



## Memorandum

To: Honorable Mayor and Members of the City Council  
CC: Members of Administration and Public Works Committee  
From: Paul Moyano, Senior Project Manager  
CC: David Stoneback, Public Works Agency Director  
Subject: Resolution 111-R-21, Authorizing City Officials to Negotiate and Execute the WIFIA Loan Agreement and WIFIA Term Sheet  
Date: October 11, 2021

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Recommended Action:

Staff recommends City Council Adoption of Resolution 111-R-21, Authorizing City Officials to Negotiate and Execute the WIFIA Loan Agreement and WIFIA Term Sheet

Council Action:

For Action

Summary:

The Water Filtration Plant is served by three raw water intakes extending approximately one mile into Lake Michigan. Each is comprised of an intake structure and pipeline. The oldest intake was built in 1909. It is beyond its useful life, performing under capacity, and in need of replacement.

The design for the intake replacement is being finalized. The project scope of work includes the following:

- Installation of a 60-inch diameter pipeline that extends one mile into Lake Michigan
- Installation of an intake structure on the lake bottom that consists of nine 10.5-foot diameter cones
- Installation of shore-side connections to the existing water treatment plant that are up to 35 feet deep
- Reconfiguration of existing on-shore piping.
- Installation of heating elements to keep the intake from freezing over in the winter
- Installation of chemical feed lines to the intake structure on the lake bottom for control of zebra and quagga mussels
- Installation of monitoring equipment, including temperature sensors and flow metering

The location of the replacement intake is shown on the attached map. The project is scheduled to be bid in January 2022, with construction beginning in May 2022 and completion in September 2024.

Analysis:

The total project budget is \$41,606,073.00, based on a Class II Opinion of Probable Construction Cost which was developed from the 90% design. Construction, engineering, and financing costs are summarized on the table below.

Item	Amount
Design Engineering	\$781,073.00
Construction Engineering	\$1,500,000.00
Construction	\$35,040,000.00
Construction Contingency	\$3,504,000.00
Financing / Issuance Costs	\$781,000.00
<b>TOTAL ESTIMATED PROJECT COSTS</b>	<b>\$41,606,073.00</b>

Staff has been working to finance this project through a combination of WIFIA bond issue funds from the Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) and a loan from the Illinois Environmental Protection Agency (IEPA) State Revolving Fund (SRF) Public Water Supply Loan Program (PWSLP). Each program has advantages that benefit the water fund, and only up to 49% of the project can be funded by WIFIA.

The WIFIA bond issue (under consideration separately as Ordinance 107-O-21) is a 30-year bond with an estimated interest rate of 2.0% which is set at the time of closing. The first debt service payment will be deferred for two years under the terms of the loan agreement. This deferral is advantageous because the debt service for both loans will ultimately be covered by an increase in revenue from the City’s wholesale water customers, whose future water rates will reflect the value of the new raw water intake. However, the wholesale water rate adjustment does not occur until two years after the completion of the project. Therefore, the first debt service payment of the WIFIA loan will not be made until after the increased revenue is realized.

A WIFIA Agreement with the EPA (under consideration here) also needs to be executed by the City for the WIFIA funding. City staff, along with its external council, has been negotiating the terms of the Loan Agreement since August 2021, and working on the overall financing application since August 2020. The agreement includes the final terms and requirements of the loan.

The SRF loan (under consideration separately as Ordinance 94-O-21) is a 20-year loan with an interest rate of 1.11%. The IEPA is in process of final review of the project plan, and staff is finalizing the loan application. Adoption of this ordinance authorizing the City to borrow the funds is one of the requirements of the loan application.

The project cost and debt service are included in the attached five-year water fund analysis and summarized below. The debt service for both loans will ultimately be covered by an increase in revenue from the City's wholesale water customers, whose future water rates will reflect the cost of the new raw water intake.

	Loan Amount	Annual Debt Service	First Year of Payments
SRF (51%)	\$21,220,073	\$1,229,920	2025
WIFIA (49%)	\$20,386,000	\$981,300	2026
Total	\$41,606,073	\$2,211,220	

Legislative History:

On April 22, 2019, the City Council awarded the engineering services related to the new intake to Stantec (RFP 19-02).

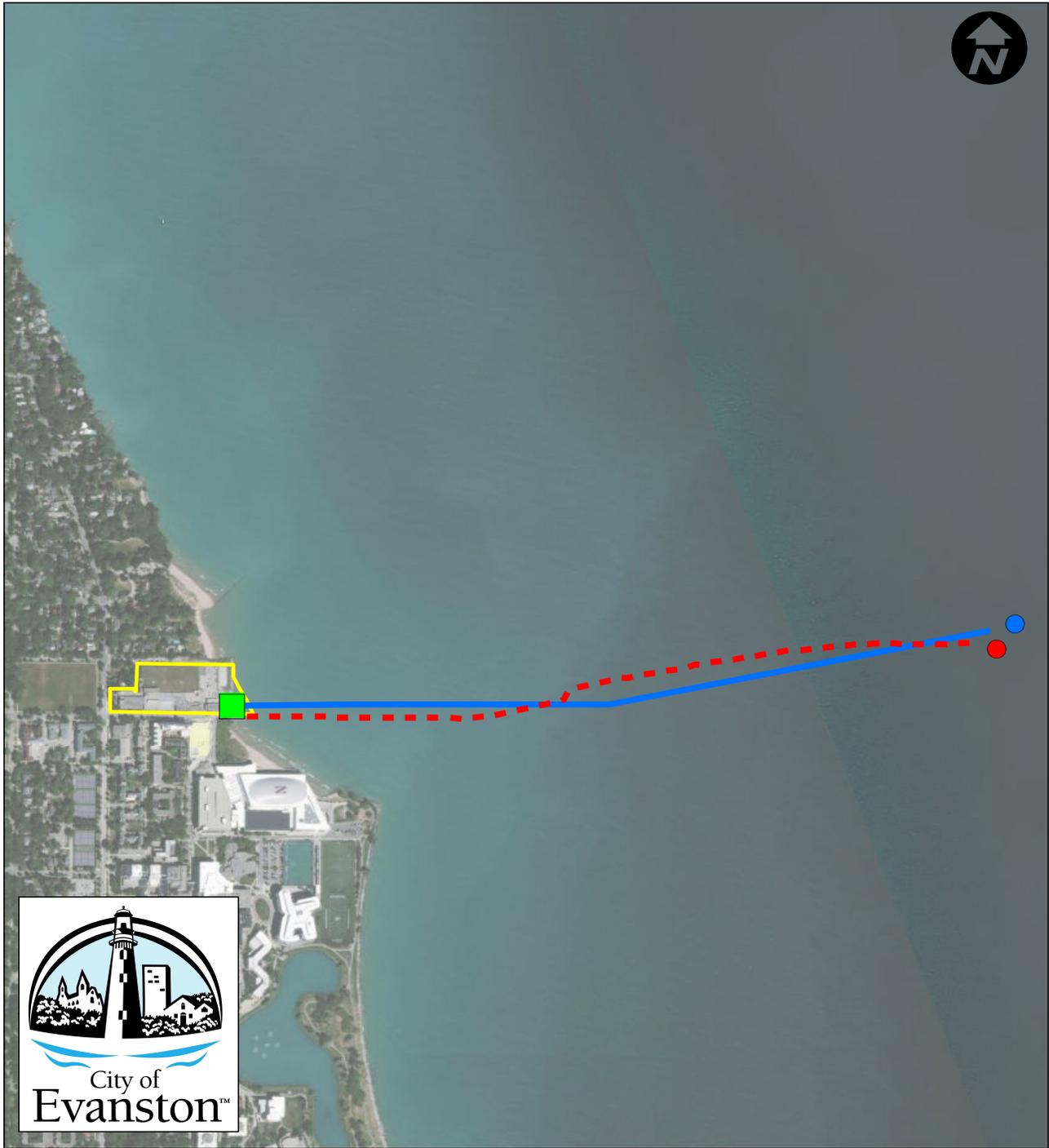
Attachments:

- [Project Location Map](#)
- [5-Year Financial Summary](#)
- [Resolution 111-R-21](#)

# Project Location Map

## LEGEND

- Proposed Intake Structure
- Existing 36"/42" Intake Structure - To Be Abandoned
- Shore-Side Connections
- Proposed 60" Intake Pipeline
- - - Existing 36"/42" Intake Pipeline - To Be Abandoned
- Water Treatment Plant



Project Location Map.mxd

09/30/2021

This map is provided "as is" without warranties of any kind. See [www.cityofevanston.org/mapdisclaimers.html](http://www.cityofevanston.org/mapdisclaimers.html) for more information.

**City of Evanston**  
**1909 Intake Replacement Project Financing**  
**Five-Year Water Fund Analysis**

	Current Year		Estimated - Next 5 Years			
	2021	2022	2023	2024	2025	2026
<b>Proposed Rate Increases</b>	<b>0.0%</b>	<b>9.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>9.8%</b>	<b>3.6%</b>
<b>Operating Revenues</b>						
User charge (system) revenue	8,771,787	9,607,738	9,607,738	9,607,738	10,551,218	10,931,062
Wholesale Revenue (Skokie, Northwest Water Commission, Morton Grove/Niles, Lincolnwood)	11,718,608	13,414,862	13,799,378	14,089,432	14,348,422	17,056,715
Misc. Fees and Revenue	1,165,468	682,650	693,573	704,981	716,898	729,346
<b>Total Operating Revenues</b>	<b>21,655,863</b>	<b>23,705,250</b>	<b>24,100,688</b>	<b>24,402,151</b>	<b>25,616,538</b>	<b>28,717,123</b>
<b>Operating Expenses</b>						
Salaries & Wages	4,555,932	4,734,899	4,853,272	4,974,604	5,098,969	5,226,443
Benefits	1,422,831	1,361,522	1,422,994	1,487,396	1,554,869	1,625,563
Engineering fees (Studies)	402,000	909,800	376,581	381,161	627,571	394,159
Utilities	1,085,300	1,088,600	1,121,258	1,154,896	1,189,543	1,225,229
Repairs and maintenance	364,109	380,329	391,739	403,491	415,596	428,063
Supplies	1,482,717	1,492,344	1,488,612	1,514,634	1,541,301	1,568,630
Miscellaneous	1,351,620	1,062,726	1,057,362	1,085,003	1,113,473	1,142,797
<b>Total Operating Expenses</b>	<b>10,664,509</b>	<b>11,030,220</b>	<b>10,711,818</b>	<b>11,001,184</b>	<b>11,541,319</b>	<b>11,610,884</b>
<b>TOTAL OPERATING INCOME</b>	<b>10,991,354</b>	<b>12,675,030</b>	<b>13,388,870</b>	<b>13,400,968</b>	<b>14,075,218</b>	<b>17,106,239</b>
<b>Non Operating Revenues (Expenses)</b>						
Grant						
Debt Service (Princial and Interest) - Existing prior to this loan, GO Bonds and IEPA SRF Debt Service	(2,134,492)	(3,699,168)	(3,700,807)	(3,870,627)	(3,868,139)	(3,870,723)
Transfers (Other Fund, General Fund, Insurance Fund)	(5,589,212)	(5,600,005)	(5,732,501)	(5,868,861)	(6,009,200)	(6,153,635)
Minor Capital Outlay	(203,000)	(425,400)	(600,330)	(438,788)	(317,537)	(325,582)
Interest Income	5,922	5,144	3,547	2,491	2,248	1,952
New GO Bonds	-	6,410,000	4,750,000	4,740,000	5,423,000	4,534,000
<b>WIFIA Proceeds - 1909 Intake Replacement (49%)</b>			<b>13,310,000</b>	<b>7,076,000</b>		
IEPA SRF - Loan Proceeds						
Plant Reliability (L17-5107)						
Treated Water Storage Replacement (L17-5108)	2,143,029					
1909 Intake Replacement - SRF (51%)		8,491,000	12,729,000			
Medium Voltage Generator and Switchgear			3,700,000	3,700,000		
East Filter Plant Reliability					9,200,000	
Water Transmission Main Rehabilitation (L17-5106)		11,405,000				
LSLR Pilot (Construction)		3,210,000				
Small Diameter Water Main Lining (L17-5393)		1,300,000				
Large Diameter Water Main Lining			1,700,000			
<b>Total Non-Operating Income (Loss)</b>	<b>(5,777,752)</b>	<b>21,096,571</b>	<b>26,158,909</b>	<b>5,340,216</b>	<b>4,430,372</b>	<b>(5,813,987)</b>
<b>Net Change in Position Before Capital Items</b>	<b>5,213,601</b>	<b>33,771,601</b>	<b>39,547,780</b>	<b>18,741,183</b>	<b>18,505,590</b>	<b>11,292,251</b>
<b>Capital Items</b>						
New Debt Service - GO Bonds		0	(511,081)	(889,807)	(1,267,736)	(1,700,122)
<b>New Debt Service - WIFIA - 1909 Intake Replacement</b>						<b>(981,300)</b>
New Debt Service - SRF						
Treated Water Storage Replacement (L17-5108)		(120,856)	(120,856)	(120,856)	(120,856)	(120,856)
1909 Intake Replacement					(1,229,920)	(1,229,920)
Medium Voltage Generator and Switchgear					(431,579)	(431,579)
East Filter Plant Reliability						(539,880)
Water Transmission Main Rehabilitation (L17-5106)			(643,182)	(643,182)	(643,182)	(643,182)
LSLR Pilot (Construction)			(181,027)	(181,027)	(181,027)	(181,027)
Small Diameter Water Main Lining (L17-5393)			(73,313)	(73,313)	(73,313)	(73,313)
Large Diameter Water Main Lining				(97,805)	(97,805)	(97,805)
Capital Projects Funded with Cash	(3,339,745)	(6,866,000)	(5,375,000)	(1,895,000)	(635,000)	(1,645,000)
Capital Projects Funded with GO Bonds	0	(6,410,000)	(4,750,000)	(4,740,000)	(5,423,000)	(4,534,000)
<b>1909 Intake Replacement Funded with WIFIA Loan</b>			<b>(13,310,000)</b>	<b>(7,076,000)</b>		
Capital Projects Funded with SRF Loans						
Plant Reliability (L17-5107)						
Treated Water Storage Replacement (L17-5108)	(2,143,029)					
1909 Intake Replacement		(7,710,000)	(12,729,000)			
Medium Voltage Generator and Switchgear			(3,700,000)	(3,700,000)		
East Filter Plant Reliability					(8,700,000)	
Water Transmission Main Rehabilitation (L17-5106)		(11,000,000)				
LSLR Pilot (Construction)		(3,210,000)				
Small Diameter Water Main Lining (L17-5393)		(1,300,000)				
Large Diameter Water Main Lining			(1,700,000)			
<b>Total Capital Items</b>	<b>(5,482,774)</b>	<b>(36,616,856)</b>	<b>(43,093,459)</b>	<b>(19,416,989)</b>	<b>(18,803,417)</b>	<b>(12,177,982)</b>
<b>NET CHANGE IN POSITION</b>	<b>(269,173)</b>	<b>(2,845,255)</b>	<b>(3,545,679)</b>	<b>(675,806)</b>	<b>(297,827)</b>	<b>(885,731)</b>
Beginning Water Fund Reserve	\$ 11,982,201	\$ 11,713,028	\$ 8,867,774	\$ 5,322,095	\$ 4,646,289	\$ 4,348,462
Ending Water Fund Reserve	\$ 11,713,028	\$ 8,867,774	\$ 5,322,095	\$ 4,646,289	\$ 4,348,462	\$ 3,462,731
Target Water Fund Reserve	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000

**111-R-21**

**A RESOLUTION AUTHORIZING CITY OFFICIALS TO NEGOTIATE AND EXECUTE THE WIFIA LOAN AGREEMENT AND WIFIA TERM SHEET**

**WHEREAS**, the City of Evanston (“City”) plans on undertaking the 1909 Raw Water Intake Replacement Program (“Project”), which is designed to replace aging infrastructure in the City; and

**WHEREAS**, the United States Environmental Protection Agency (“EPA”) is authorized to act as a lender and enter into agreements with eligible entities to provide financial assistance to eligible projects; and

**WHEREAS**, the City has requested a WIFIA loan of approximately \$20,386,000 (excluding interest) to pay for eligible costs related to the Project; and

**WHEREAS**, the Administrator of the EPA has approved financial assistance to the City in the form of a WIFIA loan; and

**WHEREAS**, the City Council believes that it is in the best interests of the City to delegate to the City Manager, the City Treasurer, and/or any authorized designee, to negotiate the terms of a WIFIA loan agreement and a WIFIA term sheet to be executed by one of the following “Designated Officers”: the Mayor, City Clerk, Treasurer/Chief Financial Officer, City Manager or Deputy City Manager.

**NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:**

**SECTION 1:** That the foregoing recitals are hereby found as fact and incorporated herein by reference.

**SECTION 2:** The City Manager, the City Treasurer, and/or any authorized designee, is hereby authorized and directed to negotiate the terms of the WIFIA Loan Agreement and WIFIA Term Sheet, attached hereto as **Exhibit A**, and any of the Designated Officers are hereby authorized and directed to execute the WIFIA Loan Agreement and the WIFIA Term Sheet.

**SECTION 3:** If any provision, clause, sentence, paragraph, section or part of this Resolution, shall, for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair or invalidate the remainder of the Resolution.

**SECTION 4:** This Resolution 111-R-21 will be in full force and effect from and after the date of its passage and approval in the manner provided by law.

\_\_\_\_\_  
Daniel Biss, Mayor

Attest:

Approved as to form:

\_\_\_\_\_  
Stephanie Mendoza, City Clerk

\_\_\_\_\_  
Nicholas E. Cummings, Corporation Counsel

Adopted: \_\_\_\_\_, 2021

**EXHIBIT A**  
**WIFIA LOAN AGREEMENT AND WIFIA TERM SHEET**

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**UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
WIFIA LOAN AGREEMENT  
For Up to \$20,386,000  
With  
CITY OF EVANSTON, COOK COUNTY, ILLINOIS  
For the  
1909 RAW WATER INTAKE REPLACEMENT PROJECT  
(WIFIA – N20154IL)  
Dated as of November 2, 2021**

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**TABLE OF CONTENTS**

Page

**ARTICLE I**

**DEFINITIONS AND INTERPRETATION**

Section 1. Definitions.....2  
Section 2. Interpretation.....15

**ARTICLE II**

**THE WIFIA LOAN**

Section 3. WIFIA Loan Amount.....16  
Section 4. Disbursement Conditions; Quarterly Approval of Eligible Project Costs .....16  
Section 5. Term .....18  
Section 6. Interest Rate .....18  
Section 7. Security; Dedicated Source of Repayment from Revenues .....18  
Section 8. Payment of Principal and Interest .....20  
Section 9. Prepayment .....22  
Section 10. Fees and Expenses .....23

**ARTICLE III**

**CONDITIONS PRECEDENT**

Section 11. Conditions Precedent .....24

**ARTICLE IV**

**REPRESENTATIONS AND WARRANTIES**

Section 12. Representations and Warranties of Borrower .....29  
Section 13. Representations and Warranties of WIFIA Lender .....35

**ARTICLE V**

**COVENANTS**

Section 14. Affirmative Covenants.....35  
Section 15. Negative Covenants .....40  
Section 16. Reporting Requirements .....41

ARTICLE VI

EVENTS OF DEFAULT

Section 17. Events of Default and Remedies.....46

ARTICLE VII

MISCELLANEOUS

Section 18. Disclaimer of Warranty.....49  
Section 19. No Personal Recourse.....49  
Section 20. No Third Party Rights.....49  
Section 21. Borrower’s Authorized Representative.....50  
Section 22. WIFIA Lender’s Authorized Representative.....50  
Section 23. Servicer .....50  
Section 24. Amendments and Waivers .....50  
Section 25. Governing Law .....50  
Section 26. Severability .....50  
Section 27. Successors and Assigns.....50  
Section 28. Remedies Not Exclusive.....50  
Section 29. Delay or Omission Not Waiver.....51  
Section 30. Counterparts.....51  
Section 31. Notices .....51  
Section 32. Indemnification.....52  
Section 33. Sale of WIFIA Loan.....53  
Section 34. Effectiveness.....53  
Section 35. Termination.....53  
Section 36. Integration.....53

**SCHEDULE I** – Project Budget  
**SCHEDULE II** – Construction Schedule  
**SCHEDULE III** – Existing Indebtedness  
**SCHEDULE IV-A** – WIFIA Loan Payment Instructions  
**SCHEDULE IV-B** – WIFIA Fee Payment Instructions  
**SCHEDULE 12(f)** – Litigation  
**SCHEDULE 12(n)** – Principal Project Contracts  
**SCHEDULE 12(p)** – Environmental Matters

**EXHIBIT A** – Form of WIFIA Bond  
**EXHIBIT B** – Anticipated WIFIA Loan Disbursement Schedule  
**EXHIBIT C** – Form of Non-Debarment Certificate  
**EXHIBIT D-1** – Requisition Procedures  
**EXHIBIT D-2** – Certification of Eligible Project Costs Documentation  
**EXHIBIT E** – Form of Non-Lobbying Certificate  
**EXHIBIT F** – WIFIA Debt Service  
**EXHIBIT G-1** – Opinions Required from Counsel to Borrower on Effective Date  
**EXHIBIT G-2** – Opinions Required from Bond Counsel on Effective Date  
**EXHIBIT G-3** – Opinions Required from Bond Counsel at Each Disbursement  
**EXHIBIT H** – Form of Certificate of Bond Registrar  
**EXHIBIT I** – Form of Closing Certificate  
**EXHIBIT J** – Form of Certificate of Substantial Completion  
**EXHIBIT K** – Form of Quarterly Report for Individual Projects  
**EXHIBIT L** – Form of Public Benefits Report

## WIFIA LOAN AGREEMENT

**THIS WIFIA LOAN AGREEMENT** (this “**Agreement**”), dated as of November 2, 2021, is by and between the **CITY OF EVANSTON, COOK COUNTY, ILLINOIS**, a home-rule unit of government under the provisions of Section 6 of Article VII of the 1970 Constitution of the State of Illinois (the “**Illinois Constitution**”), with an address at 2100 Ridge Avenue, Evanston, Illinois 60201 (the “**Borrower**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the “**WIFIA Lender**”).

### RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016 and by Section 4201 of America’s Water Infrastructure Act of 2018 (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901–3914;

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance;

WHEREAS, the Borrower has requested that the WIFIA Lender make the WIFIA Loan (as defined herein) in a principal amount not to exceed \$20,386,000 (excluding interest that is capitalized in accordance with the terms hereof) to be used to pay a portion of the Eligible Project Costs (as defined herein) related to the Project (as defined herein) pursuant to the application for WIFIA financial assistance dated May 20, 2021 (the “**Application**”);

WHEREAS, as of the date hereof, the Administrator has approved WIFIA financial assistance for the Project to be provided in the form of the WIFIA Loan, subject to the terms and conditions contained herein;

WHEREAS, based on the Application and the representations, warranties and covenants set forth herein, the WIFIA Lender proposes to make funding available to the Borrower through the purchase of the WIFIA Bond (as defined herein), upon the terms and conditions set forth herein;

WHEREAS, pursuant to the home rule provisions of Section 6 of Article VII of the Illinois Constitution, the Borrower has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within forty (40) years from the time it is incurred without prior referendum approval;

WHEREAS, the issuance of the WIFIA Bond has been approved by the WIFIA Bond Ordinance;

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WHEREAS, the Borrower agrees to repay any amount due pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions hereof and of the WIFIA Bond; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Borrower set forth in the Application and the supporting information provided by the Borrower.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the WIFIA Lender as follows:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

#### Section 1. Definitions.

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 or as otherwise defined in this Agreement. Any term used in this Agreement that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement, whether or not such agreement remains in effect.

“**Act**” means the Act as defined in the recitals hereto.

“**Ad Valorem Property Taxes**” means the real property taxes levied by the Borrower to pay the WIFIA Bond as described and levied in Section [11] of the WIFIA Bond Ordinance upon all of the taxable property within the Borrower, in the years for which the WIFIA Bond is outstanding, in amounts as set forth in the WIFIA Bond Ordinance.

“**Additional Principal Project Contracts**” means, any prime contract entered into by the Borrower, after the Effective Date, with respect to the Project that involves any construction activity (such as demolition site preparation, civil works construction, installation, remediation, refurbishment, rehabilitation, or removal and replacement services).

“**Additional Project Obligations**” means any General Obligations or System Revenue Obligations issued or incurred after the Effective Date to fund any portion of Total Project Costs and that is permitted under Section 15(a) (*Negative Covenants – Indebtedness*).

“**Administrator**” has the meaning provided in the preamble hereto.

“**Agreement**” has the meaning provided in the preamble hereto.

“**Anticipated WIFIA Loan Disbursement Schedule**” means the schedule set forth in **Exhibit B** (*Anticipated WIFIA Loan Disbursement Schedule*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be amended from time to

time pursuant to Section 4(c) (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*).

“**Anti-Corruption Laws**” means all laws, rules and regulations of any jurisdiction from time to time concerning or relating to bribery or corruption.

“**Anti-Money Laundering Laws**” means all U.S. and other applicable laws, rules and regulations of any jurisdiction from time to time concerning or related to anti-money laundering, including but not limited to those contained in the Bank Secrecy Act and the Patriot Act.

“**Application**” has the meaning provided in the recitals hereto.

“**Bank Secrecy Act**” means the Bank Secrecy Act of 1970, as amended, and the regulations promulgated thereunder.

“**Bankruptcy Related Event**” means, with respect to the Borrower, (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Laws, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; (b) the Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) fail to make a payment of WIFIA Debt Service in accordance with the provisions of Section 8 (*Payment of Principal and Interest*) and such failure is not cured within thirty (30) days following notification by the WIFIA Lender of failure to make such payment, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief, in each case under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing, including seeking approval or legislative enactment by any Governmental Authority to authorize commencement of a voluntary proceeding under any Insolvency Law; (c) any Person shall commence a process pursuant to which all or a substantial part of the System may be sold or otherwise disposed of in a public or private sale or disposition; or (d) any receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official shall transfer, pursuant to directions issued by the Holders, funds on deposit in the WIFIA Bond Fund upon the occurrence and during the continuation of an Event of Default under this Agreement or an event of default under any other General Obligation Document or System Revenue Obligation Document, as applicable, for application to the prepayment or repayment of any principal amount of any General Obligations or System Revenue Obligations other than in

accordance with the provisions of the applicable General Obligation Document or System Revenue Obligation Document.

**“Base Case Financial Model”** means a financial model prepared by the Borrower forecasting the capital costs of the System (including the Project) and the rates, revenues, operating expenses and major maintenance requirements of the System for time periods through the Final Maturity Date and based upon assumptions and methodology provided by the Borrower and acceptable to the WIFIA Lender as of the Effective Date, which model shall be provided to the WIFIA Lender as a fully functional Microsoft Excel – based financial model or such other format requested by the WIFIA Lender.

**“Bond Registrar”** means Zions Bancorporation, National Association, Chicago, Illinois, or its successors, in its capacity as bond registrar and paying agent under the WIFIA Bond Ordinance, or a substituted bond registrar and paying agent as thereafter provided.

**“Borrower”** has the meaning provided in the preamble hereto.

**“Borrower Act”** means the Illinois Municipal Code, as supplemented and amended, and also the home rule powers of the Borrower under Section 6 of Article VII of the Illinois Constitution; and in the event of conflict between the provisions of said Municipal Code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said Municipal Code; and, further, includes the Local Government Debt Reform Act, as amended.

**“Borrower Fiscal Year”** means (a) as of the Effective Date, a fiscal year of the Borrower commencing on January 1 of any calendar year and ending on December 31 of the same calendar year or (b) such other fiscal year as the Borrower may hereafter adopt after giving thirty (30) days’ prior written notice to the WIFIA Lender in accordance with Section 15(f) (*Negative Covenants – Fiscal Year*).

**“Borrower’s Authorized Representative”** means any Person who shall be designated as such pursuant to Section 21 (*Borrower’s Authorized Representative*).

**“Business Day”** means any day other than a Saturday, a Sunday or a day on which offices of the Government or the State are authorized to be closed or on which commercial banks are authorized or required by law, regulation or executive order to be closed in New York, New York; Evanston, Illinois; or Washington, DC.

**“Capitalized Interest Period”** means the period from (and including) the Effective Date to (but excluding) the first day of the initial Payment Period, subject to earlier termination as set forth in Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*).

**“City Clerk”** means the City Clerk of the Borrower.

**“Closing Certificate”** has the meaning provided in Section 11(a)(viii) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

**“Code”** means the Internal Revenue Code of 1986, or any successor tax code, as amended from time to time, and the applicable regulations proposed or promulgated thereunder.

“**Congress**” means the Congress of the United States of America.

“**Construction Period**” means the period from the Effective Date through the Substantial Completion Date.

“**Construction Period Servicing Fee**” has the meaning set forth in Section 10(a)(ii) (*Fees and Expenses – Fees*).

“**Construction Schedule**” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as **Schedule II** (*Construction Schedule*), and (b) any updates thereto included in the periodic reports submitted to the WIFIA Lender pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) most recently approved by the WIFIA Lender.

“**Control**” means, when used with respect to any particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership or other ownership interests, by contract or otherwise, and the terms “**Controlling**” and “**Controlled by**” have meanings correlative to the foregoing.

“**Corporate Authorities**” means the City Council of the Borrower.

“**County**” means The County of Cook, Illinois.

“**County Clerk**” means the County Clerk of the County.

“**CPI**” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted) or its successor, published by the Bureau of Labor Statistics and located at <https://www.bls.gov/news.release/cpi.t01.htm>.

“**Debt Service**” for any period, means an amount equal to the sum of all principal of and interest on the WIFIA Loan, the SRF Loans, the System Related General Obligations and the System Revenue Obligations accruing and payable in respect of such period.

“**Debt Service Payment Commencement Date**” means the earliest to occur of either (a) December 1, 2026; or (b) if the Capitalized Interest Period ends pursuant to Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*) due to the occurrence of an Event of Default, the first Payment Date immediately following the end of the Capitalized Interest Period; or (c) the Payment Date falling closest to, but not later than, the fifth anniversary of the Substantial Completion Date.

“**Default**” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“**Default Rate**” means an interest rate equal to the sum of (a) the WIFIA Interest Rate plus (b) two hundred (200) basis points.

**“Development Default”** means (a) the Borrower abandons work or fails, in the reasonable judgment of the WIFIA Lender, to diligently prosecute the work related to the Project or (b) the Borrower fails to achieve Substantial Completion of the Project by August 1, 2026.

**“Dollars”** and **“\$”** means the lawful currency of the United States of America.

**“Effective Date”** means the date of this Agreement.

**“Eligible Project Costs”** means amounts in the Project Budget approved by the WIFIA Lender, which are paid by or for the account of the Borrower in connection with the Project (including, as applicable, Project expenditures incurred prior to the receipt of WIFIA credit assistance), which shall arise from the following:

- (a) development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;
- (b) construction, reconstruction, rehabilitation, and replacement activities;
- (c) the acquisition of real property or an interest in real property (including water rights, land relating to the Project and improvements to land), environmental mitigation (including acquisitions pursuant to Section 3905(8) of Title 33 of the United States Code), construction contingencies, and acquisition of equipment; or
- (d) capitalized interest (with respect to any General Obligations (other than the WIFIA Loan) or System Revenue Obligations issued or incurred to fund any portion of Total Project Costs) necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction;

provided, that Eligible Project Costs must be consistent with all other applicable federal law, including the Act.

**“Eligible Project Costs Documentation”** has the meaning provided in Section 1 of **Exhibit D-1** (*Requisition Procedures*).

**“EMMA”** means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended, and its successors.

**“Environmental Laws”** has the meaning provided in Section 12(p) (*Representations and Warranties of Borrower – Environmental Matters*).

**“EPA”** means the United States Environmental Protection Agency.

**“Event of Default”** has the meaning provided in Section 17(a) (*Events of Default and Remedies*).

“**Event of Loss**” means any event or series of events that causes any portion of the System to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a casualty, a failure of title, or any loss of such property through eminent domain.

“**Existing Indebtedness**” means General Obligations or System Revenue Obligations that have been issued or incurred prior to the Effective Date, as listed and described in **Schedule III** (*Existing Indebtedness*).

“**Existing Principal Project Contract**” means each contract of the Borrower set forth in **Schedule 12(n)** (*Principal Project Contracts*).

“**Federal Fiscal Year**” means the fiscal year of the Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

“**Final Disbursement Date**” means the earliest of (a) the date on which the WIFIA Loan has been disbursed in full; (b) the last anticipated date of disbursement set forth in the then-current Anticipated WIFIA Loan Disbursement Schedule; (c) the date on which the Borrower has certified to the WIFIA Lender that it will not request any further disbursements under the WIFIA Loan; (d) the date on which the WIFIA Lender terminates its obligations relating to disbursements of any undisbursed amounts of the WIFIA Loan in accordance with Section 17 (*Events of Default and Remedies*); and (e) the date that is one (1) year after the Substantial Completion Date.

“**Final Maturity Date**” means the earlier of (a) December 1, 2056 (or such earlier date as is set forth in an updated **Exhibit F** (*WIFIA Debt Service*) pursuant to Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*)); and (b) the Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

“**Financial Statements**” has the meaning provided in Section 12(t) (*Representations and Warranties of Borrower – Financial Statements*).

“**Forecast Period**” means, as of any date, the time period with the later ending date of either of the following: (a) the time period from and including the current Borrower Fiscal Year and each of the immediately succeeding five (5) Borrower Fiscal Years or (b) the time period from and including the current Borrower Fiscal Year and ending on the last date of the forecast periods covered in the Borrower’s currently effective capital improvement plan for the System.

“**GAAP**” means generally accepted accounting principles for U.S. state and local governments, as established by the Government Accounting Standards Board (or any successor entity with responsibility for establishing accounting rules for governmental entities), in effect from time to time in the United States of America.

“**General Obligation Documents**” means any General Obligation Ordinance and any other indenture, bond, credit agreement, note, reimbursement agreement, letter of credit, guarantee or any other agreement, instrument or document pursuant to which any General

Obligation is incurred by the Borrower, including the WIFIA Bond Ordinance and this Agreement.

**“General Obligation Ordinance”** means any ordinance adopted by the Borrower, together with any related bond order, authorizing the issuance and sale of its General Obligations, including the WIFIA Bond Ordinance.

**“General Obligation Pledge”** has the meaning provided in Section 7(a) (*Security; Dedicated Source of Repayment from Revenues – WIFIA Bond; General Obligation Pledge*).

**“General Obligations”** means obligations of the Borrower with powers to levy taxes on property within the jurisdiction of the Borrower (including the Ad Valorem Property Taxes), backed by the full faith and credit and taxing power of the Borrower.

**“Government”** means the United States of America and its departments and agencies.

**“Governmental Approvals”** means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

**“Governmental Authority”** means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

**“Holder”** means (a) when used with respect to the WIFIA Bond, the WIFIA Lender (and any subsequent registered holder of the WIFIA Bond), and (b) when used with respect to any other General Obligation or System Revenue Obligation, the registered owner of such General Obligation or System Revenue Obligation.

**“Illinois Constitution”** has the meaning provided in the preamble hereto.

**“Indemnitee”** has the meaning provided in Section 32 (*Indemnification*).

**“Insolvency Laws”** means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

**“Interest Payment Date”** means each June 1 and December 1, commencing on [the Debt Service Payment Commencement Date].

**“Investment Grade Rating”** means a public rating no lower than ‘BBB-’, ‘Baa3’, ‘bbb-’, ‘BBB (low)’, or higher, from a Nationally Recognized Rating Agency.

“**Lien**” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

“**Loan Amortization Schedule**” means the Loan Amortization Schedule reflected in the applicable column of **Exhibit F** (*WIFIA Debt Service*), as amended from time to time in accordance with Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

“**Loss Proceeds**” means any proceeds of builders’ risk or casualty insurance (other than any proceeds from any policy of business interruption insurance insuring against loss of revenues upon the occurrence of certain casualties or events covered by such policy of insurance) or proceeds of eminent domain proceedings resulting from any Event of Loss.

“**Material Adverse Effect**” means a material adverse effect on (a) the General Obligation Pledge, the Ad Valorem Property Taxes, the System, the Project or the Revenues, (b) the business, operations, properties, condition (financial or otherwise) or prospects of the Borrower, (c) the legality, validity or enforceability of any material provision of any WIFIA Loan Document, (d) the ability of the Borrower to enter into, perform or comply with any of its material obligations under any WIFIA Loan Document, (e) the validity, enforceability or priority of the General Obligation Pledge or (f) the WIFIA Lender’s rights or remedies available under any WIFIA Loan Document.

“**Nationally Recognized Rating Agency**” means any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission.

“**NEPA**” means the National Environmental Policy Act of 1969, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

“**NEPA Determination**” means the [Finding of No Significant Impact][Categorical Exclusion][Record of Decision] for the Project issued by EPA on [\_\_\_], 20[\_\_\_] in accordance with NEPA.

“**Net Loss Proceeds**” means Loss Proceeds after excluding any proceeds of delay-in-start-up insurance and proceeds covering liability of the Borrower to third parties.

“**Net Revenues**” means, for any Borrower Fiscal Year, the Revenues for such Borrower Fiscal Year, less Operations and Maintenance Expenses for such Borrower Fiscal Year.

“**Non-Debarment Certificate**” means a certificate, signed by the Borrower’s Authorized Representative, as to the absence of debarment, suspension or voluntary exclusion from participation in Government contracts, procurement and non-procurement matters with respect to the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R.

1532.995), substantially in the form attached hereto as **Exhibit C** (*Form of Non-Debarment Certificate*).

**“Non-Lobbying Certificate”** means a certificate, signed by the Borrower’s Authorized Representative, with respect to the prohibition on the use of appropriated funds for lobbying pursuant to 49 C.F.R. § 20.100(b), substantially in the form attached hereto as **Exhibit E** (*Form of Non-Lobbying Certificate*).

**“OFAC”** means the Office of Foreign Assets Control of the United States Department of the Treasury.

**“Operating Period Servicing Fee”** has the meaning set forth in Section 10(a)(iii) (*Fees and Expenses – Fees*).

**“Operation and Maintenance Costs”** means all costs of operating, maintaining and routine repair of the System, including such items as wages, salaries, costs of materials and supplies, taxes, power, fuel, insurance, including all payments for such services to be made pursuant to long-term contracts for the provision of such services, but shall not include debt service of any kind, depreciation, any capital reserve requirements, and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

**“Outstanding”** means, with respect to General Obligations or System Revenue Obligations, General Obligations or System Revenue Obligations, as applicable, that have not been cancelled or legally defeased or discharged within the meaning of the applicable General Obligation Documents or System Revenue Obligation Documents.

**“Outstanding WIFIA Loan Balance”** means the sum of (i) the aggregate principal amount of the WIFIA Loan drawn by the Borrower plus (ii) capitalized interest added to the principal balance of the WIFIA Loan minus (iii) the aggregate principal amount of the WIFIA Loan repaid by the Borrower, as determined in accordance with Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

**“Patriot Act”** means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended, and all regulations promulgated thereunder.

**“Payment Date”** means each Interest Payment Date and each Principal Payment Date.

**“Payment Default”** has the meaning provided in Section 17(a)(i) (*Events of Default and Remedies – Payment Default*).

**“Payment Period”** means the six (6) month period beginning on December 1 and ending on June 1, and each succeeding six (6) month period thereafter; provided, that, if the Debt Service Payment Commencement Date begins earlier than December 1, 2026, the first Payment Period shall be the six (6) month period ending on the date immediately prior to the Debt Service Payment Commencement Date.

“**Permitted Investments**” means any investment permitted under applicable State law and the Borrower’s investment policies.

“**Person**” means and includes an individual, a general or limited partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and any Governmental Authority.

“**Principal Payment Date**” means each December 1, commencing on December 1, 2026.

“**Principal Project Contracts**” means the Existing Principal Project Contracts and the Additional Principal Project Contracts.

“**Principal Project Party**” means any Person (other than the Borrower) party to a Principal Project Contract.

“**Project**” means the replacement of a failing raw water intake in Lake Michigan to improve the reliability of the water supply to the Borrower’s water treatment plant, including abandonment of the existing intake, the construction of a new, replacement intake structure and pipeline, new onshore facilities, and modifications to existing facilities to incorporate the new intake into the water treatment process.

“**Project Budget**” means the budget for the Project attached to this Agreement as **Schedule I** (*Project Budget*) showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

“**Projected Substantial Completion Date**” means August 1, 2024, as such date may be adjusted in accordance with Section 16(d) (*Reporting Requirements – Construction Reporting*).

“**Public Benefits Report**” has the meaning provided in Section 16(e) (*Reporting Requirements – Public Benefits Report*).

“**Rate Covenant**” has the meaning set forth in Section 14(a) (*Affirmative Covenants – Rate Covenant*).

“**Related Documents**” means the WIFIA Loan Documents and the Principal Project Contracts.

“**Requisition**” has the meaning provided in Section 4(a) (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*).

“**Revenues**” means all income from whatever source derived from the System, including investment income and the like, connection, permit and inspection fees and the like, user charges of all kinds for the use and service of the System, and including such transfers from the corporate funds or the Water Fund of the Borrower as the Corporate Authorities shall from time to time determine through the budget and appropriation of such funds, or other proper action; but shall not include non-recurring income from the sale of property of the System, governmental or other grants or loans, and as otherwise determined in accordance with generally accepted accounting principles for municipal enterprise funds.

**“Sanctioned Country”** means, at any time, a country or territory which is itself the subject or target of any Sanctions.

**“Sanctioned Person”** means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned or controlled by any such Person or Persons.

**“Sanctions”** means economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by the Government, including those administered by OFAC or the U.S. Department of State.

**“Servicer”** means such entity or entities as the WIFIA Lender shall designate from time to time to perform, or assist the WIFIA Lender in performing, certain duties hereunder.

**“Servicing Fee”** means the Servicing Set-Up Fee and any Construction Period Servicing Fee or Operating Period Servicing Fee.

**“Servicing Set-Up Fee”** has the meaning set forth in Section 10(a)(i) (*Fees and Expenses – Fees*).

**“SRF Loan Documents”** means each loan agreement or any other agreement, instrument or document, including all amendments thereto, pursuant to which a SRF Loan is incurred by the Borrower.

**“SRF Loans”** means any loan obligations entered into between the Borrower and the Illinois Environmental Protection Agency in connection with Illinois Environmental Protection Agency Public Water Supply Loan Program for the purpose of financing and refinancing the costs of capital improvements to the System. The SRF Loans Outstanding as of the Effective Date are listed and described in **Schedule III** (*Existing Indebtedness*).

**“State”** means the State of Illinois.

**“Substantial Completion”** means, with respect to the Project, the stage at which the Project is able to perform the functions for which the Project is designed.

**“Substantial Completion Date”** means the date on which the Borrower certifies to the WIFIA Lender, with evidence satisfactory to the WIFIA Lender, that Substantial Completion has occurred.

**“System”** means the [potable water system, including all property, real, personal, or otherwise owned or to be owned by the Borrower or under the control of the Borrower, and used for water supply purposes, as well as for any and all further extensions, improvements, and additions to the system; however, expressly excluding property which from time to time is deemed by the Borrower to be no longer useful or necessary to the continued effective and efficient operation of the system or extensions, improvements or additions which are at the time of construction, acquisition and installation expressly excluded, and of all of which the Project is a part].

**“System Related General Obligation Documents”** means any General Obligation Ordinance and any other indenture, bond, credit agreement, note, reimbursement agreement, letter of credit, guarantee or any other agreement, instrument or document pursuant to which any System Related General Obligation is incurred by the Borrower, including the WIFIA Bond Ordinance and this Agreement.

**“System Related General Obligations”** means General Obligations, all or a portion of the proceeds of which are used for payment of costs paid or incurred or to be paid or incurred by the Borrower in connection with or incidental to the acquisition, design, construction and equipping of the System.

**“System Revenue Obligation Document”** means any installment purchase contract, indenture, trust agreement or other document that provides for the issuance or incurrence of a System Revenue Obligation, including without limitation, the SRF Loan Documents.

**“System Revenue Obligations”** means obligations of the Borrower that are secured by a Lien on all or a portion of the Revenues or Net Revenues, including without limitation, the SRF Loans.

**“Technical and Rate Consultant”** means a single individual or firm, or a combination of one or more individuals or firms, not related to the Borrower and considered independent with respect to the Borrower (i.e. not an employee of the Borrower or any affiliate of the Borrower) authorized to do business in and qualified to practice in the areas required to provide the services required of the Technical and Rate Consultant, that together have expertise in the technical requirements for operation and maintenance of systems similar in size and scope to the System and delivering the services provided by the System, and establishing rates and charges for governmental water or wastewater systems similar in size and scope to the System, selected by the Borrower and reasonably acceptable to the WIFIA Lender.

**“Total Project Costs”** means (a) the costs paid or incurred or to be paid or incurred by the Borrower in connection with or incidental to the acquisition, design, construction and equipping of the Project, including legal, administrative, engineering, planning, design, insurance and financing (including costs of issuance); (b) amounts, if any, required by the WIFIA Loan Documents or any other System Related General Obligation Document or System Revenue Obligation Document to be paid into any fund or account upon the incurrence of the WIFIA Loan or any other General Obligations or System Revenue Obligations, in each case in respect of the Project; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) during the Construction Period in respect of any indebtedness of the Borrower, in each case in connection with the Project (other than the WIFIA Loan); and (d) costs of equipment and supplies and initial working capital and reserves required by the Borrower for the commencement of operation of the Project, including general administrative expenses and overhead of the Borrower.

**“Uncontrollable Force”** means any cause beyond the control of the Borrower, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil

disturbance or similar occurrence, sabotage, or act of God (provided, that the Borrower shall not be required to settle any strike or labor disturbance in which it may be involved) or (b) the order or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Borrower and the Borrower does not Control the administrative agency or governmental officer or body; provided, that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of the Borrower.

“**Uniform Commercial Code**” or “**UCC**” means the Uniform Commercial Code, as in effect from time to time in the State.

“**Updated Financial Model**” means the Base Case Financial Model (or a financial plan), updated in accordance with Section 16(a) (*Reporting Requirements – Updated Financial Model*).

“**Water Fund**” means the enterprise fund of such name, as established by the Borrower and used to account for the Revenues collected by the Borrower, including any subaccounts therein.

“**WIFIA**” has the meaning provided in the recitals hereto.

“**WIFIA Bond**” means the Bond delivered by the Borrower in substantially the form of **Exhibit A** (*Form of WIFIA Bond*).

“**WIFIA Bond Fund**” means the [Series 2021 WIFIA Bond] Debt Service Account established and defined in the WIFIA Bond Ordinance.

“**WIFIA Bond Moneys**” means the Ad Valorem Property Taxes and any other moneys on deposit in the WIFIA Bond Fund from time to time, including investment income thereon.

“**WIFIA Bond Ordinance**” means Ordinance [ ]-O-21, [ ], adopted by the Corporate Authorities on [ ], 2021, incorporating by reference the terms and provisions of this Agreement, including specifically the covenants and events of default set forth hereunder, and authorizing the execution and delivery of this Agreement, the WIFIA Bond, and certain related actions by the Borrower in connection with the issuance of the WIFIA Bond.

“**WIFIA Debt Service**” means with respect to any Payment Date occurring on or after the Debt Service Payment Commencement Date, the principal portion of the Outstanding WIFIA Loan Balance and any interest payable thereon (including interest accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower), in each case, (a) as set forth on **Exhibit F** (*WIFIA Debt Service*) and (b) due and payable on such Payment Date in accordance with the provisions of Section 8(a) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*).

“**WIFIA Interest Rate**” has the meaning provided in Section 6 (*Interest Rate*).

“**WIFIA Lender**” has the meaning provided in the preamble hereto.

“**WIFIA Lender’s Authorized Representative**” means the Administrator and any other Person who shall be designated as such pursuant to Section 22 (*WIFIA Lender’s Authorized Representative*).

“**WIFIA Loan**” means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, pursuant to the Act, in a principal amount not to exceed \$20,386,000 (excluding capitalized interest), to be used in respect of Eligible Project Costs paid or incurred by the Borrower.

“**WIFIA Loan Documents**” means this Agreement, the WIFIA Bond and the WIFIA Bond Ordinance.

Section 2. Interpretation.

(a) Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa.

(c) Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require.

(d) The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

(e) Whenever the Borrower’s knowledge is implicated in this Agreement or the phrase “to the Borrower’s knowledge” or a similar phrase is used in this Agreement, the Borrower’s knowledge or such phrase(s) shall be interpreted to mean to the best of the Borrower’s knowledge after reasonable and diligent inquiry. Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns.

(f) Unless the context shall otherwise require, references to preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions are to the applicable preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions of this Agreement.

(g) The schedules and exhibits to this Agreement, and the appendices and schedules to such exhibits, are hereby incorporated by reference and made an integral part of this Agreement.

(h) The headings or titles of this Agreement and its sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions.

(i) Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or

supplements to, or modifications or restatements or replacements of, such documents that are approved from time to time in accordance with the terms thereof and hereof.

(j) Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 31 (*Notices*) and signed by a duly authorized representative of such party.

(k) References to “disbursements of WIFIA Loan proceeds” or similar phrasing shall be construed as meaning the same thing as “paying the purchase price of the WIFIA Bond”.

(l) Whenever this Agreement requires a change in principal amount, interest rate or amortization schedule of the WIFIA Loan, it is intended that such change be reflected in the WIFIA Bond. Whenever there is a mandatory or optional prepayment of the WIFIA Loan, it is intended that such prepayment be implemented through a prepayment of the WIFIA Bond.

## ARTICLE II

### THE WIFIA LOAN

Section 3. WIFIA Loan Amount. The principal amount of the WIFIA Loan shall not exceed \$20,386,000 (excluding any interest that is capitalized in accordance with the terms hereof). WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*).

Section 4. Disbursement Conditions; Quarterly Approval of Eligible Project Costs.

(a) WIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred and approved for payment by or on behalf of the Borrower in connection with the Project. If the Borrower intends to utilize the WIFIA Loan proceeds to make progress payments for Project construction work performed under the Principal Project Contracts, the Borrower shall demonstrate to the satisfaction of the WIFIA Lender that such progress payments are commensurate with the cost of the work that has been completed. Each disbursement of the WIFIA Loan shall be made pursuant to a requisition and certification (a “**Requisition**”) in the form set forth in **Appendix One** (*Form of Requisition*) to **Exhibit D-1** (*Requisition Procedures*), along with all documentation and other information required thereby, submitted by the Borrower to, and approved by, the WIFIA Lender, all in accordance with the procedures of **Exhibit D-1** (*Requisition Procedures*) and subject to the requirements of this Section 4 and the conditions set forth in Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*); provided, that no disbursements of WIFIA Loan proceeds shall be made after the Final Disbursement Date.

(b) Each Requisition shall include a certification by the Borrower certifying as to the following: (i) whether reimbursement or payment is being requested with respect to (A) Eligible Project Costs that have been submitted by the Borrower pursuant to Section 4(e) and approved by the WIFIA Lender pursuant to Section 4(g) or (B) other Eligible Project Costs

incurred by the Borrower; (ii) the Eligible Project Costs for which reimbursement or payment is being requested have not been reimbursed or paid by any previous disbursement of WIFIA Loan proceeds; and (iii) to the extent any Eligible Project Costs described in clause (i)(B) above are included in the Requisition, that such Eligible Project Costs have not and will not be submitted by the Borrower for approval pursuant to Section 4(e) and Section 4(f).

(c) The Borrower shall deliver copies of each Requisition to the WIFIA Lender and the Servicer (if any) on or before the first (1<sup>st</sup>) Business Day of each month for which a disbursement is requested. If the WIFIA Lender shall expressly approve a Requisition or shall not expressly deny a Requisition, disbursements of funds shall be made on the fifteenth (15<sup>th</sup>) day of the month for which a disbursement has been requested, or on the next succeeding Business Day if such fifteenth (15<sup>th</sup>) day is not a Business Day. Express WIFIA Lender approval or denial shall be substantially in the form annexed hereto as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to **Exhibit D-1** (*Requisition Procedures*). In no event shall disbursements be made more than once each month.

(d) At the time of any disbursement, the sum of all prior disbursements of WIFIA Loan proceeds and the disbursement then to be made shall not exceed the cumulative disbursements through the end of the then-current Federal Fiscal Year set forth in the Anticipated WIFIA Loan Disbursement Schedule, as the same may be amended from time to time in accordance with the terms of this Agreement. Subject to this Section 4, any scheduled disbursement (as reflected in the Anticipated WIFIA Loan Disbursement Schedule) that remains undrawn at the end of any Federal Fiscal Year shall automatically roll forward to be available in the next succeeding Federal Fiscal Year up to the last anticipated date of disbursement set forth in the Anticipated WIFIA Loan Disbursement Schedule, having the effect of automatically updating the Anticipated WIFIA Loan Disbursement Schedule without need for the WIFIA Lender's approval. The Borrower may also amend the Anticipated WIFIA Loan Disbursement Schedule by submitting a revised version thereof to the WIFIA Lender no later than thirty (30) days prior to the proposed effective date of such amendment, together with a detailed explanation of the reasons for such revisions. Such revised Anticipated WIFIA Loan Disbursement Schedule shall become effective upon the WIFIA Lender's approval thereof, which approval shall be granted in the WIFIA Lender's sole discretion.

(e) On a quarterly basis, the Borrower shall submit to the WIFIA Lender and any Servicer, Eligible Project Costs Documentation, satisfactory to the WIFIA Lender in form and substance, with respect to any costs incurred by the Borrower in respect of the Project (to the extent Eligible Project Costs Documentation with respect to such costs has not previously been provided to the WIFIA Lender) evidencing that such costs are Eligible Project Costs, or, if the Borrower elects in any quarter not to submit Eligible Project Costs Documentation, a written statement indicating such election; provided that no such submission shall be required (i) before the date that is sixty (60) days after the Effective Date or (ii) for any costs incurred prior to the Effective Date.

(f) The Eligible Project Costs Documentation submitted pursuant to Section 4(e) shall contain sufficient detail to enable the WIFIA Lender to verify that any costs submitted by the Borrower for reimbursement are Eligible Project Costs. Each time the Borrower delivers Eligible Project Costs Documentation to the WIFIA Lender, and any Servicer, the Borrower

shall also deliver to such entities a certificate, substantially in the form of **Exhibit D-2** (*Certification of Eligible Project Costs Documentation*) and duly executed by the Borrower's Authorized Representative.

(g) Within thirty (30) days following the receipt of the Eligible Project Costs Documentation submitted pursuant to Section 4(e), the WIFIA Lender shall deliver a notice to the Borrower confirming (i) which Eligible Project Costs incurred by the Borrower have been approved or denied (and, if denied, the reasons therefor) and (ii) the cumulative amount of Eligible Project Costs that have been approved with respect to the Borrower. Any approved amounts of Eligible Project Costs shall be disbursed at such time as the Borrower submits a Requisition in respect of such approved amounts in accordance with Section 4(a), Section 4(b) and Section 4(c). The Borrower shall use all commercially reasonable efforts to submit Eligible Project Costs Documentation to the WIFIA Lender and any Servicer at least one (1) month prior to submitting any Requisition that seeks reimbursement of Eligible Project Costs addressed by such Eligible Project Costs Documentation.

Section 5. Term. The term of the WIFIA Loan shall extend from the Effective Date to the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds.

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance (the "**WIFIA Interest Rate**") shall be [\_\_\_\_\_] and [\_\_\_\_\_] hundredths percent ([\_\_\_\_\_]%) per annum. Interest will accrue and be computed on the Outstanding WIFIA Loan Balance (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, upon the occurrence of an Event of Default, the Borrower shall pay interest on the Outstanding WIFIA Loan Balance at the Default Rate, (a) in the case of any Payment Default, from (and including) its due date to (but excluding) the date of actual payment and (b) in the case of any other Event of Default, from (and including) the date of such occurrence to (but excluding) the earlier of the date on which (i) such Event of Default has been cured (if applicable) in accordance with the terms of this Agreement and (ii) the Outstanding WIFIA Loan Balance, and all fees and expenses with respect thereto, has been irrevocably paid in full in immediately available funds. For the avoidance of doubt, interest on the WIFIA Loan (and the corresponding WIFIA Bond) shall accrue and be payable only on those amounts for which a Requisition has been submitted and funds (or such portion of funds as have been approved by the WIFIA Lender) have been disbursed to the Borrower for use on the Project in accordance with Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*).

Section 7. Security; Dedicated Source of Repayment from Revenues.

(a) WIFIA Bond; General Obligation Pledge. As security for the WIFIA Loan, and concurrently with the issuance and delivery of this Agreement, the Borrower shall deliver to the WIFIA Lender, as the registered owner, the WIFIA Bond pursuant to the WIFIA Bond Ordinance. The WIFIA Bond is a General Obligation of the Borrower, for which the full faith and credit of the Borrower has irrevocably pledged in the WIFIA Bond Ordinance, and the Borrower hereby affirms such pledge, and the WIFIA Bond is payable from the levy of the Ad

Valorem Property Taxes on all of the taxable property in the Borrower, without limitation as to rate or amount (the “**General Obligation Pledge**”).

(b) Levy of Ad Valorem Property Taxes; Abatement. For the purpose of providing funds required to pay the principal and the interest on the WIFIA Bond promptly when and as the same falls due, and to pay and discharge the remaining principal thereof at maturity, the Borrower covenants and agrees to levy upon all of the taxable property within the Borrower, in the years in which the WIFIA Bond is Outstanding, a direct annual tax sufficient for that purpose for the WIFIA Bond; and the Borrower covenants and agrees to levy upon all of the taxable property within the Borrower, in the years in which the WIFIA Bond is outstanding, the Ad Valorem Property Taxes in amounts as shall be fully set forth in the WIFIA Bond Ordinance. The WIFIA Bond Moneys shall be applied to pay principal of and interest on the WIFIA Bond. Interest on or principal of the WIFIA Bond coming due at any time when there are insufficient WIFIA Bond Moneys to pay the same shall be paid promptly when due from current funds of the Borrower on hand in advance of the deposit of the Ad Valorem Property Taxes; and when the Ad Valorem Property Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The Borrower covenants and agrees with the purchasers and registered owners of the WIFIA Bond that so long as the WIFIA Bond remains outstanding the Borrower will take no action or fail to take any action which in any way would adversely affect the ability of the Borrower to levy and collect the Ad Valorem Property Taxes. The Borrower and its officers will comply with all present and future applicable laws in order to assure that the Ad Valorem Property Taxes may lawfully be levied, extended, and collected as provided in the WIFIA Bond Ordinance. In the event that funds from any other lawful source are made available for the purpose of paying any principal of or interest on any of the WIFIA Bond so as to enable the abatement of the taxes levied in the WIFIA Bond Ordinance for the payment of same, the Corporate Authorities shall, by proper proceedings, direct the transfer of such funds to the WIFIA Bond Fund, and shall then direct the abatement of the taxes by the amount so deposited. The Borrower covenants and agrees that it will not direct the abatement of taxes until money has been deposited into the WIFIA Bond Fund in the amount of such abatement. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

A copy of the executed WIFIA Bond Ordinance, certified by the City Clerk, has been filed with the County Clerk. Under authority of the WIFIA Bond Ordinance, the County Clerk shall in and for each of the years as set forth in the WIFIA Bond Ordinance ascertain the rate percent required to produce the aggregate Ad Valorem Property Taxes levied in each of such years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in such years in and by the Borrower for general corporate purposes of the Borrower; and in each of those years such annual tax shall be levied and collected by and for and on behalf of the Borrower in like manner as taxes for general corporate purposes for such years are levied and collected, without limit as to rate or amount, and in addition to and in excess of all other taxes.

The Ad Valorem Property Taxes for the WIFIA Bond shall either be deposited into the WIFIA Bond Fund and used solely and only for paying the principal of and interest on the WIFIA Bond or be used to reimburse a fund or account from which advances to the WIFIA Bond Fund may have been made to pay principal of or interest on the WIFIA Bond prior to

receipt of Ad Valorem Property Taxes. Interest income or investment profit earned in the WIFIA Bond Fund shall be retained in the WIFIA Bond Fund for payment of the principal of or interest on the WIFIA Bond on the Payment Date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. The Borrower hereby pledges, as equal and ratable security for the WIFIA Bond, all present and future proceeds of the Ad Valorem Property Taxes for the sole benefit of the registered owners of the WIFIA Bond, subject to the reserved right of the Corporate Authorities to transfer certain interest income or investment profit earned in the WIFIA Bond Fund to other funds of the Borrower, as described in the preceding sentence.

(c) Dedicated Source of Repayment from Revenues. All Revenues shall be deposited into the Water Fund when and as received. The Borrower has made available the Revenues, after payment of Operation and Maintenance Costs, as a dedicated source of repayment for the WIFIA Bond and all of the other obligations of the Borrower under this Agreement. The Borrower intends to provide for the payment of the WIFIA Debt Service by transferring Revenues to the WIFIA Bond Fund, and following the deposit of such Revenues in the WIFIA Bond Fund, to direct the abatement of the taxes by the amount so deposited.

Section 8. Payment of Principal and Interest.

(a) Payment of WIFIA Debt Service.

(i) On each Payment Date occurring on or after the Debt Service Payment Commencement Date, the Borrower shall pay WIFIA Debt Service by making (A) semi-annual payments of interest, on each Interest Payment Date, (B) annual payments of principal, on each Principal Payment Date, and (C) payments of any other amounts on each other date on which payment thereof is required to be made hereunder (including the Final Maturity Date and any date on which payment is due by reason of the mandatory redemption or prepayment or the acceleration of the maturity of the WIFIA Loan or otherwise); provided, that if any such date is not a Business Day, payment shall be made on the next Business Day following such date. Payments of WIFIA Debt Service shall be made in the amounts and on the Payment Dates as set forth in **Exhibit F** (*WIFIA Debt Service*), as the same may be revised pursuant to Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*), and shall be calculated by the WIFIA Lender in such manner that each such payment shall be approximately equal in amount, in order for the Outstanding WIFIA Loan Balance to be reduced to \$0 on the Final Maturity Date.

(ii) Notwithstanding anything herein to the contrary, the Outstanding WIFIA Loan Balance and any accrued interest thereon shall be due and payable in full on the Final Maturity Date.

(b) Capitalized Interest Period. No payment of the principal of or interest on the WIFIA Loan is required to be made during the Capitalized Interest Period. Interest on amounts capitalized pursuant to this Section 8(b) shall commence on the date such interest is added to the principal balance of the WIFIA Loan (and corresponding WIFIA Bond) during the Capitalized Interest Period. On each June 1 and December 1 occurring during the Capitalized

Interest Period, interest accrued on the WIFIA Loan in the six (6) month period ending immediately prior to such date shall be capitalized and added to the Outstanding WIFIA Loan Balance. Within thirty (30) days after the end of the Capitalized Interest Period, the WIFIA Lender shall give written notice to the Borrower stating the Outstanding WIFIA Loan Balance as of the close of business on the last day of the Capitalized Interest Period, which statement thereof shall be deemed conclusive absent manifest error; provided, however, that no failure to give or delay in giving such notice shall affect any of the obligations of the Borrower hereunder or under any of the other WIFIA Loan Documents. Notwithstanding the foregoing, the Capitalized Interest Period shall end immediately upon written notification to the Borrower by the WIFIA Lender that an Event of Default has occurred, in which case the provisions of this Section 8(b) shall no longer apply and payments of principal and interest shall be currently due and payable in accordance with the terms hereof and interest shall no longer be capitalized. For purposes of this subsection, an Event of Default under Section 17(a)(v) (*Events of Default and Remedies – Cross Default with General Obligation Documents*) shall be deemed to have occurred upon the occurrence of any nonpayment of principal of, interest on or redemption price of General Obligations when due, regardless of whether the Holders of the applicable General Obligations, or any legal order, has waived, permitted deferral of, or forgiven any such payment.

(c) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the Effective Date, the WIFIA Bond substantially in the form of **Exhibit A** (*Form of WIFIA Bond*), having a maximum principal amount (excluding capitalized interest) of \$20,386,000, bearing interest at the WIFIA Interest Rate and having principal and interest payable on the same dates set forth herein. Any payment in respect of the WIFIA Bond shall be treated as a payment in respect of the WIFIA Loan and any prepayment of principal in respect of the WIFIA Loan shall be treated as a redemption in respect of the WIFIA Bond.

(d) Manner of Payment. Payments to the WIFIA Lender as the Holder of the WIFIA Bond shall be made on or before each Payment Date in Dollars and in immediately available funds (without counterclaim, offset or deduction) in accordance with the payment instructions set forth in **Schedule IV-A** (*WIFIA Loan Payment Instructions*), as may be modified in writing from time to time by the WIFIA Lender. The Borrower may make any such payment or portion thereof with funds then on deposit in the WIFIA Bond Fund. Payments by the Borrower under this Agreement, including but not limited to, payments to be made pursuant to Section 10 (*Fees and Expenses*), other than payments required to be made with respect to principal of and interest on the WIFIA Bond shall be made on or before the applicable due date in Dollars and in immediately available funds (without counterclaim, offset or deduction) in accordance with the payment instructions set forth in **Schedule IV-B** (*WIFIA Fee Payment Instructions*), as may be modified in writing from time to time by the WIFIA Lender.

(e) Adjustments to Loan Amortization Schedule. (i) The Outstanding WIFIA Loan Balance will be (A) increased on each occasion on which the WIFIA Lender disburses loan proceeds hereunder, by the amount of such disbursement of loan proceeds; (B) increased on each occasion on which interest on the WIFIA Loan is capitalized pursuant to the provisions of Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*), by the amount of interest so capitalized; and (C) decreased upon each payment or prepayment of the Outstanding WIFIA Loan Balance, by the amount of principal so paid. The WIFIA Lender may in its

discretion at any time and from time to time, or when so requested by the Borrower, advise the Borrower by written notice of the amount of the Outstanding WIFIA Loan Balance as of the date of such notice, and its determination of such amount in any such notice shall be deemed conclusive absent manifest error.

(ii) The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** (*WIFIA Debt Service*) from time to time, in accordance with the principles set forth below in this Section 8(e), to reflect (A) any change to the Outstanding WIFIA Loan Balance, (B) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Borrower under this Agreement, and (C) such other information as the WIFIA Lender may determine is necessary for administering the WIFIA Loan and this Agreement. Any calculations described above shall be rounded up to the nearest whole cent. Any adjustments or revisions to the Loan Amortization Schedule as a result of changes in the Outstanding WIFIA Loan Balance shall be applied to reduce future payments due on the WIFIA Bond in inverse order of maturity. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** (*WIFIA Debt Service*) shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. The WIFIA Lender shall provide the Borrower with a copy of **Exhibit F** (*WIFIA Debt Service*) as revised, but no failure to provide or delay in providing the Borrower with such copy shall affect any of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents.

Section 9. Prepayment.

(a) [Reserved]

(b) Optional Prepayments. The Borrower may prepay the WIFIA Loan in whole at any time or in part on any Payment Date (but in the case of a partial prepayment, the Borrower is limited to one prepayment annually and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, however, that such prepayments shall be in principal amounts of \$500,000 or any integral multiple of \$1.00 in excess thereof), from time to time, without penalty or premium, by paying to the WIFIA Lender such principal amount of the WIFIA Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment, and shall further include payment of all obligations of the Borrower under this Agreement in respect of the WIFIA Loan, including fees and expenses, then due and payable. Each prepayment of the WIFIA Loan pursuant to this Section 9(b) shall be made on such Payment Date and in such principal amount as shall be specified by the Borrower in a written notice delivered to the WIFIA Lender not less than ten (10) days or more than thirty (30) days prior to the date set for prepayment, unless otherwise agreed by the WIFIA Lender. At any time between delivery of such written notice and the applicable optional prepayment, the Borrower may, without penalty or premium, rescind its announced optional prepayment by further written notice to the WIFIA Lender. Anything in this Section 9(b) to the contrary notwithstanding, the failure by the Borrower to make any optional prepayment shall not constitute a breach or default under this Agreement.

(c) Borrower's Certificate. Each prepayment pursuant to this Section 9 shall be effected pursuant to Section [ ] of the WIFIA Bond Ordinance and accompanied by a certificate signed by the Borrower's Authorized Representative identifying the provision of this Agreement pursuant to which such prepayment is being made and containing a calculation in reasonable detail of the amount of such prepayment.

(d) General Prepayment Instructions. Upon the WIFIA Lender's receipt of confirmation that payment in full in immediately available funds of the entire Outstanding WIFIA Loan Balance and any unpaid interest, fees and expenses with respect thereto has occurred as a result of an optional prepayment, the WIFIA Lender shall surrender the WIFIA Bond to the Borrower or its representative at the principal office of the WIFIA Lender. If the Borrower prepays only part of the unpaid balance of principal of the WIFIA Loan, the WIFIA Lender may make a notation on **Exhibit F (WIFIA Debt Service)** indicating the amount of principal of and interest on the WIFIA Loan then being prepaid. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F (WIFIA Debt Service)** shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. All partial prepayments of principal shall be applied to reduce future payments due on the WIFIA Loan in inverse order of maturity. If such funds have not been so paid on the prepayment date, such principal amount of the WIFIA Loan shall continue to bear interest until payment thereof at the rate provided for in Section 6 (*Interest Rate*). A defeasance of the WIFIA Loan shall not constitute a prepayment of the WIFIA Loan under this Section 9.

Section 10. Fees and Expenses.

(a) Fees. The Borrower shall pay to the WIFIA Lender:

(i) a servicing set-up fee equal to \$10,790.00 (the "**Servicing Set-Up Fee**"), which shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date of the WIFIA Loan);

(ii) an annual construction period servicing fee equal to \$10,790.00 (the "**Construction Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15 during the Construction Period (including the Federal Fiscal Year during which the Substantial Completion Date occurs); provided, that the initial Construction Period Servicing Fee shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date of the WIFIA Loan), in a pro-rated amount equal to \$8,990.00; and

(iii) an annual operating period servicing fee equal to \$8,100.00 (the "**Operating Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15, beginning with the first November 15 following the end of the Federal Fiscal Year during which the Substantial Completion Date occurs, until (and including)

the Final Maturity Date; provided, that the Operating Period Servicing Fee due and payable with respect to the Federal Fiscal Year during which the Final Maturity Date occurs shall be equal to the pro-rata monthly portion of the then applicable Operating Period Servicing Fee multiplied by the number of partial or whole months remaining between October 1 and the Final Maturity Date.

(b) The amount of each Construction Period Servicing Fee (other than the initial Construction Period Servicing Fee) and each Operating Period Servicing Fee shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year during which such fee is due. The WIFIA Lender shall notify the Borrower of the amount of each such fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(c) Expenses. The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse the WIFIA Lender on demand from time to time, within thirty (30) days after receipt of any invoice from the WIFIA Lender, for any and all fees, costs, charges, and expenses incurred by it (including the fees, costs, and expenses of its legal counsel, financial advisors, auditors and other consultants and advisors) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the other WIFIA Loan Documents and the transactions hereby and thereby contemplated, including attorneys', and engineers' fees and professional costs, including all such fees, costs, and expenses incurred as a result of or in connection with: (i) the enforcement of or attempt to enforce, or the protection or preservation of any right or claim under, the WIFIA Bond or any provision of this Agreement or any of the other WIFIA Loan Documents or the rights of the WIFIA Lender thereunder; (ii) any amendment, modification, waiver, or consent with respect to this Agreement or any other Related Document; and (iii) any work-out, restructuring, or similar arrangement of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents, including during the pendency of any Event of Default.

(d) The obligations of the Borrower under this Section 10 shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other WIFIA Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring, or similar arrangement.

### ARTICLE III

#### CONDITIONS PRECEDENT

##### Section 11. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have duly executed and delivered to the WIFIA Lender this Agreement and the WIFIA Bond, each in form and substance satisfactory to the WIFIA Lender.

(ii) The Borrower shall have delivered to the WIFIA Lender complete and fully executed copies of the WIFIA Loan Documents, together with any amendments, supplements, waivers or modifications thereto, that has been entered into on or prior to the Effective Date, along with a certification in the Closing Certificate that each such document is complete, fully executed and in full force and effect, and that all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated WIFIA Loan Documents have been fulfilled.

(iii) The Borrower shall have delivered to the WIFIA Lender complete and fully executed copies of each Existing Principal Project Contract requested by the WIFIA Lender, together with any amendments, waivers or modifications thereto, along with a certification in the Closing Certificate that each such document is complete, fully executed and in full force and effect.

(iv) The Borrower shall have delivered to the WIFIA Lender (A) a copy of the Borrower Act, as in effect on the Effective Date, along with a certification in the Closing Certificate that such Borrower Act is in full force and effect, and (B) other than the WIFIA Bond Ordinance, all further instruments and documents (including any resolutions, ordinances, and supplements) as are necessary for the Borrower to execute and deliver, and to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents.

(v) Counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-1** (*Opinions Required from Counsel to Borrower on Effective Date*)) and bond counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-2** (*Opinions Required from Bond Counsel on Effective Date*)).

(vi) The Borrower shall have delivered to the WIFIA Lender the Non-Debarment Certificate.

(vii) The Borrower shall have delivered to the WIFIA Lender the Non-Lobbying Certificate and the Civil Rights Pre-Award Compliance Review Report: EPA Form 4700-4.

(viii) The Borrower shall have delivered to the WIFIA Lender a certificate, together with an incumbency certificate, signed by the Borrower's Authorized Representative, substantially in the form attached hereto as **Exhibit I** (*Form of Closing Certificate*) (the "**Closing Certificate**") (A) designating the Borrower's Authorized

Representative, (B) confirming such person's position and incumbency, and (C) certifying as to the satisfaction of the following conditions precedent:

(1) the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;

(2) the Borrower has obtained all Governmental Approvals necessary (x) as of the Effective Date in connection with the Project and (y) to execute and deliver, and perform its obligations under the WIFIA Loan Documents, and all such Governmental Approvals are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach, or revocation);

(3) as of the Effective Date, (x) the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (y) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs;

(4) the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project, and, if requested by the WIFIA Lender, has provided evidence satisfactory to the WIFIA Lender of such compliance;

(5) the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project during its useful life;

(6) the Borrower has (A) obtained a Federal Employer Identification Number (as evidenced by a signed W9), (B) obtained a Data Universal Numbering System number, and (C) registered with, and obtained confirmation of active registration status from, the federal System for Award Management ([www.SAM.gov](http://www.SAM.gov));

(7) the Borrower has obtained a CUSIP number for the WIFIA Loan (the "**WIFIA CUSIP Number**") for purposes of monitoring through EMMA;

(8) the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date; and

(9) no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since May 20, 2021.

(ix) The Borrower shall have delivered to the WIFIA Lender a duly executed certificate from the Bond Registrar in the form attached hereto as **Exhibit H** (*Form of Certificate of Bond Registrar*).

(x) The Borrower shall have provided evidence to the WIFIA Lender's satisfaction of the assignment by at least two (2) Nationally Recognized Rating Agencies of a public Investment Grade Rating to the General Obligations proposed to be issued for the Project (including the WIFIA Bond), along with a certification in the Closing Certificate that no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(xi) The Borrower shall have delivered to the WIFIA Lender a Base Case Financial Model in form and substance acceptable to the WIFIA Lender, along with a certification in the Closing Certificate that such Base Case Financial Model (A) demonstrates that projected Revenues are sufficient to meet the Loan Amortization Schedule, (B) demonstrates compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date; (C) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender and (D) demonstrates that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project.

(xii) No later than thirty (30) days prior to the Effective Date, the Borrower shall have delivered to the WIFIA Lender the Public Benefits Report.

(xiii) The Borrower shall have provided the WIFIA Lender records of any Eligible Project Costs incurred prior to the Effective Date, in form and substance satisfactory to the WIFIA Lender.

(xiv) The Borrower shall have paid in full all invoices delivered by the WIFIA Lender to the Borrower as of the Effective Date for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xv) The Borrower shall have delivered such other agreements, documents, instruments, opinions and other items required by the WIFIA Lender, all in form and substance satisfactory to the WIFIA Lender.

(b) Conditions Precedent to Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender shall have no obligation to make any disbursement of WIFIA Loan proceeds to the Borrower (including the initial disbursement hereunder) until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have provided to the WIFIA Lender (A) evidence satisfactory to the WIFIA Lender that (1) the aggregate amount of all disbursements of the WIFIA Loan (including the requested disbursement but excluding any interest that is capitalized in accordance with the terms hereof) shall not exceed (x) \$20,386,000, (y) the amount of Eligible Project Costs paid or incurred by the Borrower, and (z) the cumulative disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule; and (2) the Borrower has sufficient funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs; and (B) a certification that the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

(ii) The Borrower shall have provided an Updated Financial Model in compliance with the requirements of Section 16(a) (*Reporting Requirements – Updated Financial Model*).

(iii) The Borrower shall have delivered to the WIFIA Lender a Requisition that complies with the provisions of Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) (including satisfactory Eligible Project Costs Documentation relating to such Requisition), and the WIFIA Lender shall have approved (or be deemed to have approved in accordance with Section 4(b) (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*)) such Requisition. The Borrower's Authorized Representative shall also certify in such Requisition that:

(A) all Governmental Approvals necessary as of the time of such disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect (and are not subject to any notice of violation, breach or revocation);

(B) each of the insurance policies obtained by the Borrower and by any applicable Principal Project Party in satisfaction of the requirements of Section 14(g) (*Affirmative Covenants – Insurance*) is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider;

(C) at the time of, and immediately after giving effect to, any disbursement of WIFIA Loan proceeds then currently requested, (1) no Default or Event of Default hereunder shall have occurred and be continuing, (2) no event of default or default that, with the giving of notice or the passage of time or both,

would constitute an event of default, in each case, under any other Related Document, shall have occurred and be continuing and (3) no Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred since May 20, 2021;

(D) (1) the Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§3141–3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. §3914 (relating to American iron and steel products); and (2) supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender; and

(E) the representations and warranties of the Borrower set forth in this Agreement (including Section 12 (*Representations and Warranties of Borrower*)) and in each other Related Document shall be true and correct as of each date on which any disbursement of the WIFIA Loan is made, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(iv) To the extent necessary to make the corresponding representations and warranties true, correct and complete as of the date of the applicable disbursement, the Borrower shall have delivered an updated version, in form and substance satisfactory to the WIFIA Lender, of **Schedule 12(p)** (*Environmental Matters*).

(v) The Borrower shall have paid in full (A) any outstanding Servicing Fees due and payable under Section 10 (*Fees and Expenses*) and (B) all invoices received from the WIFIA Lender as of the date of disbursement of the WIFIA Loan and delivered by the WIFIA Lender to the Borrower, for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(vi) Bond Counsel to the Borrower shall have rendered to the WIFIA Lender the legal opinions set forth in **Exhibit G-3** (*Opinions Required from Bond Counsel at Each Disbursement*) dated as of the date of the applicable disbursement.

#### ARTICLE IV

#### REPRESENTATIONS AND WARRANTIES

Section 12. Representations and Warranties of Borrower. The Borrower hereby represents and warrants that, as of the Effective Date and, as to each of the representations and warranties below other than those contained in Section 12(b) (*Representations and Warranties of Borrower – Officers' Authorization*), Section 12(k) (*Representations and Warranties of*

*Borrower – Credit Ratings*), and the first sentence of Section 12(n) (*Representations and Warranties of Borrower – Principal Project Contracts*), as of each date on which any disbursement of the WIFIA Loan is requested or made:

(a) Organization; Power and Authority. The Borrower is a home-rule unit of government under the provisions of Section 6 of Article VII of the Illinois Constitution, and pursuant to such powers has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence, to execute and deliver this Agreement and the WIFIA Bond, and to carry out and consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement, the WIFIA Bond, and the other Related Documents.

(b) Officers' Authorization. As of the Effective Date, the officers of the Borrower executing (or that previously executed) the Related Documents, and any certifications or instruments related thereto, to which the Borrower is a party are (or were at the time of such execution) duly and properly in office and fully authorized to execute the same.

(c) Due Execution; Enforceability. Each of the Related Documents in effect as of any date on which this representation and warranty is made, and to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its terms, except as such enforceability (i) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) is subject to general principles of equity (regardless of whether enforceability is considered in equity or at law).

(d) Non-Contravention. The execution and delivery of the Related Documents to which the Borrower is a party, the consummation of the transactions contemplated by the Related Documents, and the fulfillment of or compliance with the terms and conditions of all of the Related Documents, will not (i) conflict with the Borrower Act, (ii) conflict in any material respect with, or constitute a violation, breach or default (whether immediately or after notice or the passage of time or both) by the Borrower of or under, any applicable law, administrative rule or regulation, any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties or assets are otherwise subject or bound, or (iii) result in the creation or imposition of any prohibited Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.

(e) Consents and Approvals. No consent or approval of any trustee, holder of any indebtedness of the Borrower or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with (i) the execution and delivery by the Borrower of the Related Documents, except as have been obtained or made and as are in full force and effect, or (ii) (A) the consummation of any transaction contemplated by any Related Documents or (B) the fulfillment of or compliance by the Borrower with the terms and conditions of any of the Related Documents, except as have been obtained or made and as are in full force and effect or as are

ministerial in nature and can reasonably be expected to be obtained or made in the ordinary course on commercially reasonable terms and conditions when needed.

(f) Litigation. Except as set forth in **Schedule 12(f)** (*Litigation*), there is no action suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation, in any case before or by any court or other Governmental Authority pending or, to the knowledge of the Borrower, threatened against or affecting the System (including the Project) or the ability of the Borrower to execute, deliver and perform its obligations under the Related Documents or that in any case could reasonably be expected to result in a Material Adverse Effect.

(g) Security. Pursuant to the terms hereof, as security for the payments required to be made and the obligations required to be performed by the Borrower under this Agreement and the WIFIA Bond, the Borrower has irrevocably pledged to the WIFIA Lender the General Obligation Pledge for such payment and performance. The obligation of the Borrower to make any payments required under this Agreement and the WIFIA Bond constitutes a General Obligation of the Borrower and a pledge of the full faith and credit of the Borrower to provide the funds required to fulfill any such obligation. The Borrower is not in breach of any covenants set forth in this Agreement, including Section 14(b) (*Affirmative Covenants – Further Assurances*), or in the other WIFIA Loan Documents with respect to the matters described in Section 14(b) (*Affirmative Covenants – Further Assurances*). As of the Effective Date and as of each other date this representation and warranty is made, all documents and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable General Obligation Pledge. Neither the validity, enforceability or priority of the General Obligation Pledge is governed by Article 9 of the UCC.

(h) No Debarment. The Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and confirms, based on such verification, that, to its knowledge, neither the Borrower nor any of its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) is debarred, suspended or voluntarily excluded from participation in Government contracts, procurement or non-procurement matters or delinquent on a Government debt as more fully set forth in the certificate delivered pursuant to Section 11(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

(i) Accuracy of Representations and Warranties. The representations, warranties and certifications of the Borrower set forth in this Agreement and the other Related Documents are true, correct, and complete, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true, correct, and complete as of such earlier date).

(j) Compliance with Laws.

(i) The Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§ 3141–3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products).

(ii) To ensure such compliance, the Borrower has included in all contracts with respect to the Project (A) the contract clauses relating to the Davis-Bacon Act requirements that are set forth in the Code of Federal Regulations, Title 29 Part 5.5 and (B) requirements that its contractor(s) (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 12(j) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 12(j) (including without limitation with respect to the Davis-Bacon Act requirements).

(iii) The Borrower shall ensure that no notices of violation of any applicable law have been issued, entered or received by the Borrower or, to the Borrower's knowledge and solely in respect of the Project or any Principal Project Contract, any Principal Project Party, other than, in each case, notices of violations that are immaterial.

(iv) None of the Borrower nor, to the knowledge of the Borrower, any Principal Project Party, is (A) a Sanctioned Person or (B) in violation of or, since the date that is five (5) years prior to the Effective Date, has violated: (1) any applicable Anti-Money Laundering Laws; (2) any applicable Sanctions; (3) any applicable Anti-Corruption Laws; or (4) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal. There are no pending or, to the knowledge of the Borrower, threatened claims or investigations by any Governmental Authority against, or any internal investigations conducted by, the Borrower or any Principal Project Party, with respect to any possible or alleged violations of any Sanctions, Anti-Money Laundering Laws, Anti-Corruption Laws, or any anti-drug trafficking or anti-terrorism laws. No use of proceeds of the WIFIA Loan or any other transaction contemplated by this Agreement or any other Related Document will violate any applicable Sanctions, Anti-Money Laundering Laws, or Anti-Corruption Laws, or any applicable anti-drug trafficking or anti-terrorism laws.

(k) Credit Ratings. The WIFIA Loan has received a public Investment Grade Rating from at least two (2) Nationally Recognized Rating Agencies, written evidence of such ratings has been provided to the WIFIA Lender prior to the Effective Date, and no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(l) No Defaults. No Default or Event of Default, and no default or event of default by the Borrower under any other Related Document (excluding Principal Project Contracts), has occurred and is continuing.

(m) Governmental Approvals. All Governmental Approvals required as of the Effective Date and any subsequent date on which this representation is made (or deemed made) for the undertaking and completion by the Borrower of the Project and the construction, operation and maintenance of the System have been obtained or effected and are in full force and effect and there is no basis for, nor proceeding that is pending or threatened that could reasonably be expected to result in, the revocation of any such Governmental Approval.

(n) Principal Project Contracts. Attached as **Schedule 12(n)** (*Principal Project Contracts*) is a list of the Existing Principal Project Contracts. With respect to each Principal Project Contract executed as of any date on which this representation and warranty is made, (x) it is in full force and effect, (y) all conditions precedent to the obligations of the respective parties under each such Principal Project Contract have been satisfied and (z) the Borrower has delivered to the WIFIA Lender a fully executed, complete and correct copy of each such Principal Project Contract requested by the WIFIA Lender, including any amendments or modifications thereto and any related credit support instruments or side letters. No event has occurred that gives the Borrower or, to the Borrower's knowledge, any Principal Project Party, the right to terminate any such Principal Project Contract. The Borrower is not in breach of any material term in or in default under any of such Principal Project Contracts, and to the knowledge of the Borrower no party to any of such agreements or contracts is in breach of any material term therein or in default thereunder.

(o) Information. The information furnished by, or on behalf of, the Borrower to the WIFIA Lender, when taken as a whole, is true and correct in all material respects (other than for projections and other forward-looking statements contained in the Base Case Financial Model and any Updated Financial Model which have been made in good faith and based on reasonable assumptions) and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein not misleading as of the date made or furnished.

(p) Environmental Matters. Except as set forth in **Schedule 12(p)** (*Environmental Matters*), each of the Borrower and, to the Borrower's knowledge, each Principal Project Party, is in compliance with all laws applicable to the System (including the Project) relating to (i) air emissions, (ii) discharges to surface water or ground water, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes, (vi) biological resources (such as threatened and endangered species), and (vii) other environmental, health or safety matters, including all laws applicable to the System (including the Project) (collectively, the "**Environmental Laws**"). All Governmental Approvals for the Project relating to Environmental Laws have been, or, when required, will be, obtained and are (or, as applicable, will be) in full force and effect. Except as set forth in **Schedule 12(p)** (*Environmental Matters*), the Borrower has not received any written communication or notice, whether from a Governmental Authority, employee, citizens group, or any other Person, that alleges that the Borrower is not in full compliance with all Environmental Laws and Governmental Approvals relating thereto in connection with the Project and, to the Borrower's knowledge, there are no circumstances that may prevent or interfere with full compliance in the future by the Borrower with any such Environmental Law or Governmental Approval. The Borrower has provided to the WIFIA Lender all material assessments, reports, results of investigations or audits, and other material information in the possession of or reasonably available to the Borrower regarding the Borrower's or the Project's compliance with (A) Environmental Laws and (B) Governmental Approvals that are required for the Project and relate to Environmental Laws.

(q) Sufficient Rights. The Borrower possesses either valid legal and beneficial title to, leasehold title in, or other valid legal rights with respect to the real property relating to the System (including the Project), in each case as is necessary and sufficient as of the

date this representation is made for the construction, operation, maintenance and repair of the System (including the Project). As of any date on which this representation and warranty is made, the Principal Project Contracts then in effect and the Governmental Approvals that have been obtained and are then in full force and effect create rights in the Borrower sufficient to enable the Borrower to own, construct, operate, maintain and repair the System (including the Project) and to perform its obligations under the Principal Project Contracts to which it is a party.

(r) Insurance. The Borrower is in compliance with all insurance obligations required under each Principal Project Contract and the other Related Documents as of the date on which this representation and warranty is made. To the extent the Borrower self-insures, the Borrower's self-insurance program is actuarially sound.

(s) No Liens. The Borrower has not created, and is not under any obligation to create, and has not entered into any transaction or agreement that would result in the imposition of, any Lien on any of the WIFIA Bond Moneys or the Borrower's respective rights in any of the foregoing.

(t) Financial Statements. Each income statement, balance sheet and statement of operations and cash flows (collectively, "**Financial Statements**") delivered to the WIFIA Lender pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*) has been prepared in accordance with GAAP and presents fairly, in all material respects, the financial condition of the Borrower as of the respective dates of the balance sheets included therein and the results of operations of the Borrower for the respective periods covered by the statements of income included therein. Except as reflected in such Financial Statements, there are no liabilities or obligations of the Borrower of any nature whatsoever for the period to which such Financial Statements relate that are required to be disclosed in accordance with GAAP.

(u) Securities Laws. Under existing law, the WIFIA Bond may be issued and sold without registration under the Securities Act of 1933, as amended, and any State blue sky laws.

(v) Taxes. The Borrower is not required to file tax returns with any Governmental Authority.

(w) Sufficient Funds. The amount of the WIFIA Loan, when combined with all other funds committed for the development and construction of the Project as set forth under the various sources of funds in the Base Case Financial Model and the Project Budget will be sufficient to carry out the Project, pay all Total Project Costs anticipated for the development and construction of the Project and achieve Substantial Completion by the Projected Substantial Completion Date.

(x) Sovereign Immunity. To the extent permitted by law, the Borrower has waived immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could be asserted in any action to enforce the obligations of the Borrower under any of the Related Documents to which it is a party or the transactions contemplated

hereby or thereby, including the obligations of the Borrower hereunder and thereunder pursuant to Section 14(p) (*Affirmative Covenants – Immunity*).

(y) Patriot Act. The Borrower is not required to establish an anti-money laundering compliance program pursuant to the Patriot Act.

(z) No Federal Debt. The Borrower has no delinquent federal debt (including tax liabilities but excluding any delinquencies that have been resolved with the appropriate federal agency in accordance with the standards of the Debt Collection Improvement Act of 1996).

Section 13. Representations and Warranties of WIFIA Lender. The WIFIA Lender represents and warrants that:

(a) Power and Authority. The WIFIA Lender has all requisite power and authority to make the WIFIA Loan and to perform all transactions contemplated by the Related Documents to which it is a party.

(b) Due Execution; Enforceability. The Related Documents to which it is a party have been duly authorized, executed and delivered by the WIFIA Lender, and are legally valid and binding agreements of the WIFIA Lender, enforceable in accordance with their terms.

(c) Officers' Authorization. The officers of the WIFIA Lender executing each of the Related Documents to which the WIFIA Lender is a party are duly and properly in office and fully authorized to execute the same on behalf of the WIFIA Lender.

## ARTICLE V

### COVENANTS

Section 14. Affirmative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and all of the other obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds, unless the WIFIA Lender waives compliance in writing:

(a) Rate Covenant. The Borrower shall, subject to the remainder of this paragraph, fix, charge and collect rates, fees, and charges for the operation and improvement of the System during each Borrower Fiscal Year which are reasonable, fair and nondiscriminatory and which will be at least sufficient to yield, during each Borrower Fiscal Year, Revenues equal to at least (i) one hundred percent (100%) of the Operation and Maintenance Costs of the System and (ii) one hundred percent (100%) of the Debt Service payable during such Borrower Fiscal Year (collectively, the “**Rate Covenant**”).

(b) Further Assurances. The Borrower shall, at the request of WIFIA Lender, authorize, execute, acknowledge and deliver such further certifications, resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be deemed necessary or desirable by the WIFIA Lender, in its sole discretion, for better assuring, conveying, granting, assigning and confirming the rights, pledges, security interests,

representations and warranties and agreements granted or intended to be granted by or set forth in this Agreement and the other WIFIA Loan Documents.

(c) Levy of Ad Valorem Property Taxes. The Borrower shall levy and collect Ad Valorem Property Taxes upon all of the taxable property within the Borrower, in the years in which the WIFIA Bond is Outstanding, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the WIFIA Bond.

(d) Use of Proceeds. The Borrower shall use the proceeds of the WIFIA Loan for purposes permitted by applicable law and as otherwise permitted under this Agreement and the other Related Documents.

(e) Prosecution of Work; Verification Requirements.

(i) The Borrower shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, the Governmental Approvals in connection with the Project, and prudent industry practice.

(ii) The Borrower shall comply with Subpart C of 2 C.F.R. Part 180, as supplemented by Subpart C of 2 C.F.R. Part 1532 (relating to debarment), including the verification requirements set forth in 2 C.F.R. §§ 180.300 and 180.320, and shall include in its contracts with respect to the Project similar terms or requirements for compliance.

(f) Operations and Maintenance. The Borrower shall (i) operate and maintain the System (including, but not limited to, the Project) (A) in a reasonable and prudent manner and (B) substantially in accordance with the Updated Financial Model most recently approved by the WIFIA Lender and (ii) maintain the System (including the Project) in good repair, working order and condition and in accordance with the requirements of all applicable laws and each applicable Related Document. The Borrower shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the Governmental Approvals and any other rights, licenses, franchises, and authorizations material to the conduct of its business.

(g) Insurance.

(i) The Borrower shall at all times procure and maintain or cause to be maintained insurance on the System and the construction of the Project, with responsible insurers, or as part of a reasonable system of self-insurance that is adequately funded, in such amounts and against such risks (including damage to or destruction of the System) as are customarily maintained with respect to works and properties of like character against accident to, loss of, or damage to such works or properties. The Borrower shall cause each Principal Project Party to obtain and maintain builders risk and casualty and liability insurance in accordance with the requirements of the applicable Principal Project Contract.

(ii) The Borrower shall (by self-insuring or maintaining with responsible insurers or by a combination thereof) provide for workers' compensation insurance for Borrower's workers and insurance against public liability and property

damage to the System (including the Project) to the extent reasonably necessary to protect the Borrower and the WIFIA Lender.

(iii) The Borrower shall cause all liability insurance policies that it maintains (and, during the Construction Period, all liability insurance policies that are maintained by any Principal Project Party), other than workers' compensation insurance, to reflect the WIFIA Lender as an additional insured to the extent of its insurable interest.

(iv) Promptly upon request by the WIFIA Lender, the Borrower shall deliver to the WIFIA Lender copies of any underlying insurance policies obtained by or on behalf of the Borrower in respect of the Project. All such policies shall be available at all reasonable times for inspection by the WIFIA Lender, its agents and representatives.

(v) The Borrower shall comply with the insurance requirements of the System Revenue Obligation Documents.

(h) Maintain Legal Structure. The Borrower shall maintain its existence as a home-rule unit of government organized and validly existing under and pursuant to the Borrower Act.

(i) Water Fund; WIFIA Bond Fund; Permitted Investments.

(i) The Borrower shall maintain the Water Fund in accordance with the terms hereof and the System Revenue Obligation Documents.

(ii) The Borrower shall maintain the WIFIA Bond Fund in accordance with the terms hereof and the WIFIA Bond Ordinance. All Ad Valorem Property Taxes or funds from any other lawful source that are made available for the purpose of paying any principal of or interest on any of the WIFIA Bond shall be deposited in the WIFIA Bond Fund when and as received in trust for the benefit of the WIFIA Lender.

(iii) Amounts on deposit in the WIFIA Bond Fund shall be held uninvested or invested in Permitted Investments. Permitted Investments must mature or be redeemable at the election of the holder at such times as may be necessary to ensure that funds will be available within the applicable account to be applied towards the purpose for which the applicable account has been established.

(j) Compliance with Laws.

(i) The Borrower shall, and shall require its contractors and subcontractors at all tiers with respect to the Project, to comply with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§ 3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products).

(ii) To ensure such compliance, the Borrower shall include in all contracts with respect to the Project (A) the contract clauses relating to the Davis-Bacon

Act requirements that are set forth in the Code of Federal Regulations, Title 29 Part 5.5 and (B) requirements that its contractor(s) (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 14(j) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 14(j) (including without limitation with respect to the Davis-Bacon Act requirements).

(iii) The Borrower shall ensure that no use of proceeds of the WIFIA Loan or any other transaction contemplated by this Agreement or any other Related Document shall violate any applicable Sanctions, Anti-Money Laundering Laws, or Anti-Corruption Laws, or any applicable anti-drug trafficking or anti-terrorism laws.

(k) Material Obligations. The Borrower shall pay its material obligations promptly and in accordance with their terms and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon the Ad Valorem Property Taxes or the Revenues or other assets of the System, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims which, if unpaid, might give rise to a Lien upon such properties or any part thereof or on the Ad Valorem Property Taxes or the Revenues; provided, however, that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(l) [Reserved]

(m) SAM Registration. The Borrower shall (i) obtain and maintain through the Final Disbursement Date an active registration status with the federal System for Award Management ([www.SAM.gov](http://www.SAM.gov)) (or any successor system or registry) prior to the Effective Date and provide such registration information to the WIFIA Lender and (ii) within sixty (60) days prior to each anniversary of the Effective Date until the Final Disbursement Date, provide to the WIFIA Lender evidence of such active registration status with no active exclusions reflected in such registration.

(n) DUNS Number. The Borrower shall (i) obtain and maintain from Dun & Bradstreet (or a successor entity) a Data Universal Numbering System Number (a “**DUNS Number**”) prior to the Effective Date and provide such number to the WIFIA Lender and (ii) within sixty (60) days prior to each anniversary of the Effective Date, provide to the WIFIA Lender evidence of the continuing effectiveness of such DUNS Number, in each case until the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender under this Agreement have been irrevocably paid in full in immediately available funds.

(o) Events of Loss; Loss Proceeds. If an Event of Loss shall occur with respect to the System (including the Project) or any part thereof, the Borrower shall (i) diligently

pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such Event of Loss and (ii) apply all Net Loss Proceeds in respect of such Event of Loss to repair, reconstruct, and/or replace the System.

(p) Immunity. To the fullest extent permitted by applicable law, the Borrower agrees that it will not assert any immunity (and hereby waives any such immunity) it may have as a governmental entity from lawsuits, other actions and claims, and any judgments with respect to the enforcement of any of the obligations of the Borrower under this Agreement or any other WIFIA Loan Document.

(q) Accounting and Audit Procedures.

(i) The Borrower shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all (A) Ad Valorem Property Taxes, Revenues, operating expenses, capital expenses, depreciation, reserves, debt issued and outstanding and debt payments and (B) Project-related costs, WIFIA Loan requisitions submitted, WIFIA Loan proceeds received, payments made by the Borrower with regard to the Project, other sources of funding for the Project (including amounts paid from such sources for Project costs so that audits may be performed to ensure compliance with and enforcement of this Agreement). The Borrower shall use accounting, audit and fiscal procedures conforming to GAAP, including, with respect to the WIFIA Loan, accounting of principal and interest payments, disbursements, prepayments and calculation of interest and principal amounts Outstanding.

(ii) The Borrower shall have a single or program-specific audit conducted in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7502 for 2021 and annually thereafter, except to the extent biennial audits are permitted for the Borrower pursuant to 2 C.F.R. § 200.504 and 31 U.S.C. § 7502(b). Upon reasonable notice, the Borrower shall cooperate fully in the conduct of any periodic or compliance audits conducted by the WIFIA Lender, or designees thereof, pursuant to 40 C.F.R. Part 35, 31 U.S.C. § 7503(b), or 31 U.S.C. § 6503(h) and shall provide full access to any books, documents, papers or other records that are pertinent to the Project or the WIFIA Loan, to the WIFIA Lender, or the designee thereof, for any such project or programmatic audit.

(r) Access; Records.

(i) So long as the WIFIA Loan or any portion thereof shall remain outstanding and until five (5) years after the WIFIA Loan shall have been paid in full, the WIFIA Lender shall have the right, upon reasonable prior notice, to visit and inspect any portion of the Project, to examine books of account and records of the Borrower relating to the Project, to make copies and extracts therefrom at the Borrower's expense, and to discuss the Borrower's affairs, finances and accounts relating to the Project with, and to be advised as to the same by, its officers and employees and its independent public accountants (and by this provision the Borrower irrevocably authorizes its independent public accountants to discuss with the WIFIA Lender the affairs, finances and accounts of the Borrower, whether or not any representative of the Borrower is present, it being

understood that nothing contained in this Section 14(r) is intended to confer any right to exclude any such representative from such discussions), all at such reasonable times and intervals as the WIFIA Lender may request. The Borrower agrees to pay all out-of-pocket expenses incurred by the WIFIA Lender in connection with the WIFIA Lender's exercise of its rights under this Section 14(r) at any time when an Event of Default shall have occurred and be continuing.

(ii) The Borrower shall maintain and retain all pertinent files relating to the Project and the WIFIA Loan, as may be necessary for the WIFIA Lender to facilitate an effective and accurate audit and performance evaluation of the Project, until five (5) years after the later of the date on which (A) all rights and duties under this Agreement and under the WIFIA Bond (including payments) have been fulfilled and any required audits have been performed and (B) any litigation relating to the Project, the WIFIA Loan or this Agreement is finally resolved or, if the WIFIA Lender has reasonable cause to extend such date, a date to be mutually agreed upon by the WIFIA Lender and the Borrower. The Borrower shall provide to the WIFIA Lender in a timely manner all records and documentation relating to the Project that the WIFIA Lender may reasonably request from time to time.

Section 15. Negative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and all of the other obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds, unless the WIFIA Lender waives compliance in writing:

(a) Indebtedness.

(i) The Borrower shall not incur any General Obligations or System Revenue Obligations, including any Additional Project Obligations incurred as General Obligations or System Revenue Obligations permitted to be issued by Section 15(a)(ii) (*Negative Covenants — Indebtedness*), while a Payment Default or Bankruptcy Related Event has occurred and is continuing.

(ii) The Borrower may not create, incur or suffer to exist any Additional Project Obligations except as (A) System Related General Obligations or (B) System Revenue Obligations.

(b) No Lien Extinguishment or Adverse Amendments. The Borrower shall not, and shall not permit any Person to, without the prior written consent of the WIFIA Lender, (i) extinguish or impair the General Obligation Pledge or any dedicated source of repayment of the WIFIA Loan or any other System Revenue Obligations (the proceeds of which are applied to fund Total Project Costs), (ii) amend, modify, replace or supplement any Related Document or permit a waiver of any provision thereof in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to result in a Material Adverse Effect, or (iii) terminate, assign or replace any Related Document in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to have a Material Adverse Effect.

(c) No Prohibited Liens. The Borrower shall not create, incur, assume or permit to exist any Lien on any of the WIFIA Bond Moneys or the Borrower's respective rights in any of the foregoing.

(d) Restricted Payments and Transfers. The Borrower shall not permit Revenues to be paid or transferred or otherwise applied for purposes other than ownership, operation, maintenance or financing of the System.

(e) No Prohibited Sale, Lease or Assignment. The Borrower shall not sell, lease or assign its rights in and to the System, a substantial portion of the assets included in the System, or its rights and obligations under any Principal Project Contract, in each case unless such sale, lease or assignment (i) could not reasonably be expected to have a Material Adverse Effect and (ii) is made by the Borrower in the ordinary course of business.

(f) Fiscal Year. The Borrower shall not at any time adopt any fiscal year other than the Borrower Fiscal Year, except with thirty (30) days' prior written notice to the WIFIA Lender.

(g) Mergers and Acquisitions. The Borrower shall not, and shall not agree to, reorganize, consolidate with or merge into another Person unless (i) such reorganization, merger or consolidation is with or into another entity established by State law and such reorganization, merger or consolidation is mandated by State law, and in each case, does not adversely affect or impair to any extent or in any manner (A) the General Obligation Pledge, the Ad Valorem Property Taxes or the Revenues or (B) the availability of the Ad Valorem Property Taxes or the Revenues for the payment and security of the obligations of the Borrower under this Agreement and the WIFIA Bond; and (ii) the Borrower provides to the WIFIA Lender, no later than sixty (60) days prior to the date of reorganization, consolidation or merger, prior written notice of such reorganization, consolidation or merger and the agreements and documents authorizing the reorganization, consolidation or merger, satisfactory in form and substance to the WIFIA Lender. In addition, the Borrower shall provide all information concerning such reorganization, consolidation or merger as shall have been reasonably requested by the WIFIA Lender.

(h) Hedging. Other than interest rate hedging transactions expressly permitted hereunder, the Borrower shall not enter into any swap or hedging transaction, including inflation indexed swap transactions, "cap" or "collar" transactions, futures, or any other hedging transaction with respect to or payable from Revenues.

Section 16. Reporting Requirements.

(a) Updated Financial Model.

(i) The Borrower shall provide to the WIFIA Lender not later than one hundred eighty (180) days after the end of each Borrower Fiscal Year, an Updated Financial Model reflecting the then-current and projected conditions for a period not less than the Forecast Period.

(ii) The Updated Financial Model shall demonstrate to the satisfaction of the WIFIA Lender that the Borrower has developed and identified adequate revenues

to implement a plan for operating, maintaining and repairing the Project over its useful life, and shall include: (A) the Borrower's capital improvement plan, major maintenance plan, projected rates and charges, projected debt outstanding and annual debt service, and projected operation and maintenance costs of the System; (B) evidence of compliance with the Rate Covenant for the most recent Borrower Fiscal Year; (C) a written narrative identifying any material changes to the underlying assumptions from the previous Updated Financial Model and (D) a certificate signed by the Borrower's Authorized Representative, certifying that (1) the Updated Financial Model, including the assumptions and supporting documentation, as of its date, is accurate and reasonable to the best of the Borrower's knowledge and belief, and (2) the Borrower is in compliance with its obligations in respect of the Rate Covenant pursuant to Section 14(a) (*Affirmative Covenants – Rate Covenant*).

(iii) The Borrower represents and warrants that the Updated Financial Model reflects the Borrower's reasonable expectations, using assumptions that the Borrower believes to be reasonable, of the System's expected operations, including capital costs, capital spending schedule, rates and revenues or charges (if applicable), Revenues, operating and maintenance expenses, major maintenance costs, financing structure and other scheduling, cost and financing elements required to be included in the Updated Financial Model.

(b) Annual Financial Statements. The Borrower shall deliver to the WIFIA Lender, as soon as available, but no later than one hundred eighty (180) days after the end of each Borrower Fiscal Year, a copy of the audited income statement and balance sheet of the Borrower as of the end of such Borrower Fiscal Year and the related audited statements of operations and of cash flow of the Borrower for such Borrower Fiscal Year, (A) setting forth in each case in comparative form the figures for the previous Borrower Fiscal Year, (B) certified without qualification or exception, or qualification as to the scope of the audit, by an independent public accounting firm selected by the Borrower and (C) which shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except, with respect to the annual financial statements, for changes approved or required by the independent public accountants certifying such statements and disclosed therein); provided, that the failure of the Borrower to deliver to the WIFIA Lender the annual audited financial statements required under this Section 16(b) during the period that is one hundred eighty (180) days after the end of the applicable Borrower Fiscal Year shall not constitute a Default or an Event of Default, so long as the Borrower provides such annual audited financial statements within ninety (90) days after the end of such period).

(c) Final Design Specifications. The Borrower shall deliver to the WIFIA Lender, no later than thirty (30) days prior to bid advertisement, a copy of the final specifications relating to the development and construction of the Project, demonstrating compliance with all applicable federal requirements and including a summary of the scope of work thereunder.

(d) Construction Reporting. The WIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) the development of the Project, including environmental compliance, design, and construction of the Project. The Borrower shall be

responsible for administering construction oversight of the Project in accordance with applicable federal, state and local governmental requirements. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation or other information as shall be requested by the WIFIA Lender or its agents, including any independent engineer reports, documentation or information. During the period through Substantial Completion of the Project, the Borrower shall furnish to the WIFIA Lender, on a quarterly basis, a report on the status of the Project, substantially in the form of **Exhibit K** (*Form of Quarterly Report for Individual Projects*). The report shall be executed by the Borrower's Authorized Representative and, for any quarter, shall be delivered to the WIFIA Lender within thirty (30) days following such quarter (or if such day is not a Business Day, on the next following Business Day). If the then-current projection for the Substantial Completion Date is a date later than the Projected Substantial Completion Date, the Borrower shall provide in such report a description in reasonable detail to the reasonable satisfaction of the WIFIA Lender of the reasons for such projected delay, an estimate of the impact of such delay on the capital and operating costs of the System (if any), and that the new date could not reasonably be expected to result in a Material Adverse Effect.

(e) Public Benefits Report. The Borrower shall deliver to the WIFIA Lender a report, in the form of **Exhibit L** (*Form of Public Benefits Report*) (the "**Public Benefits Report**"), (i) no later than thirty (30) days prior to the Effective Date, (ii) within ninety (90) days following the Substantial Completion Date and (iii) within ninety (90) days following the fifth (5<sup>th</sup>) anniversary of the Substantial Completion Date. The Borrower agrees that information described under this Section 16(e) may be made publicly available by the WIFIA Lender at its discretion.

(f) [Reserved]

(g) Operations and Maintenance. The WIFIA Lender shall have the right, in its sole discretion, to monitor (or direct its agents to monitor) the Project's operations and, as the WIFIA Lender may request from time to time, to receive reporting on the operation and management of the Project, and copies of any contracts relating to the operation and maintenance of the Project. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation, or other information requested by the WIFIA Lender. The WIFIA Lender has the right, in its sole discretion, to retain such consultants or advisors, to carry out the provisions of this Section 16(g). On or prior to the Substantial Completion Date, the Borrower shall deliver to the WIFIA Lender an operations and maintenance manual with respect to the Project, in form and substance reasonably acceptable to the WIFIA Lender.

(h) Notices.

(i) The Borrower shall, within fifteen (15) days after the Borrower learns of the occurrence, give the WIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided in the form set forth in **Exhibit J** (*Form of Certificate of Substantial Completion*);

(B) Defaults; Events of Default: any Default or Event of Default;

(C) Litigation: (1) the filing of any litigation, suit or action, or the commencement of any proceeding, against the Borrower before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party that could reasonably be expected to have a Material Adverse Effect, and (2) any final, non-appealable judgment related to the General Obligation Pledge, the Ad Valorem Property Taxes, the Revenues, the System or the Project is entered against the Borrower;

(D) Delayed Governmental Approvals: any failure to receive or delay in receiving any Governmental Approval or making any required filing, notice, recordation or other demonstration to or with a Governmental Authority, in each case to the extent such failure or delay will or could reasonably be expected to result in a delay to any major milestone date (including the Projected Substantial Completion Date) set forth in the Construction Schedule, together with a written explanation of the reasons for such failure or delay and the Borrower's plans to remedy or mitigate the effects of such failure or delay;

(E) Environmental Notices: any material notice of violation or material change in finding under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(F) Amendments: any amendment to any Related Document (other than Principal Project Contracts), subject to Section 16(i) (*Reporting Requirements – Amendments*); provided, that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(G) Related Document Defaults: any material breach or default or event of default on the part of the Borrower or any other party under any Related Document (other than Principal Project Contracts); provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(H) Uncontrollable Force: the occurrence of any Uncontrollable Force that could reasonably be expected to materially and adversely affect the Project;

(I) Ratings Changes: any change in the rating assigned to the General Obligations or the WIFIA Loan, in each case by any Nationally Recognized Rating Agency that has provided a public rating on such

indebtedness, and any notices, reports or other written materials (other than those that are ministerial in nature) received from any such rating agencies; provided, that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(J) 2 C.F.R. § 180.350 Notices: any notification required pursuant to 2 C.F.R. § 180.350, whether attributable to a failure by the Borrower to disclose information previously required to have been disclosed or due to the Borrower or any of its principals meeting any of the criteria set forth in 2 C.F.R. § 180.335;

(K) Issuance of System Revenue Obligations: copies of any final issuing instrument (together with any continuing disclosure documents, ordinances, official statement, certifications or cash flow projections in connection therewith), prepared in connection with the incurrence of any System Revenue Obligations; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(L) Postings on EMMA: the posting of any document on EMMA in accordance with the requirements of any continuing disclosure agreement with respect to any Outstanding General Obligations or System Revenue Obligations relating to annual financial information and operating data and the reporting of significant events; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant document on EMMA under the WIFIA CUSIP Number; and

(M) Other Adverse Events: the occurrence of any other event or condition, including without limitation any notice of breach from a contract counterparty or any Holder of any General Obligations or System Revenue Obligations, that could reasonably be expected to result in a Material Adverse Effect.

(ii) Within thirty (30) calendar days after the Borrower learns of the occurrence of an event specified in clause (i) above (other than sub-clauses (A) (*Substantial Completion*), (F) (*Amendments*), (I) (*Ratings Changes*) (in the case of a ratings upgrade), (K) (*Issuance of System Revenue Obligations*), and (L) (*Postings on EMMA*)), the Borrower's Authorized Representative shall provide a statement to the WIFIA Lender setting forth the actions the Borrower proposes to take with respect thereto. The Borrower shall also provide the WIFIA Lender with any further information reasonably requested by the WIFIA Lender from time to time concerning the matters described in clause (i) above.

(i) Amendments. Except as otherwise agreed by the WIFIA Lender in writing, the Borrower shall provide the WIFIA Lender with copies of (i) any proposed

amendments to the WIFIA Bond Ordinance or the provisions or definitions of the WIFIA Bond Ordinance referenced in Section 1 (*Definitions*), at least sixty (60) days prior to the effective date thereof and (ii) copies of fully executed amendments of any Related Document (other than Principal Project Contracts) within ten (10) days following execution thereof.

(j) Requested Information. The Borrower shall, at any time while the WIFIA Loan remains outstanding, promptly deliver to the WIFIA Lender such additional information regarding the business, financial, legal or organizational affairs of the Borrower or regarding the System (including the Project) or the Revenues as the WIFIA Lender may from time to time reasonably request. If requested by the WIFIA Lender and without limiting the foregoing, the Borrower shall provide copies of any executed Additional Principal Project Contracts (together with any related contracts, side letters or other understandings).

## ARTICLE VI

### EVENTS OF DEFAULT

#### Section 17. Events of Default and Remedies.

(a) An “**Event of Default**” shall exist under this Agreement if any of the following occurs:

(i) Payment Default. The Borrower shall fail to pay when due any part of the principal amount of or interest on the WIFIA Loan (including WIFIA Debt Service required to have been paid pursuant to the provisions of Section 8 (*Payment of Principal and Interest*), and such failure continues for a period of five (5) days after the payment thereof shall be required under this Agreement or the WIFIA Bond or on the Final Maturity Date (each such failure, a “**Payment Default**”).

(ii) Covenant Default. The Borrower shall fail to observe or perform any covenant, agreement or obligation of the Borrower under this Agreement, the WIFIA Bond or any other WIFIA Loan Document (other than in the case of any Payment Default, any Development Default), and such failure shall not be cured within thirty (30) days after the earlier to occur of (A) receipt by the Borrower from the WIFIA Lender of written notice thereof or (B) the Borrower’s knowledge of such failure; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing under this Section 17(a)(ii), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Borrower shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured and (y) such failure is cured within one hundred eighty (180) days of the date specified in either (A) or (B) above, as applicable.

(iii) Misrepresentation Default. Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to the WIFIA Loan Documents (or in any certificates delivered by the Borrower in connection with the

WIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided, that no Event of Default shall be deemed to have occurred under this Section 17(a)(iii) if and so long as (A) such misrepresentation is not intentional, (B) such misrepresentation is not a misrepresentation in respect of Section 12(g) (*Representations and Warranties of Borrower – Security*), Section 12(h) (*Representations and Warranties of Borrower – No Debarment*), Section 12(j) (*Representations and Warranties of Borrower – Compliance with Laws*), or Section 12(y) (*Representations and Warranties of Borrower – Patriot Act*), (C) in the reasonable determination of the WIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect, (D) in the reasonable determination of the WIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured and (E) the underlying issue giving rise to the misrepresentation is cured by the Borrower within thirty (30) days after the date on which the Borrower first became aware (or reasonably should have become aware) of such misrepresentation.

(iv) Nonpayment of General Obligations. Any nonpayment of principal of, interest on or redemption price of General Obligations when due, regardless of whether the Holders of the applicable General Obligations, or any legal order, has waived, permitted deferral of, or forgiven any such payment.

(v) Cross Default with System Related General Obligation Documents. Any default shall occur in respect of the performance of any covenant, agreement or obligation of the Borrower under any System Related General Obligation Document (other than any WIFIA Loan Document), and such default shall be continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in such System Related General Obligation Document (as the case may be) with respect to such default, and the Borrower shall have failed to cure such default or to obtain an effective written waiver thereof in accordance with the terms thereof.

(vi) Material Adverse Judgment. Any final, non-appealable judgment related to the General Obligation Pledge, the Ad Valorem Property Taxes, the Revenues, the System or the Project shall be entered against the Borrower which has a material adverse effect on (a) the legality, validity or enforceability of any material provision of any WIFIA Loan Document, (b) the ability of the Borrower to enter into, perform or comply with any of its material obligations under any WIFIA Loan Document, (c) the validity, enforceability or priority of the General Obligation Pledge or (d) the WIFIA Lender's rights or remedies available under any WIFIA Loan Document.

(vii) Occurrence of a Bankruptcy Related Event. A Bankruptcy Related Event shall occur with respect to the Borrower.

(viii) Invalidity of WIFIA Loan Documents. (A) Any WIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or the Borrower contests in any manner the validity or enforceability of any WIFIA Loan

Document to which it is a party or denies it has any further liability under any WIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any WIFIA Loan Document to which it is a party; (B) the WIFIA Bond Ordinance ceases to grant a valid and binding General Obligation Pledge; or (C) any event occurs that results in the impairment of the General Obligation Pledge.

(ix) Development Default. A Development Default shall occur.

Except in the case of a Payment Default or an Event of Default under Section 17(a)(iv) (*Events of Default and Remedies – Nonpayment of General Obligations*), Section 17(a)(vii) (*Events of Default and Remedies – Occurrence of a Bankruptcy Related Event*) or Section 17(a)(viii) (*Events of Default and Remedies – Invalidity of WIFIA Loan Documents*), the Borrower shall not be considered in default hereunder, and no Event of Default shall be deemed to have occurred or be continuing, unless and until the WIFIA Lender provides the Borrower written notice of the Event of Default. Nothing in this paragraph is intended to limit any obligation of the Borrower hereunder, including any obligation to cure any event or condition contemplated under Section 17(a) (*Events of Default and Remedies*).

(b) Upon the occurrence of any Bankruptcy Related Event, the Event of Default in Section 17(a)(iv) (*Events of Default and Remedies – Nonpayment of General Obligations*) or the Event of Default in Section 17(a)(viii) (*Events of Default and Remedies – Invalidity of WIFIA Loan Documents*), all obligations of the WIFIA Lender hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan shall automatically be deemed terminated.

(c) Upon the occurrence of any Event of Default, the WIFIA Lender, by written notice to the Borrower, may exercise any or all of the following remedies:

(i) the WIFIA Lender may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan;

(ii) the WIFIA Lender may cease permitting interest on the WIFIA Loan to be capitalized;

(iii) the WIFIA Lender may apply the Default Rate provisions of Section 6 (*Interest Rate*);

(iv) the WIFIA Lender may suspend or debar the Borrower from further participation in any Government program administered by the WIFIA Lender and to notify other departments and agencies of such default;

(v) the WIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid hereunder or under the WIFIA Bond or the other WIFIA Loan Documents, and may prosecute any such judgment or final decree against the Borrower and collect in the manner provided by law out of the property of the Borrower the moneys adjudged or decreed to be payable, and the WIFIA Lender shall have all of the rights and remedies of

a creditor, including all rights and remedies of a secured creditor under the Uniform Commercial Code, and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Agreement, the WIFIA Bond, the WIFIA Bond Ordinance or the other WIFIA Loan Documents; and/or

(vi) if any Holder of any General Obligation exercises a right to accelerate or require the mandatory redemption or mandatory prepayment in full of such General Obligation, the WIFIA Lender, the WIFIA Lender may declare the unpaid principal amount of the WIFIA Bond to be, and the same shall thereupon forthwith become, immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents, all without presentment, demand, notice, protest or other requirements of any kind, all of which are hereby expressly waived.

(d) No action taken pursuant to this Section 17 shall relieve Borrower from its obligations pursuant to this Agreement, the WIFIA Bond or the other WIFIA Loan Documents, all of which shall survive any such action.

## ARTICLE VII

### MISCELLANEOUS

Section 18. Disclaimer of Warranty. The WIFIA Lender makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the WIFIA Lender be liable for any incidental, indirect, special or consequential damages incidental to or arising out of this Agreement or the System (including the Project) or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 19. No Personal Recourse. No official, employee or agent of the WIFIA Lender or the Borrower or any Person executing this Agreement or any of the other WIFIA Loan Documents shall be personally liable on this Agreement or such other WIFIA Loan Documents by reason of the issuance, delivery or execution hereof or thereof.

Section 20. No Third Party Rights. The parties hereby agree that this Agreement creates no third party rights against the Borrower, the Government, or the WIFIA Lender, solely by virtue of the WIFIA Loan, and the Borrower agrees to indemnify and hold the WIFIA Lender, the Servicer (if any), the Administrator, and the Government harmless, to the extent permitted by law and in accordance with Section 32 (*Indemnification*), from any lawsuit or claim arising in law or equity solely by reason of the WIFIA Loan, and that no third party creditor of the Borrower shall have any right against the WIFIA Lender with respect to the WIFIA Loan made pursuant to this Agreement.

Section 21. Borrower's Authorized Representative. The Borrower shall at all times have appointed a Borrower's Authorized Representative by designating such Person or Persons from time to time to act on the Borrower's behalf pursuant to a written certificate furnished to the WIFIA Lender and the Servicer, if any, containing the specimen signature or signatures of such Person or Persons and signed by the Borrower.

Section 22. WIFIA Lender's Authorized Representative. The WIFIA Lender hereby appoints the Director of the WIFIA Program, whose notice details are set forth below in Section 31 (*Notices*), to serve as the WIFIA Lender's Authorized Representative under this Agreement until such time as a successor or successors shall have been appointed. Thereafter, the successor in office shall serve as the WIFIA Lender's Authorized Representative. The WIFIA Lender shall provide notice to the Borrower within a reasonable time period following the succession.

Section 23. Servicer. The WIFIA Lender may from time to time designate another entity or entities to perform, or assist the WIFIA Lender in performing, the duties of the Servicer or specified duties of the WIFIA Lender under this Agreement and the WIFIA Bond. The WIFIA Lender shall give the Borrower written notice of the appointment of any successor or additional Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer. Any references in this Agreement to the WIFIA Lender shall be deemed to be a reference to the Servicer with respect to any duties which the WIFIA Lender shall have delegated to such Servicer. The WIFIA Lender may at any time assume the duties of any Servicer under this Agreement and the WIFIA Bond. The Borrower shall cooperate and respond to any reasonable request of the Servicer for information, documentation or other items reasonably necessary for the performance by the Servicer of its duties hereunder.

Section 24. Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the parties hereto.

Section 25. Governing Law. This Agreement shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 26. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 27. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Neither the Borrower's rights or obligations hereunder nor any interest therein may be assigned or delegated by the Borrower without the prior written consent of the WIFIA Lender.

Section 28. Remedies Not Exclusive. No remedy conferred herein or reserved to the WIFIA Lender is intended to be exclusive of any other available remedy or remedies, but each

and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 29. Delay or Omission Not Waiver. No delay or omission of the WIFIA Lender to exercise any right or remedy provided hereunder upon a default of the Borrower (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this Agreement or by law to the WIFIA Lender may be exercised from time to time, and as often as may be deemed expedient by the WIFIA Lender.

Section 30. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith in accordance with Section 31 (*Notices*) shall be effective as delivery of an original executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 31. Notices. Notices hereunder shall be (a) in writing, (b) effective as provided below and (c) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

If to WIFIA Lender: Environmental Protection Agency  
WJC-W 6201A  
1200 Pennsylvania Avenue NW  
Washington, D.C. 20460  
Attention: WIFIA Director  
Email: WIFIA\_Portfolio@epa.gov

If to Borrower: City of Evanston, Cook County, Illinois  
2100 Ridge Avenue  
Evanston, IL 60201  
Attention: [ \_\_\_\_\_ ]  
Email: [ \_\_\_\_\_ ]

Unless otherwise instructed by the WIFIA Lender's Authorized Representative, all notices to the WIFIA Lender should be made by email to the email address noted above for the WIFIA Lender. Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by a Borrower's Authorized Representative, with respect to notices to the Borrower, or by the WIFIA Lender's Authorized Representative, with respect to notices to the WIFIA Lender or the Servicer. Each such notice, request or communication shall be effective (x) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 31 (or in accordance with the latest unrevoked written direction from the receiving party) and (y) if given by email, when

such email is delivered to the address specified in this Section 31 (or in accordance with the latest unrevoked written direction from the receiving party); provided, that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

Section 32. Indemnification. The Borrower shall, to the extent permitted by law, indemnify the WIFIA Lender and any official, employee, agent or representative of the WIFIA Lender (each such Person being herein referred to as an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs and expenses (including the fees, charges and disbursements of any counsel for any Indemnitee and the costs of environmental remediation), whether known, unknown, contingent or otherwise, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (a) the execution, delivery and performance of this Agreement or any of the other Related Documents, (b) the WIFIA Loan or the use of the proceeds thereof, or (c) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters; in each case arising out of or in direct relation to the Project; provided, that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities, fines, penalties, costs or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. In case any action or proceeding is brought against an Indemnitee by reason of any claim with respect to which such Indemnitee is entitled to indemnification hereunder, the Borrower shall be entitled, at its expense, to participate in the defense thereof; provided, that such Indemnitee has the right to retain its own counsel, at the Borrower’s expense, and such participation by the Borrower in the defense thereof shall not release the Borrower of any liability that it may have to such Indemnitee. Any Indemnitee against whom any indemnity claim contemplated in this Section 32 is made shall be entitled, after consultation with the Borrower and upon consultation with legal counsel wherein such Indemnitee is advised that such indemnity claim is meritorious, to compromise or settle any such indemnity claim. Any such compromise or settlement shall be binding upon the Borrower for purposes of this Section 32. Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnitee. To the extent permitted by applicable law, neither the Borrower nor the WIFIA Lender shall assert, and each of the Borrower and the WIFIA Lender hereby waives, any claim against any Indemnitee or the Borrower, respectively, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any of the other Related Documents, the other transactions contemplated hereby and thereby, the WIFIA Loan or the use of the proceeds thereof, provided, that nothing in this sentence shall limit the Borrower’s indemnity obligations to the extent such damages are included in any third party claim in connection with which an Indemnitee is entitled to indemnification hereunder. All amounts due to any Indemnitee under this Section 32 shall be payable promptly upon demand therefor. The obligations of the Borrower under this Section 32 shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other Related Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section 32) or consents in respect hereof or thereof, any Event of Default, and any

workout, restructuring or similar arrangement of the obligations of the Borrower hereunder or thereunder.

Section 33. Sale of WIFIA Loan. The WIFIA Lender shall not sell the WIFIA Loan at any time prior to the Substantial Completion Date. After such date, the WIFIA Lender may sell the WIFIA Loan to another entity or reoffer the WIFIA Loan into the capital markets only in accordance with the provisions of this Section 33. Such sale or reoffering shall be on such terms as the WIFIA Lender shall deem advisable. However, in making such sale or reoffering the WIFIA Lender shall not change the terms and conditions of the WIFIA Loan without the prior written consent of the Borrower in accordance with Section 24 (*Amendments and Waivers*). The WIFIA Lender shall provide, at least sixty (60) days prior to any sale or reoffering of the WIFIA Loan, written notice to the Borrower of the WIFIA Lender's intention to consummate such a sale or reoffering; provided, however, that no such notice shall be required during the continuation of any Event of Default. The provision of any notice pursuant to this Section 33 shall not (x) obligate the WIFIA Lender to sell nor (y) provide the Borrower with any rights or remedies in the event the WIFIA Lender, for any reason, does not sell the WIFIA Loan.

Section 34. Effectiveness. This Agreement shall be effective on the Effective Date.

Section 35. Termination. This Agreement shall terminate upon the irrevocable payment in full in immediately available funds by the Borrower of the Outstanding WIFIA Loan Balance, together with all accrued interest, and all fees and expenses with respect thereto; provided, however, that the indemnification requirements of Section 32 (*Indemnification*), the access and record keeping requirements of Section 14(r) (*Affirmative Covenants – Access; Records*) and the payment requirements of Section 10 (*Fees and Expenses*) shall survive the termination of this Agreement as provided in such Sections.

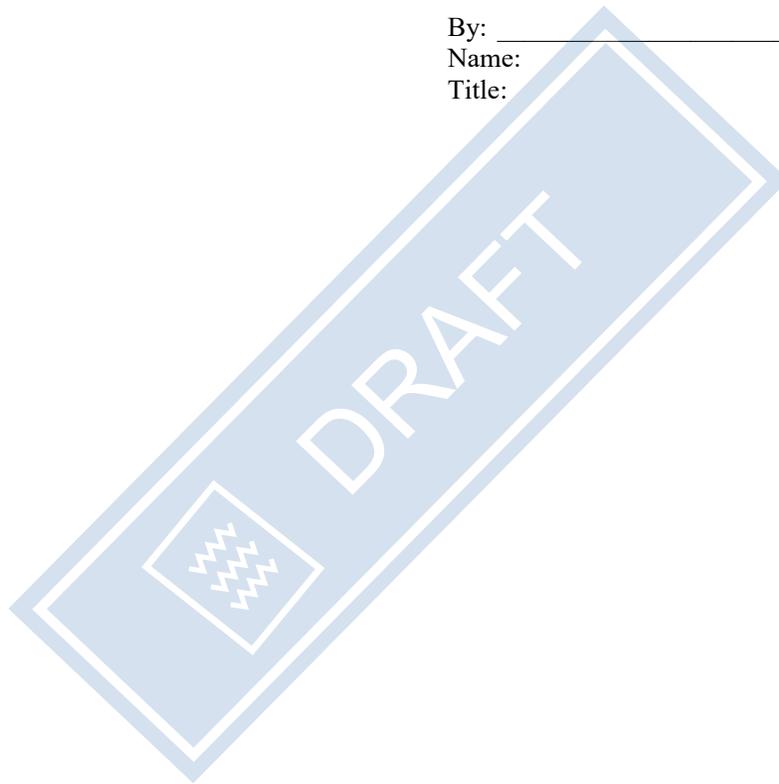
Section 36. Integration. This Agreement constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

[The remainder of this page intentionally left blank; signature pages immediately follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

**CITY OF EVANSTON, COOK  
COUNTY, ILLINOIS,**  
by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:



*[Signature page to City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project –  
WIFIA Loan Agreement]*

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**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the Environmental Protection Agency

By: \_\_\_\_\_  
Name: Michael S. Regan  
Title: Administrator

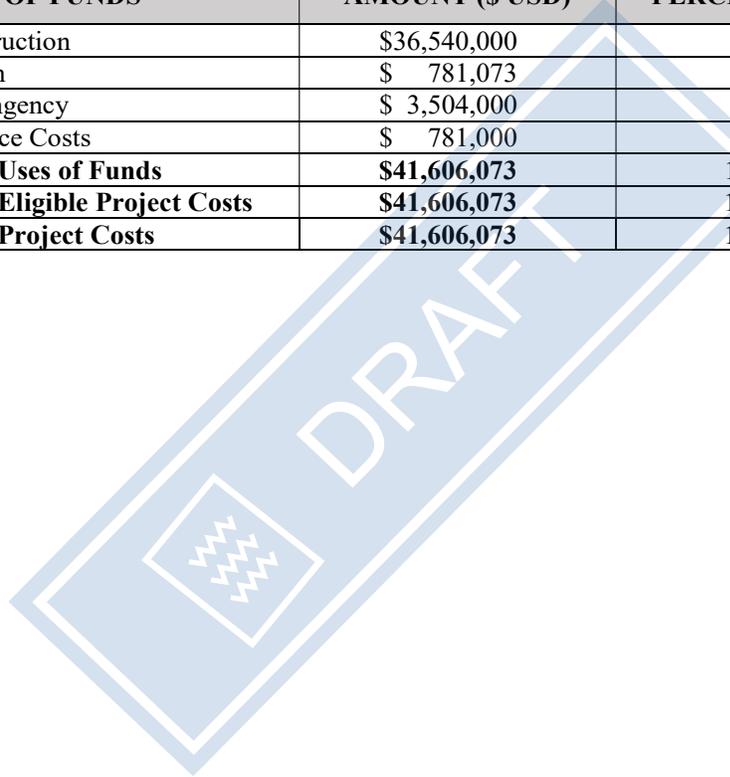


*[Signature page to City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project – WIFIA Loan Agreement]*

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**SCHEDULE I  
PROJECT BUDGET**

<b>SOURCES OF FUNDS</b>	<b>AMOUNT (\$ USD)</b>	<b>PERCENTAGE (%)</b>
WIFIA Loan	\$20,386,000	49.0%
SRF Loan	\$21,220,073	51.0%
<b>Total Sources of Funds</b>	<b>\$41,606,073</b>	<b>100.0%</b>
<b>USES OF FUNDS</b>	<b>AMOUNT (\$ USD)</b>	<b>PERCENTAGE (%)</b>
Construction	\$36,540,000	88.0%
Design	\$ 781,073	2.0%
Contingency	\$ 3,504,000	8.0%
Issuance Costs	\$ 781,000	2.0%
<b>Total Uses of Funds</b>	<b>\$41,606,073</b>	<b>100.0%</b>
<b>Total Eligible Project Costs</b>	<b>\$41,606,073</b>	<b>100.0%</b>
<b>Total Project Costs</b>	<b>\$41,606,073</b>	<b>100.0%</b>



**SCHEDULE II**

**CONSTRUCTION SCHEDULE**

Project Element	1909 Raw Water Intake Replacement
Design Start	6/1/2019
Design End	12/1/2021
Construction Start	5/1/2022
Substantial Completion	8/1/2024



**SCHEDULE III  
EXISTING INDEBTEDNESS**

[Insert Page]



Schedule III-1

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## SCHEDULE IV-A

### WIFIA LOAN PAYMENT INSTRUCTIONS

#### HOW TO MAKE A LOAN PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

**For questions about payments to EPA please contact EPA's Office of the Controller:**

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov)

**For questions about the WIFIA program:**

Email: [wifia@epa.gov](mailto:wifia@epa.gov)

#### ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

##### Option 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
2. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
3. Provide the following information on your payment to ensure proper credit:
  - Remitter's contact phone number
  - Company/Organization Name as it appears on EPA document
  - Complete address, including city, state, zip code
  - Project Name
  - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
  - From the "Payment Type" drop down menu select "**Loan Payment**"
4. Follow the remaining on-screen instructions to successfully process the payment to EPA.
5. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

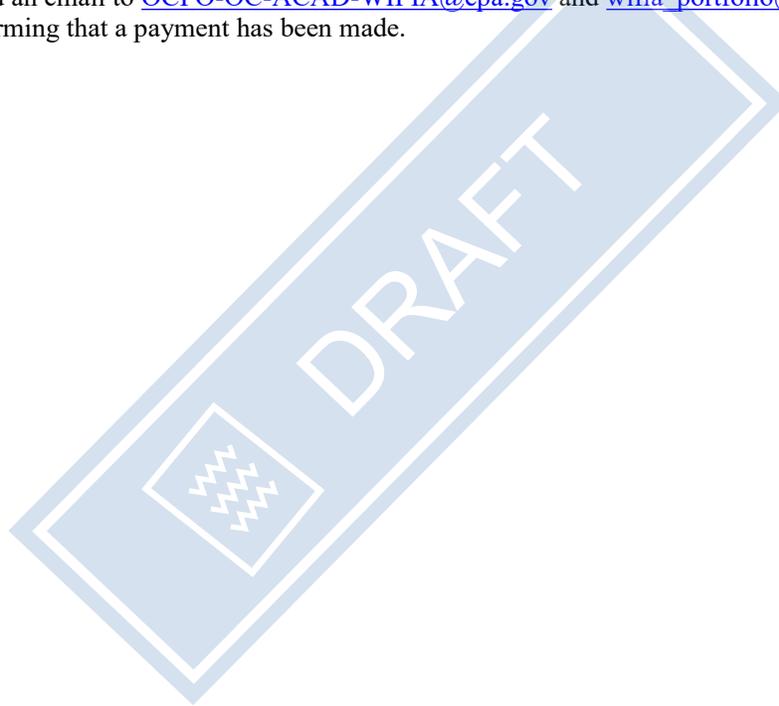
## Option 2 Fedwire

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

### FEDWIRE

To process a payment using FedWire please:

1. Send FedWire deposits as early as possible and no later than 5PM ET on the desired EPA receipt date.
2. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
3. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.



**Attachment 1 – FedWire Payment Form and Instructions**

**Please provide the following instructions to your Financial Institution for the remittance of Fedwire payments to the United States Environmental Protection Agency.**

Fedwire Field Tag	Fedwire Field Name	Required Information
{1510}	Type/Subtype	<b>1000</b>
{2000}	Amount	\$
{3400}	Receiver ABA routing number *	<b>021030004</b>
{3400}	Receiver ABA short name	<b>TREAS NYC</b>
{3600}	Business Function Code	<b>CTR</b> (or CTP)
{4200}	Beneficiary Identifier (account number)	<b>868010099000</b>
{4200}	Beneficiary Name	<b>US EPA</b>
{5000}	Originator	
{6000}	Originator to Beneficiary Information – Line 1	<b>FEE TYPE – WIFIA Application Fee (WIFIA Loan Number)</b>
{6000}	Originator to Beneficiary Information – Line 2	
{6000}	Originator to Beneficiary Information – Line 3	
{6000}	Originator to Beneficiary Information – Line 4	

\* The financial institution address for Treasury’s routing number: 33 Liberty Street, New York, NY 10045

**Agency Contact:**  
 Collections Inquiry Mailbox  
 US Environmental Protection Agency  
 Office of the Controller  
 Fees and Collections Branch  
[Collections\\_Inquiry\\_Mailbox@epa.gov](mailto:Collections_Inquiry_Mailbox@epa.gov)

## SCHEDULE IV-B

### WIFIA FEE PAYMENT INSTRUCTIONS

#### HOW TO MAKE A FEE PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

**For questions about payments to EPA please contact EPA's Office of the Controller:**

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov)

**For questions about the WIFIA program:**

Email: [wifia@epa.gov](mailto:wifia@epa.gov)

#### ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

##### Option 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
2. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
3. Provide the following information on your payment to ensure proper credit:
  - Remitter's contact phone number
  - Company/Organization Name as it appears on EPA document
  - Complete address, including city, state, zip code
  - Project Name
  - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
  - From the "Payment Type" drop down menu select the type from the Fee Notice letter
  - Other Description: please note the reference number from the Fee Notice letter
4. Follow the remaining on-screen instructions to successfully process the payment to EPA.

5. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

### Option 2 Credit Gateway: Fedwire and ACH

Depending on preferences, Credit Gateway allows users to submit payment either via FedWire (electronic interbank transfers) or ACH (direct deposit). The primary differences are:

	FedWire	ACH (Automated Clearing House)
<b>Fees</b>	Charges fees	Less expensive than FedWire
<b>Transaction Speed</b>	Faster transfers	May take up to a few days
<b>Security</b>	Less secure	More secure
<b>International Capabilities</b>	Can be sent internationally	U.S.-only network
<b>Processing time</b>	Within 24 hours	A few hours to several days

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

#### FEDWIRE

To process a payment using FedWire please:

6. Send FedWire deposits as early as possible and no later than 5PM ET on the desired EPA receipt date.
7. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
8. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that a payment has been made.

#### AUTOMATED CLEARING HOUSE (ACH)

To process payments using ACH please:

1. Send ACH payments as early as possible and no later than 3 business days before the desired EPA receipt date.
2. Review the ACH form Instructions provided in Attachment 2 and complete the form. It is important that all relevant details identified in the instructions are accurate.
3. Send an email to [OCFO-OC-ACAD-WIFIA@epa.gov](mailto:OCFO-OC-ACAD-WIFIA@epa.gov) and [wifia\\_portfolio@epa.gov](mailto:wifia_portfolio@epa.gov) informing that the payment has been made.

**Option 3 CHECK PAYMENTS**

UNAVAILABLE DUE TO COVID19 PANDEMIC. EPA CANNOT PROCESS CHECKS AT THIS TIME.



## Attachment 1 – FedWire Payment Form and Instructions

**Please provide the following instructions to your Financial Institution for the remittance of Fedwire payments to the United States Environmental Protection Agency.**

Fedwire Field Tag	Fedwire Field Name	Required Information
{1510}	Type/Subtype	<b>1000</b>
{2000}	Amount	
{3400}	Receiver ABA routing number *	<b>021030004</b>
{3400}	Receiver ABA short name	<b>TREAS NYC</b>
{3600}	Business Function Code	<b>CTR</b> (or <i>CTP</i> )
{4200}	Beneficiary Identifier (account number)	<b>868010099000</b>
{4200}	Beneficiary Name	<b>US EPA</b>
{5000}	Originator	
{6000}	Originator to Beneficiary Information – Line 1	<b>FEE TYPE – WIFIA Application Fee (WIFIA Loan Number)</b>
{6000}	Originator to Beneficiary Information – Line 2	
{6000}	Originator to Beneficiary Information – Line 3	
{6000}	Originator to Beneficiary Information – Line 4	

\* The financial institution address for Treasury’s routing number is 33 Liberty Street, New York, NY 10045

**Agency Contact:**

Collections Inquiry Mailbox  
 US Environmental Protection Agency  
 Office of the Controller  
 Fees and Collections Branch  
[Collections\\_Inquiry\\_Mailbox@epa.gov](mailto:Collections_Inquiry_Mailbox@epa.gov)

## Attachment 2 - ACH Credit Gateway Form and Instructions

**Please provide the following instructions to your Financial Institution for the remittance of Automated Clearing House (ACH) credits to the United States Environmental Protection Agency.**

NACHA Record Type Code	NACHA Field	NACHA Data Element Name	Required Information
5	3	Company Name	
5	6	Standard Entry Class Code	<b>CCD</b>
5	9	Effective Entry Date	
6	2	Transaction Code*	<b>22</b>
6	3 & 4	Receiving DFI Identification (ABA routing #) @	<b>051036706</b>
6	5	DFI Account Number	<b>868010099000</b>
6	6	Amount	<i>(enter payment amount)</i>
6	8	Receiving Company Name	<b>US EPA FEE TYPE – WIFIA (Loan Number-Fee Type)</b>

**ACH bank information:**

Name: Credit Gateway – ACH Receiver  
 Address: 33 Livingston Ave. St. Paul, MN 55107  
 Phone number: 1-877-815-1206

**Agency Contact:**

Collections Inquiry Mailbox  
 Fees and Collections Branch  
 Office of the Controller  
 US Environmental Protection Agency  
 Collections\_Inquiry\_Mailbox@epa.gov

[EPA W-9 to be inserted]



**SCHEDULE 12(f)**

**LITIGATION<sup>1</sup>**

The Borrower is involved in pending litigation related to public involvement in the District Court for the Northern District of Illinois. In *Verzel James v. City of Evanston et al.*, the plaintiff alleges that he and other residents of the fifth ward were denied the right to oppose the pumping station built on Church Street. Judge Andrea Wood, presiding over the matter, the informed the parties she intends to grant the Borrower's Motions to Dismiss the case. The court has yet to issue its written ruling.

The Borrower anticipates it is unlikely that a similar issue would impact the Project.



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<sup>1</sup> Borrower to confirm and update as necessary.

**SCHEDULE 12(n)**

**PRINCIPAL PROJECT CONTRACTS**

**Existing Principal Project Contracts**

<b>Contract</b>	<b>Date</b>	<b>Parties</b>	<b>Description</b>	<b>Requested by WIFIA Lender</b>
<b>None</b>				



**SCHEDULE 12(p)**  
**ENVIRONMENTAL MATTERS**  
*[To be provided by the Borrower]*



Schedule 12(p)-1

3603874.6 045238 CTR

EXHIBIT A

FORM OF WIFIA BOND

[FORM OF WIFIA BOND – FRONT SIDE]

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
THE COUNTY OF COOK  
CITY OF EVANSTON  
GENERAL OBLIGATION CORPORATE PURPOSE BOND  
(1909 RAW WATER INTAKE REPLACEMENT PROJECT; WIFIA – N20154IL)

See Reverse Side for  
Additional  
Provisions.

Interest                      Maturity                      Dated                      CUSIP:  
Rate: \_\_\_\_\_%      Date: December 1, \_\_\_\_\_      Date: \_\_\_\_\_, 2021      \_\_\_\_\_

**KNOW ALL PERSONS BY THESE PRESENTS** that the City of Evanston, Cook County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns (the “**WIFIA Lender**”), or registered assigns as hereinafter provided, the aggregate unpaid principal amount of all disbursements up to a maximum aggregate principal amount of \$20,386,000 made by the WIFIA Lender pursuant to the WIFIA Loan Agreement (as defined below) (the “**Disbursements**” and amount, together with any interest that is capitalized and added to principal in accordance with the provisions of the WIFIA Loan Agreement, minus the aggregate principal amount thereof repaid by the Borrower, as determined in accordance with **Exhibit F (WIFIA Debt Service)** to the WIFIA Loan Agreement, being hereinafter referred to as the “**Outstanding Principal Sum**”), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the WIFIA Loan Agreement) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, all as more fully described in the WIFIA Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the WIFIA Loan Agreement in accordance with **Exhibit F (WIFIA Debt Service)** to the WIFIA Loan Agreement, as revised from time to time in accordance with the WIFIA Loan Agreement, until paid in full (which **Exhibit F**, as modified from time to time in accordance with the terms of the WIFIA Loan Agreement, is incorporated in and is a part of this WIFIA Bond). The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** to the WIFIA Loan Agreement from time to time in accordance with the terms of the WIFIA Loan Agreement to reflect the

amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** to the WIFIA Loan Agreement shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document.

The interest rate on this WIFIA Bond shall be [\_\_\_\_\_] percent ([\_\_\_\_\_]%) per annum. Interest will accrue and be computed on the Outstanding Principal Sum (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, upon the occurrence of an Event of Default, the Authority shall pay interest on the Outstanding Principal Sum at the Default Rate (as defined in the WIFIA Loan Agreement to be the sum of (a) the WIFIA Interest Rate set forth above plus (b) 200 basis points) in accordance with Section 6 (*Interest Rate*) of the WIFIA Loan Agreement.

Payments hereon are to be made in accordance with Section 8(d) (*Payment of Principal and Interest – Manner of Payment*) and Section 31 (*Notices*) of the WIFIA Loan Agreement as the same become due. Principal of and interest on this WIFIA Bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America that at the date of payment is legal tender for the payment of public and private debts.

This WIFIA Bond has been executed under and pursuant to that certain WIFIA Loan Agreement, dated as of November 2, 2021, between the WIFIA Lender and the Borrower (the "**WIFIA Loan Agreement**") and is issued to evidence the obligation of the Borrower under the WIFIA Loan Agreement to repay the loan made by the WIFIA Lender and any other payments of any kind required to be paid by the Borrower under the WIFIA Loan Agreement or the other WIFIA Loan Documents referred to therein. Reference is made to the WIFIA Loan Agreement for all details relating to the Borrower's obligations hereunder. All capitalized terms used in this WIFIA Bond and not defined herein shall have the meanings set forth in the WIFIA Loan Agreement.

This WIFIA Bond may be prepaid at the option of the Borrower in whole at any time or in part on any Payment Date (but in the case of a partial prepayment, the Borrower is limited to one prepayment annually and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, however, that such prepayments shall be in principal amounts of \$500,000 or any integral multiple of \$1.00 in excess thereof), from time to time, without penalty or premium, by paying to the WIFIA Lender all or part of the principal amount of the WIFIA Bond in accordance with the WIFIA Loan Agreement.

This WIFIA Bond shall be subject to prepayment on the terms and conditions set forth in the WIFIA Loan Agreement.

The full faith and credit and taxing power of the Borrower are hereby irrevocably pledged to the punctual payment of the principal of, interest on and premium, if any, on this WIFIA Bond according to its terms.

Any delay on the part of the WIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

Reference is hereby made to the further provisions of this WIFIA Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts, and things required by the constitution and laws of the State of Illinois to exist or to be done precedent to and in the issuance of this WIFIA Bond, including the Act, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the indebtedness of the Borrower, represented by this WIFIA Bond, and including all other indebtedness of the Borrower, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the Borrower sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This WIFIA Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the City of Evanston, Cook County, Illinois, by its City Council, has caused this WIFIA Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

---

Mayor, City of Evanston  
Cook County, Illinois

ATTEST:

---

City Clerk, City of Evanston  
Cook County, Illinois

[SEAL]

[FORM OF AUTHENTICATION]

**CERTIFICATION OF AUTHENTICATION**

This WIFIA Bond is the WIFIA Bond described in the within-mentioned Ordinance and is one of the General Obligation Corporate Purpose Bonds (1909 Raw Water Intake Replacement Project; WIFIA – N20154IL), having a Dated Date of \_\_\_\_\_, 2021, of the City of Evanston, Cook County, Illinois.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION  
Chicago, Illinois, as Bond Registrar

Date of Authentication: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_  
Authorized Officer

[FORM OF WIFIA BOND – REVERSE SIDE]

This WIFIA Bond in the aggregate principal amount of \$ \_\_\_\_\_ issued by the Borrower for the purpose of paying the costs of the Capital Improvement Project, and of paying expenses incidental thereto, all as described and defined in Ordinance Number [\_\_]-O-21 of the Borrower, passed by the City Council on the [\_\_\_\_] day of [\_\_\_\_], 2021, authorizing the Bonds (the “Ordinance”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the Borrower as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, and pursuant to the provisions of the Local Government Debt Reform Act, as amended (such code and powers, as supplemented, being the “Borrower Act”), and with the Ordinance, which has been duly executed by the Mayor, in all respects as by law required.

This WIFIA Bond is subject to provisions relating to redemption and notice thereof and other terms of redemption; provisions relating to registration, transfer, and exchange; and such other terms and provisions relating to security and payment as are set forth in the Ordinance; to which reference is hereby expressly made, and to all the terms of which the Registered Owner hereof is hereby notified and shall be subject.

The Borrower and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Borrower nor the Bond Registrar shall be affected by any notice to the contrary.

[FORM OF ASSIGNMENT]

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Here insert Social Security Number,  
Employer Identification Number or  
other Identifying Number.

---

(Name and Address of Assignee)

the within WIFIA Bond and does hereby irrevocably constitute and appoint

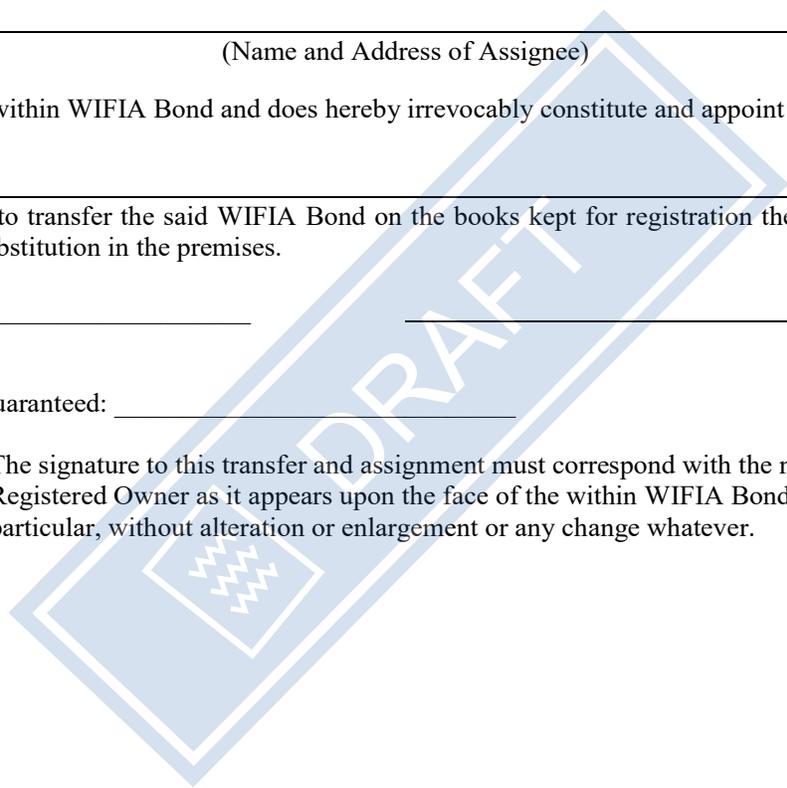
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as attorney to transfer the said WIFIA Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within WIFIA Bond in every particular, without alteration or enlargement or any change whatever.



**EXHIBIT B**  
**ANTICIPATED WIFIA LOAN DISBURSEMENT SCHEDULE**

<u>Federal Fiscal Year</u>	<u>Amount</u>
2023	\$11,563,493
2024	\$ 8,822,507



**EXHIBIT C**

**FORM OF NON-DEBARMENT CERTIFICATE**

The undersigned, on behalf of the CITY OF EVANSTON, COOK COUNTY, ILLINOIS (the “**Borrower**”), hereby certifies that the Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and hereby further confirms, based on such verification, that, to its knowledge, the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. 1532.995):

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;

(b) Have not within a three (3) year period preceding the Effective Date been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(d) Have not within a three (3) year period preceding the Effective Date had one or more public transactions (federal, state or local) terminated for cause or default.

Dated: \_\_\_\_\_

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT D-1

### REQUISITION PROCEDURES

This **Exhibit D-1** sets out the procedures which the Borrower agrees to follow in submitting Requisitions for the disbursement of WIFIA Loan proceeds in respect of the Eligible Project Costs incurred in connection with the Project. Section 1 sets out the manner in which Requisitions are to be submitted and reviewed. Sections 2 through 4 set out the circumstances in which the WIFIA Lender may reject or correct Requisitions submitted by the Borrower or withhold a disbursement. The Borrower expressly agrees to the terms hereof, and further agrees that (i) the rights of the WIFIA Lender contained herein are in addition to (and not in lieu of) any other rights or remedies available to the WIFIA Lender under the WIFIA Loan Agreement, and (ii) nothing contained herein shall be construed to limit the rights of the WIFIA Lender to take actions including administrative enforcement action and actions for breach of contract against the Borrower if it fails to carry out its obligations under the WIFIA Loan Agreement during the term thereof.

Section 1. General Requirements. All requests by the Borrower for the disbursement of WIFIA Loan proceeds shall be made by electronic mail or overnight delivery service by submission to the WIFIA Lender, in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, of a Requisition, in form and substance satisfactory to the WIFIA Lender and completed and executed by the Borrower's Authorized Representative. The form of Requisition is attached as **Appendix One** (*Form of Requisition*) to this **Exhibit D-1**.

Any required supporting documentation should be submitted with the Requisition. If the Borrower anticipates that it will draw down all or a portion of the proceeds of the WIFIA Loan to reimburse the Borrower for Eligible Project Costs paid by or on behalf of the Borrower prior to such disbursement of WIFIA Loan proceeds, whether paid from funds of the Borrower or proceeds of Obligations issued by the Borrower, including for the purpose of paying or redeeming such Obligations, the Borrower shall deliver appropriate documentation, including invoices and records, evidencing such incurred or paid Eligible Project Costs (the "**Eligible Project Costs Documentation**"). Each time the Borrower delivers Eligible Project Costs Documentation to the WIFIA Lender, and the Servicer (if any), the Borrower shall also deliver to such entities a certificate, substantially in the form of **Exhibit D-2** (*Certification of Eligible Project Costs Documentation*) and duly executed by the Borrower's Authorized Representative. The Eligible Project Costs Documentation must provide sufficient detail to enable the WIFIA Lender to verify that such costs are Eligible Project Costs paid by the Borrower, in connection with the reimbursement of such Eligible Project Costs or for the purpose of paying or redeeming, in whole or part, the portion of any such short-term interim financing in respect of which the proceeds were used to pay such documented Eligible Project Costs. The WIFIA Lender shall review the Eligible Project Costs Documentation for compliance with WIFIA disbursement requirements, and any amounts approved by the WIFIA Lender as Eligible Project Costs will be disbursed at such time as the Borrower submits a Requisition in respect of such approved amounts.

The WIFIA Lender agrees to promptly send to the Borrower in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, an acknowledgement of receipt of each Requisition

in the form attached as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to this **Exhibit D-1** setting forth the date of receipt by the WIFIA Lender of such Requisition and setting forth the Business Day on which disbursement will be made absent denial by the WIFIA Lender. All disbursement requests must be received by the WIFIA Lender at or before 5:00 P.M. (EST) on the first (1<sup>st</sup>) Business Day of a calendar month in order to obtain disbursement by the fifteenth (15<sup>th</sup>) day of such calendar month or, if either such day is not a Business Day, the next succeeding Business Day. If a Requisition is approved by the WIFIA Lender, the WIFIA Lender will notify the Borrower of such approval and of the amount so approved.

Section 2. Rejection. A Requisition may be rejected in whole or in part by the WIFIA Lender if it is: (a) submitted without signature; (b) submitted under signature of a Person other than a Borrower's Authorized Representative; (c) submitted after prior disbursement of all proceeds of the WIFIA Loan; (d) submitted without adequate Eligible Project Costs Documentation, including (i) copies of invoices and records evidencing the Eligible Project Costs, (ii) a summary of the progress of construction of the Project and a general description of the work done for which the funds being requisitioned are being applied (or a certification that no change has occurred since the date of the latest quarterly report provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*)), and (iii) a copy of the most recent update to the Borrower's risk register, if requested by the WIFIA Lender.

The WIFIA Lender will notify the Borrower of any Requisition so rejected, and the reasons therefor. Any Requisition rejected for the reasons specified above (other than Section 2(c)) must be resubmitted in proper form in order to be considered for approval. If a Requisition exceeds the balance of the WIFIA Loan proceeds remaining to be disbursed, the request will be treated as if submitted in the amount of the balance so remaining, and the WIFIA Lender will so notify the Borrower.

Section 3. Correction. A Requisition containing an apparent mathematical error will be corrected by the WIFIA Lender, after telephonic or email notification to the Borrower, and will thereafter be treated as if submitted in the corrected amount.

Section 4. Withholding. The WIFIA Lender shall be entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of WIFIA Loan proceeds if: (a) a Default or an Event of Default shall have occurred and be continuing; (b) the Borrower (i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable law, in connection with the transactions contemplated hereby; (ii) prevents or materially impairs the ability of the WIFIA Lender to monitor compliance by the Borrower with applicable law pertaining to the Project or with the terms and conditions of the WIFIA Loan Agreement; (iii) fails to observe or comply with any applicable law, or any term or condition of the WIFIA Loan Agreement; (iv) fails to satisfy the conditions set forth in Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*) of the WIFIA Loan Agreement; or (v) fails to deliver Eligible Project Costs Documentation satisfactory to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement; provided, that in such case of Section 4(v), the WIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate Eligible

Project Costs has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.



**APPENDIX 1**

**FORM OF REQUISITION**

United States Environmental Protection Agency<sup>2</sup>  
1200 Pennsylvania Avenue NW  
WJC-W 6201A  
Washington, D.C. 20460  
Attention: WIFIA Director

Re: City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project (WIFIA - N20154IL)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan Agreement, dated as of November 2, 2021 (the “**WIFIA Loan Agreement**”), by and between the CITY OF EVANSTON, COOK COUNTY, ILLINOIS (the “**Borrower**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), the Borrower hereby requests disbursement in the amount set forth below in respect of Eligible Project Costs paid or incurred by the Borrower. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

In connection with this Requisition the undersigned, as the Borrower’s Authorized Representative, hereby represents and certifies the following:

1.	<b>Project name</b>	1909 Raw Water Intake Replacement Project
2.	<b>Borrower name</b>	City of Evanston, Cook County, Illinois
3.	<b>WIFIA reference number</b>	N20154IL
4.	<b>Requisition number</b>	[ ]
5.	<b>Requested disbursement amount</b>	[\$ ]

<sup>2</sup> If there is a Servicer for the WIFIA Loan, provide a copy to the Servicer as well and include its notice details here.

6.	<b>Requested disbursement date (the “Disbursement Date”)</b>	[ ]
7.	<b>Total amounts previously disbursed under the WIFIA Loan Agreement</b>	\$( [ ] )
8.	<b>Wire instructions</b>	[ ]

9. With respect to each Requisition for the WIFIA Loan, on the date of disbursement, Bond Counsel to the Borrower shall have rendered to the WIFIA Lender the legal opinions set forth in **Exhibit G-3** (*Opinions Required from Bond Counsel at Each Disbursement*) to the WIFIA Loan Agreement dated as of the date of the applicable disbursement.
10. The amounts hereby requisitioned have been paid or incurred and approved for payment by or on behalf of the Borrower for Eligible Project Costs and have not been paid for or reimbursed by any previous disbursement from WIFIA Loan proceeds. No portion of the amounts requisitioned will be applied to pay for Eligible Project Costs that have been previously paid, or are expected to be paid, with proceeds of debt of the Borrower that is not the WIFIA Loan (“**Other Debt**”)[.][.], except as set forth below:

<b>Source of Other Debt</b>	<b>Amount of Other Debt</b>
[ ]	\$( [ ] )
<b>Total Amount of Other Debt</b>	\$( [ ] )

The portion of the amount requisitioned equal to the total amount of the Other Debt set forth above will be promptly applied by the Borrower to either (i) discharge a like principal amount of such Other Debt or (ii) reimburse the applicable fund or account from which the proceeds of such Other Debt were spent.<sup>3</sup>

11. The aggregate amount of all disbursements of the WIFIA Loan (including the amount requested under this Requisition but excluding any interest that is capitalized in accordance with the WIFIA Loan Agreement) does not exceed (a) the amount of the WIFIA Loan, (b) the amount of Eligible Project Costs paid or incurred by the Borrower, and (c) the cumulative

<sup>3</sup> This paragraph should be included when the Eligible Project Costs for which the proceeds of the requisition are to be applied were previously funded with bond anticipation notes or other short-term interim financing by the Borrower on a temporary basis with the intent of redeeming the bond anticipation notes or other obligations with proceeds of the WIFIA Loan as permanent financing, or reimbursing the applicable funds of the other obligations such that they become available for payment of other Project costs.

- disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule.
12. The Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.
  13. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.
  14. The Borrower has all Governmental Approvals necessary as of the date hereof and as of the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), for the development, construction, operation and maintenance of the Project and each such Governmental Approval has been issued and is in full force and effect (and is not subject to any notice of violation, breach or revocation).
  15. Each of the insurance policies obtained by the Borrower in satisfaction of Section 14(g) (*Affirmative Covenants – Insurance*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.
  16. As of the date hereof and on the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), (i) no Default or Event of Default and (ii) no event of default under any other Related Document and no event that, with the giving of notice or the passage of time or both, would constitute an event of default under any Related Document, in each case, has occurred and is continuing. No Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since May 20, 2021.
  17. The Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§ 3141–3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products). Supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender.
  18. The representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document are true and correct as of the date hereof and as of the Disbursement Date, except to the extent such representations

and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

- 19. The current estimated percentage of physical completion of the Project is [\_\_]%. The Borrower is in compliance with Section 16(d) (*Reporting Requirements – Construction Reporting*) and no change has occurred since the date of the most recently delivered quarterly construction progress report that could reasonably be expected to cause a Material Adverse Effect.<sup>4</sup>
- 20. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower [or to be used to pay Eligible Project Costs previously paid from proceeds of Other Debt] by the above-requested disbursement has been delivered by the Borrower to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement, including the details set forth [in the attachment hereto, which is in form satisfactory to the WIFIA Lender][below:

								WIFIA USE ONLY	
Vendor or Contractor Name <sup>5</sup>	Invoice Number <sup>6</sup>	Invoice Date	Payment Date	Invoice Amount	WIFIA Requested Amount <sup>7</sup>	Activity Type <sup>8</sup>	Description of Activity <sup>9</sup>	Approved Amount	Notes

<sup>4</sup> The most recent quarterly progress report should set out a summary of the progress of construction of the Project, as well as a general description of the work done for which the funds being requisitioned are being applied and a summary of any material changes/risks. If not, PM should request additional information (including a risk register, if applicable).

<sup>5</sup> If seeking reimbursement for internal costs, enter “Internally financed activities.”

<sup>6</sup> Vendor’s number indicated on the invoice sent to the Borrower.

<sup>7</sup> If the amount requested for reimbursement by the WIFIA Lender is less than the total amount of the invoice, include an explanation for the difference.

<sup>8</sup> Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the “Description of Activity” column.

<sup>9</sup> Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the disbursement request.

The undersigned acknowledges that if the Borrower makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Government in connection with the Project, the Government reserves the right to impose on the Borrower the penalties of 18 U.S.C. § 1001, to the extent the Government deems appropriate.

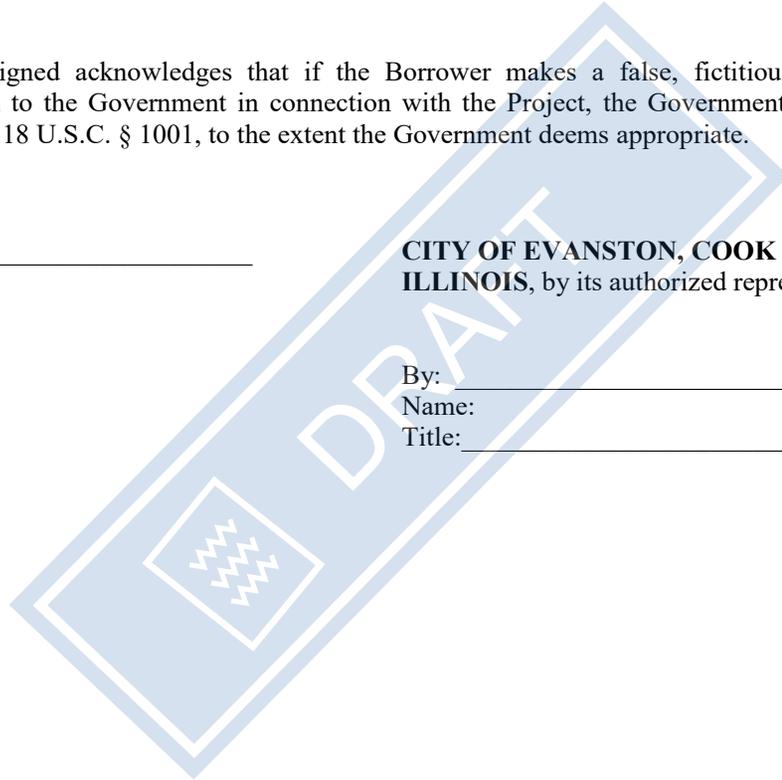
Date: \_\_\_\_\_

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative<sup>10</sup>

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

Name:

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



<sup>10</sup> To be executed by the Borrower's Authorized Representative.

**APPENDIX TWO TO EXHIBIT D-1**

**[APPROVAL/DISAPPROVAL] OF THE WIFIA LENDER  
(To be delivered to the Borrower)**

Requisition Number [\_\_\_\_\_] is [approved in the amount of \$[\_\_\_\_\_] [approved in part in the amount of \$[\_\_\_\_\_] [not approved, for the reasons set forth in Annex A attached hereto,]<sup>11</sup> by the WIFIA Lender (as defined herein) pursuant to Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan Agreement, dated as of November 2, 2021, by and between the City of Evanston, Cook County, Illinois (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”).

Any determination, action or failure to act by the WIFIA Lender with respect to the Requisition set forth above, including any withholding of a disbursement, shall be at the WIFIA Lender’s sole discretion, and in no event shall the WIFIA Lender be responsible for or liable to the Borrower for any and/or all consequence(s) which are the result thereof.

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY**, acting by and  
through the Administrator

By: \_\_\_\_\_  
WIFIA Lender’s Authorized Representative  
Name:  
Title:  
Dated:

<sup>11</sup>If there is any partial or full denial of approval, the WIFIA Lender should provide a separate attachment setting forth the reasons for such partial or full denial of approval.

**EXHIBIT D-2**

**CERTIFICATION OF ELIGIBLE PROJECT COSTS DOCUMENTATION**

[Date]

United States Environmental Protection Agency<sup>12</sup>  
1200 Pennsylvania Avenue NW  
WJC-W 6201A  
Washington, D.C. 20460  
Attention: WIFIA Director

Re: City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project (WIFIA - N20154IL)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan Agreement, dated as of November 2, 2021 (the “**WIFIA Loan Agreement**”), by and between the CITY OF EVANSTON, COOK COUNTY, ILLINOIS (the “**Borrower**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), we hereby present this certificate in connection with the Borrower’s delivery of Eligible Project Costs Documentation to the WIFIA Lender. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

The undersigned does hereby represent and certify the following:

1. This certificate is being delivered to the WIFIA Lender in connection with the Eligible Project Costs Documentation and is applicable to the period between [ ] and [ ].
2. Documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower is set forth [in the attachment hereto, which is in form satisfactory to the WIFIA Lender][below:

<sup>12</sup> If there is a Servicer for the WIFIA Loan, provide a copy to the Servicer as well and include its notice details here.

							WIFIA USE ONLY	
Vendor or Contractor Name <sup>13</sup>	Invoice Number <sup>14</sup>	Invoice Date	Payment Date	Invoice Amount	Activity Type <sup>15</sup>	Description of Activity <sup>16</sup>	Approved Amount	Notes

3. The sources of funding for such Eligible Project Costs are [listed below / set forth in Exhibit [ ] to this certificate].
4. [The funds for which reimbursement will be sought were expended solely in connection with the payment or reimbursement of Eligible Project Costs.]

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

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title: \_\_\_\_\_

<sup>13</sup> If seeking reimbursement for internal costs, enter "Internally financed activities."

<sup>14</sup> Vendor's number indicated on the invoice sent to the Borrower.

<sup>15</sup> Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the "Description of Activity" column.

<sup>16</sup> Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the documentation.

**EXHIBIT E**

**FORM OF NON-LOBBYING CERTIFICATE**

The undersigned, on behalf of the CITY OF EVANSTON, COOK COUNTY, ILLINOIS (the “**Borrower**”), hereby certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of the WIFIA Loan and the amendment or modification of the WIFIA Loan Agreement.

(b) If any funds other than proceeds of the WIFIA Loan have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the WIFIA Loan, the Borrower shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

(c) The Borrower shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Capitalized terms used in the certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement, dated as of November 2, 2021 (the “**WIFIA Loan Agreement**”), by and between the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”), and the Borrower, as the same may be amended from time to time.

This certification is a material representation of fact upon which reliance was placed when the WIFIA Lender entered into the WIFIA Loan Agreement. Submission of this certification is a prerequisite to the effectiveness of the WIFIA Loan Agreement imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Dated: \_\_\_\_\_

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

E-1

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**EXHIBIT F**

**WIFIA DEBT SERVICE**

*[To be inserted on Effective Date]*



## EXHIBIT G-1

### OPINIONS REQUIRED FROM COUNSEL TO BORROWER ON EFFECTIVE DATE

An opinion of the counsel of the Borrower, dated as of the Effective Date, to the effect that:

(a) the Borrower is duly formed, validly existing, and in good standing as a home-rule unit of government under and pursuant to the Borrower Act;

(b) the Borrower has all requisite power and authority to conduct its business and to execute and deliver, and to perform its obligations under the WIFIA Loan Documents;

(c) the execution and delivery by the Borrower of, and the performance of its respective obligations under, the WIFIA Loan Documents, have been duly authorized by all necessary organizational or regulatory action;

(d) the Borrower has duly executed and delivered each WIFIA Loan Document and each such WIFIA Loan Document constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with their respective terms and the WIFIA Bond constitutes the legal, valid and binding obligation of the Borrower to the amount of the Outstanding Principal Amount, enforceable against the Borrower in accordance with its terms.

(e) no authorization, consent, or other approval of, or registration, declaration or other filing with any governmental authority of the United States of America or of the State is required on the part of the Borrower for the execution and delivery by such party of, and the performance of such party under, any WIFIA Loan Document other than authorizations, consents, approvals, registrations, declarations and filings that have already been timely obtained or made by the Borrower;

(f) the execution and delivery by the Borrower of, and compliance with the provisions of, the WIFIA Loan Documents in each case do not (i) violate the Borrower Act, (ii) violate the law of the United States of America or of the State or (iii) conflict with or constitute a breach of or default under any material agreement or other instrument known to such counsel to which the Borrower is a party, or to the best of such counsel's knowledge, after reasonable review, any court order, consent decree, statute, rule, regulation or any other law to which the Borrower is subject; and

(g) to the knowledge of such counsel after due inquiry, there are no actions, suits, proceedings or investigations against the Borrower by or before any court, arbitrator or any other Governmental Authority in connection with the WIFIA Loan Documents, the Principal Project Contracts or the System (including the Project) that are pending.

**EXHIBIT G-2**

**OPINIONS REQUIRED FROM BOND COUNSEL ON EFFECTIVE DATE**

An opinion of bond counsel, dated as of the Effective Date, to the effect that:

City of Evanston  
Cook County, Illinois

United States Environmental Protection Agency

Ladies and Gentlemen:

We hereby certify that we have examined a certified copy of the proceedings (the "Proceedings") of the City Council (the "City Council") of the City of Evanston, Cook County, Illinois (the "Borrower"), passed preliminary to the issue by the Borrower of its fully registered General Obligation Bonds, Series 20\_\_ (the "Bonds"), to the maximum amount (defined therein as the "Face Amount") of \$\_\_\_\_\_ of which \$0 has previously been issued and delivered and received for value and \$\_\_\_\_\_ is issued and delivered as of this date (the aggregate amount delivered as of this date being the "Outstanding Principal Amount" of the Bonds as defined therein), and we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds to the amount of the Outstanding Principal Amount under the laws of the State of Illinois now in force.

The Bonds have been initially dated and authenticated as of \_\_\_\_\_, 20\_\_. The Bonds bear interest at the rate and become due pursuant to the schedule of principal and interest payments as provided in the Bonds and in Ordinance No. \_\_\_\_\_ (the "Ordinance") adopted by the Borrower Council on the \_\_\_ day of \_\_\_\_\_, 20\_\_, by which the Bonds are authorized. The Bonds are subject to redemption as provided in the Ordinance.

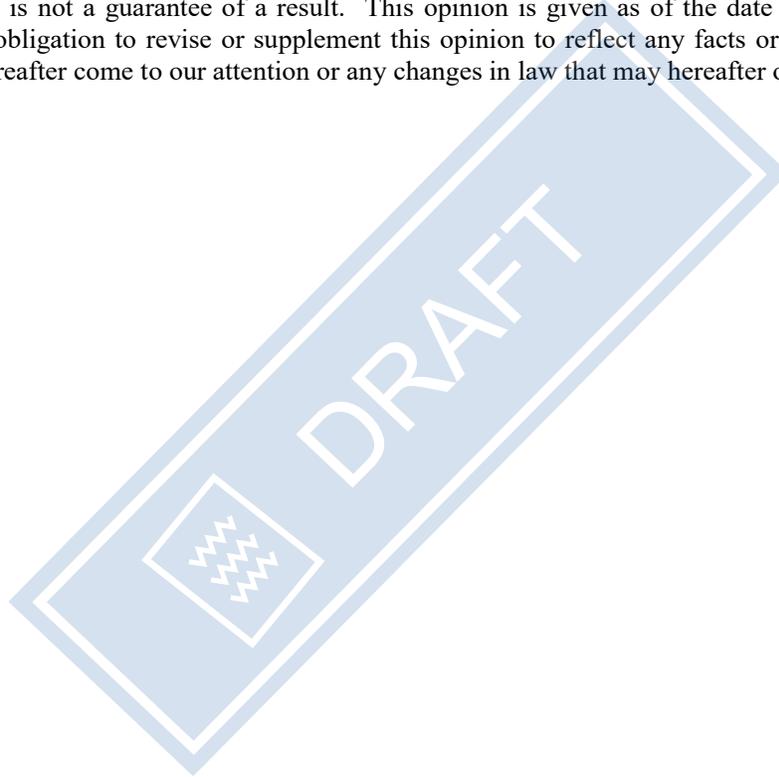
We hereby further certify that we have examined the form of bond prescribed for the Bonds and find the same in due form of law, and in our opinion the Bonds to the amount of the Outstanding Principal Amount are valid and legally binding upon the Borrower and are payable from any funds of the Borrower legally available for such purpose, and all taxable property in the Borrower is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

In our opinion, the Borrower has taken all necessary corporate action to enter into the WIFIA Loan Agreement, dated as of \_\_\_\_\_, 2021 (the "WIFIA Loan Agreement"), by and between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator (the "WIFIA Lender") and the WIFIA Loan Agreement has been duly authorized, executed and delivered by the Borrower, and assuming due authorization, execution and delivery by the WIFIA Lender, constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its respective terms and conditions, except as may be limited by laws relating to bankruptcy, insolvency, moratorium,

reorganization and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion and except for any provisions regarding indemnification and waiver of sovereign immunity, for which no opinion is expressed.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the Borrower with respect to certain material facts within the Borrower's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.



**EXHIBIT G-3**

**OPINIONS REQUIRED FROM BOND COUNSEL AT EACH DISBURSEMENT**

An opinion of bond counsel, dated as of the date of each disbursement, to the effect that:

City of Evanston  
Cook County, Illinois

United States Environmental Protection Agency

Ladies and Gentlemen:

We hereby certify that we have examined a certified copy of the proceedings (the "*Proceedings*") of the City Council (the "*City Council*") of the City of Evanston, Cook County, Illinois (the "*Borrower*"), passed preliminary to the issue by the Borrower of its fully registered General Obligation Bonds, Series 20\_\_ (the "*Bonds*"), to the maximum amount (defined therein as the "*Face Amount*") of \$\_\_\_\_\_ of which \$\_\_\_\_\_ has previously been issued and delivered and received for value and \$\_\_\_\_\_ is issued and delivered as of this date (the aggregate amount delivered as of this date being the "*Outstanding Principal Amount*" of the Bonds as defined therein), and we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds to the amount of the Outstanding Principal Amount under the laws of the State of Illinois now in force.

The Bonds have been initially dated and authenticated as of \_\_\_\_\_, 20\_\_. The Bonds bear interest at the rate and become due pursuant to the schedule of principal and interest payments as provided in the Bonds and in Ordinance No. \_\_\_\_\_ (the "*Ordinance*") adopted by the Borrower Council on the \_\_\_ day of \_\_\_\_\_, 20\_\_, by which the Bonds are authorized. The Bonds are subject to redemption as provided in the Ordinance.

We hereby further certify that we have examined the form of bond prescribed for the Bonds and find the same in due form of law, and in our opinion the Bonds to the amount of the Outstanding Principal Amount are valid and legally binding upon the Borrower and are payable from any funds of the Borrower legally available for such purpose, and all taxable property in the Borrower is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the Borrower with respect to certain material facts within the Borrower's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.



**EXHIBIT H**

**FORM OF CERTIFICATE OF BOND REGISTRAR**

**CITY OF EVANSTON, COOK COUNTY, ILLINOIS  
GENERAL OBLIGATION CORPORATE PURPOSE BOND  
(1909 RAW WATER INTAKE REPLACEMENT PROJECT; WIFIA – N20154IL)**

The undersigned, means ZIONS BANCORPORATION, NATIONAL ASSOCIATION, Chicago, Illinois (the “*Bond Registrar*”), by its duly appointed, qualified and acting [\_\_\_\_], certifies with respect to the above referenced bond (the “*WIFIA Bond*”) dated November 2, 2021, as follows (capitalized terms used in this Certificate which are not otherwise defined shall have the meanings given to such terms in the WIFIA Bond Ordinance or the WIFIA Loan Agreement (each as defined below)):

1. That the Bond Registrar is a national association duly organized and validly existing under the laws of the United States of America and [is duly licensed and] in good standing under the laws of United States of America.

2. All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Bond Registrar of its duties and obligations under the documents pertaining to the issuance of the WIFIA Bond have been obtained by the Bond Registrar and are in full force and effect.

3. That the documents pertaining to the issuance of the WIFIA Bond to which the Bond Registrar is a party were executed by the Bond Registrar and the WIFIA Bond was authenticated on behalf of the Bond Registrar by one or more of the persons whose names and offices appear on Annex One attached hereto and made part hereof, that each person was at the time of the execution of such documents and the authentication of the WIFIA Bond and now is duly appointed, qualified and acting incumbent of his or her respective office, that each such person was authorized to execute such documents and to authenticate the WIFIA Bond, and that the signature appearing after the name of each such person is a true and correct specimen of that person’s genuine signature.

4. That the undersigned is authorized to act as Bond Registrar under the WIFIA Bond Ordinance, has accepted the duties and obligations under the WIFIA Bond Ordinance and in so accepting and so acting is in violation of no provision of its articles of association or bylaws, any law, regulation or court or administrative order or any agreement or other instrument to which it is a party or by which it may be bound.

5. That attached to this Certificate as Annex [One][Two]<sup>17</sup> is a full, true and correct copy of excerpts from [resolutions of the board of directors][the bylaws] of the Bond Registrar and other applicable documents that evidence the Bond Registrar’s trust powers and the authority

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<sup>17</sup> If the Bond Registrar’s authorizing document is the same document that sets out the incumbency signatures (e.g. US Bank NA), refer to and attach one annex. If separate documents, refer here to and attach as a second annex.

of the officers referred to above to act on behalf of the Bond Registrar; and that these excerpts and other applicable documents were in effect on the date or dates such officers acted and remain in full force and effect today, and such excerpts and documents have not been amended since the date of the last amendment thereto shown on any such copy, as applicable.

6. That receipt is acknowledged of all instruments, certifications and other documents or confirmations required to be received by the Bond Registrar pursuant to Section [\_\_\_\_] of that certain Ordinance [\_\_]-O-21, [\_\_\_\_], adopted by the City Council of the City of Evanston, Cook County, Illinois (the "**Borrower**") on [\_\_\_\_], 2021 (the "**WIFIA Bond Ordinance**").

7. That receipt is also acknowledged of that certain WIFIA Loan Agreement, dated as of November 2, 2021 (the "**WIFIA Loan Agreement**"), between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator (the "**WIFIA Bondholder**").

8. That the Bond Registrar also accepts its appointment and agrees to perform the duties and responsibilities of Bond Registrar for and in respect of the WIFIA Bond as set forth in the WIFIA Bond Ordinance and the WIFIA Loan Agreement, including from time to time redeeming all or a portion of the WIFIA Bond as provided in the WIFIA Loan Agreement. In accepting such duties and responsibilities, the Bond Registrar shall be entitled to all of the privileges, immunities, rights and protections set forth in the WIFIA Bond Ordinance.

Dated: November 2, 2021

ZIONS BANCORPORATION,  
NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Name:  
Title:

**ANNEX ONE TO EXHIBIT H**

*[See attached]*



H-3

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## EXHIBIT I

### FORM OF CLOSING CERTIFICATE

Reference is made to that certain WIFIA Loan Agreement, dated as of November 2, 2021 (the “WIFIA Loan Agreement”), by and among the City of Evanston, Cook County, Illinois (the “Borrower”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “WIFIA Lender”). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement.

In connection with Section 11(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the undersigned, [\_\_\_\_], as Borrower’s Authorized Representative, does hereby certify on behalf of the Borrower and not in his/her personal capacity, as of the date hereof:

- (a) pursuant to Section 11(a)(viii) of the WIFIA Loan Agreement, attached hereto as Annex A is an incumbency certificate that lists all persons, together with their positions and specimen signatures, who are duly authorized by the Borrower to execute the Related Documents to which the Borrower is or will be a party, and who have been appointed as a Borrower’s Authorized Representative in accordance with Section 21 (*Borrower’s Authorized Representative*) of the WIFIA Loan Agreement, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan;
- (b) pursuant to Section 11(a)(ii) of the WIFIA Loan Agreement, the Borrower has delivered to the WIFIA Lender copies of the WIFIA Loan Documents, together with any amendments, waivers or modifications thereto, that has been entered into on or prior to the Effective Date, true, correct and complete copies of which are included in the closing transcripts for the WIFIA Loan, and each such document is complete, fully executed, and in full force and effect, and all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated by the WIFIA Loan Documents have been fulfilled;
- (c) pursuant to Section 11(a)(iii) of the WIFIA Loan Agreement, the Borrower has delivered to the WIFIA Lender copies of each Existing Principal Project Contract, together with any amendments, waivers or modifications thereto, and each such document is complete, fully executed, and in full force and effect;
- (d) pursuant to Section 11(a)(iv) of the WIFIA Loan Agreement, the Borrower has delivered to the WIFIA Lender a copy of the Borrower Act as in effect on the Effective Date, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan, which Borrower Act is in full force and effect. Other than the WIFIA Bond Ordinance, there are no additional instruments or documents necessary for the Borrower to execute and deliver, or to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents;

- (e) pursuant to Section 11(a)(viii)(1) of the WIFIA Loan Agreement, the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;
- (f) pursuant to Section 11(a)(viii)(2) of the WIFIA Loan Agreement, the Borrower has obtained all Governmental Approvals necessary (i) as of the Effective Date in connection with the Project and (ii) to execute and deliver, and perform its obligations under the WIFIA Loan Documents, and each such Governmental Approval is final, non-appealable and in full force and effect (and is not subject to any notice of violation, breach or revocation);
- (g) pursuant to Section 11(a)(viii)(3) of the WIFIA Loan Agreement, (i) the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (ii) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs;
- (h) pursuant to Section 11(a)(viii)(4) of the WIFIA Loan Agreement, the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project, and, if requested by the WIFIA Lender, has provided evidence satisfactory to the WIFIA Lender of such compliance;
- (i) pursuant to Section 11(a)(viii)(5) of the WIFIA Loan Agreement, the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project during its useful life;
- (j) pursuant to Section 11(a)(viii)(6) of the WIFIA Loan Agreement, (i) the Borrower's Federal Employer Identification Number is 36-6005870, and the Borrower has delivered to the WIFIA Lender evidence (in the form of a signed W9) of such Federal Employer Identification Number, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan, (ii) the Borrower's Data Universal Numbering System number is 074-390-907, and the Borrower has delivered to the WIFIA Lender evidence of such Data Universal Numbering System number, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan, and (iii) the Borrower has registered with, and obtained confirmation of active registration status from, the federal System for Award Management ([www.SAM.gov](http://www.SAM.gov)), and the Borrower has delivered to the WIFIA Lender evidence of such confirmation of active registration status, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan;

- (k) pursuant to Section 11(a)(viii)(7) of the WIFIA Loan Agreement, the WIFIA CUSIP Number for the WIFIA Loan is [\_\_\_\_\_], and the Borrower has delivered to the WIFIA Lender evidence of such WIFIA CUSIP Number, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan;
- (l) pursuant to Section 11(a)(viii)(8) of the WIFIA Loan Agreement, the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date;
- (m) pursuant to Section 11(a)(viii)(9) of the WIFIA Loan Agreement, no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since May 20, 2021;
- (n) pursuant to Section 11(a)(x) of the WIFIA Loan Agreement, none of the rating letters delivered to the WIFIA Lender pursuant to such Section 11(a)(x) has been reduced, withdrawn or suspended as of the Effective Date; and
- (o) pursuant to Section 11(a)(xi) of the WIFIA Loan Agreement, the Borrower has delivered to the WIFIA Lender the Base Case Financial Model, a true, correct and complete copy of which is included in the closing transcripts for the WIFIA Loan, which (i) demonstrates that projected Revenues are sufficient to meet the Loan Amortization Schedule, (ii) demonstrates compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date, (iii) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender, (iv) demonstrates that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over its useful life and (v) otherwise meets the requirements of such Section 11(a)(xi).

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first mentioned above.

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

H-3

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**ANNEX A TO EXHIBIT I**

**INCUMBENCY CERTIFICATE**

The undersigned certifies that he/she is the [City Clerk] of the City of Evanston, Cook County, Illinois, a home-rule unit of government under Section 6 of Article VII of the 1970 Constitution of the State of Illinois (the "Borrower"), and as such he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents as the Borrower's Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of November 2, 2021, by and between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[ _____ ]	[ _____ ]	_____
[ _____ ]	[ _____ ]	_____
[ _____ ]	[ _____ ]	_____
[ _____ ]	[ _____ ]	_____
[ _____ ]	[ _____ ]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this 2nd day of November, 2021.

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT J**

**FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION**

*[Letterhead of Borrower]*

*[Date]*

WIFIA Program Office  
*[Insert Proper Address]*  
Attention: Administrator

**Project: City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project (WIFIA - N20154IL)**

Dear Director:

This Notice is provided pursuant to Section 16(h)(i)(A) (*Affirmative Covenants – Notice – Substantial Completion*) of that certain WIFIA Loan Agreement (the “**WIFIA Loan Agreement**”), dated as of November 2, 2021 by and between the City of Evanston, Cook County, Illinois (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through its Administrator (the “**WIFIA Lender**”).

Unless otherwise defined herein, all capitalized terms in this certificate have the meanings assigned to those terms in the WIFIA Loan Agreement.

I, the undersigned, in my capacity as the Borrower’s Authorized Representative and not in my individual capacity, do hereby certify to the WIFIA Lender that:

- (a) on *[insert date Substantial Completion requirements were satisfied]*, the Project satisfied each of the requirements for Substantial Completion set forth in the *[Insert reference to appropriate Principal Project Contracts]*;
- (b) Substantial Completion has been declared under each of the above-referenced agreements and copies of the notices of Substantial Completion under such agreements are attached to this certification; and
- (c) Substantial Completion, as defined in the WIFIA Loan Agreement, has been achieved.

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS**, by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

J-1

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**EXHIBIT K**

**FORM OF QUARTERLY REPORT FOR INDIVIDUAL PROJECTS**

United States Environmental Protection Agency  
WIFIA Director  
WJC-W 6201A  
1200 Pennsylvania Avenue NW  
Washington, DC 20460  
WIFIA\_Portfolio@epa.gov

Re: City of Evanston, Cook County, Illinois 1909 Raw Water Intake Replacement Project (WIFIA – N20154IL)

This Quarterly Report for the period of [*insert relevant quarterly period*] is provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) of the WIFIA Loan Agreement, dated as of November 2, 2021 (the “**WIFIA Loan Agreement**”), by and between the City of Evanston, Cook County, Illinois (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (the “**WIFIA Lender**”). Unless otherwise defined herein, all capitalized terms in this Quarterly Report have the meanings assigned to those terms in the WIFIA Loan Agreement.

**(i) Project Status**

Provide a narrative summary of the Project’s construction progress since the last quarterly reporting period, including project components where appropriate. Complete the table in Appendix A to update the Project scope, schedule, and costs with the latest information.

--

**Current projection of Substantial Completion Date:** \_\_\_\_\_

If the current projection for the substantial completion date is later than previously reported in the prior Quarterly Report, provide a description in reasonable detail for such projected delay:

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**(ii) Material Problems (if any)**

Note any problems encountered or anticipated during the construction of the Project during the preceding quarter that (1) impedes project completion within the scope, costs, and schedule outlined in the WIFIA Loan Agreement or (2) relates to unforeseen complications in connection with the construction of the Project. This may include commissioning/start-up issues, constructability issues for the project as planned, adverse impacts to project surroundings, change in or issues with meeting environmental compliance requirements, and unanticipated or

abnormal permit approval timelines. Include an assessment of the impact and any current plans to address the problems.

**(iii) Other matters related to the Project**

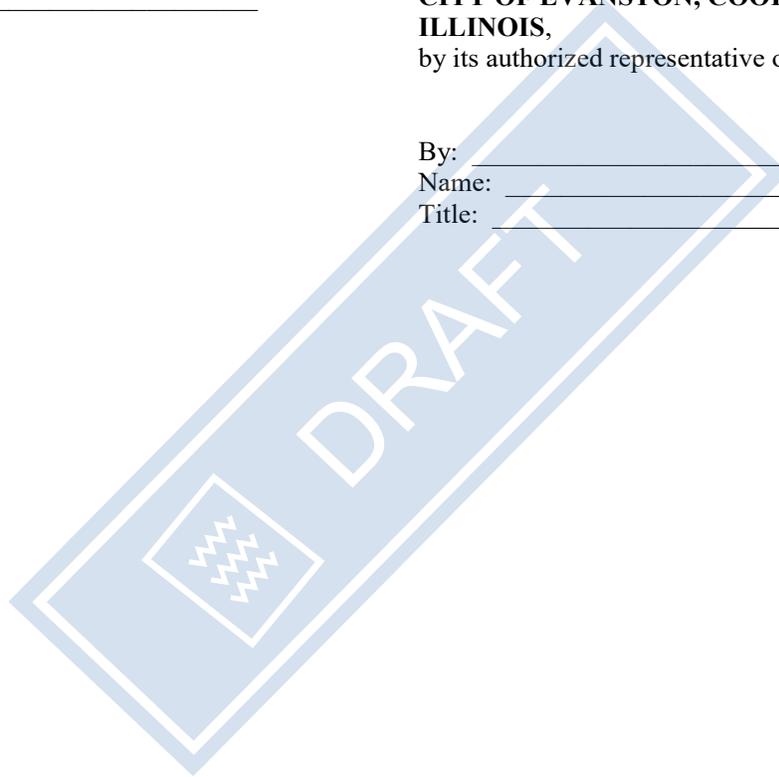
Date: \_\_\_\_\_

**CITY OF EVANSTON, COOK COUNTY,  
ILLINOIS,**  
by its authorized representative or agent

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

Name: \_\_\_\_\_

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



**APPENDIX A OF SCHEDULE K<sup>18</sup>**

Project Scope		Project Schedule						Project Costs		
Project Component	Completed (Y/N)	Contract/Vendor	Bid Advertisement Date	Contract Award Date	NTP Effective Date	Original Substantial Completion Date	Estimated Substantial Completion Date	Original Contract Amount	Estimated Costs to Complete	Costs Earned or Paid to Date
<b>Total</b>										

**Table Definitions:**

Project Component – project name or ID as tracked by the Borrower

Complete (Y/N) – indication that project is complete, and no additional updates will be provided

Contract/Vendor – the contract identifier and contractor that is/will be completing the project construction.

Bid Advertisement Date – the date the bid was advertised

Contract Award date – the date the contract was awarded

NTP Effective date – the effective date to proceed with the construction in the Notice to Proceed

Original Substantial Completion Date – the substantial completion date for the given project as noted in the original contract award

Estimated Substantial Completion Date – the latest date estimate for substantial completion for the given project component

Original Contract Amount – the original contract award amount

Estimated Costs to Complete – the latest cost estimates to complete the given project component

Costs Earned or Paid to Date – the latest incurred contract costs for the given project component

Total – Total the cost amounts across all project components and contracts

<sup>18</sup> Appendix A summarizes all project components that will be bid in the next quarter, are currently under construction, or have completed construction. It should be a cumulative list of projects that is updated each quarter. A Microsoft Excel spreadsheet with similar table format is acceptable.

**EXHIBIT L**

**FORM OF PUBLIC BENEFITS REPORT**

Pursuant to [Section 11(a)(xiv)] [and] [Section 16(e)] of the WIFIA Loan Agreement, the City of Evanston, Cook County, Illinois (the “**Borrower**”) is providing this Public Benefits Report in connection with the 1909 Raw Water Intake Replacement Project (WIFIA – N20154IL):

**Reporting Period:** [Prior to the Effective Date][within ninety (90) days following the Substantial Completion Date][within ninety (90) following the fifth (5<sup>th</sup>) anniversary of the Substantial Completion Date]

(i) **The number of total jobs and direct jobs projected to be created by the Project during the period between the Effective Date and the Substantial Completion Date:**

WIFIA projects that the Project will create [ ] total jobs, of which the Borrower projects [ ] will be direct jobs.

(ii) **Provide a narrative description of the environmental, societal, or quality of life benefits to the community as a result of the Project:**

[ ].

(iii) **Indicate (yes or no) whether the Project will assist the Borrower in complying with applicable regulatory requirements, and if yes, describe how the project assists with regulatory compliance:**

Yes

If yes, additional description: [ ]

No

(iv) **The Project will assist the Borrower with the following environmental measure:**

Amount by which Project will provide new, expanded, improved, more reliable, more resilient, or more efficient treatment capacity for wastewater treatment (measured in MGD capacity at Substantial Completion)

[108 MGD].