

ORDINANCE NUMBER 85-M-16

AN ORDINANCE TERMINATING THE CONTRACT BETWEEN CENTRAL ILLINOIS LIGHT COMPANY, AN ILLINOIS CORPORATION AND THE VILLAGE OF CHATHAM, COUNTY OF SANGAMON, STATE OF ILLINOIS FOR THE FURNISHING OF ELECTRIC ENERGY FOR RESALE.

Whereas, on July 12, 1979, the Village of Chatham (hereinafter designated as "Municipality") adopted Ordinance Number 79-22 which constituted a contract with Central Illinois Light Company, an Illinois Corporation (hereinafter designated as "CILCO") for the furnishing of electric energy to the Municipality; and

Whereas, Ordinance Number 79-22 had an initial term of ten years; and

Whereas, Ordinance Number 79-22 provides in Paragraph 8:

(B) Municipality may elect to discontinue purchase of power and energy from CILCO at any time during the initial ten-year term of this ordinance contract upon 60 days, written notice to CILCO; provided, however, that in the event Municipality elects to discontinue service during this initial term, the Municipality shall, at its option, either (a) enter into a new agreement whereby it shall continue to purchase transmission and transformation service from CILCO, for the power purchased from other sources, at reasonable rates for the remainder of said initial term, or (b) purchase the land and equipment constituting the new 34.5kv substation to be installed pursuant to Paragraph 2 hereof, as more fully identified on Appendix A at a price determined by the appraised market value of the land and the reproduction cost new, less depreciation for the equipment, or (c) reimburse CILCO for the cost of such substation determined pursuant to subsection (b) less the net salvage value of such facilities, or (d) purchase transformation and transmission service from CILCO pursuant to subsection (a) and thereafter exercise its option to purchase the substation or reimburse CILCO for such substation pursuant to subsections (b) or (c). If Municipality and CILCO are unable to agree on the appraised market value of the land, each shall select an appraiser who together shall select a

third appraiser to valuate the land. The average of [sic] the values established by the three appraisers shall be the purchase price.

and

Whereas, the Municipality elects to terminate its contract with CILCO and to enter into a new agreement whereby it shall continue to purchase transmission and transformation service from CILCO;

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Chatham, County of Sangamon, State of Illinois:

1. Municipality hereby elects to terminate its contract with Central Illinois Light Company, an Illinois Corporation, for the furnishing of electric service and to enter into a new agreement pursuant to § 8(B)(a) of Ordinance Number 79-22 whereby the Municipality shall continue to purchase transmission and transformation service from CILCO, for the power purchased from other sources, at reasonable rates for the remainder of the initial term of the contract approved by Ordinance Number 79-22.

2. The President of the Municipality is hereby authorized and directed to forthwith serve upon Central Illinois Light Company written notice of the Municipality's election to terminate its contract with CILCO for the furnishing of electric service and to enter into a new agreement whereby the Municipality shall continue to purchase transmission and transformation service from CILCO, for the power purchased from other sources, at reasonable rates for the remainder of the original term of the contract approved by Ordinance

Number 79-22, said election to be effective sixty (60) days after written notice is served on CILCO.

Passed by the President and Board of Trustees of the Village of Chatham, County of Sangamon, State of Illinois, this 29th day of October, A.D., 1985.

D.E. Moore
President

Barbara J. Beckhaus
Village Clerk