files – Populated with settings
 - 2. Relay Settings Excel Spreadsheet Files – Populated with overcurrent settings and test points
 - 3. Setting Calculation Files – Providing setting criteria, set point, TCC curves,

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- etc.
- 4. Relay Front-Panel Labels
- iv. Line Design
 - 1. Plan drawing
 - 2. Framing details.
 - 3. Bill of Materials.
- v. Physical Design
 - 1. General arrangements.
 - 2. Sections.
 - 3. Cable Schedules.
 - 4. Grounding Plans.
 - 5. Conduit Plans.
- vi. Construction Support
 - 1. Line Design: Includes BHM on-site to stake pole locations one (1) time at beginning of construction. Additional staking needs available upon request but not included in this proposal.
- vii. Site Visits
 - 1. IFR site visit to include BHM survey of attachment heights
- viii. Client Project Status Meetings
- ix. Start-up Procedure Support
- x. Outage Sequence Planning Support

F. CLARIFYING COMMENTS & ASSUMPTIONS

- a. SCADA and communication are not included in this scope of work.
- b. Relay testing and commissioning services are not included in this scope of work.
- c. Change orders will be issued for any work in addition to the work outlined in this document.
- d. Project timeline delays may result in PCR.
- e. Existing wire types and pole classes to be provided to BHM.
- f. Design reviews consist of one (1) iteration of comments/updates. Comments to be provided by client within 1 week (or as noted.)
- g. BHM will place poles based on Google Earth/Google Maps imagery. Client is responsible for identifying underground utilities in the area of the proposed pole locations and notifying BHM prior to IFR.
- h. Existing structures & material are assumed to be adequate and will not be analyzed for strength, clearance, or the code requirements. Newly installed poles will be designed to have minimal impact on existing infrastructure.

G. CRITICAL DATES – These are tentative dates and subject to change

- a. Issued for Bids (IFB): TBD
- b. Issued for Construction (IFC): TBD
- c. Construction Start: TBD
- d. Project Closeout: TBD

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H. PROPOSED SCHEDULE

Task Name	Duration	Start	Finish
Project Kickoff	1 wk	4/8/2024	4/12/2024
Preliminary Design Submittal	4 wks	4/15/2024	5/10/2024
Pre-IFB Submittal & Material	2 wks	5/13/2024	5/24/2024
RFQ for Material	2 wks	5/27/2024	6/7/2024
Issued for Bids for Labor	2 wks	7/22/2024	8/2/2024
Schematic Diagrams - IFR	4 wks	6/10/2024	7/5/2024
Interconnection Wiring	4 wks	7/8/2024	8/2/2024
Pre-IFC Submittal	2 wks	8/5/2024	8/16/2024
Relay Settings Submittal	7 wks	8/19/2024	10/4/2024
IFC	1 wk	10/7/2024	10/11/2024
Material Leadtimes	42 wks	6/10/2024	3/28/2025
Construction	8 wks	3/31/2025	5/23/2025
Product Test Plan	2 wks	10/14/2024	10/25/2024
Testing and Commissioning	2 wks	5/26/2025	6/6/2025
Project Closeout	2 wks	6/9/2025	6/20/2025

I. WORK ORDER

a. TBD

J. PURCHASE ORDER

a. TBD

K. ROCK FALLS PROJECT TEAM

a. Project Management Contact Details:

- i. Primary Contact: Dick Simon – Electrical Director
 1. Tel: (815) 622-1145
 2. Email: dsimon@rockfalls61071.com
- ii. Secondary Contact: Larry Hanrahan – Electric Operations Manager
 1. Tel: (815) 716-0122
 2. Email: lhnanrahan@rockfalls61071.com
- iii. Any questions, comments or concerns related to Project Management should be addressed to the above-named individual

L. PROJECT TEAM

a. Project Management Contact Details:

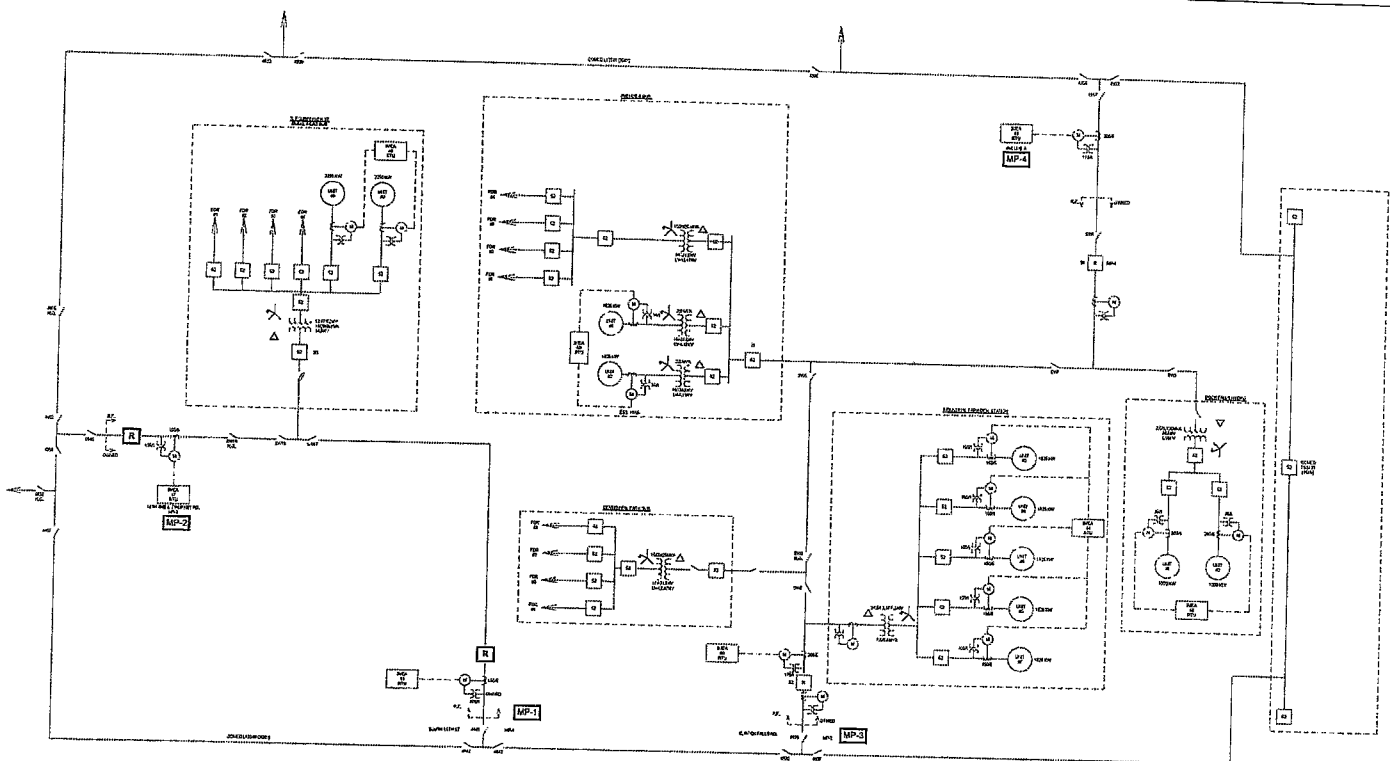
- i. Jason Jackson – Consulting Department Manager
 1. Tel: (636) 333-3926
 2. Email: jjackson@bhmng.com
- ii. Any questions, comments or concerns related to Project Management should be addressed to the above-named individuals.

Appendix A - Scope Document
City of Rock Falls, Illinois
Meter Point Upgrades



Rev. 1
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- b. Substation Design and Protection Engineering Contact Details:
 - i. Corey Jasper – Project Engineer
 - 1. Tel: (636) 333-3834
 - 2. Email: cjasper@bhmg.com
 - ii. Any questions, comments or concerns related to Protective Relaying should be addressed to the above-named individuals.
- c. Line Design and Protection Engineering Contact Details:
 - i. Mike Thoele – Project Engineer
 - 1. Tel: (636) 333-3780
 - 2. Email: mthoele@bhmg.com
 - ii. Any questions, comments or concerns related to Protective Relaying should be addressed to the above-named individuals.



IMEA		ILLINOIS MUNICIPAL ELECTRIC AGENCY SPRINGFIELD, ILLINOIS	
SCALE: NONE	CHECKED BY: _____	DRAWN BY: DC & TV	
DATE: 08/04/98	APPROVED BY: _____	REVISED: BING 01/02/10	
ROCK FALLS DELIVERY POINT IMEA/CF, CO.			
SCHEDULE A-FUTURE			DRAWING NUMBER 00188. 1F

Proposed Underground Line Work - Rock Falls

Latest Update: 12/16/2022

34.5kV Overhead Line Additions on Industrial Park Rd.

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
34.5kV Tap Pole	\$1,650.00	\$5,300.00	1	\$6,950
34.5kV Double Deadend Pole for Circuit Recloser	\$1,450.00	\$3,200.00	1	\$4,650
34.5kV Circuit Recloser	\$45,000.00	\$40,000.00	1	\$85,000
34.5kV Riser Pole	\$3,650.00	\$7,400.00	1	\$11,050
Misc. Construction Costs (20%)	\$10,765.00	\$10,765.00	1	\$21,530
Owner Overhead and Engineering	\$15,501.60		1	\$15,502
Recloser Eng. considerations (Possible DTT, SCADA, Etc.)	\$10,000.00	\$50,000.00	1	\$60,000
			Subtotal	\$204,682

Line Extension From UG Riser to Existing Conduit on Southside of Hwy 30

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
3 Phase 500 AL URD Underground Cable Installation in Duct	\$39.60	\$15.00	1,000	\$54,600
3 Phase Cabinet Installation	\$4,650.00	\$3,000.00	2	\$15,300
Misc. Construction Costs (20%)	\$6,990.00	\$6,990.00	1	\$13,980
Owner Overhead and Engineering	\$10,065.60		1	\$10,066
			Subtotal	\$93,946

Line Extension South and West from Hwy 30 to Eastside of Hwy 40

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
3 Phase 500 AL URD Underground Cable Installation in Duct	\$39.60	\$15.00	4,020	\$219,492
3 Phase Cabinet Installation	\$4,650.00	\$3,000.00	2	\$15,300
Misc. Construction Costs (20%)	\$23,479.20	\$23,479.20	1	\$46,958
Owner Overhead and Engineering	\$33,810.05		1	\$33,810
			Subtotal	\$315,560

Line Extension North and West from Eastside of Hwy 40 to 8th Ave.

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
3 Phase 500 AL URD Underground Cable Installation in Duct	\$39.60	\$15.00	3,510	\$191,646
3 Phase Cabinet Installation	\$4,650.00	\$3,000.00	1	\$7,650
Misc. Construction Costs (20%)	\$19,929.60	\$19,929.60	1	\$39,859
Owner Overhead and Engineering	\$28,698.62		1	\$28,699
			Subtotal	\$267,854

Line Extension West from 8th Ave. to Buell Rd. (14th Ave.)

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
Directional bore and install 6" conduit	\$15.00	\$63.00	2,750	\$214,500
3 Phase 500 AL URD Underground Cable Installation in Duct	\$39.60	\$15.00	2,750	\$150,150
3 Phase Cabinet Installation	\$4,650.00	\$3,000.00	1	\$7,650
Misc. Construction Costs (20%)	\$37,230.00	\$37,230.00	1	\$74,460
Owner Overhead and Engineering	\$27,871.20		1	\$27,871
			Subtotal	\$474,631

34.5kV Overhead Line Additions on Buell Rd. (14th Ave.)

	Material Cost Per Unit	Installation Labor Cost Per Unit	Quantity	Extended
34.5kV Tap Pole	\$1,650.00	\$5,300.00	1	\$6,950
34.5kV Double Deadend Pole for Circuit Recloser	\$1,450.00	\$3,200.00	1	\$4,650
34.5kV Circuit Recloser	\$45,000.00	\$40,000.00	1	\$85,000
34.5kV Riser Pole	\$3,650.00	\$7,400.00	1	\$11,050
Misc. Construction Costs (20%)	\$10,765.00	\$10,765.00	1	\$21,530
Owner Overhead and Engineering	\$15,501.60		1	\$15,502
Recloser Eng. considerations (Settings, possible DTT, SCADA, Etc.)	\$10,000.00	\$50,000.00	1	\$60,000
			Subtotal	\$204,682

Rounding \$38,646
Project Total \$1,600,000

Rock Falls Electric Department
Hydro Plant Switchgear Replacement
Budget Estimate

Latest Revision: 12-16-2022

Hydro Plant

Item	Unit Cost	Quantity	Extended Cost	Total Cost
Property	\$0	0 Acre	\$0	\$0
4 KV to 15 kV Switchgear lineup	\$175,000	4 Bays	\$700,000	\$700,000
Capacitor _____ kVAR	\$30,000	1 lot	\$30,000	\$30,000
Miscellaneous equipment and materials		1 Lot	\$250,000	\$250,000
Construction		1 Lot		\$660,000
Removal and demolition	\$100,000	1 Lot	\$100,000	
Installation of new switchgear and equipment	\$500,000	1 Lot	\$500,000	
Miscellaneous contractor costs		1 Lot	\$60,000	
Acceptance testing		1 Lot	\$50,000	\$50,000
Relay settings		1 Lot		\$20,000
SCADA		1 Lot		\$60,000
Engineering including project and contract management				\$207,600
Contingencies - 20%				\$400,000
Rounding				\$2,000
Total				\$2,400,000

35 kV System Recloser South 14th Sub Connection

Item	Unit Cost	Quantity	Extended Cost	Total Cost
38 kV reclosers South 14th Sub	\$45,000	1 Ea	\$45,000	\$45,000
Miscellaneous relays, equipment and materials	\$45,000	1 Ea	\$45,000	\$45,000
Construction		1 Lot		\$75,000
Removal and demolition	\$10,000	1 Ea	\$10,000	
Installation of new Recloser and equipment	\$25,000	1 Ea	\$25,000	
Wiring and other construction	\$25,000	1 Ea	\$25,000	
Miscellaneous contractor costs		1 Lot	\$15,000	
Acceptance testing		1 Lot	\$20,000	\$20,000
Relay settings		1 Lot		\$5,000
SCADA		1 Lot		\$25,000
Engineering including project and contract management				\$57,000
Contingencies - 20%				\$27,000
Rounding				\$1,000
Total				\$300,000

35 kV System Recloser - Meter point 1

Item	Unit Cost	Quantity	Extended Cost	Total Cost
38 kV reclosers South 14th Sub	\$45,000	1 Ea	\$45,000	\$45,000
Relay panel	\$75,000	1 Ea	\$75,000	\$75,000
Miscellaneous equipment and materials	\$50,000	1 Ea	\$50,000	\$50,000
Construction		1 Lot		\$169,000
Removal and demolition	\$10,000	1 Ea	\$10,000	
Installation of new Recloser and equipment	\$25,000	1 Ea	\$25,000	
Installation of new Relay panel	\$50,000	1 Ea	\$50,000	
Wiring and other construction	\$50,000	1 Ea	\$50,000	
Miscellaneous contractor costs		1 Lot	\$33,750	
Acceptance testing		1 Lot	\$20,000	\$20,000
Relay settings		1 Lot		\$5,000
SCADA		1 Lot		\$25,000
Engineering including project and contract management				\$65,520
Contingencies - 20%				\$45,000
Rounding				-\$25,000
Total				\$475,000

35 kV System Recloser Switch 2 automation

Item	Unit Cost	Quantity	Extended Cost	Total Cost
38 kV reclosers South 14th Sub	\$45,000	1 Ea	\$45,000	\$45,000
Miscellaneous relays, equipment and materials	\$45,000	1 Ea	\$45,000	\$45,000
Construction		1 Lot		\$75,000
Removal and demolition	\$10,000	1 Ea	\$10,000	
Installation of new Recloser and equipment	\$25,000	1 Ea	\$25,000	
Wiring and other construction	\$25,000	1 Ea	\$25,000	
Miscellaneous contractor costs		1 Lot	\$15,000	
Acceptance testing		1 Lot	\$20,000	\$20,000
Relay settings		1 Lot		\$5,000
SCADA		1 Lot		\$25,000
Engineering including project and contract management				\$57,000
Contingencies - 20%				\$27,000
Rounding				\$1,000
Total				\$300,000

Relay replacement Meter Point 3 and 4

Item	Unit Cost	Quantity	Extended Cost	Total Cost
Miscellaneous relays, equipment and materials	\$45,000	2 Ea	\$90,000	\$90,000
Construction		1 Lot		\$170,000
Removal and demolition	\$10,000	2 Ea	\$20,000	
Installation of new Recloser and equipment	\$25,000	2 Ea	\$50,000	
Wiring and other construction	\$25,000	2 Ea	\$50,000	
Miscellaneous contractor costs	\$25,000	2 Ea	\$50,000	
Acceptance testing		1 Lot	\$20,000	\$20,000
Relay settings		2 Lot	\$5,000	\$10,000
SCADA		2 Lot	\$15,000	\$30,000
Engineering including project and contract management		2 Lot		\$89,900
Contingencies - 20%				\$41,000
Rounding				-\$1,000
Total				\$450,000

Agreement Number: 3089
Site Name: Hennepin Canal
Location Code: 50-2761-1

STATE OF ILLINOIS
DEPARTMENT OF NATURAL RESOURCES

LICENSE AGREEMENT

THIS AGREEMENT is entered into the ____ day of _____, 20__, by and between the STATE OF ILLINOIS, DEPARTMENT OF NATURAL RESOURCES, hereinafter referred to as "IDNR," and CITY OF ROCK FALLS, hereinafter referred to as "LICENSEE";

WITNESSETH:

WHEREAS, IDNR has title and jurisdiction over the real estate hereinafter described; and

WHEREAS, the premises is not otherwise needed immediately or in the near or foreseeable future by IDNR or development by IDNR; and

WHEREAS, IDNR is authorized and empowered to enter into this Agreement pursuant to the Department of Natural Resources Law, 20 ILCS 805/805-260; and

WHEREAS, LICENSEE is authorized and empowered to enter into this Agreement and to perform the covenants herein undertaken by virtue of the signature authorization attached hereto as Exhibit A; and

NOW THEREFORE: For and in consideration of the mutual covenant and undertakings contained herein, the sufficiency of which is hereby acknowledged, IDNR and LICENSEE agree to the following:

1. PREMISES DEFINED: Subject to all terms and condition of this Agreement, IDNR grants to LICENSEE a license to do the particular acts stated in paragraph 5 below on the property owned by the State of Illinois known as Hennepin Canal, shown on the attached Exhibit B (hereinafter "Premises"), and legally described as follows:

A strip of land across the Hennepin Canal located along the south side of Bridge No. 44 in Section 27, Township 21 North, Range 7 East of the 4th Principal Meridian, Whiteside County, Illinois, Tract IM-328.

It is understood and agreed that IDNR makes no representations with respect to the condition of the title or boundaries of the Premises and shall not be held liable for any damages or liabilities resulting from any actions or adverse claims concerning the same. It is further agreed that licensed activities authorized herein shall not be carried on outside the boundaries of the Premises without the prior written consent of IDNR.

2. TERM: The term of this Agreement shall be for a period of ten years, beginning on the 1st day of July, 2024, ("Effective Date") and ending on the 30th day of June, 2034, ("Expiration date") unless otherwise renewed, terminated or amended as provided for herein.

3. FEE: LICENSEE, for the use of the Premises for a particular purpose, does hereby agree to pay a license fee of Two Thousand Four Hundred Twenty Dollars (\$2,420.00) per ten years, payable five (5) days in advance of the Effective Date of this Agreement. All payments shall be made by check payable to "Illinois Department of Natural Resources" and remitted to "Department of Natural Resources, Division of Concession and Lease Management, One Natural Resources Way, Springfield, Illinois 62702-1271". Any late payments made after December 1 of any year shall be subject to an additional fee of fifteen percent (15%) of the current yearly fee. A default in the payment of any fee due is a material breach of this Agreement, and may result in termination pursuant to Section 16(B) herein.

4 NON-EXCLUSIVE LICENSE: DNR hereby grants to LICENSEE a non-exclusive license, subject to all rights, interests and estates of third parties in and near the license Premises, including, without limitation, any leases, licenses, easements, liens, ownership interests or encumbrances in existence as of the date of this grant, and upon the terms and conditions set forth in this Agreement, to enter upon the license Premises for the applicable license purpose

5. PURPOSE: IDNR gives permission to LICENSEE to enter on the Premises for the purpose of using it for operation and maintenance of electric wires and three (3) poles only, and such use is subject to the terms and conditions set forth in this Agreement. Any uses of the Premises not specified in this Agreement shall be subject to the prior written approval of IDNR. An unauthorized or impermissible use of the Premises under this Section is a material

breach of this Agreement, and may result in termination pursuant to Section 16(B) herein. 6.

RESTRICTIONS ON USE: LICENSEE shall not remove any coal or any other material or oil lying on or under the Premises.

It is agreed that the Premises shall not be used for the storage, disposition, disposal, processing or burning of refuse, waste or debris, or for any unsanitary or unhealthful purposes by LICENSEE. LICENSEE shall conduct its operation on the Premises in compliance with all applicable Environmental Laws (as hereinafter defined) and further covenants that LICENSEE shall not transport, store, keep or cause or allow the discharge, spill or release (or allow a threatened release) in each case of any Hazardous Materials (as hereinafter defined) in, on, under or from the Premises. Without limiting any other indemnification obligations of LICENSEE contained herein, LICENSEE agrees to protect, indemnify, defend and hold harmless the IDNR from and against any and all losses and claims (including without limitation, (i) reasonable attorneys' fees, (ii) liability to third parties for toxic torts and/or personal injury claims, (iii) fines, penalties and/or assessments levied or raised by any governmental authority or court, and (iv) assessment, remediation and mitigation costs and expenses and natural resource damage claims) arising out of, resulting from or connected with any Hazardous Materials used, brought upon transported, stored, kept, discharged, spilled or released by LICENSEE in, on, under or from the Premises. For purposes of this License, the term "Hazardous Materials", shall mean all toxic or hazardous substances, materials or waste, petroleum or petroleum products, petroleum additives or constituents or any other waste, contaminant or pollutant regulated under for which liability may be imposed by any Environmental Law, "Environmental Laws" shall mean all federal, provincial, state and local environmental laws (including common law) regulating or imposing standards of care with respect to the handling, storage, use, emitting, discharge, disposal or other release of Hazardous Materials, including, but not limited to, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et seq., the Clean Air Act, 42 U.S.C. §§7401, et seq., the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251, et seq., the Emergency Planning and Community Right to Know Act, 42 U.S.C. §§ 1101, et seq., the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq., the Toxic Substances Control Act, 15 U.S.C. §§ 2601, et seq., the Oil Pollution Control Act, 33 U.S.C. §§ 2701, et seq., any successor statutes to the foregoing, or any other comparable local, state or federal

statute or ordinance pertaining to protection of human health, the environment or natural resources, including without limitation the preservation of wetlands, and all regulations pertaining thereto, as well as applicable judicial or administrative decrees, orders or decisions, authorizations or permits.

7. COMPLIANCE WITH LAWS: It is agreed that LICENSEE, in the authorized use of the Premises, shall observe and comply with all applicable local, state or Federal rules, regulations and laws, and indemnify IDNR for any costs, expenses and damage caused by the violation of any such rules, regulations or laws. Nothing herein shall be construed to place responsibility for compliance with applicable law on IDNR. Licensee shall bear all costs and fees and responsibility to comply with all applicable laws, ordinances, rules and regulations that may govern the proposed or authorized use of the Premises.

8. PROHIBITION ON ENCUMBRANCE: LICENSEE shall not allow or permit or give authority or power to place, incur or permit any lien, encumbrance or mortgage upon the Premises. LICENSEE shall not record a copy of this or any subsequent Agreement with the IDNR involving the Premises. If any license, lien, encumbrance or mortgage is placed on the Premises as a result of LICENSEE's activity, LICENSEE shall immediately take all actions and pay all costs or fees to have the lien, encumbrance or mortgage removed and released.

9. MODIFYING THE PREMISES: LICENSEE shall not modify or alter the Premises or any improvement located on the Premises without prior written approval of IDNR. If LICENSEE wishes to make alterations or modifications to the Premises, LICENSEE shall contact the IDNR Office of Realty and Capital Planning to ensure compliance with applicable statutes and regulations including, but not limited to, consultation requirements of the Illinois Endangered Species Protection Act, 520 ILCS 10/11 and the Illinois Natural Areas Preservation Act, 525 ILCS 30/17, the consultation, mitigation and compensation provisions of the Interagency Wetland Policy Act of 1989, 20 ILCS 830/1-1 et seq., and the Illinois State Historic Resources Preservation Act, 20 ILCS 3420/1 et seq.

10. RESERVED RIGHTS: IDNR reserves the right of ingress, egress and usage of the Premises, and the right to grant any third party a lease, license or right-of-way on the Premises. IDNR reserves the right to require LICENSEE to remove, relocate or modify any structure, equipment, activity or facility upon, under or across the Premises, at LICENSEE's expense, if

IDNR determines that such actions are appropriate and necessary to preserve the integrity, character, function or use of the Premises by IDNR.

11. MAINTENANCE, ALTERATIONS AND OPERATION

A. IDNR makes no representations, warranties or assurances with respect to the condition of the Premises or any improvements situated thereon. It is agreed that LICENSEE has inspected the Premises prior to the execution of this Agreement and accepts the same in its present condition.

B. This Agreement is considered "a net agreement." All operating costs will be paid by LICENSEE. LICENSEE shall be responsible for the prompt payment of all utility bills, including, but not limited to trash removal, electricity, gas, water and sewer, telephone, cable television, and internet service furnished or supplied to all or any part of the Premises.

C. LICENSEE acknowledges that it has inspected the Premises for transmission of utilities and all other lines running within the Premises, including but not limited to oil, gas, electricity, water or sewer, and is accepting liability for LICENSEE'S harm to such transmissions running within, across or above the Premises. IDNR makes no representation or warranty as to the condition of prior or existing use of said transmissions. During any trench or other installation or relocation of any underground utility line, LICENSEE shall install marking tape at least twelve (12) inches above and directly over the utility and not more than twenty-four (24) inches below normal grade. Said tape shall be identified by permanent lettering and color coding as follows: Red - electric power; Yellow - gas, oil, hazardous materials; Orange - telecommunications, signals; Blue - water; and Green - sewer. Such markers, except as otherwise agreed or specified herein, shall meet applicable standards of the American Public Works Association.

D. LICENSEE shall keep Premises in a safe, sanitary and sightly condition, and in good repair. LICENSEE shall maintain the Premises and repair and pay for any damages caused by the LICENSEE or their customers, invitees, agents or guests. If LICENSEE fails to perform any maintenance function required by IDNR within ten days after notice to do so, IDNR shall have the right to enter upon the Premises and

perform the maintenance necessary to restore the Premises and LICENSEE shall reimburse IDNR for the cost thereof.

E. Requests for LICENSEE improvements within or for the benefit of the space(s) allocated to LICENSEE shall be submitted to IDNR for approval in a timely manner. Payment of LICENSEE improvements shall solely be paid for by the LICENSEE and subject to the reasonable direction and approval of IDNR.

F. Except when any maintenance or repairs are necessitated by LICENSEE activities, IDNR shall provide necessary maintenance and repairs to HVAC, plumbing, foundation, roofing, or other structural elements.

G. Any maintenance activities of LICENSEE, including all excavation or vegetation management activities, shall be preceded by written notice to IDNR pursuant to Section 23 herein, and shall be done in a manner which complies with any special concerns of IDNR. Such concerns may include, but are not limited to, requiring the scheduling of such activities to be compatible with anticipated activities of IDNR or its invitees or licensees, and restricting the seasons, types, extent and methods of vegetation control employed by LICENSEE.

12. PUBLIC SAFETY: IDNR may determine that a particular use of the Premises by LICENSEE is, or will be, hazardous to the public or the property, or is incompatible with IDNR purposes or State ownership of the Premises. LICENSEE, at its own expense, may be required to install safety devices, make modifications, or cease LICENSEE's operation to render the Premises safe for, and compatible with, public use.

13. TAXES: If applicable, upon notice to LICENSEE of the amount(s) due, LICENSEE shall timely pay and discharge LICENSEE's proportionate share of any real estate taxes, assessments, and other governmental charges which may be levied or assessed upon the Premises or any part thereof, and any taxes and licenses growing out of or in connection with LICENSEE's operation of its facilities upon the Premises during the term of this Agreement with respect to any tax year, or any portion thereof. LICENSEE shall, at any time upon request of IDNR, provide to IDNR for examination receipts of payments of all such taxes, assessments and charges.

14 INSURANCE: LICENSEE shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State of Illinois as additional

insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 day notice has been provided to the State. LICENSEE shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit LICENSEE's obligation to indemnify, defend, or settle any claims.

15. INDEMNIFICATION: LICENSEE agrees to assume all risk of loss and to indemnify and hold IDNR, its officers, agents, employees harmless from and against any and all liabilities, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including costs, attorneys' fees, and expenses incident thereto, for injuries to persons and for loss of, damage to or destruction of property due to LICENSEE's use and occupation of the Premises and for the negligent or intentional acts and omissions of LICENSEE, its officers, agents, guests and invitees.

16. TERMINATION: This Agreement may be terminated at any time pursuant to this Section.

(A) IDNR shall have the right to terminate this Agreement at any time if it determines that the Premises is required to be used for public purposes incompatible with this Agreement. In such an event, IDNR shall give LICENSEE ninety (90) days' written notice of its intent to terminate, and LICENSEE shall cease its use of the Premises and remove LICENSEE's personal property therefrom, prior to the expiration of said notification period. If this Agreement is terminated pursuant to this subsection, LICENSEE shall not be liable for any further payments, other than remaining taxes or fees, beyond the date of vacating the Premises.

(B) IDNR shall have the right to terminate this Agreement for noncompliance by LICENSEE of any of the terms and conditions contained herein, or in the event of LICENSEE's bankruptcy, tax lien, or receivership. In such an event, IDNR shall give LICENSEE written notification of such noncompliance and LICENSEE shall have thirty (30) days to cure or remedy the same. If LICENSEE fails to cure or remedy its noncompliance within said period of time, IDNR shall have the right to

terminate this Agreement, and LICENSEE shall cease its use of the Premises as though the Agreement had expired at the end of its term, and restore the Premises in accordance with the terms of this Agreement. Should this Agreement be terminated pursuant to this subsection, LICENSEE shall remain liable for all remaining payments required by this Agreement.

(C) Both IDNR and LICENSEE shall have the right to terminate this Agreement prior to the expiration date by giving sixty (60) days' advance written notice in accordance with Section 23 herein.

17 RESTORATION OF PREMISES: Upon the termination or expiration of this Agreement, LICENSEE shall make such repairs and restorations as IDNR deems necessary. LICENSEE shall surrender the Premises to IDNR and restore any disturbances of the Premises caused by LICENSEE to the same or similar condition as prior to this Agreement, to the reasonable satisfaction of IDNR. If LICENSEE fails to restore the Premises, IDNR may restore the Premises, and require LICENSEE to pay the cost of such restoration.

18 RENEWAL AND RATE ADJUSTMENT: This Agreement may be renewed at the end of its term with written consent and approval of all parties hereto. LICENSEE shall provide IDNR with sixty (60) days' advance written notice of its interest in extension of the License. IDNR reserves the right to adjust rental rates on any renewal or extension to reflect current land values and/or conditions and circumstances. No holding over by LICENSEE shall be permitted. If the Premises is not properly vacated as provided herein, LICENSEE shall be considered a trespasser, and appropriate legal action may be taken.

19. AMENDMENTS: This Agreement and its attached exhibits constitute the entire agreement between the parties, and no warranties, inducements, considerations, promises, or other inferences shall be implied or impressed upon this Agreement that are not otherwise set forth. No change, modification or amendment shall be valid and binding unless set forth in writing and signed by all parties.

20. ASSIGNMENT; SUBLICENSING: LICENSEE shall not assign this Agreement, or allow it to be assigned, in whole or in part, by operation of law or otherwise, or mortgage or pledge the same, or sublet the Premises, or any part thereof, without the prior written consent of IDNR, which may be withheld for any reason or for no reason, and in no event shall any

such assignment or sublicense ever release LICENSEE from any obligation or liability hereunder.

No assignee or sublicense holder of the Premises or any portion thereof may assign or sublicense the Premises or any portion thereof. IDNR is not required to collect any license fees or other payments from any party other than LICENSEE; however, any collection by IDNR from any approved assignee or sublicense holder or any other party on behalf of LICENSEE's account is not construed to constitute a novation or a release of LICENSEE from further performance of its obligations under this Agreement.

21. SUPERSESSSION: This Agreement supersedes all previous agreements between the parties hereto regarding the Premises and the subject matter hereof, and any such previous agreements shall be of no further force or effect, relative to the rights or privileges granted by IDNR therein, as of the effective date.

22. APPLICABILITY AND SEVERABILITY: IDNR and LICENSEE mutually acknowledge that various standard provisions of this Agreement may or may not be pertinent to the proposed purpose, and that each such provision shall be interpreted as it reasonably pertains to the Premises. Should any provision of this Agreement be found illegal, invalid or void by a court of competent jurisdiction, said provision shall be considered severable. The remaining provisions shall not be impaired and the Agreement shall be interpreted to the extent possible to give effect to the parties' intent.

23. NOTIFICATION: All notices required or provided for by this Agreement shall be addressed as follows, unless otherwise provided for herein:

IDNR:
Department of Natural Resources
Div. of Concession & Lease Management
One Natural Resources Way
Springfield, IL 62702-1271
Telephone: 217/782-7940
DNR.LandUseAgreements@illinois.gov
Emergency Contact: Kyle Goetz
Location: Sheffield, IL
Telephone: 815/454-2328

LICENSEE:
City of Rock Falls
Attn: Michelle Conklin
603 W 10th Street
Rock Falls, IL 61071-2854
Telephone: 815/622-1104
mconklin@rockfalls61071.com
Emergency Contact: Rock Falls Police Department
Location: Rock Falls, IL
Telephone: 815/622-1140

24. FISCAL FUNDING: Financial obligations of IDNR shall cease immediately and without penalty or liability for damages if in any fiscal year the Illinois General Assembly,

Federal funding source, or other funding source fails to appropriate or otherwise make available funds for the operation of the Premises. In such event, the parties hereto may agree to suspend the operation and effectiveness of this Agreement until such time as said funds become available.

25. WAIVER: The waiver by IDNR of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition nor shall either party's consent to any breach of any term, covenant or condition be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

26. CERTIFICATIONS: LICENSEE'S certifications attached as Exhibit C are incorporated herein by reference thereto.

Agreement Number: 3089
Site Name: Hennepin Canal
Location Code: 50-2761-1

IN WITNESS WHEREOF, the foregoing Agreement is hereby executed this _____ day of _____, 20____.

LICENSEE:

STATE OF ILLINOIS:

City of Rock Falls

DEPARTMENT OF NATURAL RESOURCES

BY: _____

APPROVED: DIRECTOR, IDNR

Title: Director

Date: _____

By: Pam Gray, Division Manager
Division of Concession and Leases

BY: _____

Title: _____

FEIN No.

Agreement Number: 3089
Site Name: Hennepin Canal
Location Code: 50-2761-1

EXHIBIT A

SIGNATURE AUTHORIZATION

As an official agent of CITY OF ROCK FALLS,
(Lessee or Licensee -Company / Corporation / Municipality)

I certify that _____ is an authorized representative of
said

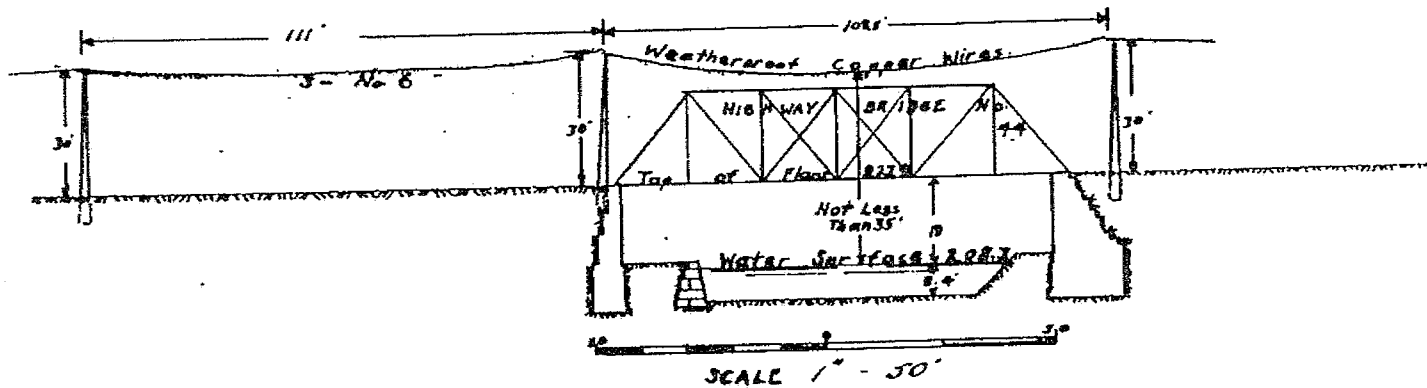
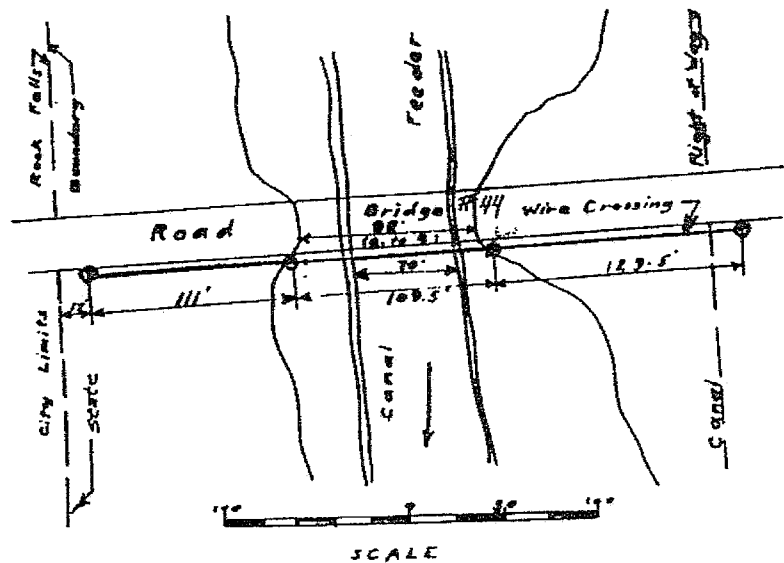
(Name of executive of official who will sign the Agreement)

organization and is legally empowered to act on its behalf in executing this Agreement.

Signed: _____
(Person affirming signature authority of above
official; must not be the same individual)

Title: _____

Date: _____



Elevations are given in Hennepin Datum.

Application by City of Rock Falls,
Illinois.

Overhead Wire Crossing
over HENNEPIN CANAL
at Rock Falls, Illinois.

EXHIBIT "B" LICENSE NO. 3089
SEC. 27, T. 21 N., R. 7 E., 4TH PM.

Public Agency acknowledges and agrees that compliance with this section and each subsection for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Public Agency certifies compliance with this section and each subsection and is under a continuing obligation to remain in compliance and report any non-compliance.

If this contract extends over multiple fiscal years including the initial term and all renewals, Public Agency shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

1. As part of each certification, Public Agency acknowledges and agrees that should Public Agency provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Public Agency or its agents may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

2. Public Agency certifies it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this contract.

3. If Public Agency employs 25 or more employees and this contract is worth more than \$5000, Public Agency certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. (30 ILCS 580)

4. Public Agency certifies that the Public Agency is not participating or shall not participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed \$10,000 (30 ILCS 582).

5. Public Agency certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

6. Public Agency certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).

7. Public Agency warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Contractors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

8. Public Agency certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract will comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at www.dhs.state.il.us/itaa. (30 ILCS 587)

AGENCY

SIGNATURE

PRINTED NAME

TITLE

AGENCY

SIGNATURE

PRINTED NAME

TITLE