

## FISCAL AGENT AGREEMENT

THIS AGREEMENT is made and entered into this 25 day of January 2011 by and between the Board of Water Works Trustees of the City of Des Moines, Iowa, (DMWW) and the Central Iowa Regional Drinking Water Commission ("CIRDWC").

### Recitals:

- A. DMWW is a municipal utility organized and existing under Chapter 388, Code of Iowa;
- B. CIRDWC is a an entity organized and existing under Chapter 28E, Code of Iowa;
- C. DMWW is a Member of CIRDWC, and the parties desire to provide for DMWW to act as the fiscal agent of CIRDWC for the purposes of receipt, disbursement, investment and accounting for CIRDWC's funds.

### NOW THEREFORE THE PARTIES AGREE:

1. Appointment. CIRDWC hereby appoints DMWW to act as its sole fiscal agent until such agency is terminated as herein provided.
2. Duties. DMWW, as fiscal agent, shall:
  - (a) Receive, disburse, and invest all funds of CIRDWC, in the name of CIRDWC by establishing and maintaining separate financial accounts for CIRDWC funds and expenditures, with the title of the financial accounts to be in the name of CIRDWC.
  - (b) Keep records of all financial transactions as fiscal agent, in accordance with applicable law and Generally Accepted Accounting Principles.
  - (c) Make all records available to CIRDWC Executive Committee pertaining to CIRDWC funds at its request.
  - (d) Account for all CIRDWC funds and report such accounting on the basis of CIRDWC's fiscal year on a quarterly and annual basis to the CIRDWC Governing Board.
  - (e) Oversee the annual CIRDWC budgeting process and monitor disbursement of CIRDWC funds to be consistent with the CIRDWC budget.
  - (f) Cause CIRDWC to be named as an additional insured under its fidelity bonds and coverages.
  - (g) Invest and maintain CIRDWC funds in accordance with law, including, but not limited to, Ch. 12B, Code of Iowa.

3. Limitations. All funds of CIRDWC held by DMWW shall remain the sole and exclusive property of CIRDWC. CIRDWC shall retain sole responsibility for its own policies, programs, and services. DMWW shall have no liability to CIRDWC or any third party for any CIRDWC policies, programs and services.
4. Fees. CIRDWC shall reimburse DMWW for its costs of performance of its duties as follows:
  - (a) All account fees for CIRDWC accounts shall be deducted for the account by the depository institution;
  - (b) CIRDWC shall pay DMWW for its actual staff time incurred in performing duties hereunder at a rate of \$50.00 per hour in an amount not to exceed \$500.00 per fiscal year. Such fees shall be billed on a calendar quarter basis and paid upon approval of the Executive Committee.
5. Authority and Reliance. DMWW shall have full authority to perform the duties as set forth in Section 2 hereof, and in particular shall be authorized to disburse CIRDWC funds pursuant to the direction of any two members of the Executive Committee, or in the case of individual expenditures of less than \$200 each which total less than \$1,000 in any fiscal quarter by the CIRDWC Recording Secretary, and shall have no liability for following any such direction.
6. Resignation or Removal. The agency of this Agreement shall commence on the date set forth above and shall continue until terminated either by resignation of DMWW or removal by CIRDWC upon at least ten (10) day's notice, which termination may be for any reason or for no reason.
7. Effect of Termination. Upon termination by resignation or removal, DMWW shall return all funds to CIRDWC, or its designee, and shall provide a final accounting to CIRDWC.
8. Indemnification. CIRDWC shall, jointly and severally and to the fullest extent permitted by law, defend, indemnify and hold harmless the DMWW and each trustee, officer, employee, attorney, agent and affiliate of the DMWW (collectively, the "DMWW Indemnified Parties") against any and all actions, claims (whether or not valid), losses, damages, liabilities, costs and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees, costs and expenses) incurred by or asserted against any of the DMWW Indemnified Parties from and after the date hereof, whether direct, indirect or consequential, as a result of or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person, including, without limitation, Purchaser or the Seller, whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person under any statute or regulation, including, without limitation, any federal or state laws, whether or not any such DMWW Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation; provided, however, that no DMWW Indemnified Party shall have the right to be indemnified hereunder for any liability finally determined by a court of competent jurisdiction, subject to no further appeal, to have resulted

primarily from the negligence or willful misconduct of such DMWW Indemnified Party.

9. Notices. All notices, demands, or requests provided for or permitted to be given pursuant to this Agreement shall be in writing. All notices, demands, and requests shall be deemed to have been properly served if given by personal delivery, or if transmitted by fax transmission, or if deposited in the United States mail, registered or certified with return receipt requested, proper postage prepaid, addressed as follows:

- (a) DMWW  
c/o CEO and General Manager  
2201 George Flagg Parkway  
Des Moines, IA 50321
  
- (b) CIRDWC  
c/o Chairperson of CIRDWC at his or her  
address shown in the records of CIRDWC

Each notice, demand, or request shall be effective upon personal delivery, or upon confirmation of receipt of the applicable fax transmission, three (3) business days after the date on which the same is deposited in the United States mail in accordance with the foregoing. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall not adversely impact the effectiveness of any such notice, demand, or request. Service by personal delivery shall be valid only if delivered personally to an officer. Any addressee may change its address for notices hereunder by giving written notice in accordance with this section.

10. Entire Agreement. This is a fully integrated agreement which supersedes all oral or written proposals and communications related to this Agreement between the parties. Each party acknowledges that such party has not been induced to enter this Agreement by any representations or statements oral or written, not contained in this Agreement. This Agreement may only be amended by a written instrument signed by authorized representatives of both parties.

11. Governing Law. This Agreement shall be construed, both as to validity and performance, and shall be enforced in accordance with, and governed by, the laws of the State of Iowa applicable to contracts to be performed entirely within that State, without giving effect to the principles of conflicts of law.

12. Arbitration. Any disputes between the parties relating to the terms of this Agreement, or the breach thereof shall be submitted to binding arbitration in the State of Iowa, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. In the event that either Party desires to arbitrate any such dispute, such Party shall so notify the other Party and the Parties shall endeavor, for a period of thirty (30) calendar days, to resolve such dispute without arbitration. In the event that the Parties cannot resolve the dispute within such thirty (30)-day period, then arbitration shall proceed as provided in the Commercial Arbitration Rules of the American Arbitration Association ("Rules"). No award shall be made for punitive

damages or attorneys fees. Each Party shall advance fees as provided in the Rules. The cost of the Arbitration shall be apportioned in the arbitration case as provided in the Rules.

13. Headings. Headings herein are for convenience of reference only and shall in no way affect interpretation of the Agreement.

14. Partial Invalidity. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

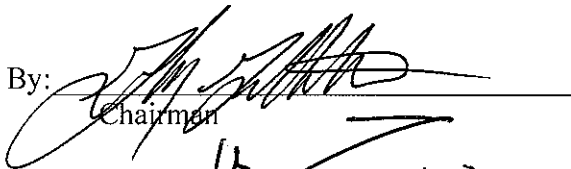
15. Counterparts. This Agreement shall be executed in two or more counterparts, each of which shall be deemed an original.

16. No Beneficiaries. No Member or creditor of CIRDWC or other person is an intended beneficiary of this Agreement.

17. Receipt of Copy. Each of the parties to this Agreement acknowledges receipt of a fully executed copy of this Agreement and all attachments thereto.


IN WITNESS WHEREOF, the parties have executed this Agreement

**BOARD OF WATER WORKS TRUSTEES  
OF THE CITY OF DES MOINES, IOWA**

By:   
Chairman

By:  11-26-13  
CEO and General Manager

**CENTRAL IOWA REGIONAL  
DRINKING WATER COMMISSION**

By:   
Chairman

By:   
Secretary/Treasurer