

SPONSOR: Janet Venecz
Councilwoman at Large

20R-20 RESOLUTION NO. R 20

**A RESOLUTION APPROVING A CERTAIN PRELIMINARY ACCESS AGREEMENT
BETWEEN THE CITY OF HAMMOND, INDIANA AND THE CITY OF JOLIET, ILLINOIS FOR
JOLIET WATER FACILITIES**

WHEREAS, The City of Joliet, Illinois currently relies on deep wells for its primary water source, and

WHEREAS, a study by the Illinois State Water Survey concluded that the City of Joliet's existing water source, the deep sandstone aquifer will be depleted to the point of not being able to meet Joliet's maximum day water demands by the year 2030, and

WHEREAS, in 2018 the City of Joliet began an Alternative Water Source Study to determine possible water source scenarios, and

WHEREAS, these study results were presented to the Joliet City Council in November 2019 and the City Council selected two alternatives for further consideration, namely a Chicago water supply alternative and a new Indiana intake alternative, and

WHEREAS, Joliet approached the City of Hammond in 2020 to discuss and negotiate terms of a Preliminary Access Agreement that would provide the basis for a Long-Term Agreement, and

WHEREAS, the Preliminary Access Agreement (attached hereto as Exhibit "A") among other things provides for a long-term raw water access for the City of Joliet and sets forth financial terms and conditions that inure to and are beneficial to the City of Hammond, and

WHEREAS, the Joliet City Council is prepared to consider both the City of Chicago and the City of Hammond's proposals to the City of Joliet at their meeting set for December 17, 2020, and

WHEREAS, by approving the Preliminary Access Agreement, the City of Hammond is showing its willingness to enter into a Long-Term Agreement and to further be a partner with the City of Joliet in its search for a water supply solution; and

WHEREAS, the Preliminary Access Agreement does not and will not impact negatively any other Agreement for the supply of water that the City of Hammond or the Hammond Water Works has with any Illinois or Indiana community.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Hammond as follows: that the Common Council of the City of Hammond hereby APPROVES and directs the city to enter into the Preliminary Access Agreement for

Joliet Water Facilities and to do all other things necessary to finalize said Agreement with the City of Joliet.

RESOLVED this 23rd day of November, 2020



David Woerpel, President
Hammond Common Council

ATTEST:


ROBERT J. GOLEC, City Clerk

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond to the Mayor said City for approval on the 24TH day of November, 2020.



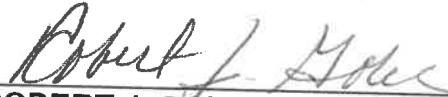
ROBERT J. GOLEC, City Clerk

The foregoing Resolution No. R 20 consisting of two (2) typewritten pages, including this page, and Exhibit "A" approved by the Mayor on the 24th day of November, 2020.



THOMAS M. MCDERMOTT, JR. , Mayor
City of Hammond, Indiana

PASSED by the Common Council on the 23rd day of November, 2020.



ROBERT J. GOLEC, City Clerk

PRELIMINARY ACCESS AGREEMENT FOR JOLIET WATER FACILITIES

This Preliminary Access Agreement ("Preliminary Agreement") is entered into as of _____, 2021 by and between the CITY OF HAMMOND, an Indiana municipal corporation ("Hammond"), and the CITY OF JOLIET, an Illinois home rule municipal corporation ("Joliet") (collectively the "Parties" and individually, a "Party"), in consideration of the premises and promises set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and hereby agree as follows:

1. **Background.**

A. Studies conducted by the Illinois State Water Survey project a decline in the deep aquifer serving Joliet with well water and that the deep aquifer will be unable to meet Joliet's maximum day water demand by the year 2030. As a result, Joliet has been investigating a variety of alternative sources of water supply for its residents and businesses.

B. In 2018, Joliet commenced a study of possible alternative water supply sources, culminating in a decision by the Joliet City Council in January 2020 to pursue Lake Michigan water through either a new water intake located in Indiana or through the existing Chicago Department of Water Management system. In April 2020, Joliet engaged the firm of Stantec Engineers to conduct the Alternative Water Supply Program, including the firms of Crawford Murphy & Tilly, Strand Engineers and Engineering Enterprises, Inc. as subcontractors, (collectively, the "Consulting Team") to analyze these potential sources of supply in further detail to prepare and present a report and recommendations to the Joliet City Council.

C. Hammond and Joliet have entered into discussions regarding the possibility of Joliet constructing new water facilities to bring untreated Lake Michigan water to Joliet, including without limitation a new water intake along the shore of Lake Michigan adjacent to Hammond's shoreline as well as constructing in Hammond an intake tunnel, screening system, pumping station, transmission mains, and other appurtenances necessary to deliver untreated Lake Michigan water to Joliet (collectively, "Joliet Water Facilities").

D. Hammond and Joliet have discussed a variety of issues pertaining to the location of the Joliet Water Facilities in the City of Hammond and along the shore of Lake Michigan adjacent to Hammond, and have reached an understanding regarding certain key terms that would provide a basis for an ongoing, long-term agreement regarding certain key terms that would facilitate the provision of a new, safe, clean and reliable source of Lake Michigan water supply to Joliet.

E. The Consulting Team presented its analysis of the two Lake Michigan water alternatives to the Joliet City Council in November, 2020, and the Joliet City Council anticipates completing its review and analysis and to determine which alternative Joliet will pursue soon thereafter. Joliet has requested that Hammond approve this Preliminary Agreement to demonstrate its commitment to being host city to the Joliet Water Facilities and enter into a long-term agreement on the terms and conditions included in this Preliminary Agreement.

2. **Intent to Reach a Long-Term Agreement.**

A. In the event that the Joliet City Council determines to pursue the construction of the Joliet Water Facilities in and adjacent to Hammond and this Preliminary Agreement is approved by Joliet and entered into by and between Hammond and Joliet, the Parties hereby

acknowledge and agree that they will enter into additional discussions regarding the detailed terms and conditions of a long-term agreement for the construction, operation and maintenance of the Joliet Water Facilities in and adjacent to Hammond ("Long-Term Agreement").

B. The Parties agree that the Long-Term Agreement will include language setting out in detail the agreed-upon terms outlined in Sections 4 through 11 of this Preliminary Agreement, unless otherwise mutually agreed by the Parties.

C. The Parties agree that they anticipate that they will approve and enter into the Long-Term Agreement no later than July 31, 2021, unless the Parties mutually agree to a different date.

3. Initial Payments to Hammond Pursuant to this Preliminary Agreement.

In recognition of the level of effort Hammond has undertaken to allow the Parties to reach this Preliminary Agreement as well as a set of key agreed-upon terms for the Long-Term Agreement, and as a sign of Joliet's good faith, Joliet agrees to make the following payments to Hammond:

A. *Commitment Installment Payment.* Upon full approval and execution of this Preliminary Agreement by Hammond and Joliet, Joliet agrees to pay to Hammond the amount of \$250,000 as the initial installment toward, and to be applied to, the total amount of Commitment Payments described in Section 8.A of this Preliminary Agreement; and

B. *Reimbursement Payment.* Following approval and execution of this Preliminary Agreement by Hammond and Joliet and within 30 days after submission of an invoice by Hammond that conforms to Section 8.B of this Preliminary Agreement, Joliet agrees to pay to Hammond the first required reimbursement payment for eligible expenses, as described in Section 8.B of this Preliminary Agreement.

4. Long-Term Agreement Term and Renewals.

The Long-Term Agreement will:

A. be for an initial term of 99 years, unless a shorter period is required by law; and

B. provide for renewal periods of 25 years each, unless a shorter period is required by law, as well as a mutually agreed protocol for its renewal or non-renewal that provides for prior notice to be given of renewal or non-renewal at least five years prior to the end of the then-current term and provides an opportunity for the Parties to revisit certain of the duties and obligations established in the Long-Term Agreement in connection with any renewal.

5. Long Term Agreement—Joliet Water Facilities.

The Long-Term Agreement will provide the following in connection with the Joliet Water Facilities:

A. *Improvements.* Joliet will design, construct, own, operate, and maintain the Joliet Water Facilities at Joliet's cost and expense, for the delivery of untreated Lake Michigan water to Joliet, Illinois for treatment.

B. *Water Delivery Date.* Joliet has determined that it anticipates the delivery of Lake Michigan water through the Joliet Water Facilities in Hammond by January 1, 2030 (“Water Delivery Date”).

C. *Design/Permitting/Construction.*

- i. The Joliet Water Facilities located in Hammond will meet all applicable requirements of the United States Army Corps of Engineers; the Illinois Environmental Protection Agency, the Indiana Department of Environmental Management, the Indiana Department of Natural Resources and the Joliet Utility Design and Inspection Manual; applicable provisions of the Indiana Department of Transportation standard specifications; applicable Hammond building code requirements; and other applicable federal, state of Indiana and local laws, ordinances, rules and regulations.
- ii. Joliet will provide plans, drawings and specifications for the Joliet Water Facilities to Hammond for review and comment at mutually agreed upon milestones. Hammond will review and provide comments in a timely manner so as not to delay the project.
- iii. Hammond will coordinate with and assist Joliet in order to facilitate the issuance of any necessary Hammond permits required under any building, construction or other codes and ordinances of the City of Hammond, including any necessary zoning changes or other zoning relief, for the Joliet Water Facilities so that Joliet is able to accept delivery of Lake Michigan water via the Facilities by the Water Delivery Date.
- iv. Hammond will coordinate and cooperate with and assist Joliet in obtaining any permits, approvals or other rights and actions from other agencies and governments with jurisdiction in order to facilitate completion of the Joliet Water Facilities so that Joliet is able to accept delivery of Lake Michigan water via the Facilities by the Water Delivery Date. Hammond will not challenge or object to approval and issuance of any such permits, approvals or other rights and actions.
- v. Joliet and Hammond agree to meet on a periodic basis to discuss matters pertaining to the design, permitting and construction of the Joliet Water Facilities.
- vi. Hammond will not charge any fees to Joliet for the permits, approvals and other items described in detail in Section 8.F.

6. Long-Term Agreement—Real Estate and Right-of-Way.

The Long-Term Agreement will provide the following in connection with the necessary rights in real estate and rights-of-way to accommodate construction and operation of the Joliet Water Facilities:

A. *Real Estate Purchase:* Hammond will assist Joliet in obtaining a sufficient parcel or parcels of land (min. 1.5 acres permanent and 0.5 acres temporary) to accommodate Joliet shore facilities, including an intake tunnel, screening system, pumping station, transmission main and related appurtenances in one or more of the following ways:

- i. Hammond will sell to Joliet land owned by Hammond or one of its affiliated entities on terms to be mutually agreed;
- ii. Hammond will grant to Joliet a long-term/perpetual easement on land owned by Hammond or one of its affiliated entities on terms to be mutually agreed; and/or
- iii. If a Hammond- or affiliate-owned site is not feasible or consistent with best practices, Hammond will facilitate Joliet's purchase of land owned by another public or private entity or acquisition of a long-term/perpetual easement on such land.

B. *Access to and Use of Rights-of-Way and Hammond-Owned Real Estate.* Hammond will grant to Joliet all necessary easements, franchise agreements, permits or other approvals for the installation of Joliet Water Facilities in rights-of-way within Hammond, and in other real estate owned by Hammond that is not right-of-way, to allow Joliet to construct, operate and maintain transmission mains and related appurtenances that are part of the Joliet Water Facilities subject to mutual agreement of the Parties as to routing and infrastructure placement. Rights-of-way means and includes any street, alley, other land or waterway, dedicated or commonly used for pedestrian or vehicular traffic or other similar purposes, including utility easements in which Hammond has the right and authority to authorize, regulate or permit the location of facilities other than those of Hammond.

7. Long-Term Agreement—Operation of Joliet Water Facilities.

The Long-Term Agreement will provide the following in connection with operation of the Joliet Water Facilities:

A. *Access; Emergencies.* Joliet will have access to the Joliet Water Facilities at all times, twenty-four hours a day, seven days a week. In the event of an emergency causing risk to public health and safety in which the Joliet Water Facilities may be involved or affected, Hammond shall immediately notify Joliet at the Joliet 24/7 contact number and Joliet shall promptly respond to Hammond's notice.

B. *Water Quality.* The Parties mutually agree to advise each other immediately if either Party learns of or receives any information about any possible contamination of, discharge into or other risk to the waters of Lake Michigan that poses a potential water quality issue to either or both of the Parties or to the facilities of either Party that are used in the intake, pumping or treatment of Lake Michigan water. The Parties will cooperate to investigate and take appropriate steps to protect the Lake Michigan source of supply and their respective facilities.

C. *Protection from Damage and Interference.* Hammond will coordinate with Joliet in order to protect the Joliet Water Facilities from damage and interference due to the work of others in or adjacent to the rights-of-way in which the Joliet Water Facilities are located. Hammond will take reasonable steps to alert permit applicants who will be working in the vicinity of the Joliet Water Facilities, as well as parties who seek to design and locate other utility-type facilities in those areas, that the Joliet Water Facilities are present and to be protected from interference and damage, and Joliet and Hammond agree that the Long-Term Agreement will further refine the extent of Hammond's obligations in this regard. Hammond will not damage, cut or remove any portion of the Joliet Water Facilities at any time without express approval from Joliet.

D. *Indiana 811.* To further facilitate protection of the Joliet Water Facilities from damage and interference, Joliet will become a member of the Indiana 811 system for locating of underground utility facilities.

E. *No Relocation or Displacement.* No utility facilities or other facilities or structures of Hammond or any entity or person will be placed in any location which will require the relocation or displacement of any of the Joliet Water Facilities or will otherwise interfere with the operation or maintenance of any of the Joliet Water Facilities, as determined by Joliet in its sole discretion.

8. Long-Term Agreement—Compensation to Hammond.

The Long-Term Agreement will provide the following in connection with compensation to Hammond. This is in addition to any payments made pursuant to Section 6.A of this Long-Term Agreement:

A. *Commitment Payments.* Joliet agrees to pay to Hammond payments in the total amount of \$2,000,000 to recognize Hammond's level of effort and demonstrate to Hammond Joliet's commitment to working collaboratively to complete the Long-Term Agreement, and the preliminary design, final design and construction of the Joliet Water Facilities in Hammond, according to the following schedule:

- i. Joliet has previously paid to Hammond an initial payment in the amount of \$250,000, which was received by Hammond upon approval and execution of the Preliminary Access Agreement by Hammond and Joliet;
- ii. Upon approval and execution of the Long-Term Agreement (which is anticipated to occur not later than July 31, 2021, or another date that is mutually agreed by the Parties), a payment in the amount of \$750,000; and
- iii. Upon review and approval by Hammond of bidding documents for construction of the Joliet Water Facilities, a payment in the amount of \$1,000,000.

B. *Reimbursement Payments.* Joliet agrees to pay to Hammond, on the schedule set forth below, to reimburse Hammond for all actual expenses reasonably incurred by Hammond for participation by Hammond personnel, as well as by other resources obtained by Hammond, in the planning, coordination, and review of designs and construction for the Joliet Water Facilities as well as negotiation of this Long-Term Agreement. Expenses eligible for reimbursement by Joliet consist of the following items of direct and indirect expense:

- Administrative Coordination and Support by Hammond regarding Joliet Water Facilities (at hourly salary times number of hours worked);
- Document Review and Comment (at hourly salary times number of hours worked);
- Professional and Technical Consultant Services (direct cost);
- Legal Review, Consultation and Advice (direct cost);
- Copy Reproduction (direct cost); and
- Document Recordation (direct cost).

Reimbursement payments will be made by Joliet to Hammond on the schedule listed below, not greater than thirty (30) days following Hammond's submission of a complete invoice to Joliet in acceptable form with necessary supporting documents and invoices:

- i. Joliet has previously paid to Hammond an initial reimbursement payment for eligible expenses incurred by Hammond during negotiations/discussions (in 2020 and 2021) related to preparation of the Preliminary Access Agreement, which was received by Hammond in the first quarter of 2021;
- ii. Following approval and execution of the Long-Term Agreement by Hammond and Joliet and within 30 days after submission of an invoice by Hammond that conforms to this Section 8.B, Joliet agrees to pay to Hammond the second required reimbursement payment for eligible expenses, as described in this Section 8.B, incurred by Hammond during negotiations/discussions related to the preparation of this Long-Term Agreement and during preparation of the preliminary design for the Joliet Water Facilities; and
- iii. At the end of calendar year 2022 and each year thereafter until the Joliet Water Facilities are completed, for eligible expenses incurred by Hammond for time and effort associated with coordination and support of real estate matters, and design and construction activities for the Joliet Water Facilities to be constructed within Hammond.

C. *Access to and Use of Rights-of-Way and Hammond Property.* In connection with the use of rights-of-way and other Hammond-owned real estate pursuant to Section 6.B of this Long-Term Agreement, Joliet will pay to Hammond the following two fees:

- i. Fixed Fee. A "Fixed Fee" in the fixed amount of \$110,000.00 per year, with the first payment to be made upon commencement of transmission main construction and annually thereafter on the anniversary date of the initial payment. The Fixed Fee is subject to adjustment by the Inflation Factor defined below, commencing with the payment due in the calendar year 2032 and for each payment thereafter.
- ii. Volume-Based Fee. A "Volume-Based Fee" to be calculated as the product of the rate ("Rate") per million gallons per day ("MGD") times the Average Day Demand of raw water drawn by Joliet through Hammond for treatment during the previous Year, where:
 - a. "Average Day Demand" is equal to the total amount of water used in one Year, as measured at the raw water meter to be installed at the Joliet Water Facilities in Hammond, divided by the number of days in that Year (365 or 366 in a leap Year, unless a particular Year is defined to have more days). Average Day Demand will be determined based on a certification provided by Joliet to Hammond stating the total amount of raw water drawn and transported by Joliet through Hammond.
 - b. "Rate" is the amount of \$5,000 per MGD and is subject to adjustment pursuant to the Inflation Factor defined below, commencing with the volume-based fee due in the calendar year 2032.

c. "Year" is a twelve-month period commencing on the first day of the month after Joliet commences drawing raw water through Hammond for the purposes of treatment and delivery to customers of Joliet. If the first day of drawing water by Joliet is not the first day of the month, then the first Year shall include the days in the partial month in which the first day of drawing water occurred.

Within forty-five (45) days after the end of the first Year and each Year thereafter under this Agreement, Joliet shall provide a written certification to Hammond providing (1) the total MGD of raw water drawn for treatment by Joliet, (2) a calculation of the Average Day Demand and (3) the total volume-based fee amount due for that Year. Joliet shall pay the volume-based fee to Hammond within thirty (30) days thereafter.

- iii. Inflation Factor. The Fixed Fee and the Volume-Based Fee shall be adjusted annually commencing with the payments due in the calendar year 2032 and in each year thereafter, by adjusting each Fee by the change in the Consumer Price Index—All Urban Consumers—Chicago-Naperville-Elgin ("CPI-U"), as published by the U.S. Department of Labor, Bureau of Labor Statistics, (1982-1984=100), for the Fixed Fee for a full twelve-month period preceding the payment due date and, for the Volume-Based Fee, for the full Year for which the payment is due; provided, however, that the amount of the annual adjustment shall be not greater than two percent (2%) regardless of the actual change in the CPI-U. Adjustments shall be cumulative of the preceding adjustments.

D. *Enhanced Road Restoration or Payments in Lieu Thereof*. As part of its construction program, Joliet will work with Hammond to establish clear standards for restoration of areas impacted by construction to their original condition prior to construction and include those standards in the appropriate construction contracts. In addition, to allow Hammond to undertake its own enhanced restoration of rights-of-way and other facilities, Joliet agrees to pay Hammond an annual enhancement payment in the amount of \$2,000,000 on April 1 in each of the calendar years 2025, 2026, and 2027.

E. *Property Taxes or Payments in Lieu Thereof*. If Joliet (i) owns a site within Hammond on which the shoreline portion of the Joliet Water Facilities is located, or (ii) holds an easement or leasehold for use of a Hammond-owned site within Hammond on which the shoreline portion of the Joliet Water Facilities is located, and property taxes are not assessed and levied against the property or the easement/leasehold, as applicable, Joliet agrees that it will pay to Hammond an amount equivalent to the amount of taxes that would have been paid to Hammond if the property was not exempt from such taxes.

F. *No Other Fees or Payments*. In consideration for the payments provided for in this Long-Term Agreement, including, but not limited to, the reimbursement payments provided in Section 8.B. of this Preliminary Agreement, Hammond will not charge, and Joliet will not be required to pay, any other fees Hammond might otherwise charge or assess to Joliet, or in connection with the Joliet Water Facilities project, for use of rights-of-way, real estate or for permits or approvals of any kind or nature.

9. Long-Term Agreement—Other Water Sales.

A. Joliet acknowledges that it will not sell or otherwise provide untreated Lake Michigan water obtained through or in connection with the Joliet Water Facilities to any third party

that would treat and sell that Lake Michigan water to others, except to a new water commission entity created under Illinois law (as described in Section 11 below) or such third parties as may otherwise be mutually agreed by the Parties.

B. Joliet acknowledges that Hammond operates a waterworks system through which it provides treated Lake Michigan water to the City of Chicago Heights, Illinois, ("Chicago Heights") for retail sale to Chicago Heights as well as for wholesale sales to other Illinois municipalities. Chicago Heights provides or anticipates providing such water treated by Hammond to the following additional Illinois cities and villages: City of Country Club Hills; Village of East Hazel Crest; Village of Ford Heights; Village of Glenwood, Village of Hazel Crest; Village of Homewood; Village of Flossmoor; Village of Olympia Fields; Village of Matteson; Village of Richton Park; Village of Sauk Village; Village of South Chicago Heights, Village of Thornton; and the Village of Tinley Park (the listed cities and villages together with Chicago Heights collectively referred to as "Illinois Water Customers"). Hammond has requested that Joliet not sell treated Lake Michigan water to the Illinois Water Customers, and Joliet agrees not to do so unless otherwise mutually agreed by the Parties.

C. Hammond agrees to save, keep and hold harmless and indemnify Joliet for any and all claims, liabilities, losses, and damages of every kind, nature and description, including attorneys' fees, arising or which may arise out of this Section of this Agreement which Joliet may suffer as a result of the inclusion of this Section in this Agreement and any acts or failures to act pursuant to this Section of this Agreement.

10. Long-Term Agreement—Communications and Notifications.

The Long-Term Agreement will provide for mutually acceptable timeframes and methods for the Parties to notify each other about matters pertaining to or affecting the Joliet Water Facilities, such as operational changes, system modifications, activities of Hammond or others performing construction or other activities in rights-of-way or the shore facilities site(s).

11. Long-Term Agreement—Assignment and Transfer.

The Parties agree that the Long-Term Agreement will be transferable by Joliet to a new water commission entity created under Illinois law by Joliet in cooperation with other municipalities and units of local government in the region including Grundy, Kane, Kendall and Will Counties, Illinois.

12. Long-Term Agreement—Additional Provisions.

The Parties agree that the Long-Term Agreement will include additional provisions that are not specifically mentioned in this Preliminary Agreement but that are necessary to provide an agreement that will establish the ongoing relationship of the Parties regarding the Joliet Water Facilities.

13. Notice.

All notices under this Preliminary Agreement shall be in writing and either delivered or mailed, certified mail return receipt requested,

A. to Joliet, at:

City of Joliet, Illinois
Attention: Director of Public Utilities
150 W. Jefferson Street
Joliet, IL 60432

B. to Hammond, at:

Mayor
Civil City of Hammond
5925 Calumet Avenue
Hammond, IN 46320

and

Law Department
c/o Corporation Counsel
5925 Calumet Avenue
Hammond, IN 46320

or at such other address as such Party by written notice may designate and shall be deemed given when so delivered.

14. Term and Termination of Preliminary Agreement.

A. This Preliminary Agreement will be effective upon approval and execution by Hammond and approval and execution by Joliet. If the Parties enter into a Long-Term Agreement, this Preliminary Agreement will be superseded by the Long-Term Agreement.

B. If Joliet determines that it is unable to: (i) procure sufficient financing to design and construct the Joliet Water Facilities, or (ii) obtain all of the real estate necessary to construct, install, operate and maintain the Joliet Water Facilities, then Joliet may terminate this Preliminary Agreement by giving 30 days written notice to Hammond. In the event of termination under this Section 14.B, Joliet shall pay to Hammond

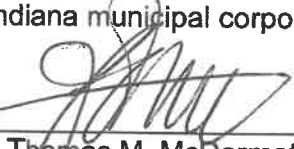
- i. any amounts due and payable to Hammond pursuant to Section 3 of this Preliminary Agreement that were due and payable as of the date of the notice of termination; and
- ii. any additional amount of reimbursable expenses identified in Section 8.B that have been incurred by Hammond prior to notice of termination regardless of whether such expenses are otherwise due for reimbursement as of the notice of termination.

15. Execution; Counterparts. This Preliminary Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned have executed this Preliminary Agreement as of the date first above written.


CITY OF HAMMOND,
an Indiana municipal corporation

By: 
Thomas M. McDermott, Jr.
Mayor

CITY OF JOLIET,
an Illinois home rule municipal corporation

By: _____
Robert O'Dekirk
Mayor

ATTEST:

By: 
Robert J. Golec
City Clerk

ATTEST:

By: _____
Christa M. Desiderio
City Clerk