

IN THE CIRCUIT COURT FOR THE TWENTY-FOURTH JUDICIAL CIRCUIT
MONROE COUNTY, ILLINOIS

CITY OF WATERLOO, ILLINOIS,)
an Illinois municipal corporation,)
)
Plaintiff,)
vs.)
)
FOUNTAIN WATER DISTRICT,)
an Illinois municipal corporation,)
and)
CITY OF COLUMBIA, ILLINOIS,)
an Illinois municipal corporation,)
)
Defendants.)

No. 2025-MR-000008

Complaint for Declaratory Judgment

Comes now the City of Waterloo, Illinois, a municipal corporation, by its attorneys Otto J. Faulbaum and William D. Stiehl, and for its Complaint for Declaratory Judgment pursuant to 735 ILCS 5/2-701 states as follows:

1. Plaintiff, the City of Waterloo, Illinois (“Waterloo”), is an Illinois municipal corporation located in Monroe County, Illinois, and, in addition to other municipal services, is a provider of water service to customers, primarily but not exclusively, located within its municipal boundaries.

2. Defendant, Fountain Water District (“Fountain”), is an Illinois municipal corporation organized and existing under 70 ILCS 3705/0.01. Fountain has a water well, treatment facility, pumps, and infrastructure such as pipe, valves, storage tanks and related equipment in various portions of Monroe County to provide water to rural customers in unincorporated portions of Monroe County, Illinois, including at the northwest corner of the intersection of Hanover Road and Illinois Route 3 in unincorporated Monroe County, Illinois, serving a development that encompasses approximately thirteen individual commercial water customers hereinafter called the “Hanover Tracts”.

3. The defendant, City of Columbia, Illinois (“Columbia”), is an Illinois municipal corporation located in Monroe County, Illinois, and, in addition to other municipal services, is a provider of water service to customers.

4. Waterloo, Fountain, and Columbia are authorized under Illinois law, including Article VII, Section 10 of the Illinois Constitution, to enter into contracts of intergovernmental cooperation, including with each other, related to providing various services to their respective taxpayers, rate payers, and customers.

5. Columbia and Fountain entered into a Service Area Agreement (hereinafter “Columbia-Fountain Agreement” or “Agreement”), dated June 24, 1999 establishing the parameters of water distribution authority and the relationship of each party to the other with

respect to certain geographic areas specifically set forth in that Agreement which is attached to this Complaint as Exhibit 1. This Agreement remains in full force and effect.

6. Waterloo and Fountain also entered into a Service Area Agreement (hereinafter “Waterloo-Fountain Agreement” or “Agreement”), dated July 25, 2011 establishing the parameters of water distribution authority and the relationship of each party to the other with respect to certain geographic areas specifically set forth in that Agreement which is attached to this Complaint as Exhibit 2. This Agreement remains in full force and effect.

7. Each Agreement provides terms on which the respective city has the right to acquire specific described portions of the Fountain water distribution infrastructure.

8. Each Agreement provides a method for each respective city to give notice to Fountain of its exercise of its election to purchase some or all of the “Area Water System” described in their respective Agreements.

9. Columbia provided a notice to Fountain on June 6, 2022 exercising “... the option to purchase facilities constructed and installed by Fountain in the Columbia Service Area” which is attached as Exhibit 3.

10. Pursuant to the Waterloo-Fountain Agreement, and 65 ILCS 25/11-151-3, Waterloo has provided formal Notice to Fountain that it intends to purchase the Fountain Water Area System waterworks properties presently serving the Hanover Tracts and to provide municipal water service to the Hillcrest Tract. A copy of said Notice is attached hereto incorporated herein and marked as Exhibit 4.

11. Columbia enacted municipal Ordinance 3690, on January 21, 2025, and Ordinance 3692 on March 3, 2025, and both refer to the Service Agreement with Fountain and the option established in the Agreement “to purchase the Fountain Water District facilities installed in an area defined in that Service Area Agreement” and include reference to having provided notice to Fountain in June 2022 of the intent to exercise the purchase option. Ordinance 3690 is attached hereto and incorporated herein as Exhibit 5, and Ordinance 3692 is attached hereto and incorporated herein as Exhibit 6.

12. Columbia Ordinance 3690 includes the following:

WHEREAS, Hillcrest Property, LLC (“Owner”), a validly existing Limited Liability Company organized under the laws of the State of Illinois, is record owner of a parcel of land assigned Monroe County PIN #07-02-100-003-000 located at 8787 Rickhouse Road (“Property”); and

WHEREAS, pursuant to the terms of a certain Service Area Agreement between the City and the Fountain Water District facilities were installed in an area defined by said Service Area Agreement; and

WHEREAS, in June, 2022, the City notified Fountain Water District of its intent to exercise said option; and

WHEREAS, the Property is situated within the area contemplated in the Service Area Agreement; ...

13. The Hillcrest and Hanover Tracts are outside of the Service Area described in the Columbia-Fountain Agreement.

14. Fountain has never granted consent to Columbia to furnish water service to the Hillcrest Property or the Hanover Tracts, or any property outside the Columbia Service Area described in the Columbia-Fountain Agreement.

15. The Hillcrest Property and the Hanover Tracts are in excess of one mile from the municipal limits of Columbia; therefore, pursuant to 65 ILCS 25/11-151-3, any attempt by Columbia to provide water service to the Hillcrest Property or the Hanover Tracts is unlawful without the consent of Fountain.

16. In pursuit of its claim that the Hillcrest Property and the Hanover Tracts are within the Columbia Fountain Service Area, Columbia is taking official action in the form of ordinances and municipal service agreements, acquiring easements, conducting engineering studies, as well as expending large sums of municipal financial resources, actively constructing water piping and related equipment, and designing a water system to connect to water customers lying within and adjacent to the boundary of the Hillcrest Property.

17. Columbia Ordinances 3690 and 3692 describe a purported exercise of an option to purchase the Fountain Water Area System at the Hanover Tracts which Columbia does not have; therefore, its attempt to exercise such an illusory option is unlawful.

18. Columbia's efforts to provide municipal water service to the Hanover Tracts are without legal basis and are unlawful.

19. The Hillcrest Property and the Hanover Tracts are located less than one (1) mile from the municipal limits of Waterloo.

20. Pursuant to the Illinois Municipal Code 65 ILCS 5/11-151-3, a municipality that operates a public water supply and furnishes water service has the exclusive right, as against a public water district, to serve residents in the territory within one mile or less of the corporate limits of the municipality. Waterloo has the capacity and desire to provide water service to the Hanover Tracts.

21. An actual controversy has therefore arisen between Waterloo and Columbia over their respective rights relative to the terms of each of their Service Areas with Fountain necessitating a judicial declaration of the rights of the parties pursuant to 735 ILCS 5/2-701.

WHEREFORE, Waterloo urges this Court to issue its Declaratory Judgment determining and declaring that:

A. The Hillcrest property and the Hanover Tracts are within the Fountain Public Water District, and the Fountain Water District has not given consent to Columbia to provide water service to customers in that area.

B. Neither the Hillcrest Property nor the Hanover Tracts real estate are within the Columbia-Fountain Service Area, and the June 6, 2022 Columbia Notice to Fountain is ineffective as to the Fountain Water Area System outside of the Service Area described in that Agreement.

C. The Hillcrest Property and Hanover Tracts are located more than one mile from Columbia's nearest municipal boundaries; therefore, Columbia is barred by the provisions of 65 ILCS 25/11-151-3 from furnishing water service to the Hillcrest Property and the Hanover Tracts.

D. The City of Columbia has no authority to purchase the Fountain Public Water District facilities or to provide water service to the Hillcrest Property and the Hanover Tracts.

E. The Hillcrest Property and Hanover Tracts are within one (1) mile of Waterloo's closest municipal boundary; therefore, pursuant to 65 ILCS 25/11-151-3, Waterloo has the right to furnish water service to customers within those geographic areas.

F. The City of Waterloo has legal authority to purchase the facilities of the Fountain Water District to serve the Hanover Tracts.

G. The City of Waterloo has the authority to provide water service to the Hillcrest Property and the Hanover tracts.

H. The Hanover Tracts are within the Fountain Waterloo Service Area, and pursuant to the Waterloo-Fountain Agreement, Waterloo has the right to acquire the Fountain Water Area System at that location.

I. For such other and further relief as the Court may deem just.

CITY OF WATERLOO, ILLINOIS,
an Illinois municipal corporation,

By /s/ Otto J. Faulbaum
Otto J. Faulbaum, Lawyer
Illinois Registration No. 0777781
300 E. Madison Street
Millstadt, IL 62260
618.719.6726
otto@waterloolaw.com


and

By /s/ William D. Stiehl, Jr.
William D. Stiehl, Jr.
Attorney at Law
Illinois Registration No. 2736209
23 Public Square, Suite 300
P.O. Box 307
Belleville, IL 62222
618.234.9800

VERIFICATION

I, Stanley T. Darter, under penalties of perjury as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, state that I am the Mayor of the City of Waterloo, Illinois, and I certify that the statements set forth in the foregoing Complaint for Declaratory Judgment are true and correct except as to matters therein stated to be on information and belief and as to such matters, I certify as aforesaid that I verily believe the same to be true.

Dated: April 11, 2025


Stanley T. Darter

**SERVICE AREA AGREEMENT
BETWEEN THE CITY OF COLUMBIA, ILLINOIS
AND THE FOUNTAIN WATER DISTRICT**

THIS SERVICE AREA AGREEMENT is made and entered into this 24th day of June, 1999, between the CITY OF COLUMBIA, Illinois, a Municipal Corporation, created and existing under and by virtue of the laws of the State of Illinois, with corporate limits located in the Counties of Monroe and St. Clair, Illinois (the "City" or "Columbia"), and FOUNTAIN WATER DISTRICT, a Municipal Corporation, created and existing under and by virtue of the laws of the State of Illinois, (the "Water District" or "Fountain"), WITNESSETH:

WHEREAS, Section 11-151-3 of the Illinois Municipal Code provides that no municipality may furnish water to any territory situated within a public water district and located more than one (1) mile from the corporate limits of the municipality without the district's consent and a municipality that operates a public water supply has the exclusive right to serve residents in the territory within one (1) mile or less of the corporate limits of the municipality, as against a public water district except as they shall mutually agree (65 ILCS 5/11-151-3);

WHEREAS, Article VII (LOCAL GOVERNMENT), Section 10 (Intergovernmental Cooperation) of the 1970 Constitution of the State of Illinois, provides that units of local government may contract and otherwise associate in any manner not prohibited by law or by ordinance and may use their credit, revenues, and other resources to pay costs and to service debt relating to such intergovernmental activity; and,

WHEREAS, the City and the Water District have found and determined and do hereby declare that it is in their mutual best interest and welfare and that of their water customers that they make and enter into this cooperation agreement for the providing of public water service within the service area provided for in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND AGREEMENTS HEREIN CONTAINED, and other good and valuable consideration in the premises, the parties hereto stipulate and agree as follows:

Section 1. Service Area. The service area of Columbia shall be all of the territory in Columbia's Public Sanitary Sewer Facility Planning Area ("FPA") under the Illinois Water Quality Management Plan, as assigned March 3, 1995 by Bureau Chief, James B. Park, of the Bureau of Water Quality of the Illinois Environmental Protection Agency ("IEPA") that is located in Monroe County, Illinois, excepting therefrom an area comprising one thousand (1,000) lineal feet north of and adjoining the southern boundary of the Facility Planning Area from the southeast boundary of the Facility Planning Area westerly to the southwest boundary of the Facility Planning Area. Said Facility Planning Area and

adjoining Columbia Facility Planning Area located in St. Clair County, Illinois is described and depicted on Exhibit "1-A" (consisting of [i] a letter from James B. Park, Chief, Bureau of Water, IEPA, [ii] attached "map of the amended boundary of the Columbia FPA, and, [iii] attached narrative legal description of the 10,600 acre parcel transferred from a non-FPA to Columbia FPA, consisting of three [3] pages) and Exhibit "1-B" (being a plat sized Facility Planning Area map depicting the subject FPA of Columbia in Monroe and St. Clair Counties, Illinois), which Exhibits are attached hereto and by reference made part hereof. The service area of the Water District as pertains to Columbia shall be the unincorporated areas in Monroe County, Illinois located outside the Columbia Service Area. Fountain warrants and agrees that it shall not condone nor participate in impeding, discouraging or interfering with the annexation of territory to the City. The Water District will cooperate in every reasonable way with regard to the annexation of territory to the City.

The Columbia Service Area, for purposes of this Agreement, shall be bifurcated (i.e. subdivided into two [2] separate areas or tracts) - a low pressure tier area ("Tract 1" or the "Low Pressure Tract") and a high pressure tier area ("Tract 2" or the "High Pressure Tract") and the Service Area Agreement pertaining to each shall be as hereinafter is made and provided.

The Low Pressure Tract shall comprise all of the Columbia Service Area located west of the west boundary of the now abandoned Gulf Mobile & Ohio Railroad ("GM&O Railroad") right-of-way, which runs through the Columbia Service Area from its north boundary to its south boundary. The High Pressure Tract shall comprise all of the Columbia Service Area located east of the west boundary of the now abandoned GM&O Railroad right-of-way aforesaid in the Columbia Service Area. The GM&O Railroad right-of-way which separates the Low Pressure Tract from the High Pressure Tract is depicted on the attached Exhibit "1-B" and is there referred to as the "Old Railroad Grade".

Section 2. Agreed Encroachment. Whereas Fountain has requests for service in certain portions of the Columbia Service Area and has the funds available to make the water main extensions necessary to provide the water service for said customers; and, whereas Columbia has funds in place for its main extensions in its service area but will not be able to make the extensions for approximately one (1) year; and, whereas the Illinois-American Water Company, a common carrier regulated by the Illinois Commerce Commission, has the certification from the Commission to serve customers in all or part of the Columbia service area and has already installed lines for some of the same; the parties have determined and agreed that it is in their mutual best interest for Fountain to install water service lines to provide water service in the Columbia Service Area at locations mutually agreed upon by the City and Fountain, until such time as Columbia would choose by ordinance duly enacted to purchase Fountain's water mains, facilities and appurtenances from the Water District as is hereinafter provided for in Section 4 of this Agreement. At such time or times as Columbia would elect to purchase all or part of the

Fountain water facilities installed by Fountain in Columbia's service area, Columbia shall be entitled to do so on the terms in this Agreement made and provided.

(A) Sizing of Lines. All lines installed in the Low Pressure Tract shall have a minimum diameter of eight (8) inches, except as otherwise mutually agreed upon by the City and the Water District. All lines installed in the High Pressure Tract shall have a minimum diameter of eight (8) inches, except as otherwise mutually agreed upon by Columbia and the Water District; and, except further, at such locations as Columbia shall designate and require the sizing of the water transmission mains installed by Fountain to have a minimum diameter of twelve (12) inches or more. Where larger than eight (8) inch diameter lines are required by Columbia, the City will pay for the oversizing of the line before commencement of the construction and installation of the line.

(B) Water Meters and Water Meter Vaults. The Water District will pay for all costs necessary to be incurred for acquisition and placement of the water meters and water meter vaults required for Fountain to purchase water from the Metro-East Municipal Joint Action Water Agency ("MEMJAWA") in the Columbia Service Area. After installation of the required water meters and water meter vaults in the Columbia Service Area, the Water District shall, by good and sufficient Bill of Sale (to be duly executed by the appropriate legal representatives of the Water District Board and pursuant to resolution of the Water District Board duly enacted), dedicate and transfer ownership of the water meters and water meter vaults to the City. Thereafter the meters and meter vaults shall be owned and maintained by the City as part of the City's water distribution system and at the City's cost and expense, without any obligation on the part of the Water District to contribute to the payment of the cost of the same. The maintenance obligation between the Water District and the City shall change at the out-flow side of each water meter. The system located on the out-flow side of the meter will be maintained by the Water District and the water meter and all waterlines and system located on the in-flow side of the water meter will be maintained by Columbia.

After dedication of the water meters and meter vaults, should it be necessary for a water meter and meter vault to be relocated (for example as a result of the City purchasing water distribution system in the Columbia Service Area from the Water District) the City shall be required to pay all costs associated with the relocation of the water meter.

Section 3. Customer Service Requests. Within the Columbia service area written customer service requests shall be required from customers to be served by Fountain Water District pursuant to this agreement, which requests shall state that the customer's water service shall be provided by Fountain and/or Columbia or the successor of them as service provider. The written service requests shall be in the form attached hereto Exhibit (3), which is incorporated herein by reference and by reference made part hereof. In the event of Columbia exercising its option to purchase all or part of the Fountain plant, facilities and appurtenances appertaining thereto, as is hereinafter made and provided for

in a later Section or Sections of this Agreement, the Fountain customers connected to the plant that is sold and transferred to Columbia will be assigned and transferred to Columbia, without any obligation on the part of Columbia to pay compensation or consideration therefor in addition to the purchase price hereinafter made and provided for in this Agreement.

Section 4. Purchase of Fountain's Water Service Plant and Facilities Installed in the Columbia Service Area. At such time as Columbia would elect to purchase from the Water District the water service plant and facilities constructed and installed by the Water District in the Columbia Service Area, Columbia shall be entitled to do so on the following terms and conditions, to wit:

(A) **Purchase Price and Method of Payment.** The purchase price shall be the Water District's actual costs for installation and construction of its water facilities located in the Columbia Service Area (other than the Water District's cost incurred for water meters and water meter vaults purchased by the Water District and transferred to and owned by the City). In addition to all cost of material, labor, engineering, legal and other overhead incurred by Fountain to construct and install its water facilities that are a subject of sale, Columbia shall be required to pay to or for Fountain such sum or sums as is required to liquidate and to pay the Water District's outstanding indebtedness Fountain incurred to finance construction of the water facilities being sold, including, but not limited to, any and all interest payments, premium or prepayment penalties due on the calling of the bonds, all administrative expenses, including legal and accounting or otherwise, Fountain incurs in connection with the payment of the bonds created by the sale of Fountain's water facilities.

Once the purchase price for the water facilities is determined, the price shall be paid by Columbia to the Water District, in cash, on the closing of the sale.

In the event Columbia elects to purchase all or part of the Water District's water service plant pursuant to this Agreement and the parties cannot agree on the Water District's actual cost for the system and facilities to be sold, then, and in that event, the price to be paid by Columbia to Fountain shall be determined pursuant to the dispute resolution provisions contained in Section 8 of this Agreement.

(B) **Sale and Closing of Sale.** Within the portion of the Columbia Service Area that is located within one (1) mile (5,280 lineal feet) of the corporate boundaries of the City, as those corporate boundaries now exist or shall be hereafter extended, the Water District shall be entitled to provide its water service and shall not be required to sell its water service plant and facilities to Columbia for a period of five (5) years following service of a written notice by Columbia on Fountain advising of Columbia's election to exercise its option to purchase Water District facilities in the Columbia Service Area, (unless the parties hereto would mutually agree otherwise); except that, as to territory in

the Columbia Service Area that is annexed to the City during the term of this Agreement, Columbia shall be entitled to purchase the Water District's service plant located in the annexation territory after two (2) years following service of a written notice by Columbia on Fountain advising of Columbia's election to exercise its option to purchase Water District facilities in the annexation territory if the same be sooner than complying with the five (5) year notice requirement stated above in this paragraph; and, further, provided that the water service plant located in Columbia annexation territory is a segment of the total Fountain water plant in the Columbia Service Area the ownership and operation of which can be transferred to Columbia without adversely affecting the operation of the remainder of the water service system in the Columbia Service Area.

Notwithstanding anything contained in this Subsection (B) of this Section 4 of this Agreement to the contrary, in the event Columbia gives the written notice required by this Agreement to be given by Columbia to Fountain in order for Columbia to purchase water facilities from Fountain that are located in the Columbia Service Area, and then Columbia fails to conclude the purchase at the end of said notice period; Columbia shall not be permitted to purchase the facilities involved therein thereafter without first giving Fountain a minimum of an additional two (2) years written notice of Columbia's exercise of its option to purchase said water facilities.

All notices due to be given to Fountain under this Agreement shall be personally delivered to the Secretary of the Board of Trustees of the Water District or shall be mailed to the Secretary of the Water District, at the following address (or such other address as the Water District shall, from time to time, advise Columbia in writing), to wit:

Secretary
Fountain Water District
732 Quarry Road
Valmeyer, Illinois 62295

first class mail, with proper postage prepaid. Such notice shall be deemed delivered when mailed.

As to the water service plant to belonging to Fountain which is installed in the Columbia Service Area pursuant to this Agreement, but is located more distant than one (1) mile (5,280 lineal feet) from the corporate boundaries of the City, as those boundaries now exist or shall be hereafter extended, Columbia shall only be entitled to purchase such plant and facilities from the Water District (unless Fountain would agree otherwise) if Columbia annexes the territory they are installed in or if it is necessary for Columbia to purchase these facilities as a result of Columbia's purchase of adjoining plant and facilities from Fountain that is located within the one (1) mile zone and the two (2) cannot be effectively separated from a operations stand point. In the later event, Columbia

will be entitled to purchase the minimum outside the one (1) mile zone that is necessary for system operations.

In the Low Pressure Tract of the Service Area, should Columbia be entitled to purchase water service plant and facilities from the Water District pursuant to this Agreement and Columbia elects to exercise its right of purchase, Columbia shall be required to purchase all of the Water District plant that is located in the one (1) mile zone of the Low Pressure Tract (and such additional water service system located outside of the one [1] mile zone as is necessary for the operation of the portion of the plant located in the one [1] mile zone) except as the parties shall mutually agree otherwise. In the High Pressure Tract, should Columbia be entitled and elect to purchase the plant the City shall be required to purchase all of the plant located in the High Pressure Tract, and the one (1) mile zone restriction shall not apply in the High Pressure Tract.

Notwithstanding anything contained in this Service Area Agreement, Columbia shall not be required to purchase any water service plant and facilities located in any part of the Columbia Service Area from the Water District. Pursuant to this Agreement, Columbia's right to purchase water service plant and facilities from Fountain shall be deemed an option to purchase for the price and on the terms made and provided in this Agreement without any obligation on the part of Columbia to exercise that option.

At the closing of any sale of water system plant and facilities under this Agreement, Columbia shall pay to Fountain the purchase price due and payable and Fountain will convey ownership of its plant and facilities that are the subject of sale by good and sufficient Bill of Sale to be made, signed and delivered by the appropriate legal representatives of the Board of Trustees of the Water District (which Bill of Sale shall be authorized and approved by ordinance or resolution of the Water District duly enacted by the Board of Trustees of the Water District). All closing costs shall be shared equally by the parties.

In acquiring right-of-way for installation of its water service lines and facilities in the Columbia Service Area, Fountain will attempt to acquire right-of-way of a minimum width of fifteen (15) feet. All right-of-way for the water service system that is the subject of sale by Fountain to Columbia will be sold to Columbia by Fountain for Fountain's acquisition cost and transferred to Columbia by good and sufficient deed of conveyance, permit or license of like kind and quality as the deed, license or permit Fountain obtained when it acquired the right-of-way.

(C) Disconnection Expenses. In the event Columbia purchases from Fountain all or part of the water plant and facilities installed in the Columbia Service Area pursuant to this Agreement, all costs and expenses required to be incurred to disconnect Fountain's water distribution system from the water distribution facilities acquired by Columbia shall be borne, in equal shares, by Columbia and Fountain.

Section 5. Maintenance and Operation. As long as Fountain owns and operates a water service system in the Columbia Service Area under this Agreement, Fountain shall be responsible and liable for operating the system in good and reliable manner and for the maintenance, upkeep and repair thereof at Fountain's cost and expense and without any obligation on the part of Columbia to contribute to the payment of the cost of the same. Fountain's maintenance responsibility shall end at the point of delivery where lateral line connections are made by their customers to the Fountain water main. Should a break or other system failure occur between the water main and the customer's building or other facility served by the connection to the main the responsibility and the cost for the repair and the maintenance thereof shall be that of the customer. Fountain shall have the right to shut off or disconnect water service to avoid water loss pending repair of the same.

Section 6. Fire Protection Service. Pending incorporation of territory in the Columbia service area into the corporate limits of the City, the territory shall be and remain in the Columbia Rural Fire Protection District and Fountain shall have no obligation to provide fire protection service to the customers there located, except for subdivision developments. Prior to Fountain connecting a new subdivision property development in the Columbia Service Area to Fountain's water distribution system, Fountain shall determine the cost to provide fire hydrants that comply with Columbia's Subdivision Code and that meet or exceed City standards for fire protection service and shall include that cost in Fountain's connection fee to be collected by Fountain and remitted to the Fire Protection District. When the mains are installed, the hydrants required by the City shall also be installed and paid for by the funds aforesaid collected by Fountain from its water customers aforesaid. Fountain shall size their water mains they install in Columbia's service area to provide the required fire protection service by the City at such time as the City will acquire the facilities from Fountain and commence providing the water service to the customers.

Section 7. System Construction Standards. All water service facilities constructed and installed by Fountain in Columbia's Service Area shall meet the requirements of the City the same as if the installation were being made by the City or a real estate developer within the corporate limits of the City. Any costs incurred by the City in reviewing the engineering plans shall be borne exclusively by the City. Fountain's project engineer or his designee (who shall be required to be a professional engineer licensed by the State of Illinois) will conduct the necessary tests and inspections to determine that the water plant, facilities and improvements that are constructed and installed by Fountain in the Columbia Service Area comply with the City's codes and ordinances pertaining thereto and shall certify the same to the City Engineer, or his designee. Further, Fountain will provide Columbia with as-built drawings for all water plant, facilities and appurtenances installed by Fountain in the Columbia Service Area within ninety (90) days after the facilities are installed, inspected, and certified to the City by Fountain's engineer that they are constructed in accordance with the requirements of the codes and ordinances of the City.

Section 8. Dispute Resolution. In the event there is a dispute or disagreement between the parties with regard to the interpretation or enforcement of this Agreement, either party may seek a determination by arbitration before the American Arbitration Association in St. Louis, Missouri on thirty (30) days prior written notice to the other party. Cost of the arbitration shall be borne equally by the parties. A decision of the arbitrator shall be binding upon the parties and may be enforced by a court of competent jurisdiction. Attorney's fees and court cost of enforcement shall be borne by the party failing to abide by the decision of the arbitrator.

Section 9. Severability. Should any provision of this Agreement be determined to be invalid or unenforceable by a court of competent jurisdiction the remaining provisions of the Agreement shall be and remain in full force and effect and be enforceable as if the invalid provision or provisions were severed from the Agreement.

Section 10. Binding Effect. All of the terms, conditions and provisions of this Agreement shall be binding upon and shall enure to the benefit of the respective parties hereto and successor municipalities thereof.

Section 11. Not Assignable. This Agreement shall not be assignable by either of the parties hereto without the prior written consent of the other party hereto.

IN WITNESS WHEREOF, the parties hereto have made and entered into this Agreement on the date first above written for the uses and purposes herein set forth.

CITY OF COLUMBIA, ILLINOIS

BY: 
LESTER SCHNEIDER, Mayor

ATTEST:


WESLEY J. HOEFFKEN, City Clerk

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF MONROE)

The undersigned, a Notary Public in and for the County and State aforesaid, does hereby certify that LESTER SCHNEIDER and WESLEY J. HOEFFKEN, personally known to me and known to me to be the Mayor and City Clerk, respectively, of the City of Columbia, Illinois, appeared before me this day in person, and acknowledged that they

signed and delivered the above and foregoing Agreement pursuant to Ordinance of the City of Columbia, Illinois, duly enacted, for the uses and purposes therein set forth.

Given under my hand and Notary Seal this 24 day of June, 1999.

Tom R. Dams
Notary Public

FOUNTAIN WATER DISTRICT
BY: H. R. Baum
President

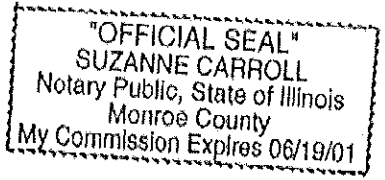
ATTEST:
Patricia Galler
Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF MONROE)

The undersigned, a Notary Public in and for the County and State aforesaid, does hereby certify that H. R. BAUM and PATRICIA GALLER, personally known to me and known to me to be the President and Secretary, respectively, of the Fountain Water District, appeared before me this day in person, and acknowledged that they signed and delivered the above and foregoing Agreement pursuant to Ordinance of the Fountain Water District, duly enacted, for the uses and purposes therein set forth.

Given under my hand and Notary Seal this 29th day of JULY, 1999.

Suzanne Carroll
Notary Public





State of Illinois
ENVIRONMENTAL PROTECTION AGENCY

Mary A. Gade, Director

2200 Churchill Road, Springfield, IL 62794-9276

217/782-1654

March 3, 1995

The Honorable Lester Schneider
 Mayor, City of Columbia
 208 South Rapp Street
 Columbia, Illinois 62236

RECEIVED MAR 06 1995

Re: City of Columbia
 Approval of FPA Boundary Change

Dear Mayor Schneider:

The purpose of this letter is to provide IEPA approval of the City of Columbia's request for a revision of the Illinois Water Quality Management Plan (WQMP). Approval of this WQMP amendment shall reflect 1) the expansion of the Columbia wastewater treatment facility from 0.82 mgd to a design average flow of 2.0 mgd and 2) the transfer of an approximately 10,600 acre parcel (as delineated in the attached description and map) from a non-FPA region into the Columbia FPA. This change was supported by SIMRPC on January 26, 1995.

If you should have any questions, feel free to contact Scott Ristau at 217/782-3362.

Sincerely,

James B. Park
 Chief
 Bureau of Water

JBP:SCR:columbia

Attachment

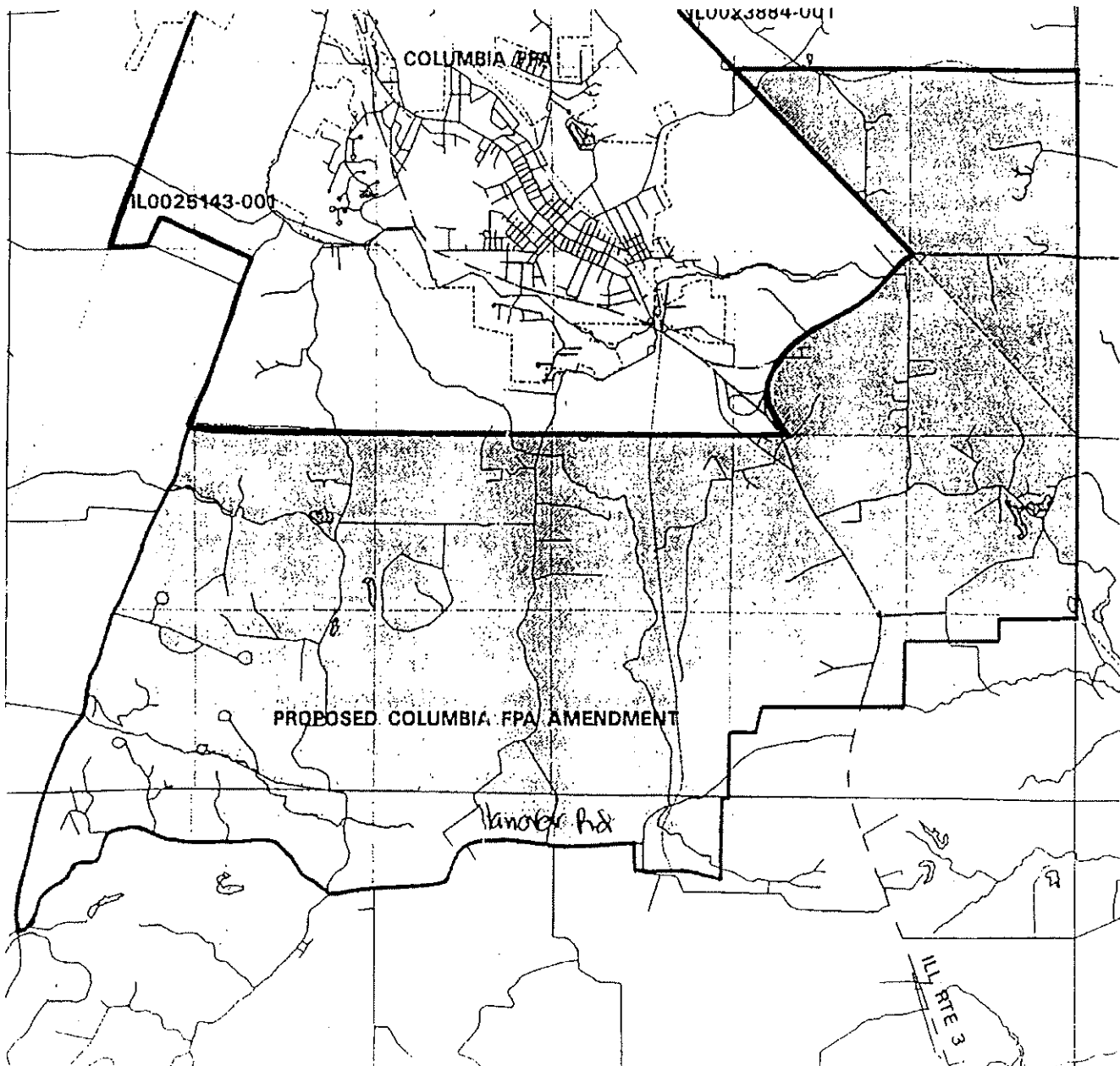
cc: City of Columbia, Clerk
 Sugar Loaf Township, Supervisor
 Village of Waterloo, Mayor
 Village of Dupu, Mayor
 IDOA, Steve Chard
 SGR Engineering Associates, Inc., Donald Moore
 SIMRPC, Alan Mitchell

TOM ADAMS
 KEN VAUGHAN
 DENNIS CAMPBELL
 COUNCIL

Encl 2-A

Attachment of IEPA's March 3, 1995, approval letter of the City of Columbia's Illinois Water Quality Management Plan amendment request

Map of the Amended Boundary of the Columbia FPA



Attachment of IEPA's March 3, 1995, approval letter of the City of Columbia's
Illinois Water Quality Management Plan amendment request

Description of the Amended Boundary of the Columbia FPA

The approximately 10,600 acre parcel transferred from a non-FPA region into the
Columbia FPA includes:

Starting at a point being the most southern and western corner of the existing FPA Boundary being the southwest corner of Section 20 Township 1 South Range 10 West proceeding southwesterly in and along County Road 6 through Sections 30 and 31 Township 1 South Range 10 West continuing in and along County Road 6 through Section 6 Township 2 South Range 10 West to the intersection of County Road 8, known as Hanover Road, then proceeding North and easterly in and along County Road 8 through Section 5, 4, and 3 Township 2 South to the eastern most boundary of Section 3 Township 2 South Range 10 West; thence North along the eastern most boundary of Section 3 Township 2 South Range 10 West to the eastern most boundary of Section 34 Township 1 South Range 10 West continuing North along eastern boundary of Section 34 Township 1 South Range 10 West to the southern boundary line of U. S. Survey 413; thence counter clockwise around U. S. Survey 413 to the northern boundary of the southwestern quarter-quarter section of Section 35 Township 1 South Range 10 West; thence due East along said line to intersection with the easterly line of Section 35 Township 1 South; thence due North along the easterly line of Section 35 Township 1 South to the intersection with the southern boundary of U. S. Survey 412; thence due East along the southern boundary line of U. S. Survey 412; thence due North along the easterly boundary of U. S. Survey 412 to the intersection with southern boundary line of Section 25 Township 1 South Range 10 West; thence due West along the southern boundary of Section 25 Township 1 South to the intersection with the County line being the southern end of the eastern boundary of Section 25 Township 1 South Range 10 West; thence North along the eastern border of Section 25 Township 1 South Range 10 West along the Common Monroe County and St. Clair County Border to the southeastern corner of Section 24 Township 1 South Range 10 West; thence due North along the eastern edge of Section 24 Township 1 South Range 10 West to the intersection of the southern boundary of Section 13 Township 1 South Range 10 West; thence due North along the eastern edge of Section 13 Township 1 South Range 10 West to the northeast corner of Section 13 Township 1 South Range 10 West; thence due West to the northwest corner of Section 14 Township 1 South Range 10 West; thence following in a clockwise direction the existing FPA Boundary along its southeast, east and most southern borders, along the St. Clair County, Illinois Route 158 and southern boundaries of Sections 23, 22, 21, 20 Township 1 South Range 10 West respectively back to the point of beginning.

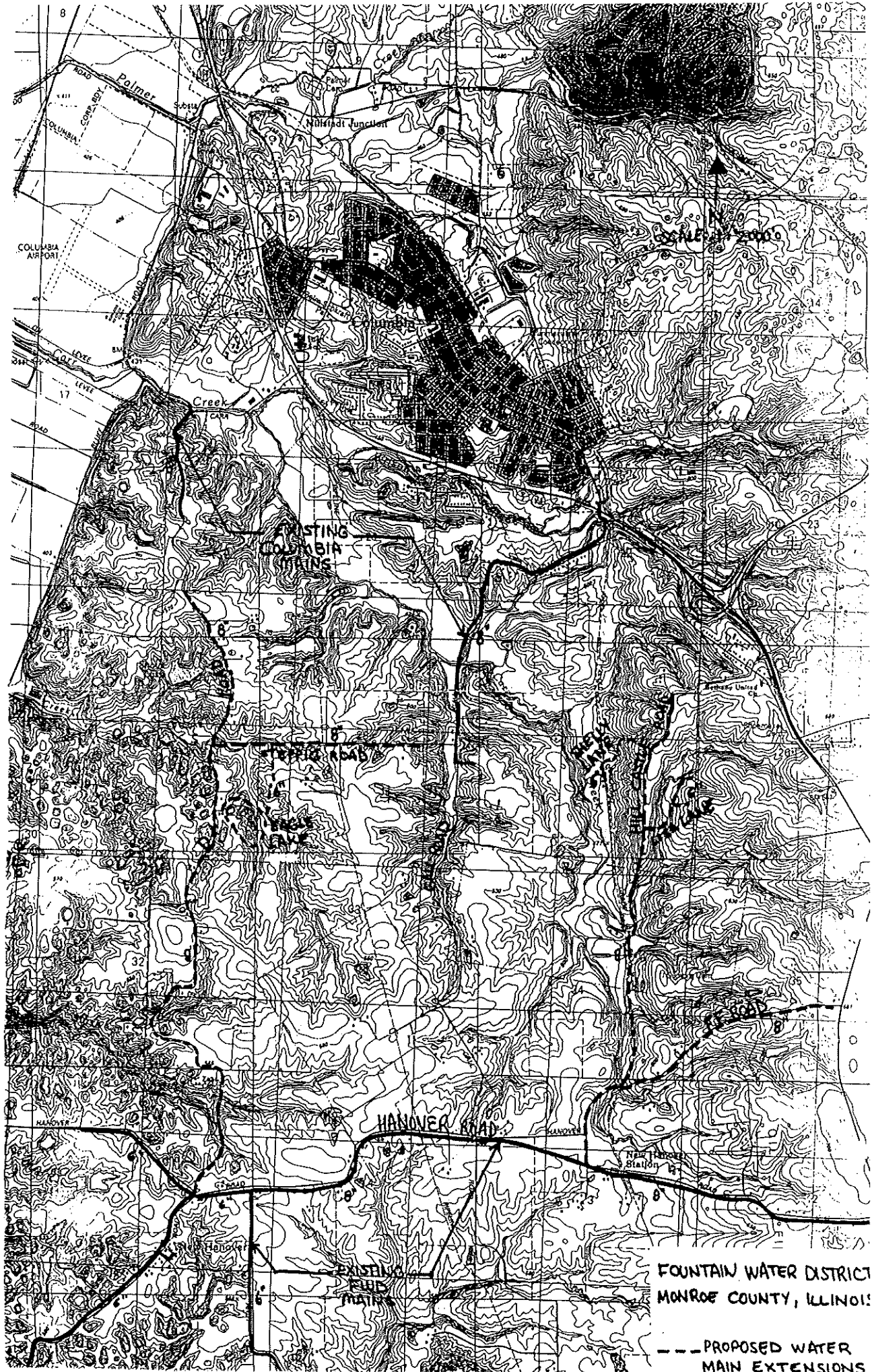
EXHIBIT "1-B"

TO

**SERVICE AREA AGREEMENT
BETWEEN THE CITY OF COLUMBIA, ILLINOIS
AND THE FOUNTAIN WATER DISTRICT**

Plat sized FPA map

To be provided later



FOUNTAIN WATER DISTRICT
MONROE COUNTY, ILLINOIS

--- PROPOSED WATER
MAIN EXTENSIONS

EXHIBIT "2"

TO

**SERVICE AREA AGREEMENT
BETWEEN THE CITY OF COLUMBIA, ILLINOIS
AND THE FOUNTAIN WATER DISTRICT**

Written Service Requests

To be provided at a later date

**SERVICE AREA AGREEMENT BETWEEN THE CITY
OF WATERLOO, ILLINOIS AND THE FOUNTAIN
WATER DISTRICT**

THIS SERVICE AREA AGREEMENT is made and entered into this ___ day of _____, 2011, between the CITY OF WATERLOO, Illinois, a Municipal Corporation, created and existing under and by virtue of the laws of the State of Illinois, with corporate limits located in the County of Monroe, hereinafter referred to as "City" or "Waterloo", and FOUNTAIN WATER DISTRICT, a Municipal Corporation; created and existing under and by virtue of the laws of the State of Illinois, hereinafter referred to as "Water District" or "Fountain", WITNESSETH:

WHEREAS, Section 11-151-3 of the Illinois Municipal Code provides that no municipality may furnish water to any territory situated within a public water district and located more than one (1) mile from the corporate limits of the municipality without the district's consent and provided that a municipality that operates a public water supply system has the exclusive right to serve residents in the territory within one (1) mile or less of the corporate limits of the municipality, as against a public water district, except as they shall mutually agree (65 ILCS 5/11-151-3);

WHEREAS, Section 11-12-12 of the Illinois Municipal Code requires that subdivision of land within one and one-half (1 1/2) miles of the corporate limit of a municipality comply with certain requirements of the ordinances, including the official map, of the municipality.

WHEREAS, Article VII, Section 10 of the 1970 Constitution of the State of Illinois, provides that units of local government may contract and otherwise associate in any manner not prohibited by law or by ordinance and may use their credit, revenues, and other resources to pay costs and to service debt relating to such intergovernmental activity; and,

WHEREAS, the City and the Water District have found and determined and do hereby declare that it is in their mutual best interest and welfare and the best interest and welfare of their water customers that they make and enter into this cooperation agreement for the providing of public water service within the service area provided for in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND AGREEMENTS HEREIN CONTAINED, and other good and valuable consideration, the parties hereto agree as follows:

Section 1. Service Area. The service area of Waterloo shall be all of the territory

within one and one-half (1 1/2) miles beyond the corporate limits of the City, as such corporate limits may be changed from time to time, hereinafter referred to as "Waterloo Service Area". The service area of the Water District as pertains to Waterloo shall be the unincorporated areas in Monroe County, Illinois located outside the Waterloo Service Area. Fountain represents and agrees that it shall not condone nor participate in impeding, discouraging or interfering with the annexation of territory to the City. The Water District will cooperate in every reasonable way with regard to the annexation of territory to the City from time to time.

Section 2. Agreed Encroachment. It is mutually recognized that Fountain has requests for service in certain portions of the Waterloo Service Area and has the funds available to make the water main extensions necessary to provide the water service for said customers. It is also mutually recognized that Fountain has already made extensions of service in the Waterloo Service Area. Residential addresses already connected (Exhibit A) are also subject to this Agreement. The parties do hereby determine and agree that it is in their mutual best interest for Fountain to install water service lines to provide water service in the Waterloo Service Area at locations mutually agreed upon by the City and Fountain, until such time as Waterloo chooses to purchase Fountain's water mains, facilities and appurtenances constructed and installed in the Waterloo Service Area, hereinafter referred to as "Area Water System", from the Water District as is hereinafter provided for in Section 4 of this Agreement. At such time or times as Waterloo elects to purchase all or part of the Area Water System installed by Fountain in Waterloo's Service Area, Waterloo shall be entitled to do so on the terms in this Agreement made and provided. Fountain may not, however, provide water service to customers in the Waterloo Service Area who are being served by Waterloo or for which Waterloo has the present capacity to serve and desires to serve. Further, it is agreed as follows:

(A) Prior to providing water service to any customer in the Waterloo service area, Fountain shall provide written notice to Waterloo setting forth the name, address and legal description of the property to which water service is requested to be provided by the City of Waterloo.

(B) Within thirty (30) days of receipt of the written notice set forth in subparagraph (A), Waterloo may refuse to allow Fountain to provide water service to customers specified in the notice if Waterloo has the existing capacity to serve and desires to serve the proposed customer, in a timely manner.

(C) **Sizing of Lines.** All lines installed shall have a minimum diameter of eight (8) inches, except as otherwise mutually agreed upon by the City and the Water District, except, at such locations as Waterloo shall designate and require the sizing of the water transmission mains installed by Fountain to have a minimum diameter of more than eight

(8) inches. Where larger than eight (8) inch diameter lines are required by Waterloo, the City shall pay for the oversizing of the line before commencement of the construction and installation of the line.

(D) Water Meters and Water Meter Vaults. The Water District will pay for all costs for acquisition and placement of the water meters and water meter vaults required for Fountain to furnish the necessary water services to customers.

Section 3. Customer Service Requests. Within the Waterloo Service Area, written customer service requests shall be required from customers to be served by Fountain pursuant to this agreement, which requests shall state that the customer's water service shall be provided by Fountain and/or Waterloo or the successor of them as service provider. The written service requests shall be in the form attached hereto Exhibit B, which is incorporated herein by reference and made a part hereof. In the event of Waterloo exercising its option to purchase all or part of the Area Water System, as is hereinafter made and provided for in a later Section or Sections of this Agreement, the Fountain customers connected to the Area Water System that is sold and transferred to Waterloo will be assigned and transferred to Waterloo, without any obligation on the part of Waterloo to pay compensation or consideration therefore in addition to the purchase price hereinafter made and provided for in this Agreement.

Section 4. Purchase of Fountain's Water System Installed in the Waterloo Service Area. At such times as Waterloo elects to purchase from the Water District all or part of the Area Water System constructed and installed by the Water District in the Waterloo Service Area, Waterloo shall have the right to do so on the following terms and conditions, to wit:

(A) Purchase Price and Method of Payment. The purchase price shall be the Water District's actual costs for installation and construction of the Area Water System located in the Waterloo Service Area which is subject to the purchase election made by Waterloo, including material, labor, engineering, legal and other quantifiable costs (subject to a 50 year straight line depreciation) or the existing indebtedness, including penalties due on calling the bonds, on that portion of the Water System purchased, whichever is greater to facilitate costing, Fountain shall keep records of actual costs for installation of the Area Water System to be purchased as well as as-built drawings and provide same to the City of Waterloo.

Once the purchase price for the Area Water System, or part thereof, is determined, the price shall be paid by Waterloo to the Water District, in cash, on the closing of the sale. All liens and/or security interests of any kind on the infrastructure must be released prior to closing.

In the event Waterloo elects to purchase all or part of the Area Water System pursuant to this Agreement and the parties cannot agree on the Water District's actual cost for the Area Water System to be sold, then, and in that event, the price to be paid by

Waterloo to Fountain shall be determined pursuant to the dispute resolution provisions contained in Section 8 of this Agreement.

(B) Sale and Closing of Sale. Within the portion of the Waterloo Service Area that is located within one(1) mile of the corporate boundaries of the City, as those corporate boundaries now exist or shall be hereafter extended, the Water District shall be entitled to provide its water service and shall not be required to sell the Area Water System to Waterloo for a period of two (2) years following service of a written notice by Waterloo to Fountain advising of Waterloo's election to exercise its option to purchase the Area Water System in the Waterloo Service Area, (unless the parties hereto mutually agree otherwise); except that, as to territory in the Waterloo Service Area that is annexed to the City during the term of this Agreement, Waterloo shall be entitled to purchase the Water District's Area Water System located in the annexation territory after one (1) year following service of a written notice by Waterloo to Fountain advising of Waterloo's election to exercise its option to purchase Water District's Area Water System in the annexed territory if the same be sooner than complying with the two-(2) year notice requirement stated above in this paragraph; and, further, provided that the Area Water System located in Waterloo annexation territory is a segment of the total Area Water System in the Waterloo Service Area, the ownership and operation of which can be transferred to Waterloo without adversely affecting the operation of the remainder of the Area Water System in the Waterloo Service Area by Waterloo.

Notwithstanding anything contained in this Subsection (B) of this Section 4 of this Agreement to the contrary, in the event Waterloo gives the written notice required by this Agreement to be given by Waterloo to Fountain in order for Waterloo to purchase the Area Water System from the District that is located in the Waterloo Service Area, and then Waterloo fails to conclude the purchase at the end of said notice period; Waterloo shall not be permitted to purchase the facilities involved in said notice thereafter without first giving Fountain a minimum of an additional one (1) year written notice of Waterloo's exercise of its option to purchase said water facilities.

All notices due to be given to Fountain under this Agreement shall be personally delivered to the Secretary of the Board of Trustees of the Water District or shall be mailed to the Secretary of the Water District, at the following address (or such other address as the Water District shall, from time to time, advise Waterloo in writing), to wit:

Secretary Fountain Water
District 732 Quarry Road
Valmeyer, Illinois 62295

registered mail. Such notice shall be deemed delivered upon receipt.

As to the Area Water System belonging to Fountain which is installed in the Waterloo Service Area pursuant to this Agreement, but is located more distant than one

(1) mile from the corporate boundaries of the City, as those boundaries now exist or shall be hereafter extended, Waterloo shall only be entitled to purchase such water system facilities from the Water District (unless Fountain agrees otherwise) if Waterloo annexes the territory in which they are installed or if it is necessary for Waterloo to purchase these facilities as a result of Waterloo's purchase of the Area Water System from Fountain that is located within the one (1) mile zone and the two (2) systems cannot be effectively separated from a operations stand point. In the later event, Waterloo will be entitled to purchase the minimum outside the one (1) mile zone that is necessary for system operations.

Notwithstanding anything contained in this Service Area Agreement, Waterloo' shall not be required to purchase any water service lines, plant or facilities comprising part or all of the Area Water System constructed by Fountain and located in any part of the Waterloo Service Area from the Water District. Pursuant to this Agreement, Waterloo's right to purchase water service lines, plant and facilities from Fountain shall be deemed an option to purchase for the price and on the terms made and provided in this Agreement without any obligation on the part of Waterloo to exercise that option.

At the closing of any sale of water system line, plant and facilities under this Agreement, Waterloo shall pay to Fountain the purchase price due and payable and Fountain shall convey ownership of its lines, plant or facilities that are the subject of sale by good and sufficient Bill of Sale to be made, signed and delivered by the appropriate legal representatives of the Board of Trustees of the Water District (which Bill of Sale shall be authorized and approved by ordinance or resolution of the Water District duly enacted by the Board of Trustees of the Water District). All closing costs shall be shared equally by the parties.

In acquiring right-of-way for installation of its water service lines or facilities in the Waterloo Service Area, Fountain will attempt to acquire right-of-way of a minimum width of fifteen feet. All right-of-way for the water service system that is the subject of sale by Fountain to Waterloo shall be sold to Waterloo by Fountain for Fountain's acquisition cost and transferred to Waterloo by good and sufficient deed of conveyance, permit or license of like kind and quality as the deed, license or permit Fountain obtained when it acquired the right-of-way.

(C) Disconnection Expenses. In the event Waterloo purchases from Fountain all or part of the water lines, plant and facilities installed in the Waterloo Service Area pursuant to this Agreement, all costs and expenses required to be incurred to disconnect Fountain's water distribution system from the water distribution facilities acquired by Waterloo shall be borne, in equal shares, by Waterloo and Fountain.

Section 5. Maintenance and Operation. As long as Fountain owns and operates a water service system in the Waterloo Service Area under this Agreement, Fountain shall be responsible and liable for operating the system in good and reliable manner and for the maintenance, upkeep and repair thereof at Fountain's cost and expense and without any obligation on the part of Waterloo to contribute to the payment of the cost of the same.

Fountain's maintenance responsibility shall end at the point of delivery where lateral line connections are made by their customers to the Fountain water main. Should a break or other system failure occur between the water main and the customer's building or other facility served by the connection to the main the responsibility and the cost for the repair and the maintenance thereof shall be that of the customer. Fountain shall have the right to shut off or disconnect water service to avoid water loss pending repair of the same.

Section 6. Fire Protection Service. Pending incorporation of territory in the Waterloo Service Area into the corporate limits of the City, the territory shall be and remain in the Rural Fire Protection District in which the area is presently located and Fountain shall have no obligation to provide fire protection service to the customers there located, except for subdivision developments. Prior to Fountain connecting a new subdivision property development in the Waterloo Service Area to Fountain's water distribution system, Fountain shall determine the cost to provide fire hydrants that comply with Waterloo's Subdivision Code and that meet or exceed City standards for fire protection service and shall include that cost in Fountain's connection fee to be collected by Fountain and remitted to the Fire Protection District. When the mains are installed, the hydrants required by the City shall also be installed and paid for by the funds aforesaid collected by Fountain from its water customers aforesaid. Fountain shall size its water mains it installs in Waterloo's Service Area to provide the required fire protection service by the City at such time as the City will acquire the facilities from Fountain and commence providing the water service to the customers.

Section 7. System Construction Standards. All water service facilities constructed and installed by Fountain in Waterloo's Service Area shall meet the requirements of the City in the same manner as if the installation were being made by the City or a real estate developer within the corporate limits of the City. Any costs incurred by the City in reviewing the engineering plans shall be borne by the City. Fountain's project engineer or his designee (who shall be required to be a professional engineer licensed by the State of Illinois) will conduct the necessary tests and inspections to determine that the water lines, plant, facilities and improvements that are constructed and installed by Fountain in the Waterloo Service Area comply with the City's codes and ordinances pertaining thereto and shall certify the same to the City Director of Public Works, or his designee. Further, Fountain will provide Waterloo with as-built drawings for all water lines, plant, facilities and appurtenances installed by Fountain in the Waterloo Service Area within ninety (90) days after installation, inspection, and certification to the City by Fountain's engineer that they are constructed in accordance with the requirements of the codes and ordinances of the City.

Section 8. Dispute Resolution. In the event there is a dispute or disagreement between the parties with regard to the interpretation or enforcement of this Agreement, either party may seek a determination by arbitration before the American Arbitration Association in St. Louis, Missouri on thirty (30) days prior written notice to the other party. Cost of the arbitration shall be borne equally by the parties. A decision of the arbitrator shall be binding upon the parties and may be enforced by a court of competent jurisdiction. Attorney's fees and court cost of enforcement shall be borne by the party failing to abide

by the decision of the arbitrator.

Section 9. Sanitary Sewer Service. City shall have the right as against Fountain to provide sanitary sewer service to residents and other users within the Waterloo Service Area as defined herein.

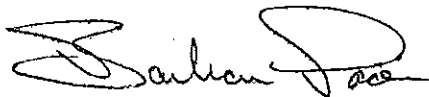
Section 10. Severability. Should any provision of this Agreement be determined to be invalid or unenforceable by a court of competent jurisdiction the remaining provisions of the Agreement shall be and remain in full force and effect and be enforceable as if the invalid provision or provisions were severed from the Agreement.

Section 11. Binding Effect. All of the terms, conditions and provisions of this Agreement shall be binding upon and shall enure to the benefit of the respective parties hereto and successor municipalities thereof.

Section 12. Not Assignable. This Agreement shall not be assignable by either of the parties hereto without the prior written consent of the other party hereto.

IN WITNESS WHEREOF, the parties hereto have made and entered into this Agreement on the date first above written for the uses and purposes herein set forth.

CITY OF WATERLOO, ILLINOIS




ATTEST:



Barbara Pace, City Clerk

BY


Thomas G. Smith, Mayor

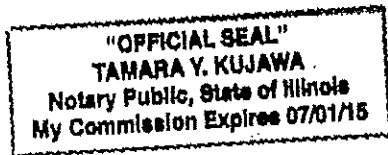
(SEAL)

STATE OF ILLINOIS)
) SS.
COUNTY OF MONROE)

The undersigned, a Notary Public in and for the County and State aforesaid, does hereby certify that THOMAS G. SMITH and BARBARA PACE personally known to me and known to me to be the Mayor and City Clerk, respectively, of the City of Waterloo, Illinois, appeared before me this day in person, and acknowledged that they signed and delivered the above and foregoing Agreement pursuant to Ordinance of the City of Waterloo, Illinois, duly enacted, for the uses and purposes therein set forth.

Given under my hand and Notary Seal this 25th day of July, 2011.

Tamara Kujawa
Notary Public



FOUNTAIN WATER DISTRICT

BY: *H. R. B...*
President

ATTEST:

Secretary *Wendy M. Hill*

STATE OF ILLINOIS)
) SS.
COUNTY OF MONROE)

The undersigned, a Notary Public in and for the County and State aforesaid, does hereby certify that _____ and _____ "personally known to me and known to me to be the President and Secretary, respectively of the Fountain Water District, appeared before me this day in person, and acknowledged that they signed and delivered the above and foregoing Agreement pursuant to Ordinance of the Fountain Water District, duly enacted, for the uses and purposes therein set forth.

Given under my hand and Notary Seal this _____ day of _____, 2011.

Notary Public

Exhibit A

4079 HH Road, Waterloo, IL

4102 HH Road, Waterloo, IL

3833 HH Road, Waterloo, IL

3845 HH Road, Waterloo, IL

3863 HH Road, Waterloo, IL

7761 Hh Road, Waterloo, IL

1254 Gall Road, Waterloo, IL

1261 Gall Road, Waterloo, IL

1267 Gall Road, Waterloo, IL

1321 Gall Road, Waterloo, IL

EXHIBIT "B"

Mayor and Board of Aldermen
City of Waterloo, Illinois
Waterloo, Illinois 62298

**CUSTOMER SERVICE REQUEST PURSUANT TO THE PROVISIONS OF THE
SERVICE AREA AGREEMENT BETWEEN THE CITY OF WATERLOO, ILLINOIS
AND THE FOUNTAIN WATER DISTRICT**

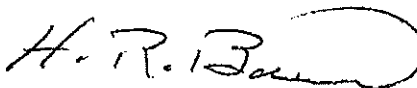
Dear Mayor and Board of Alderman:

Pursuant to provisions of the "SERVICE AREA AGREEMENT BETWEEN THE CITY OF WATERLOO, ILLINOIS AND THE FOUNTAIN WATER DISTRICT" the Fountain Water District, a Illinois Public Water District requests the City of Waterloo's consent to provide water service to the following:

Name and Address

Thank you for your attention to this matter.

Very truly yours,



Chairman



June 6, 2022

VIA USPS CERTIFIED MAIL # 7021 0350 0002 2269 3022

Secretary
Fountain Water District
732 Quarry Road
Valmeyer, Illinois 62295

Members of the Fountain Water District Board of Trustees:

Pursuant to the terms of a certain "Service Area Agreement" between the City of Columbia, Illinois ("Columbia") and the Fountain Water District ("Fountain") dated June 24, 1999, Columbia was granted the option to purchase facilities constructed and installed by Fountain in the Columbia Service Area.

Please let this correspondence serve as Columbia's notice to exercise said option.

As Fountain utilizes the services of Curry & Associates Engineers, Inc., Columbia, at its expense, intends to engage Curry & Associates to determine the purchase price of Fountain's water facilities within the identified area. Columbia asks for Fountain's cooperation in providing information pertaining to any indebtedness incurred by Fountain to finance construction of said facilities.

Although the Service Area Agreement establishes a five (5) year period for closing any sale, Columbia is certainly willing to finalize acquisition on a truncated timeframe.

At your convenience, please contact the undersigned at (618) 281-7144 or dbrimm@columbiaillinois.com to arrange a meeting to discuss this notice.

The City of Columbia looks forward to reaching a mutually beneficial outcome with the Fountain Water District.

Sincerely,

Douglas R. Brimm
City Administrator

C: Arthur W. Morris, Fountain Water Dist. Legal Counsel (*Via E-Mail*)
Mayor Bob Hill (*Via E-Mail*)
Columbia City Council (*Via E-Mail*)
Terry Bruckert, City Attorney (*Via E-Mail*)

208 South Rapp Avenue • Columbia, Illinois 62236 • (618) 281-7144
www.columbiaillinois.com

EXHIBIT 3

Official Notice to Fountain Water District of Exercise of Rights

Pursuant to Service Area Agreement Dated July 25, 2011

Whereas, the City of Waterloo, an Illinois Municipal Corporation and body politic (hereinafter "Waterloo"), and Fountain Water District, an Illinois Municipal Corporation and body politic, being an Illinois Public Water District, organized and existing pursuant 70 ILCS 3705/1 (hereinafter "Fountain"), entered into an intergovernmental agreement on July 25, 2011 entitled "SERVICE AREA AGREEMENT BETWEEN THE CITY OF WATERLOO, ILLINOIS AND THE FOUNTAIN WATER DISTRICT" (hereinafter Service Area Agreement), to establish their respective rights and obligations regarding their authority related to the provision of water to residents and businesses located within a geographic area defined in that Service Area Agreement, and such agreement has not been amended or revoked and remains in full force and effect; and

Whereas, the Illinois Municipal Code at 65 ILCS 5/11-151-3 provides that a municipality that operates a public water supply and furnishes water service has the exclusive right, as against a public water district, to serve residents in the territory within one mile or less of the corporate limits of the municipality; and

Whereas, the aforesaid 65 ILCS 5/11-151-3 also provides that, "... no municipality may furnish water ... to any territory situated within a public water district and more than one mile from the corporate limits of the municipality without the district's consent"; and

Whereas, Fountain has developed certain waterworks properties within the Waterloo Service Area described in Section 1, Service Area of the Service Area Agreement including infrastructure providing water to a group of customers located at and lying along the intersection of Illinois Route 3 and Hanover Road and along Hanover Industrial Drive and Midway Boulevard (hereinafter "Hanover Tracts"), being in an unincorporated portion of Monroe County, Illinois, which is within the "Area Water System" as defined in the Service Area Agreement and is within one mile of the corporate limits of Waterloo; and

Whereas, the parcel of real property identified as Monroe County Parcel No. 07-02-100-003-000 owned by Hillcrest Properties LLC, with an address of 8787 Rickhouse Road (hereinafter "Hillcrest Tract") lying in an unincorporated portion of Monroe County, Illinois, is within the Waterloo Service Area, is adjacent to the Hanover Tracts, and is within one mile of the corporate limits of Waterloo; and

Whereas, Waterloo operates a public water supply, has adequate capacity to increase its service area, and desires to provide water service within one mile of its corporate limits to any and all customers within the Hanover Tracts and the adjacent Hillcrest Tract, and pursuant to the Service Area Agreement and 65 ILCS 5/11-151-3, Waterloo has exclusive right to provide water service to any and all such customers; and

Whereas, pursuant to the Service Area Agreement, Fountain may not, however, provide water service to customers in the Waterloo Service Area who are being served by Waterloo or for which Waterloo has the present capacity to serve and desires to serve; and

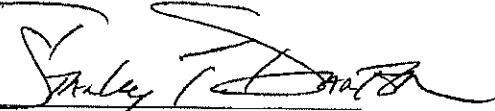
Whereas, Waterloo is the only municipality whose corporate boundaries fall within one mile of the Hanover Tracts and Hillcrest Tract; and

Whereas, pursuant to the terms of the Service Area Agreement Section 2, Agreed Encroachment and Section 4, Purchase of Fountain's Water System Installed in the Waterloo Service Area, Waterloo desires to purchase that portion of the Fountain Area Water System waterworks properties presently serving the Hanover Tracts.

NOW, THEREFORE, Waterloo hereby gives official notice that it exercises its right pursuant to the Service Area Agreement and elects to purchase from Fountain that portion of its waterworks properties within the Area Water System that presently serve the Hanover Tracts including its water system lines, plant, facilities, and right-of-way easements related to its water service to the area.

FURTHER, Waterloo hereby gives official notice to Fountain of the exercise of its right pursuant to the Service Area Agreement and 65 ILCS 5/11-151-3 to provide water service to the Hillcrest Tract.

City of Waterloo, Illinois

By: 
Stanley T. Darter, Mayor

Notice of the above exercise of rights has been given in writing on February 10, 2025 via USPS certified mail to:

Secretary
Fountain Water District
732 Quarry Road
Valmeyer, Illinois 62295

With a copy via email to:
Arthur Morris, Attorney at Law
traumo@htc.net

CITY OF COLUMBIA, ILLINOIS
ORDINANCE NO. 3690

**AN ORDINANCE AUTHORIZING A MUNICIPAL SERVICES AGREEMENT FOR
THE PROVISION OF CITY OF COLUMBIA WATER SERVICE TO CERTAIN
PROPERTY LOCATED IN UNINCORPORATED MONROE COUNTY**

- WHEREAS**, the City of Columbia (“City”), Monroe and St. Clair Counties, Illinois is a duly created, organized and validly existing municipality of the State of Illinois under the 1970 Illinois Constitution and the laws of the State of Illinois, including particularly the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto; and
- WHEREAS**, Hillcrest Properties, LLC (“Owner”), a validly existing Limited Liability Company organized under the laws of the State of Illinois, is record owner of a parcel of land assigned Monroe County PIN #07-02-100-003-000 located at 8787 Rickhouse Road (“Property”); and
- WHEREAS**, Owner has petitioned the City for municipal water service to serve a commercial development under construction on the Property; and
- WHEREAS**, the Property is not located within the corporate limit of any municipality and is not yet contiguous to the City of Columbia’s corporate boundary; and
- WHEREAS**, the City desires to provide municipal utilities to the subject property; however, Section 13.02.010 of the Columbia Municipal Code requires annexation or an agreement to annex before providing said services to properties located outside city limits; and
- WHEREAS**, Section 2-2-12 of the Illinois Municipal Code (65 ILCS 5/2-2-12) grants the City the authority to contract and be contracted with; and
- WHEREAS**, a Municipal Services Agreement, establishing the terms whereby Property will receive water service from the City, has been approved by Owner; and
- WHEREAS**, pursuant to the terms of a certain Service Area Agreement between the City and the Fountain Water District, the City has the option to purchase the Fountain Water District facilities installed in an area defined by said Service Area Agreement; and
- WHEREAS**, in June, 2022, the City notified Fountain Water District of its intent to exercise said option; and
- WHEREAS**, the Property is situated within the area contemplated in the Service Area Agreement; and
- WHEREAS**, Owner, in order to receive water service from the City, is incurring costs related to the extension of a water distribution main to be dedicated to the City;

WHEREAS, Article VII, Section 10 of the 1970 Illinois Constitution provides that units of local government may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities; and

WHEREAS, the Corporate Authorities of the City have determined it is in the best interests of the City that the Municipal Services Agreement be approved, and Owner be reimbursed for certain costs.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Columbia, as follows:

- Section 1.** The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.
- Section 2.** The Municipal Services Agreement between the City of Columbia and Hillcrest Properties, LLC, attached hereto as Exhibit A, is hereby approved.
- Section 3.** The Mayor is hereby authorized and directed to execute the Agreement on behalf of the City, and the City Clerk is hereby authorized and directed to attest to the same.
- Section 4.** Upon presentation of documentation by Owner substantiating costs incurred for the infrastructure contemplated by the Municipal Services Agreement, along with any necessary lien waivers or other documentation required, the Director of Finance, with the concurrence of the City Administrator, is authorized to issue payment for reimbursement to Owner.
- Section 5.** The City Clerk is hereby directed to record a copy of this Ordinance in the Office of the Monroe County Clerk & Recorder.
- Section 6.** This Ordinance shall be in full force and effect from and after the date of its passage and approval, as provided by law.

PASSED by the City Council and **APPROVED** by the Mayor of the City of Columbia, Illinois and deposited and filed in the office of the City Clerk on the 21st day of January, 2025, the vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

APPROVED:

BOB HILL, Mayor

ATTEST:

DEREK REICHERT, City Clerk

(SEAL)

CITY OF COLUMBIA, ILLINOIS
ORDINANCE NO. 3692

AN ORDINANCE AUTHORIZING FIRST AMENDMENT TO THE MUNICIPAL SERVICES AGREEMENT FOR THE PROVISION OF CITY OF COLUMBIA WATER SERVICE TO CERTAIN PROPERTY LOCATED IN UNINCORPORATED MONROE COUNTY

- WHEREAS**, the City of Columbia (“City”), Monroe and St. Clair Counties, Illinois is a duly created, organized and validly existing municipality of the State of Illinois under the 1970 Illinois Constitution and the laws of the State of Illinois, including particularly the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto; and
- WHEREAS**, Hillcrest Properties, LLC (“Owner”), a validly existing Limited Liability Company organized under the laws of the State of Illinois, is record owner of a parcel of land assigned Monroe County PIN #07-02-100-003-000 located at 8787 Rickhouse Road (“Property”); and
- WHEREAS**, on January 21, 2025, the Corporate Authorities passed and approved Ordinance No. 3690, authorizing a Municipal Services Agreement between the City and Owner pertaining to water service intended to serve Property; and
- WHEREAS**, following the execution of said Municipal Services Agreement, it became necessary to make certain revisions to the planned alignment and source of the water utility intended to serve Property; and
- WHEREAS**, Section 2-2-12 of the Illinois Municipal Code (65 ILCS 5/2-2-12) grants the City the authority to contract and be contracted with; and
- WHEREAS**, pursuant to the terms of a certain Service Area Agreement between the City and the Fountain Water District, the City has the option to purchase the Fountain Water District facilities installed in an area defined by said Service Area Agreement; and
- WHEREAS**, in June, 2022, the City notified Fountain Water District of its intent to exercise said option; and
- WHEREAS**, the Property provides the ability for the City to access certain facilities contemplated by said Service Area Agreement to be transferred to the City; and
- WHEREAS**, Article VII, Section 10 of the 1970 Illinois Constitution provides that units of local government may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities; and
- WHEREAS**, in order to access said facilities, certain easements are required to be dedicated to the City;
- WHEREAS**, the Corporate Authorities of the City have determined it is in the best interests of the City that this First Amendment to the Municipal Services Agreement be

approved, and Owner be reimbursed for certain costs in exchange for the granting of necessary easements.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Columbia, as follows:

- Section 1.** The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.
- Section 2.** The First Amendment to the Municipal Services Agreement between the City of Columbia and Hillcrest Properties, LLC, attached hereto as Exhibit A, is hereby approved.
- Section 3.** The Mayor is hereby authorized and directed to execute the Agreement on behalf of the City, and the City Clerk is hereby authorized and directed to attest to the same.
- Section 4.** Upon execution of necessary documentation granting the necessary easements to the City of Columbia, as contemplated by the First Amendment to the Municipal Services Agreement, along with any other documentation required, the Director of Finance, with the concurrence of the City Administrator, is authorized to issue payment to Owner.
- Section 5.** The City Clerk is hereby directed to record a copy of this Ordinance in the Office of the Monroe County Clerk & Recorder.
- Section 6.** This Ordinance shall be in full force and effect from and after the date of its passage and approval, as provided by law.

PASSED by the City Council and **APPROVED** by the Mayor of the City of Columbia, Illinois and deposited and filed in the office of the City Clerk on the 3rd day of March, 2025, the vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

APPROVED:

ATTEST:

BOB HILL, Mayor

DEREK REICHERT, City Clerk

(SEAL)