

# OFFICIAL EXHIBITS

BEFORE THE

## INDIANA UTILITY REGULATORY COMMISSION

PETITION OF CWA AUTHORITY, INC. FOR )  
REVIEW OF CERTAIN AGREEMENTS FOR )  
WASTEWATER TREATMENT AND DISPOSAL )  
SERVICE WITH VARIOUS SATELLITE ) CAUSE NO. 44685-S1  
CUSTOMERS AND FOR REVIEW OF COST )  
ALLOCATION ISSUES RELATED TO THOSE )  
AGREEMENTS. )

FILED  
PETITIONER'S  
EXHIBIT NO. \_\_\_\_\_  
DATE \_\_\_\_\_ REPORTER \_\_\_\_\_

### ADDENDUM TO SUPPLEMENTAL TESTIMONY OF JEFFREY A. WILLMAN

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CWA Authority, Inc.*

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# CAUSE NO. 44685-S1

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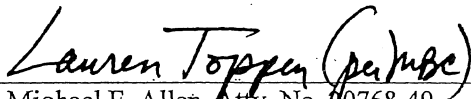
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CWA AUTHORITY, INC.'S SUBMISSION OF ADDENDUM TO SUPPLEMENTAL  
TESTIMONY OF JEFFREY A. WILLMAN

Petitioner CWA Authority, Inc. hereby files this Addendum to Supplemental Testimony  
and Attachments of Jeffrey A. Willman (Ex. 5 A).

Respectfully submitted,



Michael E. Allen, Atty. No. 00768-49

Lauren Toppen, Atty. No. 23778-49

CWA Authority, Inc.

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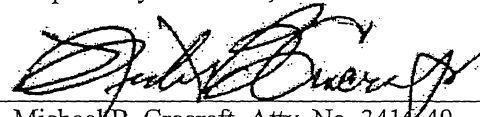
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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served upon the following by delivering a copy thereof electronically or by U.S. Mail, postage prepaid, this 12<sup>th</sup> day of May, 2017:

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CAUSE NO. 44685-S1

IURC  
PETITIONER'S

EXHIBIT NO.

5-16-17  
DATE

5-A  
REPORTER

## ADDENDUM TO SUPPLEMENTAL TESTIMONY

of

JEFFREY A. WILLMAN

On

Behalf of

Petitioner,

CWA Authority, Inc.

Petitioner's Exhibit 5A

1    **Q.    WHAT IS THE PURPOSE FOR YOUR ADDENDUM TO**  
2    **SUPPLEMENTAL TESTIMONY IN THIS PROCEEDING?**

3    A.    The purpose of this addendum to my supplemental testimony in support of the  
4    Settlement Agreement filed on March 30, 2017, is to provide the Commission an  
5    update on discussions CWA Authority, Inc. ("CWA") has had with those Satellite  
6    Customers that had not intervened in this proceeding at the time CWA submitted  
7    the Settlement Agreement to the Commission on March 23, 2017. I will further  
8    describe how the status of those discussions impacts the relief being requested by  
9    CWA in Cause No. 44685-S1.

10   **Q.    PAGES 9 AND 10 OF YOUR MARCH 30, 2017 SUPPLEMENTAL**  
11   **TESTIMONY BRIEFLY DESCRIBE THE PROPOSED IMPACT OF THE**  
12   **SETTLEMENT AGREEMENT ON THE SATELLITE CUSTOMERS**  
13   **THAT HAD NOT INTERVENED IN THIS PROCEEDING PRIOR TO**  
14   **THAT TIME. PLEASE PROVIDE AN UPDATE WITH RESPECT TO THE**  
15   **RELIEF REQUESTED REGARDING EACH OF THOSE SATELLITE**  
16   **CUSTOMERS.**

17   A.    An update with respect to each of those Satellite Customers follows:

- 18        • Tri-County Conservancy District ("Tri-County"): Following its meeting  
19        with CWA in March, 2017, Tri-County executed a Termination  
20        Agreement with CWA, which, upon approval of a Commission Order in  
21        this subdocket proceeding, terminates Tri-County's Satellite Customer  
22        Contract and certifies the amount of permitted capacity available to Tri-  
23        County. The Tri-County Termination Agreement is Attachment JAW-3.

- 1           • The City of Beech Grove ("Beech Grove"): On May 1, 2017, CWA  
2           submitted a proposed Special Contract to Beech Grove per the request of  
3           Beech Grove's legal counsel. The Special Contract is substantially similar  
4           to the Special Contracts that CWA has entered into with the City of  
5           Lawrence, the City of Greenwood, and the Ben Davis Conservancy  
6           District, which are attached to the Settlement Agreement filed on March  
7           23, 2017. It is my understanding that Beech Grove may approve and  
8           execute the Special Contract on or about June 5, 2017, which upon  
9           approval, would be submitted as a late filed exhibit in this sub-docket  
10          proceeding. A copy of the proposed Beech Grove Special Contract is  
11          Attachment JAW-4.
- 12          • Hamilton Southeastern Utilities, Inc. ("HSE"): At the March 9, 2017,  
13          meeting with CWA, HSE indicated it was pleased with the idea of reduced  
14          bills going forward as a result of the proposed termination of its Satellite  
15          Customer Contract and application of Sewer Rate No. 6 following  
16          Commission approval of that rate. On April 20, 2017, CWA submitted to  
17          HSE a proposed Termination Agreement, which would, upon approval of  
18          a Commission Order in this subdocket proceeding, terminate HSE's  
19          Satellite Customer Contract and certify the amount of permitted capacity  
20          available to HSE. A copy of the proposed Termination Agreement with  
21          HSE is Attachment JAW-5.
- 22          • The Town of Whitestown ("Whitestown"): Following the April 12, 2017,  
23          meeting between Whitestown and CWA, Whitestown filed a Verified



1           Petition to Intervene for Limited Purposes, and a Motion to Dismiss for  
2           Lack of Jurisdiction or Alternatively Stay or Amend the Schedule as to  
3           Whitestown, and CWA filed a response to Whitestown's Petition to  
4           Intervene which indicated that it did not object to the Commission  
5           granting leave to Whitestown to intervene as a party to this proceeding  
6           under certain conditions. CWA also stated that it did not object to the  
7           Commission establishing a separate sub-docket proceeding to address the  
8           terms of service related to Whitestown's connection to CWA's system.  
9           By Docket Entry dated May 4, 2017, Whitestown's Petition to Intervene  
10          was granted and the deadline for CWA to respond to the Motion to  
11          Dismiss was stayed. As provided in the Docket Entry, in order to allow  
12          time for CWA and Whitestown to attempt to negotiate a resolution of their  
13          disputed issues, the Commission intends to create a second sub-docket to  
14          address the appropriate wholesale rate for Whitestown.

15   **Q.   IS CWA REQUESTING THAT THE SATELLITE CUSTOMER**  
16   **CONTRACTS FOR SATELLITE CUSTOMERS HSE, TRI-COUNTY AND**  
17   **BEECH GROVE BE TERMINATED IN THIS SUBDOCKET**  
18   **PROCEEDING?**

19   A.   Yes. Now that CWA has executed and/or proposed Termination Agreements with  
20   Tri-County and HSE and proposed a Special Contract with Beech Grove, CWA is  
21   requesting that the Satellite Customer Contracts for HSE, Tri-County, and Beech  
22   Grove be terminated and replaced with Sewer Rate No. 6 upon Commission  
23   approval.

1    **Q.    WHAT DOES CWA NOW PROPOSE WITH RESPECT TO THE**  
2           **CONTRACT BETWEEN CWA AND WHITESTOWN?**


3    A.    As shown by the revisions to my March 30, 2017 Supplemental Testimony on  
4           page 9, CWA is no longer requesting application of Sewer Rate No. 6 to  
5           Whitestown and termination of its Satellite Customer Contract with Whitestown  
6           as a part of the relief requested in this subdocket proceeding. Instead, as reflected  
7           in its Response to Whitestown's Petition to Intervene, CWA agrees that issues  
8           with respect to Whitestown should be addressed in a separate sub-docket  
9           proceeding. Therefore, CWA is of the view that the Commission's Order  
10          approving the Settlement Agreement in Cause No. 44685-S1 should have no  
11          impact or prejudice on Whitestown given the Commission's impending creation  
12          of a second sub-docket to address Whitestown.

13   **Q.    DOES THAT CONCLUDE YOUR ADDENDUM TO SUPPLEMENTAL**  
14          **TESTIMONY IN THIS SUBDOCKET PROCEEDING?**

15   A.    Yes.

**VERIFICATION**

The undersigned affirms under the penalties for perjury that the foregoing testimony is true to the best of his knowledge, information and belief.

A handwritten signature in black ink, appearing to read 'Jeffrey A. Willman', written over a horizontal line.

Jeffrey A. Willman

## TERMINATION AGREEMENT

This Termination Agreement ("Agreement") is executed on April 11, 2017, by and between CWA Authority, Inc. ("CWA") and Tri-County Conservancy District ("Tri-County") (hereinafter, CWA and Tri-County may be referred to collectively as the "Parties").

### RECITALS

WHEREAS, Tri-County and the City of Indianapolis, Indiana (the "City"), acting by and through its Department of Public Works, entered into that certain Agreement for Sewage and Wastewater Transportation and Treatment Services dated February 12, 1996 (the "Current Contract"), whereby the City agreed to provide sewage and wastewater treatment and disposal services to Tri-County pursuant to the terms of the Current Contract;

WHEREAS, the Current Contract was assigned to CWA pursuant to the Indiana Utility Regulatory Commission's (the "Commission") Order dated July 13, 2011 in Cause No. 43936; and

WHEREAS, the Parties desire to terminate the Current Contract pursuant to the terms set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties agree as follows:

### AGREEMENT

1. The Recitals are incorporated herein and made a part hereof as if restated in full.
2. Upon the issuance of a Final Order by the Indiana Utility Regulatory Commission in Cause No. 44685-S1, which approves the Settlement Agreement without modification or condition unacceptable to any Settling Party and includes a provision approving the rates, terms and conditions of Sewer Rate No. 6: (i) Tri-County shall become subject to Sewer Rate No. 6 on a date specified in such Final Order; (ii) the Current Contract immediately shall terminate and have no further force or effect; and (iii) the Parties acknowledge that all Parties' responsibilities and obligations under the Current Contract have been fulfilled.
3. Tri-County shall be allotted Permitted Capacity in the amount of 1.0 MGD for Average Daily Flow and 3.0 MGD for Peak Daily Flow. Tri-County is authorized to issue letters certifying wasteload allocations under 327 IAC 3-2-2(c)(6), subject to the Permitted Capacity limitations set forth herein. Tri-County may apply for additional capacity beyond the Permitted Capacity by submitting a written application to CWA. CWA will evaluate and model any such request to determine if additional flows can be accommodated by the CWA collection system without the need for system improvements. If so, CWA shall approve such additional capacity request. If CWA collection system improvements are required to accommodate Tri-County's additional flow request, CWA may require from Tri-County co-funding of system improvements based on a ratio of Tri-County's wet weather peak flow versus the total wet weather peak flow in

the impacted sections of the CWA collection system. CWA will not charge Tri-County any Connection Charges for any new connections to Tri-County's collection system.

4. In the event of a conflict between the provisions of this Agreement and the provisions of Sewer Rate No. 6, then the provisions of this Agreement shall control.

IN WITNESS HEREOF, the Parties have caused this Agreement to be executed by their respective authorized representatives.

**[Signature Pages Follow]**

**CWA AUTHORITY, INC.**

Date: 4/19/17

By: Jeff A. Willman

Printed: Jeffrey A. Willman

Title: Vice President

**TRI-COUNTY CONSERVANCY DISTRICT**

Date: Apr. 11, 2017

By: David N. Smith

Printed: David N. Smith

Title: Vice Chairman

**SPECIAL CONTRACT  
BETWEEN CWA AUTHORITY, INC. AND THE CITY OF BEECH GROVE  
FOR SEWAGE AND WASTEWATER TREATMENT AND DISPOSAL SERVICES**

This Special Contract ("Special Contract") is executed on April \_\_, 2017, by and between CWA Authority, Inc. ("CWA") and the City of Beech Grove, Indiana ("Beech Grove") (hereinafter, CWA and Beech Grove may be referred to collectively as the "Parties").

**RECITALS**

WHEREAS, CWA is an Indiana nonprofit corporation created pursuant to an Interlocal Cooperation Agreement entered into by the City of Indianapolis, Indiana (the "City"), the Sanitary District of the City, and Citizens Energy Group in accordance with the Interlocal Cooperation Act;

WHEREAS, Beech Grove is a municipal corporation;

WHEREAS, Beech Grove and the City, acting by and through its Board of Public Works, entered into that certain Agreement for Sewage Transportation and Treatment Services between the City of Indianapolis and Beech Grove dated April 23, 1979, as thereafter amended (the "Current Contract"), whereby the City agreed to provide sewage and wastewater transportation, treatment and disposal services to Beech Grove pursuant to the terms of the Current Contract;

WHEREAS, the Current Contract was assigned to CWA pursuant to the Indiana Utility Regulatory Commission's (the "Commission") Order dated July 13, 2011 in Cause No. 43936;

WHEREAS, at the request of CWA, the Commission created a subdocket (Cause No. 44685-S1) to review certain agreements for wastewater transportation, treatment and disposal services (including but not limited to the Current Contract) with Beech Grove and various other satellite customers. Such subdocket was designed for review of cost allocation issues related to those agreements and the establishment of rates for Beech Grove and other satellite customers;

WHEREAS, in its case-in-chief filed in Cause No. 44685-S1, CWA sought termination of the Current Contract; transition of all satellite customers to a new Sewer Rate No. 6; a determination of the existence of a subsidy benefitting Beech Grove; and an increase in rates charged by CWA to Beech Grove in Cause No. 44685 over an 8-year transition period;

WHEREAS, satellite customers Ben Davis Conservancy District, the City of Greenwood, Indiana, and the City of Lawrence, Indiana intervened in Cause No. 44685-S1;

WHEREAS, CWA, Ben Davis Conservancy District, the City of Greenwood, Indiana, the City of Lawrence, Indiana, and the Indiana Office of the Utility Consumer Counselor have reached a settlement of all issues in Cause No. 44685-S1 and filed a Settlement Agreement with the Commission for its approval;

WHEREAS, CWA filed with the Commission for its approval a revised version of Sewer Rate No. 6, which sets forth certain rates and charges and terms and conditions for wholesale

sewage disposal service to become effective with regard to the satellite customers, including Beech Grove on January 1, 2019;

WHEREAS, in connection with the resolution of all issues in Cause No. 44685-S1, the Parties desire to set forth additional, or in some cases alternative, terms and conditions from those set forth in Sewer Rate No. 6, whereby CWA will continue to provide sewage and wastewater transportation, treatment and disposal services to Beech Grove, subject to the Commission's approval of this Special Contract, Sewer Rate No. 6 and the Settlement Agreement;

WHEREAS, Beech Grove and CWA have agreed to terminate the Current Contract effective December 31, 2018, pursuant to this Special Contract;

WHEREAS, an integral element of the settlement in Cause No. 44685-S1, and the avoidance of any appeal of rulings in such subdocket, is the Commission's approval of the Special Contracts with satellite customers Ben Davis Conservancy District, the City of Greenwood and the City of Lawrence; and

WHEREAS, CWA believes this Special Contract with Beech Grove should be approved by the Commission consistent with the settlement in Cause No. 44685-S1.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties agree as follows:

#### AGREEMENT

1. Definitions. The following terms, when used in this Special Contract with initial capital letters, shall have the following meanings:

"Act" shall mean the Public Service Commission Act of Indiana, IC 8-1-2 *et seq.*, as amended.

"Average Daily Flow" shall mean the total flow as reflected on the previous 12 monthly reports submitted to CWA divided by the number of days covered by those monthly reports.

"Beech Grove" shall mean the City of Beech Grove, Indiana.

"Ben Davis" shall mean Ben Davis Conservancy District.

"Commission" shall mean the Indiana Utility Regulatory Commission.

"Connection Charges" shall mean system development fees or capacity fees (i.e., per home, EDU, etc.).

"City" shall mean the Consolidated City of Indianapolis, Indiana, acting by and through its Board of Public Works.



“Current Contract” shall mean that certain agreement by and between Beech Grove and the City, originally dated April 23, 1979, as assigned to CWA pursuant to the Commission’s Order dated July 13, 2011 in Cause No. 43936.

“Effective Date” shall be the date upon which the Commission approves this Special Contract by a Final Order in Cause No. 44685-S1.

“Fixed Costs” has the meaning ascribed to it in Section 4 A of this Special Contract.

“Greenwood” shall mean the City of Greenwood, Indiana.

“Hamilton Southeastern” shall mean Hamilton Southeastern Utilities, Inc.

“Lawrence” shall mean the City of Lawrence, Indiana.

“New Target Treatment Rate” shall mean the revised Satellite target treatment rate of \$2.4852/1000 gallons taking effect for Beech Grove on January 1, 2025. Beech Grove shall transition from its Current Contract treatment rate to the New Target Treatment Rate in seven (7) annual steps, starting January 1, 2019 as shown in Section 4 B of this Special Contract.

“OUCC” shall mean the Indiana Office of Utility Consumer Counselor.

“Peak Daily Flow” shall mean the total gallons of flow in any 24-hour period which period begins at 12:00 A.M. and ends at 11:59 P.M.

“Permitted Capacity” shall mean the capacity Average Daily Flow and Peak Daily Flow rate available to Beech Grove as specified in Section 5 of this Special Contract.

“Phase One” shall mean the time period of January 1, 2019 through January 1, 2025.

“Phase Two” shall mean the time period of January 1, 2025 through January 1, 2029.

“Satellite Customers” shall mean Beech Grove, Ben Davis, Whitestown, Greenwood, Hamilton Southeastern, Lawrence and Tri-County.

“Satellite Tariff Treatment Rate” shall mean the Treatment Charge reflected in Sewer Rate No. 6 at January 1, 2026, as adjusted from time to time by Commission Order.

“Settlement Agreement” shall mean that certain Settlement Agreement by and among CWA, Ben Davis, Greenwood, Lawrence and the OUCC dated March 23, 2017.

“Sewer Rate No. 6” shall mean that certain “Sewer Rate No. 6 – Wholesale Sewage Disposal Service,” as approved by the Commission, as may be adjusted or amended from time to time, attached hereto as Exhibit 1.

“Special Contract” shall mean this Special Contract by and between CWA and Beech Grove for Sewage and Wastewater Treatment and Disposal Services.

“Tri-County” shall mean Tri-County Conservancy District.

“Whitestown” shall mean the Town of Whitestown, Indiana.

2. Incorporation. The Recitals are incorporated herein and made a part hereof as if restated in full.

3. Term. This Special Contract shall commence on the Effective Date and shall terminate on January 1, 2029.

4. Rates.

A. Current Contract. The Current Contract shall remain in effect up to and including December 31, 2018; provided, however, that the Fixed Costs in the Current Contract will be fixed at \$85,962.10 per year through December 31, 2018. The Current Contract shall terminate and be of no further force or effect on January 1, 2019, and upon such termination, Wholesale Sewage Disposal Service provided by CWA to Beech Grove shall be pursuant to Sewer Rate No. 6, except as otherwise provided by this Special Contract.

B. Phase One. Effective January 1, 2019 through January 1, 2025, Beech Grove shall transition from the treatment rate under the Current Contract to the New Target Treatment Rate in seven (7) annual steps, the first step of which taking effect on January 1, 2019, and the full New Target Treatment Rate taking effect on January 1, 2025, as follows:

Effective January 1, 2019	<b>\$0.9718 per 1,000 gallons</b>
Effective January 1, 2020	<b>\$1.1721 per 1,000 gallons</b>
Effective January 1, 2021	<b>\$1.4148 per 1,000 gallons</b>
Effective January 1, 2022	<b>\$1.7070 per 1,000 gallons</b>
Effective January 1, 2023	<b>\$2.0260 per 1,000 gallons</b>
Effective January 1, 2024	<b>\$2.2556 per 1,000 gallons</b>
Effective January 1, 2025	<b>\$2.4852 per 1,000 gallons</b>

During Phase One, any Commission-approved rate increase shall not apply to Beech Grove or impact the rates set forth in this subsection.

C. Phase Two. Effective January 1, 2025 through January 1, 2029, Beech Grove shall transition from the Phase One rates to the Satellite Tariff Treatment Rate in four (4) proportional annual steps. The first step will take effect on January 1, 2026, and the then-current Satellite Tariff Treatment Rate will take effect on January 1, 2029. Any Satellite Tariff Treatment Rate increases approved by the Commission during Phase Two shall be incorporated into the Phase Two rate schedule, which shall be recalculated using

the revised cost of service study methodology described in the Settlement Agreement. During and after Phase Two, except as otherwise provided in Section 6 below, Beech Grove will be subject to any tracker-like mechanisms applicable to Satellite Customers and approved by the Commission for CWA, including but not limited to the Environmental Compliance Plan Recovery Mechanism ("ECPRM") authorized by IC 8-1-28 and the Commission's Order in Cause No. 44053 and the System Integrity Adjustment ("SIA") authorized by IC 8-1-31.5.

D. Other Rates and Charges. During the term of this Special Contract, (i) Beech Grove shall be subject to extra strength and excess capacity surcharges, as provided for in Sewer Rate No. 6; (ii) Beech Grove shall not be subject to any Connection Charges under Sewer Rate No. 6; (iii) during Phase Two, any rate increase under Sewer Rate No. 6 shall take effect no sooner than 35 days after Commission approval; and (iv) CWA will provide 30 days written notice to Beech Grove prior to initiating any requests before the Commission to change any rate, charge, tracker or other fees.

5. Permitted Capacity. Beech Grove shall be allotted Permitted Capacity in the amount of 2.5 MGD for Average Daily Flow and 8 MGD for Peak Daily Flow. Beech Grove is authorized to issue letters certifying wasteload allocations under 327 IAC 3-2-2(c)(6), subject to the Permitted Capacity limitations set forth herein. Beech Grove may apply for additional capacity beyond the Permitted Capacity by submitting a written application to CWA. CWA will evaluate and model any such request to determine if additional flows can be accommodated by the CWA collection system without the need for system improvements. If so, CWA shall approve such additional capacity request. If CWA collection system improvements are required to accommodate Beech Grove's additional flow request, CWA may require from Beech Grove co-funding of system improvements based on a ratio of the community's wet weather peak flow versus the total wet weather peak flow in the impacted sections of the CWA collection system. CWA will not charge Beech Grove any Connection Charges for any new connections to Beech Grove's collection systems.

6. Revised Cost of Service Allocation Methodology. The Phase One rates set forth in this Special Contract reflect the use of a revised cost of service allocation methodology as prescribed in the Settlement Agreement filed in Cause No. 44685-S1.

7. Regulatory Approval and Authority. This Special Contract is expressly conditioned upon the Commission's approval and acceptance in such form and substance as shall be acceptable to CWA and Beech Grove, without any change or condition unacceptable to either CWA or Beech Grove. CWA and Beech Grove shall use their best efforts to secure Commission approval and acceptance of this Special Contract at the earliest practicable date. In the event the Commission does not approve this Special Contract in its entirety, either CWA or Beech Grove may withdraw from this Special Contract by giving the other Party not less than 10 days' written notice stating that Party's intention to withdraw from this Special Contract. In the event that a Party withdraws from this Special Contract, this Special Contract shall be null and void as of the date of such withdrawal and the terms and conditions of the Current Contract shall apply. Solely for purpose of compromise, and with the expectation that the Commission will approve this Special Contract and the Settlement Agreement in their entirety, the Parties expressly

acknowledge the Commission has jurisdiction over this Special Contract and may propose to change this Special Contract in the future if any of its provisions are found at such time to adversely affect the public interest, or become inconsistent with the purposes of the Act, as amended, following notice to the Parties to this Special Contract, and a hearing, as provided by the Act.

8. Conflict with Sewer Rate No. 6. Sewer Rate No. 6 shall apply to Beech Grove, however, in the event of a conflict between the provisions of this Special Contract and the provisions of Sewer Rate No. 6, then the provisions of this Special Contract shall control.

9. Notice. Except as otherwise provided in this Special Contract, notice to Beech Grove under this Special Contract shall be sent by certified or registered United States mail, first class, postage prepaid, return receipt requested as follows:

Office of the Mayor  
City of Beech Grove, Indiana  
806 Main Street  
Beech Grove, IN 46107

with a copy to:

Alan M. Hux, Esq.  
Taft Stettinus & Hollister LLP  
One Indiana Square, Ste. 3500  
Indianapolis, IN 46204-2023

Except as otherwise provided in this Special Contract, notice to CWA under this Special Contract shall be sent by certified or registered United States mail, first class, postage prepaid, return receipt requested as follows:

CWA Authority, Inc.  
2020 North Meridian Street  
Indianapolis, Indiana 46202

With a copy to:

Legal Department  
CWA Authority, Inc.  
2020 North Meridian Street  
Indianapolis, Indiana 46202

Notice under this Special Contract may alternatively be given to Beech Grove or CWA by personally delivering a copy of the notice to the applicable address specified in this Section 9. Notice provided in accordance with this Section 9 shall be deemed given under this Special Contract as of the date of receipt of such notice. Beech Grove and CWA may, from time to time, designate a different person to whom notice under this Section 9 may be given. Any such designation shall be in writing and given in the manner provided in this Section 9.

10. Miscellaneous

A. Agreement to be Construed as a Whole. The language of this Special Contract shall be construed as a whole according to its fair meaning and in accordance with its purpose and without regard to who may have drafted any particular provision herein. The Parties agree and acknowledge that both Parties took part in drafting this Special Contract. All of the terms and conditions of this Special Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

B. Sole Purpose. This Special Contract and the rates, charges, terms and conditions contained herein are applicable only to the sewage disposal services furnished by CWA and as requested by Beech Grove under this Special Contract and Sewer Rate No. 6. Nothing in this Special Contract shall be interpreted as establishing an all requirements contract, with the exception of the terms of the Monthly Minimum Capacity Charge as specifically provided in Sewer Rate No. 6 related to metered connections.

C. Good Faith Efforts. The Parties agree that each Party shall in good faith take all reasonable actions necessary to permit such Party to fulfill its obligations under this Special Contract. Where the consent, agreement or approval of either Party must be obtained hereunder, such consent, agreement or approval shall not be unreasonably withheld, conditioned or delayed. Where either Party is required or permitted to act, or omit to act, based on its opinion or judgment, such opinion or judgment shall not be unreasonably exercised. The Parties further acknowledge that CWA will not object to Beech Grove exercising its right to seek approval of alternative sewage treatment solutions in the future, including constructing its own treatment facilities or connecting to treatment facilities other than that owned by CWA.

D. Entire Agreement. This Special Contract contains the entire understanding between the Parties as to all matters referred to herein. No other representations, covenants, undertakings or prior or contemporaneous agreements, whether oral or written, regarding any matters that are not specifically contained and incorporated in this Special Contract, shall be deemed to have any effect or binding impact upon the Parties. The Parties acknowledge that they have not been coerced to enter into this Special Contract.

E. Governing Law. This Special Contract shall be governed by and construed in accordance with the laws of the State of Indiana.

F. Warranties and Representations. All Parties represent and warrant, and shall be estopped to deny, each of the following:

(a) that the signatory is legally competent and duly authorized to execute this Special Contract on behalf of the Party;

(b) that they have had a reasonable opportunity to review and consider this Special Contract and that they have read and understood the terms of this Special Contract;

(c) that they have been provided an opportunity to consult with an attorney of their own choosing prior to executing this Special Contract;

(d) that in executing this Special Contract, they are not relying on any statement, representation, or promise of any other party or the counsel of any other party other than as expressly set forth in this Special Contract;

(e) that they have not executed this Special Contract in reliance upon any promises, representations, warranties, or statements except as specifically set forth in this Special Contract, the Settlement Agreement, and Sewer Rate No. 6. The Parties acknowledge that this Special Contract, the Settlement Agreement, and Sewer Rate No. 6 are intended to be an integrated settlement; and

(f) the provisions of Sections 5 and 10 B, C, F (f) and G shall continue in full force and effect beyond the term, or termination, of this Special Contract; provided that Beech Grove shall no longer be allotted the Permitted Capacity under Section 5 to the extent Beech Grove implements an alternative sewage treatment solution as provided for in Section 10 C. In such case, the Permitted Capacity shall be reduced by a like amount or otherwise renegotiated in good faith.

G. Binding Effect. This Special Contract shall be binding upon and shall inure to the benefit of the Parties hereto, their respective heirs, successors and assigns.

H. Counterparts. This Special Contract may be executed by the Parties in two or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Facsimile or PDF signatures shall have the same force and effect as if in original ink.

I. Miscellaneous Issues. The Parties acknowledge that there are certain unique issues that have not been addressed by this Special Contract. The Parties agree to negotiate in good faith to reach an agreement on such issues by an amendment and to file that amendment with the Commission for its approval.

IN WITNESS HEREOF, the Parties have executed and delivered this Special Contract as of the date first set forth above.

**[Signature Pages Follow]**

**CWA Authority, Inc.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**CITY OF BEECH GROVE, INDIANA**

Date:\_\_\_\_\_

By:\_\_\_\_\_

Printed:\_\_\_\_\_

Title:\_\_\_\_\_



## TERMINATION AGREEMENT

This Termination Agreement ("Agreement") is executed on \_\_\_\_\_, 2017, by and between CWA Authority, Inc. ("CWA") and Hamilton Southeastern Utilities, Inc. ("HSE") (hereinafter, CWA and HSE may be referred to collectively as the "Parties").

### RECITALS

WHEREAS, HSE and the Consolidated City of Indianapolis, Indiana (the "City"), acting by and through its Board of Public Works, entered into that certain Agreement for Sewage and Wastewater Treatment and Disposal Services dated March 2, 2001 (the "Current Contract"), whereby the City agreed to provide sewage and wastewater treatment and disposal services to HSE pursuant to the terms of the Current Contract;

WHEREAS, the Current Contract was assigned to CWA pursuant to the Indiana Utility Regulatory Commission's (the "Commission") Order dated July 13, 2011 in Cause No. 43936; and

WHEREAS, the Parties desire to terminate the Current Contract pursuant to the terms set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties agree as follows:

### AGREEMENT

1. The Recitals are incorporated herein and made a part hereof as if restated in full.
2. Upon the issuance of a Final Order by the Indiana Utility Regulatory Commission in Cause No. 44685-S1, which approves the Settlement Agreement without modification or condition unacceptable to any Settling Party and includes a provision approving the rates, terms and conditions of Sewer Rate No. 6, HSE shall become subject to Sewer Rate No. 6 on a date specified in such Final Order, and the Current Contract immediately shall terminate and shall have no further force or effect, subject to the survival provision of Section 19.06 of the Current Contract.
3. HSE shall be allotted Permitted Capacity in the amount of 0.033 MGD for Average Daily Flow and 0.1 MGD for Peak Daily Flow. HSE is authorized to issue letters certifying wasteload allocations under 327 IAC 3-2-2(c)(6), subject to the Permitted Capacity limitations set forth herein. HSE may apply for additional capacity beyond the Permitted Capacity by submitting a written application to CWA. CWA will evaluate and model any such request to determine if additional flows can be accommodated by the CWA collection system without the need for system improvements. If so, CWA shall approve such additional capacity request. If CWA collection system improvements are required to accommodate HSE's additional flow request, CWA may require from HSE co-funding of system improvements based on a ratio of HSE's wet weather peak flow versus the total wet weather peak flow in the impacted sections

of the CWA collection system. CWA will not charge HSE any Connection Charges for any new connections to HSE's collection system.

4. CWA shall cause a copy of this Agreement to be duly recorded in the Office of the Recorder of Marion County, Indiana. HSE shall cause a copy of this Agreement to be duly recorded in the Office of the Recorder of Hamilton County, Indiana.

IN WITNESS HEREOF, the Parties have caused this Agreement to be executed by their respective authorized representatives.

**[Signature Pages Follow]**

**CWA AUTHORITY, INC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**HAMILTON SOUTHEASTERN UTILITIES,  
INC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_