

SETTLEMENT AGREEMENT

The Great Lakes Water Authority ("GLWA"), and Colasanti Construction Services, Inc. ("Colasanti"), J.F. Cavanaugh Company ("Cavanaugh") and Evoqua Water Technologies LLC ("EWT") enter into the following agreement ("Agreement") as of _____, 2019. Colasanti, Cavanaugh, and EWT may be collectively referred to herein as "CCE," and the GLWA, Colasanti, Cavanaugh, and EWT may be individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. On or about April 12, 2010, Colasanti and the City of Detroit Water and Sewerage Department ("DWSD") entered into Contract SW-548 (the "Contract") for the construction of certain improvements at DWSD's Southwest Water Treatment Plant (the "Project").

B. The GLWA is the successor-in-interest to DWSD's rights and obligations under the Contract.

C. The Project improvements included supply and installation, in each of four sedimentation basins, of certain components ("Collector Components") for construction of chain and flight sludge collector mechanisms (the "Collector Mechanisms").

D. Colasanti contracted with Cavanaugh via purchase order and subcontract, respectively, for the supply and installation of the Collector Components.

E. Cavanaugh contracted with Siemens Water Technologies Corp. n/k/a EWT via purchase order for the supply of the Collector Components.

F. On April 6, 2013, DWSD issued its Certificate of Substantial Completion for the Project.

G. Both prior to and after the Substantial Completion Certificate was issued, DWSD/GLWA reported inoperability of certain Collector Mechanisms and damage to certain Collector Components.

H. Disputes and differences arose among the Parties relating to the Project including, but not limited to, the cause(s) of and responsibility for inoperability of certain Collector Mechanisms and/or damage to certain Collector Components, and payments due under the Contract.

I. The GLWA default terminated the Contract and made a claim against the Performance Bond issued by Liberty Mutual Insurance Company ("Liberty") with respect to the Contract. Colasanti contested the default termination as wrongful and requested that the GLWA withdraw the default termination.

J. After negotiation and facilitation, the Parties desire to resolve, contingently, their disputes and differences on the terms stated in this Agreement.

PROMISES AND AGREEMENTS

1. Upgraded Basins.

- a. CCE will perform the Work described in Section 1. c. (the "Work") to:
 - i. upgrade one basin of GLWA's selection (the "First Upgraded Basin"), in exchange for GLWA's payment to CCE of \$100,000;
 - ii. upgrade an additional basin of GLWA's selection (the "Second Upgraded Basin") in exchange for GLWA's payment of each of CCE's actual cost, computed in accordance with Contract General Conditions Section 12.3.6, provided that CCE's subcontractors may charge overhead and profit at the percentages allowed under General Conditions Section 12.3.3 and CCE's material suppliers may charge commercially-reasonable overhead and profit. EWT shall provide a schedule listing the Collector Components it will supply for the Work and stating its aggregate actual cost;
 - iii. upgrade an additional basin of GLWA's selection (the "Third Upgraded Basin") in exchange for GLWA's payment of "Market Price," as defined in Section 1. i.; and
 - iv. subject to Section 1. b. iv., upgrade the final basin (the "Fourth Upgraded Basin") in exchange for GLWA's payment of "Market Price" less a \$100,000 credit.

GLWA acknowledges receipt from CCE of CCE's good faith estimates of CCE's actual cost to complete the Second Upgraded Basin, and of CCE's Market Price. GLWA shall treat this information as confidential, subject to the requirements of Michigan's Freedom of Information Act.

GLWA has selected Basin 2B for the First Upgraded Basin and Basin 1B for the Second Upgraded Basin. GLWA shall give Notice (pursuant to Section 8) to CCE of its selection for the Third Upgraded Basin within 10 calendar days after the First Upgraded Basin has been "commissioned and accepted" as described in Section 1. h. ii.

- b. Work on the Upgraded Basins shall proceed as follows:
 - i. Material procurement preceding the Work on the First Upgraded Basin shall commence within 10 calendar days after receipt of the fully executed Agreement and is expected to take approximately 18 weeks. CCE shall provide GLWA at least 21 calendar days' notice before commencement of the Work in each Upgraded Basin and, subject to GLWA's approval, shall be permitted to commence demolition activities associated with the Work prior to material delivery. Subject to unanticipated delays, disruptions, or interferences, CCE expects that material installation associated with the Work in each Upgraded Basin will be substantially complete within 12 weeks after material delivery and CCE shall work in good faith to complete the Work on each Upgraded Basin within 12 weeks after material delivery.
 - ii. Upon commissioning and acceptance of the First Upgraded Basin in accordance with this Agreement, CCE will commence the Work, pursuant to a

schedule agreed-upon by the Parties, on the Second Upgraded Basin. The Work on the Second Upgraded Basin shall commence as soon as reasonably practicable after the commissioning and acceptance of the First Upgraded Basin and CCE shall work in good faith to complete the Work on the Second Upgraded Basin within 12 weeks after material delivery, subject to unanticipated delays, disruptions, or interferences.

- iii. Upon the completion of the Work on the Second Upgraded Basin, CCE will commence the Work, pursuant to a schedule agreed-upon by the Parties, on the Third Upgraded Basin. The Work on the Third Upgraded Basin shall commence as soon as reasonably practicable after completion of the Second Upgraded Basin and CCE shall work in good faith to complete the Work on the Third Upgraded Basin within 12 weeks after material delivery, subject to unanticipated delays, disruptions, or interferences.
- iv. Within 30 calendar days after the completion of the Work on the Third Upgraded Basin, the GLWA shall advise CCE by written Notice whether it wants to upgrade the fourth basin. If the GLWA fails to give timely written Notice of its election to upgrade the fourth basin, the GLWA shall waive the \$100,000 credit and CCE shall have no obligation to perform any Work on the fourth basin.

When the Work is completed in any basin, such basin will be referred to herein as an "Upgraded Basin" (with more than one Upgraded Basin being collectively referred to as the "Upgraded Basins").

c. The Work shall consist of the following in each basin:

- i. Reduce collector speed from 2 fpm to 1 fpm
- ii. Disable collector drive reversing function. (Upon Notice from GLWA during the 12-Month Operation Test for the First Upgraded Basin, CCE shall promptly provide necessary labor to replace broken shear pins).
- iii. Replace flights, brackets, and rails.
- iv. Replace all collector chain sprockets, wear shoes and shear pin hubs with the following upgraded materials:
 - 1. SS Sprockets
 - 2. PU Wear Shoes
 - 3. SS Shear Pin Hub
- v. Shorten longitudinal collector length by 100 feet. With respect to the First Upgraded Basin only, CCE shall be responsible for all costs associated with shortening the chains to lengths that function with the Upgraded Basins. With respect to the Second Basin this work will be performed at CCE's actual cost, computed in accordance with Contract General Conditions Section 12.3.6, provided that CCE's subcontractors may charge overhead and profit at the percentages allowed under General Conditions Section 12.3.3 and CCE's material suppliers may charge commercially-reasonable overhead and profit.

With respect to any subsequent basin, the work will be performed at "Market Price."

- d. EWT has provided, and GLWA has approved, operation and maintenance guidelines for the Upgraded Basins, attached as Exhibit 5 (the "O&M Guidelines"). Prior to the start of the 12-Month Operation Test for the First Upgraded Basin, EWT shall conduct an onsite operation and maintenance training refresher for GLWA staff without cost to the GLWA. GLWA is responsible for the attendance of its staff at the training refresher.
- e. GLWA is responsible for, and shall bear all costs relating to: (i) dewatering and removing all sludge in all basins to allow for CCE's uninterrupted performance of the Work under this Agreement, and (ii) operating and maintaining in good working order all other processes, systems, equipment, and component parts at the Southwest Water Treatment Plant that could impact the Work and/or the 12-Month Operation Test.
- f. GLWA shall receive, unload, handle, and store all new material deliveries. CCE will inventory and inspect the delivered materials.
- g. The Parties assume that the drives, drive shafts, and chains are in workable condition. If not, GLWA shall replace them at GLWA's cost.
- h. Inspection, 12-Month Operation Test, and Commissioning and Acceptance of the First Upgraded Basin:
 - i. Upon completion of the Work at the First Upgraded Basin, GLWA shall operate the First Upgraded Basin for a six month period, after which the First Upgraded Basin shall be dewatered and inspected (the "Six-Month Inspection"). During the Six-Month Inspection, CCE shall not flip or replace any wear shoes except only to replace wear shoes to the extent required to fulfill CCE's obligations under the Warranties in Exhibits 3 and/or 4. Promptly after the Six-Month Inspection and determination that the First Upgraded Basin remains operational, GLWA shall operate the First Upgraded Basin for an additional six months (total of 12 months of operation), after which the First Upgraded Basin shall again be dewatered and inspected (the "12-Month Operation Test"). The GLWA is not required to flip or replace any wear shows during the period of the 12-Month Operation Test despite any provisions in the O&M Guidelines to the contrary. In computing the 12 months of operation, the following shall be excluded:
 - (1) the period (not to exceed three calendar days) commencing with GLWA's Notice to CCE that GLWA has discontinued operation of the First Upgraded Basin to allow for the Six-Month Inspection, and ending when GLWA has given access to CCE to perform the Six-Month Inspection;
 - (2) the period commencing with CCE's access to perform the Six-Month Inspection and ending two calendar days after CCE's Notice to GLWA that the Six-Month Inspection is complete and the First Upgraded Basin is ready to be put back into service; and

- (3) the period in excess of seven calendar days required by CCE to fulfill obligations under the Warranties in Exhibits 3 and/or 4. For the purposes of this calculation, the period begins when the First Upgraded Basin is drained and made available to CCE for Warranty repairs, and concludes when CCE provides Notice that it has completed its Warranty work and the First Upgraded Basin is ready to be put back into service.
- ii. Upon completion of the 12-Month Operation Test without a "Failure" (defined below), the First Upgraded Basin shall be considered commissioned and accepted.
- iii. Following completion of the Work at each Upgraded Basin, CCE shall provide the GLWA with as-built drawings.
- i. "Market Price" means CCE's actual costs, computed in accordance with Contract General Conditions Section 12.3.6 and including materials supplied by EWT at its then-existing retail price, plus overhead and profit at the percentages allowed under Contract General Conditions Section 12.3.3.
- j. The Parties expressly acknowledge and agree that the Work as outlined and performed under this Agreement shall not be deemed a design or redesign by CCE, and that, except as expressly set forth in this Agreement, CCE shall have no obligation or liability with respect to the Work. By way of further clarification, and not limitation, the Parties expressly acknowledge and agree that: (i) the Work is not subject to any of the provisions in Subsection 4.3.4.2 (including its subparts) of the Contract General Conditions; (ii) except as provided in this Agreement, in the event the First Upgraded Basin fails to pass its 12-Month Operation Test, the GLWA is not waiving or otherwise compromising its claims against Colasanti under the Contract and Liberty under the Performance Bond with respect to the performance of any Collector Mechanisms, and that CCE and Liberty are not waiving or compromising any of their claims against the GLWA and/or defenses to the GLWA's claims; and (iii) this Agreement shall not be admissible as evidence of CCE's and/or Liberty's responsibilities under the Contract, the Performance Bond, or for the Project.
- k. At no additional cost to the GLWA, EWT shall supply the spare parts listed on Exhibit 1 from a combination of existing inventory (to the extent applicable and available) and additional spare parts, and Cavanaugh shall supply additional wear shoes listed on Exhibit 2. The GLWA may purchase additional spare parts at retail prices existing at the time of purchase.

2. Operation of the Upgraded Basins and Process in the Event of Failure at the First Upgraded Basin.

- a. At all times, the GLWA shall follow the O&M Guidelines, including the "troubleshooting" provisions of the O&M Guidelines. Notwithstanding the foregoing: (a) prior to commissioning and acceptance of the First Upgraded Basin, the GLWA shall be required to follow the "troubleshooting" provisions only to the extent such provisions pertain to any Collector Components not comprising the Work; and (b) the "troubleshooting" provisions of the O&M Guidelines are

independent of, and do not supersede, whether a "Failure" has occurred within the meaning of Section 2. e., the cause of a "Failure," and any warranty obligations.

- b. The GLWA shall grant CCE unlimited access with reasonable advance notification (by attempted personal contact via telephone and via email) to Ian Thompson (or his successor identified in a Notice to CCE) to observe operation and/or maintenance of each Upgraded Basin prior to commissioning and acceptance of the First Upgraded Basin and during the Warranty Period for subsequently Upgraded Basins. In connection with such access, CCE personnel shall comply with GLWA safety requirements. The GLWA shall promptly (and in no case more than 24 hours) give prompt notification (by attempted personal contact via telephone and via email) to CCE of any problem operating an Upgraded Basin. To facilitate communication, the GLWA shall appoint and make available Ian Thompson (or his successor identified in a Notice to CCE) and CCE shall appoint and make available Scott Meredith and Jerry Schmitt (or their successor(s) identified in a Notice to the GLWA) to communicate and respond to any issues with any Upgraded Basin and/or questions or concerns raised by any Party.
- c. During the first 12 months of operation of each Upgraded Basin, the GLWA shall keep a written record of daily operation, noting normal operation, any operational issues including shear pin failure and/or equipment downtime, any equipment or component repair or replacement, and any instances of taking the Upgraded Basin offline and operating it manually. During the 12-Month Operation Test for the First Upgraded Basin, on a weekly basis, the GLWA shall provide such daily operation reports to CCE.
- d. If the First Upgraded Basin experiences a Failure (as defined in Section 2. e.) during the 12-Month Operation Test, then, without modifying GLWA's 24-hour notice obligations under Section 2. b., within 14 calendar days of the event deemed to constitute a Failure, GLWA shall give Notice to CCE that a Failure has occurred. Within 14 calendar days of GLWA's Notice of the Failure, CCE shall give Notice to GLWA either disputing or confirming the Failure. Unless the Parties agree otherwise the Parties shall then proceed as follows:
 - i. If the Parties dispute whether the First Upgraded Basin has experienced a Failure during the 12-Month Operation Test, the dispute shall be resolved in accordance with Section 2. f.
 - ii. If CCE confirms that the First Upgraded Basin has experienced a Failure during the 12-Month Operation Test, or if a Failure is confirmed by an arbitrator in accordance with Section 2. f., then:
 - (1) CCE may, in its sole discretion exercised by Notice within 21 calendar days after confirmation of the Failure, elect to make adjustments to the Work in order to remediate the Failure. If CCE so elects, CCE shall diligently make the adjustments and the 12-Month Operation Test shall re-start from the date the First Upgraded Basin recommences operation. CCE may make this election up to two times.

- (2) If CCE does not elect to make adjustments to the Work in order to remediate the Failure, then all remaining respective obligations of the Parties under this Agreement shall terminate, and except as provided in Section 2. h. of this Agreement, the Parties may pursue any and all claims available to them under the law, including pursuing any and all claims they had prior to entering into this Agreement. Any and all such claims shall be pursued in a legal action commenced by any Party within ninety (90) calendar days after confirmation of the Failure. Failure by any Party to institute a legal action within the 90-day period shall constitute a full waiver and release by all Parties of any and all claims, demands, damages, causes of action, and obligations whatsoever, known or unknown, now existing or hereafter arising, whether at law or in equity, relating to or arising in any way from the Contract, the Project, and/or the Work.
- e. "Failure" means the malfunction of a Collector Mechanism which (a) occurs during operation of the First Upgraded Basin in accordance with Section 2. a. and under design flows and up to the solids loading conditions prescribed in the May 2008 "Basis of Design" for the Project, (b) prevents the function of the First Upgraded Basin, and (c) requires dewatering of the First Upgraded Basin to repair the malfunctioned Collector Mechanism. "Failure" does not include (v) wear rate of any Collector Components (unless the wearing of the Collector Components causes a "Failure" as described in subparts (a), (b) and (c) in this Failure definition section), (w) shear pin failure, (x) any malfunction that is attributable to an installation error that is promptly remediated under warranty, (y) any malfunction that is attributable to a manufacturing defect in a Collector Component that is promptly remediated under warranty, and/or (z) any malfunction caused by any systems, parts, equipment, or Collector Components not expressly comprising the parts replaced under Sections 1. c. iii. and iv. with respect to the Work.
- f. Any dispute regarding whether the First Upgraded Basin has experienced a Failure during the 12-Month Operation Test shall be determined by final and binding arbitration before [TBD] within 60 calendar days after any Party gives Notice of a demand for arbitration. The demand for arbitration shall be made as soon as practicable, but in no event later than seven (7) calendar days after CCE gives Notice that it disputes the alleged failure. [TBD] shall determine the arbitration protocol and render a standard award within five (5) business days of the hearing, with the goal of fair and expeditious resolution of whether the alleged failure constitutes a Failure within the meaning of this Agreement. For good cause shown, the arbitrator may allow limited discovery. The arbitrator's award shall require the non-prevailing party to pay the entirety of the arbitrator's compensation.
- g. The Parties agree to extend all existing tolling agreements from the date of this Agreement until (a) 90 calendar days after the confirmation of a Failure at the First Upgraded Basin that CCE elects not to remediate under Section 2. d. ii. (1); or (b) the commissioning and acceptance of the First Upgraded Basin. Liberty's agreement to the terms of this extended tolling provision is attached hereto as Exhibit 6.

- h. Notwithstanding any other provision in this Agreement to the contrary, as further consideration for the promises in this Agreement, in connection with any claims made pursuant to Section 2. d. ii. (2):
 - i. CCE waives any and all damages relating to costs and/or expenses incurred to perform the Work on the First Upgraded Basin; and
 - ii. To the full extent of CCE's costs and/or expenses incurred to perform the Work on the First Upgraded Basin, GLWA waives any and all damages relating to costs and/or expenses incurred during or based on the time period between the date of Substantial Completion and the filing and service of the legal action, including, by way of example and not limitation, all claims for liquidated damages and/or sludge-removal costs. Nothing in this paragraph shall be deemed an admission by CCE of the legal validity of any GLWA claims or entitlement to liquidated damages and/or sludge-removal costs.
- i. Upon commissioning and acceptance of the First Upgraded Basin, GLWA shall issue a final closeout change order adjusting the final contract price and final contract completion date, and the Contract shall be closed out. Work in subsequent Upgraded Basins shall be subject to the terms of this Agreement only, and shall not extend the Contract closeout.

3. Payments to CCE.

- a. GLWA shall pay CCE \$100,000 upon CCE's commencement of the Work on the First Upgraded Basin. GLWA shall pay CCE progress payments for the Work on the Second Upgraded Basin, the Third Upgraded Basin and, if elected by GLWA, the Fourth Upgraded Basin, in accordance with monthly payment applications submitted by CCE. Progress payments shall be made within 45 calendar days after submission of each payment application. There shall be no retention withheld from such progress payments.
- b. In addition to the payments in Section 3. a., GLWA shall pay CCE the unpaid Contract balance, unpaid Contract retention, and accrued interest on the unpaid Contract retention as follows:
 - i. \$150,000 upon commencement of the Work on the First Upgraded Basin;
 - ii. \$326,173.07 upon completion of the Work on the First Upgraded Basin; and
 - iii. \$326,173.07, plus all accrued interest on the retention account, upon commissioning and acceptance of the First Upgraded Basin.

4. GLWA Default. If the GLWA fails to (a) make any payment required under this Agreement, or (b) fulfill its obligations under Sections 1. e., 2. a., b., or c., after being provided Notice and ten (10) business days to cure, then CCE's obligations under this Agreement will terminate and the GLWA shall pay CCE all remaining amounts under Section 3.

5. Warranties. For the Upgraded Basins, EWT provides its standard equipment warranty (Exhibit 3). Colasanti/Cavanaugh provides a one year supply and installation warranty for the Upgraded Basins (Exhibit 4). All warranties begin when each Upgraded Basin is

placed into operation. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, ARISING FROM THE EQUIPMENT, MATERIALS, LABOR AND/OR OTHER WORK TO BE SUPPLIED OR PERFORMED HEREUNDER FOR THE UPGRADED BASINS. ALL OTHER WARRANTIES AND OBLIGATIONS RELATING TO THE WORK ARE EXPRESSLY DISCLAIMED, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL IMPLIED WARRANTIES OF SUITABILITY, MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. Subject to Section 2. d. ii (2), GLWA's sole rights and CCE's sole liability with respect to the Work, or any portion thereof, prescribed by this Agreement are expressly limited to the express Warranties described above.

6. Default and Bond Claim. The GLWA shall immediately, and in writing, withdraw its notice of default and termination of the Contract and withdraw its claim against the Performance Bond, both without prejudice. This paragraph is without prejudice to any of the GLWA's rights and remedies provided in this Agreement and the Parties agree that if CCE fails to comply with the terms of this Agreement or the First Upgraded Basin experiences a Failure that is not remediated, the GLWA has the right to reinstate the default and claim against Liberty and pursue its claims against CCE and Liberty pursuant to Section 2. d. ii. (2) of this Agreement. Liberty's written agreement to this provision is attached hereto as Exhibit 6.

7. Releases. Upon commissioning and acceptance of the First Upgraded Basin, other than the duties, rights, and obligations contained in this Agreement, each of CCE releases and covenants not to sue GLWA, and GLWA releases and covenants not to sue each of CCE (and each of their respective sureties, subcontractors, suppliers and affiliated entities), from any and all claims, demands, damages, causes of action, and obligations whatsoever, known or unknown, now existing or hereafter arising, whether at law or in equity, relating to or arising in any way from the Contract, the Project, and/or the Work.

8. Notice. Notice to the Parties shall be sent by both email and by overnight courier on the same date as follows:

a. To the GLWA:

Mr. Randal M. Brown
General Counsel
Great Lakes Water Authority
735 Randolph St Ste 1900
Detroit, MI 48226-2830
Email: randal.brown@glwater.org

With a copy to:

Mr. Matthew G. McNaughton
Zausmer, PC
32255 Northwestern Hwy Ste 225
Farmington Hills, MI 48334-1574
Email: mmcnaughton@zausmer.com

b. To Colasanti:

Mr. John T. Clappison
General Counsel
Colasanti Construction Services, Inc.
24500 Wood Ct.
Macomb MI 48042
Email: jclappison@colasantigroup.com

With a copy to:

Mr. Edward J. Hood
Clark Hill PLC
500 Woodward Avenue, Suite 3500
Detroit, MI 48226
Email: ehood@clarkhill.com

c. To Cavanaugh:

Mr. Jerry Schmitt
J.F. Cavanaugh Company
20750 Sunnydale
Farmington Hills, MI 48336
Email: jerry@jfcav.com

With a copy to:

Mr. Jeffrey G. Heuer
Jaffe Raitt Heuer & Weiss, P.C.
27777 Franklin Rd Ste 2500
Southfield, MI 48034-8222
Email: jheuer@jaffelaw.com

d. To EWT:

Mr. Marc Roehl/Mr. Allen Lepak
Evoqua Water Technologies
N19W23993 Ridgeview Pkwy, Suite 200
Waukesha, WI 53188
Email: marc.roehl@evoqua.com / allen.lepak@evoqua.com

With a copy to:

Mr. Ralph Finizio
Pepper Hamilton LLP
Suite 300 | 501 Grant Street
Pittsburgh, Pennsylvania 15219-4429
Email: finizior@pepperlaw.com

Notice shall be deemed given on the date sent.

9. Integration. This Agreement is intended by the Parties as a final expression of their agreement regarding the contingent resolution of their disputes and differences regarding the subject matter hereof, and is intended to be a complete, final and exclusive statement of the agreement and understanding of the Parties with respect thereto. Except under the circumstances where Section 2. d. ii. (2) applies, this Agreement supersedes any and all prior promises, representations, warranties, agreements, understandings and undertakings between or among the Parties with respect thereto, and there are no other or further promises, representations, warranties, agreements, understandings or undertakings with respect thereto.

10. Modification. Neither this Agreement nor any term set forth herein may be modified, waived, discharged or terminated, orally or in writing, except by a writing signed by the Parties, and the observance of any such term may be waived (either generally or in a particular instance either retroactively or prospectively) only by a writing signed by the Party or Parties against whom such waiver is to be asserted.

11. Electronic Signatures and Counterparts. This Agreement will be signed by the Parties. Counterparts of the signature pages may be combined to create a document binding on all of the Parties, and together shall constitute one and the same instrument. An electronic reproduction of an original executed copy of the Agreement shall be of the same binding effect as the original.

12. No Admission. By entering into this Agreement, no Party is making any admission, express or implied, that it or any of its respective successors in interest or affiliates is liable to any other Party for any matter, cause, or thing whatsoever. Specifically, this Agreement, and each Party's performance of the obligations hereunder, are without prejudice to any Party's legal position regarding whether the Contract imposed on CCE any performance requirements and/or whether CCE satisfied any such requirements.

13. Interpretation. This Agreement has been negotiated at arm's length and between and among sophisticated and knowledgeable Parties in the matters dealt with in this Agreement. In addition, this Agreement was drafted jointly by experienced and knowledgeable legal counsel for the Parties. Accordingly, no Party shall be presumptively entitled to have any provisions of the Agreement construed in accordance with any rule of law, legal decision or doctrine, such as the doctrine of *contra proferentem* that would require interpretation of any ambiguities in this Agreement against the party that has drafted it. This Agreement and its terms shall be interpreted in a reasonable manner to effectuate the purposes of the Parties and this Agreement.

14. Successors and Assigns. The Parties understand and agree that the agreements, undertakings, acts and other things done or to be done by them in this Agreement shall run to and be binding upon each of their successors and assigns.

15. Severability. If any provision of this Agreement, or the application thereof, shall for any reason or to any extent be construed by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, and application of such provisions to

other circumstances, shall remain in effect and be interpreted so as to reasonably effect the intent of the Parties.

16. Governing Law. This Agreement is entered into and shall be governed, construed and interpreted in accordance with the substantive laws of the State of Michigan, regardless of conflict of laws principles.

17. Further Assurances. The Parties agree to collaborate on and provide any documents that may reasonably be required to effectuate the intent of this Agreement.

18. Time is of the Essence. Time is of the essence of this Agreement.

19. Warranty of Signature. Each person executing this Agreement on behalf of a Party represents and warrants that s/he is authorized to execute this Agreement on that Party's behalf, and that all organizational formalities requisite to such authority have been accomplished and/or satisfied.

MUTUAL ASSENT

Great Lakes Water Authority

Colasanti Construction Services, Inc.

J.F. Cavanaugh Company

Evoqua Water Technologies LLC