

**COOPERATIVE BOUNDARY PLAN
BETWEEN THE VILLAGE OF STURTEVANT AND
THE TOWN OF MT. PLEASANT
RACINE COUNTY, WISCONSIN**

August 4, 2003

Prepared Under the Direction of:

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TABLE OF CONTENTS

Section 1.0	Introduction and Purpose of the Cooperative Boundary Adjustment Plan..	3
1.1	Introduction.....	3
1.2	Purpose	3
Section 2.0	Authorizing Resolutions	4
2.1	Initial Authorizing Resolutions.....	4
2.2	Attest by Affidavit	4
Section 3.0	Existing Conditions Within and Adjacent to the Plan	4
3.1	Existing Political Boundaries	4
3.2	Existing Land Use	4
3.3	Existing Environmental Conditions.....	5
A.	GEOLOGY and TOPOGRAPHY	5
B.	GROUNDWATER.....	5
C.	AIR QUALITY	6
D.	SOILS.....	6
E.	WETLANDS AND WATER BODIES	7
F.	WILDLIFE	7
3.4	Planning Documents that Pertain to the Plan	8
3.5	Existing Ordinances that Affect the Plan	8
3.6	Existing Public Facilities	8
A.	WATER	8
B.	SANITARY SEWERS	9
C.	STORM WATER MANAGEMENT	10
D.	POLICE AND FIRE/RESCUE.....	11
E.	UTILITIES	12
F.	PARKS AND OPEN SPACE.....	12
G.	LIBRARY.....	15
3.6	Transportation.....	16
3.7	Social and Economic Attributes of the Area.....	16
Section 4.0	Cooperative Boundary Adjustment Plan	17
4.1	Duration of Planning Period	17
4.2	Proposed Boundary Changes and Conditions Which Will Trigger Changes	17
4.3	Impacts of Development on Land Within the Plan	17

Section 1.0 Introduction and Purpose of the Cooperative Boundary Adjustment Plan

1.1 Introduction

This is a cooperative boundary adjustment plan (Plan) prepared by the Village of Sturtevant and the Town of Mt. Pleasant under the authority of §66.0307, Stats. The Village and Town are entitled to set boundary lines between themselves because they are adjacent municipalities and are parties to this Plan. Pursuant to § 66.0307, Stats., this Plan requires public input and comment and approval from additional agencies with final approval by the Department of Administration. This Plan is the culmination of discussions between the two municipalities which have taken place over the last several years and stems, in part, from the Town's desire to incorporate.

The territory (Boundary Adjustment Areas or BAA) affected by this Plan lies southwest and southeast of the Village, specifically portions of sections 27, 28 and 29 as well as a parcel to the northwest of the Village within section 16. The BAA lies within the southwest and northwest parts of the Town. These areas can be seen in detail on Map 1.

1.2 Purpose

This Plan was developed with the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the territory covered by the Plan which will, in accordance with existing and future needs, best promote public health, safety, morals, order, convenience, prosperity or the general welfare, as well as efficiency and economy in the process of development. (§ 66.0307 (3)(b), Stat.). In this regard, the Plan:

- A. Specifies that certain territory will be transferred immediately upon approval of this plan from the Town to the Village.
- B. Specifies that certain territory will be transferred at a future date from the Village to the Town.

The benefits of entering into this Plan are several, including: providing municipal services to lands not presently served; ensuring the Town's ability to successfully meet the incorporation criteria; and, solidifying and clarifying the Village and Town borders. These benefits will allow each community to better plan and provide services to its citizens, plan and control future growth and work together in a spirit of neighborly cooperation.

As set forth in this Plan, the boundary changes reflected are reasonably compatible with the characteristics of the surrounding community. In addition, the shape of the resulting boundary is

not the result of arbitrariness and reflects due consideration of the incorporation standards of compactness, specifically to enable the Town to meet the incorporation standards.

The Plan also requires that a contact person be identified who is empowered to speak for the participating municipalities. The contact person (or their successors) regarding this Plan for each municipality is as follows:

Barbara Pauls
Village of Sturtevant Clerk
2801 Eighty-ninth Street
Sturtevant, WI 53177
262-886-7200

Kevin O'Donnell
Town of Mt. Pleasant Administrator
6126 Durand Ave.
Mt. Pleasant, WI 53406-4998
262-554-8750

Section 2.0 Authorizing Resolutions

2.1 Initial Authorizing Resolutions

Initial authorizing resolutions must be approved by each participating municipality before Plan preparation may commence. § 66.0307 (4)(a), Stats. Authorizing resolutions must be dated and signed by the chief elected official and attested by the municipal clerk. A copy of the Village of Sturtevant and Town of Mt. Pleasant initial authorizing resolutions can be found in Appendix 1.

2.2 Attest by Affidavit

The State Statute regarding the Plan requires an attest by affidavit that the authorizing resolutions were sent by first class mail to the Department of Administration; Department of Natural Resources; Department of Transportation; the clerks of any municipality, school district, vocational technical and adult education district and any sewer or sanitary district which has any part of its territory within five miles of a participant municipality; the clerk of each county in which a participating municipality is located; and any county zoning agency or regional planning commission whose jurisdiction includes a participating municipality. The attest by affidavit can be found in Appendix 1.

Section 3.0 Existing Conditions Within and Adjacent to the Plan

3.1 Existing Political Boundaries

The Village of Sturtevant and the Town of Mt. Pleasant are the two municipalities participating in this Plan. The Village and Town's current political boundaries are shown in Map 1. Map 1 and the all maps referred to in this Agreement are attached to this document.

It is anticipated that there will be no negative impacts to the surrounding units of government as a result of this Plan as the Town completely surrounds the Village. Additionally both the Town and Village have entered into an agreement with the City of Racine for the provision of sanitary sewer services addressed later in this Plan.

3.2 Existing Land Use 3.2 Existing Land Use

Existing land use within the BAA is depicted in Map 2. Land being transferred to Sturtevant consists of mostly agricultural uses. There is a smaller portion that is business use and a tiny portion that is residential. One area of the land being transferred to Mt. Pleasant from the Village is agricultural use and the other is mixed use.

3.3 Existing Environmental Conditions 3.3 Existing Environmental Conditions

A. GEOLOGY and TOPOGRAPHY

Glaciation has largely determined the physiography and topography of southeastern Wisconsin, including the Town of Mt. Pleasant-Village of Sturtevant area. The Michigan lobe of the Wisconsin glacier deposited clay, sand, gravel and rock material over a mature drainage system of dolomitic bedrock. This silurian dolomite is exposed at several points along the Root River. This stratum was an ancient sea bed hardened by weight of sediments. It lies over layers of Maquoketa shale, Galena dolomite and sandstones of the Cambrian and Ordovician periods which are contiguous with the deep sandstone aquifer.

As the glaciers receded they deposited debris and formed outlines of the present topography. To the west of the old lake area is a long ground moraine, a formation of glacial till deposited by the melting glacier. Just west of the north-south leg of the Root River (in the north-eastern part of the Town of Mt. Pleasant) lies the easternmost morainal ridge with a steep westward facing slope and gentle eastern slope. Streams flow generally north-south in the inter-morainal valleys, cutting across the eastern slopes of the moraines in order to reach Lake Michigan. The second and third morainal ridges parallel the first and are located to the west between the first ridge and Interstate 94.

The topography is flat to gently rolling with slopes below five percent. Elevations above sea level range from 580 feet on Lake Michigan to upland areas in excess of 750 feet. A topographical contour map of the Town of Mt. Pleasant-Village of Sturtevant area, including the areas for transfer is depicted on Map 3 .

B. GROUNDWATER

An adequate supply of high quality water is essential to sound community development. The source of such a water supply for residential, commercial, industrial, and agricultural uses in the Town of Mt. Pleasant - Village of Sturtevant Plan Area is surface water, specifically Lake Michigan. The availability of groundwater can be reduced by the loss of recharge areas, excessive or overly concentrated pumping, and changes in ground cover. In addition, groundwater quality is subject to degradation from onsite sewage disposal systems, surface water pollution, improper agricultural practices, and other soil and water pollutants. The use of Lake Michigan water minimizes the impact on the existing groundwater sources and allows the Town and Village to properly plan for land use, preventing future developments from adversely affecting the availability and quality of groundwater.

In fact, one of the reasons for entering this boundary agreement is to allow development within the Town and undeveloped parts of the Village with the expansion of municipal sewer and water services which will be provided through the recently completed agreement with the City of Racine Water Utility which will protect the integrity of groundwater supplies. Approximately 40% of the Town is on municipal water supply; it is estimated that within the next two years that number will approach 60% once this agreement is finalized in conjunction with the agreement entered into with the City of Racine. The Racine Agreement is available for review in Appendix 2.

C. AIR QUALITY

Currently, all of Racine County, including the Town and Village, is designated as non-attainment area for meeting standards of ozone pollution of the US Environmental Protection Agency.

D. SOILS

Soil properties exert a strong influence on the manner in which land is used since soil properties affect the cost and feasibility of building site development and the provision and performance of both private on-site wastewater treatment systems and centralized sanitary sewerage facilities. A need, therefore, exists to carefully consider not only how land and the attendant soils are currently used, but also how they can be best used and managed.

Soils within the Town of Mt. Pleasant/Sturtevant area consist of 3 main types: Varna-Elliott-Ashkum; Hebron-Montgomery-Aztalan; and Morley-Beecher-Ashkum. Most of the western part of the Town consists of Varna-Elliott-Ashkum including around the core of the Town and the Village. This type extends east until the Pike River which is surrounded by the Hebron-Montgomery-Aztalan type soil in the river corridor. Further to the east is another pocket Varna-Elliott-Ashkum, then Hebron-Montgomery-Aztalan before the shores of Lake Michigan. Along the far-eastern edges of the Town near Lake Michigan the Boyer-Granby type soil is located at the edge of the Lake.

Varna-Elliott-Ashkum type is described as well-drained to poorly drained soils that have a silty clay loam to clay subsoil formed in thin loess and the underlying clay loam or silty clay loam glacial till on ridges and knobs.

Hebron-Montgomery-Aztalan is described as well-drained to poorly drained soils that have a loam to silty clay subsoil; underlain by clayey to loamy lacustrine and outwash material on hills, knobs and lake plains.

Morley-Beecher-Ashkum soil is described as well-drained to poorly drained soils that have either a silty clay or silty clay loam subsoil; formed in thin loess and the underlying clay loam or silty clay loam glacial till on ridges and knobs.

E. WETLANDS AND WATER BODIES

Wetlands may be defined as areas that are inundated or saturated by surface water or groundwater at a frequency, and with a duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

Wetlands perform an essential set of natural functions, which make them particularly valuable resources contributing immeasurably to environmental health and biological diversity. For this reason, wetlands are regulated by the Federal, as well as by the State and local governments in shoreland areas.

Wetlands also pose severe limitations for urban development. These limitations are related to the high water table, high compressibility and instability, load bearing capacity, and high shrink-swell potential of wetland soils. If urban development is permitted to intrude into wetlands, these limitations may result in flooding, wet basements, unstable foundations, failing pavements, excessive infiltration and inflow of clear water into sanitary sewers, and failing sewers.

Wetlands, therefore, are an important consideration in any community development planning effort. The location and extent of wetlands within the Town of Mt. Pleasant-Village of Sturtevant have been delineated and mapped including within the boundary adjustment area are shown at a reduced scale on Map 4. All wetland areas within the BAA are currently planned to be retained essentially in their natural state. Federal and State as well as local regulation promote such retention.

As shown on Map 4, there are emergent/wet meadows within the southern transfer area, of the BAA although there are no major surface water bodies within or adjacent to the BAA. Other water bodies within the Town are the Pike River, Root River, Des Plaines River, Hoods Creek as well as Lake Michigan which lies in the far south-eastern part of the Town. Water bodies within the Village are the Chicory Creek and Waxdale tributary.

F. WILDLIFE

Wildlife in the area generally includes such upland game and non-game species as rabbit, squirrel and woodchuck; predators such as fox, coyote and raccoon; game birds; and marsh fur-bearers such as muskrat and beaver. Non-game species include songbirds and marsh and shore birds. Waterfowl are present and deer may be found in some areas.

Endangered or threatened animals and plants within the Town and Village are a concern as they are anywhere they are located. Those species identified by the Department of Natural Resources can be found on its Natural Heritage Inventory. A copy of the NIH for the Sturtevant-Mt. Pleasant area can be found at Appendix 3. The nature of the inventory is that it does not identify specific locations of the items so as not to draw unwanted attention or damage to the species.

3.4 Planning Documents that Pertain to the Plan

A land use plan is an official statement of a municipality setting forth major objectives concerning the desirable physical development of the community. The plan is intended to be used as a tool to help guide the physical development of the community into a more efficient and attractive pattern, and to promote the public health, safety, morals, and general welfare of the community. The Village of Sturtevant does not have a formal Land Use Plan, but does have Zoning and Subdivision Ordinances in place. The Village has zoned all property within the Village limits. It uses its zoning code as its planning document with modifications made as a result of periodic review or requests for rezoning. A copy of the zoning code and subdivision ordinance can be found in Appendix 4.

The Town of Mt. Pleasant Plan Commission approved the Master Plan for Land Use and Transportation on January 22, 2003 and the Town Board approved the same on April 14, 2003. A copy of the Town's Master Plan is attached as Appendix 5.

3.5 Existing Ordinances that Affect the Plan

All property within the cooperative boundary adjustment plan is currently located within either the Town or Village. Consequently, each area is subject to that municipality's development regulations. Upon attachment of Town lands to the Village, the lands will become subject to all Village development regulations. Upon the transfer of Village lands to the Town, those lands will be subject to Town development regulations. The Village and Town have enacted a full range of development ordinances that apply to urban development.

It is anticipated that lands being transferred from the Village to the Town will be completely built-out before transfer, as those areas are currently part of the Village's Tax Increment District #3.

Under Chapter 59, Wis. Stats., the County of Racine has allowed the Town to opt out of county zoning ordinances. The Town has enacted its own zoning code and standards for which all decisions are governed except for review of rezoning, conditional use and subdivision plats by the County. Additionally the Town has its own subdivision ordinance. Copies of both the Town's zoning code and subdivision ordinance are included as Appendix 6.

As noted in §3.4 the Village has enacted a zoning code as well as a subdivision ordinance. The Racine County Shoreland and Floodplain zoning code also governs portions of the areas to be transferred.

3.6 Existing Public Facilities 3.6 Existing Public Facilities

A. WATER

The Village provides water service to its residents via the Village Water Utility. The Village Utility purchases water on a wholesale basis from the Racine Water Utility and sells water to its residents on a retail basis. All the developed areas in the Village are serviced with municipal water. As new areas of the Village are developed, the Village requires water to be provided to the development. This is done either by the developer of the land or by the Village with costs being assessed against the property. The Village also operates one water booster pump and two elevated water storage facilities. This booster and elevated storage provide a reliable source of water for fire protection and consumption needs.

Water service in Mt. Pleasant is provided "retail" directly to Mt. Pleasant customers by the City of Racine Water Utility. In Mt. Pleasant, new water mains are installed by developers, and then deeded over directly to the Racine Water Utility. Already developed areas without water service must petition for it and must pay the full cost of installation. The portion of Mt. Pleasant that receives water service is depicted on the map found on page 48-B in the Town's Master Plan included in the Appendix 5. It will be noted that water service has not kept up with sanitary sewer service, as next described.

Mt. Pleasant has been working to coordinate installation of its utility systems. In particular new developments are encouraged only where municipal water and sewer and appropriate storm water management can be simultaneously provided. This goal is complicated because a considerable portion of properties between development activity areas are served by private wells and by individual soil absorption septic systems. The current policy of Mt. Pleasant follows DNR regulations requiring property owners to tie into a municipal sewer system if there is ability within 1 year.

However with the water system, neighborhoods need to petition Mt. Pleasant indicating a desire to pay for the installation, either via a lump sum payment, or via a special assessment spread over up to ten years. In essence, Mt. Pleasant does not provide municipal water service without the individual areas agreeing to bear 100% of the associated costs. This policy is causing water installation to trail behind sanitary sewer installation. Presently, approximately 30-35% percent of sewerred areas do not have water service.

B. SANITARY SEWERS

Sanitary sewers in Mt. Pleasant are owned and maintained by Mt. Pleasant through its Mt. Pleasant Sanitary Sewer Utility #1. Sewerage effluent is conveyed to the City of Racine for treatment in the City sewerage treatment plant, which receives and also treats effluent from all communities east of I-94.

It is anticipated that the Yorkville sewerage treatment plant, which services the "Ives Grove" part of Yorkville just west of I-94, plus the small area in Mt. Pleasant just east of I-94 at STH 20, will be closed eventually. Its effluent, as with the former Sturtevant plant closed in the 1970's, would

be sent to the Racine sewerage treatment plant. Yorkville's effluent transmission would be via any STH 20 sanitary interceptor Mt. Pleasant would build to I-94. "Map 5" by the SEWRPC adopted November 1986, shows the extent of territory serviceable by the Racine sanitary system, and how much was being serviced as of 1986 (see Town Master Plan - Appendix 5. The initial expansion of sanitary sewer service along STH 20 running north and south of STH 20 along I-94 comprises over 2,000 acres for business park development. This covers the access off I-94 at STH 20 and STH 11. In the future expansion of the sewer service area will be amended to cover the area in the vicinity of the I-94 K-R exit as development occurs in the long range future.

Sanitary sewer service in the Village is provided by the Village Sanitary Sewer Utility. The entire Village is serviced by municipal sewer service. New developments in the Village are required to be serviced with municipal sewer. This is done either by the developer installing the system or the Village installing the system and assessing the costs back to the properties. Ultimately the City of Racine Wastewater Utility receives the flows and provides treatment services.

Presently the Town and Village are provided sanitary sewer treatment service from the City of Racine. That contract is memorialized in the Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement reached in April 2002. A copy of this agreement is located in Appendix 2. Additionally, the Town and Village jointly own the Pike River interceptor as well as the pump station located at on County Trunk Highway KR.

C.

STORM WATER MANAGEMENT

Storm water management is the one utility service Mt. Pleasant provides without shared authority with the City of Racine. This is done through Mt. Pleasant Storm Drainage District #1. The work of this and all other such drainage districts is in accordance with rules as promulgated by the Wisconsin Department of Natural Resources. Mt. Pleasant is unique in having early expanded its vision of storm water management to include storage basins even for urbanizing areas. What probably propelled the Mt. Pleasant drainage district to specify basins (its oldest basins date back to the 1960's), is that Mt. Pleasant is largely a "headwaters community." That is, within its borders are the lands where several downstream creeks and rivers first originate. To widen or deepen its own portions of these waterways only results in flooding downstream areas. By creating storage basins to receive flood waters, Mt. Pleasant has been able to accommodate development, with its usual higher storm water runoff rates, without flooding downstream water courses.

Mt. Pleasant is the sole origin of the Pike Creek, which drains all of central Mt. Pleasant, and flows south into Kenosha County, emptying into Lake Michigan in downtown Kenosha. Mt. Pleasant is also the main origin of the Sorenson Creek, which drains southeastern Mt. Pleasant, from Sheridan Road northwest to ST-H 11 and STH 31. The Sorenson drains south into the Town of Somers in Kenosha County. Yet another headwaters segment in Mt. Pleasant is the Kilbourn Road Ditch portion of the great Des Plaines River. About four square miles of

southwestern Mt. Pleasant is serviced by the Kilbourn, as it heads south through Kenosha County into the Chicago region. The extreme northeast starting point of the Kilbourn is STH 11 in Mt. Pleasant, west of Sturtevant. Finally, one origin of the Hood's Creek tributary of the Root River, is in Mt. Pleasant at STH 11 west of Sturtevant. The Hood flows northeast from there to join the Root River in central Caledonia. The Root by that point is flowing south through northeastern Mt. Pleasant before it empties into Lake Michigan in downtown Racine.

The various drainage basins described above, as well as smaller sub-basins within them, are shown in the Storm Water Management Plan contained in the Town's Master Plan (see Appendix 5, p. 48-E). This plan also shows flood plains, and existing and planned stormwater storage basins. For clarity these basins are excerpted out of the Master Plan map.

Not all of Mt. Pleasant is covered by Storm Drainage District #1. The far western reaches of the Hood's Creek and of the Kilbourn Road Ditch are not in the District. With incorporation as a village, which is occurring simultaneously with the Master Plan update, the future Village will assume the lead responsibility for storm water within the corporate limits of Mt. Pleasant.

Where a developing area cannot send its storm waters to an existing storm water storage basin operated by the Drainage District temporary storage basins within the development are required to be graded-in by the developer. Thus storm water management is the most flexible and easily attained of the three required utility systems.

The Village of Sturtevant is in process of adopting a storm-water management ordinance. The contents of the ordinance mirrors the Town's management guidelines as far as design criteria, with some differences in retention/detention requirements. The ordinance should be finalized within the next six months.

D. POLICE AND FIRE/RESCUE

The Sturtevant Public Safety Department offers full service police and fire protection to the community. The Sturtevant Police Department consists of 10 sworn law enforcement officers on duty 24 hours a day - 365 days a year. The director of Public Safety is included in that number. Additionally, the police department has a written agreement with the Town of Mount Pleasant for providing aid in case of an emergency within the Village.

The Sturtevant Fire Department, also working 24 hours a day and 365 days a year, consists of 9 full-time firefighter/paramedics and 20 part-time firefighter/emergency medical technicians. In addition, in regards to fire and rescue, the department participates in mutual aid agreements and reciprocal agreements with Racine County.

The Sturtevant Fire Department also is in the MABAS 101, which is the Mutual Aid Box Alarm System and can call on 9 counties and 200 fire departments in case of natural disaster or weapons of mass destruction.

The Mt. Pleasant police department provides 24 hour a day service to the Town residents. The department is staffed by 30 full- time officers and 8 civilian personnel. The Town is reviewing options of combining public safety dispatch operations with the City of Racine, Town of Caledonia and Village of Sturtevant.

The fire department is staffed with 47 full time firefighters supported by one part-time staff person. The Department provides fire suppression and life support systems of the entire Town. It also provides fire inspection services and community education programs. The Town responded to 808 fire calls, 1,820 EMS calls, 58 Mutual Aid calls and conducted 1,380 inspections in 2001, the last year actual numbers were available.

The Village ISO rating is 4, and expected to move up to a 3 within the next year. ISO ratings for the Town are assessed by whether it fire hydrants are located in the area or not. Areas with hydrants are rated 4 and non-hydrant areas are rated a 9.

All of the fire and rescue departments in Racine County, with the exception of the City of Racine Fire Department, participate in a County mutual aid agreement. This agreement enables each department to render assistance to, and receive assistance from, other departments in the County as needed to respond to fire and rescue emergencies. Under the agreement, departments render assistance without charge to the extent of available resources not required for the protection of their own service areas. This agreement enables individual departments to significantly supplement their own personnel, apparatus, and equipment with that from other departments in responding to emergencies. Importantly, the agreement allows departments to access equipment, such as tankers, aerial trucks, and extrication equipment, which they themselves do not possess and which they may only need infrequently.

In addition to the County mutual aid agreement each department has reciprocal mutual aid agreements with one or more neighboring departments, some of these are formal, written agreements- others are unwritten. Many departments have indicated that they would respond to any request for mutual aid, whether or not there is a mutual aid agreement, provided that they are able to do so without jeopardizing their own services.

E. UTILITIES

Natural gas, cable tv and electric are available throughout the Village from private utility companies.

Natural gas and cable tv service is available within developed areas of the Town. Electricity is available throughout the Town. All provided by private utility companies.

F. PARKS AND OPEN SPACE

The Village has just completed a Park and Open Space Plan. Existing Village-owned parks are all active-use parks and are individually described below:

East Park

East Park is classified as a mini-park and is located near the residential northeast corner of the 87th Street and Corliss Avenue intersection.

Fireman's Park

Fireman's Park is classified as a community park and is located on Charles Street. This park is located in the industrial area of Sturtevant. A large number of private adult leagues from Sturtevant and it's surrounding communities use Fireman's Park ball diamonds on a first come-first serve basis. Lighting is provided on two of the three diamonds. Portable restrooms are also seasonally-provided. The playground equipment is in good condition and is mainly used during ball games. The wooded area that exists on the north side of Fireman's Park is also used by children during ball games.

Municipal Park

Municipal Park is classified as a neighborhood park and is located across from East Park on the Village Hall property at 2801 89h Street. Currently, this park has a teeball diamond that supports local teeball games. Also, this park has FitCore fitness equipment that was installed for police training. This equipment is in good condition.

New Park

New Park is located near the Majestic Hills Subdivision in the southeastern residential area of the Village. The facilities for New Park have not yet been planned, but the Village intends this park to be a neighborhood park when it is developed. A fishing pond is currently being constructed as part of the Majestic Hills grading operations.

North Park

North Park is classified as a neighborhood park and is centrally-located at the intersection of 94th Street and Corliss Avenue. This park is bordered by residential areas, with the exception of the industrial park to the north. North park is used often by Village residents because of the many mature trees and the shade they provide and because of the existing gravel paths that cut diagonally through park. The Village also holds children's summer recreation programs here in which approximately 60 youths participate. In addition, this park has a permanent outdoor shelter that the Village leases to the public. This shelter has permanent restrooms, electricity, a prep area and picnic tables.

South Park

South Park is classified as a neighborhood park and is located south of State

Highway 111 in the residential area of 95 th and Hulda Avenue. The basketball court and ball diamond are highly used by Village residents. Adult softball games are typically held on Tuesday and Thursday evenings. Lighting is provided on the ball diamond. As with North Park, the Village holds summer recreation programs at South Park. An approximate total of 60 youths attend. In addition, South Park has newer tennis courts that get used more by a privately-organized roller hockey league

Outside of the Village limits to the east, several City of Racine park and open space sites exist, some of which are accessible to the public and provide additional active and passive recreational opportunities.

Private facilities also contribute to the Village recreation base. At the initiation of the Town of Mt. Pleasant, the YMCA, Racine Unified School District and the Village of Sturtevant are exploring development of a joint community center facility on the J.I. Case High School property. This facility will be state of the art providing a full range of recreational opportunities for all ages beyond the financial capabilities of any one of the entities involved. It is anticipated that it will include a two-story gymnasium with indoor running track on the second level, a skate park and new tennis courts. This facility will be open to the public.

Three school sites were included in the inventory of Village park space. These sites play an important role in providing active recreation opportunities to the Village residents. Currently there is not a formal joint use agreement between the Village and the school district. Within the Village there are 38.1 acres of public non-school active use area; 15 acres of public school active use area; 15.4 acres of private active use area; and 38.7 acres of unconnected, passive use areas. Therefore, approximately 107.2 acres of open space and park land exists within Village limits.

Town

The Town of Mt. Pleasant encompasses about 22,493 acres, or 35 square miles. In 1995, about 7,192 acres, or about 32 percent of the Town, was developed for urban use. Residential land uses encompassed about 3,459 acres or 15 percent of the Town. Natural resource areas including woodlands, wetlands, and surface waters encompassed 1,662 acres, or about 7 percent of the Town.

An inventory of existing outdoor recreation and open space sites and facilities was conducted in 2000. The inventory identified 22 such sites encompassing 873 acres, or about 4 percent of the Town. Of the 22 recreation and open space sites, 19 sites encompassing 510 acres, or about 58% of the area devoted to outdoor recreation and open space uses, were publicly owned. The Town of Mt. Pleasant owned 12 sites, leased one site, and jointly owned one additional site, which together encompassed 294 acres or about 1 percent of the total area of the Town. The Town has a Joint Park Commission with Town of Caledonia to maintain and develop the joint park in a 50/50 partnership. The Town's adopted Comprehensive Plan anticipates doubling the acreage of

Town owned park land to approximately 600 acres. This will include several large (70 acre) multi-recreational community parks throughout the Town.

In addition to the park spaces, the Town provides organized recreational activities for boys and girls 4 - 8 years of age in such sports as softball and volleyball at the playgrounds.

Town Existing Park and Open Space Sites and Facilities

Drozd Park- Drozd Park is a six-acre neighborhood park that serves the northeastern portion of the Town of Mt. Pleasant planned urban service area. Existing facilities include a sandlot softball diamond, a play field, and a playground.

Pheasant Creek Park- Pheasant Creek Park is a four-acre partially developed neighborhood park intended to serve the northeastern portion of the Town of Mt. Pleasant planned urban service area. Existing park facilities include a play field.

Regency Hills Park- Regency Hills Park is a six-acre partially developed neighborhood park intended to serve the southeastern portion of the Town of Mt. Pleasant planned urban service area. Existing park facilities include a play field.

Sheridan Woods Park- Sheridan Woods Park is a three-acre neighborhood park that serves the southeastern portion of the Town of Mt. Pleasant planned urban service area. Existing park facilities include a sandlot softball diamond, a play field, and a playground.

Smolenski Park- Smolenski Park is a 72-acre largely undeveloped community park intended to serve the north-central portion of the Town of Mt. Pleasant planned urban service area. In 2002 the Town opened a large, open-air picnic shelter available for rental to the public. The large natural preserve setting in the park has a nature trail surrounded by a residential neighborhood. The Town is also considering the acquisition of 40 acres adjacent to the existing park to provide additional lands for outdoor recreational facilities.

Stewart McBride Park- Stewart McBride Park is a 63-acre community park that serves the existing and future residential areas in the central portion of the Town of Mt. Pleasant planned urban service area. Existing park facilities include three league softball diamonds, a play field, and a playground.

Timmer Lane Park- Timmer Lane Park is a 10-acre undeveloped neighborhood park that serves the existing and future residential areas in the north-central portion of the Town of Mt. Pleasant planned urban service area.

Open Space Lands: The Town is actively working on developing a pedestrian/bike trail system intended to encompass the Pike River and connect the Town park system along with county parks. These lands are to be preserved as natural passive open space uses. The preservation of

these lands will serve to maintain a high level of environmental quality and natural beauty within the Town.

G. LIBRARY

Neither the Town nor the Village has a library, both pay towards City of Racine Library through the Federated Library System and as part of the Sewer Service Agreement with the City of Racine. The Agreement provides a mechanism which will enable the City of Racine to meet financial concerns of the Library as well as committing the participating parties, including the Town and Village, to seeking a long-term financial solution involving Racine County.

The Racine Public Library, located at 75 Seventh Street, near downtown Racine, provides a variety of library services for the City of Racine and the surrounding area. Annual library circulation in recent years has been approximately one million volumes, including interlibrary loans. The majority of library loans are made to City of Racine residents, but library users come from throughout Racine County, and even from Walworth County and Kenosha County. The library is part of the Lakeshores Library System (LLS), which was established in 1983 by Racine County and Walworth County. Using state funds, the system provides, for libraries in both counties, services such as interlibrary exchange of materials, preparation of computerized card catalogs, a van for delivery services between libraries, automation, and continuing education programs. All administration and operation costs for the Lakeshores Library System are funded by the State of Wisconsin, without any contribution from Racine County or the municipalities participating in the system. The LLS offices are currently located in the Racine County Courthouse and LLS pays the County for the annual rental of this space and for payroll services provided by the County.

The LLS Board also distributes the county library tax revenues to the libraries in the system to reimburse them for providing services to residents outside their municipal boundaries. The 12 Racine County villages and towns within the system that do not have their own libraries pay the County's Special Levy for Library Services, and this money is paid to the LLS and redistributed to the libraries within the system.

Library circulation during the last four years has been between 890,000 and 1,005,000 units per year. The largest users of the library are the City of Racine, the Town of Caledonia, and the Town of Mount Pleasant. City of Racine residents account for approximately 55-59% of circulation, while residents of communities in Racine County without their own library account for approximately 39-42% of circulation. Other communities in Racine County make up less than 1% of the annual circulation, and the remaining 1.5% of circulation is to residents of other in recent years, counties. The percentage of circulation to Racine residents has declined slightly while circulation to residents of Racine County without their own library has increased slightly.

3.6 Transportation

Within the Town of Mt. Pleasant, Interstate 94/US Highway 41 forms the western border of the Town. State Trunk Highways 11, 20, 31, 32 and 38 cross throughout as well as County Trunk Highways C, H, K, T, V, X, Y and KR. State Highways 11, 20 and 31 as well as CTH H serve the Village. Racine's Belle Urban System provides 3 local bus routes within the Town and 1 within the Village. Wisconsin Coach lines provides commuter bus service through the Milwaukee-Racine-Kenosha corridor.

For both the Town and Village, public transit service for elderly and persons with disabilities is provided through Racine County Human Services Department. Air service is available 18 miles away at General Mitchell International Airport in Milwaukee, at O'Hare International Airport 58 miles away in Chicago and John H. Batten Field which is located on the north side of the City of Racine.

The contract with the City of Racine for sewer service requires the Town and the City to address improvements/reconstruction on Oaks Road in 2006 and Chicory Road in 2004 and to have completed the required improvements within the next 10 years. The Town has already completed its portion of the road improvements on Oaks Road and the remaining work is the responsibility of the City of Racine.

3.7 Social and Economic Attributes of the Area 3.7 Social and Economic Attributes of the Area

The intersection of State Hwys. 11 and 31 is the location for much of the shopping for both Town and Village residents. Grocery stores, specialty stores, banks, and doctors are all available in this area. The area is also the location of "big box" and discount retailers such as Wal-mart, Menard's, Office Depot, Barnes and Noble, Best By, Circuit City and Dicks Sporting Goods. Business and shopping is also located along Hwy 20. There are nine hotels within the Town and numerous restaurants. The Regency Mall in the City of Racine offers wide variety of shopping. The village Center Shopping area has a Kohl's Department Store and Jewel-Osco store. Services for traveling motorists are available along I-94 at the western border of the Town.

Primary healthcare and specialized physicians are available to the residents within both the Town and Village. Additionally, there are three hospitals located within a 15 mile-radius of the Town and Village all served by Flight- for-Life helicopter service.

There are over 30 churches and non-denominational congregations within the Town.

Both the Town and Village are part of the Racine Unified School District which is the third largest district in the state. There are more than 21,000 students enrolled attending 5 high schools, six middle schools and 21 elementary schools. West Ridge Elementary and Case High School are

located within the Town limits. Schulte Elementary school is located within the Village. Additionally, there are two private denominational schools within the Village.

Section 4.0 Cooperative Boundary Adjustment Plan

The cooperative-boundary-adjustment plan will transfer territory immediately to the Village upon obtaining all necessary approvals. Territory transferred to the Town will occur upon the expiration of T.I.D. # 3 which is to be finished in 2011.

4.1 Duration of Planning Period

The duration of this plan is not expected to be longer than 10 years as T.I.D. #3 is expected to be paid in full by 2011. Transfer of the lands covered by this agreement will then occur which, combined with the anticipated incorporation of the Town, shall negate the need for this agreement to continue.

4.2 Proposed Boundary Changes and Conditions Which Will Trigger Changes

Transfer of territory to the Village shall occur upon the final approval of this plan by the Department of Administration. Transfer of the areas in T.I.D. #3 to the Town shall occur upon the expiration of T.I.D. #3.

4.3 Impacts of Development on Land Within the Plan

A. GEOLOGY- TOPOGRAPHY - SOILS - AIR QUALITY- WILDLIFE PARKS AND OPEN SPACE

No new environmental effects of a significant nature on the topography, geology, soils, air quality, wildlife, parks and open space of the region are envisioned as resulting from the adjusting and fixing of boundaries between the Town and the Village.

B. GROUNDWATER

No new environmental effects of a significant nature on the groundwater are envisioned as resulting from the adjusting and fixing of boundaries between the Town and the Village as much of the BAA territory will be served with municipal water obtained from Lake Michigan. The extension of sanitary sewer will benefit the businesses and residents located within the BAA. In addition, the conversion of private septic systems to sanitary sewer is expected to have a significant positive impact on groundwater quality in the area.

C. WETLANDS AND WATER BODIES

No new environmental effects of a significant nature on the wetlands and water bodies are envisioned as resulting from the adjusting and fixing of boundaries between the Town and the Village. With the implementation of the Village's new stormwater ordinance discharge into wetlands and water bodies should have little if no effect from such discharge.

D. LAND USE PLAN AND ZONING ORDINANCES

As discussed previously, existing zoning and land use plans are applicable based upon the municipality in which the BAA is located. As expected areas transferring from the Village to the Town by the end of 2011 will be fully developed taking into account the Racine County Shoreland/Floodplain Zoning. Thus, any impact from or on the land use plan should be minimal if not non-existent.

E. ALTERNATIVES TO PLAN

No significant environmental consequences are expected to result from the adjusting and fixing of boundaries between the Town and the Village therefore no alternatives were considered in relation to environmental consequences.

4.4 Service Provisions 4.4 Service Provisions

Responsibility for public services for the area that are transferred shall be carried out by the municipality to which the territory is transferred to upon completion of transfer. Until the time of transfer, responsibility for public services remains with the municipality in which the area is located.

In furtherance of regional cooperation Village will be supplying sewer and water service to eight (8) parcels which will remain in the Town under the provisions of a separate Agreement entered into between the Town and Village on _____, a copy of which is included as Appendix 11.

4.5 Applicable Land Use Plan 4.5 Applicable Land Use Plan

Development of land within the territory transferred shall be under the provisions of the applicable municipal land use plan. As noted in §3.5 land transferred to the Town is expected to be completely built-out and therefore applicability of the Town's Land Use Plan will be negligible. For an overview of the proposed zoning for the exchanged properties see Map 5.

4.6 Environmental Evaluation 4.6 Environmental Evaluation

It is anticipated that there will be no negative environmental impact on the lands included in this Plan. No environmentally significant or sensitive areas are included in the areas to be transferred.

4.7 Housing Analysis 4.7 Housing Analysis

Between 1960 and 2000, the Village's population more than doubled from 1,488 to 3,587 persons. Additionally, the population of the Village of Sturtevant has increased significantly over the last decade. This rate of growth was nearly ten times the rate of growth for Racine County, whose population increased by an additional 13,797 persons, a growth rate of 7.3%, for the same time frame. The Village anticipates a relatively steady growth rate of 2.5% per year over the next several years. This growth should continue until the population reaches 7,500 to 8,000 people.

TABLE 1
Population

	Village of Sturtevant	Town of Mt. Pleasant	Racine County
Population: 1980	4,130	19,340	173,132
Population: 1990	3,803	20,084	175,034
Population: 2000	5,287	23,142	188,831
Median Age	33.5	42.7	36.1

Source: SEWRPC Economic Profile and US Census

In addition to population growth, changes in the age structure of a community over time may indicate the need for the community to adjust the type and volume of its public and private services. Within the Village, the 18 to 21 year olds make up the smallest percentage of the population, whereas the 5 to 17 year olds make up the largest percentage. From 1990 to 2000, the Village has seen a slight decrease in population with the largest decrease in the 22 to 29 year age group. Increases in population were noted in the 18 to 21 year and 65 years and older age groups. The 5 years and younger, and 40 to 64 year age groups have generally remained the same.

Within the Town two age groups, 35 to 44 years and 45 to 54 years comprise the largest percentage of the Town's population at 31%. Children and adolescents from 5 to 19 make up 19.2% of the population. Those 85 and over (2.4%) and those 20 to 24 years old (4.7) are the smallest age groups within the Town.

Racine County as a whole has a higher proportion of 5 to 17 year olds, and 40 year olds and older.

The Village of Sturtevant is mostly a single-family housing based community. The Village's housing stock is slightly older than the Town's with the largest percentage of homes having been built between 1960 and 1969 (31.5%). Since 1980 only 264 housing units have been built comprising 17.1% of housing units within the Village.

Within the Town most housing also consists of single family dwellings. In the recent past approximately 120 new homes have been built annually with an average price of \$180,420. The largest age group for homes in the Town were built between 1970 and 1979 comprising 22.4% of the housing stock. Thirty-six percent of existing housing has been built since 1980.

TABLE 2
Area Housing Data

	Village of Sturtevant	Town of Mt. Pleasant	Racine County
Total Housing Units	1,520	9,450	74,718
% Owner Occupied	97%	75%	67%
% Renter Occupied	3%	25%	28%
% Vacant	3.8%	3.5%	6.3%
Median Value	\$100,000	\$135,400	\$111,000
Median Gross Rent	\$570	\$570	\$548

Source: SEWRPC Economic Profile and US Census

TABLE 3
Area Income Data

2000	Village of Sturtevant	Town of Mt. Pleasant	Racine County
Median Household Income	\$51,492	\$52,869	\$48,059
Per Capita Income	\$16,093	\$27,123	\$28,730
Households Below Poverty Level	3.8 % Families 10.9% Families headed by females 6.4% Individuals	2.9 % Families 14.6% Families headed by females 4.3% Individuals	5.8% Families 23.3% Families headed by females 8.4 % Individuals

Source: SEWRPC Economic Profile and US Census

4.8 Permit and Ordinance Requirements 4.8 Permit and Ordinance Requirements

The controlling authority for permit and ordinance requirements for property within the BAA remains with the municipality in which the property is located until transferred under the provisions of this agreement as well as any County regulations such as Shoreland Zoning.

Section 5.0 Plan Amendment ProceduresSection 5.0 Plan Amendment Procedures

Due to the simplicity of this plan it is not anticipated that any amendments will be necessary. In the event amendments are necessary; the following procedures shall apply to proposed amendments to this Plan.

A. An amendment to this Plan that proposes to alter the municipal boundaries from those designated herein, or to change the approved planning period shall follow all of the procedures required to adopt this original Plan under § 66.0307, Stats., including input from Racine County and SEWRPC.

B. An amendment to this Plan that does not propose to alter the municipal boundaries from those designated herein, or the planning period shall follow the same procedure as required for the original plan, except that a public hearing is not required unless an objection to the amendment is made in writing by any person to the clerk of either municipality.

Proposed amendments to this Plan shall not be effective unless adopted by resolution of each of the participating municipalities. Notice of the proposed amendment and the adoption resolution shall follow the requirements set forth in § 66.0307(4)(a). Each participating municipality shall give Class 3 notice pursuant to Ch. 985 of the Wisconsin Statutes, that the amendment will be submitted directly to the Department of Administration unless written objection to the amendment is received by the municipality within seven days after publication of the last required notice. If no written objection to the amendment is received within seven days after publication of the last required notice, the amendment may be submitted directly to the Department of Administration for approval. If written objection to the amendment is timely made, the public hearing and other requirements under § 66.0307(4)(b) and (c), Stats., apply.

Section 6.0 Record of Public Participation and Comment

6.1 Public Meetings

Pursuant to § 66.0307, Stats., a joint public hearing was held by the Town and the Village on September 18, 2002, and on May 21, 2003, to discuss the draft plan. The notices announcing both hearings are found in Appendix 7.

6.2 Public Comments

The Town and Village have kept a log of public comments on the Plan since September 18, 2002. No comments were received after the hearing. Written comments received that evening are included and attached hereto as Appendix 8. Also contained within Appendix 8 is the sign in sheet from May 21, 2003, and a transcript of the hearing that evening. No written comments were received at or after the May 21st hearing.

6.3 Racine County Planning and Development Department and Southeastern Wisconsin Regional Planning Commission Comments
" 12

Comments by the Racine County Park and Land Use Department were received in April 2003. As a result of those comments, changes were made. Racine County reviewed the revised Agreement and provided additional comments. Racine County's comments are included at Appendix 9.

Comments by the Southeastern Wisconsin Regional Planning Commission comments were received in April 2003. As a result of comments by Racine County, SEWRPC also reviewed the revised Agreement. Copies of SEWRPC's comments are included at Appendix 10.

6.4 Comment Consideration 6.4 Comment Consideration

No public comments have been received by either the Town or the Village.

6.5 Compliance with Applicable Laws 6.5 Compliance with Applicable Laws

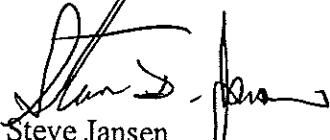
In accordance with the requirements of § 66.0307(3)(e), Wis. Stats., this cooperative boundary plan is consistent with all known State and Federal law and administrative rules.

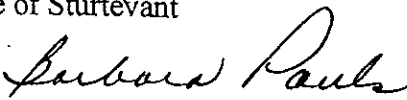
6.6 Submission to Department of Administration 6.6 Submission to Department of Administration

In accordance with Village of Sturtevant Resolution R2003-25 and the Town of Mt. Pleasant Resolution 15-2003, included at Appendix 12, the Village President and Town Chairperson hereby ratify and submit this Cooperative Boundary Plan between the Town and Village to the Department of Administration - Division of Municipal Boundary Review for review and comment as provided for under §66.0307, Wis. Stats.

Section 7.0 Signatures/Attest
7.0 Signatures/Attest

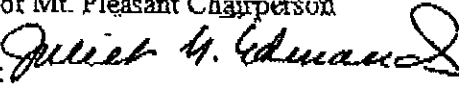
Dated this 19th day of AUGUST 2003.


Steve Jansen
Village of Sturtevant

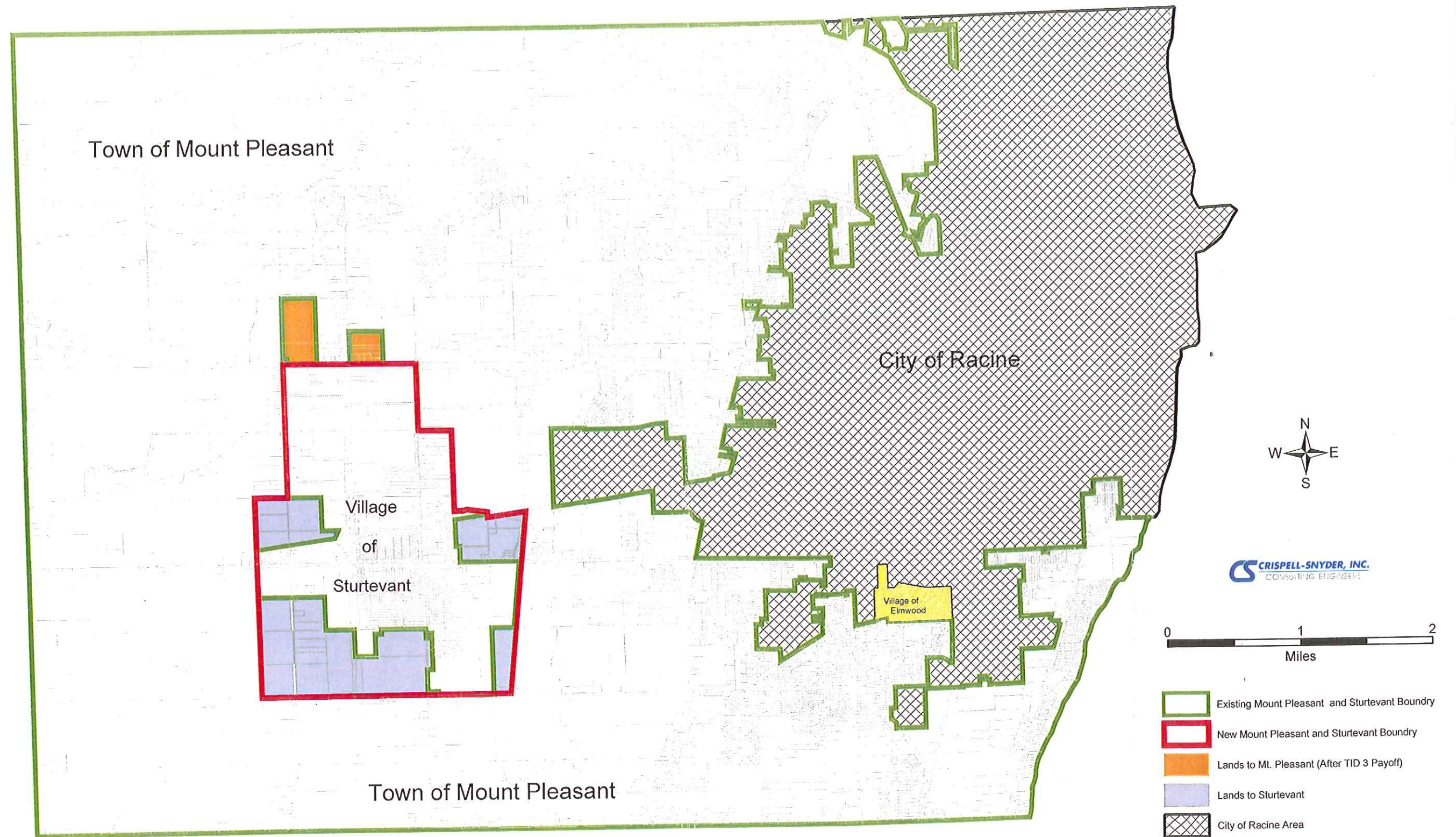
Attest: 
Barbara Pauls, Clerk

Dated this 9-7-03 day of 2003.


Mark M. Gleason
Town of Mt. Pleasant Chairperson

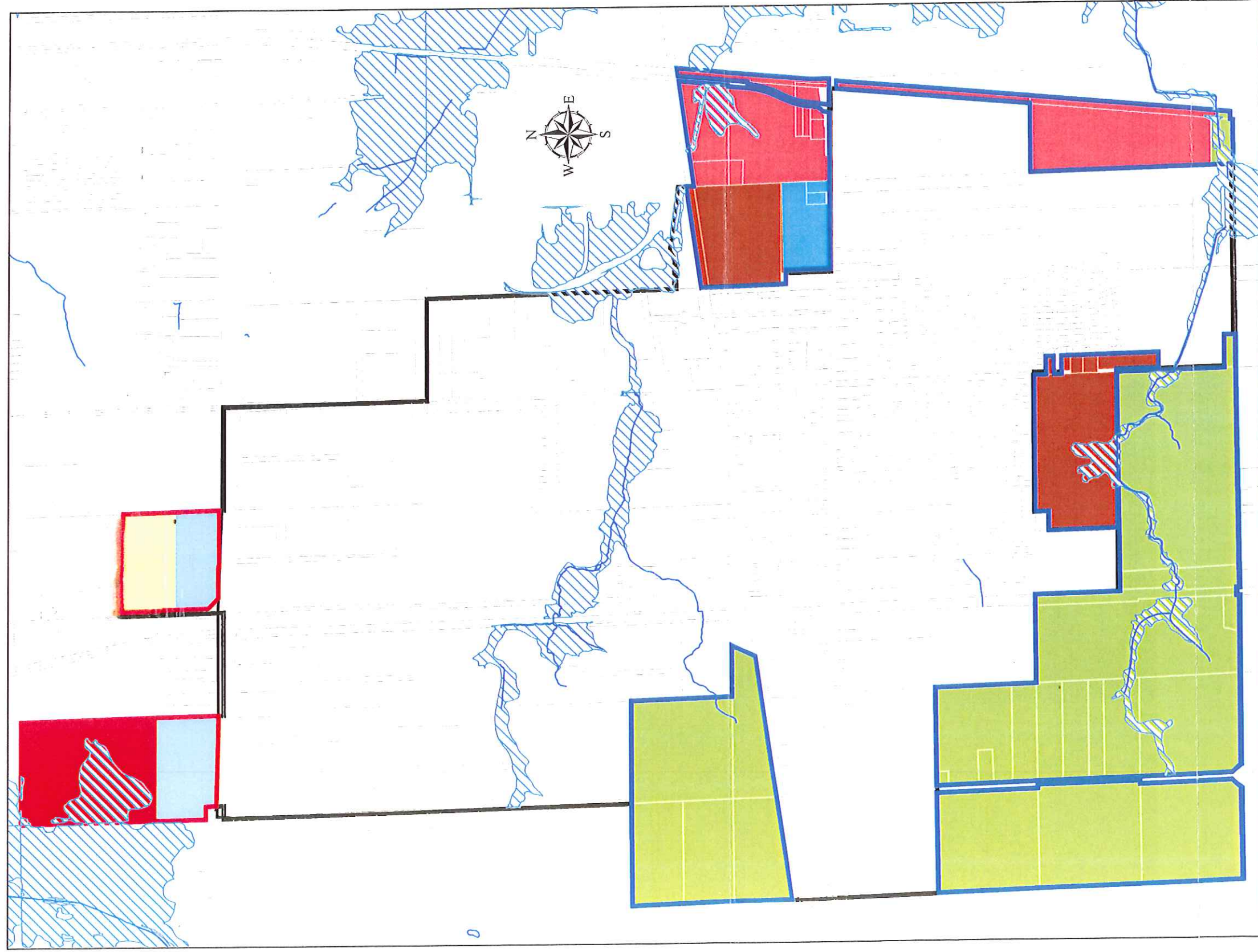
Attest: 
Juliet M. Edmands, Clerk

VILLAGE OF STURTEVANT AND TOWN OF MOUNT PLEASANT BOUNDARY AGREEMENT



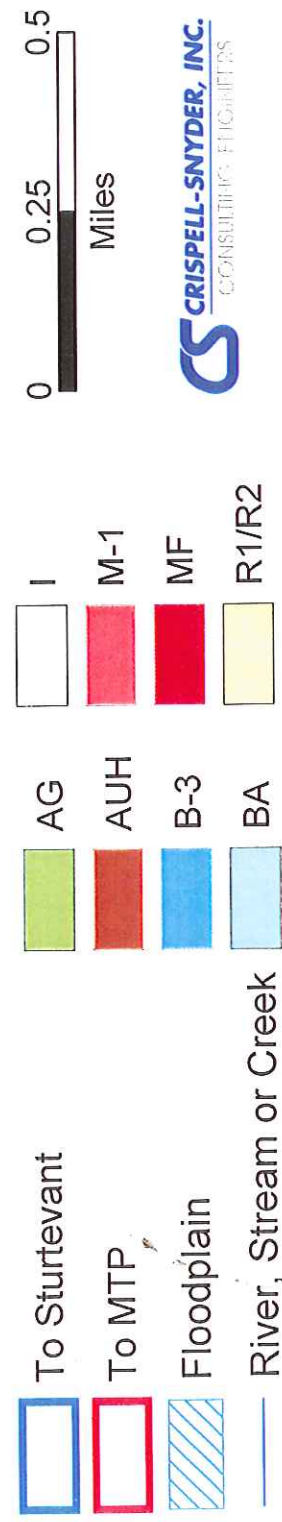
Village of Sturtevant Boundry Changes

Existing Zoning exchanged properties

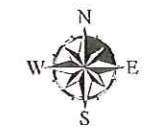
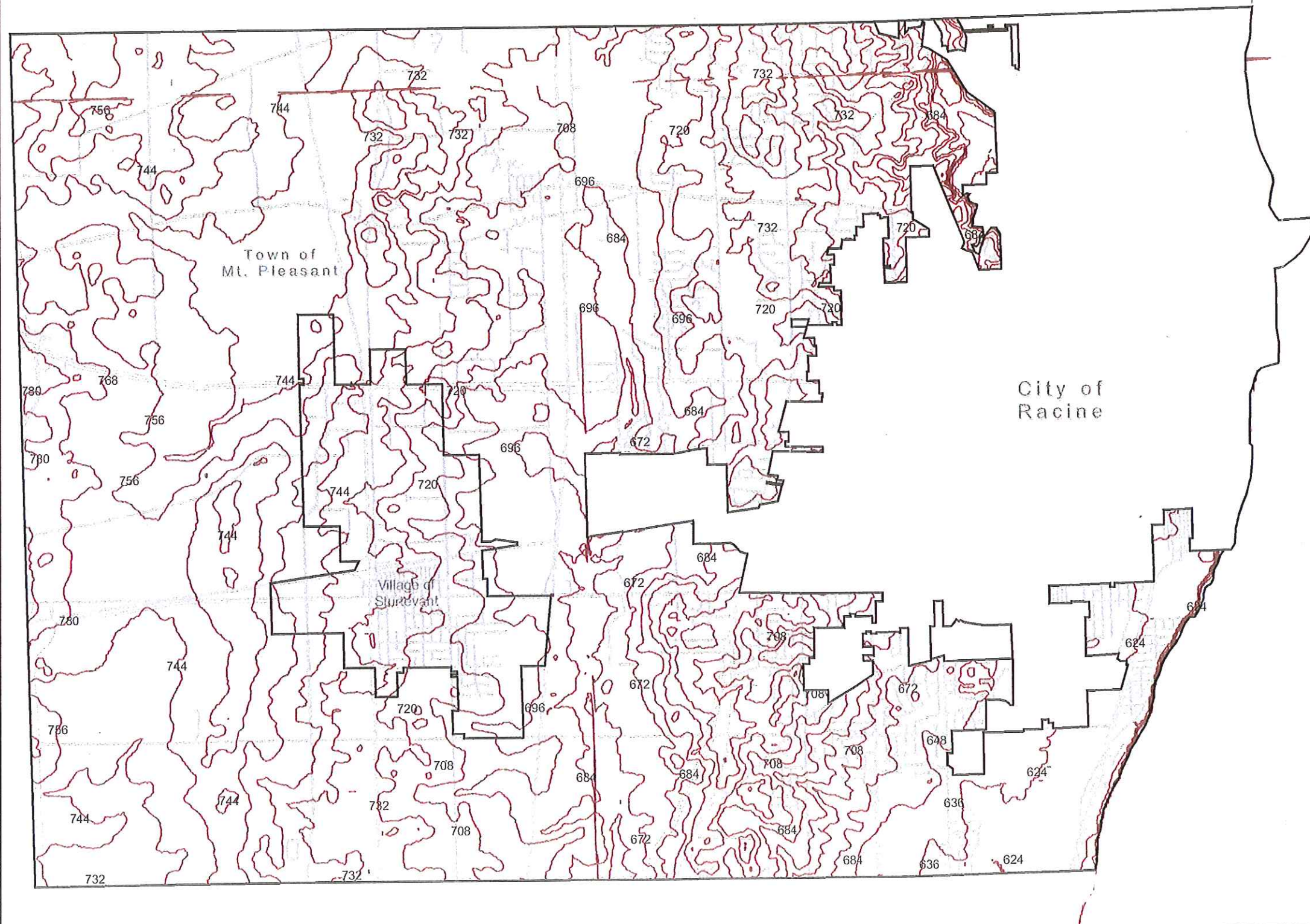


NOTE: The Village of Sturtevant will enact, administer and enforce zoning ordinances, for the annexed area that complies with the shoreland zoning standards. These standards will be at least as restrictive as the county shoreland zoning ordinances.

Map 2



Village of Sturtevant /
Mt Pleasant Topo Map



Contours Supplied by
Racine County

MAP 4

Village of Sturtevant /
Mt Pleasant Wetland Map



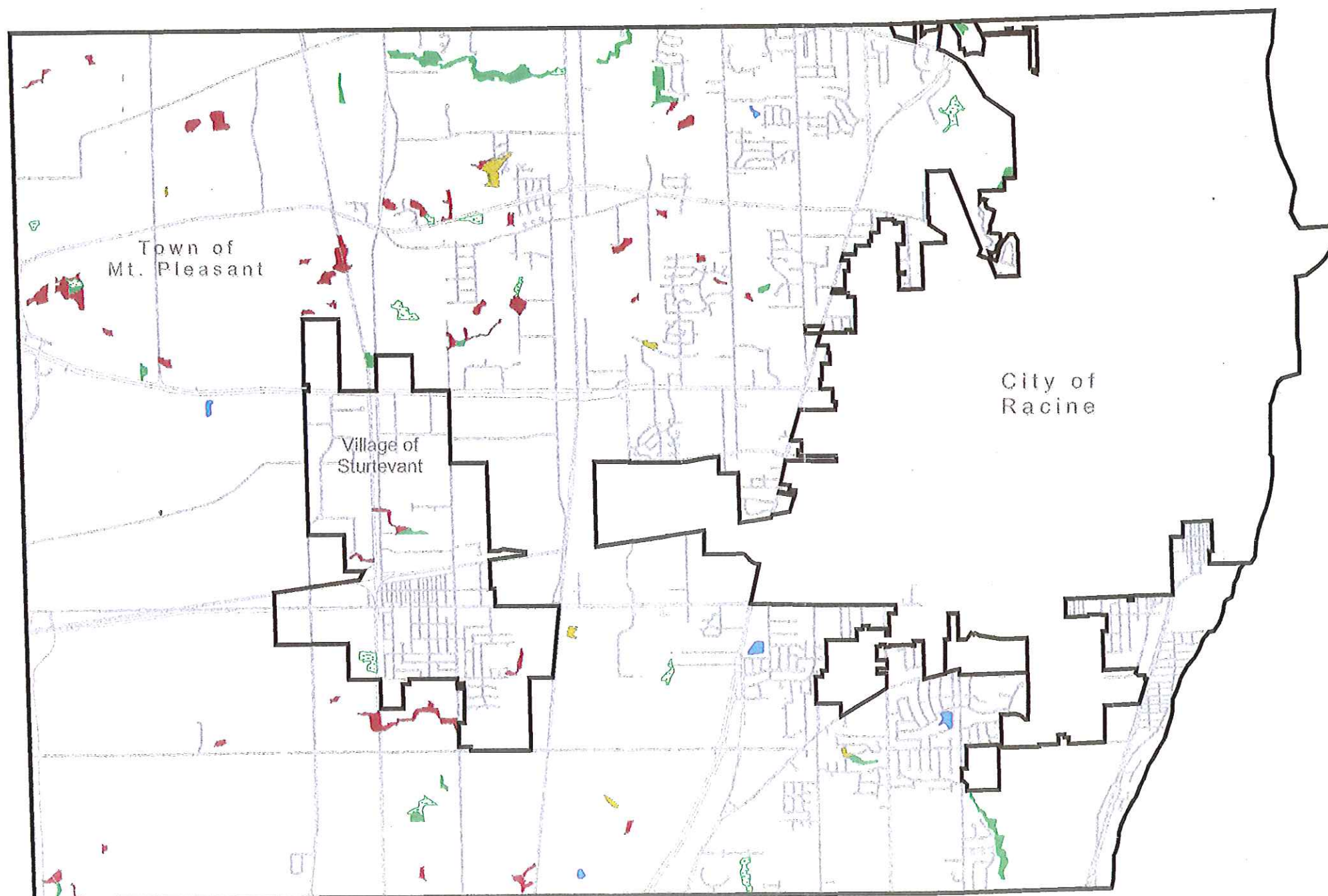
0 0.5 1
Miles

DNR Wetland Classifications

-  Emergent/wet meadow
-  Filled/draind wetland
-  Forested
-  Open water
-  Scrub/shrub
-  rw008

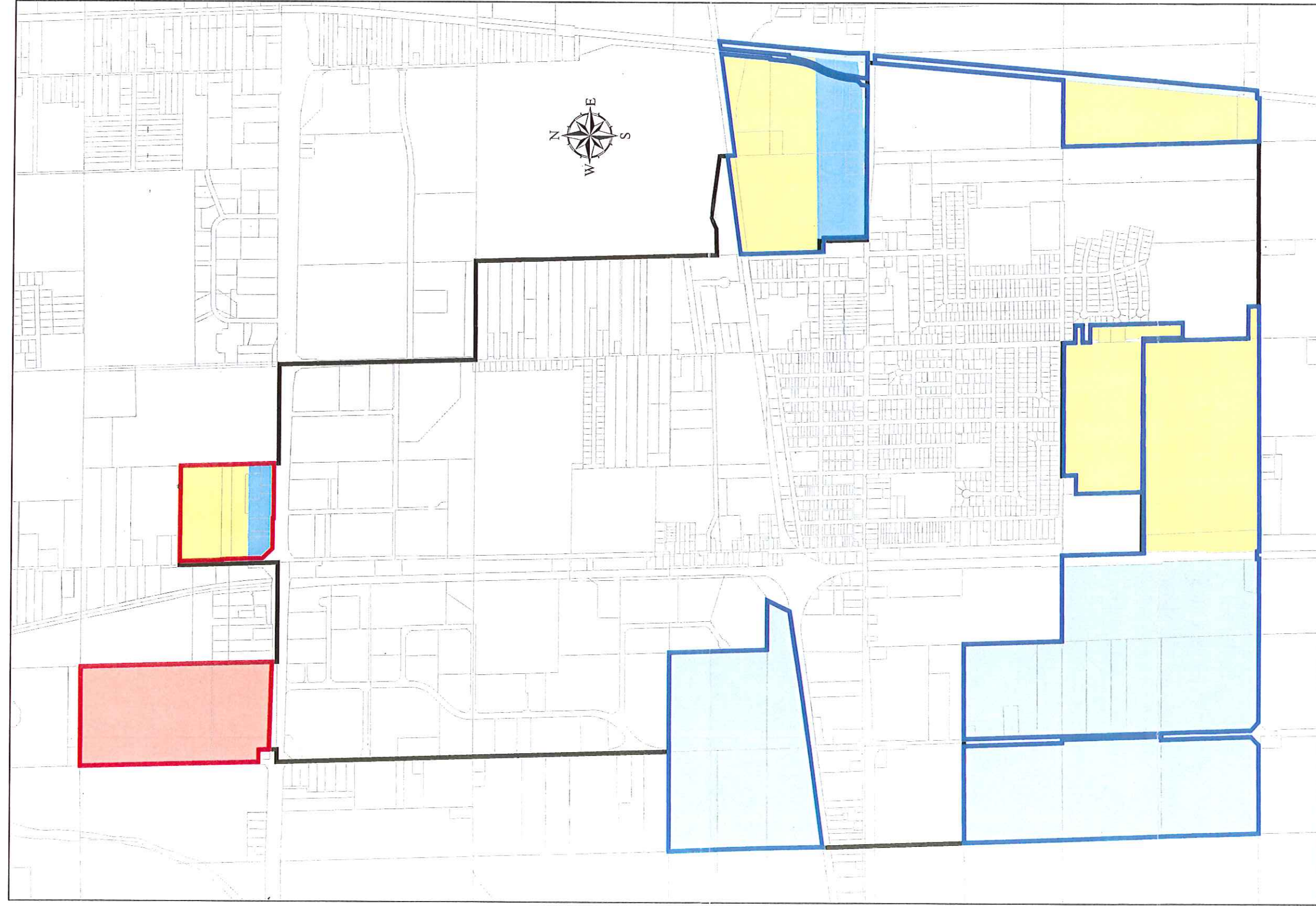
Wetland Inventory Data
Supplied by the
Wisconsin DNR

 **CRISPELL-SNYDER, INC.**
CONSULTING ENGINEERS



Village of Sturtevant Boundary Changes

Proposed Zoning of exchanged properties



Map 5



APPENDIX FOR
COOPERATIVE BOUNDARY PLAN
BETWEEN THE VILLAGE OF STURTEVANT AND
THE TOWN OF MT. PLEASANT
RACINE COUNTY, WISCONSIN

August 4, 2003

APPENDIX TABLE OF CONTENTS

Tab 1	Authorizing Resolution and Attest by Affidavit
Tab 2	Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement
Tab 3	DNR Endangered Species/Natural Resources Inventory
Tab 4	Village of Sturtevant Zoning Code and Subdivision Ordinance
Tab 5	Town of Mt. Pleasant Master Land Use Plan
Tab 6	Town of Mt. Pleasant Zoning Code and Subdivision Ordinance
Tab 7	Notice of Public Hearing
Tab 8	Public Comments
Tab 9	Comments from Racine County Planning and Development Department
Tab 10	Comments from Southeast Wisconsin Regional Planning Commission
Tab 11	Final Resolutions Approving Plan Submission to Department of Administration - Municipal Boundary Review

RESOLUTION 29-02

STATE OF WISCONSIN

TOWN OF MOUNT PLEASANT/
VILLAGE OF STURTEVANT

RACINE COUNTY

JOINT RESOLUTION 2002-18

**RESOLUTION TO RESOLVE MUNICIPAL BOUNDARY
ISSUES, PROVIDE FOR SHARING AND EXTENSION OF
MUNICIPAL SERVICES, AND TO PROVIDE SUPPORT FOR
THE INCORPORATION OF THE TOWN OF MOUNT PLEASANT**

WHEREAS, the Town of Mt. Pleasant and the Village of Sturtevant have, over the course of the last several years, engaged in discussions regarding potential incorporation of the Town of Mt. Pleasant and the inherent impacts on the two municipalities, and,

WHEREAS, in the course of these discussions of the Village and Town Boards have adopted a resolution authorizing participation in the preparation of a Cooperative Boundary Plan, pursuant to the provisions of section 66.0307 of the Wisconsin statutes, and

WHEREAS, the Village and Town have met repeatedly ^{to B.P. [signature]} resolve differences respecting conditions under which the Village could support the Town's incorporation petition pending before the Department of Administration, and,

WHEREAS, the Village and Town have reached a general agreement relative to terms associated with border issues, sharing and extension of services and support for the Town's incorporation petition.

NOW, THEREFORE, BE IT RESOLVED by the Town Board of the Town of Mt. Pleasant, and the Village Board of the Village of Sturtevant that the following terms provide for an acceptable resolution of the Village's challenge to the incorporation petition of the Town of Mt. Pleasant:

1. The Town and Village shall, at the earliest possible time, secure legal authority to transfer the approximately 700 acres of land identified in the attached Exhibit A from the Town to the Village.
2. The Village shall, as soon as legally possible following the retirement of TID #3, transfer the approximately 100 acres of land identified in the attached Exhibit A from the Village to the Town.
3. The transfers of land between the Town and Village shall be exempt from adjustment of assets and liabilities under Section 66.0235, both parties waiving any rights under the same.
4. The Town shall permit the Village to extend municipal sewer and water service through the

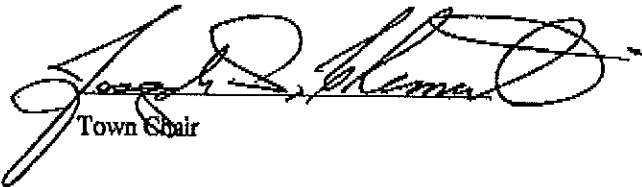
700 acre area to be transferred to the Village, recognizing that extension of services may be required prior to the actual transfer of these lands from the Town to the Village.

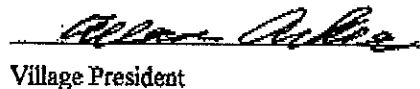
5. The Village shall, upon completion of the transfer of Town lands, formally withdraw opposition to the incorporation of the ~~Village~~ ^{Town B.P. 2001} and shall support the incorporation. Further, pending the completion of the legal process necessary to convert this resolution of understanding into binding legal authority, the Village shall withdraw its request for a hearing before the State of Wisconsin Department of Administration on the incorporation petition.
6. The Village shall extend municipal sewer and/or water service to the approximately 9 parcels depicted on the attached Exhibit B under terms of intermunicipal agreement in substantial conformity with the attached Exhibits C and D.

Dated this 6th day of August, 2003.

TOWN OF MT. PLEASANT

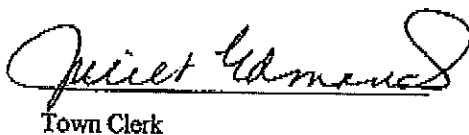
VILLAGE OF STURTEVANT

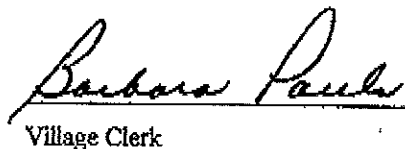

Town Chair


Village President

ATTEST:

ATTEST:


Town Clerk

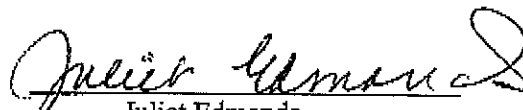

Village Clerk

AFFIDAVIT OF MAILING

STATE OF WISCONSIN)
)ss.
RACINE COUNTY)

JULIET EDMANDS, being first duly sworn on oath, deposes and says that on the 11 day of July, 2002 she personally deposited with the U.S. Postal Service a true copy of the Town of Mount Pleasant's Resolution # 29-02 and a true copy of the Village of Sturtevant's resolution # 2002-18 authorizing the participation in and preparation of a cooperative boundary agreement regarding the boundaries of the Town of Mount Pleasant and the Village of Sturtevant to the entities on the attached list as required by §66.0307, Wis. Stats.

Dated this 20th day of February, 2003 in Racine, Wisconsin


Juliet Edmands

Subscribed and sworn to before me
this 20 day of February, 2003.


Notary Public, Racine County, Wisconsin
My Commission expires 5-24-03

Town of Yorkville
Attn: Judy Aimone
PO Box 15
Union Grove, WI 53182

Town of Somers
Attn: Town Clerk
7511 12th Street
Somers, WI 53171

Kilbourn Ditch
Attn: Bill Morris
Box 197
Somers, WI 53171

Village of Sturtevant
Attn: Barbara Pauls
2801 89th Street
Sturtevant, WI 53177

Gateway Technical College
Racine Campus
100 S. Main Street
Racine, WI 53403

Somers Water Utility
PO Box 197
Somers, WI 53171

Village of Elmwood Park
Attn: Barbara Lang
3428 Oak Tree Lane
Racine, WI 53405

Gateway Technical College
Kenosha Campus
3520 30th Avenue
Kenosha, WI 53144

Lake Michigan Storm Sewer
Utility District
6922 Nicholson Road
Caledonia, WI 53108

Town of Caledonia
Attn: Wendy Christensen
6922 Nicholson Road
Caledonia, WI 53108

Kenosha Unified School District
3600 52nd Street
Kenosha, WI 53144

Town of Yorkville
Water Utility District No. 1
PO Box 15
Union Grove, WI 53182

City of Racine
Attn: Karen Norton
City Hall - 730 Wisconsin Ave.
Racine, WI 53403

Racine Unified School District
2220 Northwestern Avenue
Racine, WI 53404

Racine County Board of Drainage
Attorney Matthew H. Quinn
Hand & Quinn S.C.
930 Lake Avenue
Racine, WI 53403

Village of North Bay
Attn: June Reich
30 North Vincennes Circle
Racine, WI 53402

Racine County School District
925 15th Avenue
Union Grove, WI 53182

North Park Sanitary District
333 4 1/4 Mile Road
Racine, WI 53402

Town of Raymond
Attn: Karle Torkilsen
2255 S. 76th Street
Franksville, WI 53126

Village of Pleasant Prairie
Village Clerk
9915 39th Avenue
Kenosha, WI 53158

Crest View Sanitary District
3120 Indian Trail
Racine, WI 53402

Racine County
Attn: Joan Rennert
Courthouse - 730 Wisconsin Ave.
Racine, WI 53403

Caddy Vista
10201 Caddy Lane
Caledonia, WI 53108

City of Racine Water &
Waste Water Utilities
Attn: Tom Bunker - Gen. Mgr.
800 Center St. Room #227
Racine, WI 53403

City of Kenosha
Attn: City Clerk
625 52nd Street Room #105
Kenosha, WI 53140

Pleasant Prairie Water Utility
8600 Green Bay Road
Pleasant Prairie, WI 53158

Sturtevant Water &
Waste Water Utility
2801 89th Street
Sturtevant, WI 53177

Kenosha County
County Clerk
19600 75th
Bristol, WI 53104

Village of North Bay
3517 N. Bay Drive
Racine, WI 53402

Kenosha Water Utility
4401 Green Bay Road
Kenosha, WI 53144

Caledonia Utility District No. 1
6922 Nicholson Road
Caledonia, WI 53108

Root River Storm Sewer
6922 Nicholson Road
Caledonia, WI 53108

Ives Grove Utility District
PO Box 15
Union Grove, WI 53182

SEWRPC
Attn: John Meland
16 N. East Avenue
Waukesha, WI 53187

Dept. Of Transportation
120 B Hill Farms State Transportation
4802 Sheboygan Avenue
Madison, WI 53705

Dept. of Natural Resources
State Natural Resources Bldg. (GES 2)
101 South Webster Street
Madison, WI 53702

DATCP
PO Box 8911
Madison, WI 53708-8911

DOA
PO Box 8979
Madison, WI 53708-8979

Village of Union Grove
Water Treatment Plant
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**RACINE AREA INTERGOVERNMENTAL SANITARY
SEWER SERVICE, REVENUE-SHARING, COOPERATION
AND SETTLEMENT AGREEMENT**

April 25, 2002

TABLE OF CONTENTS

	Page
I. Definitions	4
II. Parties	20
III. Provision of Sewer Service	35
IV. Sewer Service Area	45
V. Capacity Allocation, Transfer and Utilization	46
VI. Payment for Sewer Service by SSR Parties	54
VII. Revenue Sharing	61
VIII. Capped Payments from Capital Reserve Account Funds by the Wastewater Commission to Racine	68
IX. Cooperation Re Library Services	77
X. Sewer Ordinance Responsibilities	77
XI. Cooperation of Racine and the Wastewater Commission with Caledonia and Mt. Pleasant Re Incorporation and Fixing Boundaries	80
XII. Miscellaneous	82

April 25, 2002

RACINE AREA INTERGOVERNMENTAL SANITARY SEWER SERVICE, REVENUE-SHARING, COOPERATION AND SETTLEMENT AGREEMENT

This Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement (this agreement, as amended or otherwise modified pursuant to its terms from time to time, is hereinafter referred to as this "Agreement") is entered into as of the 31st day of December, 2001, by and between the City of Racine, which includes the Racine Wastewater Utility (the "Racine Utility"), a quasi-independent division of the Racine city government (collectively, "Racine"), the Racine Wastewater Utility Commission, which is the governing body of the Racine Utility and an intergovernmental commission established by this Agreement pursuant to Wis. Stat. § 66.0301 (the "Wastewater Commission"), and some or all of the following local governmental entities: the Town of Mt. Pleasant ("Mt. Pleasant"), the Mt. Pleasant Sewer Utility District No. 1 ("Mt. Pleasant No. 1"), the Town of Caledonia ("Caledonia"), the Sewer Utility District No. 1 of the Town of Caledonia ("Caledonia No. 1"), the Crestview Sanitary District (the "Crestview District"), the North Park Sanitary District (the "North Park District"), the Village of Sturtevant ("Sturtevant"), the Village of Sturtevant Water and Sewer Utility (the "Sturtevant Utility"), the Village of Elmwood Park ("Elmwood Park"), the Village of Wind Point ("Wind Point"), the Village of North Bay ("North Bay"), the Town of Yorkville ("Yorkville"), the Yorkville Sewer Utility No. 1 ("Yorkville No. 1"), the Town of Raymond ("Raymond"), the Raymond Heights Sanitary District (the "Raymond Heights District") and the Town of Somers ("Somers").

WITNESSETH:

1. **WHEREAS**, Racine, through its Racine Utility, owns and operates a wastewater treatment facility (the "Wastewater Treatment Facility"), certain wastewater interceptors and certain wastewater pumping, storage, drying and related sewerage facilities (collectively, the "2001 Sewer Service Facilities") listed on the attached Exhibit A, which is incorporated by reference, for the purpose of providing its public sanitary sewer service ("Sewer Service") to Racine and to all or portions of a number of outlying communities; and

2. **WHEREAS**, the 2001 Sewer Service Facilities are operated, maintained, replaced, improved and accounted for separately from other wastewater collection and conveyance facilities tributary to the Wastewater Treatment Facility that are owned and/or operated by or for Racine, the other Parties or other non-Party local governmental entities

receiving Sewer Service, for their respective individual purposes (collectively, the “Collection Facilities”); and

3. **WHEREAS**, Racine entered into 20-year Sewer Service agreements with some of the outlying communities in or about 1977 (the “1977 Sewer Service Agreements”), pursuant to which Racine provided Sewer Service to at least certain areas of all of the initially Anticipated Outlying Parties except Yorkville No. 1, Yorkville, the Raymond Heights District and Raymond, either directly or through intermediary arrangements, until those agreements expired and terminated by their terms on December 31, 1996; and

4. **WHEREAS**, since the expiration and termination of the 1977 Sewer Service Agreements, Racine has continued to provide Sewer Service directly to the outlying communities that were previously receiving Sewer Service, pursuant to terms and conditions prescribed in Chapter 98 of the Racine Code of Ordinances, but Racine has declined to construct any new Sewer Service Facilities to serve the future growth needs of any of the outlying communities without a new and satisfactory intergovernmental Sewer Service agreement; and

5. **WHEREAS**, a number of significant unresolved disputes and issues prevented Racine and the outlying communities from negotiating a new Sewer Service agreement promptly after the expiration and termination of the 1977 Sewer Service Agreements; and

6. **WHEREAS**, Racine, through its Racine Utility, caused a facilities plan for the upgrading and expansion of the 2001 Sewer Service Facilities through the year 2020 to be prepared in or about February 1998 (the “1998 Facilities Plan”), making clear in Appendix K thereof that the 1998 Facilities Plan would be implemented only if and to the extent that a new and satisfactory Sewer Service agreement could be consummated with the outlying communities; and

7. **WHEREAS**, the 1998 Facilities Plan provided for three categories of recommended sewerage improvements (collectively, the “1998 Recommended Improvements”): (1) certain improvements to the 2001 Sewer Service Facilities to cure deficiencies in handling wet weather flows, which improvements are needed even if no additional sewer extensions are constructed (collectively, the “Deficiency Work”) (the improvements constituting the Deficiency Work are set out in Exhibit B, which is incorporated by reference); and (2) certain additional improvements to the 2001 Sewer Service Facilities to provide expanded wastewater treatment capacity to serve the anticipated future growth needs of the Anticipated Parties through the year 2020 (collectively, the “Future Growth Work”, which improvements are set out in Exhibit B) within the planning area of the 1998 Facilities Plan (the “1998 Facilities Planning Area”), shown on the attached Exhibit J, which is incorporated by reference; and (3) certain other improvements to the individual Collection Facilities of Racine and the outlying communities already receiving Sewer Service to reduce inflow and infiltration by 10%; and

8. **WHEREAS**, the Wisconsin Department of Natural Resources (the “DNR”) approved the 1998 Facilities Plan on June 10, 1999; and

9. **WHEREAS**, in December 1998, the average daily flows, peak daily flows and peak hourly flows of each of the Anticipated Parties were recalculated, and are summarized in the attached Exhibit C, which is incorporated herein by reference; and

10. **WHEREAS**, the recalculated flow figures in Exhibit C have been accepted as accurate estimates by the Anticipated Parties and will be used in this Agreement as the basis for allocating to the Parties both (1) wastewater treatment capacity and wastewater conveyance capacity, and (2) the capital costs of providing the 1998 Recommended Improvements to the 2001 Sewer Service Facilities, assuming that all of the 1998 Recommended Improvements are constructed; and

11. **WHEREAS**, the proposed allocation to the Anticipated Parties of the wastewater treatment capacity and the wastewater conveyance capacity to be created by the 1998 Recommended Improvements to the 2001 Sewer Service Facilities is set out on the attached Exhibits E and F, which is incorporated by reference only for the purpose of general information; and

12. **WHEREAS**, estimated costs of the 1998 Recommended Improvements to the 2001 Sewer Service Facilities, as of September 2000 are approximately \$79,347,500, as detailed in the attached Exhibit B, which is incorporated by reference only for the purpose of general information; and

13. **WHEREAS**, the 2001 Sewer Service Facilities must be upgraded to continue providing high quality, reliable and environmentally acceptable Sewer Service to Racine and to the areas of the outlying communities already receiving Sewer Service, and must be expanded to accommodate the future growth needs of Racine and the outlying communities over the next 20 years (the 2001 Sewer Service Facilities, as upgraded, expanded or otherwise improved from time to time are hereinafter referred to as the "Sewer Service Facilities"); and

14. **WHEREAS**, the Parties to this Agreement recognized that if they failed to achieve an agreement that fairly and reasonably served the legitimate needs and interests of all of the Parties, an opportunity would be missed to finance the Future Growth Work with low-cost Clean Water Fund Financing and the Parties would probably find themselves in prolonged, difficult and expensive litigation, which might have a substantially adverse impact on the economic and social well-being of the greater Racine area for many years to come; and

15. **WHEREAS**, the Parties to this Agreement are desirous of compromising, settling and amicably resolving their differences, and of equitably sharing both the costs and benefits of the provision of Sewer Service in the greater Racine area, and of cooperating with one another regarding boundaries, incorporation, certain cross-boundary issues and the financing of certain intergovernmental services, all in accordance with this Agreement, and of achieving the very considerable individual and synergistic benefits and advantages of a long-term cooperative relationship between the Parties; and

16. **WHEREAS**, each of the Parties receiving Sewer Service pursuant to this Agreement understands that it is likely to run short of allocated wastewater treatment capacity

and/or allocated Wastewater conveyance capacity prior to the year 2020 if it fails to eliminate 10% of the existing inflow and infiltration to its own sewerage system, as envisioned by the 1998 Facilities Plan, or otherwise fails to exercise reasonable control over and eliminate excess infiltration and inflow.

NOW, THEREFORE, in consideration of the mutual provisions of this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, and pursuant to Wis. Stat. §§ 66.0301, 66.0305, 62.11(5) and other applicable provisions of the Wisconsin Statutes, the Parties hereby agree as follows:

I. DEFINITIONS

The following words, phrases or abbreviations, as used in this Agreement, are defined below. For convenience, such defined terms are written in this Agreement with initial capital letters. Defined terms can be combined to form new and additional defined terms, e.g. “SSR Party” and “Outlying Party” can be combined to form “Outlying SSR Party.”

- 1.1 Act. “Act” means The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. 1251, et seq., as amended or supplemented or recreated from time to time.
- 1.2 Adjunct Party. “Adjunct Party” means a Related Party to which a principal Party has delegated the performance of certain specified functions pursuant to this Agreement, for which the principal Party remains responsible.
- 1.3 Agreement. “Agreement” means this Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement, as amended or otherwise modified pursuant to its terms from time to time.
- 1.4 All Applicable Laws. “All Applicable Laws” means all applicable statutes, ordinances, regulations, policies, regulatory permits or approvals (including, without limitation, any WPDES Permit, any approved Facilities Plan, any approved Sewer Service Area), judgments, orders or other laws to which the Racine Utility and the Wastewater Commission are subject, as enacted, amended, modified, recreated, supplemented, issued, promulgated, declared or entered from time to time.
- 1.5 Allocated Conveyance Capacity. See definition for “Conveyance Capacity Allocation”, below.
- 1.6 Allocated Treatment Capacity. See definition for “Treatment Capacity Allocation”, below.
- 1.7 Anticipated Parties. “Anticipated Parties” means the following local governmental entities in the greater Racine area which the Parties as of the Effective Date of this Agreement anticipate may join this Agreement in the foreseeable future: the Racine Wastewater Utility Commission, the City of

Racine, the Town of Mt. Pleasant, the Mt. Pleasant Sewer Utility District No. 1, the Town of Caledonia, the Sewer Utility District No. 1 of the Town of Caledonia, the Crestview Sanitary District, the North Park Sanitary District, the Village of Sturtevant, the Village of Elmwood Park, the Village of Wind Point, the Village of North Bay, the Town of Yorkville, the Yorkville Sewer Utility No. 1, the Town of Raymond, the Raymond Heights Sanitary District, the Town of Somers, the Town of Somers KR Sewer Utility District. "Anticipated Parties" shall be deemed to include any city, village, town, or sewerage-related special purpose district which is created by the Anticipated Parties listed in Section 2.1 of this Agreement, or any of them, or which is created so as to consist of or include any of the territory of such Anticipated Parties, or any of them, at any time.

- 1.8 Average Daily BOD Loading. "Average Daily BOD Loading" means the total amount of BOD (biochemical oxygen demand) contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any 365-day period, divided by 365, and usually expressed in terms of pounds per day.
- 1.9 Average Daily Flow. "Average Daily Flow" means the total volume of Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any 365-day period, divided by 365, and usually expressed in terms of millions of gallons per day.
- 1.10 Average Daily P Loading. "Average Daily P Loading" means the total amount of P (phosphorus) contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any 365-day period, divided by 365, and usually expressed in terms of pounds per day.
- 1.11 Average Daily TSS Loading. "Average Daily TSS Loading" means the total amount of TSS (total suspended solids) contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any 365-day period, divided by 365, and usually expressed in terms of pounds per day.

- 1.12 Banked Allocated (Treatment or Conveyance) Capacity. "Banked Allocated (Treatment or Conveyance) Capacity" means allocated capacity paid for in the first instance by the Wastewater Commission and made available to the SSR Parties in accordance with this Agreement.
- 1.13 BOD. "BOD" means biochemical oxygen demand, which is the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures in five days at 20 degrees Centigrade.
- 1.14 Bypassing. "Bypassing" means the discharge of untreated Wastewater to the environment.
- 1.15 Capital Costs. "Capital Costs" means any and all expenditures (i.e. total project costs) for the planning, design, purchase, installation, construction and/or other provision of long-term improvements to the Sewer Service Facilities of the Racine Utility, including, without limitation, administrative costs of bonding or financing, any related costs for obtaining permits and approvals, and related attorneys' fees and consultants' fees.
- 1.16 Capital Reserve Account Funds. "Capital Reserve Account Funds" means funds of the Racine Utility that accumulate when annual recovery of depreciation and ROI exceeds annual debt service and cash financed capital projects, plus interest earned on fund balances. The Capital Reserve Account Funds are separate and distinct from any Replacement Reserve Fund that may be required as a condition for obtaining Clean Water Fund Financing.
- 1.17 Categorical Pretreatment Standards. "Categorical Pretreatment Standards" means any regulation containing Pollutant discharge limits promulgated by Environmental Protection Agency in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. 1317) which apply to a specific category of Users and which appear in 40 CFR, chapter I, subchapter N, parts 405 through 471, as amended or supplemented from time.
- 1.18 Clean Water Fund Financing. "Clean Water Fund Financing" means financial assistance received from the State of Wisconsin pursuant to Sections 281.58 and 281.59 of the Wisconsin Statutes.
- 1.19 Collection Facilities. "Collection Facilities" means Wastewater collection and conveyance facilities, other than the Sewer Service Facilities, that are tributary to the Wastewater Treatment Facility and owned and/or operated by or for any of the Parties, or any of the other local governmental entities receiving Sewer Service, for their respective individual purposes, as such facilities may be upgraded, expanded, or otherwise modified or improved from time to time. (As used in this Agreement, "Collection Facilities" are mutually exclusive of "Sewer Service Facilities".)
- 1.20 Construction Cost Index. "Construction Cost Index" means the composite index of construction costs, including the costs of materials and labor for 20 U.S. cities,

that measures the increase in such costs over the base year of 1913 as published monthly by The Engineering News Record.

- 1.21 Conveyance Capacity Allocation. "Conveyance Capacity Allocation" (or "Allocated Conveyance Capacity") means the right of a Party, pursuant to and in accordance with this Agreement, to discharge Wastewater to a particular Interceptor or other conveyance facility of the Sewer Service Facilities, or to a particular portion thereof, or to a sewer or other sewerage facility that is tributary to a particular Interceptor or other conveyance facility of the Racine Utility or to a particular portion thereof, up to but not in excess of a maximum prescribed rate, which is quantified and expressed in terms of millions of gallons per day of Peak Hourly Flow.
- 1.22 Cost-Benefit Balance. "Cost-Benefit Balance" (of this Agreement) means the carefully structured balance of benefits and costs or burdens which the Parties extensively negotiated and have accepted in this Agreement, some of the major elements of which are set forth in Section 12.8 of this Agreement.
- 1.23 Cost of Service Cost-Based Allocation. "Cost of Service Cost-Based Allocation" means a combined Cost of Service Study and allocation of the costs to the Parties.
- 1.24 Cost of Service Study. "Cost of Service Study" means the allocation of costs to various parameters for which the costs were incurred.
- 1.25 Deficiency Work. "Deficiency Work" means the planning, design, installation, construction and provision of those elements of the 1998 Recommended Improvements to the 2001 Sewer Service Facilities to cure deficiencies in handling wet weather flows, which improvements are set out on Exhibit B to this Agreement, and which would be needed even if no additional sewer extensions were constructed. (As used in this Agreement, "Deficiency Work" is mutually exclusive of "Future Growth Work".)
- 1.26 Designated Territory. "Designated Territory" means the geographical area with respect to which a Party functions and is required to function, respectively, in its capacity as a SSP Party, as a SSR Party, as an OAE Party or as a RSP Party.
- 1.27 DNR. "DNR" means Wisconsin Department of Natural Resources or any successor agency having regulatory authority over the Racine Utility, the Wastewater Commission and/or the other Parties to this Agreement with respect to Wastewater collection, conveyance, treatment and discharge.
- 1.28 Domestic Sewage. "Domestic Sewage" means Sewage discharged from the sanitary conveniences of dwellings (including, without limitation, apartments, motels and hotels), office buildings, factories, commercial establishments, institutions, and other similar sources, which is free from stormwater, surface water and cooling water and which is also free from industrial wastes which require additional treatment.

- 1.29 Domestic User. “Domestic User” means a user that generates Wastewater with a strength equal to or less than Normal Domestic Strength Wastewater, independent of the quantity of flow discharged.
- 1.30 Effective Date of this Agreement. “Effective Date of this Agreement” means the date on which Racine, Mt. Pleasant and the Wastewater Commission have duly approved and executed this Agreement.
- 1.31 EPA. “EPA” means U. S. Environmental Protection Agency or any successor agency having Wastewater regulatory authority over the Racine Utility, the Wastewater Commission and/or the other Parties to this Agreement.
- 1.32 Existing Capital Costs. “Existing Capital Costs” means all Capital Costs expended by the Racine Utility or assets transferred to the Racine Utility by Racine before the Effective Date of this Agreement with respect to the Sewer Service Facilities. Undepreciated Existing Capital Costs are recovered by the Wastewater Commission through Sewer Service rates.
- 1.33 Expanded Sewer Service Facilities. “Expanded Sewer Service Facilities” means any new or improved Sewer Service Facilities, the provision of which results in a Capital Cost, and which results in (or those portions of which result in) an increase in Allocated Treatment Capacity or Allocated Conveyance Capacity in the Sewer Service Facilities, and which are reasonably necessary or desirable to comply with this Agreement and All Applicable Laws or to provide high quality, reliable and environmentally acceptable Sewer Service to the Parties.
- 1.34 Facilities Plan. “Facilities Plan” means a plan for improvements to the Sewer Service Facilities, as such term is used in Section NR 110.08 of the Wisconsin Administrative Code, which must be approved by the DNR.
- 1.35 First Group of Improvements. “First Group of Improvements” means whatever portion of the 1998 Recommended Improvements that the Wastewater Commission decides to construct shortly after the Effective Date of this Agreement, including the Deficiency Work improvements and or all or some portion of the Future Growth Work improvements.
- 1.36 Future Capital Costs. “Future Capital Costs” means all Capital Costs expended by the Wastewater Commission after the Effective Date of this Agreement with respect to the Sewer Service Facilities. Except as is otherwise specifically provided in this Agreement, Future Capital Costs will be paid for up front by the SSR Parties, and the Racine Utility will not recover such costs through Sewer Service rates. (Note, however, that the Capital Costs of the Deficiency Work will be excluded from Future Capital Costs and will be treated like Existing Capital Costs, and that the Capital Costs of Minor Unplanned Upgraded Sewer Service Facilities may be excluded from Future Capital Costs and treated like Existing Capital Costs, without respect to when such costs are expended.)

- 1.37 Future Growth Work. "Future Growth Work" means the planning, design, installation, construction and provision of those elements of the 1998 Recommended Improvements to the 2001 Sewer Service Facilities, exclusive of the Deficiency Work, which are necessary or desirable to add treatment or conveyance capacity to serve the future growth needs of the then-existing Parties, and of any potential New Parties that may join the Agreement thereafter to the extent that any of the existing Parties desires to front and carry the costs. (As used in this Agreement, "Future Growth Work" is mutually exclusive of "Deficiency Work".)
- 1.38 Grab Sample. "Grab Sample" means a sample taken from a waste stream on a one-time basis with no regard to the flow in the waste stream and without consideration of the time the sample is taken.
- 1.39 Hauled Wastewater. "Hauled Wastewater" means Septic Tank Waste (including holding tank waste, without limitation), Industrial Wastes or any other Wastewater that is hauled to and discharged into the Sewer Service Facilities or any sewerage facility that is tributary to the Wastewater Treatment Plant.
- 1.40 Industrial User. "Industrial User" means any User that generates Wastewater with a strength greater than that of Normal Domestic Strength Wastewater, independent of the quantity of flow discharged. (Any User identified in the Standard Industrial Classification Manual of the Office of Management and Budget, as amended or supplemented from time to time, under any of the following divisions shall presumptively be considered an Industrial User: (1) Division A: agricultural, forestry and fishing; (2) Division B: mining; (3) Division D: manufacturing; (4) Division E: transportation, communications, electric, gas, and sanitary services; and (5) Division I: services; provided, however, that the Racine Utility may determine, in its discretion, that such a User which discharges primarily Domestic Sewage will be treated as a Domestic User for Sewer Service rate purposes.)
- 1.41 Industrial Wastes. "Industrial Wastes" means any liquid substance discharged or escaping from any industrial, manufacturing, trade or business process, as distinguished from segregated Domestic Sewage.
- 1.42 Infiltration. "Infiltration" means water entering a sewer system, including sewer service connections, from the ground, through such means as the following, without limitation: defective pipes, pipe joints, connections, or manhole walls. Infiltration does not include, and is distinguished from, Inflow.
- 1.43 Infiltration and Inflow. "Infiltration and Inflow" (or "I and I") means the total quantity of water entering a sewer system as either Infiltration or Inflow, without distinguishing the source.
- 1.44 Inflow. "Inflow" means the water entering a sewer system, including sewer service connections, from such sources as the following, without limitation: roof

leaders, cellar, yard, and area drains, foundation drains, sump pumps, cooling towers, drains from springs and swampy areas, manhole covers, cross connections from storm sewers and combined sewers, catch basins, storm water, surface run-off, street wash waters or drainage. Inflow does not include, and is distinguished from, Infiltration.

- 1.45 Initial Parties. "Initial Parties" means the Parties to this Agreement as of the Effective Date of this Agreement or within 120 days thereafter.
- 1.46 Instantaneous Maximum Allowable Discharge Limit. "Instantaneous Maximum Allowable Discharge Limit" means the maximum concentration of a Pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composite sample collected, independent of the industrial flow rate and the duration of the sampling event.
- 1.47 Interceptor. "Interceptor" means a main trunk sanitary sewer.
- 1.48 Interference. "Interference" means a discharge which, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the Wastewater Treatment Facility, its treatment processes or operations, or its sludge processes, use or disposal.
- 1.49 Maintenance. "Maintenance" means the preservation of the functional integrity and efficiency of a Wastewater conveyance, storage, pumping, treatment or drying facility, including its processes, equipment and structures. The term includes preventive maintenance, correctional maintenance and repair of equipment and other facilities.
- 1.50 Material Change of Circumstances. "Material Change of Circumstances" means any change of circumstances resulting from judicial, legislative or administrative actions by federal, state or local authorities, which occurs after December 31, 2001, which is not otherwise specifically provided for in this Agreement, and which has the effect of materially altering the Cost Benefit Balance of this Agreement or which disrupts, hampers or obstructs the smooth and efficient administration of this Agreement (e.g. if the information required for the calculation of Revenue Sharing Payments under Section 7.1 of this Agreement is organized differently or published by a different body than is contemplated by this Agreement). Without limitation, the following shall not be considered to be a Material Change of Circumstances: (1) Upgraded or Expanded Sewer Service Facilities are required; or (2) Clean Water Fund Financing is unavailable or is not available in sufficient amounts for the Future Growth Work improvements.
- 1.51 May/May Not. "May" means that the action referred to is discretionary, but "may not" or "no Person (or Party, etc.) may" means that the action referred to is prohibited.
- 1.52 Minor Unplanned Upgraded Sewer Service Facilities. "Minor Unplanned Upgraded Sewer Service Facilities" means Unplanned Upgraded Sewer Service

Facilities costing in the aggregate less than \$500,000 each budget year (adjusted annually in accordance with this Agreement), which costs the Racine Utility may treat like Existing Capital Costs and recover through Sewer Service rates.

- 1.53 Net Contributing Party. "Net Contributing Party" means a RSP Party that is required by this Agreement to make a Revenue Sharing Payment in a particular year.
- 1.54 Net Discharge Of Wastewater. "Net Discharge Of Wastewater" (or any variation thereof) means a Party's Total Discharge of Wastewater to the Sewer Service Facilities or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility, less all intermingled Wastewater discharged by other Parties or Anticipated Parties. With respect to Allocated Conveyance Capacity, Net Discharge of Wastewater may be limited to Wastewater discharged to a particular interceptor upstream of a particular metering station. (See definitions of "Wastewater Discharged to the Sewer Service Facilities" and "Total Discharge of Wastewater".)
- 1.55 Net Recipient Party. "Net Recipient Party" means a RSP Party that receives a revenue sharing payment in a particular year.
- 1.56 New Party. "New Party" means any Party which is admitted to this Agreement after 120 days after the Effective Date of this Agreement. (As used in this Agreement, "New Party" is mutually exclusive of "Successor".)
- 1.57 1998 Facilities Plan. "1998 Facilities Plan" means the Facilities Plan, approved by the DNR on June 10, 1999, to provide Sewer Service to the 1998 Racine Planning Area to accommodate the anticipated Wastewater flows associated with projected development within such area through the year 2020 (or with respect to a few specific facilities, through the year 2030).
- 1.58 1998 Facilities Planning Area. "1998 Facilities Planning Area" means the area for which Sewer Service is contemplated and planned for through the year 2020 by the 1998 Facilities Plan.
- 1.59 1998 Recommended Improvements. "1998 Recommended Improvements" means the improvements to the Sewer Service Facilities of the Racine Utility and to the Collection Facilities of the Anticipated Parties that are described and provided for in the 1998 Facilities Plan.
- 1.60 Normal Domestic Strength Wastewater. "Normal Domestic Strength Wastewater" means Wastewater having an average daily TSS concentration of not more than 250 mg/l, an average daily BOD concentration of not more than 200 mg/l, and an average daily P concentration of not more than 6 mg/l.
- 1.61 OAE Party. "OAE Party" means "ordinance adoption and enforcement Party", a Party that adopts and enforces sewer ordinance provisions pursuant to and in accordance with this Agreement, applicable to its own territory as SSR Party or to

the territory of one or more Related SSR Parties, which territory is receiving or eligible to receive Sewer Service pursuant to this Agreement.

- 1.62 OMR. “OMR” means “Operation, Maintenance and Replacement”, which are the combined functions of Operation, Maintenance and Replacement with respect to the Sewer Service Facilities of the Racine Utility. The costs of OMR are paid for by the SSR Parties through Sewer Service rates or other sewerage service charges in accordance with Section 6.4 of this Agreement.
- 1.63 Operation. “Operation” means exercising supervision and control over the unit processes, structures and equipment of the Sewer Service Facilities, including, without limitation, administration, planning, financial management, personnel management, records management, laboratory control, process control, safety and emergency operations.
- 1.64 P. “P” means phosphorous, as defined in the latest edition of Standard Methods for the Examination of Water and Wastewater.
- 1.65 Parties. “Parties” means local governmental entities which have approved, executed and satisfied the conditions of this Agreement, and their Successors. (“Outlying Parties” means those Parties other than Racine and the Wastewater Commission.)
- 1.66 Peak Daily Flow. “Peak Daily Flow” means the greatest total volume of Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any consecutive 24-hour period (or the greatest such volume as of a specified date), and usually expressed in terms of millions of gallons per day.
- 1.67 Peak Hourly Flow. “Peak Hourly Flow” means the greatest total volume of Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any consecutive 60-minute period (or the greatest such volume as of a specified date and time), and usually expressed in terms of millions of gallons per day.
- 1.68 Peak Monthly BOD Loading. “Peak Monthly BOD Loading” means the greatest total amount of BOD contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of

the Racine Utility) during any consecutive 30-day period (or the greatest such amount as of a specified date), and usually expressed in terms of pounds per day.

- 1.69 Peak Monthly Flow. "Peak Monthly Flow" means the greatest total volume of Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any consecutive 30-day period (or the greatest such volume as of a specified date), and usually expressed in terms of millions of gallons per day.
- 1.70 Peak Monthly P Loading. "Peak Monthly P Loading" means the greatest total amount of P contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any consecutive 30-day period (or the greatest such amount as of a specified date), and usually expressed in terms of pounds per day.
- 1.71 Peak Monthly TSS Loading. "Peak Monthly TSS Loading" means the greatest total amount of TSS contained in the Wastewater generated by or within the Designated SSR Territory of a SSR Party and discharged to the Sewer Service Facilities of the Racine Utility or to any sewer or any other sewerage facility that is tributary to the Racine Wastewater Treatment Facility (but excluding Hauled Wastewater discharged at the Wastewater Treatment Facility with the consent of the Racine Utility) during any consecutive 30-day period (or the greatest such amount as of a specified date), and usually expressed in terms of pounds per day.
- 1.72 Person. "Person" means any individual, corporation, partnership, limited liability company, limited liability partnership, joint venture, municipality, governmental subdivision, agency, state, nation, or any other entity, including, but not limited to, association, commission or any interstate body, and including any officer or governing or managing body of any such entity.
- 1.73 Pollutant. "Pollutant" means any dredged spoil, solid waste, incinerator residue, Sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt, or industrial, municipal, or agricultural waste, or certain characteristics of wastewater (e.g. pH, temperature, TSS, turbidity, color, BOD, COD, toxicity or odor).
- 1.74 Pretreatment. "Pretreatment" means the reduction of the amount of Pollutants, the elimination of Pollutants, or the alteration of the nature of the properties of Pollutants in Wastewater to a less harmful state prior to or in lieu of discharging or otherwise introducing such Pollutants into the Wastewater Treatment Facility

of the Racine Utility, directly or indirectly. Such elimination, reduction or alteration can be obtained by physical, chemical or biological processes, or process changes or by other means, except as prohibited by 40 CFR, part 403.6(d), as amended, supplemented or recreated from time to time.

- 1.75 Pretreatment Requirement. "Pretreatment Requirement" means any federal, state or local requirement related to Pretreatment, other than a Categorical Pretreatment Standard, which is imposed on an Industrial User.
- 1.76 Pretreatment Standard. "Pretreatment Standard" means prohibited discharge standards, Categorical Pretreatment Standards, and local limits.
- 1.77 Process Wastewater. "Process Wastewater" means any Wastewater, other than Domestic Sewage and Infiltration and Inflow, discharged to any sewerage system.
- 1.78 Prohibited Discharge. "Prohibited Discharge" means any discharge as delineated in Subsection 98-151(a) of the Racine Sewer Ordinances, as amended, supplemented or recreated from time to time.
- 1.79 PSC. "PSC" means Wisconsin Public Service Commission or any successor agency having regulatory review authority over the Racine Utility, the Wastewater Commission and/or the other Parties with respect to Sewer Service rates, rules and practices.
- 1.80 Racine Sewer Ordinances. "Racine Sewer Ordinances" means Articles I, II and IV of Chapter 98 of the Racine Code of Ordinances, as they may be amended, supplemented or recreated from time to time.
- 1.81 Racine Utility. "Racine Utility" means the Racine Wastewater Utility, a quasi-independent arm and agent of the Racine city government to which Racine has delegated the operation, maintenance and improvement of the Sewer Service Facilities, the provision of Sewer Service and related matters pursuant to and in accordance with the Racine Sewer Ordinances and this Agreement, and the governing body of which is the Wastewater Commission.
- 1.82 Related Parties. "Related Parties" means Parties that are related to one another and serve essential Party functions relating to the provision or receipt of Sewer Service under this Agreement (those of SSP Party, SSR Party, OAE Party and RSP Party) with respect to a particular geographic area. In a few instances this Agreement expressly recognizes a potential or actual cross-municipal-boundary Related SSR Party relationship, where a Party or Anticipated Party is expected to have little or no future development that will be provided with Sewer Service pursuant to this Agreement and where such Party or Anticipated Party already receives Sewer Service by means by an integrated arrangements with a SSR Party or Anticipated Party, i.e. North Bay – Racine, Elmwood Park – Racine, Wind Point – North Park District and Somers – Mt. Pleasant.

- 1.83 Replacement. "Replacement" means obtaining and installing equipment, accessories or appurtenances or making other improvements to the Sewer Service Facilities which are necessary during the useful life of such facilities to maintain the capacity and/or performance for which such facilities were designed and constructed. "Replacement" may involve Capital Costs for facilities which are recovered through Sewer Service rates and thus are treated neither as Capital Costs for Upgraded Sewer Service Facilities nor as Capital Costs for Expanded Sewer Service Facilities under this Agreement.
- 1.84 Required Unplanned Expanded Sewer Service Facilities. "Required Unplanned Expanded Sewer Service Facilities" means Unplanned Expanded Sewer Service Facilities that are required by state or federal statute, regulation, permit, judgment or order, or that are reasonably necessary to protect the Sewer Service Facilities from significant harm or damage, or to prevent backing up of Wastewater in basements.
- 1.85 Residential User. "Residential User" means a premises used only for human residency which discharges Wastewater to the Sewer Service Facilities of the Racine Utility.
- 1.86 Revenue Sharing Payments. "Revenue Sharing Payments" are payments made by a RSP Party in accordance with this Agreement, pursuant to Wis. Stat. § 66.0305, to share the benefits of development within the boundaries of the RSP Party.
- 1.87 ROI. "ROI" means return on investment.
- 1.88 RSP Party. "RSP Party" means a Party that has or may have Revenue Sharing Payment obligations pursuant to this Agreement.
- 1.89 SCADA System. "SCADA System" means supervisory control and data acquisition system.
- 1.90 Septic Tank Waste. "Septic Tank Waste" means any Sewage from holding tanks such as vessels, chemical toilets, campers, trailers and from septic tanks or other on-site systems to treat or dispose of Sewage.
- 1.91 Sewage. "Sewage" means human excrement and gray water (household showers, dishwashing operations, etc.).
- 1.92 Sewer Extension. "Sewer Extension" means the installation of a public sanitary sewer, or of a privately owned sanitary sewer serving two or more buildings, or the extension of either, for the purpose of providing additional capacity for new development within the existing or proposed tributary area of such sewer or extension. Alterations or modifications of previously existing sewerage structures designed to replace inadequate existing structures, or installed because of inadequate hydraulic sewer capacity, which do not extend Sewer Service to previously unserved areas, are not Sewer Extensions.

- 1.93 Sewer Service. "Sewer Service" means public sanitary sewer service provided by Racine through its Racine Utility and the Wastewater Commission to Racine, the Outlying Parties and other local governmental entities through use of the Sewer Service Facilities pursuant to this Agreement.
- 1.94 Sewer Service Area. "Sewer Service Area" means the geographical area within which Racine, the Racine Utility and/or the Wastewater Commission is authorized to provide Sewer Service by the DNR, as such area may be amended from time to time.
- 1.95 Sewer Service Facilities. "Sewer Service Facilities" means the 2001 Sewer Service Facilities of the Racine Utility, as they may be upgraded, expanded, or otherwise modified or improved from time to time pursuant to this Agreement. (As used in this Agreement, "Sewer Service Facilities" are mutually exclusive of "Collection Facilities".)
- 1.96 Shall. "Shall" means that the action referred to is mandatory. When coupled with "no" or "not" (e.g. "no Party shall" or "a Party shall not"), "shall" means that the action referred to is prohibited.
- 1.97 Side Contracts. "Side Contracts" means agreements entered into or amended after the Effective Date of this Agreement by and between the Wastewater Commission and other Parties or Anticipated Parties (or agreements entered into prior to the Effective Date of this Agreement by and between the Racine Utility or Racine and other Parties, Anticipated Parties or other Persons) pursuant to which the Racine Utility provides OMR services or other services with respect to the Collection Facilities of such Parties or Anticipated Parties, or with respect to the provision of sewerage services by such Parties or Anticipated Parties to their own retail sewerage services customers (or, in the case of agreements entered into prior to the Effective Date of this Agreement, pursuant to which the Racine Utility provides Hauled Wastewater acceptance services to Persons other than Parties or Anticipated Parties), or pursuant to which the Racine Utility or Racine or the Wastewater Commission receives Wastewater conveyance or other sewerage services from other Parties or Anticipated Parties.
- 1.98 Significant User. "Significant User" means a User subject to Categorical Pretreatment Standards; or a User that (1) discharges an average of 25,000 gallons per day or more of Process Wastewater to the Racine Utility's Wastewater Treatment Facility (excluding segregated Domestic Sewage, noncontact cooling water and boiler blowdown wastewater); or (2) contributes a process waste stream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the Wastewater Treatment Facility; or (3) has a reasonable potential for adversely affecting the Wastewater Treatment Facility or for violating any Pretreatment Standard or requirement.
- 1.99 Slug. "Slug" means any discharge at a flow rate or concentration which could cause a violation of the prohibited discharge standards in Section 98-151 of the

Racine Sewer Ordinances, as amended, supplemented or recreated from time to time.

- 1.100 SSP Party. "SSP Party" means a "Sewer Service provider Party", a Party that provides Sewer Service pursuant to and in accordance with this Agreement.
- 1.101 SSR Party. "SSR Party" means a "Sewer Service recipient Party", a Party that receives (or whose constituents receive) Sewer Service from the Racine Utility pursuant to and in accordance with this Agreement and which is obligated to pay for such services in accordance with this Agreement.
- 1.102 Standard Transfer Unit. "Standard Transfer Unit" of Treatment Capacity Allocation means a unit of Treatment Capacity Allocation, which can be transferred to another Party and which consists of 1,000 gallons per day of Average Daily Flow with the following associated flow and loading characteristics: 1,360 gallons per day of Peak Monthly Flow, 4,776 gallons per day of Peak Daily Flow, 6,694 gallons per day of Peak Hourly Flow, 0.877 pounds per day of Average Daily BOD Loading, 1.053 pounds per day of Peak Monthly BOD Loading, 1.083 pounds per day of Average Daily TSS Loading, 1.419 pounds per day of Peak Monthly TSS Loading, 0.026 pounds per day of Average Daily P Loading, and 0.033 pounds per day of Peak Monthly P Loading.
- 1.103 Stormwater. "Stormwater" means any flow occurring during or following any form of natural precipitation and resulting therefrom.
- 1.104 Successor. "Successor" (to a Party) means any city, village, town, sanitary district, sewer utility district, or any other similar local governmental entity that can appropriately function as a SSP Party, a SSR Party, an OAE Party or a RSP Party under this Agreement, which is created by any of the Parties, or which results from the incorporation, annexation or other structural reorganization or geographic reconfiguration activity involving any of the Parties, at any time. (As used in this Agreement, "Successor" is mutually exclusive of "New Party".)
- 1.105 TID. "TID" means "tax increment district" as defined in Wis. Stat. § 66.1105.
- 1.106 Total Discharge of Wastewater. "Total Discharge of Wastewater" (or any variation thereof) means all Wastewater discharged by a Party to the Sewer Service Facilities of the Racine Utility or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility, including all Wastewater Bypassed by such Party other than in accordance with applicable regulations of EPA and DNR, and including all intermingled Wastewater discharged by other Parties or Anticipated Parties. With respect to Allocated Conveyance Capacity, Total Discharge of Wastewater may be limited to Wastewater discharged to a particular Interceptor upstream of a particular metering station. (See definitions of "Wastewater Discharged to the Sewer Service Facilities" and "Net Discharge of Wastewater".)

- 1.107 Toxic Pollutant. "Toxic Pollutant" means any Pollutant or combination of Pollutants listed as toxic in regulations promulgated by the EPA under the provisions of Section 307(a) of the Act or other acts, as amended, supplemented or recreated from time to time.
- 1.108 Transition Period. "Transition Period" means the period between the Effective Date of this Agreement to the completion of the First Group of Improvements.
- 1.109 Treatment Capacity Allocation. "Treatment Capacity Allocation" (or "Allocated Treatment Capacity") means the right of a Party, pursuant to and in accordance with this Agreement, to discharge Wastewater to the Wastewater Treatment Facility or to a sewer or other sewerage facility which is tributary to such Treatment Facility, up to but not in excess of a maximum prescribed rate which is quantified and expressed in terms of millions of gallons per day of Average Daily Flow, and which right is subject to certain specified limitations on Peak Hourly Flow, Peak Daily Flow, Peak Monthly flow and certain maximum Pollutant loading levels, all as set forth in this Agreement.
- 1.110 Treatment Facility. See definition for "Wastewater Treatment Facility", below.
- 1.111 TSS. "TSS" means "total suspended solids", which is the total suspended matter that either floats on the surface of, or is in suspension in water, Wastewater, or other liquids and is removable by laboratory filtration as prescribed in the most recent edition of Standard Methods for the Examination of Water and Wastewater.
- 1.112 2001 Sewer Service Facilities. "2001 Sewer Service Facilities" means the Wastewater Treatment Facility, the Wastewater interceptors and the Wastewater pumping, storage, drying and related sewerage facilities listed on Exhibit A to this Agreement, which are owned and operated by Racine through its Racine Utility and the Wastewater Commission as of the Effective Date of this Agreement for the purpose of providing Sewer Service to the Parties and other local governmental entities pursuant to this Agreement, and which are operated, maintained, replaced, improved and accounted for separately from the Collection Facilities of Racine, or any of the other Parties or of any other local governmental entities receiving Sewer Service from Racine.
- 1.113 2001 Sewer Service Area. "2001 Sewer Service area" means the Sewer Service Area as it exists on the Effective Date of this Agreement.
- 1.114 Unplanned Sewer Service Facilities. "Unplanned Sewer Service Facilities" means any improvements to the Sewer Service Facilities that are not included in the First Group of Improvements.
- 1.115 Upgraded Sewer Service Facilities. "Upgraded Sewer Service Facilities" means any new or improved Sewer Service Facilities, the provision of which results in a Capital Cost, and which do not result in (or those portions of which do not result in) an increase in expanded Allocated Treatment Capacity or expanded Allocated

Conveyance Capacity in the Sewage Treatment Facilities, and which are reasonably necessary or desirable to comply with this Agreement and All Applicable Laws or to provide high quality, reliable and environmentally acceptable Sewer Service to the Parties.

- 1.116 Upset. “Upset” means an exceptional incident in which a discharger is unintentionally and temporarily in a state of noncompliance with the allocated capacity limitations set out in Sections 5.1 and 5.2 of this Agreement due to factors beyond the reasonable control of the discharger, but excluding noncompliance to the extent caused by operational error, improperly designed facilities, inadequate facilities, lack of preventive maintenance, or careless or improper operation of facilities.
- 1.117 User. “User” means any Person who discharges, or causes or permits the discharge of Wastewater to the Sewer Service Facilities or to any sewer or other sewerage facility that is tributary to the Racine Wastewater Treatment Facility.
- 1.118 Wastewater. “Wastewater” means the combination of the liquid and water-carried wastes from residences, buildings, industrial establishments, institutions, manufacturing plants, processing plants, commercial establishments, or other places in which such wastes are produced, together with such ground, surface, storm or other water as may be present.
- 1.119 Wastewater Commission. “Wastewater Commission” or “Commission” means the Racine Wastewater Utility Commission, an intergovernmental commission established by this Agreement pursuant to Wis. Stat. § 66.0301 to serve as the governing body of the Racine Utility and to administer this Agreement.
- 1.120 Wastewater Discharged To The Sewer Service Facilities. “Wastewater Discharged to the Sewer Service Facilities” (or any variation thereof) means Wastewater discharged directly to the Sewer Service Facilities or to any sewer or other sewerage facility that is tributary to the Wastewater Treatment Facility, including without limitation, Wastewater Bypassed by a Party but counted against such Party pursuant to this Agreement for purposes of capacity limitations and/or sewerage service charges (i.e., a Bypass not authorized by DNR and/or EPA regulation). (See definitions of “Total Discharge of Wastewater” and “Net Discharge of Wastewater”.)
- 1.121 Wastewater Treatment Facility. “Wastewater Treatment Facility” (or “Treatment Facility”) means the structures, equipment and processes used by the Racine Utility to treat Wastewater and dispose of the effluent and accumulated residual solids.
- 1.122 WPDES Permit. “WPDES Permit” means Wisconsin Pollutant Discharge Elimination System Permit.

II. PARTIES

2.1 Classification of Parties By Essential Function.

Each Party to this Agreement shall be classified in terms of each of the following essential function(s) that it performs under this Agreement: (1) SSP Party; (2) SSR Party; (3) OAE Party; and (4) RSP Party.

Except as otherwise specifically provided in this Agreement, each Party that is a city, village or town shall be and shall fulfill the functions of SSR Party, OAE Party and RSP Party, within and for the appropriate Designated Territory relating to each such function. Each Party that is a sanitary district shall be and shall fulfill the functions of SSR Party and OAE Party, respectively, within and for its appropriately Designated Territory relating to each such function (except that such a Party may adopt and enforce rules rather than ordinances in fulfilling its function as an OAE Party). (In a situation where a sanitary district and a town occupy the same territory, both shall be an OAE Party for such territory.) Racine may delegate its SSP functions (but not its obligation to fulfill such functions) to its agent, the Racine Utility, and to its agent, the Wastewater Commission (the governing body of the Racine Utility), which shall serve as an Adjunct SSP Party. Each Party that is a city, village or town may delegate its SSR Party operational and administrative functions (but not its obligation to fulfill such functions) to one or more duly established sewer utility districts, which shall serve as Adjunct SSR Parties. With respect to any such delegation not specifically and expressly recognized in Sections 2.4 or 2.7 of this Agreement, or with respect to any change in such a delegation, the Party making or changing such delegation shall notify the Wastewater Commission of such proposed delegation or change of delegation in writing at the earliest practicable date, and of the accomplished delegation or change of delegation as soon as possible after it occurs. The Wastewater Commission shall then take such actions as are appropriate to modify the Agreement pursuant to and in accordance with Sections 2.6 - 2.7 or Subsections 2.8o - 2.8p of this Agreement.

The anticipated classification(s) of the following Anticipated Parties, which are subject to confirmation and correction, if necessary, in Section 2.4 of this Agreement (for an Initial Party) or in Section 2.7 (for a New Party or Successor), are as follows:

a. Wastewater Commission: Adjunct SSP Party (agent of Racine), administrator of this Agreement and governing body of the Racine Utility;

b. Racine: SSP Party (through the Racine Utility, and its governing body, the Wastewater Commission, Racine's agents), SSR Party (with respect to territory in Racine, and with respect to territory in North Bay and Elmwood Park, respectively, if North Bay and/or Elmwood Park are Parties), OAE Party, RSP Party;

c. Mt. Pleasant: SSR Party (with respect to territory in Mt. Pleasant, and with respect to territory in Somers if Somers is a Party), OAE Party, RSP Party;

d. Mt. Pleasant No. 1: Adjunct SSR Party (agent of Mt. Pleasant);

e. Caledonia: SSR Party (with respect to Caledonia territory outside of the North Park District, the Crestview District, and the Caddy Vista District served by Milwaukee Metropolitan Sewerage District), OAE Party, RSP Party;

f. Caledonia No. 1: Adjunct SSR Party (agent of Caledonia);

g. Crestview District: SSR Party and OAE Party (with respect to the Crestview District territory in Caledonia if Caledonia is a Party);

h. North Park District: SSR Party and OAE Party (with respect to the North Park District territory in Caledonia and Wind Point, respectively, if Caledonia and/or Wind Point are Parties);

i. Sturtevant: SSR Party, OAE Party, RSP Party;

j. Sturtevant Utility: Adjunct SSR Party (agent of Sturtevant);

k. Elmwood Park: OAE Party, RSP Party;

l. Wind Point: OAE Party, RSP Party;

m. North Bay: OAE Party, RSP Party;

n. Yorkville: SSR Party, OAE Party, RSP Party;

o. Yorkville No. 1: Adjunct SSR Party (agent of Yorkville);

p. Raymond: SSR Party, OAE Party, RSP Party;

q. Raymond Heights District: SSR Party and OAE Party (with respect to territory in Raymond if Raymond is a Party);

r. Somers: OAE Party, RSP Party;

2.2 Functional Requirements for Parties; Limitations on the Rights of Parties that Fail to Satisfy Functional Requirements.

Each Party (except the Wastewater Commission), by itself or in conjunction with one or more Related Parties, shall serve as and be legally and practically capable of performing the functions of SSR Party, OAE Party and RSP Party within and for all of its or their Designated Territory in accordance with this Agreement. Notwithstanding any other provision of this Agreement, no Anticipated Party joining this Agreement, except the Wastewater Commission shall be deemed to be a Party or have any right to any of the benefits of this

Agreement until such time as it, either by itself or in conjunction with one or more Related Parties, is legally authorized and capable of performing its or their functions as SSR Party, OAE Party and RSP Party for all of its or their Designated Territory (e.g., a sanitary district joining the Agreement shall not be deemed to be a Party until such time as the town occupying the same territory has joined the Agreement.) Notwithstanding any other provision of this Agreement, no Party (except the Wastewater Commission), or group of Related Parties, that becomes incapable of performing the functions of SSR Party, OAE Party and RSP Party for all of its or their Designated Territory shall thereafter receive any initial Sewer Service (if it has not already received Sewer Service), or receive any (or any additional) Treatment Capacity Allocation or Conveyance Capacity Allocation, or construct any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or receive any approval for plans for or the construction of any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or make any new connections to any existing sewerage facilities that are tributary to the Wastewater Treatment Facility, unless and until such lack of capability is cured.

2.3 Designated Territory Within Which Parties Perform Each Essential Function.

Except as is otherwise specifically provided in this Section 2.3, each Party to this Agreement shall perform each of its assigned essential functions within and for its Designated Territory with respect to each such function:

- a. SSP Party. The Designated Territory for a SSP Party shall be all of the territory within which Racine is obligated to provide Sewer Service to the SSR Parties by this Agreement, provided that such territory is within the Sewer Service Area.
- b. SSR Party. The Designated Territory for a SSR Party shall be all of the territory over which such SSR Party has jurisdiction to provide sewerage services, to the extent that Racine is obligated to provide Sewer Service to such territory by this Agreement, and provided that such territory is within the Sewer Service Area; provided, however, that a town SSR Party's Designated Territory shall not include the Designated Territory of a Related SSR Party that is a town sanitary district or the territory of a sanitary district that is not a Party.
- c. OAE Party. The Designated Territory for an OAE Party shall be all of the territory over which such OAE Party has jurisdiction to enact and enforce Wastewater and sewer-related ordinances (or Wastewater and sewer-related rules, in the case of SSR Parties that are town sanitary districts), to the extent that Racine is obligated to provide Sewer Service to such territory by this Agreement, and provided that such territory is within the Sewer Service Area; provided, however, that a town OAE Party's Designated Territory shall not include the Designated Territory of a Related OAE Party that is a town sanitary district.
- d. RSP Party. Except as is otherwise specifically provided in this Subsection 2.3d, the Designated Territory for a RSP Party shall be all of the territory within which a city, village or town RSP Party has taxing jurisdiction, any part of which is receiving Sewer Service pursuant to this Agreement or to any part of which Racine is obligated to provide Sewer Service

by this Agreement; provided, however that the Designated RSP Territory associated with Somers, Yorkville or Raymond, or the Designated RSP Territory associated with any Party not among the Anticipated Parties identified or described in Section 2.1, above, and whose territory lies outside of the 1998 Facilities Planning Area, shall be that portion of the city, village or town to which Racine is obligated to provide Sewer Service pursuant to this Agreement and which is within the Sewer Service Area.

2.4 Initial Parties.

The Anticipated Parties which duly approve and sign this Agreement before or within 120 days after the Effective Date of this Agreement, and which satisfy the requirements of Section 2.2 of this Agreement, shall automatically become Initial Parties. The functional classifications of the Initial Parties shall be as set out in Section 2.1 of this Agreement, and the allocated capacity of the Initial Parties shall be as set out in Exhibit E. The Initial Parties to this Agreement and the functional classifications of each such Party, the Designated Territory of each such Party with respect to each of its functional classifications, the amount of Allocated Treatment Capacity which each such Party is entitled to use and/or transfer and for which such Party is obligated to pay, the amount of Allocated Conveyance Capacity which each such Party is entitled to use and/or transfer and for which such Party is obligated to pay, the notice addressee(s) of each such Party, and any other requirement or information relating to each such Party which the Wastewater Commission determines, from time to time, will facilitate the smooth and efficient administration of this Agreement for the mutual benefit of the Parties, are as set forth on the attached Exhibits E, E1, E2, etc. (one per Initial Party) and Exhibit F, which are incorporated by reference.

2.5 New Parties Joining This Agreement.

a. Adding New Parties. The Wastewater Commission shall have administrative authority to recognize, process, approve and add as a New Party to this Agreement any of the Anticipated Parties, in accordance with the requirements of this Section 2.5, upon satisfaction of each of the following conditions precedent that is applicable:

(1) The proposed New Party (and any Related Party required to satisfy Section 2.2, above) has duly approved and executed this Agreement, which shall include inserts to Sections 2.7 and 5.1 (and to Section 5.2 or other sections, as appropriate) of this Agreement approved by the Wastewater Commission with respect to such New Party's functional classification(s), its Designated Territory with respect to each of its functional classifications, the amount of Allocated Treatment Capacity which such New Party is entitled to use and/or transfer and for which such New Party is obligated to pay (and whether such capacity is to be transferred from an existing Party or newly created through an expansion of the Sewer Service Facilities), the amount of Allocated Conveyance Capacity which such New Party is entitled to use and/or transfer and for which such New Party is obligated to pay (and whether such capacity is to be transferred from an existing Party or newly created through Expanded Sewer Service Facilities), its notice addressee(s), any requirements imposed on such New Party pursuant to Subsection 2.5a(4) of this Agreement, and any other requirements or information relating to such New Party which the

Wastewater Commission determines, from time to time, will facilitate the smooth and efficient administration of the Agreement for the mutual benefit of all of the Parties.

(2) Any proposed New SSR Party has made all necessary arrangements with any Party or any other local governmental entity receiving Sewer Service from the Racine Utility for the conveyance of its Wastewater to the Sewer Service Facilities.

(3) Any proposed New Party joining the Agreement more than 120 days after the Effective Date of this Agreement has agreed to reimburse the Racine Utility, within 60 days of receiving an invoice, for any costs incurred by the Racine Utility or the Wastewater Commission in connection with such potential New Party becoming a Party, including without limitation, the costs of any facilities planning or engineering, legal or other expert consulting services, or any substantial administrative services of the Racine Utility or the Wastewater Commission (or such potential New Party's fair share of such costs) required to provide Sewer Service to it, which payments shall be credited to OMR, and such proposed New Party is not in default of such reimbursement obligation.

(4) The proposed New Party has agreed to take or refrain from taking any actions that may be reasonably required to protect the Sewer Service Facilities, or to prevent such New Party from exceeding its Treatment Capacity Allocation or Conveyance Capacity Allocation or any related limitations.

(5) Any proposed New OAE Party has adopted the sewer ordinance provisions required by this Agreement; provided, however, that such ordinance provisions can be made contingent upon this Agreement becoming effective as to such Party.

(6) The Wastewater Commission has approved, by the favorable vote of all its members (and the Racine Common Council has approved with respect to any revenue sharing issues), by written resolution, any terms or conditions of providing Sewer Service to any such New Party that are more favorable than the terms and conditions under which similarly situated existing Parties receive Sewer Service under this Agreement.

(7) The Wastewater Commission has duly adopted a resolution formally admitting such New Party to the Agreement.

The Wastewater Commission shall record on dated inserts to the appropriate sections or subsections of this Agreement, approved by it, any modifications to the Agreement resulting from action taken pursuant to this Section 2.5, which shall automatically become part of this Agreement.

b. Provisional Party Status. To facilitate the entry of a New Party into this Agreement, the Wastewater Commission may offer provisional status to a potential New Party, whereby the potential New Party will be reasonably assured of achieving Party status upon satisfaction of all of the foregoing conditions precedent within a three-year period, provided that the Wastewater Commission is satisfied that the potential New Party is reasonably likely to be able to satisfy such conditions in a timely fashion.

c. Notice of Action To Be Considered or Taken. Before taking any action pursuant to this Section 2.5, the Wastewater Commission shall give each of the Parties not less than 40 days prior written notice of the action to be considered, and the basis therefor, and shall review and consider any written comments received from the Parties during such notice period. In the event the Wastewater Commission is considering to voluntarily (without being required by law to do so) provide Sewer Service to a New Party on terms and conditions that are more favorable than the terms and conditions under which similarly situated existing Parties receive Sewer Service under this Agreement, the notice shall specify the proposed more favorable (and other different) terms and conditions in detail, and the notice shall also state whether the Wastewater Commission has received the required approval of the Racine Common Council in accordance with Subsection 2.5a(6) of this Agreement. If the Wastewater Commission fails to take action pursuant to said notice within 90 days of the date of such notice, such notice shall be null and void. The Wastewater Commission shall give prompt written notice of any action taken pursuant to this Section 2.5 to each of the Parties and shall include with such notice a dated copy of any resulting inserts modifying this Agreement.

d. Adding Anticipated Parties as Parties. It is the intent of this Agreement that all of the Anticipated Parties should become Parties and that no Party has any rights under this Agreement that are harmed by the Anticipated Parties becoming Parties, in the absence of some particular unanticipated problem. Thus, for example, no existing Party's rights under this Agreement shall be deemed to be harmed because a New Party joining this Agreement may be able to compete better against such existing Party for future development, or may be in a better position to annex territory from such existing Party, or may be in a better position to prevent its own territory from being annexed by such existing Party.

e. Adding New Parties That Are Not Anticipated Parties. The addition of a New Party to this Agreement that is not an Anticipated Party shall require a written amendment of this Agreement.

2.6 Reorganization or Reconfiguration of Parties.

a. Intent of Section 2.6. The Parties hereby acknowledge that they may need or desire to reorganize or reconfigure themselves from time to time, and that from time to time they may be reorganized or reconfigured as a result of forces beyond their control. Thus, for example, an unincorporated Party may incorporate; or a portion of an unincorporated Party may incorporate; or two Parties may consolidate; or a Party may create a new sanitary district; or a sewer utility district may be dissolved; or a Party may annex a portion of another Party. These and other such actions may result in the creation of Successors, the disappearance of existing Parties, changes in the Designated Territory of Parties, changes in the functions of Parties, changes in the Treatment or Conveyance Capacity Allocations of Parties, changes in the payment obligations of Parties, etc., and may require modifications to this Agreement. The intent of this Section 2.6 is to allow all such reorganization and reconfiguration activities to go forward, while attempting to ensure that modifications to the Agreement rendered necessary by such activities can be made administratively by the Wastewater Commission without the need for an amendment to this Agreement.

b. Notice of Proposed Reorganization or Reconfiguration Activity. Each Party shall notify the Wastewater Commission in writing, as early as possible, of any formally proposed reorganization or reconfiguration activity, of which it has notice or knowledge, that will or may result in a change in the number of the Parties, or the identity of any of the Parties, or a change in any of the information recorded with respect to any Party in Section 2.4 or Section 2.7 of this Agreement, or that will or may require the imposition of special requirements pursuant to Subsection 2.6d of this Agreement.

c. Notice of Accomplished Reorganization or Reconfiguration Activity/Activities to Apportion, Reverse, Overturn or Modify. Each Party involved in or affected by any such proposed reorganization or reconfiguration activity shall notify the Wastewater Commission in writing as soon as possible after the accomplishment and/or effectuation of any such reorganization or reconfiguration activity affecting any Party, and of any subsequent legislative, judicial or administrative activity which seeks to or does reverse, overturn, modify or uphold any such reorganization or reconfiguration or the convening of any apportionment board or subsequent court proceedings.

d. Administrative Authority of the Wastewater Commission.

(1) Following or in connection with any reorganization or reconfiguration of any of the Parties, and in accordance with Subsections 2.8o or 2.8p of this Agreement, the Wastewater Commission shall have administrative authority, without amendment of this Agreement, to recognize as a Party any reorganized or reconfigured Party, or any Successor (including any previously unrecognized Related Party required under Section 2.2, above); and to classify or reclassify appropriately any such reorganized, reconfigured, Successor or Related Party; and to determine or redetermine the Designated Territory with respect to each functional classification of each such Party.

(2) In the event of an apportionment of assets and liabilities under Wis. Stat. § 66.0235, the Wastewater Commission shall not have authority to re-allocate Sewer Service capacity allocated under this Agreement except: (i) upon the agreement of the affected Parties; or (ii) upon the award of an apportionment board or a circuit court making an apportionment. The Wastewater Commission shall have authority to advise any apportionment board or circuit court involved in the statutory apportionment of allocated Sewer Service capacity as a result of any transfer of territory, regarding the facilities planning assumptions and projections underlying the original allocation of capacity in this Agreement, and the process of transferring allocated capacity under this Agreement and the requirements of this Agreement which restrict the use and transfer of allocated capacity. The Wastewater Commission may, but is not required to, participate in the apportionment to protect its interests as they may appear.

(3) The Wastewater Commission may impose on any reorganized, reconfigured, Successor or Related Party, by the favorable vote of three-quarters of the members of the Wastewater Commission, any special requirement reasonably necessary to protect the Sewer Service Facilities, or prevent any such reorganized, reconfigured, Successor or Related Party from exceeding any Treatment Capacity Allocation or Conveyance Capacity Allocation or any related limitations, or to avoid significant harm to the rights of any Party under this

Agreement (interpreted in accordance with the principles set forth in Subsection 2.5d, above, if and to the extent such harm or risk of harm results from the reorganization or reconfiguration in question and to perform any other similar administrative functions for or with respect to any such reorganized, reconfigured, Successor or Related Party necessary to maintain and preserve the Cost Benefit Balance of this Agreement for the mutual benefit of the Parties. The Wastewater Commission shall not have authority under this Section 2.6 to make Sewer Service available to reorganized or reconfigured Parties or Successors on terms and conditions that are more favorable than the terms and conditions under which other similarly situated existing Parties receive Sewer Service under this Agreement.

e. Successor Shall Approve and Sign Agreement/Limitation of Rights. Any Successor to a Party resulting from any reorganization or reconfiguration of one or more existing Parties, and any previously unrecognized Related Party required under Section 2.2 of this Agreement, shall promptly and duly approve and execute this Agreement, including any inserts approved by the Wastewater Commission pursuant to this Section 2.6. Such approval and execution shall not be a condition precedent for this Agreement (including any inserts approved by the Wastewater Utility pursuant to this Section 2.6) to be binding upon any such Successor or Related Party. Any such Successor Related Party which fails or refuses promptly and duly to approve and execute this Agreement, including any inserts approved by the Wastewater Commission or re-allocation by an apportionment board or circuit court pursuant to this Section 2.6, shall be subject to the same limitations of rights as are set out in Section 2.2 of this Agreement until such failure is cured; provided, however, that a Successor may challenge the apportionment of allocated capacity in accordance with its statutory remedies. In the event of a dispute as to the allocated capacity awarded by an apportionment board or circuit court, a Successor or reconfigured Party may execute this Agreement as to so much of the allocated Sewer Service capacity which is not in dispute and contest the remainder through its statutory remedies. To the extent that there is a dispute as to any portion of the Sewer Service capacity allocation of a Successor, the Wastewater Commission is not obligated to act as regards that portion, or as regards other actions flowing from that portion in dispute, until the dispute is finally resolved by the Parties or through statutory remedies.

2.7 Information About New Parties and Successors.

With respect to each New Party, or Successor (including any previously unrecognized Related Party), the Wastewater Commission shall record the following information on a dated insert to this Agreement: the functional classification(s) of such Party, the Designated Territory of such Party with respect to each of its functional classifications, the amount of Allocated Treatment Capacity which such Party is entitled to use and/or transfer and for which such Party is obligated to pay, the amount of Allocated Conveyance Capacity which such Party is entitled to use and/or transfer and for which such Party is obligated to pay, the notice addressee(s) of such Party, any special requirements imposed on such Party or any other items of information required by the Wastewater Commission pursuant to Subsections 2.5a(4) or 2.6d of this Agreement, in the following format:

a. _____

(1) Functional classifications: _____;

(2) Designated SSR, OAE and RSP Party territory: shown on the attached Map E or E, etc., which is incorporated herein by reference;

(3) Allocated Treatment Capacity which the Party is entitled to use and/or transfer and for which the Party is obligated to pay:

_____;

(4) Allocated Conveyance Capacity which the Party is entitled to use and/or transfer and for which the Party is obligated to pay:

_____;

(5) Notice addressee(s): _____

_____;

(6) Special requirements imposed: _____

_____;

(7) Other required information: _____

_____;

[New insert for each New Party. Exhibits for each New Party, sequentially, will be Exhibit E, Exhibit E, etc., and corresponding maps will be Map E, Map E, etc.]

The Wastewater Commission shall promptly notify each Party in writing of the admission to this Agreement of any New Party, or the execution of this Agreement by any Successor (including any previously unrecognized Related Party), and shall attach to such notice a copy of the dated insert required by this Section 2.7, which shall be attached to this Agreement as an exhibit and incorporated herein by reference.

2.8 Wastewater Commission.

a. Creation. The preexisting seven-member Racine Wastewater Commission is hereby converted in accordance with this Section 2.8 to an eleven-member intergovernmental commission pursuant to Wis. Stat. § 66.0301, which shall be known as the Racine Wastewater Commission (the "Wastewater Commission"). Upon this Agreement taking limited effect pursuant to Section 12.22, below, the preexisting Racine Wastewater Commission shall automatically become the intergovernmental Wastewater Commission created by this Agreement. (Cf. Subsection e. below.)

b. Composition. The Wastewater Commission shall consist of seven representatives of Racine, including the Racine Mayor ex officio (with all rights and responsibilities of a regular member) and six representatives appointed by the Racine Mayor and confirmed by the Racine Common Council (two of whom may be Racine elected officials and four of whom shall not be Racine elected officials), and four representatives of Outlying Parties,

one of whom shall be selected by the governing body of Mt. Pleasant, one of whom shall be selected by the governing body of Mt. Pleasant until December 31, 2032 and by the governing body of the SSR Party, other than Racine, that has the largest amount of Allocated Treatment Capacity beginning January 1, 2033, one of whom shall be selected by the governing body of Caledonia, and one of whom shall be selected by the governing body of the SSR Party that has the largest amount of Allocated Treatment Capacity other than Racine, Mt. Pleasant or Caledonia; provided, however, that in the event Caledonia is not an Initial Party, the number of members of the Wastewater Commission shall be reduced by one until such time as Caledonia becomes a Party; and further provided that in the event that no city, village or town other than Racine, Mt. Pleasant or Caledonia is an Initial Party, the number of members of the Wastewater Commission shall be reduced by one until such time as such a city, village or town becomes a Party. In the event of the partial incorporation of Mt. Pleasant or Caledonia, the resulting Successor having the greatest population shall be entitled to the seat(s) on the Wastewater Commission previously held by its predecessor Party.

c. Regular Selection of Members. Not later than the third Tuesday of September 2002, and of each year thereafter, members of the Wastewater Commission shall be selected or appointed as follows for a term beginning on the immediately following October 1: (1) the Racine Mayor shall appoint two members of the Wastewater Commission, who shall be confirmed by the Racine Common Council (and who may be Racine elected officials), each for a one-year term; (2) the Racine Mayor shall appoint one Racine representative, who shall be confirmed by the Racine Common Council (who shall not be a Racine elected official) for a four-year term; (3) the governing body of Mt. Pleasant shall select up to two Mt. Pleasant representatives (who may be Mt. Pleasant elected officials) for a four-year term if and to the extent that the term of either or both of the Mt. Pleasant representatives will have been completed on the following October 1; (provided, however, that in its initial selection of members, Mt. Pleasant may select one representative with a four-year term and one representative with a two-year term); (4) the governing body of Caledonia (if Caledonia is a Party) shall select a Caledonia representative (who may be a Caledonia elected official) for a three-year term if the term of the Caledonia representative will have been completed on the following October 1; and (5) the governing body of the other represented Party shall select a representative (who may be an elected official of that municipality) for a three-year term.

d. Alternate Members. At the same time regular members of the Wastewater Commission are selected or appointed, alternate members shall be selected or appointed as follows: the Racine Mayor shall appoint one first-alternate Racine representative, who may be a Racine elected official, and one second-alternate Racine representative, who shall not be a Racine elected official, each for a one-year term; and the governing body of each of the Outlying Parties which will have a representative on the Wastewater Commission as of the following October 1 shall also select an alternate representative for a one-year term. Alternate members are encouraged to attend all meetings of the Wastewater Commission but shall not vote unless a regular member is from that Party absent.

e. Transition. Upon this Agreement taking limited effect pursuant to Section 12.22 of this Agreement, the then-existing seven members of the new Wastewater Commission shall continue to serve for the balance of their respective terms: the Racine Mayor

for his term in office; two Racine Aldermen, each with a one-year term expiring on October 1, 2002; four Racine residents with four-year terms expiring, respectively, on October 1, 2002, 2003, 2004, and 2005. As soon as practicable after this Agreement becomes fully effective pursuant to Section 12.22, the governing bodies of Mt. Pleasant, Caledonia and Sturtevant shall each select a member of the Wastewater Commission to serve a partial one-year term expiring on October 1, 2002 if they have not already done so; provided, however, that if Caledonia is not an Initial Party, the governing body of Caledonia shall select a member of the Wastewater Commission to serve a partial one-year term expiring on October 1, 2002 as soon as practicable after Caledonia becomes a Party, and further provided that if Sturtevant has not become a Party within 120 days after the Effective Date of this Agreement, the governing body of the first city, village or town to become a Party other than Racine, Mt. Pleasant or Caledonia shall select a member of the Wastewater Commission to serve a partial one-year term expiring on October 1, 2002 as soon as practicable after such city, village or town becomes a Party. Except with respect to approving and signing this Agreement and except in case of emergency, the Wastewater Commission shall not act for 35 days after its creation, or until the members selected by the Parties as of the Effective Date of this Agreement have been qualified, whichever occurs first.

f. Notice of Selection/Qualification of Members. As soon as practicable after the selection or appointment of any regular or alternate member of the Wastewater Commission, the Party whose governing body or mayor is responsible for the selection or appointment shall notify the Wastewater Commission and each of the other Parties in writing of the name, address, telephone number(s), fax and e-mail address, if any, of the member and the length and expiration date of his or her term. Such member shall be deemed duly qualified, following such notice, upon being duly sworn in by the Racine City Clerk and signing an appropriate ethics certificate. Each member of the Wastewater Commission shall serve until his or her successor is duly selected or appointed and qualified .

g. Vacancies/Removal for Cause. In the event that a member's position on the Wastewater Commission becomes vacant, for any reason, the body or official that selected or appointed such member shall promptly select or appoint a new member to fill the unexpired term. If an alternate member becomes a regular member, a new alternate member shall be promptly selected or appointed to fill the unexpired term. The body or official that selects or appoints a regular or alternate member of the Wastewater Commission can remove such member for cause, including but not limited to excessive unexcused absences. Each Party having a representative on the Wastewater Commission shall have discretion to determine appropriate cause for removal.

h. Duties and Powers of the Wastewater Commission. The Wastewater Commission shall have the following duties and powers: (1) to perform the duties and tasks delegated to it by this Agreement, and to administer this Agreement in accordance with its terms, for the mutual benefit of the Parties; (2) to serve as the governing body of the Racine Utility; (3) to perform the Sewer Service obligations of Racine under this Agreement; (4) to provide wholesale Sewer Service to the Outlying SSR Parties, (5) to provide retail sanitary sewerage service to retail customers in Racine and in other municipalities by Side Agreement, in accordance with this Agreement, to the extent applicable, and the Racine Sewer Ordinances; (6) to provide general supervision over the Sewer Service Facilities and the operations of the Racine

Utility, in order to ensure compliance with this Agreement, the Racine Sewer Ordinances and All Applicable Laws; (7) to coordinate its activities with the Racine Water Commission to ensure that the Wastewater Commission and the Water Commission function as integrated parts of the Racine city operations; (8) to prescribe rules of order for the regulation of its meetings, proceedings and deliberations which are not inconsistent with this Agreement or the Racine Sewer Ordinances and to amend, recreate or repeal such rules of order from time to time as it deems proper; (9) to prescribe rules and regulations for the operations of the Sewer Service Facilities and the Racine Utility which are not inconsistent with this Agreement or the Racine Sewer Ordinances; (10) to bill and collect rates and other sewerage service charges; (11) in providing for accounting functions, the Wastewater Commission shall conform to all policies and procedures as set forth by the Racine finance director, from time to time, except to the extent such policies or procedures are inconsistent with this Agreement, and except that the Wastewater Commission is authorized to retain independent audit and accounting services when required; (12) in providing for all legal functions relating to improvements to the Sewer Service Facilities, the Wastewater Commission shall conform to all policies and procedures as set forth by the Racine commissioner of public works with respect to requirements for public works contracts, except to the extent such policies and procedures are inconsistent with this Agreement, and further provided that the Wastewater Commission is authorized to retain independent legal counsel when required; (13) to prescribe rules and regulations for the Racine employees supervised by the Wastewater Commission; (14) in providing personnel functions, the Wastewater Commission shall conform to all policies and procedures as set forth by the Racine director of human resources, to the extent not inconsistent with this Agreement; (15) in providing for discipline or termination of Racine employees working for the Racine Utility, the Wastewater Commission shall conform to all policies and procedures of Racine and the Racine director of human resources, to the extent not inconsistent with this Agreement; (16) to contract for and purchase fuel, supplies and repairs necessary for or incident to the proper operation or maintenance of the Sewer Service Facilities; (17) to enact rules and regulations under which the Parties shall be served, consistent with this Agreement, and subject to the control of the PSC, as provided by law; (18) to contract for, and to purchase, construct, install and provide all improvements to the Sewer Service Facilities in accordance with this Agreement; (19) in concert with the Racine Water Commission, and in conformance with the Racine human resources department policies for filling vacancies, except to the extent such policies are inconsistent with this Agreement, to appoint if a vacancy exists a Wastewater/water manager who shall be the general executive officer of the Racine Wastewater Utility and the Racine Water Utility; (20) so far as practical, and subject to the determination of the Wastewater Commission, there shall be a single administration of the Racine Wastewater and Water Utilities operating under the supervision of the manager of the two Utilities; (21) to oversee the Wastewater/water manager, who shall be the administrative head of the Racine Wastewater and Water Utilities, and who in such capacity shall have charge of and coordinate the work of the Racine Wastewater and Water Utilities, supervise the work of the Racine employees working for the Racine Wastewater and Water Utilities, and report to the Wastewater Commission with respect to Wastewater matters; (22) to approve expenditures beyond the approved budget, subject to Racine Common Council approval; (23) to modify the budget of the Racine Utility within the limits of the budgeted amount of each fund as approved by the Racine Common Council; (24) to establish Sewer Service rates and other sewerage service charges in accordance with this Agreement, subject to approval by the Racine Common Council; (25) to commence civil actions or administrative

proceedings against Parties or other Persons to enforce this Agreement or other agreements provided for in this Agreement, to obtain declaratory judgments regarding this Agreement or other agreements provided for in this Agreement, to collect unpaid charges, to recover damages for the breach of this Agreement or other agreements provided for in this Agreement, to enforce sewer ordinances or otherwise protect the Sewer Service Facilities, or to obtain any other appropriate remedy or relief provided by law; (26) to conduct hearings as may be necessary to determine facts, hear legal arguments or protect the rights of Parties in connection with various decisions or actions it is required to make or take pursuant to this Agreement; (27) to make appropriate use of such consultants, legal counsel or other assistance as may be available from Racine or any of the other Parties; (28) to retain such independent expert consultants or legal counsel as it may require; (29) to enter into and amend such Side Contracts in accordance with this Agreement, subject to Racine Common Council approval; (30) to finance improvements to the Sewer Service Facilities pursuant to Wis. Stat. § 66.0621, or other applicable statutes, subject to Racine Common Council approval; and (31) to exercise all powers necessarily incident to the duties and powers stated above, consistent with this Agreement and All Applicable Laws.

i. Sewer Extensions to Non-Parties. Under no circumstances shall the Wastewater Commission voluntarily (without being required by law to do so) approve any Sewer Extension to serve the territory of any local governmental entity that is a non-Party, or voluntarily (without being required by law to do so) enter into any agreement with any local governmental entity that is a non-Party by which it agrees to approve any Sewer Extension to serve the territory of such non-Party, on terms and conditions that are more favorable than the terms and conditions under which such non-Party would receive Sewer Service under this Agreement if such non-Party were to become a Party, except in strict compliance with the procedures of Section 3.1 of this Agreement.

j. New or Existing Parties/More Favorable Terms and Conditions. Under no circumstances shall the Wastewater Commission voluntarily (without being required by law to do so) agree to provide Sewer Service to a New Party or an Existing Party on terms and conditions that are more favorable than the terms and conditions under which similarly situated existing Parties receive Sewer Service under this Agreement, except in strict compliance with the procedures of Section 2.5 of this Agreement.

k. No Authority/Void Approvals, Agreements. The Wastewater Commission has no authority voluntarily (without being required by law) to approve any Sewer Extension, or voluntarily (without being required by law) to enter into an agreement whereby it agrees to approve any Sewer Extension, to serve the territory of a local governmental entity that is a non-Party, other than in strict compliance with Section 3.1 and Subsection 2.8i of this Agreement. Further, the Wastewater Commission has no authority voluntarily (without being required by law) to enter into any agreement to provide Sewer Service to any New Party other than in strict compliance with Subsection 2.5a(6) and Subsection 2.8j of this Agreement. Any such voluntary approval or agreement by the Wastewater Commission that is made or entered into, other than in strict compliance with Subsections 2.8i or 2.8j, is null and void. Notwithstanding any other provision of this Agreement, any Party shall have the right immediately to commence a civil action seeking to obtain a declaratory judgment that any such unauthorized approval or

agreement is void and invalid and/or seeking to enjoin the construction or use of any resulting Sewer Extension or to enjoin the enforcement of any such agreement.

l. Notice of Lack of Authority/Void Approvals, Agreements. Within 15 days after the Effective Date of this Agreement, the Wastewater Commission shall cause the Racine Utility to give written notice by certified mail, return receipt requested, to the clerk or other appropriate officer of each of the Anticipated Parties that is not a Party to this Agreement summarizing Subsections 2.8k, and 2.8i and 2.8j, and any other subsections of this Agreement referred to therein, so as to avoid any potential future problems with such non-Parties relating to the apparent authority of the Wastewater Commission.

m. Racine Shall Not Dissolve. During the term of this Agreement, Racine shall not dissolve the Wastewater Commission or the Racine Utility or take any actions not contemplated by this Agreement which adversely and materially affect the ability of the Wastewater Commission to perform its duties and exercise its authority under this Agreement effectively and efficiently.

n. Relationship of Wastewater Commission and Racine. The Wastewater Commission is an intergovernmental commission established by this Agreement pursuant to Wis. Stat. § 66.0301 to administer this Agreement and to manage and supervise the operation and maintenance of the Sewer Service Facilities, which are owned by Racine but which the Outlying Parties have the right to use by virtue of the Treatment and Conveyance Capacity Allocations created by this Agreement, and the operations of the Racine Wastewater Utility, which is a quasi-independent division of the Racine city government. The Parties acknowledge that Racine has discretion to exercise its police power to protect the public health, safety and welfare, and further that Racine has final authority: (1) to adopt and enforce ordinances required by law or to protect the Sewer Service Facilities; (2) to approve the annual budget of the Racine Utility, provided that the budget is prepared and processed in accordance with this Agreement; (3) to approve the Sewer Service rates and other sewerage service charges of the Racine Utility, provided that they are established in accordance with this Agreement; (4) to approve amendments to the approved budget of the Racine Utility; (5) to approve new or amended Side Contracts, provided that they are entered into and processed in accordance with this Agreement; (6) to approve the financing by Racine or the Wastewater Commission of improvements to the Sewer Service Facilities intended to serve Parties other than Racine; (7) to acquire and hold title to land or interests in real property associated with the Sewer Service Facilities; (8) to approve Sewer Extensions (or agreements providing for Sewer Extensions) to serve the territory of local governmental entities that are non-Parties in accordance with Subsection 2.8i of this Agreement; and (9) to approve agreements to provide Sewer Service to New Parties on more favorable terms and conditions in accordance with Subsection 2.8j, above; (10) to recommend the exercise of powers of eminent domain by the Racine Common Council; and (11) to recommend to the Racine Common Council amendments of the Racine Sewer Ordinances consistent with this Agreement. It is the intent and requirement of this Agreement that the Wastewater Commission shall act fairly, reasonably and even-handedly with respect to each of the Parties in carrying out its duties and exercising its authority under this Agreement, and that Racine shall not, subject to the proper exercise of its police power, exercise its powers over or with respect to the Wastewater Commission, the Racine Utility or the Sewer Service Facilities, to change or subvert

the carefully drawn Cost-Benefit Balance of this Agreement. In the event that the Racine Common Council does alter the Cost Benefit Balance of this Agreement, such action shall be treated as a Material Change of Circumstances under Subsection 2.8p or Section 12.7 of this Agreement.

o. Ministerial Modifications of This Agreement.

(1) The Wastewater Commission shall have administrative authority, ministerially, without amendment of this Agreement, and in close consultation with the affected Parties, to update and correct the information regarding any Party which is set out in Sections 2.4 or 2.7 of this Agreement and/or in exhibits or maps referenced in those sections, and to approve dated inserts to this Agreement containing such updated or corrected information, provided that the updated or corrected information is not in dispute and that the change of such information does not adversely affect the rights of any of the other Parties under this Agreement (interpreted in accordance with the principles set forth in Subsection 2.5d, above).

(2) The Wastewater Commission shall promptly notify each Party in writing of any such changes or corrections and shall include with such notice a dated copy of the insert to the Agreement prepared pursuant to this Subsection 2.8o. In the event that any Party objects to any such change or correction by written notice to the Wastewater Commission and any affected Parties and states the basis for its objection, within 15 days after the Wastewater Commission's notice, the Wastewater Commission shall consider the objection of the objecting Party, and any rebuttal comments made by written notice of any affected Party within 15 days after the objection notice, and shall proceed as though it were acting pursuant to Subsection 2.8p, below.

p. Modify Agreement To Cure Changes of Circumstances Without Altering The Cost Benefit Balance of This Agreement. The Wastewater Commission shall have administrative authority, in close consultation with the affected Parties, to modify this Agreement, without amendment, in order to cure the adverse effects of any change of circumstances; provided, however, in the event of a Material Change of Circumstances the Wastewater Commission shall only act upon the affirmative vote of three-fourths of the members of the Wastewater Commission; and further provided that the Wastewater Commission shall have no authority under this Subsection 2.8p to materially alter the original Cost Benefit Balance agreed to by the Parties in this Agreement. The Wastewater Commission and all of the other Parties shall deal with any Material Change of Circumstances on an expedited basis and shall use their best efforts to resolve any problems as rapidly as possible. The Parties shall hold special meetings as necessary to determine a proposed curative action within 60 days of written notice of a Material Change of Circumstances. If the Wastewater Commission determines within such 60-day period that it is not authorized to take curative action or that it lacks the votes to take curative action, or if the Wastewater Commission fails to determine a proposed curative action within such 60-day period, or if the Wastewater Commission fails to take action within 120 days of such written notice, it shall invoke the procedures of Section 12.7 of the Agreement. When the Wastewater Commission decides to act under this Subsection 2.8p, it shall prepare and approve a written description of the proposed curative action and the basis therefor. Before taking any curative action pursuant to this Subsection 2.8p, the Wastewater Commission shall give not less than 30 days prior written notice to each of the Parties of the proposed curative

action and the basis therefor, and shall consider any written comments received from the Parties during such notice period. The Wastewater Commission shall carefully consider any comments received from the Parties, including any comments on whether the Wastewater Commission is authorized to act under the circumstances. If the Wastewater Commission decides that it is not authorized to take curative action, it shall invoke the procedures of Section 12.7 of this Agreement. The Wastewater Commission shall give prompt written notice to each of the Parties of any action taken or of any decision made pursuant to this Subsection 2.8p and shall include with such notice a dated copy of any resulting inserts modifying this Agreement. Any decision of the Wastewater Commission under this Subsection 2.8p shall be subject to review by a court of competent jurisdiction under the provisions of Section 12.16a.

q. **Racine Utility Staff.** The Manager of the Racine Utility and the other Racine employees working for the Racine Utility shall provide staff assistance to the Wastewater Commission as needed or upon request.

r. **Hearings.** The Wastewater Commission may substitute a hearing, on not less than 40 days prior written notice, for any notice and comment procedure provided for in this Agreement.

III. PROVISION OF SEWER SERVICE

3.1 Provision of Sewer Service to Non-Parties and Provision of Other Contract Services to Parties and Non-Parties.

a. **Continued Sewer Service to Non-Parties/Restrictions.** Racine, through the Racine Utility and the Wastewater Commission, may continue to provide Sewer Service to any of the non-Party Anticipated Parties receiving Sewer Service from the Racine Utility as of the Effective Date of this Agreement, and to any city, village, town, sewerage-related special purpose district or any other similar local governmental entity that is created by such Anticipated Parties, or any of them, or that is created or expanded so as to consist of or include any territory or any such Anticipated Parties that is receiving Sewer Service, from time to time, pursuant to the Racine Sewer Ordinances and All Applicable Laws and/or pursuant to any agreement that may be required by law, on terms and conditions that the Wastewater Commission determines are appropriate and reasonable, subject to the following restrictions: (1) no Party shall be required to subsidize the cost of any portion of the Deficiency Work which should reasonably and fairly be charged to non-Party local governmental entities receiving Sewer Service; (2) such non-Party recipients of Sewer Service shall be charged not less than their pro-rata share of all OMR costs and Deficiency Work costs; (3) the Wastewater Commission shall not voluntarily (without being required by law to do so) approve any Sewer Extension to serve territory of a local governmental entity that is a non-Party, or voluntarily (without being required by law to do so) enter into any agreement with such a non-Party by which it agrees to approve any Sewer Extensions to serve the territory of such a non-Party, on terms and conditions that are more favorable than the terms and conditions under which such non-Party would receive Sewer Service under this Agreement if such non-Party were to become a Party, unless the Wastewater Commission shall have first approved such extension or agreement by the favorable vote of all of

its members, and unless the Racine Common Council shall have first approved any terms of such extension or agreement relating to revenue sharing, by written resolution.

b. Notice of Proposed and Final Action/Sewer Extension to Non-Party or Related Agreement. The Wastewater Commission shall notify each Party in writing not less than 40 days prior to approving any proposed Sewer Extension to serve the territory of a local governmental entity that is a non-Party, or prior to entering into any proposed agreement with such a non-Party by which it agrees to approve any such Sewer Extensions, specifying in detail in such notice the terms and conditions on which such Sewer Service is proposed to be provided, and whether such action is voluntary (not required by law), and if voluntary, whether the Wastewater Commission has received the approval of the Racine Common Council in accordance with Subsection 2.8h and Subsection 3.1a(3) of this Agreement. The Wastewater Commission shall review and consider any written comments received from any of the Parties during the notice period. If the Wastewater Commission fails to take final action on the proposed Sewer Extension or agreement within 90 days after the date of the Wastewater Commission's notice of proposed action under this Subsection 3.1b, such notice shall be null and void. Within 15 days after taking final action, the Wastewater Commission shall notify each of the Parties in writing of its action.

c. Side Contracts Existing on the Effective Date of this Agreement. Racine, through the Racine Utility and the Wastewater Commission, may continue, and may perform, enforce and terminate as appropriate, Side Contracts existing on the Effective Date of this Agreement; provided, however, that the costs of providing or receiving services pursuant to any such Side Contract shall be separately accounted for and shall not be charged to any Party other than the recipient of services provided pursuant to such Side Contract. The Side Contracts existing on the Effective Date of this Agreement are listed and briefly described on the attached Exhibit K, which is incorporated herein by reference.

d. Agreements to Accept Hauled Waste Existing on the Effective Date of this Agreement. Racine, through the Racine Utility and the Wastewater Commission, may continue, and may perform, enforce and terminate as appropriate, agreements with Non-Parties existing on the Effective Date of this Agreement to accept Hauled Wastewater at the Wastewater Treatment Plant.

e. Pretreatment Permits or Agreements With Industrial Users Existing on the Effective Date of this Agreement. Racine, through the Racine Utility and the Wastewater Commission, may continue, and may perform, enforce and terminate as appropriate, pretreatment permits or agreements with individual Industrial Users existing on the Effective Date of this Agreement.

f. New or Amended Side Contracts. The Wastewater Commission may approve and enter into new or amended Side Contracts, provided that it first determines that each such proposed Side Contract significantly benefits one or more of the Parties, does not harm the rights of any of the Parties under this Agreement, and can be appropriately, capably and cost-effectively performed by the Racine Utility; provided, however, that the costs of providing or

receiving services pursuant to any such Side Contract shall be separately accounted for and shall not be charged to any Party other than the recipient of services under such Side Contract.

g. New or Amended Pretreatment Agreements or Permits. Nothing in this Agreement shall be deemed to prohibit or limit the right of the Wastewater Commission to enter into new or amended pretreatment agreements, or to issue new or amended pretreatment permits, and to enforce or terminate such agreements or permits, in accordance with the Racine Sewer Ordinances and All Applicable Law.

h. Acceptance of Hauled Wastewater. Nothing in this Agreement shall be deemed to prohibit or limit the Wastewater Commission's right to accept Hauled Wastewater at the Wastewater Treatment Facility, provided that there is unused treatment capacity available to treat such Hauled Wastewater, and further provided that the fees received for the acceptance and treatment of Hauled Wastewater shall be credited to OMR.

i. Notice to Non-Parties regarding Allocated Capacity. Within 15 days after the Effective Date of this Agreement, the Wastewater Commission shall cause the Racine Utility to give written notice to each Anticipated SSR Party that is not yet a Party that Allocated Treatment Capacity and/or Allocated Conveyance Capacity designed to serve its needs may be purchased by Parties and unavailable to it if it fails to join the Agreement within 120 days after the Effective Date of the Agreement.

3.2 Provision of Sewer Service to SSR Parties During the Transition Period.

a. Sewer Service/Temporary Potential Limitations. During the Transition Period, Racine, through the Racine Utility and the Wastewater Commission, shall provide Sewer Service in accordance with this Agreement to each SSR Party within its respective Designated SSR Territory, to the extent such territory is within the Sewer Service Area, and shall approve applications for Sewer Extensions within such territory in accordance with the Racine Sewer Ordinances and to the extent of available and unused Wastewater treatment and conveyance capacity, taking into account the limitations of the 2001 Sewer Service Facilities, any of the 1998 Recommended Improvements that have been completed, the restrictions of Racine's WPDES Permit, All Applicable Laws and proposed EPA or DNR regulations that are pending as of the Effective Date of this Agreement (until adopted or rejected) relating to restrictions on Bypassing. Pending completion of the First Group of Improvements, and subject to the limitations of this Section 3.2, the SSR Parties shall be permitted to "borrow" and make use of the engineering safety margin of treatment capacity remaining in the Wastewater Treatment Facility or incrementally created by the new improvements.

b. Potential Moratorium Authority. The Parties acknowledge, as of the Effective Date of this Agreement, that the Wastewater Treatment Facility has substantial deficiencies in its ability to handle wet weather flows, that the Treatment Facility is currently operating near or above its hydraulic design capacity, and that future development which can connect to already constructed or approved Sewer Extensions could use up any remaining engineering safety margin of Average Daily Flow treatment capacity. During the Transition Period, without

limitation and notwithstanding any other provision of this Agreement, the Wastewater Commission shall, upon a favorable vote of three-quarters of its members, have express authority to impose a temporary moratorium on the approval or processing of additional applications for Sewer Extensions if it finds that such a moratorium is necessary to comply with All Applicable Laws or that Clean Water Fund Financing for the 1998 Recommended Improvements is seriously at risk in the absence of such a moratorium. Further, the Wastewater Commission shall also have authority to impose such a moratorium, upon a favorable vote of three-quarters of its members, if it finds that such a moratorium is prudent to avoid any potential problems with All Applicable Laws or any risk of endangering the availability of Clean Water Fund Financing for the 1998 Recommended Improvements.

c. Preservation of Clean Water Fund Financing. During the Transition Period, the Wastewater Commission and each of the other Parties shall, individually and collectively, take and support such actions as may be necessary to preserve the availability of the Clean Water Fund Financing for use in constructing the First Group of Improvements.

d. Determining the First Group of Improvements.

(1) As rapidly as practicable after the Effective Date of this Agreement, the Wastewater Commission shall determine what portion of the Future Growth Work improvements to construct as part of the First Group of Improvements. Such improvements shall include: (1) those needed to provide the Treatment Capacity Allocations to the Parties, as set out in Sections 5.1 and 5.2 of this Agreement or in related exhibits; and (2) those improvements needed to provide any amount of capacity allocation that the Wastewater Commission duly decides to purchase and bank in accordance with Section 3.2 of this Agreement, up to the amount of the available capacity allocation proposed for non-Party Anticipated Parties on the attached original Exhibits E and F, which are incorporated by reference, that is under final design.

(2) Prior to making a final determination of what portion of the Future Growth Work improvements to construct as part of the First Group of Improvements, the Wastewater Commission shall give each of the Parties not less than 40 days prior written notice of the date of its proposed determination, specifying the amount of potential allocated capacity that is under final design and available for purchase by the SSR Parties. As part of its final determination of what portion of the Future Growth Work Improvements to construct as part of the First Group of Improvements, the Wastewater Commission shall have authority to allocate to itself, as Banked Allocated Capacity, any unallocated potential capacity that is under design, up to a maximum amount of 3.0 million gallons per day of Average Daily Flow.

(3) Promptly after its final determination pursuant to this Subsection 3.2, the Wastewater Commission shall update the information about the Parties' capacity allocations, set out in Sections 2.4 or 2.7 and 5.1 and 5.2 of this Agreement, in accordance with Subsection 2.8o of this Agreement.

e. Completion of Deficiency Work Design/Commencement of Construction. As rapidly as practicable after the Effective Date of this Agreement, the Wastewater Commission shall complete the design of the Deficiency Work improvements, and shall begin construction of

such improvements. In the event that Clean Water Fund Financing is not available for the Deficiency Work improvements, the Wastewater Commission can either proceed with construction of the entirety of the Deficiency Work or can reevaluate whether and on what schedule to proceed with construction of some or all of the Deficiency Work improvements.

f. Completion of Future Growth Work Design/Value Engineering. As rapidly as is practicable after the Effective Date of this Agreement, the Wastewater Commission shall complete the design of the Future Growth Work improvements to be constructed as part of the First Group of Improvements. At an appropriate time, and when the design of such improvements is between 25% and 50% completed, the Wastewater Commission shall cause a value engineering study of such improvements to be performed by a qualified independent value engineering firm in accordance with generally accepted industry standards.

g. Construction of Future Growth Work Improvements. Upon completion of the value engineering study and of the design work on the Future Growth Work improvements to be constructed as part of the First Group of Improvements, and subject to the opt-out rights of the SSR Parties pursuant to Section 6.1 of this Agreement in the event that Clean Water Fund Financing is not available for the Future Growth Facilities or is available in amounts substantially less than required, the Wastewater Commission shall proceed promptly with construction of such improvements.

h. Notice of Clean Water Fund Financing. The Racine Utility shall promptly notify each of the Parties in writing upon determining with certainty whether and to what extent Clean Water Fund Financing will be available for the First Group of Improvements. (In the event that such financing will not be available, or will be available in amounts substantially less than required, see Section 6.1 of this Agreement.)

i. Payment for Deficiency Work/Capital Costs Treatment. The Wastewater Utility shall pay for the Deficiency Work and shall treat the Capital Costs of such Deficiency Work as Existing Capital on which the Wastewater Commission shall be entitled to recover depreciation and ROI as a part of the Sewer Service rates.

j. Payment for Banked Capacity. The Wastewater Commission shall pay in the first instance the Capital Costs of any Banked Allocated Capacity it purchases in the First Group of Improvements. Unless the Wastewater Commission transfers such banked capacity in accordance with Section 5.3 of this Agreement, the Wastewater Commission shall pay the principal and interest costs associated with the Banked Capacity out of the Capital Reserve Account Funds until at least five years after the Effective Date of this Agreement, without putting such costs in the Sewer Service rates of the SSR Parties; thereafter, however, the Wastewater Commission may include such costs in the Sewer Service rates of the SSR Parties.

k. SSR Party Acceptance of Allocated Capacity. Each SSR Party shall be required to accept and pay for the amount of capacity allocation specified for such Party in Sections 5.1 and 5.2 of this Agreement, subject only to the opt-out provisions of Section 6.1 of

this Agreement if Clean Water Funds Financing is not available or is available in amounts substantially less than required.

3.3 Provision of Sewer Service to SSR Parties Generally.

a. Provision of Sewer Service/Approval of Sewer Extensions. After the Transition Period, and throughout the balance of the term of this Agreement, Racine, through the Racine Utility and the Wastewater Commission, shall provide Sewer Service to each SSR Party within its respective Designated SSR Territory, to the extent such territory is within the Sewer Service Area, and shall approve applications for Sewer Extensions within such territory to the extent of available Wastewater treatment and conveyance capacity, in accordance with this Agreement, the limitations of its WPDES Permit, the Racine Sewer Ordinances and All Applicable Laws.

b. Unused, Unallocated Conveyance Capacity.

(1) In addition to the Treatment Capacity Allocations and Conveyance Capacity Allocations made to the Parties in Sections 5.1 and 5.2 of this Agreement, the Wastewater Commission shall make available to the SSR Parties unused Wastewater conveyance capacity in the Sewer Service Facilities where conveyance capacity has not been allocated, for actual use on a first-come-first-served basis, up to the maximum Peak Hourly Flow limitation established in Subsection 3.3b(2), below. Any amount of capacity in such a facility that has been actually used by a SSR Party when not in violation of its Allocated Treatment Capacity flow limitations shall be considered used and unavailable for use by other SSR Parties. Racine warrants that each of the SSR Parties shall have sufficient conveyance capacity available to it in the Sewer Service Facilities, after completion of the Deficiency Work and through the year 2020, to transport to the Wastewater Treatment Facility its original Allocated Treatment Capacity as shown on Exhibit E, in the absence of any changes in the law relating to conveyance capacity or Bypassing, or the creation of any additional Allocated Treatment Capacity affecting the conveyance of facilities in question, or any substantial reconfiguration of SSR Parties or any substantial transfer or apportionment of Allocated Treatment Capacity adversely affecting the conveyance facilities in question. The Wastewater Commission shall take such actions as may be required to protect the interests of the SSR Parties in unallocated conveyance capacity in the event the Agreement is amended to admit an unanticipated SSR Party.

(2) Whenever the total Peak Hourly Flow utilized by the Racine Utility's consultant in the modeling underlying the 1998 Facilities Plan for testing the sufficiency of capacity in any particular conveyance facility, or for any particular segment thereof, actually occurs in such conveyance facility, or in such segment thereof, the Wastewater Commission shall promptly notify all affected Parties in writing that there is no remaining capacity in such facility that is available for use. Thereafter, no further Sewer Extensions or sewer connections tributary to such facility, or to such segment thereof, shall be approved or permitted by any of the Parties until such time as the Wastewater Commission determines and notifies the affected Parties in writing that additional capacity in such facility or in such segment thereof is unused and available for use.

(3) After completion of the Deficiency Work Improvements, the Wastewater Utility shall use reasonable diligence, in accordance with generally accepted industry standards, to give written notice to each affected SSR Party sufficiently in advance of full utilization of the conveyance capacity in any conveyance facility in the Sewer Service Facilities where capacity is not allocated by this Agreement to allow for appropriate planning, design and construction of expanded capacity.

c. Acknowledgment of SSR Parties. The Parties acknowledge and agree, notwithstanding any other provision of this Agreement, that no SSR Party has the right to discharge Wastewater to the Sewer Service Facilities, or to any sewerage facility that is tributary to the Wastewater Treatment Facility, in excess of that Party's Allocated Treatment Capacity, or in excess of its Allocated Conveyance Capacity in specified conveyance facilities where capacity is allocated by this Agreement, or in excess of unused and available conveyance capacity in conveyance Sewer Service Facilities where capacity is not allocated in Section 5.2 of this Agreement, and that no SSR Party has the right to make or permit any Sewer Extensions or sewer connections whose anticipated use will cause a SSR Party to exceed its capacity allocation or exceed the unused and available capacity in any conveyance facility where capacity is not allocated by the Agreement.

d. Provision of Unplanned Sewer Service Facilities. The Wastewater Commission shall provide such Unplanned Sewer Service Facilities as are reasonably needed by the SSR Parties, or to provide high quality, reliable and environmentally acceptable Sewer Service to the SSR Parties, or to comply with All Applicable Laws, in accordance with Sections 3.4-3.7 of this Agreement.

e. Value Engineering Study. In the process of designing any Unplanned Sewer Service Facilities that will cost in excess of \$20 million (such amount to be adjusted annually, promptly after January 1 and on a compounding basis, in accordance with the percentage increase or decrease over the past year, if any, of the Construction Cost Index), the Wastewater Commission shall cause to be prepared, at an appropriate juncture in the design process, a value engineering study of such improvements by a qualified independent value engineering consultant. With respect to any Unplanned Sewer Service Facilities that will cost between \$10 million and \$20 million (such amounts to be adjusted annually in accordance with the foregoing methodology), the Wastewater Commission shall cause the Racine Utility to submit to it a report on the advantages and disadvantages of a value engineering study. The Wastewater Commission shall then determine whether or not to conduct such a study.

f. Additional SSP Party Obligations. The Wastewater Commission shall perform all necessary OMR functions with respect to the Sewer Service Facilities, and shall perform all necessary enforcement functions with respect to this Agreement and the Racine Sewer Ordinances, for the mutual benefit of the Parties, and shall use reasonable diligence, in accordance with generally accepted industry standards, to provide high quality, reliable and environmentally acceptable Sewer Service to the SSR Parties in accordance with this Agreement and All Applicable Laws.

g. SSR Party Acceptance of its Sewer Service Requirements. Each of the SSR Parties shall accept Sewer Service from the Racine Utility to the extent of its requirements within the Sewer Service Area, with the exception that Caledonia shall have the option of obtaining sewer service from a non-Anticipated Party or non-Anticipated Parties for all or parts of the following described area: Those portions of Caledonia (as it existed on December 31, 2001) lying east of the west line of Caledonia (as it existed on December 31, 2001) and north (or west) of a line corresponding to the southern right-of-way line of Six Mile Road (or such line extended) from Lake Michigan on the east to the east right-of-way line of CTH "H" on the west, and the east right-of-way line of CTH "H" from the southern right-of-way line of Six Mile Road on the north to the southern right-of-way line of Five Mile Road on the south, and the southern right-of-way line of Five Mile Road (or such line extended) from the east right-of-way line of CTH "H" on the east to the west line of the Caledonia on the west (all of such right-of-way lines and the Caledonia line as they existed on December 31, 2001), and also including the first tier of lots or parcels immediately adjacent to and south (or east) of such latter line but in no event including any area more than 250 feet south (or east) of such line.

3.4 Provision of Unplanned Upgraded Sewer Service Facilities.

a. Provision of Unplanned Upgraded Sewer Service Facilities. From time to time in the future, the Wastewater Commission may propose, consider, plan for, design, construct and otherwise provide, in accordance with this Agreement and All Applicable Laws, such Unplanned Upgraded Sewer Service Facilities as may be reasonably necessary or desirable to comply with this Agreement and All Applicable Laws or to provide high quality, reliable and environmentally acceptable Sewer Service to the SSR Parties. The Unplanned Upgraded Sewer Service Facilities shall be approved by the Wastewater Commission prior to construction.

b. Notice. The Wastewater Commission shall give each Party not less than 40 days prior written notice before deciding to proceed with either the design or construction of any Unplanned Upgraded Sewer Service Facilities. Each such notice shall describe what the Wastewater Commission proposes to do and why. To the extent practicable, each such notice shall describe the proposed timing of the project, state the estimated total cost of the project, and state what portion of such total cost it estimates will be the responsibility of each SSR Party. The Wastewater Commission shall review and consider any written comments received from any of the Parties within the notice period before making its decision regarding design or construction of the project. The Wastewater Commission shall give each Party not less than 40 days prior written notice before approving any proposed Cost of Service Study or Cost of Service Cost-Based Allocation with respect to any such project. The Wastewater Commission shall give prompt written notice to each Party of any decision it makes regarding the design or construction of any such project, or its approval of any related Cost of Service Study or Cost of Service Cost-Based Allocation.

3.5 Minor Unplanned Upgraded Sewer Service Facilities.

Notwithstanding Section 6.2 of this Agreement, the Wastewater Commission may recover the Capital Costs of Minor Unplanned Upgraded Sewer Service Facilities (totaling less than \$500,000 per budget year, which maximum amount shall be adjusted annually, promptly after January 1 and on a compounding basis, in accordance with the percentage increase or

decrease over the past year, if any, of the Construction Cost Index) through Sewer Service rates. In such situation, the Capital Costs of such upgraded facilities shall be treated like Existing Capital Costs, and the Wastewater Commission shall be entitled to recover depreciation and ROI on such costs as a part of the Sewer Service rates. The Wastewater Commission shall promptly give each of the SSR Parties written notice of any decision to treat Capital Costs as Existing Capital Costs pursuant to this Section 3.5.

3.6 Provision of Unplanned Expanded Sewer Service Facilities.

a. **Provision of Unplanned Expanded Sewer Service Facilities.** The Wastewater Commission may propose, consider, plan for, design, construct and otherwise provide, in accordance with this Agreement and All Applicable Laws, such Unplanned Expanded Sewer Service Facilities as may be reasonably necessary or desirable to comply with this Agreement and All Applicable Laws or to provide high quality, reliable and environmentally acceptable Sewer Service to the SSR Parties. The Unplanned Expanded Sewer Service Facilities shall be approved by the Wastewater Commission prior to construction.

b. **Condition Precedent to Allocation or Required Payment/Exception.** With respect to any such Unplanned Expanded Sewer Service Facilities that are proposed or considered by the Wastewater Commission, a condition precedent to the Wastewater Commission's obligation to provide capacity allocation in any such facilities to a SSR Party, and to the obligation of any such SSR Party to pay its fair proportionate share of the Capital Costs of such facilities (except as is otherwise specifically provided in Section 3.7 of this Agreement with respect to Required Unplanned Sewer Service Facilities), shall be the agreement of such SSR Party to accept a specified amount of capacity in such facilities and to pay its fair proportionate share of the Capital Costs of such facilities in accordance with this Section 3.6.

c. **Banked Allocated Capacity.** The Wastewater Commission may purchase Banked Allocated Capacity in any Unplanned Expanded Sewer Service Facilities. The Capital Costs of any such Banked Allocated Capacity may be included in Sewer Service rates to the SSR Parties; provided, however, that if such costs are put in rates, the Wastewater Commission shall credit the proceeds of any future transfer of such Banked Allocated Capacity to Sewer Service rates in accordance with Section 5.3 of this Agreement.

d. **Cost of Service Cost-Based Allocation.** The Wastewater Commission shall prepare or cause to be prepared an appropriate Cost of Service Cost-Based Allocation relating to the allocation of the costs of any Unplanned Expanded Sewer Service Facilities. Except as is otherwise specifically provided in this Agreement, the cost of such Cost of Service Cost-Based Allocation shall be deemed to be an OMR cost. The Capital Costs of any Unplanned Expanded Sewer Service Facilities shall be allocated to each SSR Party which is financially participating in the provision of such expanded facilities (including the Wastewater Commission, if it is purchasing Banked Allocated Capacity), in proportion to its share of the new expanded capacity, by class of such capacity (e.g. treatment capacity, conveyance capacity, or conveyance capacity at a particular location in a particular Interceptor), which shall be consistent with the specified

amount of capacity of each class which such Party has agreed to accept and pay for pursuant to this Section 3.6.

e. **SSR Party Proposals/Limitations.** Any of the SSR Parties may propose to the Wastewater Commission that it provide Unplanned Expanded Sewer Service Facilities to one or more of the SSR Parties. The Wastewater Commission shall notify each of the Parties in writing not less than 90 days prior to deciding any such request. Each SSR Party may comment on such request by written notice to the Wastewater Commission during the notice period. Notwithstanding any other provision of this Agreement, the Wastewater Commission shall not be obligated at any time to provide Unplanned Expanded Sewer Service Facilities, or to plan for or take any other actions in contemplation of providing such facilities, unless: (1) the need for such expanded facilities is not brought about primarily by the failure of the SSR Party or Parties requesting them reasonably to eliminate or control excessive Infiltration and Inflow; and (2) either 75% of the existing total Allocated Treatment Capacity or 75% of the total Allocated Conveyance Capacity is being utilized, or as a complete alternative to satisfying either of such usage conditions, three-quarters of the members of the Wastewater Commission vote in favor of providing specified Unplanned Expanded Sewer Service Facilities which SSR Parties are desirous of purchasing. If less than three SSR Parties are interested in purchasing substantial new allocated capacity, the Wastewater Commission may charge the facilities planning costs to such Parties.

f. **Notice.** The Wastewater Commission shall give each Party not less than 90 days prior written notice before deciding to proceed with either the design or construction of any Unplanned Expanded Sewer Service Facilities. Each such notice shall describe what the Wastewater Commission proposes to do and why. To the extent practicable, each such notice shall describe the proposed timing of the project, state the estimated total cost of the project, and state what portion of such total cost it estimates will be the responsibility of each SSR Party. The Wastewater Commission shall review and consider any written comments received from any of the Parties within the notice period before making its decision regarding design or construction of the project. The Wastewater Commission shall give each Party not less than 40 days prior written notice before approving any proposed Cost of Service Study or Cost of Service Cost-Based Allocation with respect to any such project. The Wastewater Commission shall give prompt written notice to each Party of any decision it makes regarding the design or construction of any such project, or its approval of any related Cost of Service Study or Cost of Service Cost-Based Allocation. In connection with the provision of any Unplanned Expanded Sewer Service Facilities, the Wastewater Commission shall calculate the adjusted total Allocated Treatment Capacity or Allocated Conveyance Capacity of each class of allocated capacity which is held by each SSR Party (and by the Racine Utility, if applicable), shall prepare and approve a dated insert to this Agreement pursuant to Subsection 2.8n of this Agreement, modifying Sections 2.4, 2.7, 5.1 and 5.2 of this Agreement, as appropriate, and shall notify each Party in writing of the approval of such insert and include a copy of such insert in such notice.

3.7 Capital Costs of Required Unplanned Expanded Sewer Service Facilities To Be Treated Like Those of Unplanned Upgraded Sewer Service Facilities.

The Capital Costs of any Required Unplanned Expanded Sewer Service Facilities may be recovered from the SSR Parties by the Wastewater Commission, at its option, as though

such facilities were Unplanned Upgraded Sewer Service Facilities, in accordance with Section 6.2 of this Agreement. The capacity of any such expanded facilities shall be allocated by the Wastewater Commission pursuant to a Cost of Service Cost-Based Allocation, in accordance with Subsection 3.6d of this Agreement.

3.8 1998 PSC Decision.

Except as otherwise specifically provided in this Agreement, the Wastewater Commission may, but is not required to, continue the practices approved by the PSC in the November 19, 1998 decision in Docket No. 9307-SR-101 and, to the extent that the Wastewater Commission provides maintenance or other services to Racine or any of the other SSR Parties or non-Party Anticipated Parties with respect to their individual Collection Facilities, or provides other services by Side Contract, it shall conform to the requirement of the 1998 PSC Decision that it accurately account for the actual costs involved in providing such services.

3.9 Compliance With Applicable Laws.

Notwithstanding any other provision of this Agreement, all Parties shall comply with, and may take any actions reasonably calculated to comply with, All Applicable Laws, including, without limitation, its WPDES permit and the Wisconsin Administrative Code.

IV. SEWER SERVICE AREA

4.1 Sewer Service Area Expansion.

From and after the date on which the Wastewater Commission notifies the other Parties that the conditions for proceeding with construction of the Future Growth Work improvements included in the First Group of Improvements have been satisfied, in accordance with Section 3.2 of this Agreement, each of the Parties shall use reasonable diligence to obtain, and shall fully support and cooperate with the other Parties in obtaining, all necessary or desirable approvals to accomplish the expansion of the 2001 Sewer Service Area so as to be coextensive with the 1998 Facilities Planning Area, shown on Exhibit J, to the extent of the Designated SSR Territory of the SSR Parties but not including in such expansion the territory of any non-Parties. The Wastewater Commission shall, upon request(s) of a SSR Party, actively support the expansion of the Sewer Service Area coextensive with the Designated SSR Territory of such SSR Party which will be served by the Sewer Service Facilities in accordance with a DNR-approved Facilities Plan, to the extent such Party has purchased capacity pursuant to this Agreement. Upon the written request of any SSR Party, the Racine Utility shall support the approval of a compensatory adjustment in the configuration of the Sewer Service Area with respect to such Party's Designated SSR Territory, provided that the sewerage usage can be accommodated satisfactorily in the conveyance facilities of the Sewer Service Facilities.

4.2 No Sewer Service Outside of the Sewer Service Area.

Except as provided in Section 4.3, below, no Party may provide sanitary sewerage service, making any use of the Sewer Service Facilities, to any property or any portion thereof located outside the Sewer Service Area.

4.3 No Discharge of Hauled Wastewater Except at Treatment Facility.

No Party may discharge, or permit or allow to continue any discharge of Hauled Wastewater to the Sewer Service Facilities or to any sewerage facility that is tributary to the Wastewater Treatment Plant; provided, however, that the Racine Utility may permit the discharge of any Hauled Wastewater at its Wastewater Treatment Facility in accordance with Section 3.1 of this Agreement.

V. CAPACITY ALLOCATION, TRANSFER AND UTILIZATION

5.1 Treatment Capacity Allocations.

In conjunction with construction of the First Group of Improvements to the Sewer Service Facilities, the Initial SSR Parties (and the Wastewater Commission, if it is purchasing Banked Treatment Capacity Allocation) shall receive Treatment Capacity Allocations, subject to the associated flow and loading limits, set out on the attached Exhibits E1, E2, etc., one per Party, which are incorporated by reference. As each New Party joins the Agreement, the Wastewater Commission shall prepare and approve an insert to this Section 5.1 on which is set out the Treatment Capacity Allocation of such New Party, including the associated flow and loading limitations to which it is subject. Such Treatment Capacity Allocations may be modified from time to time in accordance with this Agreement. The only way in which a Party can increase any of its flow or loading limits is to acquire additional Allocated Treatment Capacity; provided, however, that, as of the Effective Date of this Agreement, a relatively small amount of unattached Average Daily BOD Loading (508 pounds), Peak Monthly BOD Loading (610 pounds), Average Daily TSS Loading (1,015 pounds), Peak Monthly TSS Loading (1,330 pounds), Average Daily P Loading (10 pounds) and Peak Monthly P Loading (12 pounds) for future Class II - Industrial User development is available pursuant to Subsection 5.3d of this Agreement.

In return for such Treatment Capacity Allocation, each SSR Party shall timely pay to the Wastewater Commission its proportionate share of the Capital Costs of the total Treatment Capacity Allocation created by construction of the First Group of Improvements, or any subsequent improvements to the Sewer Service Facilities, as applicable, pursuant to a Cost of Service Cost-Based Allocation approved by the Wastewater Commission in accordance with this Agreement.

5.2 Conveyance Capacity Allocations.

In conjunction with construction of the First Group of Improvements to the Sewer Service Facilities, the Initial SSR Parties (and the Wastewater Commission if it is purchasing Banked Conveyance Capacity Allocation) shall receive the Conveyance Capacity Allocations set out on the attached Exhibit E, one per Party, which are incorporated by reference. As each New Party joins the Agreement, the Wastewater Commission shall prepare and approve an insert to this Section 5.2 on which is set out the Conveyance Capacity Allocation of such New Party. Such Conveyance Capacity Allocations may be modified from time to time in accordance with this Agreement.

In return for such Conveyance Capacity Allocation, each SSR Party receiving such an allocation shall timely pay to the Wastewater Commission, its proportionate share of the Capital Costs of the Conveyance Capacity Allocation created by construction of the First Group of Improvements, or any subsequent improvements to the Sewer Service Facilities, as applicable, pursuant to a Cost of Service Cost-Based Allocation approved by the Wastewater Commission in accordance with this Agreement.

5.3 Transfer of Capacity Allocation.

a. Transfers of Capacity Allocation Subject to Certification by Wastewater Commission. To the extent that a Party has not utilized all of its Treatment Capacity Allocation, or all of its Conveyance Capacity Allocation, it may sell or otherwise permanently transfer, or may lease, loan or temporarily transfer, to any other SSR Party or to the Wastewater Commission, all or any portion of such unused capacity allocation, in Standard Transfer Units (to the extent the transferring Party has a Standard Transfer Unit) on any terms and conditions mutually agreeable to such Parties; provided, however, that before any such transfer becomes effective, the Wastewater Commission shall certify that the proposed transfer (or some specified portion thereof) satisfies the requirements of this Section 5.3. Such certification shall not be unreasonably delayed or denied. The Wastewater Commission may impose reasonable conditions on any such certification to the extent needed to ensure compliance with the requirements of this Section 5.3.

b. Restrictions/Certification. The Wastewater Commission shall certify any proposed permanent transfer of capacity allocation, or any portion thereof, if the capacity allocation which the transferring Party is seeking to transfer is not utilized and is otherwise available for transfer, and if the transferee Party has sufficient Allocated Conveyance Capacity in the downstream Sewer Service Facilities, and/or there is sufficient unallocated and unused conveyance capacity available in such facilities, to accommodate any anticipated Wastewater discharges of such Party without problems. The Wastewater Commission shall certify any proposed temporary transfer of capacity allocation, or any portion thereof, if the proposed transfer is for a specific period of time, if the transferee Party will clearly have acquired at least as much additional allocated capacity of the same class as is involved in the temporary transfer by the end of such period, and no problems will result from the proposed temporary transfer. The Parties involved in the proposed transfer may submit with their application any supporting information or materials they believe are relevant. The Wastewater Commission may require the Parties to the proposed transfer to submit to it any information which it believes is necessary to evaluate the proposed transfer. In determining whether the allocated capacity that is proposed to be transferred is unused and available for transfer, the Wastewater Commission shall subtract from the transferring Party's allocated capacity of the appropriate class the maximum historical Average Daily Flow of the transferring Party with respect to Treatment Capacity Allocation (or at any higher Average Daily Flow associated with the maximum historical Average Daily BOD, TSS, P Loading or with the maximum historical Peak Hourly Flow or Peak Daily Flow of such Party), and the maximum historical Peak Hourly Flow of such Party with respect to Conveyance Capacity Allocation, unless the Wastewater Commission determines that any such maximum

historical figure is no longer the operative figure for such Party in light of substantial subsequent modifications to such Party's Collection Facilities or to the volume or nature of the Wastewater discharged to such Collection Facilities, in which event the Wastewater Commission shall subtract the adjusted maximum historical figure that the Wastewater Commission has determined to be appropriate. The Wastewater Commission shall then further subtract from such Party's allocated capacity a reasonable projection of the future utilization by such Party of its allocated capacity as a result of approved Sewer Extensions and connections which are not yet in use or not yet fully utilized. The Wastewater Commission shall further subtract from such Party's allocated capacity a reasonable projection, with respect to Peak Hourly Flow, of additional Infiltration and Inflow to be anticipated in the event of the maximum storm event which cannot lawfully be Bypassed by such Party. The resulting difference shall be the amount of allocated capacity which is unused and available for transfer.

c. **Transfer of Banked Allocated Capacity.** Subject to the requirements stated in this Section 5.3 and not earlier than 120 days after the Effective Date of this Agreement, the Wastewater Commission shall transfer any Banked Allocated Capacity which it has acquired to any SSR Party desiring to acquire it, on a first-come-first-served basis, upon written request from the acquiring SSR Party specifying the specific amount and class of allocated capacity it desires to purchase. Upon receipt of such a request, the Wastewater Commission shall promptly determine and notify the requesting Party in writing of the purchase price and related terms and conditions for the purchase of such allocated capacity. The Wastewater Commission shall recover any initial cash payment for such capacity, plus any debt service payments (principal and interest) associated with such allocated capacity, plus any payments made by the Wastewater Commission for the upgrading of such capacity, plus the carrying costs of such capacity (at the average State Local Government Investment Pool rate for such carrying period). Additionally, the acquiring SSR Party shall assume, by agreement, any remaining debt service obligation for or associated with such allocated capacity, if possible, or make other satisfactory arrangements with the Wastewater Commission for the payment of such remaining obligation. To the extent the Wastewater Commission has put any such costs in the Sewer Service rates, the payment received for the transfer shall be credited to Sewer Service rates, including any depreciation and/or ROI since the date on which such costs were put in Sewer Service rates. No such transfer shall be effective until the Wastewater Commission has certified the transfer in accordance with Subsection 5.3b, above.

d. **Transfer of Unattached Loading Capacity.** The Racine Utility shall transfer to any SSR Party actually needing additional Average Daily BOD Loading, Peak Monthly BOD Loading, Average Daily TSS Loading, Peak Monthly TSS Loading, Average Daily P Loading or Peak Monthly P Loading for actual use by a Class II - Industrial User, free of charge on a first-come-first-served basis, the unattached loading capacity set out in Section 5.1 of this Agreement.

e. **Notice and Comment Regarding Proposed Transfer.** Promptly after receiving a request for certification of a proposed transfer of capacity allocation, the Wastewater Utility shall give written notice of such proposed transfer to each of the other Parties. Any Party may submit to the Wastewater Commission and to each of the other Parties written comments or suggestions regarding the proposed transfer, within 40 days after such notice, which the Wastewater Commission shall review and consider in evaluating the proposed transfer.

f. Notice of Resulting Modifications. The transferring Party shall immediately notify the Wastewater Commission in writing upon the transfer of any capacity allocation taking effect. The Wastewater Commission shall promptly prepare and approve dated inserts to this Agreement modifying Sections 5.1, 5.2, 2.4 and/or 2.7 of this Agreement, in accordance with the procedures of Subsection 2.8o of this Agreement, and give each Party written notice of the transfer and include a dated copy of the inserts, which shall automatically become a part of this Agreement without amendment.

g. Payment of Evaluation Costs/Accounting. The transferee Party shall pay to the Wastewater Commission, within 60 days of written demand, the costs incurred by the Wastewater Commission (or the Racine Utility) in evaluating and processing any proposed or mandated transfer of allocated capacity, which payment shall be credited to the OMR account; provided, however, that in the event a proposed transfer is evaluated by the Wastewater Commission but not made, for whatever reason, the proposed transferring Party shall pay all such costs.

h. Transfer Involving Clean Water Fund Financing. The Parties acknowledge that in the event of a transfer of allocated capacity financed by means of Clean Water Fund Financing, the transferring Party may not be able to assign the loan and may need to continue making any principal and interest payments on that portion of the Clean Water Fund Financing associated with the transferred capacity, and the transferee Party may not be able to participate in the Clean Water Fund Financing with respect to such transferred capacity.

i. Annual Notice of Maximum Historical Parameters for Each SSR Party. Annually, at a convenient time reasonably promptly after January 1 of each year, the Wastewater Commission shall cause the Racine Utility to notify each SSR Party in writing of its actual (or adjusted as appropriate) maximum historical Peak Hourly Flow, Daily Peak Flow, Peak Monthly Flow, Average Daily BOD Loading, Peak Monthly BOD Loading, Average Daily TSS Loading, Peak Monthly TSS Loading, Average Daily P Loading and Peak Monthly P Loading (and any imputed higher Average daily Flow associated with the maximum historical flow or loading figures of such Party in light of the Standard Transfer Unit ratios), and its actual (or adjusted as appropriate) maximum historical Peak Hourly Flow at each location relevant to Allocated Conveyance Capacity. (See Subsection 5.3b of this Agreement for applicable methodology.)

j. Annual Notice of Unmetered Cross-Boundary Usage. Not later than July 31, 2002, and annually thereafter, the SSR Parties having arrangements with other Parties or non-Parties regarding the unmetered Wastewater flow of one Party or other entity included within the metered Wastewater flow of a second Party or other entity, which should be taken into account in determining the Net Discharge of Wastewater of each such Party or entity and the maximum historical usage parameters of such Party or entity under Subsection 5.5g of this Agreement shall jointly submit to the Wastewater Commission an agreed upon statement setting out the Average Daily Flow, Peak Hourly Flow, Peak Daily Flow, Peak monthly Flow, Average Daily BOD Loading, Peak Monthly BOD Loading, Average Daily TSS Loading, Peak Monthly TSS Loading, Average Daily P Loading and Peak Monthly P Loading to be deducted from or added to the Metered Wastewater usage of each Party or other entity. In the absence of such agreed-

upon jointly submitted information, the Wastewater Commission shall be free to rely upon the Metered Wastewater flow data and sampling data.

5.4 Utilization of Allocated Capacity/Limitations.

Subject to all applicable provisions of this Agreement, each Party possessing allocated capacity shall have the right to use such capacity in accordance with this Agreement. Without limitation, however, the exercise of such right shall be conditioned on the fact that such Party does not have an uncured default under Section 12.16 of this Agreement or is otherwise conforming with All Applicable Laws. Racine, the Racine Utility and the Wastewater Commission shall have no responsibility for arrangements necessary for the conveyance of any Party's Wastewater to the Sewer Service Facilities.

5.5 Limitations on Capacity Allocation Utilization Above Certain Thresholds.

a. 80% of Allocated Capacity. Whenever any Party has actually utilized 80% or more of any class of capacity allocation under this Agreement (or of any associated flow or loading limitation set out in Section 5.1 of this Agreement or in any associated exhibit), the Wastewater Commission shall promptly notify such Party in writing. At such time, the discharging Party shall have the option of engaging with the Wastewater Commission in a joint planning project, at the cost of the discharging Party, to determine whether and under what circumstances there is any reasonable possibility that the Wastewater discharged by such Party will exceed such Party's capacity allocation, and if so what actions can reasonably be taken by such Party to eliminate any such reasonable possibility. The principal burden of formulating the plan shall be on the discharging Party, but the Wastewater Commission shall fully cooperate with and assist such Party. In the event that the discharging Party and Wastewater Commission agree upon a plan which will eliminate any such reasonable possibility of exceeding the Party's allocated capacity (e.g. the elimination of excess Infiltration and Inflow, or the construction of an appropriately-sized equalization basin, or the purchase of additional allocated capacity), and the discharging Party satisfactorily implements such plan, the Wastewater Commission shall waive any restrictions imposed under the following subsections unless and until the metered discharge data subsequently demonstrates that the plan is not working as anticipated or that there are unanticipated problems.

b. 90% of Allocated Capacity. Whenever a Party has actually utilized 90% or more of any class of capacity allocation under this Agreement (or of any associated flow or loading limitation set out in Section 5.1 of this Agreement or in any associated exhibit), the Wastewater Commission shall promptly notify the discharging Party in writing. From and after that time, additional Sewer Extensions tributary to the particular facility in which the discharging Party has the capacity allocation in question shall not be permitted until such time as the discharging Party has satisfactorily demonstrated to the Wastewater Commission that full use of any proposed Sewer Extension will not exceed the Party's allocated capacity (or any associated flow or loadings limitation set out in Section 5.1 of this Agreement or in any associated exhibit) using the methodology set out in Subsection 5.3b of this Agreement. Upon reasonable written notice, at any time after a SSR Party has discharged Wastewater to the Sewer Service Facilities at a level at or above 90% of such Party's allocated capacity (or of any associated loading or

flow limit), the Wastewater Commission may survey or test the Collection Facilities of such Party for excess Infiltration and Inflow, and such Party shall grant to the Racine Utility access to all locations in such Party's collection system deemed appropriate by the Racine Utility for such purpose. Such Party shall pay the Wastewater Commission the cost of any such survey or testing within 60 days of written notice of such cost.

c. 95% of Allocated Capacity. Whenever a Party has actually utilized 95% or more of any class of capacity allocation under this Agreement (or of any associated flow or loading limitation set out in Section 5.1 of this Agreement or in any associated exhibit), the Wastewater Commission shall promptly notify the discharging Party in writing. From and after that time, no additional Sewer Extensions tributary to the facility in which the discharging Party has the capacity allocation in question shall be permitted by the Wastewater Commission, and no additional customer connections tributary to the particular facility in which the discharging Party has the capacity allocation in question shall be permitted by the discharging Party, until such time as the discharging Party has satisfactorily demonstrated to the Wastewater Commission that full use of any proposed customer connection or Sewer Extension will not exceed the Party's allocated capacity (or any associated flow or loadings limitation set out in Section 5.1 of this Agreement or in any associated exhibit) using the methodology set out in Subsection 5.3b of this Agreement, including without limitation consideration of future connections of sewered properties that are currently vacant or underutilized. The Wastewater Commission shall expeditiously consider any proposed demonstration by a Party that additional customer connections will not exceed the Party's allocated capacity or any associated flow or loadings limitation.

d. Exceeding Allocated Capacity. Whenever a Party has actually exceeded any capacity allocation under this Agreement (or any associated flow or loadings limitation set out in Section 5.1 of this Agreement or in any associated exhibit), the Racine Utility shall notify the Party in writing. From and after that time, no additional Sewer Extensions or customer connections tributary to the particular facility in which the discharging Party has the capacity allocation in question shall be allowed under any circumstances until such time as (1) modifications have been made to such Party's sewerage system and/or operations, and the results of such modifications have been in effect for a sufficient period of time to demonstrate satisfactorily that any reasonable possibility of exceeding the Party's capacity allocation in the future has been eliminated, using the methodology set out in Subsection 5.3b of this Agreement, or (2) until such time as the Party has acquired sufficient additional allocated capacity to accomplish the same result.

e. Wastewater Commission May Formulate and Require Implementation of Its Own Plan. If the discharging Party has not, within 90 days after notice that it has exceeded its capacity allocation, formulated and made substantial progress toward the implementation of a plan, which is satisfactory to the Wastewater Commission, to eliminate any reasonable possibility of further exceeding such Party's capacity allocation, the Wastewater Commission may, in addition to any other remedy, formulate its own plan to achieve such goal and require the Party to implement such plan.

f. **Costs Incurred Under This Section 5.5.** The Wastewater Commission shall charge all costs incurred by it or the Racine Utility in connection with the performance of its duties pursuant to Subsections 5.5b-e, above, including without limitation actual reasonable and itemized engineering and attorneys' fees against the SSR Party or Parties causing it to incur such costs. Such Party or Parties shall pay such costs within 60 days of receiving an invoice.

g. **Annual Notice of Allocated Capacity Usage.** Annually, at a convenient time reasonably promptly after January 1 of each year, the Wastewater Commission shall cause the Racine Utility to notify each SSR Party in writing of how much of such Party's allocated capacity (of each class of such capacity), and how much of each associated flow or loadings limitation, it is actually using, based on the maximum historical recorded data, or any adjustment of that data that the Wastewater Commission has approved.

5.6 Prohibitions/Metering Bypasses.

Except as otherwise provided in Section 5.7 of this Agreement, and except in the case of an Upset, no Party may discharge to the Sewer Service Facilities or to sewerage facilities that are tributary to the Wastewater Treatment Facility: (1) any Net Discharge of Wastewater flows or loadings in excess of the treatment capacity allocated to such Party in Section 5.1 of this Agreement (or in excess of any associated flow or loadings limitations set out in Section 5.1 of this Agreement); or (2) in excess of any conveyance capacity allocated to such Party in Section 5.2 of this Agreement; or (3) in excess of the unused available capacity of any conveyance facility of the Sewer Service Facilities where capacity is not allocated by this Agreement. No Party shall avoid discharging Wastewater to the Sewer Service Facilities by Bypassing Wastewater except under circumstances and to the extent permitted by applicable DNR and/or EPA regulations and/or an Upset. All Bypasses shall be metered by the SSR Party, and any SSR Party that Bypasses Wastewater shall give written notice to the Wastewater Commission within 48 hours stating the date, duration and quantity of any Bypass and whether it was authorized by applicable DNR and EPA regulations.

5.7 Racine Utility Authorization and Acceptance of Discharges in Excess of Capacity Allocation.

The Racine Utility may authorize and accept a specific discharge from a SSR Party in excess of such Party's allocated capacity under circumstances where the Racine Utility reasonably believes that no serious harm or adverse effects will result. Such authorization and acceptance shall be promptly reported to the Wastewater Commission in writing and shall not have the effect of waiving or avoiding a breach of this Agreement (other than possibly avoiding a breach because of unauthorized Bypassing), and shall not be a defense to any remedy available to the Wastewater Commission, or any aggrieved Party other than mitigation of damages. Any discharge in excess of a Party's allocated capacity must be authorized from the Racine Utility in advance of such discharge, but such authorization may be requested orally. Any such oral authorization shall promptly be confirmed in writing by the Racine Utility.

5.8 Costs of Exceeding Capacity Allocations.

Whenever a SSR Party discharges Wastewater to the Sewer Service Facilities in excess of the capacity allocated to such Party, the Wastewater Commission shall charge such Party for any fine, penalty or forfeiture incurred by Racine, the Racine Utility or the Wastewater Commission and may assess any costs incurred by any of them (including without limitation, for employees, equipment and materials) as a result of such discharge. The discharging Party shall pay any such charges within 60 days of receipt of a fully itemized invoice.

5.9 Enforcement by the Wastewater Commission.

The Wastewater Commission shall enforce the provisions of Article V of this Agreement fairly and equitably for the mutual benefit of all of the Parties.

5.10 Flow Measurement And Sampling.

a. Metering Flows/Related Equipment. The actual flow of Wastewater from each SSR Party shall be measured at metering stations which shall be installed to measure accurately the total volume and peak flows of Wastewater discharged to the Sewer Service Facilities of the Racine Utility by such SSR Party and to transmit the flow information to the Racine Utility; provided, however, that appropriate correction shall be made for remote flow equalization pre- and post-equalization. Each SSR Party shall furnish, install, and maintain appropriate flowmeter equipment, at appropriate locations and at its cost, after written approval by the Racine Utility of the proposed equipment and the location and manner of its installation, which approval shall not be unreasonably withheld. The Racine Utility shall furnish, install and maintain a SCADA system and related telemetry equipment to communicate with the Wastewater Treatment Facility control center. The cost of such SCADA and telemetry equipment shall be treated as an OMR expense. Additionally, each SSR Party shall furnish, install and maintain appropriate flowmeter equipment to measure accurately the volume of Wastewater Bypassed by such Party, after review and approval in writing by the Racine Utility of the proposed equipment and the location and manner of its installation. Such approval shall not be unreasonably withheld. Thereafter, such Party may Bypass wastewater only at such metered location(s).

b. Grab Samples and Monitoring. Upon reasonable oral notice to any SSR Party, the Racine Utility may from time to time take such grab samples of Wastewater and conduct such monitoring at any of the metering stations as it deems appropriate, in its reasonable discretion, to determine the waste loadings or waste characteristics of such Party's Wastewater or to verify the flow rate of such Wastewater. Upon reasonable oral notice to any SSR Party, the Racine Utility may take such samples or conduct such monitoring as it deems appropriate, in its reasonable discretion, at any locations in such Party's Collection Facilities deemed appropriate by the Racine Utility, to identify sources of potentially toxic or hazardous Wastewater discharges or other discharges not in compliance with federal, state or local pretreatment requirements, or not in compliance with applicable permits or agreements, or Wastewater discharges that are otherwise not compatible with the Sewer Service Facilities.

c. Metering. Each SSR Party shall maintain all metering equipment in good operating condition, and shall replace such equipment as necessary (subject to review and approval by the Racine Utility, as though such replacement equipment were original equipment). All such metering equipment shall be calibrated at least every six months by a qualified technician in accordance with the meter manufacturer's recommended procedures. The cost of such calibration and adjustment shall be paid by the SSR Party. Each SSR Party shall be responsible for establishing and maintaining the required service schedule and shall notify the Racine Utility in writing of any scheduled meter calibration, not less than 10 days prior to such calibration, so that the Racine Utility can coordinate verification of the accuracy of the SCADA system and related telemetry equipment. Each such SSR Party shall obtain and promptly provide to the manager of the Racine Utility's Wastewater Treatment Facility a copy of a calibration report summarizing the results of each calibration.

VI. PAYMENT FOR SEWER SERVICE BY SSR PARTIES

6.1 Payment for Future Growth Work Improvements.

a. Future Growth Work Improvements. Each of the SSR Parties shall timely pay to the Wastewater Commission, up front and within 60 days after written demand, or in accordance with a noticed payment schedule approved by the Wastewater Commission (or to the State, as appropriate, to the extent that the SSR Parties obtain individual Clean Water Fund loans pursuant to which the proceeds of such loans are disbursed to pay such Capital Costs directly), its proportionate share of the Capital Costs of the Future Growth Work improvements included in the First Group of Improvements, allocated to it in accordance with the Cost of Service Cost-Based Allocation attached to this Agreement as Exhibit G and incorporated by reference, as updated or modified by the Wastewater Commission from time to time, in accordance with this Agreement. The SSR Parties each acknowledge that the actual costs of the 1998 Recommended Improvements to the 2001 Sewer Service Facilities, including the Future Growth Work improvements, will not be known until after such improvements are completed, and that there will need to be a reallocation of costs if less than all of the 1998 Recommended Improvements to the 2001 Sewer Service Facilities are actually constructed as the First Group of Improvements or if there is any change in the allocation of capacity.

b. Clean Water Fund Financing. Each of the SSR Parties shall be entitled to participate proportionately in the benefit of Clean Water Fund Financing of the Future Growth Work Improvements, if such financing can be obtained, either in the form of individual subsidized interest-rate loans to the various SSR Parties (the Parties' preference), or in the form of a single subsidized interest rate loan to Racine or the Wastewater Commission in which the individual SSR Parties can participate in accordance with this Agreement. (Alternatively, however, each of such Parties may utilize local borrowing or other sources of funds to finance its share of the construction of the project.) All Clean Water Fund Financing proceeds obtained by the SSR Parties for Future Growth Work improvements shall be applied to the Capital Costs of the Future Growth Work Improvements. Any portion of a Party's share of the Future Growth

Work not covered by Clean Water Fund Financing proceeds shall be paid by such Party directly when due.

c. Notice/Disposition of Financing Application. The Wastewater Commission shall give prompt written notice to each of the Parties of the disposition of the Racine Utility's application for Clean Water Fund Financing for the First Group of Improvements, including, without limitation, the amount of such financing available, the principal terms and whether individual loans will be made to the Parties or a single loan will be made to Racine or the Wastewater Commission.

d. Financing Not Available. If Clean Water Fund Financing is not available for the First Group of Improvements, or if the amount of such available financing is less than 75% of the total estimated total project costs of such improvements, each SSR Party shall give written notice to the Wastewater Commission and each of the other Parties within 40 days after the date of the Wastewater Commission's notice pursuant to Subsection 6.1c, above, whether it still desires to purchase all or some specified portion of the capacity allocated to it in Sections 5.1 and 5.2 of this Agreement or in associated exhibits. Within such 40-day period, the Wastewater Commission shall give notice to each of the other Parties whether and to what extent it intends to proceed with construction of the Deficiency Work improvements.

e. Potential Reduction in Project/Procedure. In the event it appears that the construction project for the First Group of Improvements will need to be reduced, the Wastewater Commission shall promptly schedule a meeting with representatives from each of the Parties regarding the preparation of inserts to modify the capacity allocations of the Parties under Sections 5.1, 5.2, 2.4 and/or 2.7 of this Agreement and the preparation of an adjusted Cost of Service Cost-Based Allocation in connection with any adjustment of the First Group of Improvements, to be provided. Not later than 15 days after such meeting, unless the Wastewater Commission votes to postpone such cutoff to a date certain, the Wastewater Commission shall give written notice to each of the other Parties of its final determination with respect to the amount of the Deficiency Work improvements to be constructed as part of the First Group of Improvements. Failure to give such notice shall be interpreted as a commitment by the Wastewater Commission to proceed with construction of all of the Deficiency Work improvements. Not later than 15 days after such meeting, unless the Wastewater Commission votes to postpone such cutoff to a date certain, each of the SSR Parties shall give written notice to each of the other Parties of the amount of allocated capacity of each class that it will purchase in the Future Growth Work improvements to be constructed as part of the First Group of Improvements. Failure to give such notice shall be interpreted as a commitment by the SSR Party to proceed with the purchase of the allocated capacity set out for such Party in Sections 5.1 and 5.2 of this Agreement. Such notices shall be binding on the Parties giving them. Not later than 15 days after the cutoff date for such notices from the SSR Parties, unless the Wastewater Commission votes to postpone such cutoff to a date certain, the Wastewater Commission shall determine and give written notice to each of the other Parties of its final determination of the amount of allocated capacity in the Future Growth Work improvements to be constructed as part of the First Group of Improvements. The Wastewater Commission shall then proceed promptly to prepare and approve appropriate inserts modifying this Agreement in light of the Parties' commitments, in accordance with Section 2.8o of this Agreement, and shall proceed to prepare

or cause to be prepared, approve and give notice of an appropriate adjusted Cost of Service Cost-Based Allocation, in accordance with Subsection 2.8o of this Agreement. The Wastewater Commission shall then proceed to provide the First Group of Improvements, as adjusted, pursuant to this Section 6.1.

f. Management Agency/Clean Water Fund Financing. The Wastewater Commission shall serve as the designated management agency under the Clean Water Fund program for the design and construction of the Project (unless that is not legally possible, in which case Racine, through the Racine Utility and the Wastewater Commission shall serve in such capacity). This designation requires the Wastewater Commission (or Racine) to assist each of the SSR Parties in applying for Clean Water Fund Financing assistance, award all contracts and oversee the design and construction. Each of the SSR Parties hereby appoints the Wastewater Commission (or Racine, under the circumstances set out above) as its agent for project management responsibilities under the Clean Water Fund program, but only for such purpose. These responsibilities shall include, but shall not be limited to, preparing and letting of contracts, submitting invoices, applying for and receiving disbursements of Clean Water Fund Loan proceeds and expending such proceeds on project costs by paying contractors on behalf of each of the SSR Parties. As the designated management agency, the Wastewater Commission (or Racine) shall comply with all requirements of Wisconsin Administrative Code, Chapter NR 162 to ensure the adequate construction of the proposed improvements. Each Clean Water Fund loan disbursement made by the Wastewater Commission (or Racine) with respect to the Future Growth Work shall be allocated to each of the SSR Parties (and the Wastewater Commission, if appropriate) in accordance with their proportionate percentages of the Future Growth Work component of the First Group of Improvements, and to the Wastewater Commission with respect to the Deficiency Work component of the First Group of Improvements, as set out on Exhibit B. The Wastewater Commission shall maintain and provide to each of such Parties records of such disbursements and expenditures sufficient to allow each such Party to comply with its obligations under its financial assistance agreement with the State of Wisconsin Clean Water Fund. Such records shall be audited annually in accordance with Section 12.1 of this Agreement.

g. Individual Clean Water Fund Loans. In the event individual Clean Water Fund loans are obtained in connection with construction of the First Group of Improvements, each SSR Party shall timely make all required principal and interest payments and shall be solely responsible for repayment of its own Clean Water Fund loan.

h. Single Clean Water Fund or Other Loan. In the event that the Wastewater Commission or Racine must undertake a single Clean Water Fund loan in connection with construction of the First Group of Improvements, or must undertake any local borrowing to finance the project, each of the SSR Parties shall timely pay to the Wastewater Commission (or Racine) its proportionate share of such debt and any related debt service costs on a payment schedule approved by the Wastewater Commission. The Wastewater Commission shall promptly notify each SSR Party in writing of any payment schedule received from the State with respect to a Clean Water Fund loan, or from any other financing source, and shall attach to such notice a copy of such payment schedule. The Wastewater Commission shall notify each SSR Party in writing, as early as practicable, of the amount due from each SSR Party with respect to each payment due to the State or to another financing source and the due date thereof. The due

date by which the Wastewater Commission shall be entitled to receive such payments from the SSR Parties shall be 15 days prior to the date on which the Wastewater Commission's (or Racine's) payment is due to the State or another financing source.

i. **Untimely Payment/Limitation of Rights.** In addition to any other consequence of an SSR Party breaching its obligation to make timely payments under Subsections 6.1g and h, above, any Party which is currently in default of its obligation to make timely payment to the Wastewater Commission (or Racine) of its share of a payment owed by the Wastewater Commission to the State pursuant to a Clean Water Fund loan, or its share of a payment owed as a result of a local borrowing under Subparagraph 6.1g and h, above, shall be subject to the same limitations of rights as are set out in Section 2.2 of this Agreement.

j. **Warranties/Compliance with Clean Water Fund Loan Agreement.** Each SSR Party warrants to each of the other SSR Parties that it shall comply with all terms and conditions of any Clean Water Fund loan agreement with the State of Wisconsin in connection with the First Group of Improvements.

k. **Warranties/No Action to Cause Breach.** In the event the SSR Parties obtain individual Clean Water Fund loans in connection with construction of the First Group of Improvements, Racine and the Wastewater Commission each warrants to each of the SSR Parties that they shall not take any action which would result in any of such Parties breaching the terms and conditions of its own Clean Water Fund loan agreement with the State.

l. **Acknowledgement/Individual Clean Water Fund Loans.** In the event the SSR Parties obtain individual Clean Water Fund loans in connection with construction of the First Group of Improvements, Racine and the Wastewater Commission acknowledge that the SSR Parties have authority to take certain actions regarding construction of the First Group of Improvements or operation or maintenance of the construction project if actions by Racine or the Wastewater Commission make a violation of such Parties' Clean Water Fund loans likely. Examples of actions such Parties may be authorized to take include, but are not limited to, the following: (1) to ensure adequate construction and completion of the project; (2) to prevent erosion during construction of the project; (3) to provide and maintain adequate construction inspection of the project; (4) to assure that the project is efficiently operated and maintained; (5) to administer the user charge system and sewer use ordinance; and (6) to provide timely sewerage service to all users within the delineated Sewer Service Area. The Parties shall fully cooperate with one another in this regard to avoid any disruption of or confusion relating to the construction project.

6.2 Payment for Unplanned Upgraded Sewer Service Facilities.

With respect to any Unplanned Upgraded Sewer Service Facilities, each SSR Party shall timely pay the Wastewater Commission, up front and within 60 days after written demand, or in accordance with a noticed payment schedule approved by the Wastewater Commission, its fair proportionate share of the Capital Costs of such upgraded facilities in accordance with its percentage share of total Allocated Treatment Capacity, as set forth in or derived from Section 5.1 of this Agreement, as updated by the Wastewater Commission from

time to time in accordance with this Agreement, and a Cost of Service Cost-Based Allocation prepared by or for the Racine Utility and approved by the Wastewater Commission, except as provided in Subsection 6.1(i), above, with respect to individual Clean Water Fund loans, and except to the extent that the Wastewater Commission chooses to treat the Capital Costs of Minor Unplanned Upgraded Sewer Service Facilities as Existing Capital Costs in accordance with Section 3.5 of this Agreement.

6.3 Payment for Unplanned Expanded Sewer Service Facilities.

With respect to any Unplanned Expanded Sewer Service Facilities, each SSR Party shall timely pay the Wastewater Commission, up front and within 60 days after written demand, or in accordance with a noticed payment schedule approved by the Wastewater Commission, its fair proportionate share of the Capital Costs of such facilities in accordance with its percentage share of the Allocated Treatment Capacity and/or any Allocated Conveyance Capacity created by such facilities or improvements, in accordance with a Cost of Service Cost-Based Allocation prepared by or for the Racine Utility and approved by the Wastewater Commission, except as provided in Subsection 6.1, above, with respect to individual Clean Water Fund loans.

6.4 Sewer Service Rates and Other Sewerage Service Charges/Budget.

a. **Rate Methodology.** Each of the SSR Parties shall pay to the Racine Utility, for Sewer Service provided under this Agreement, Sewer Service rates and other sewerage service charges which shall be established by the Wastewater Commission on an annual basis as hereinafter provided. Such rates shall provide for recovery by the Wastewater Commission, from each such Party, of such Party's fair proportionate share of the annual costs of OMR, Existing Capital Costs, and Future Capital Costs that are treated like Existing Capital Costs in accordance with this Agreement (e.g. the Capital Costs of the Deficiency Work and the Capital Costs of Minor Unplanned Upgraded Sewer Service Facilities that are treated by the Wastewater Commission like Existing Capital Costs) in accordance with the methodology set forth on the attached Exhibit H, which is incorporated by reference, for the particular budget year. The Wastewater Commission shall be entitled to recover depreciation and ROI relating to Existing Capital Costs or to any Capital Costs treated like Existing Capital pursuant to this Agreement. The wholesale Sewer Service rates and charges imposed by the Wastewater Commission on the Outlying SSR Parties shall be the same as those imposed upon Racine, except as may be required by law or may reflect distinctly different services, and the costs of OMR work performed by the Racine Utility on the Collection Facilities of Racine or any other Parties or non-Party Anticipated Parties (including, without limitation, equipment, materials and labor) which shall be kept strictly separate from the costs of OMR work on the Sewer Service Facilities, shall be separately accounted for in the annual audit conducted pursuant to Section 12.1 of this Agreement, and shall be charged to the Parties or non-Parties receiving such services. The Wastewater Commission may fine tune the application of this basic rate methodology to fit new facts and circumstances, as they develop over time, in accordance with this Agreement, but the Wastewater Commission shall not change the basic methodology without the written consent of the SSR Parties. The Wastewater Commission may charge individual SSR Parties for the costs of dealing with individual problems relating to that Party alone, e.g. the discharge of substantial

quantities of oil or grease which clogs an Interceptor. The Wastewater Commission shall not individually charge a SSR Party for unpaid pretreatment charges incurred by an Industrial user within its territory.

b. Annual Budget. The Wastewater Commission shall prepare and approve an annual budget, which shall include all anticipated revenue and expenditures for the budget year. The Wastewater Commission shall prepare a Cost of Service Study, from time to time as appropriate, for the purpose of determining unit treatment costs for all Wastewater components requiring treatment. The unit costs shall be applied as a surcharge to Wastewater which exceeds the parameters of Normal Domestic Strength Wastewater. Projected revenues from the surcharges shall be applied as a credit to total budgeted expenditures prior to calculation of volumetric rates. The Wastewater Commission shall also develop billable flow projections for the corresponding billing year. The budget and flow projections shall be used as the basis for Sewer Service rates. In addition, the Wastewater Commission shall compute a rate base for purposes of calculating the annual ROI on Existing Capital Costs and any Future Capital Costs that are treated like Existing Capital Costs in accordance with this Agreement.

c. Rate Base. The rate base for purposes of determining the ROI on Existing Capital Costs (and on Future Capital Costs that are treated like Existing Capital in accordance with this Agreement) shall be equal to total Existing Capital Costs (including all Future Capital Costs that are treated like Existing Capital Costs in accordance with this Agreement), reduced by the following: (1) grants or contributions in aid of construction net of accumulated amortization of such grants or contributions, and (2) accumulated depreciation to date. The annual ROI shall be equal to the rate base multiplied by a percentage, determined in the reasonable discretion of the Wastewater Commission, which shall not exceed 8%. Depreciation and ROI shall not be recovered on any portion of the Capital Costs for which the SSR Parties have paid directly or for which they have contractually assumed responsibility for direct payment of their proportionate shares. The initial ROI on Deficiency Work shall not exceed 2% and can be changed in the future by majority vote of the Wastewater Commission.

d. Billing/Payment. The Wastewater Commission shall bill each of the SSR Parties quarterly, and each of such Parties shall timely pay to the Wastewater Commission the billed amount in full within 30 days after the date of billing. A SSR Party's account shall be considered delinquent if not timely paid. Delinquent payments shall be subject to a monthly late payment charge in accordance with Subsection 6.5a of this Agreement.

e. Advanced Capital Reserve Account Funds. In the event the Wastewater Commission advances Capital Reserve Account Funds to meet OMR costs or any Capital Costs that are put in rates, the Wastewater Commission may add to the next convenient quarterly billing a cost-of-money charge for the use of such Capital Reserve Account Funds computed on a monthly basis using 5% per year simple interest. The Wastewater Commission shall adjust this interest rate promptly after January 1, and notify each of the SSR Parties of such adjustment, in accordance with Subsection 2.8n of this Agreement, based on the average Wisconsin Local Government Investment Pool rate for the preceding calendar year.

f. Reconciliation of Budget. Any differences between actual revenues, expenses and amounts budgeted at the end of the budget year shall be reconciled, system-wide, in the next year's budget. An example of the reconciliation method is set forth in Exhibit H.

g. Delivery to Parties of Proposed Budget. Copies of the proposed annual Wastewater Commission budget shall be delivered to all Parties by the Wastewater Commission upon becoming available, and in any event no later than October 5 of each year.

h. Retail Rates. The Wastewater Commission may impose on retail Sewer Service customers within Racine, or within other SSR Parties where the Racine Utility provides retail services, such retail charges as it may determine, in its reasonable discretion; provided, however, the retail charges, when considered in conjunction with wholesale payments made for such service by the municipality in which the retail customers are located, shall result in the payment of charges not less than the rates imposed on SSR Parties under this Agreement after adjustment for any extra services provided to such municipality and/or retail customers. In no event shall the SSR Parties be required to subsidize Sewer Service provided to such retail customers. The Racine Utility may, upon approval of the Wastewater Commission and with the agreement of any other Party (whether entered into before or after the Effective Date of this Agreement), treat retail Sewer Service customers of such Party as its own retail customers in circumstances where it is not cost-effective to meter the flows of such customers or for any other reason.

6.5 Default in Making Timely Payment.

a. Late Payment Charge. Payments due to Racine or the Wastewater Commission under Article VI of this Agreement shall be considered delinquent if not timely paid when due. Delinquent payments shall be subject to a late monthly payment charge corresponding to 6 percentage points above the prime rate (the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks, as published in the Wall Street Journal).

b. Condition Precedent to Action or Complaint. Timely payment in full of any amount due to Racine or to the Wastewater Commission from any RSP Party under Article VI of this Agreement, and all related late payment charges, within 15 days after notice of default, shall be a condition precedent to such Party (or any Related Party) commencing or maintaining a legal action or a complaint to the PSC relating to this Agreement or to any act or failure to act of Racine or the Racine Utility or the Wastewater Commission under or with respect to this Agreement, and shall also be a condition precedent to receiving initial Sewer Service, or to receiving any Treatment Capacity Allocation or Conveyance Capacity Allocation, or to constructing any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or to receiving any approval for plans on the construction of any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or to making new connections to any existing tributary to the Wastewater Treatment Facility, or to making any new connections to any existing sewerage facilities that are tributary to the Wastewater Treatment Facility.

VII. REVENUE SHARING

7.1 Revenue Sharing.

a. General Provisions.

(1) Each RSP Party shall participate in a revenue sharing plan whereby property tax revenues are shared in accordance with this Agreement, pursuant to Wis. Stat. § 66.0305, based upon the model described in Sections 7.1 and 7.2 of this Agreement.

(2) The Wastewater Commission shall calculate the amount of Revenue Sharing Payments that are due and payable by RSP Parties in the following calendar year, and shall notify each RSP Party of such amounts in writing, and shall include with such notice copies of appropriate source documents, on or before July 1 of each year (or as soon thereafter as is reasonably practicable in the first year of this Agreement). Such Revenue Sharing Payment amounts shall be based upon the current year's municipal budgets and the prior year's municipal populations and equalized property values. For example, the 2003 payments calculated in 2002 shall be based on each RSP Party's 2002 municipal budget (used to determine the taxes levied in 2001 and collected in 2002), 2001 population and 2001 equalized property value. Revenue Sharing Payments shall be billed by the Wastewater Commission in the year following their calculation, on or before January 15, and shall be paid to the Wastewater Commission by each RSP Party that is a Net Contributing Party on or before March 1 of such year.

(3) The Wastewater Commission shall collect the Revenue Sharing Payments and distribute payments to each of those RSP Parties that is determined to be a Net Recipient Party within 15 days of receipt of payments from all Net Contributing Parties; provided, however, that in the event that a Revenue Sharing Payment from a Net Contributing Party is late, the Wastewater Commission shall proceed to make what payments it can to the Net Recipient Parties from the Revenue Sharing Payments that have been collected, and if there is more than one Net Recipient Party, such payments shall be proportional to the amounts due to such Net Recipient Parties.

(4) Term

(a) The base term of the revenue sharing portion of this Agreement, as to each RSP Party with respect to which this Agreement becomes effective on or prior to August 31 of a particular year, shall be 30 payment years, with the first Revenue Sharing Payment to be made in the first year after this Agreement becomes effective as to such RSP Party and terminating on December 31 of the 30th year after this Agreement becomes effective as to such RSP Party (e.g. with respect to the RSP Parties as of the Effective Date of this Agreement, the first Revenue Sharing Payment shall be made in 2003, and the base term of the revenue sharing portion of the Agreement shall terminate on December 31, 2032).

(b) The base term of the revenue sharing portion of this Agreement, as to each RSP Party with respect to which this Agreement becomes effective after August 31 of a particular year, shall be 30 payment years, with the first Revenue Sharing Payment

to be made in the second year after this Agreement becomes effective as to such RSP Party and terminating on December 31 of the 31st year after this Agreement becomes effective as to such RSP Party.

(c) Notwithstanding Subsections 7.1a(4)(a) and (b), above, the term of the revenue sharing portion of this Agreement, as to each RSP Party, with respect to territory which is acquired by such RSP Party from a non-Party and which is within the 1998 Facilities Planning Area, shall be 30 payment years, with the first Revenue Sharing Payment relating to such acquired territory to be made in accordance with Subsection 7.2 c(1). The revenue sharing portion of this Agreement shall terminate with respect to each acquired territory on December 31 of the 30th year in which a Revenue Sharing Payment relating to such territory is made or received.

(d) Notwithstanding Subsections 7.1a(4)(a) and (b), above, the term of the revenue sharing portion of this Agreement as to each RSP Party, with respect to territory which is acquired by such RSP Party from another RSP Party after this Agreement has become effective to such other RSP Party and which is within the 1998 Facilities Planning Area, shall be 30 payment years, including any years in which the other RSP Party made or received Revenue Sharing Payments relating to such territory. However, the acquiring RSP Party shall make its first Revenue Sharing Payment with respect to such territory in accordance with Subsection 7.2c(1). The revenue sharing portion of this Agreement shall terminate with respect to each acquired territory on December 31 of the 30th year in which a Revenue Sharing Payment relating to such territory is made or received.

(e) Notwithstanding Subsections 7.1a(4)(a) and (b), above, the term of the revenue sharing portion of this Agreement, as to each RSP Party, with respect to territory of the RSP Party which is outside of the 1998 Facilities Planning Area but within an area to which the Wastewater Commission has undertaken to provide Sewer Service, shall be 30 payment years, with the first Revenue Sharing Payment relating to such territory to be made in accordance with Subsection 7.2c(1), following the Wastewater Commission's undertaking to provide service; provided, however, that if the RSP Party acquires the territory in question from a RSP Party who has already made or received one or more Revenue Sharing Payments relating to such territory, the methodology of Subsection 7.1a(4)(d), above, shall apply. The revenue sharing portion of this Agreement shall terminate with respect to such acquired territory on December 31 of the 30th year in which a Revenue Sharing Payment relating to such territory is made or received.

(f) When any payment period, determined in accordance with Subsections 7.1a(4)(c),(d), or (e) above, extends beyond the initial term of the payment period for the RSP Party in question, the annual payment amount shall be calculated using the "Share EV in Planning Area" factors in Table 2 (Table 2 appears at the end of this Section 7.1), in the same manner as a payment for a community lying only partially within the 1998 Facilities Planning Area.

(g) A Successor RSP Party and its predecessor shall be given credit, with respect to any particular portion of its territory, for the years in which any RSP Party made or received Revenue Sharing Payments relating to such territory.

(5) The boundaries of the area within which the revenues are to be shared pursuant to this Agreement are the Designated Territories of the respective RSP Parties, as shown with respect to Initial Parties on Maps E1, E2, etc., described in Section 2.4 of this Agreement or in related attached Exhibits E1, E2, etc., or as shown with respect to New or Successor Parties on Map E, Map E, etc., described in Section 2.7 of this Agreement or in related attached Exhibits E, E, etc.

b. Calculation of Revenue Sharing Payments.

(1) Obtain Municipal Data—The Revenue Sharing Payments shall be determined based upon the data identified in Tables 1a and 1b (Tables 1a and 1b appear at the end of the text of this Section 7.1 and, for purposes of illustration, show the data on which hypothetical 2001 Revenue Sharing Payments would be calculated, i.e. year 1999 equalized valuation and population and year 2000 municipal budget), which shall be obtained from the following sources:

(a) Net Population—The data used shall be the prior year final municipal population estimate as reported annually in “Official Population Estimates” by the Wisconsin Department of Administration, Division of Energy and Intergovernmental Relations, Demographic Services Center and the estimated population of any detention facilities located within the municipal boundary of the RSP Party as reported by the Department of Administration, Division of Energy and Intergovernmental Relations, Demographic Services Center. The net population of each RSP party shall be determined by subtracting the estimated population of any detention facilities located within the municipal boundary of the RSP Party from the prior year final municipal population estimate. Adjustments shall be made for the population of the following facilities in existence as of the Effective Date of this Agreement for each year that such facilities are in existence at the end of the prior calendar year: Racine Youthful Offenders (Racine), Racine County Jail (Racine), and the Racine Correctional Facility (Sturtevant). At such time as an additional detention facility is located within the municipal boundary of a RSP Party, the population of such facility shall be deducted annually in the same way from such Party’s estimated population.

(b) Total Equalized Value (TID in) (including Tax Increment Districts)—The data used shall be the prior year full value as reported in the report entitled “Town, Village, and City Taxes”, published annually by the Wisconsin Department of Revenue, Division of State and Local Finance.

(c) Total Equalized Value (TID out)(excluding Tax Increment Districts)—The data used shall be the prior year full value excluding TIF as reported in the report entitled “Town, Village, and City Taxes”, published annually by the Wisconsin Department of Revenue, Division of State and Local Finance.

(d) Total Commercial / Industrial Tax Base—The Total Commercial / Industrial Tax Base shall be the sum of the prior year commercial equalized value and the prior year manufacturing equalized value of each RSP Party. This data shall be obtained from the “Statement of Merged Equalized Values”, published annually by the Wisconsin Department of Revenue.

(e) Share of EV in Planning Area – For RSP Parties whose designated RSP territory is completely within the 1998 Facilities Planning Area and for Caledonia the percentage applied shall be 100%, except as may be required by Subsection 7.1a(4)(f), above. For RSP Parties whose designated RSP territory is not completely within the 1998 Facilities Planning Area (except Caledonia) and for RSP Parties to which Subsection 7.1a(4)(f) applies, percentages as per Table 1 b shall apply and the following additional information as officially reported by the local municipality will be required for computing Revenue Sharing Payments for lands within the planning area: the total equalized (full) value of all property in the 1998 Facilities Planning Area, the total commercial and manufacturing equalized value for all property in the 1998 Facilities Planning Area and the total base year commercial and manufacturing equalized value for all property in the 1998 Facilities Planning Area (base year data is not required in relation to Subsection 7.1a(4)(f) calculations).

(f) Base Year Commercial / Industrial Tax Base—The Base Year Commercial / Industrial Tax Base shall be the sum of the 1999 commercial equalized value and the 1999 manufacturing equalized value of each RSP Party. These values shall be as reported in the “Statement of Merged Equalized Values, 1999” published by the Wisconsin Department of Revenue.

(g) Total Local Tax Levy (TID out)—The Total Local Tax Levy (TID out) shall be the sum of the local taxes as reported on each municipality’s annual “Statement of Taxes” for the current year. Local taxes for purposes of this computation shall include “Special District Taxes”, “Other Special Purpose District Taxes”, and “All Other Town, Village or City Taxes”.

(2) Calculate Revenue Sharing Payments – The Revenue Sharing Payments for the RSP Parties shall be calculated in accordance with Table 2 incorporating data from Tables 1a and 1b and according to the formulas indicated in the second column of Table 2, entitled “Data/Formulas”. (Table 2 appears at the end of the text of this Section 7.1 and, for purposes of illustration, shows how hypothetical 2001 Revenue Sharing Payments would be calculated.) The following additional provisions shall be incorporated.

(a) Fixed (negotiated) percentages – “Percentage Base Year Commercial / Industrial Shared (K)”, “Percentage New Commercial / Industrial Shared (P)”, “Distribution Factor (V)”, and “Discount Percentage on Revenue Sharing Transfer (AK)” are negotiated numbers and shall remain fixed at the percentages identified in Table 2, unless otherwise specified in this Article VII.

(b) Guaranteed Base Equalized Value Per Capita (solved) shall be set each year at a figure that ensures that the sum of “Calculated Total Revenue Transfer,” (computed in Step 8 of Table 2) for the Anticipated RSP Parties shown in Table 2 equals zero.

(c) Determination of Net Contributing Party or Net Recipient Party (Step 8 of Table 2) – If the “Calculated Total Revenue Transfer” in Step 8 of Table 2 for a given party is negative, the RSP Party is a Net Contributing Party and shall make a payment of tax revenues to the Wastewater Commission according to the procedures set forth in this section. If the “Calculated Total Revenue Transfer” in Step 8 of Table 2 for a given Party is positive, the RSP Party is a Net Recipient Party and shall receive a payment from the Wastewater Commission according to the procedures set forth in this section.

(d) The portion of the “Calculated Total Revenue Transfer” allocated to tax incremental district value shall be determined by first multiplying the “Total Local Tax Rate” by the “TID Value Increment” and then subtracting the tax revenues that would be generated from the “TID Value Increment” times the “Effective Local Tax Rate”. This portion of “Calculated Total Revenue Transfer” shall be referred to as the “TID Revenue Transfer.”

(e) The “Discount Percentage on Revenue Sharing Transfer” associated with the territory of the following RSP Parties or Anticipated Parties, as of December 31, 2001, shall be 28 %: Racine, Mt. Pleasant, Caledonia. The “Discount Percentage on Revenue Sharing Transfer” associated with the territory of the following RSP Parties or Anticipated Parties, as of December 31, 2001, shall be 50%: Sturtevant, Elmwood Park, Wind Point, North Bay, Yorkville, Raymond, Somers. These discount rates shall carry forward with respect to such territory, notwithstanding reorganizations or reconfigurations of such Parties or Anticipated Parties, in accordance with Subsection 7.2 c(2) below.

(f) Sturtevant shall not be required to pay revenue sharing for properties within Sturtevant TID No. 3 until after such time as TID No. 3 is terminated pursuant to Wis. Stat. §66.1105. Calculations of “TID Revenue Transfer” shall commence on such parcels within TID No. 3 upon execution of this Agreement by Sturtevant and these calculations will cease with the Revenue Sharing Payments payment schedule at the end of the 30 payment years. Revenue Sharing Payments on these parcels shall commence with the year in which taxing units receive property tax receipts from the properties currently located within the Sturtevant TID No. 3. This exemption shall be accomplished in the following manner: the “Portion of TID Revenue Transfer Exempted (A1)” for Sturtevant shall equal that portion of the “TID Revenue Transfer (AH)” related to Sturtevant TID No. 3 as it and the related project plan existed on January 1, 2002.

(g) The amount of the payments owed to the Net Recipient Parties shall be equal to the sum of the payments collected from the Net Contributing Parties. If there is only one Net Recipient Party, that Party’s payment shall be equal to the sum of the payments collected from the Net Contributing Parties. If there is more than one Net Recipient Party, each Net Recipient Party shall receive a share of the total amount of payments collected from the Net Contributing Parties equal to that Net Recipient Party’s proportional share of the sum of the positive values in the “Calculated Total Revenue Transfer (AE)” for each Net Recipient Party.

c. Waiver of Revenue Sharing Payments Not Provided for in this Agreement. Racine shall not require from the RSP Parties any revenue sharing payments (other than the Revenue Sharing Payments described in this Agreement) for: the provision of sewer service after the term of this Agreement (as determined in accordance with Section 7.1a(4) above); the provision of municipal water service; or, conceptually, the provision of any other service to the Designated Territories of the RSP Parties and Racine hereby waives any right to collect the same.

7.2 Additional Rules for Calculating Revenue Sharing Payments.

a. Missing Anticipated RSP Parties.

(1) In the event that all of the Anticipated RSP Parties listed in Section 2.1 of this Agreement have not joined this Agreement, or in the event that the revenue sharing portion of this Agreement has expired with respect to some but not all of the Outlying RSP Parties, the Wastewater Commission shall obtain the necessary information from or relating to each of the Anticipated RSP Parties that are not Parties to this Agreement and shall use such information, together with the information reported by the RSP Parties, to work the formula set out in Section 7.1 of this Agreement and to determine the payments owed to the Net Recipient Parties and to be collected from and paid by the Net Contributing Parties.

(2) Until such time as Yorkville, Raymond, or Somers becomes a RSP Party, and the Designated RSP Territory for such Party is determined, the territory used for each in calculating Revenue Sharing Payments under Section 7.1 of this Agreement shall be the portion of Yorkville, Raymond, and Somers, respectively, that is located within the 1998 Facilities Planning Area.

b. Investigation of Data.

(1) It is the intent of this Agreement that the data used in the calculations within the Revenue Sharing model are correct and accurate. Numbers from any of the data sources that are reported and/or published but are incorrect or inaccurate or do not reflect the property transfers as of January 1 of the year of calculation shall not be used in the calculations. The Wastewater Commission shall have administrative authority, in consultation with the affected Parties, to investigate the accuracy of the data received pursuant to Section 7.1 and to take such actions as may be necessary to obtain or derive accurate data.

(2) Any data input to the Revenue Sharing model that is disputed, as noticed in writing to the Wastewater Commission prior to July 1 of the second year following calculation of any particular Revenue Sharing Payments, shall cause the Revenue Sharing Payments to be recalculated using the correct data, if the disputed item is found to be in error by the Wastewater Commission. The Wastewater Commission shall promptly notify each RSP Party in writing of the corrected payment amounts and any amounts owed by the RSP Party as a result of the recalculation, including both additional payments and reimbursements of overpayments. Payments of any such amounts shall be made within 60 days of such notice.

c. Effect of Annexations or Other Changes in the Boundaries of RSP Parties.

(1) Properties shall be included in the Revenue Sharing model based upon the RSP Party in which the territory was located as of January 1 of the year of calculation.

(2) In the event that a RSP Party entitled to a particular "Discount Percentage on Revenue Sharing Transfer (AK)" under this Agreement annexes or otherwise acquires territory from a RSP Party or a non-Party Anticipated Party (or detaches territory to a RSP

Party or a non-Party Anticipated Party) that is entitled to a different discount rate, or in the event that two RSP Parties or a RSP Party and a non-Party Anticipated Party entitled to different discount rates consolidate their territories, the rate of discount originally applicable to any territory involved in such a reorganization or reconfiguration shall continue to be applicable to such territory thereafter.

(3) The "Discount Percentage on Revenue Sharing Transfer (AK)" for each Net Contributing Party that is affected by Section 7.2c(2) of this Agreement shall be a weighted average percentage. This weighted average discount percentage (carried out to the fifth decimal place) shall be calculated annually by the Wastewater Commission and distributed, as a written notice to the RSP Parties, along with the supporting documentation in accordance with the timing requirements set forth in Subsection 7.1a(2). For the affected Party, this weighted average discount percentage shall annually replace the negotiated "Discount Percentage on Revenue Sharing Transfer (AK)" identified in Subsection 7.1b(2)(a) and shall be the sum of the equalized property value of all transferred territory times the percentage discount applied to such territory pursuant to Subsection 7.2 c(2), above, plus the pre-transfer equalized property value times the Net Contributing Party's pre-transfer percentage discount, divided by the total equalized property value of the Net Contributing Party.

d. Racine's Discretion to Waive Revenue Sharing Payments with Respect to Individual TIDs Under Certain Circumstances. At any time during the term of this Agreement, Racine, in its sole discretion, may waive, wholly or in part, Revenue Sharing Payments from any particular RSP Party that are attributable to property within a particular TID if Racine determines that proposed development within such TID is desirable and may not take place in the absence of such a waiver. Any such waiver shall be approved by written resolution adopted by the Racine Common Council. In the event of such an approved waiver, Racine shall promptly notify the affected RSP Party and the Wastewater Commission in writing of the waiver and its terms and include a copy of such resolution with such notice. No such waiver shall constitute providing Sewer Service on more favorable terms and conditions than the terms and conditions under which similarly situated Parties receive Sewer Service under this Agreement. Such waiver may be accomplished, at the discretion of Racine, through waiving payments on all or part of the value of the TID through the procedures in Step 8 of Table 2 ("Portion of TID Revenue Transfer Exempted") or through waiving the full impact of all or part of the incremental value of the TID through the procedure in Step 4 of Table 2 ("Exempted TID Valuation").

e. Project Costs. In the event that the law is changed so that Revenue Sharing Payments cannot legally be qualified as tax increment project costs, such change shall not be considered a Material Change of Circumstances.

7.3 Racine Investment Joint Impact Zone.

Racine shall spend not less than \$6 million, 2001 net present value at 5% annually, of the total Revenue Sharing Payments that it receives from Mt. Pleasant under this Agreement on Capital projects within the zone depicted on Exhibit I, which is incorporated by reference. All Capital improvements using these funds shall be completed no later than 10 years after the Effective Date of this Agreement. The extension of Oakes Road by the City of Racine shall be undertaken in the same year as Mt. Pleasant's participation in the reconstruction of

Chicory Road by Racine. All Capital projects undertaken using these funds shall conform to both communities' comprehensive plans.

7.4 Racine Matching Funds For Three Mile Road Improvement.

Racine shall spend from Revenue Sharing Payments that it receives from Caledonia under this Agreement an amount representing Racine's pro rata share of upgrading and improving Three Mile Road in the vicinity of the boundary between Racine and Caledonia, subject to the condition that Caledonia contemporaneously spends on the project its pro rata share of the cost of the project, or except as otherwise agreed by Racine and Caledonia.

7.5 Default in Making Timely Payment.

a. Late Payment Charge. Revenue Sharing Payments shall be considered delinquent if not timely paid when due. Delinquent Revenue Sharing Payments shall be subject to a late payment charge in accordance with Subsection 6.5a of this Agreement.

b. Condition Precedent to Action or Complaint. Timely payment in full of any amount due to Racine or the Wastewater Commission from any RSP Party pursuant to Article VII of this Agreement for Revenue Sharing Payments, and all related late payment charges, within 15 days of notice of default, shall be a condition precedent to such Party (or any Related Party) commencing or maintaining a legal action or a complaint to the PSC relating to this Agreement or to any act or failure to act of Racine or the Racine Utility or the Wastewater Commission under or with respect to this Agreement, and shall also be a condition precedent to receiving initial Sewer Service, or to receiving any Treatment Capacity Allocation or Conveyance Capacity Allocation, or to constructing any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or to receiving any approval for plans or the construction of any Sewer Extension or any other sewerage facility tributary to the Wastewater Treatment Facility, or to making any new connections to any existing sewerage facilities that are tributary to the Wastewater Treatment Facility.

VIII. CAPPED PAYMENTS FROM CAPITAL RESERVE ACCOUNT FUNDS BY THE WASTEWATER COMMISSION TO RACINE

8.1 Categories of Potential Payments.

The Wastewater Commission may approve and make payments to Racine from the Capital Reserve Account Funds of the Racine Utility, pursuant to and in accord with Subsections 66.0811(3) and 66.0821(2)(b) of the Wisconsin Statutes and the PSC Decision, only for the items set out below and not in excess of the maximum amount set out below with respect to each item:

a. Payments at the rate of not more than \$660,000 per year to complete the reimbursement to Racine of \$6,690,407 for Sewer Service assets transferred to the Racine Utility

in 1977. These payments are expected to end in 2007. (As of December 31, 2001, \$3,300,000 of this amount has been paid.)

b. Reimbursement for any equity contributions made by Racine to the Racine Utility or to the Wastewater Commission after the Effective Date of this Agreement, plus reasonable interest, which reimbursement has been approved in advance of payment by the Wastewater Commission.

c. Payment to Racine with respect to the following subsidized regional cultural services and facilities that benefit the Anticipated Outlying Parties:

(1) The shortfall in Racine County funding for the Racine Public Library relating to the cost of serving the Anticipated Outlying Parties that are a city, village or town, in an amount not more than the amount determined in accordance with Section 8.2 or this Agreement.

(2) A share of the Racine subsidy for the Racine Zoological Gardens, in an amount not more than the amount determined in accordance with Section 8.3 of this Agreement; and

(3) A share of the Racine subsidy for the Charles A. Wustum Museum of Fine Arts, in an amount not more than the amount determined in accordance with Section 8.4 of this Agreement.

Except for the foregoing permitted payments to Racine, all Capital Reserve Account Funds shall be maintained and used by the Wastewater Commission for the benefit of the Racine Utility. Notwithstanding the foregoing, the amount of the Capital Reserve Account Funds maintained by the Wastewater Commission shall be reasonable and prudent in light of the needs and circumstances of the Racine Utility and All Applicable Laws and shall be subject to an annual independent audit.

8.2 Payments With Respect to Library Services.

An annual Cost of Service Study shall be developed by the Wastewater Commission prior to July 1 of each year (except to the extent that this is not practicable in the first year of the Agreement) to determine a fair and reasonable maximum transfer of funds from the Wastewater Commission to Racine for services provided by the Racine Public Library to the Anticipated Outlying Parties that are either a city, village or town. These amounts are intended to cover any shortfall in funding from such Anticipated Outlying Parties as determined by comparing the costs to serve residents of such Anticipated Outlying Parties with the proportionate share of funding provided by Racine County to serve residents of such Anticipated Outlying Parties. The maximum allowable amount of the transfer shall be based upon the prior calendar year's circulation records and the prior calendar year's actual expenditures and payment from Racine County, and shall be calculated as follows:

a. Step 1-Determine the Racine County (excluding Racine) funding share as follows: From the prior calendar year's annual report for the Racine Public Library, determine what share of the library circulation to Racine County residents comes from residents of cities, villages and towns exclusive of Racine. (See Section b of Table 3, which appears at the end of the text of this Section 8.2. For purposes of illustration, Table 3 and the following Tables referred to in this Section 8.2 show how the 2001 payment amount is calculated.) Determine each such city, village or town's percentage share of the total circulation to non-Racine residents of Racine County (See Table 3, Section c).

b. Step 2-Determine the net local funding requirement as follows: Obtain the Racine Public Library actual expenditures, and the Racine paid library employees health insurance costs for the prior year. Add the health insurance costs to the library expenditures to obtain the total operating expenditures. (See Table 4, which appears at the end of the text of this Section 8.2.) Reduce total operating expenditures by state and other aids and fines and fees received. Add Racine's annual amortized library building capital cost to obtain the net local funding requirement.

c. Step 3-Determine the Racine County funding shortfall as follows: Multiply the net local funding requirement from Step 2 by the Racine County (excluding Racine) share from Step 1 to determine the Racine County allocated share of library costs based upon use. (See Table 5, which appears at the end of the text of this Section 8.2.) Reduce the allocated Racine County share of costs by the budgeted Racine County funding to obtain the funding shortfall (See Table 5).

d. Step 4-Allocate the funding shortfall as follows: Multiply the funding shortfall, as determined in Step 3, by each such Racine County city, village or town's share of the circulation to non-Racine residents of Racine County calculated in Step 1, above, to determine the maximum payment that can be made to Racine. (See Table 6, which appears at the end of the text of this Section 8.2)

e. Step 5-The maximum payment to Racine shall be the sum of the shares of the funding shortfall allocated to the Anticipated Outlying Parties that are either a city, village or town

f. Future capital costs expended by Racine for upgrades or expansions to the Library Facility shall be amortized over the expected life of the improvements. The annual cost of such improvements shall be added to the net local funding requirements as in Step 2 for the duration of the amortization period.

Table 1 a.
Municipal Revenue Sharing Agreement
Municipal Data
2001 Payment (1999 E.V. and Population, 2000 Budgets)

	Town of Caledonia	Town of Mt. Pleasant	Town of Raymond	Town of Yorkville	Town of Somers	Village of Hilmswood Park	Village of North Jay	Village of Sturtevant	Village of Wind Point	City of Racine	Total
Population ⁽¹⁾	23,014	22,601	3,174	3,062	8,518	525	248	5,344	1,903	85,696	154,287
Prison Population	0	0	0	0	0	0	0	1,409	0	925	2,334
Net Population	23,014	22,601	3,174	3,062	8,518	525	248	3,935	1,903	84,771	151,953
Total Equalized Value (TID in) (000's) ⁽²⁾	\$1,212,991	\$1,454,532	\$214,242	\$247,197	\$445,592	\$30,079	\$24,207	\$224,850	\$176,226	\$2,544,227	\$6,594,142
Total Equalized Value (TID out) (000's) ⁽²⁾	\$1,212,991	\$1,454,532	\$214,242	\$247,197	\$445,592	\$30,079	\$24,207	\$160,015	\$176,226	\$2,461,791	\$6,446,890
TID Value Increment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,835	\$0	\$82,436	\$147,251
Total Commercial/Industrial Tax Base	\$129,273	\$380,632	\$19,157	\$62,461	\$54,907	\$1,436	\$0	\$108,121	\$8,448	\$665,426	\$1,449,860
Base Year (1999) Commercial/Industrial Tax Base	\$129,273	\$380,632	\$19,157	\$62,461	\$54,907	\$1,436	\$0	\$108,121	\$8,448	\$665,426	\$1,449,860
New Commercial/Industrial Tax Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Municipal Tax Levy ⁽³⁾	\$6,572,400	\$8,833,265	\$627,250	\$481,121	\$1,109,650	\$133,082	\$198,758	\$1,102,393	\$1,024,948	\$33,370,159	\$53,453,025
Caledonia Utility #1 ⁽²⁾	\$605,574										\$605,574
Root River Storm Sewer ⁽²⁾	\$350,000										\$350,000
Lake Michigan Storm Sewer ⁽²⁾	\$605,775										\$605,775
Other Special Purpose Districts ⁽²⁾											\$0
M. P. Storm Water Utility District ⁽²⁾		\$913,176	\$0	\$70,700							\$943,176
Yorkville Water Utility District ⁽²⁾									\$63,605		\$70,700
Sanitary Districts ⁽²⁾											\$0
Total Local Tax Levy (TID Out)	\$541,806	\$9,746,441	\$627,250	\$551,821	\$1,109,650	\$133,082	\$198,758	\$1,102,393	\$1,088,553	\$33,370,159	\$56,633,662
	\$8,675,555										\$605,411

Notes:
1. Prior year (1999) population estimates from Wisconsin Department of Administration.
2. From "Town, Village and City Taxes 1999", Wisconsin Department of Revenue.
3. From the annual "Statement of Taxes" (1999) prepared by each municipality (obtain from DOR).

Table 1 b.
Municipal Revenue Sharing Agreement
Additional Municipal Data For Parties Partially in the Planning Area
Adjustment

	Town of Raymond	Town of Yorkville	Town of Somers
Base Year (1999) Commercial/Industrial Value	\$39,156,800	\$62,460,900	\$54,907,300
Base Year (1999) Commercial/Industrial Value in Planning Area	\$30,962,287	\$54,656,711	\$0
Percent in Planning Area ⁽¹⁾	79.1%	87.5%	0.0%
Total Commercial/Industrial Value in Municipality	\$39,156,800	\$62,460,900	\$54,907,300
Total Commercial/Industrial Value in Planning Area	\$30,962,287	\$54,656,711	\$0
Percent in Planning Area ⁽²⁾	79.1%	87.5%	0.0%
Total Personal Equalized Property Value (000's)	\$5,170	\$8,167	\$3,852
Percent in Planning Area	79.1%	87.5%	0.0%
Personal Equalized Property Value in Planning Area (000's)	\$4,088	\$7,146	\$0
Real Equalized Value in Planning Area (000's)	\$97,524	\$115,109	\$40,905
Personal Equalized Property Value in Planning Area (000's)	\$4,088	\$7,146	\$0
Total Equalized Property Value in Planning Area (000's)	\$101,612	\$122,255	\$40,905
Total Equalized Value in Municipality (000's)	\$234,242	\$247,197	\$445,592
Total Equalized Value in Planning Area (000's)	\$101,612	\$122,255	\$40,905
Percent in Planning Area ⁽³⁾	43.4%	49.5%	9.2%

Note:

1. This percentage will be used in line L of the revenue sharing model.
2. This percentage will be used in line Q of the revenue sharing model.
3. This percentage will be used in line W of the revenue sharing model.

Table 3
Library Payments
Computation of 2002 Payments
2000 Annual Circulation Data

a. Total Racine Public Library Circulation

	<u>2000</u>
C. Racine	489,613
Racine Co. with Library	4,214
T. Burlington	1,380
T. Dover	3,023
T. Norway	581
T. Raymond	4,925
T. Yorkville	5,121
V. Sturtevant	20,951
T. Caledonia	165,537
T. Mt. Pleasant	130,010
V. Elmwood Park	5,079
V. North Bay	4,052
V. Wind Point	17,814
T. Waterford	529
Total Racine County	<u>852,829</u>
Walworth County	270
Kenosha County	5,735
Other	<u>383</u>
Total Reportable to State	<u>859,217</u>
Bulk loans	31,599
Interlibrary	7,037
Grand Total	897,853

b. Racine County Circulation Shares

	<u>Circulation</u>	<u>%</u>
City of Racine	489,613	57.4%
Other Racine County	<u>363,216</u>	<u>42.6%</u>
Total County	852,829	100.0%
County Share (excluding City)		<u><u>42.6%</u></u>

c. Circulation Shares For Racine County Non-residents

Racine Co. with Library	4,214	1.2%
T. Burlington	1,380	0.4%
T. Dover	3,023	0.8%
T. Norway	581	0.2%
T. Raymond	4,925	1.4%
T. Yorkville	5,121	1.4%
V. Sturtevant	20,951	5.8%
T. Caledonia	165,537	45.6%
T. Mt. Pleasant	130,010	35.8%
V. Elmwood Park	5,079	1.4%
V. North Bay	4,052	1.1%
V. Wind Point	17,814	4.9%
T. Waterford	529	0.1%
Total Racine County	<u>363,216</u>	<u>100.0%</u>

Table 4
Computation of 2002 Library Payments
Determine Local Funding Requirement

Operating Expenditures	2000
Salaries and Fringe	\$1,798,047
Operating Expenditures	\$548,692
Capital Outlay	\$0
Subtotal Operating Expenditures	\$2,346,739
Employee Health Benefits	\$193,854
Total Operating Expenditures	\$2,540,593
Revenues	
State and Other Aids	\$ (149,831)
Fines and Fees	(\$84,000)
Total Revenues	(\$233,831)
Building Capital	\$661,055
Net Local Funding Requirement	\$2,967,817

Tables 5,6

Computation of 2002 Library Payments

Calculation and Allocation of County Funding Shortfall

Table 5

Calculate County Funding Shortfall

1. Total Local Funding Requirement (2000)	\$2,967,817
2. County Percentage Share Based Upon Use	42.6%
3. County Dollar Share Based Upon Use	\$1,264,290
4. County Funding	\$796,763
5. Funding Shortfall	\$467,527

Table 6

Allocation of Funding Shortfall

Municipality	% Share	Allocation Amount	Payment Amount
Racine Co. with Library	1.2%	\$5,424	
T. Burlington	0.4%	\$1,776	
T. Dover	0.8%	\$3,891	
T. Norway	0.2%	\$748	
T. Raymond	1.4%	\$6,339	\$6,339
T. Yorkville	1.4%	\$6,592	\$6,592
V. Sturtevant	5.8%	\$26,968	\$26,968
T. Caledonia	45.6%	\$213,077	\$213,077
T. Mt. Pleasant	35.8%	\$167,347	\$167,347
V. Elmwood Park	1.4%	\$6,538	\$6,538
V. North Bay	1.1%	\$5,216	\$5,216
V. Wind Point	4.9%	\$22,930	\$22,930
T. Waterford	0.1%	\$681	
Total County Non-resident	100.0%	\$467,527	\$455,007

8.3 Payments With Respect to Zoo Services.

The payment amounts set out below shall be used to determine a maximum transfer of funds from the Wastewater Commission to Racine in recognition of services provided by the Racine Zoological Gardens to the Anticipated Outlying Parties that are a city, village or town. The maximum amount of the transfer shall be limited to \$285,000 for 2002 and shall be increased by 3% per year for 2003, 2004, 2005, 2006 and 2007 with no future increases in subsequent years.

8.4 Payments With Respect to Museum Services.

The payment amounts set out below shall be used to determine a maximum transfer of funds from the Wastewater Commission to Racine in recognition of services provided by the Racine Charles A. Wustum Museum of Fine Arts to the Anticipated Outlying Parties that are a city, village or town. The maximum amount of the transfer shall be limited to \$115,000 for 2002 and shall be increased by 3% per year for 2003, 2004, 2005, 2006 and 2007 with no future increases in subsequent years.

8.5 No Challenge By The Outlying Parties.

The Outlying Parties shall not challenge (and hereby waive any right to challenge) any payments made by the Wastewater Commission to Racine in accordance with this Article VIII.

IX. COOPERATION RE LIBRARY SERVICES

The Parties shall fully support the proposition that Racine County should assume the funding shortfall attributable to the Anticipated Outlying Parties that are a city, village or town with respect to intergovernmental library services so as to eliminate the need for the payments provided for in Subsection 8.1c(1) and Section 8.2 of this Agreement and shall fully cooperate with one another in seeking to encourage Racine County to assume such funding shortfall.

X. SEWER ORDINANCE RESPONSIBILITIES

10.1 Sewer Ordinances.

a. Compliance with Racine Sewer Ordinances. Each Outlying SSR Party, Racine (including the Racine Utility) and the Wastewater Commission shall comply with the Racine Sewer Ordinances, as such Ordinances are amended, supplemented or recreated from time to time, to the extent such ordinances are applicable.

b. Sewer Ordinances To Be Adopted By Outlying OAE Parties. Each Outlying OAE Party shall adopt as part of its own sewer ordinances the provisions of the Racine Sewer Ordinances set out below, as amended, supplemented or recreated from time to time, modifying such provisions only as may be necessary or desirable: (1) to make such provisions applicable to and enforceable by each OAE Party in such Party's Designated OAE Territory, to the extent permitted under applicable law; and (2) to make clear that references in such provisions to the "wastewater utility" or the "utility", or to the "general manager" or the "manager", or to the "board of standards" or to the "board", or to the "wastewater commission" or the "commission", or to the "common council" or to the "council," or to the "city" are references, respectively, to the Racine Utility, or to its General Manager, or to the Racine Board of Standards, or to the Wastewater Commission, or to the Racine Common Council or to Racine, to the extent permitted under applicable law; and (3) to make clear that the requirements, restrictions or prohibitions imposed thereby are enforceable by the Wastewater Commission as well as the SSR Party and that the rights created thereby are exercisable by the Wastewater Commission as well as by the SSR Party, to the extent permitted under applicable law: Sections 98-3 through 98-4, Sections 98-114 through 98-115, Sections 98-124 through 98-137, Subsections 98-143(4) and (5) and Sections 98-150 through 98-152. The OAE Party shall provide in its ordinances for an appeal pursuant to Subsections 98-143(4) and (5) of the Racine Ordinances and shall provide that any Industrial User shall comply with all of the applicable provisions of the Racine Ordinances, including Sections 98-147 through 98-156 as adopted or amended from time to time and including appropriate penalties. Each Outlying OAE Party shall also adopt sewer ordinance provisions permitting it or its Related SSR Party to take the actions required of it under Section 5.5 of this Agreement.

c. Adoption, Effectuation and Enforcement. Each Initial Outlying OAE Party shall adopt the provisions of the Racine Sewer Ordinances and other sewer ordinance provisions specified in Subsection 10.1b, above, modified in accordance therewith, within 90 days after the Effective Date of this Agreement. Each New Outlying OAE Party shall adopt such provisions of the Racine Sewer Ordinances in accordance with Subsection 2.5a(5) of this Agreement. Each Outlying OAE Party shall adopt any amendments, supplements or recreations of such provisions of the Racine Sewer Ordinances within 90 days after written notice of their adoption from Racine, subject to its right under Subsection 10.1h of this Agreement to challenge the validity or enforceability of any such changed provision, and subject to its right under Subsection 10.1f of this Agreement to have any changed provision that alters the Cost Benefit Balance of the Agreement dealt with as a Material Change of Circumstances under Subsection 2.8p and Section 12.7 of this Agreement. After adopting such sewer ordinance provisions, each Outlying OAE Party shall immediately effectuate, and shall thereafter maintain and vigorously enforce, such ordinance provisions.

d. SSR Party Obligations re Industrial Users. No SSR Party shall permit an Industrial User to connect to or discharge to a sewerage facility that is tributary to the Racine Wastewater Treatment Facility unless and until such Industrial User (1) has been issued a Wastewater discharge permit by the Racine Utility, which has neither expired nor been suspended or revoked, unless such requirement has been specifically waived in writing by the Racine Utility, and (2) has entered into any required written pretreatment agreement with the Racine Utility or the Wastewater Commission, which has neither expired nor been suspended or

terminated, unless such requirement has been specifically waived in writing by the Racine Utility or the Wastewater Commission.

e. **Enforcement Cooperation.** Each SSR Party and OAE Party shall cooperate fully with the Wastewater Commission in enforcing the provisions of the Racine Sewer Ordinances and its own parallel sewer ordinances against Users, in obtaining access to the property of Users for purposes of inspection, sampling or monitoring, and in obtaining access to the records of any User.

f. **Amendments of the Racine Sewer Ordinances.** In amending or otherwise changing the Racine Sewer Ordinances, Racine shall be guided by the principles set out in Subsection 2.8n of this Agreement. Prior to the adoption of any amendments or other changes to the Racine Sewer Ordinances, other than in an emergency situation, Racine shall give not less than 40 days prior written notice of its intent to amend or otherwise change such ordinances to each of the SSR Parties and to the Wastewater Commission and shall furnish each Party with a copy of the proposed ordinance. Before adopting any such amendment or other ordinance change, Racine shall review and consider any written comments made by the Parties during the notice period. The adoption of any such amendment or other change to the Racine Sewer Ordinances that cause a material alteration of the Cost Benefit Balance of this Agreement, shall be subject to the procedures of Subsection 2.8p, and if the problems are not thereby resolved, to the procedures of Section 12.7 of this Agreement. Racine shall promptly notify the Wastewater Commission and each SSR Party of any amendment to the Racine Sewer Ordinances.

g. **Challenging the Racine Sewer Ordinances.** Nothing in this Article X shall be deemed to prevent a SSR Party from challenging the validity or enforceability of any provision of the Racine Sewer Ordinances.

10.2 Challenge to Validity or Enforceability of Sewer Ordinance.

In the event that the validity or enforceability of any ordinance that any OAE Party is required by this Agreement to enact, effectuate and enforce, or any part thereof, is challenged in a civil action, or in a notice of claim, or in a complaint to the PSC pursuant to Subsection 66.0821(5) of the Wisconsin Statutes, or in any other formal manner whatsoever, such OAE Party shall promptly notify the Wastewater Commission and Racine of such action, claim or complaint in writing and include in such notice copies of any relevant documents.

10.3 Invalid or Unenforceable Sewer Ordinance.

In the event that any ordinance that any OAE Party is required to adopt, effectuate and enforce by this Agreement is held, adjudged or determined by any court, agency or other governmental authority of competent jurisdiction to be invalid or unenforceable, in whole or in part, such OAE Party shall promptly notify the Wastewater Commission and Racine of such decision, order or judgment in writing, and such OAE Party, Racine, the Racine Utility and the Wastewater Commission shall promptly meet to discuss how Racine or any other OAE Party might satisfy the intent of this Agreement by alternative means, including, without limitation, enacting another ordinance designed to satisfy the court's objections. Racine, the Wastewater

Commission and the OAE Parties shall use their best efforts to find, design and implement a reasonable means of successfully accomplishing the intent of this Agreement.

XI. COOPERATION OF RACINE AND THE WASTEWATER COMMISSION WITH CALEDONIA AND MT. PLEASANT RE INCORPORATION AND FIXING BOUNDARIES

11.1 Support for Incorporation.

Racine and the Wastewater Commission shall fully support any attempts by Caledonia (if Caledonia is a Party) and by Mt. Pleasant to incorporate as a city or village under any applicable Wisconsin law, including but not limited to supporting Mt. Pleasant in the presently pending incorporation proceeding designated as In the Matter of Incorporation Of Lands Comprising The Town Of Mount Pleasant, Case No. 98-CV-0982 (Racine County Circuit Court), and including but not limited to supporting any partial incorporation of Caledonia or Mt. Pleasant that is supported by the governing body of such town. Within 40 days after the date on which this Agreement becomes effective as to Caledonia or Mt. Pleasant, the Racine Common Council and the Wastewater Commission shall each adopt a written resolutions supporting the incorporation of Caledonia (if Caledonia is a Party) and/or of Mt. Pleasant. In addition, Racine and the Wastewater Commission shall each evidence their support of any such proposed incorporation of Caledonia (if it is a party) or Mt. Pleasant, at the reasonable request of the Party seeking incorporation made by written notice with as much lead time as is practicable and in no event with less than 10 days advance notice to Racine and the Wastewater Commission. A copy of any such notice shall also be given to the Racine Mayor. Such support may be evidenced by means of the Racine Mayor and/or other appropriate Racine officials designated by the Mayor, or by the Common Council, or by the Wastewater Commission appearing and making supporting statements at public meetings, providing supporting testimony in proceedings relating to such incorporation, and providing written statements evidencing such full support as appropriate. Statements, positions or actions by individual officials of Racine, not including the mayor, or individual members of the Racine Common Council, not collectively constituting a majority thereof, or individual members of the Wastewater Commission, not collectively constituting a majority thereof, in opposition to or not in full support of the incorporation of Caledonia or Mt. Pleasant shall not be deemed to constitute a breach of this Agreement by Racine or the Wastewater Commission; provided, however, that in the event such individual statements, positions or actions are believed by Caledonia or Mt. Pleasant to be seriously impeding or threatening their efforts to incorporate, they may bring such statements to the attention of Racine and the Wastewater Commission, by written notice, with an extra copy to the Racine Mayor, and Racine and the Wastewater Commission (or the General Manager of the Racine Utility, on its behalf), as appropriate, shall take prompt and reasonable actions to neutralize any adverse impact of any such statements, positions or actions. Racine and Sturtevant shall immediately withdraw their request for a hearing on the incorporation of Mt. Pleasant upon notice from Mt. Pleasant.

11.2 No Annexations/Fixing Boundaries.

Pending the accomplishment of the incorporation of Caledonia (if Caledonia is a Party) or of Mt. Pleasant, Racine shall not annex or otherwise acquire any territory of such a Party without its written consent; and Racine hereby waives any right it might otherwise have to

annex or otherwise acquire any territory of such a Party without its written consent. Racine shall also fully support and cooperate with Caledonia (if Caledonia is a Party) and with Mt. Pleasant in fixing the boundary between Racine and each of such Parties as it existed on July 1, 2001, by means of any appropriate mechanism, including, but not limited to, any statutorily authorized boundary or settlement agreement; provided, however, that Racine shall not be obligated hereby to give up any rights, undertake any obligations, or incur any liability or substantial cost in connection with any such mechanism that is not provided for in this Agreement. A map showing the boundary of Caledonia and Racine as of July 1, 2001 is attached to this Agreement as Exhibit J and is incorporated herein by reference. A map showing the boundary of Mt. Pleasant and Racine is attached to this Agreement as Exhibit J and is incorporated herein by reference. The existing boundaries depicted in Exhibit J shall be incorporated into the following planning documents of the Specified Parties: master plans under Wis. Stat. § 62.23(3), official map under Wis. Stat. § 62.23(6) and a comprehensive plan prepared under Wis. Stat. §66.1001, to the extent such planning documents exist.

11.3 Extraterritorial Jurisdiction.

a. Stormwater Regulation and Control. Caledonia (if Caledonia is a Party) and Mt. Pleasant shall promptly impose by ordinance and thereafter vigorously enforce, in areas that are tributary to Racine, stormwater management restrictions and controls that are at least as stringent as those which Racine imposes on developers and landowners within its own territory, and these Parties shall coordinate efforts to manage stormwater crossing municipal boundaries that are common to any two of them.

b. No Exercise of Extraterritorial Zoning or Platting Jurisdiction by Racine. Caledonia (if it is a Party) and Mt. Pleasant having undertaken in this Agreement to make Revenue Sharing Payments to Racine, so that Racine shares appropriately in the benefits of their development, and having undertaken not to permit Sewer Extensions which are not approved by the Wastewater Commission and to comply with and to adopt and enforce specified provisions of the Racine Sewer Ordinances, and to impose and enforce in areas tributary to Racine stormwater management restrictions and controls that are at least as stringent as those imposed by Racine, and Racine having undertaken in this Agreement to fully support the incorporation of Caledonia (if it is a Party), and Mt. Pleasant, which will eliminate any such extraterritorial jurisdiction, Racine has concluded that it has no further need to exercise extraterritorial zoning and platting jurisdiction in Caledonia (if it is a Party) or in Mt. Pleasant. Therefore, Racine agrees that it shall not exercise its extraterritorial jurisdiction under the Wisconsin platting and zoning statutes, as the same may be constituted from time to time, within Caledonia (if Caledonia is a Party) or within Mt. Pleasant, and hereby waives any right to exercise such extraterritorial jurisdiction.

11.4 Duration of Obligations.

The obligations imposed on Racine and the Wastewater Commission by this Article XI shall continue with regard to Caledonia (if it is a Party) and Mt. Pleasant, respectively, throughout the term of this Agreement until such time as such Party is fully incorporated; provided, however, that the obligations of Racine and the Wastewater Commission under Section 11.1 shall cease as to such Party upon the incorporation of all or part of such Party.

XII. MISCELLANEOUS

12.1 Annual Audit.

The Wastewater Commission shall have a financial audit of the Racine Utility prepared each year by a qualified accounting firm. Such audit shall be prepared in accordance with generally accepted accounting principles as applied to Wastewater utilities and shall, without limitation, determine whether costs and charges incurred or made in connection with Side Agreements are properly allocated and accounted for in accordance with the terms of this Agreement.

12.2 Implementation.

Each of the Parties shall promptly take such actions as may be necessary or desirable to effectuate and implement this Agreement.

12.3 Notices.

a. **Written Notices.** Each notice required by or relating to this Agreement shall be in writing and shall specifically refer to this Agreement by name (the "Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement") and shall refer specifically to the number of the section(s) or subsection(s) or to the designation of the exhibit(s), map(s) or table(s) to which the notice relates. Any such notice shall be delivered to each notice addressee of the Party receiving the notice by personal delivery (or alternatively, if the address specified for such notice addressee is an office address, by personal delivery during normal business hours to the person apparently in charge of such addressee's office), or shall be mailed to such addressee by certified mail-return receipt requested, or shall be transmitted to such addressee by facsimile (provided that the notice is mailed the same day by first class mail), at the address stated in Sections 2.4 or 2.7 of this Agreement, as such address may be modified from time to time in accordance with this Agreement. Nothing in this Section 12.3 shall be deemed to require delivery of a notice to any such notice addressee by any particular means, provided that the means used is approved by this Agreement or is approved in writing by the recipient Party. The term "notice period", used in this Agreement in connection with a notice that is required to be given a specified minimum period of time before a specified action is taken, shall be understood to refer to the period between the time the notice is effectively given and the time the specified action is taken.

b. **Changing Notice Address.** Each Party may, from time to time and as appropriate, change its notice addressees, change its notice address, or add additional addresses for notice by electronic mail or other communications media (which shall be treated like notice by facsimile), by written notice to the other Parties pursuant to this Section 12.3.

c. **Effective Date of Notice.** Each notice shall be effective upon delivery in person, or upon mailing by certified mail-return receipt requested, or two days after mailing by first class mail, or upon facsimile transmission with receipt confirmed, or upon actual receipt without regard to the method of delivery or transmission, whichever occurs first. Any time

period specified by this Agreement in connection with a notice requirement shall be determined with respect to the effective date of the notice unless a different intent is clearly stated.

d. **Emergency Notice.** The Wastewater Commission may reasonably shorten the time for any notice required by this Agreement when necessary to deal with a serious emergency situation; provided, however, that an emergency resulting from a failure of the Wastewater Commission to act promptly in response to circumstances clearly requiring attention shall not qualify as an emergency under this Subsection 12.3d.

e. **Waiver of Notice.** The governing body of any Party shall have authority to waive, in writing, any notice that it is entitled to receive under this Agreement.

12.4 Waiver.

Except as otherwise specifically provided in this Agreement, right of a Party under this Agreement can only be waived in writing. A waiver on one occasion, or in one set of circumstances, shall not be deemed to be a waiver of such right on any other occasion or in any other circumstances.

12.5 Changing Escalator Index.

In the event that any escalator index provided for in this Agreement or subsequently selected pursuant to this Section 12.5 is discontinued, or in the event that the methodology used to prepare any such index is materially altered, the Wastewater Commission shall select an alternative escalator index that approximates as closely as possible the results of the prior index, and shall modify this Agreement, without amendment, and notify the other Parties of such modification, all in accordance with Subsection 2.8o of this Agreement.

12.6 Severability.

In the event that any provision of this Agreement, or any part thereof, is held or determined by a court or agency of competent jurisdiction to be invalid or unenforceable, the balance of this Agreement shall be deemed to be severable and shall survive; provided, however, that such a holding or determination shall invoke the provisions of Subsection 2.8p of this Agreement and, depending upon the action taken by the Wastewater Commission pursuant to Subsection 2.8p, may invoke the provisions of Sections 12.7 and 12.8 of this Agreement.

12.7 Curing Material Changes of Circumstances.

a. **By Amendment.** Whenever a Material Change of Circumstances cannot be cured or is not cured by the Wastewater Commission in accordance with Subsection 2.8p of this Agreement, this Section 12.7 shall be invoked. In such event, the Wastewater Commission shall promptly schedule a meeting of representatives of the Parties on not less than 10 days prior written notice to begin discussing how best to restructure the Agreement and/or the relationship of the Parties so that the original Cost Benefit Balance agreed to by the Parties in this Agreement, or a reasonable approximation thereof, and the smooth and efficient administration

of this Agreement can feasibly be reestablished and maintained. As between the two, maintaining the Cost Benefit Balance is primary and maintaining the smooth and efficient administration of the Agreement is secondary. The Wastewater Commission shall schedule and conduct meetings of the Parties as often as may be helpful, and the Parties shall use their best efforts (including, but not limited to, holding special meetings) to rapidly find, design and implement a means of successfully accomplishing this purpose, including, but not limited to, the negotiation of appropriate amendments of this Agreement. In doing so, and in any follow-up mediation or arbitration conducted pursuant to this Section 12.7, each Party shall have the obligation to act in good faith in attempting to restore the original Cost Benefit Balance, or a reasonable approximation thereof, and the reasonably smooth and efficient administration of this Agreement.

b. By Mediation. In the event the Parties are not able to reach agreement within 60 days after the initial meeting of the representatives of the Parties, any Party may, by 60-day prior written notice to the others, require submission of such dispute to an impartial mediator, to be selected by the Parties during such 60-day period, for non-binding mediation if the dispute is not resolved during such 60-day period. The Parties participating in any mediation relating to revenue sharing shall be the Wastewater Commission and the RSP Parties. All of the Parties shall participate in any other mediation. The mediator selected shall be the best qualified individual the Parties can find to mediate their differences regarding how best to accomplish the purpose set out above in Subsection 12.7a. Within 30 days after the mediation notice, each Party to the mediation shall notify the other Parties in writing of its nomination of up to two disinterested potential mediators, together with appropriate background information regarding each. Not later than 60 days after the mediation notice, the Wastewater Commission shall conduct a meeting of representatives of the Parties, on not less than 20 days prior written notice, to select the mediator. If the Parties to the mediation are unable to agree upon a mediator by unanimous vote, the mediator shall be selected from the panel of potential mediators nominated by the Parties. The mediator shall be selected by use of a modified alternate strike method, as follows: Each Party or each group of Related Parties shall have a single vote to cast in each round of strikes against the nominated mediators. (If Related Parties cannot agree on how to cast their single vote, they shall cast such vote in even fractional shares.) In each successive round of strikes, the nominated mediator(s) with the greatest number of strikes shall be eliminated. In the event that the last two or more nominated mediators repeatedly receive the same number of strikes, the choice between the remaining nominated mediators shall be made by the flip(s) of a coin. The Parties shall jointly retain the mediator(s) through the Wastewater Commission. The Wastewater Commission shall cause a written notice to be sent to each participating Party upon retention of the mediator(s) stating the name and address of the mediator(s). The fees and expenses of the selected mediator shall be paid by the Wastewater Commission as an OMR cost. The Parties may be represented by legal counsel in the mediation, but each Party shall be responsible for its own attorneys' fees.

c. By Arbitration. In the event that the Parties are unsuccessful in reaching agreement with the assistance of the mediator within a reasonable period of time, any Party to the mediation may, by 60-day prior written notice to the other Parties to the mediation, require submission of such dispute to an impartial arbitrator, to be selected in the same manner and pursuant to the same procedures as the mediator, for binding arbitration if the dispute is not

resolved during such 60-day period. The Parties participating in any arbitration relating to revenue sharing shall be the Wastewater Commission and the RSP Parties. All Parties shall participate in any other arbitration unless a Party opts out by written notice to the other Parties and to the arbitrator. (Any Party which opts out of the arbitration shall nevertheless be bound by the results of the arbitration.) Unless otherwise specifically provided in this Subsection 12.7c, or otherwise agreed to by the Parties involved in the arbitration, the arbitration shall be conducted procedurally in accord with the then current Commercial Arbitration Rules of the American Arbitration Association; provided, however, that the Parties shall not be required to make use of or involve the American Arbitration Association in the proceedings. Without limitation, the arbitration procedure shall include written briefs to explain and advocate for and against the final proposed solutions of the Parties, a hearing to allow oral argument on the final proposed solutions, and discovery and evidentiary hearing relating to any questions of fact. Except as is otherwise specifically provided in this Subsection 12.7c, the arbitrator shall be limited in his or her decision to a selection of the final proposed solution of each participating Party that most closely reestablishes or approximates the original Cost Benefit Balance of this Agreement, and secondarily provides for the reasonably smooth and efficient administration of this Agreement. The Parties shall jointly retain the arbitrator through the Wastewater Commission. The Wastewater Commission shall cause a written notice to be sent to each participating Party upon retention of the arbitrator stating the name and address of the arbitrator. The fees and expenses of the arbitrator shall be paid by the Parties involved in proportion with the Allocated Treatment Capacity they control. The Parties may be represented by legal counsel in the arbitration, but each Party shall be responsible for its own attorneys' fees. The Parties shall submit their respective preliminary proposed solutions to the arbitrator and to each of the participating Parties by written notice within 10 days of the arbitrator retention notice. The Parties may amend their respective proposed solutions until having submitted their final proposed solutions under the direction of the arbitrator. The arbitrator shall select the final proposal that most closely restores the original Cost Benefit Balance of this Agreement and, secondarily provides for reasonably smooth and efficient operation of this Agreement, and he shall reject all other proposals, stating the reasons for his decision. The Parties to this Agreement shall be bound by the result of the arbitration, except as provided by law. Upon completion of the arbitration, the decision of the arbitrator shall become an automatic amendment to this Agreement and shall be binding upon the Parties; provided, however, that any decision of the arbitrator relating to revenue sharing shall not become final until the proposed decision has been processed by the arbitrator, on behalf of the Parties, as though it were an amendment to a revenue sharing agreement pursuant to and in accordance with Wis. Stat. § 66.0305. The decision of the arbitrator shall be deemed to be an administrative decision made pursuant to this Agreement by delegation of the Parties.

12.8 Linkages/Temporary Suspension of Obligations.

a. Context. Notwithstanding Section 12.6 of this Agreement, relating to severability, the Parties acknowledge and agree that there is a fundamental balance between certain benefits and certain costs or burdens of this Agreement that assure each Party of obtaining the essential benefit of its bargain under this Agreement. In determining this balance, the following principles, which are not exclusive and not in any particular order, are important in establishing the Parties' benefit of their bargain:

(1) That by providing sewer service outside its municipal boundaries, Racine has experienced losses of tax base, population growth and non-residential commercial/industrial development;

(2) That the Outlying Parties and their Successors have a unique municipal, cultural and social identity, that they wish to preserve;

(3) That the Parties recognize the substantial economic integration between Racine and the Outlying Parties;

(4) That Mt. Pleasant and Caledonia, the two most populous urban towns in the State of Wisconsin, have achieved an urbanized level of economic, cultural and social self-sufficiency, which justifies their incorporation;

(5) That Racine through its losses of tax base, population growth and non-residential /commercial/industrial development over the years has found itself unable to fund the full range of municipal and economic development services because of the declining demographic characteristics of its population and its aging infrastructure;

(6) That Racine, through its Wastewater Utility, has been required to maintain safe, cost-effective and sufficient wastewater treatment capacity with the ability to allow future residential and non-residential growth within the territories of the Outlying Parties;

(7) That the Parties have concluded that it is not feasible for Racine to have future geographic and economic growth through the accretion of land to Racine, with the resulting loss of territory by the Outlying Parties;

(8) That since most of the future growth in the Greater Racine Area will occur within the territory of the Outlying Parties, the Outlying Parties should pay their proportionate share of the capital costs of improvements to the Wastewater Utility to serve the Outlying Parties' own future growth needs in exchange for the rights to own allocated capacity within the Sewer Service Facilities, which capacity could be used for their own needs or sold or transferred to other parties;

(9) That Racine has recognized that with Revenue Sharing Payments, it is critical for the Outlying Parties to maintain secure boundaries and that, with Revenue Sharing Payments, the Outlying Parties' growth will benefit Racine and that Racine will, therefore, not annex territory, except with the consent of the Party that would lose territory, exercise extra-territorial jurisdiction or deplete the Wastewater Utility reserve accounts beyond what has been agreed to by the Parties to this Agreement; and

(10) The Initial Parties have negotiated for several years the terms of this Agreement and the municipalities which could be Initial Parties but which elect not to become Initial Parties may suffer a detriment by not participating in Revenue Sharing or Sewer Service capacity allocation in accordance with this Agreement.

(11) All of the Parties have found that it is in their best interest to compromise and settle claims and potential claims or arguable rights with respect to the further extension of Sewer Service.

The Initial Parties to this Agreement believe that the terms of this Agreement provide the basis for economic, social and cultural integration so that one Party's benefit could be detriment to the other, but that the sum total of the benefits and detriments have balanced out. In the event there is a Material Change in Circumstances which causes a disruption to this balance, it is the responsibility of the Parties, the Wastewater Commission, mediator, and ultimately, the arbitrator to restore the benefits and detriments by not unduly or unfairly burdening one Party over another with either the detriments or the benefits of this relationship.

b. Linkages. Notwithstanding Section 12.6 of this Agreement, relating to severability, the Parties acknowledge and agree that there are fundamental linkages between certain benefits and certain costs or burdens of this Agreement that assure each Party of obtaining the essential benefit of its bargain under this Agreement, as follows:

(1) Expanded Sewer Service (and related approvals of Sewer Extensions and Allocated Sewer Service Capacity) – SSR Parties prepay the cost of their proportionate share of expanded Sewer Service Facilities to serve their future growth needs. One of the key linkages of this Agreement is that the SSR Parties prepay the cost of the proportionate share they desire of any Expanded Sewer Service Facilities. In return, they receive Expanded Sewer Service (and related approvals of Sewer Extensions) to serve their future growth needs and the right to use and transfer their Allocated Sewer Service Capacity in such expanded facilities in accordance with the Agreement.

(2) Expanded Sewer Service (and related approvals of Sewer Extensions and Allocated Sewer Service Capacity) – Revenue Sharing Payments. Another key linkage of this Agreement is the sharing of benefit from the growth and development made possible by extraterritorial Sewer Service in the form of revenue sharing. The Parties recognize in this Agreement that revenue sharing is an appropriate tradeoff for expansion of Sewer Service to the outlying areas, and the creation of Allocated Sewer Service Capacity rights to ensure the ability of the SSR Parties to use and/or transfer the allocated capacity they have purchased.

(3) Incorporation and boundary fixing cooperation for Caledonia and Mt. Pleasant-Level of Revenue Sharing Payments. Another important linkage of this Agreement is Revenue Sharing Payments in lieu of annexation or other required territorial transfers as a means of ensuring that the supplier of Sewer Service receives fair benefit for allowing the outlying communities to grow and develop. The tradeoff for the level of revenue sharing to be paid by Mt. Pleasant and Caledonia is Racine's cooperation in securing their boundaries and in assisting them to incorporate so, in part, they have the powers they need to manage their growth and development effectively.

(4) Capped payments from the Racine Utility Capital Reserve Account Funds to Racine-Revenue Sharing Payments. Yet another important linkage in this Agreement, affecting the level of Revenue Sharing Payments agreed to by the Parties, are the limitations imposed by this Agreement on transfers of funds from the Racine Utility to Racine. Revenue

sharing is an appropriate tradeoff for such limitations.

The listing of linkages in this Section 12.8 shall not be construed to exhaust the benefits to a Party as a part of the Cost Benefit Balance established under this Agreement and shall not limit the meaning of Material Change of Circumstances to the linkages listed above.

In the event that any Party fails to receive substantial performance of the provision to it of one of the fundamental benefits listed above, whether because of breach, or because of Material Change of Circumstances, or because of the invalidity or unenforceability of any provisions of this Agreement, or because of the operation of this Section 12.8, such Party's obligation to provide a linked fundamental benefit may be suspended in accordance with this Section 12.8. The intent of this Section 12.8 is to encourage the Parties to resolve their differences rapidly, to prevent a Party from taking unfair advantage of another Party and to preserve the status quo before the breach, Material Change of Circumstances, etc. This Section 12.8 shall only be invoked if an event results in a Party losing a major benefit of its bargain, at least temporarily. No Party shall invoke this Section 12.8 (other than in response to another Party's invocation of this Section 12.8) without having first invoked and pursued the procedures of Section 12.16, with respect to a breach, or the procedure of 2.8p with respect to any other qualifying event or circumstance. No party shall act or fail to act under this Section 12.8 in such a way as to materially and irreparably alter the original Cost Benefit Balance of this Agreement. Performance in full shall be due from a Party whose obligations have been suspended under this Section 12.8 upon the termination of the suspension, including payment of interest at the LGIP rate on any payments temporarily withheld unless the suspension arose because of a breach of this Agreement by the Net Recipient Party. The suspension of obligations under this Section 12.8 shall terminate automatically upon the adverse impacts of the breach Material Change of Circumstances or other event or circumstance being resolve pursuant to Subsection 2.8p, Section 12.7 or Section 12.16 of this Agreement or by judicial, legislative or administrative action.

12.9 No Challenges to the Validity or Enforceability of this Agreement.

Except as is otherwise expressly provided in this Agreement, each of the Parties hereby waives any right to commence or maintain, and hereby agrees not to commence or maintain, any civil action to contest or challenge the validity or enforceability of this Agreement or any of its provisions. Except as is otherwise expressly provided in this Agreement, each of the Parties hereby waives any right to complain to the PSC, and hereby agrees not to complain to the PSC, pursuant to Subsection 66.0821(5) of the Wisconsin Statutes, that this Agreement or any provision of this Agreement is unreasonable or unjustly discriminatory on its face. Nothing in this Section 12.9 shall be construed as preventing a Party from commencing or maintaining a declaratory judgment action regarding the interpretation of this Agreement (provided and to the extent that the Party's position is consistent with a good faith interpretation of the Agreement and does not challenge the validity or enforceability of the Agreement or any of its provisions), or a certiorari action challenging a decision by the Wastewater Commission, or an action seeking equitable relief to enforce this Agreement, or an action seeking damages for breach of this Agreement. Nothing in this Section 12.9 shall be construed as preventing a Party from complaining to the PSC or maintaining such a complaint pursuant to Wis. Stats. § 66.0821(5) that a decision made by Racine (including the Racine Utility) or the Wastewater Commission under this

Agreement is unreasonable or unjustly discriminatory provided that, and to the extent that, such position is consistent with a good faith interpretation of this Agreement and does not challenge the validity or enforceability of the Agreement or any of its provisions.

12.10 Interpretation.

This Agreement shall not be deemed to have been drafted by any particular Party so as to be interpreted strictly against such Party.

12.11 References.

Any references in this Agreement to any particular agency, organization or official shall be interpreted as applying to any successor agency, organization or official or to any other agency, organization or official to which contemplated functions are transferred by law. Any references in this Agreement to any particular statute, ordinance, rule or regulation shall be interpreted as applying to such statute, ordinance, rule or regulation as amended or recreated from time to time.

12.12 Section and Subsection Titles.

Section and subsection titles in this Agreement are provided for convenience only and shall not be used in interpreting this Agreement.

12.13 Successors.

This Agreement shall benefit and be binding upon the Parties and their Successors.

12.14 Complete Agreement.

This Agreement represents the complete agreement of the Parties and supersedes all agreements, warranties, representations and promises, either written or oral, made during the course of negotiations leading up to this Agreement.

12.15 Good Faith and Fair Dealing.

The Parties hereby acknowledge that this Agreement imposes on each of them a duty of good faith and fair dealing.

12.16 Enforcement/Remedies.

a. Remedies.

(1) Each SSR Party shall have the right and standing to complain to the PSC, pursuant to Wis. Stat. § 66.0821(5), that any decision made or action taken by Racine (including the Racine Utility) or by the Wastewater Commission under or pursuant to this Agreement constitutes an unreasonable or unjustly discriminatory rate, rule or practice; provided, however, that no Party shall use such procedure to challenge the validity or enforceability of any provision of this Agreement.

(2) Each Party shall have the right and standing to seek a declaratory judgment in court regarding the proper interpretation of this Agreement or of the rights or obligations of the Parties under the provisions of this Agreement as stated. Each Party shall have

the right and standing to seek any available equitable or legal remedy in court to enforce this Agreement, and/or to seek damages for the breach of this Agreement, unless the PSC has primary jurisdiction over such matter under Wis. Stat. § 66.0821(5). No Party, however, shall have the right or standing to use such an action to challenge the validity or enforceability of any provision of this Agreement.

b. Notice of Breach or Dispute. If a Party believes that any other Party is in breach of this Agreement, or that a dispute exists about the meaning of the Agreement, or that it is entitled to invoke Section 12.7 notwithstanding curative action taken by the Wastewater Commission pursuant to Subsection 2.8p of this Agreement the aggrieved Party shall promptly serve written notice of the breach or dispute upon the other affected Parties, including Racine and the Wastewater Commission, specifying the provision(s) of this Agreement that are involved and the action, inaction, dispute or interpretation that gives rise to the notice. The interested Parties shall meet as promptly as practicable thereafter, and in any event within 30 days after the effective date of the notice, and shall endeavor in good faith to resolve any dispute or other matter amicably. If the initial meeting fails to resolve the dispute, the interested Parties shall meet again within 30 days after the first meeting, unless the Parties agree in writing at the first meeting that there is no possibility a second meeting will help resolve the dispute or other matter. After the second meeting or after any agreement not to hold a second meeting, the Parties may pursue remedies in the Circuit Court of Racine County for breaches of this Agreement; provided, however, that the Party allegedly in breach shall not be in breach if such Party cures the alleged breach within 30 days after such notice or commences steps which should reasonably cure the alleged breach within a period of time that is reasonable under the circumstances and diligently pursues such steps to completion, and the completion of such steps does cure the alleged breach. This Subsection 12.16b is intended by the Parties to waive their respective statutory right to any notice under Wis. Stats. § 893.80(1), to the extent such section is applicable.

c. Commencement of Civil Actions or Other Proceedings. No civil action and no complaint to the PSC may be commenced until after the meeting(s) required by Subsection 12.16b, above, except that a Party may commence an action seeking specific performance or injunctive relief prior to that time if, in that Party's good faith judgment, urgent action is necessary to protect the public health, safety or welfare from serious harm, and except as provided in Subsection 2.8j of this Agreement.

d. Litigation Expenses. Except as otherwise provided in this Agreement, or as the interested Parties may separately agree among themselves in writing, the prevailing Party in any civil action or any proceeding on a complaint to the PSC pursuant to Wis. Stat. §66.0821(5), shall be entitled to recover from the other Party its reasonable costs and expenses of litigation, including reasonable actual attorneys' fees.

12.17 Amendment.

The revenue sharing portion of this Agreement may be amended by written agreement processed in accordance with Wis. Stat. § 66.0305 by the RSP Parties and the Wastewater Commission and duly approved by the Wastewater Commission and the governing body of each of the RSP Parties and executed by appropriate and duly authorized officers of such Parties. The provisions as to revenue sharing shall only be amended by unanimous consent of the RSP Parties. Any aspect of this Agreement

other than the revenue sharing provisions may be amended by written agreement duly approved by the Wastewater Commission and the governing bodies of the Parties representing 90% of the total average daily flow at the Racine Wastewater Treatment Facility and executed by appropriate and duly authorized officers of such Parties; provided, however, that no amendment that subjects a Party to different requirements, conditions or obligations than other similarly situated Parties shall take effect without the consent of such Party.

12.18 No Third-Party Beneficiaries.

This Agreement is intended to benefit only the Parties and their Successors, and nothing in this Agreement shall be interpreted as giving to any Person which is not a Party any legal or equitable rights whatsoever.

12.19 Notice of a Material Change of Circumstances Affecting this Agreement.

Whenever any Party believes that a Material Change of Circumstances has occurred, such Party shall promptly notify each of the other Parties in writing what the Material Change of Circumstances is and how it affects the Agreement or the rights of any Party.

12.20 Limitations on Liability.

Racine (including the Racine Utility) and the Wastewater Commission shall not be liable to any of the other Parties for any claims, losses or damages resulting from any break in an Interceptor or any other failure of physical facilities to perform (except for breaks or other failures caused by the negligence or willful misconduct of Racine, the Racine Utility or the Wastewater Commission), or from any loss of power, any act of God, any act of sabotage, terrorism or war, any strike, or any other cause beyond the reasonable control of Racine, the Racine Utility or the Wastewater Commission, or for any consequential damages; provided, however, that Racine (including the Racine Utility) and the Wastewater Commission shall have the duty to reasonably maintain the Sewer Service Facilities.

The full faith and credit of Racine shall stand behind the Wastewater Commission, and Racine shall indemnify and hold the Wastewater Commission harmless for any actions related to the operation of the Racine Utility or for its negligent or willful mismanagement of the Racine Utility; provided, however, that any liability of the Wastewater Commission shall be paid from the Capital Reserve Account Funds to the extent that reasonable and prudent reserves are maintained.

12.21 Term/Termination.

The term of this Agreement, as between Racine, the Wastewater Commission and each one of the Outlying Parties or groups of Related Outlying Parties, shall be 50 years. Except as otherwise specifically provided by this Agreement no breach of this Agreement by any Party shall operate to void or terminate or provide grounds for termination of this Agreement, it being the intent of the Parties in general that the provisions of this Agreement shall be subject to specific performance, that injunctive relief shall be available to cure any breaches prospectively, and that damages shall be awarded to redress any harm occasioned by a breach; provided, however, that if a court of competent jurisdiction determines that a Party cannot or will not comply with the requirements of this Agreement, as evidenced by the expressed intent of the Party, or by the Party's past conduct (e.g. a pattern of similar serious breaches), and that such intent or conduct poses a serious threat to the public health, safety or welfare, the complaining Party may obtain as part of its remedy in court the termination or suspension of

specified obligations under this Agreement to the extent determined to be appropriate by such court; and further provided that a breach of this Agreement may lead to a suspension of obligations under Section 12.8 of this Agreement.

12.22 Survival of Rights and Obligations.

The rights of the SSR Parties in Allocated Treatment Capacity and in conveyance capacity in the Sewer Service Facilities under this Agreement shall survive the termination of this Agreement; provided, however, such rights shall be subject to compliance with reasonable rules and regulations with respect to the treatment and conveyance of Wastewater. The obligations and rights as to revenue sharing in effect under this Agreement shall survive and continue after the termination of this Agreement as to territory subject to revenue sharing at the time of the termination of this Agreement until revenue sharing as to such territory shall have been in effect for 30 years as provided in Subsection 7.1a(4). Surviving revenue sharing obligations hereunder shall be calculated and administered by Racine under Article VII of this Agreement. Termination of this Agreement shall not have the effect of terminating or cancelling any payment obligation incurred under this Agreement before the termination. The Wastewater Commission shall cease to exist at the election of Racine upon termination of this Agreement.

12.23 Effective Date.

This Agreement shall take effect for the limited purpose of creating the Wastewater Commission to administer this Agreement pursuant to Wis. Stat. § 66.0301 upon being duly approved and signed by Racine and Mt. Pleasant. This Agreement shall become fully effective with respect to the then-existing Parties upon being thereafter duly approved and signed, within 30 days after the date on which the Agreement was signed by the last to sign of Racine and Mt. Pleasant and by the Wastewater Commission. In the event this Agreement does not become fully effective within such 30-day period, it shall be null and void. The Wastewater Commission shall promptly give each Party and each Anticipated Party written notice of the Effective Date of this Agreement.

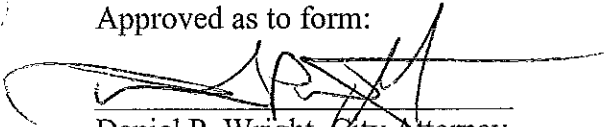
12.24 Approval/Authority.

Each of the Parties hereby represents that this Agreement was duly approved by its governing body on the date stated below in accordance with all applicable state and local laws, and that its governing body has caused its duly authorized officers to execute this Agreement on its behalf on the date stated after each signature below.

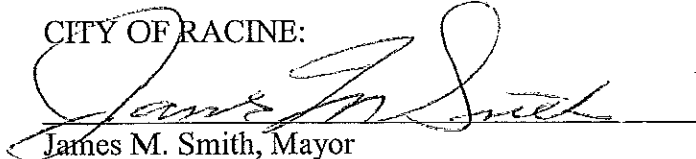
12.25 Settlement.

This Agreement is intended to compromise and settle all claims and known disputes between or among the Parties as of December 31, 2001 relating to the provision of Sewer Service, Sewer Service moratoria, payment of reserve funds by the Racine Utility to Racine, municipal boundaries or annexations, or incorporation as a village or city, except as follows: None. Each Party shall promptly take such actions as may be reasonably required to implement the intent of this Section 12.25.

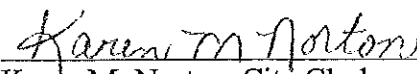
Approved as to form:


Daniel P. Wright, City Attorney

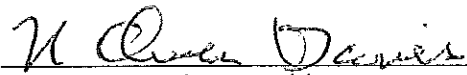
CITY OF RACINE:


James M. Smith, Mayor

Attest:

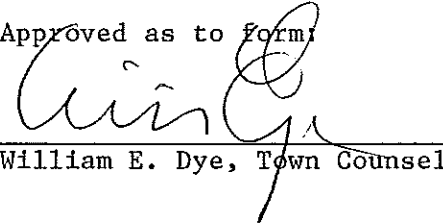

Karen M. Norton, City Clerk

RACINE WASTEWATER UTILITY COMMISSION:

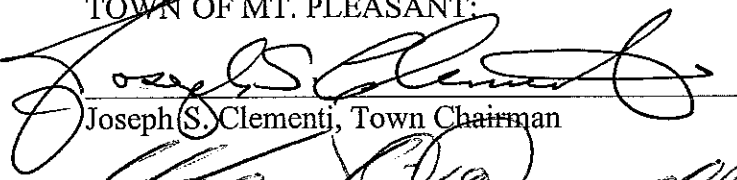

N. Owen Davies, President

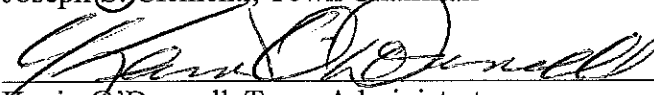

Thomas J. Bunker, General Manager

Approved as to form:

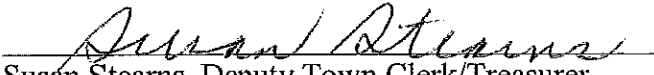

William E. Dye, Town Counsel

TOWN OF MT. PLEASANT:

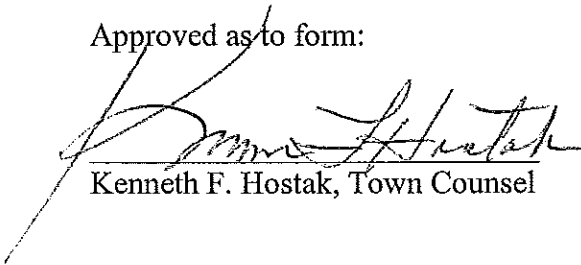

Joseph S. Clementi, Town Chairman


Kevin O'Donnell, Town Administrator

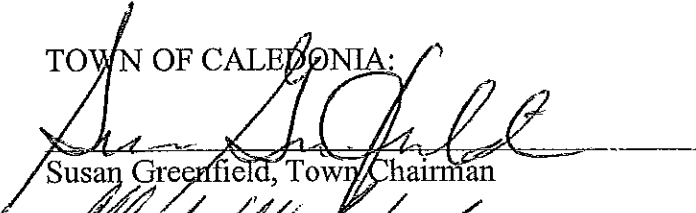
Attest:

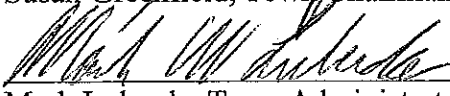

Susan Stearns, Deputy Town Clerk/Treasurer

Approved as to form:

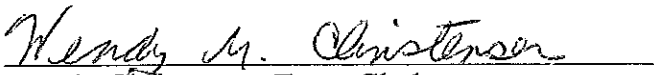

Kenneth F. Hostak, Town Counsel

TOWN OF CALEDONIA:


Susan Greenfield, Town Chairman


Mark Lubarda, Town Administrator

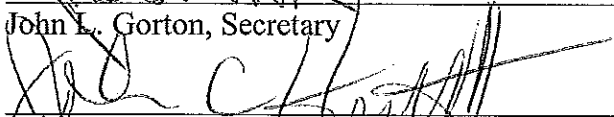
Attest:


Wendy Christensen, Town Clerk

MT. PLEASANT SEWER UTILITY DISTRICT NO. 1:

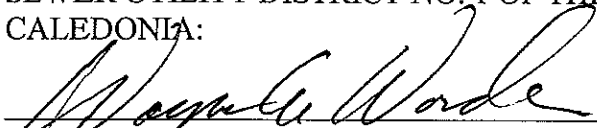


John L. Gorton, Secretary

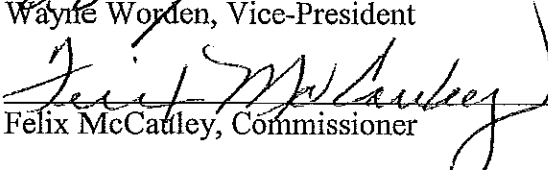


John Hewitt, Sewer Commissioner

SEWER UTILITY DISTRICT NO. 1 OF THE TOWN OF
CALEDONIA:

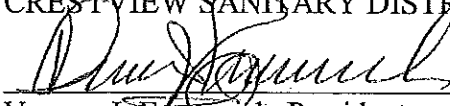


Wayne Worden, Vice-President

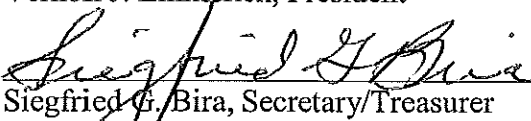


Felix McCatley, Commissioner

CRESTVIEW SANITARY DISTRICT:



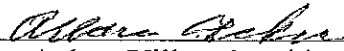
Vernon J. Emmerich, President

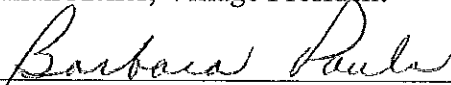


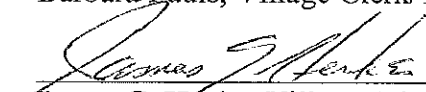
Siegfried G. Bira, Secretary/Treasurer

Dated this 8th day of May, 2002.

VILLAGE OF STURTEVANT:

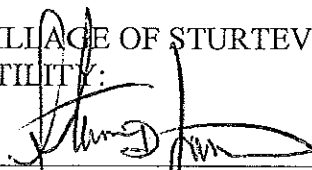

Allan Acker, Village President

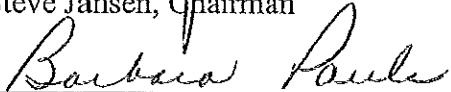

Barbara Pauls, Village Clerk/Treasurer


James G. Henke, Village Administrator

Dated this 8th day of May, 2002.

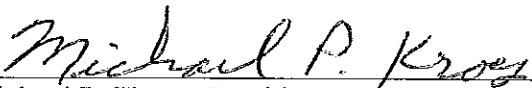
VILLAGE OF STURTEVANT WATER AND SEWER
UTILITY:

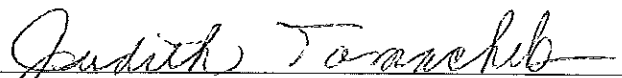

Steve Jansen, Chairman


Barbara Pauls, Village Clerk/Treasurer

Dated this 9 day of May, 2002.

NORTH PARK SANITARY DISTRICT:


Michael P. Kroes, President


Judith Tomachek, Secretary

Dated this 9th day of July, 2002.

TOWN OF SOMERS
KR UTILITY DISTRICT:

Carol J. Fischer
Carol Fischer, Chairperson

Kay Goergen
Kay Goergen, Clerk/Treasurer

Wastewater Utility
Land - J.I. Case Property
Account # 1010310

	Rate	Cost
06/30/91 Land - JI Case Property		76,286.00
09/01/99 Land - Army Reserve Property		5,663.57
		81,949.57

Wastewater Utility

Interceptors

Account # 1010314

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1937 Branch #1	100 yrs	1,055,000.00	10,550.00	1,000,475.50	10,550.00	1,011,025.50	10,550.00	1,021,575.50
1930 Branch #2	100 yrs	1,653,000.00		1,653,000.00		1,653,000.00		1,653,000.00
1957 Branch #3	100 yrs	560,000.00	5,600.00	344,390.50	5,600.00	349,990.50	5,600.00	355,590.50
1933 Branch #4	100 yrs	2,722,000.00		2,722,000.00		2,722,000.00		2,722,000.00
1947 Branch #5	100 yrs	2,012,000.00	20,120.00	1,572,700.50	20,120.00	1,592,820.50	20,120.00	1,612,940.50
1950 Branch #6	100 yrs	307,000.00	3,070.00	224,634.50	3,070.00	227,704.50	3,070.00	230,774.50
1948 Branch #7	100 yrs	253,000.00	2,530.00	193,558.50	2,530.00	196,088.50	2,530.00	198,618.50
1940 Branch #8	100 yrs	300,000.00	3,000.00	269,500.00	3,000.00	272,500.00	3,000.00	275,500.00
1935 Branch #9	100 yrs	352,000.00	3,520.00	345,564.50	3,520.00	349,084.50	2,915.50	352,000.00
1985 Riverbrook Relay	100 yrs	58,511.44	585.00	9,165.05	585.00	9,750.05	585.00	10,335.05
1987 Downtown Interceptor	100 yrs	3,234,864.58	32,349.00	395,859.51	32,349.00	428,208.51	32,349.00	460,557.51
1988 Oakes Road San. Sewer	100 yrs	50,509.00	505.00	5,555.00	505.00	6,060.00	505.00	6,565.00
1988 Chicory Road San. Sewer	100 yrs	4,483.00	45.00	495.00	45.00	540.00	45.00	585.00
1988 16th St. Interceptor	100 yrs	46,686.50	467.00	5,137.00	467.00	5,604.00	467.00	6,071.00
1988 Augusta St. Manhole	100 yrs	4,280.00	43.00	473.00	43.00	516.00	43.00	559.00
06/15/89 Grand Ave. Force	100 yrs	2,243,930.05	22,404.00	202,756.00	22,404.00	225,160.00	22,404.00	247,564.00
06/15/89 Harrington Dr. Force	100 yrs	30,998.05	310.00	2,945.00	310.00	3,255.00	310.00	3,565.00
03/31/92 Marquette St. Bridge	100 yrs	211,095.59	2,111.00	14,248.22	2,111.00	16,359.22	2,111.00	18,470.22
02/28/93 Mt. Pleasant Interceptor	100 yrs	42,789.02	428.00	2,497.00	428.00	2,925.00	428.00	3,353.00
04/30/93 Root River Interceptor	100 yrs	954,928.67	9,549.00	54,111.00	9,549.00	63,660.00	9,549.00	73,209.00
05/31/93 Overflow Elimination	100 yrs	14,415.63	144.00	804.00	144.00	948.00	144.00	1,092.00
03/31/93 Sale to Mt. Pleas. - Interse	100 yrs	(88,224.00)	(882.00)	(5,292.00)	(882.00)	(6,174.00)	(882.00)	(7,056.00)
09/30/95 English Street Elimin.	100 yrs	299,357.73	2,994.00	9,730.00	2,994.00	12,724.00	2,994.00	15,718.00
12/31/95 16th St. Elimin.	100 yrs	142,040.82	1,420.00	4,378.00	1,420.00	5,798.00	1,420.00	7,218.00
02/28/97 Overflow Elimination	100 yrs	61,480.75	614.81	1,127.15	614.81	1,741.96	614.81	2,356.77
		16,526,146.83	121,476.81	9,029,812.93	121,476.81	9,151,289.74	120,872.31	9,272,162.05

Wastewater Utility
Lift Station Structures
Account # 1010321

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1956 Washington Ave. #1	50 yrs	95,142.00	1,903.00	78,974.00	1,903.00	80,877.00	1,903.00	82,780.00
1965 Spring #2	50 yrs	70,653.00	1,413.00	47,335.00	1,413.00	48,748.00	1,413.00	50,161.00
1972 13th #5	50 yrs	23,380.00	468.00	12,402.00	468.00	12,870.00	468.00	13,338.00
1969 Drexel #6	50 yrs	62,302.00	1,246.00	36,757.00	1,246.00	38,003.00	1,246.00	39,249.00
1958 Steeplechase #7	50 yrs	23,553.00	471.00	19,075.00	471.00	19,546.00	471.00	20,017.00
1960 Francis #9	50 yrs	7,836.00	158.00	6,083.00	158.00	6,241.00	158.00	6,399.00
1963 South Memorial #10	50 yrs	26,500.00	530.00	18,815.00	530.00	19,345.00	530.00	19,875.00
1968 Riverbrook #12	50 yrs	5,590.00	111.00	3,274.00	111.00	3,385.00	111.00	3,496.00
1985 Riverbrook #3	50 yrs	32,000.00	640.00	8,960.00	640.00	9,600.00	640.00	10,240.00
1986 Riverbrook #3	50 yrs	9,892.31	200.00	2,498.92	200.00	2,698.92	200.00	2,898.92
1986 NorthWestern #8	50 yrs	193,584.48	3,872.00	48,464.00	3,872.00	52,336.00	3,872.00	56,208.00
1987 Festival 5th St #4	50 yrs	70,000.00	1,400.00	16,800.00	1,400.00	18,200.00	1,400.00	19,600.00
08/01/90 Addition #5	50 yrs	126,708.67	2,534.00	21,327.00	2,534.00	23,861.00	2,534.00	26,395.00
03/01/90 Addition #1	50 yrs	2,115,777.87	42,315.00	342,046.00	42,315.00	384,361.00	42,315.00	426,676.00
1991 Addition #1	50 yrs	71,761.60	1,435.00	11,480.00	1,435.00	12,915.00	1,435.00	14,350.00
04/01/92 Addition #1	50 yrs	236,407.45	4,728.00	31,914.11	4,728.00	36,642.11	4,728.00	41,370.11
03/01/93 Renovation #2	50 yrs	166,169.35	3,323.00	19,385.00	3,323.00	22,708.00	3,323.00	26,031.00
1994 Renovation #2	50 yrs	9,792.00	196.00	980.00	196.00	1,176.00	196.00	1,372.00
1995 Addition #1	50 yrs	30,000.00	600.00	2,400.00	600.00	3,000.00	600.00	3,600.00
06/01/95 Garage Roof Replacement	50 yrs	16,527.28	331.00	1,186.00	331.00	1,517.00	331.00	1,848.00
10/01/96 Lift Station # 6, 10 Rehab.	50 yrs	264,523.90	5,290.47	13,887.48	5,290.47	19,177.95	5,290.47	24,468.42
03/07/97 Lift Station #6 Structure	50 yrs	18,600.00	372.00	682.00	372.00	1,054.00	372.00	1,426.00
07/01/99 Lift Station #7 Structure	50 yrs	66,897.14	668.97	668.97	668.97	668.97	1,337.94	2,006.91
05/01/00 Fence - Parkway Lift Station	20 yrs	2,425.00			80.80	80.80		80.80
		3,746,023.05	73,536.47	744,725.51	74,205.44	818,930.95	74,955.21	893,886.16

Wastewater Utility
Lift Station Equipment
Account # 1010323

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1971 Equipment Station #1	20 yrs	301,278.00		301,278.00		301,278.00		301,278.00
1985 Bar Screens #1	20 yrs	122,908.05	6,145.00	78,963.35	6,145.00	85,108.35	6,145.00	91,253.35
1985 2" Water Line #1	20 yrs	9,187.33	459.00	5,897.80	459.00	6,356.80	459.00	6,815.80
1985 Meter #1	20 yrs	5,695.00	285.00	3,662.20	285.00	3,947.20	285.00	4,232.20
1965 Equipment Station #2	20 yrs	35,327.00		35,327.00		35,327.00		35,327.00
1962 Equipment Station #2	20 yrs	4,712.00		4,712.00		4,712.00		4,712.00
1972 Equipment Station #5	20 yrs	11,691.00		9,009.00		9,009.00		9,009.00
1969 Equipment Station #6	20 yrs	31,152.00		31,152.00		31,152.00		31,152.00
1984 Compressor #6	20 yrs	7,165.00	358.00	4,893.72	358.00	5,251.72	358.00	5,609.72
1980 Air Compressor	20 yrs	3,708.19	185.00	3,221.64	185.00	3,406.64	185.00	3,591.64
1982 Addition	20 yrs	9,616.11	481.00	7,502.68	481.00	7,983.68	481.00	8,464.68
1958 Equipment Station #7	20 yrs	11,776.00		11,776.00		11,776.00		11,776.00
1979 Addition	20 yrs	10,309.85	515.00	9,228.49	515.00	9,743.49	515.00	10,258.49
1986 Equipment Station # 8	20 yrs	483,058.36	24,153.00	294,666.51	24,153.00	318,819.51	24,153.00	342,972.51
1960 Equipment Station #9	20 yrs	3,919.00		3,919.00		3,919.00		3,919.00
1963 Equipment Station #10	20 yrs	13,252.00		13,252.00		13,252.00		13,252.00
1968 Equipment Station #12	20 yrs	2,796.00		2,796.00		2,796.00		2,796.00
1987 Equipment Station #4	20 yrs	140,000.00	7,000.00	82,600.00	7,000.00	89,600.00	7,000.00	96,600.00
1988 Mobile Generator	20 yrs	10,198.00	510.00	5,355.00	510.00	5,865.00	510.00	6,375.00
03/01/90 Equipment #1	20 yrs	1,057,891.24	52,895.00	467,238.00	52,895.00	520,133.00	52,895.00	573,028.00
08/01/90 Equipment #5	20 yrs	63,353.38	3,168.00	26,664.00	3,168.00	29,832.00	3,168.00	33,000.00
1991 Equipment #1	20 yrs	35,875.42	1,795.00	14,000.00	1,795.00	15,795.00	1,795.00	17,590.00
03/01/93 Equipment #2	20 yrs	498,508.06	29,079.00	157,858.00	29,079.00	186,937.00	29,079.00	216,016.00
1994 Equipment #2	20 yrs	19,584.48	979.00	4,895.00	979.00	5,874.00	979.00	6,853.00
1994 Smoke Testing	20 yrs	7,443.36	372.00	1,860.00	372.00	2,232.00	372.00	2,604.00
03/01/94 Capacity Testing	20 yrs	47,167.43	2,358.00	11,397.00	2,358.00	13,755.00	2,358.00	16,113.00
08/01/95 Vent Sep. #1	20 yrs	1,645.00	82.00	280.00	82.00	362.00	82.00	444.00
12/01/95 Radio Telemetry	20 yrs	1,316,090.00	65,805.00	202,899.00	65,805.00	268,704.00	65,805.00	334,509.00
10/01/96 Lift Station #6,9,& 1- Equip.	20 yrs	264,523.90	13,226.19	29,758.92	13,226.19	42,985.11	13,226.19	56,211.30

Wastewater Utility

Lift Station Equipment

Account # 1010323

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
04/30/96 Air Handling Unit #1	20 yrs	17,391.80	869.59	2,318.86	869.59	3,188.45	869.59	4,058.04
03/15/96 PLC Processor #1	20 yrs	3,869.25	193.46	548.12	193.46	741.58	193.46	935.04
06/01/96 Pump Upgrade #1	20 yrs	3,951.67	197.58	510.38	197.58	707.96	197.58	905.54
04/15/96 File Cabinets	20 yrs	1,558.00	77.90	214.21	77.90	292.11	77.90	370.01
11/15/96 Pump Coupling #1	20 yrs	9,294.15	464.70	1,006.84	464.70	1,471.54	464.70	1,936.24
01/01/96 Radio Telemetry	20 yrs	1,052.78	52.64	157.92	52.64	210.56	52.64	263.20
07/01/99 Lift Station #7 Equipment	20 yrs	200,691.43			5,017.29	5,017.29	10,034.57	15,051.86
07/01/99 Lift Station #1 - Hoist	20 yrs	6,854.72			171.37	171.37	342.74	514.11
07/01/99 Lift Station #2 - Sub transducer	20 yrs	1,722.05			43.05	43.05	86.10	129.15
12/31/00 Standby Generator	20 yrs	21,900.00					0.00	0.00
09/01/00 Lift Station #10 Improvements	20 yrs	21,000.85					350.00	350.00
11/01/00 Compressor #1	20 yrs	4,788.89					39.90	39.90

4,823,906.75 211,706.06 1,830,818.64 216,937.77 2,047,756.41 222,559.37 2,270,315.78

Wastewater Utility
Pre Treatment Equipment
Account # 1010332

			1998	12/31/98	1999	12/31/99	2000	12/31/00
	Rate	Cost	Depreciation	Reserve	Depreciation	Reserve	Depreciation	Reserve
1985	Miscellaneous Equip.	23,926.03		23,926.03		23,926.03		23,926.03
04/01/93	Sampling Equip.	4,698.94	469.90	2,701.84	469.90	3,171.74	469.90	3,641.64
05/30/97	ISCO Sampler	1,771.11	177.11	280.42	177.11	457.53	177.11	634.64
		30,396.08	647.01	26,908.29	647.01	27,555.30	647.01	28,202.31

Wastewater Utility
Primary Treatment
Account # 1010333

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
09/01/84 Clarifier Sprockets	10 yrs	87,863.62		87,863.62		87,863.62		87,863.62
09/01/86 Cross Collector	10 yrs	12,572.00		12,572.00		12,572.00		12,572.00
07/01/86 Chemical Pump	10 yrs	1,981.90		1,981.90		1,981.90		1,981.90
07/01/88 Bar Screen	10 yrs	446,748.76	22,337.40	446,748.76		446,748.76		446,748.76
07/01/89 Final Clarifier	10 yrs	12,250.00	1,225.00	11,637.50	612.50	12,250.00		12,250.00
11/01/90 Equalization Basin	40 yrs	5,022,050.25	125,551.00	1,025,332.00	125,551.00	1,150,883.00	125,551.00	1,276,434.00
05/01/91 Clarifier Chain	10 yrs	31,206.00	3,120.00	23,140.25	3,120.00	26,260.25	3,120.00	29,380.25
04/01/91 Flow Monitoring Equip.	10 yrs	18,536.09	1,854.00	14,368.20	1,854.00	16,222.20	1,854.00	18,076.20
03/01/92 Equalization Basis	40 yrs	356,042.59	8,901.00	60,823.55	8,901.00	69,724.55	8,901.00	78,625.55
07/01/92 Air Compressors	10 yrs	7,553.98	755.40	4,910.10	755.40	5,665.50	755.40	6,420.90
08/01/93 Clarifier Chain	10 yrs	38,622.53	3,862.25	20,920.53	3,862.25	24,782.78	3,862.25	28,645.03
12/01/93 Grit Room Ventilation	25 yrs	43,745.45	1,749.80	8,894.85	1,749.80	10,644.65	1,749.80	12,394.45
05/01/93 Flow Monitoring Equip.	10 yrs	14,902.90	1,490.30	8,445.00	1,490.30	9,935.30	1,490.30	11,425.60
01/01/94 Grit Room Ventilation	25 yrs	2,187.24	87.00	435.00	87.00	522.00	87.00	609.00
11/01/94 Moyno Pump Digester "	10 yrs	6,479.84	648.00	2,700.00	648.00	3,348.00	648.00	3,996.00
08/01/95 Pump Digester "a"	10 yrs	15,939.90	1,594.00	5,446.00	1,594.00	7,040.00	1,594.00	8,634.00
04/01/95 ISCO Sampler	10 yrs	2,233.26	223.00	836.00	223.00	1,059.00	223.00	1,282.00
07/01/95 ISCO Flowmeter	10 yrs	3,365.00	336.50	1,177.50	336.50	1,514.00	336.50	1,850.50
01/31/96 Screw Conveyor	10 yrs	15,940.00	1,594.00	4,649.13	1,594.00	6,243.13	1,594.00	7,837.13
11/21/97 Grit Collectors	10 yrs	68,306.79	6,830.68	7,399.90	6,830.68	14,230.58	6,830.68	21,061.26
11/01/99 Auto frequency drive	10 yrs	3,300.00			55.00	55.00	330.00	385.00

6,211,828.10 182,159.33 1,750,281.79 159,264.43 1,909,546.22 158,926.93 2,068,473.15

Wastewater Utility

Secondary Treatment Equipment

Account # 1010334

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
01/01/84 Gate Operaters	25 yrs	21,262.36	850.50	11,907.00	850.50	12,757.50	850.50	13,608.00
01/01/85 Two Chlorinators	25 yrs	10,750.00	430.00	6,020.00	430.00	6,450.00	430.00	6,880.00
01/01/86 Heat Rec Silencer #3	25 yrs	32,699.01	1,307.96	16,894.48	1,307.96	18,202.44	1,307.96	19,510.40
04/01/86 Heat Rec Silencer #2 & #4	25 yrs	23,005.05	920.20	11,655.87	920.20	12,576.07	920.20	13,496.27
05/01/86 Exhaust Manifold	10 yrs	5,274.05		5,274.05		5,274.05		5,274.05
06/01/88 Drive Unit - Final Clarifier	20 yrs	17,267.00	863.35	9,065.18	863.35	9,928.53	863.35	10,791.88
05/01/90 Aeration Modification	25 yrs	183,571.76	7,343.00	63,639.00	7,343.00	70,982.00	7,343.00	78,325.00
07/01/91 Six Flow Signal Transmitter	10 yrs	13,987.10	1,398.70	10,490.25	1,398.70	11,888.95	1,398.70	13,287.65
05/01/91 Universal Converter	20 yrs	4,500.00	225.00	1,668.75	225.00	1,893.75	225.00	2,118.75
01/01/92 Aeration Modification	25 yrs	193,302.27	7,732.00	54,124.09	7,732.00	61,856.09	7,732.00	69,588.09
07/01/92 Pump	10 yrs	9,809.45	981.00	6,376.47	981.00	7,357.47	981.00	8,338.47
07/01/93 Moyno Pump	10 yrs	8,516.00	851.60	4,683.80	851.60	5,535.40	851.60	6,387.00
09/01/93 Return Sludge Pumps Two	10 yrs	24,501.49	2,450.10	13,067.29	2,450.10	15,517.39	2,450.10	17,967.49
11/01/93 Process Meter Equipment	20 yrs	30,365.00	1,518.00	7,844.00	1,518.00	9,362.00	1,518.00	10,880.00
12/01/93 Switch Gear	25 yrs	177,176.09	7,087.00	36,025.09	7,087.00	43,112.09	7,087.00	50,199.09
01/01/94 Switch Gear	25 yrs	1,266.39	50.66	250.64	50.66	301.30	50.66	351.96
03/01/94 Metering Equipment	20 yrs	11,870.00	593.50	2,869.00	593.50	3,462.50	593.50	4,056.00
09/30/96 Process Piping & Pumping	10 yrs	22,297.10	2,229.71	5,016.82	2,229.71	7,246.53	2,229.71	9,476.24
01/31/96 Process Metering	10 yrs	23,913.00	2,391.30	6,974.57	2,391.30	9,365.87	2,391.30	11,757.17
04/01/00 Scum Line Replaced	10 yrs	18,878.00					1,415.88	1,415.88
10/01/00 Adjustable Frequency Drive	10 yrs	5,900.00					147.51	147.51
12/31/00 Bar Screens	10 yrs	9,405.00					0.00	0.00
12/31/00 Brabazon Pump	10 yrs	3,977.85					0.00	0.00
		853,493.97	39,223.58	273,846.35	39,223.58	313,069.93	40,786.97	353,856.90

Wastewater Utility
Sludge Treatment & Disposal Equipment
Account # 1010336

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
06/01/79 510 V2 Polymer Feeder	15 yrs	3,348.00		3,348.00		3,348.00		3,348.00
06/01/79 Moyno Pump	15 yrs	4,026.54		4,026.54		4,026.54		4,026.54
10/01/79 Moyno Pump	15 yrs	4,253.28		4,253.28		4,253.28		4,253.28
02/01/80 #1 Ho1S1 Moyno Pump	15 yrs	4,685.35		4,685.35		4,685.35		4,685.35
02/01/80 2-Clearwater Sumps	15 yrs	4,233.35		4,233.35		4,233.35		4,233.35
05/01/80 Relocate Valves on Blower	15 yrs	4,162.00		4,162.00		4,162.00		4,162.00
06/01/80 Meter Belt Press	15 yrs	72,522.87		72,522.87		72,522.87		72,522.87
01/01/81 Meter Belt Press	15 yrs	211,714.85		211,714.85		211,714.85		211,714.85
03/01/81 Terra-Gator w/spreader	15 yrs	116,808.14						
07/01/81 Nazco Polymer Feeder	15 yrs	8,347.74		8,347.74		8,347.74		8,347.74
08/01/81 Bar Screen Clarifier #1 &	15 yrs	37,825.50		37,825.50		37,825.50		37,825.50
09/01/81 Moyno Pump Digester B	15 yrs	4,418.18		4,418.18		4,418.18		4,418.18
10/01/81 Three Moyno Pumps	15 yrs	24,388.50		24,388.50		24,388.50		24,388.50
01/01/82 Moyno Pump - Digester E	15 yrs	166.68		166.68		166.68		166.68
03/01/82 Sewer Sampler	15 yrs	2,950.00		2,950.00		2,950.00		2,950.00
04/01/82 Chains & Flytes 3 Primar	15 yrs	66,985.31		66,985.31		66,985.31		66,985.31
08/01/83 Chains & Flytes 3 Primar	15 yrs	72,140.00		72,140.00		72,140.00		72,140.00
11/01/83 Eaton-Dyno w/4050 Cont	15 yrs	6,536.47		6,536.47		6,536.47		6,536.47
11/01/83 Swenson Spreader PV200	15 yrs	4,058.00		4,058.00		4,058.00		4,058.00
02/01/84 Spillgator	15 yrs	2,404.04		2,404.04		2,404.04		2,404.04
09/01/84 Belt Press	15 yrs	152,921.66	3,213.22	152,921.66		152,921.66		152,921.66
10/01/84 Cass W20c Wheel Loadc	15 yrs	56,825.00	1,874.26	56,825.00		56,825.00		56,825.00
11/01/90 Moyno Pump	15 yrs	3,992.00	266.00	2,172.00	266.00	2,438.00	266.00	2,704.00
07/01/92 Polymer Syster	15 yrs	1,316.84	87.80	570.69	87.80	658.49	87.80	746.29
07/01/92 Sludge Pump	10 yrs	8,912.36	891.20	5,792.82	891.20	6,684.02	891.20	7,575.22
01/01/93 Terra-Gator Sold		(116,808.14)						
		763,134.52	6,332.48	757,448.83	1,245.00	758,693.83	1,245.00	759,938.83

Wastewater Utility
Metering / Monitoring Equipment
Account # 1010338

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
12/01/86 Flow Metering System	25 yrs	5,085.46		5,085.46		5,085.46		5,085.46
05/01/88 Badger Meter Flow Study	20 yrs	24,100.00		24,100.00		24,100.00		24,100.00
10/01/95 Process Metering Equip.	20 yrs	20,433.73	1,022.00	3,321.42	1,022.00	4,343.42	1,022.00	5,365.42
12/01/95 Flow Metering Equip.	20 yrs	18,614.56	931.00	2,870.56	931.00	3,801.56	931.00	4,732.56
12/01/96 Flow Monitoring Equip.	20 yrs	32,225.22	1,611.26	3,356.79	1,611.26	4,968.05	1,611.26	6,579.31
04/25/97 Flow Monitoring Equip.	20 yrs	5,710.49	285.52	475.87	285.52	761.39	285.52	1,046.91
07/03/97 Process Metering Equip.	20 yrs	13,325.00	666.25	999.38	666.25	1,665.63	666.25	2,331.88
10/10/97 Process Piping	20 yrs	22,246.64	1,112.33	1,297.72	1,112.33	2,410.05	1,112.33	3,522.38
09/01/98 Venturi Meter - Franklin Park	20 yrs	113,066.85	1,884.45	1,884.45	5,653.34	7,537.79	5,653.34	13,191.13
10/01/98 Process Piping	20 yrs	19,960.00	249.50	249.50	998.00	1,247.50	998.00	2,245.50
11/30/98 Process Metering Equip.	20 yrs	17,707.27	73.78	73.78	885.36	959.14	885.36	1,844.50
04/30/98 Flow Monitoring Equip.	20 yrs	5,951.57	198.39	198.39	297.58	495.97	297.58	793.55
05/31/98 YSI Sampler	20 yrs	8,352.03	243.60	243.60	417.60	661.20	417.60	1,078.80
10/01/99 Process Metering Equip.	20 yrs	12,438.80			155.49	155.49	621.94	777.43
08/01/99 Flow Monitoring Equip.	20 yrs	19,599.30			408.32	408.32	979.97	1,388.29
06/01/99 Bi-pass Monitoring Equip.	20 yrs	2,798.47			81.62	81.62	139.92	221.54
12/01/99 Flow Monitoring Equip.	20 yrs	15,975.00			66.56	66.56	798.75	865.31
12/31/00 Pump & Control System	20 yrs	18,269.90					0.00	0.00
		375,860.29	8,278.08	44,156.92	14,592.23	58,749.15	16,420.82	75,169.97

Wastewater Utility
General Plant Structures
Account # 1010371

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1968 Plant	2.6 %	3,486,814.00	90,657.00	2,865,190.50	90,657.00	2,955,847.50	90,657.00	3,046,504.50
1976 Plant Addition	2.6 %	14,539,373.57	378,024.00	8,281,167.00	378,024.00	8,659,191.00	378,024.00	9,037,215.00
10/01/82 Concrete Access Road	5.0 %	24,681.62	1,234.08	19,950.96	1,234.08	21,185.04	1,234.08	22,419.12
06/01/82 Stock Room Expansion	4.0 %	3,063.59	122.54	2,021.91	122.54	2,144.45	122.54	2,266.99
01/01/82 Remodel Laboratory	4.0 %	44,035.00	1,761.40	29,943.80	1,761.40	31,705.20	1,761.40	33,466.60
02/01/84 Heater Duct	4.0 %	500.00	20.00	296.67	20.00	316.67	20.00	336.67
09/01/84 Overhead Door	5.0 %	1,800.00	90.00	1,282.50	90.00	1,372.50	90.00	1,462.50
11/01/85 Shoreline Protection	2.6 %	58,364.80	1,517.50	19,752.80	1,517.50	21,270.30	1,517.50	22,787.80
07/01/86 Shoreline Protection	2.6 %	341,783.37	8,886.37	110,339.09	8,886.37	119,225.46	8,886.37	128,111.83
06/01/86 Digester	2.6 %	1,416,652.20	36,832.96	460,412.00	36,832.96	497,244.96	36,832.96	534,077.92
10/01/86 Renov - Digester "A"	10.0 %	82,690.78		82,690.78		82,690.78		82,690.78
10/01/89 Access Road	5.0 %	117,296.09	5,864.80	54,098.38	5,864.80	59,963.18	5,864.80	65,827.98
01/01/90 Access Road Addition	5.0 %	6,782.97	339.00	3,023.00	339.00	3,362.00	339.00	3,701.00
06/01/90 Paving	5.0 %	39,183.70	1,959.00	19,590.00	1,959.00	21,549.00	1,959.00	23,508.00
08/01/90 Lighting	4.0 %	1,865.93	75.00	625.00	75.00	700.00	75.00	775.00
06/01/93 Doors, Unloading	5.0 %	25,169.42	1,258.50	6,931.75	1,258.50	8,190.25	1,258.50	9,448.75
12/31/95 Process Pump & Pipe	5.0 %	37,955.57	1,897.78	5,693.34	1,897.78	7,591.12	1,897.78	9,488.90
01/01/96 Garage Roof Repl.	5.0 %	93,211.09	4,660.55	13,981.65	4,660.55	18,642.20	4,660.55	23,302.75
01/01/96 Manhole Electric Sys.	5.0 %	13,136.00	656.80	1,970.40	656.80	2,627.20	656.80	3,284.00
01/01/96 Repairs Prim Tanks	5.0 %	185,678.35	9,283.92	27,851.76	9,283.92	37,135.68	9,283.92	46,419.60
01/31/96 Concrete-Prim Tanks	5.0 %	9,938.52	496.93	1,490.79	496.93	1,987.72	496.93	2,484.65
03/31/96 Above Ground Fuel Tank	5.0 %	13,223.08	661.15	1,983.45	661.15	2,644.60	661.15	3,305.75
01/01/96 Disinfection Project Build.	5.0 %	100,000.00	5,000.00	15,000.00	5,000.00	20,000.00	5,000.00	25,000.00
01/01/96 Disinfection Project Equip	5.0 %	1,282,257.61	64,112.88	192,338.64	64,112.88	256,451.52	64,112.88	320,564.40
09/05/97 Roof Replacement	5.0 %	23,048.00	1,152.40	1,536.53	1,152.40	2,688.93	1,152.40	3,841.33
12/01/99 Fence - Army Property	20 yrs	14,296.50			59.57	59.57	714.83	774.40
		21,962,801.76	616,564.56	12,219,162.70	616,624.13	12,835,786.83	617,279.39	13,453,066.22

Wastewater Utility
Office Equipment
Account # 1010372

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1968	B	Calculator	675.00		675.00				
1968	B	Typewriter	313.00		313.00				
1974	B	Calculator	125.00		125.00				
05/01/79	C	Canon Calc. # 708480	129.00		129.00		129.00		129.00
07/01/79	B	(3) Spirit Pagers	750.00		750.00				
11/01/79	C	Canon Calc. # 707512	129.00		129.00		129.00		129.00
04/01/80	A	3m Copier	1,835.40						
06/01/81	A	AB Dick Copier	2,497.50						
02/01/82	C	Alder Electric SE 100ed	800.00		800.00		800.00		800.00
07/01/82		Desk - right return	495.75	24.79	406.97	24.79	431.76	24.79	456.55
02/01/84	C	Chameleon Programmer	6,435.42		6,435.42		6,435.42		6,435.42
02/01/85	A	(2) Modems	2,390.00						
02/01/85	C	1550 Printer	695.00		695.00		695.00		695.00
04/01/86		Power Line Conditioner	1,350.00		1,350.00		1,350.00		1,350.00
02/01/88	A	Sharp 8260 Copier	3,595.00						
08/01/89	A	Micro Computer w/terminal	12,140.40						
08/01/89		Software	14,463.00		14,463.00		14,463.00		14,463.00
03/01/89		Office Furniture	7,819.14	390.96	3,811.86	390.96	4,202.82	390.96	4,593.78
07/01/90	A	Vector Upgrade	3,204.61						
04/01/90		Furniture	4,899.81	245.00	2,123.00	245.00	2,368.00	245.00	2,613.00
04/01/90		Typewriter (IBM)	827.00		827.00		827.00		827.00
06/01/91		Software	1,283.00		1,283.00		1,283.00		1,283.00
06/01/91		Chair	699.80	35.00	262.50	35.00	297.50	35.00	332.50
07/01/91		Conf. & Lobby Furniture	10,190.72	510.00	3,782.30	510.00	4,292.30	510.00	4,802.30
08/01/91	A	Vector	1,928.61						
06/01/92		Office Furniture	6,454.10	322.70	2,097.55	322.70	2,420.25	322.70	2,742.95
07/01/93		Desk	459.60	23.00	126.50	23.00	149.50	23.00	172.50
07/01/93		Laser Jet Printer	1,349.00	134.90	1,349.00		1,349.00		1,349.00
09/01/93		Pictures	928.00	37.10	197.90	37.10	235.00	37.10	272.10

Wastewater Utility
Office Equipment
Account # 1010372

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
12/01/93	25 yr	38,288.89	1,531.60	7,785.59	1,531.60	9,317.19	1,531.60	10,848.79
12/01/93	5 yr	1,086.28	199.00	1,086.28		1,086.28		1,086.28
01/01/94	25 yr	(14,217.87)	(569.00)	(2,845.00)	(569.00)	(3,414.00)	(569.00)	(3,983.00)
02/01/94	5 yr	3,990.00	865.00	3,990.00		3,990.00		3,990.00
10/01/95	5 yr	6,358.25	1,271.65	3,814.95	1,271.65	5,086.60	1,271.65	6,358.25
10/01/95	5 yr	4,352.00	870.40	2,611.20	870.40	3,481.60	870.40	4,352.00
10/01/95	5 yr	1,258.00	251.60	754.80	251.60	1,006.40	251.60	1,258.00
10/01/95	5 yr	18,476.35	3,695.27	11,085.81	3,695.27	14,781.08	3,695.27	18,476.35
10/01/95	5 yr	7,760.00	1,552.00	4,656.00	1,552.00	6,208.00	1,552.00	7,760.00
09/01/95	20 yr	365.00	18.25	54.75	18.25	73.00	18.25	91.25
05/15/96	20 yr	8,882.24	444.11	1,165.79	444.11	1,609.90	444.11	2,054.01
06/15/96	5 yr	9,299.00	1,859.80	4,649.50	1,859.80	6,509.30	1,859.80	8,369.10
11/15/96	5 yr	3,000.00	2,300.00	3,000.00				
11/30/96	5 yr	54,968.20	10,993.64	22,903.42	10,993.64	33,897.06	10,993.64	44,890.70
03/31/96	5 yr	464.31	92.86	247.63	92.86	340.49	92.86	433.35
06/20/97	20 yr	249.00	12.45	18.68	12.45	31.13	12.45	43.58
06/30/97	5 yr	52,160.88	10,432.18	15,648.27	10,432.18	26,080.45	10,432.18	36,512.63
12/12/97	20 yr	2,154.96	107.75	116.73	107.75	224.48	107.75	332.23
12/31/97		(27,591.52)						
02/06/98	5 yr	6,449.00	1,182.32	1,182.32	1,289.80	2,472.12	1,289.80	3,761.92
02/20/98	5 yr	15,361.23	2,560.21	2,560.21	3,072.25	5,632.46	3,072.25	8,704.71
06/01/98	5 yr	5,113.14	596.53	596.53	1,022.63	1,619.16	1,022.63	2,641.79
11/30/98	5 yr	791.79	13.20	13.20	158.36	171.56	158.36	329.92
10/31/98	5 yr	2,062.97	68.77	68.77	412.59	481.36	412.59	893.95
05/31/98	5 yr	7,190.00	838.83	838.83	1,438.00	2,276.83	1,438.00	3,714.83
12/31/98		(4,863.00)		(4,863.00)				
05/01/99	5 yr	11,804.11			1,573.88	1,573.88	2,360.82	3,934.70
02/01/99	5 yr	19,803.08			3,630.56	3,630.56	3,960.62	7,591.18
12/01/99	5 yr	4,630.28			77.17	77.17	926.06	1,003.23

Wastewater Utility
Office Equipment
Account # 1010372

	Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1/01/00								
2/01/00	5 yr	5,400.00					810.00	810.00
3/01/00	5 yr	491.00					89.98	89.98
5/01/00	5 yr	2,642.30					440.40	440.40
8/01/00	5 yr	2,778.06					370.40	370.40
2/31/00	5 yr	879.24					73.25	73.25
		(12,178.42)						(12,178.42)
C								
		328,520.61	42,911.87	123,273.26	46,828.35	170,101.61	50,578.27	208,501.46

Wastewater Utility
Transportation Equipment
Account # 1010373

			Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation
01/01/68	25	Step Van	5 yr	2,000.00		2,000.00		2,000.00	
01/01/75	25	Dump Box	5 yr	2,000.00		2,000.00		2,000.00	
01/01/79	11	GMC Van # 18 sv 831	5 yr	8,331.00					
03/01/81	25	'68 Chev Fuel Truck #4	3 yr	1,007.00		1,007.00		1,007.00	
07/01/82	14	'82 GMC 1 Ton # 5 sv 2154.41	5 yr	12,154.41					
07/01/82	8	GMC 3/4 Ton sv 1114.28	5 yr	9,114.28					
07/01/83	9	'83 Ford F250 #15 sv 726.37	5 yr	8,726.37					
05/01/84	26	Plow for Truck #5	10 yr	500.00		500.00		500.00	
10/01/84		Radio for Trucks	10 yr	63,455.00		63,455.00		63,455.00	
12/01/86	24	Rodder Truck # 32	10 yr	29,525.56		29,525.56		29,525.56	
08/01/87	13	Ford 250 #31 sv 3000	5 yr	12,075.00					
08/01/87	12	Chev Cargo Van # 6 sv 2900	5 yr	11,692.53					
08/01/87	15	'87 Chev 3/4 ton # 10 sv 2700	5 yr	10,921.67					
08/01/87	10	'87 Chev 3/4 ton # 14 sv 2700	5 yr	12,435.23					
05/01/89	16	'89 Chev Pickup S-10 # 8 sv 2000	5 yr	9,734.73					
06/01/89	17	'89 Plymouth Van # 11 sv 4000	5 yr	14,968.95					
1989	8	Removal		(9,114.28)					
02/01/92	18	Sonoma Pick-up sv 1050.64	5 yr	12,050.64					
03/01/92	19	Sierra Pickup sv 1299.81	5 yr	9,299.81					
03/01/92	20	Sierra Pickup sv 1535.41	5 yr	10,535.41					
1992	9,10	Removals		(21,161.60)					
06/01/93	21	Ford Step Van # 6 sv 900	5 yr	9,909.41	900.95	9,159.66			
06/01/93	22	Ford Sample Van # 18 sv 2000	5 yr	24,655.72	2,465.57	15,514.93			
1993	11,12	Removals		(20,023.53)					
05/01/94	23	GMC Sierra 4WD sv 3500	5 yr	13,950.00	2,090.00	9,405.00	1,045.00	10,450.00	
11/01/94	26	GMC Sierra Dump #5 sv 5400	5 yr	21,700.00	3,260.00	13,310.00	2,990.00	16,300.00	
12/01/94	27	GMC w/ utility box #10 sv 5000	5 yr	20,275.00	3,055.00	12,220.00	3,055.00	15,275.00	
1994	13,14,15	Removals		(35,151.08)					
1994		Auditors Adjustment				8,839.48		8,839.48	

Wastewater Utility
Transportation Equipment
Account # 1010373

			Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation
05/01/95	28	Pontiac Transport # 11 sv 4000	5 yr	12,289.16	1,658.00	6,079.00	1,658.00	7,737.00	552.16
07/01/95	29	GMC Pickup sv 2000	5 yr	7,354.17	1,071.00	3,748.00	1,071.00	4,819.00	535.17
1995	16,17	Salvage Value							
1995	16,17	Removals		(24,703.68)					
02/15/96		Dodge Mini Van #1	5 yr	19,235.50	3,847.10	11,060.41	3,847.10	14,907.51	3,847.10
01/01/96	30	Pick-up Truck	5 yr	16,235.00	3,247.00	9,741.00	3,247.00	12,988.00	3,247.00
03/15/97		Chev Pick-up Truck #14 sv 5000	5 yr	18,165.50	2,238.62	5,266.20	2,633.10	7,899.30	2,633.10
05/15/97		Chev Pick-up Truck # 3 sv 5000	5 yr	17,056.50	2,411.20	4,685.40	2,411.20	7,096.60	2,411.20
05/15/97		Chev Pick-up Truck # 15 sv 5000	5 yr	17,307.50	2,461.50	4,769.17	2,461.50	7,230.67	2,461.50
06/19/97	18,19,20	Removals		(31,885.86)					
03/31/98		'98 Isusu Sampling Van # 18 sv 10,000	5 yr	33,593.00	3,538.95	3,538.95	4,718.60	8,257.55	4,718.60
06/30/98		'98 Chevrolet Van # 6 sv 5,000	5 yr	17,521.50	1,252.15	1,252.15	2,504.30	3,756.45	2,504.30
06/30/98	21,22	Removals		(34,565.13)		(24,674.59)			
09/01/99		'99 Ford 150 Pickup # 31 15000	5 yr	26,465.86			764.39	764.39	2,293.17
06/01/99		'99 Rodder Truck # 32 sv 7500	10 yr	56,388.18			2,851.81	2,851.81	4,888.82
07/01/99	23,24	Removals		(43,475.56)			(39,975.56)		
12/31/99	25	Removals		(5,007.00)			(5,007.00)		
12/31/99		Correct 1994 Auditors Adjustment					(8,839.48)		
05/01/00		'00 Chev. Pick-up # 4 sv 7500	5 yr	21,935.95					1,924.80
09/01/00		'00 Ford Ranger # 8 sv 7500	5 yr	28,382.95					1,392.20
09/01/00		'00 Ford Windstar van # 11 sv 7500	5 yr	21,784.00					952.28
11/01/00		'00 Ford Dump 250 # 5 sv 7500	5 yr	26,678.00					639.26
11/01/00		'00 Ford Dump 350 #10 sv 7500	5 yr	33,453.00					865.10
12/31/00	26 - 30	Removals		(77,853.33)					
				401,922.44	33,497.04	192,402.32	35,258.00	173,838.28	35,865.76

Wastewater Utility
Leasehold Impro. - Office
Account # 1010375

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
12/01/91	Leasehold Impro. - Office	25 yrs	13,823.05	552.92	3,916.52	552.92	4,469.44	552.92	5,022.36
02/01/99	Admin. Office remodeling	20 yrs	17,313.93			796.56	796.56	865.70	1,662.26
05/01/00	Admin. Office remodeling	20 yrs	7,755.53					258.56	258.56
			38,892.51	552.92	3,916.52	1,349.48	5,266.00	1,677.18	6,943.18

Wastewater Utility
Other General Equipment
Account # 1010379

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1977	C								
1977	Record Rain Gauge	12.5 %	558.00		558.00		558.00		558.00
1977	Radial Arm Saw	12.5 %	301.00		301.00		301.00		301.00
1977	C								
1977	Refrigerator	10 %	240.00		240.00		240.00		240.00
1977	Trash Pump	20 %	4,198.00		4,198.00		4,198.00		4,198.00
1977	Honelite Pump	20 %	485.00		485.00		485.00		485.00
1977	Porta Pump	12.5 %	342.00		342.00		342.00		342.00
1977	Hi-Lift Crane	10 %	386.00		386.00		386.00		386.00
1977	Rota-Bin	10 %	167.00		167.00		167.00		167.00
1977	Oxygen Meters (2)	20 %	524.00		524.00		524.00		524.00
1977	Torque Wrench	12.5 %	169.00		169.00		169.00		169.00
1977	Portable Samplers (2)	20 %	3,103.00		3,103.00		3,103.00		3,103.00
1977	Hydraulic Press	12.5 %	354.00		354.00		354.00		354.00
1977	Snowplow & Asses.	10 %	1,719.00		1,719.00		1,719.00		1,719.00
1977	Electric Arc Welder	10 %	500.00		500.00		500.00		500.00
1977	Dragging Machine	10 %	2,000.00		2,000.00		2,000.00		2,000.00
1977	Snow Blower	20 %	629.95		629.95		629.95		629.95
1977	C								
1977	Lawn Mower	20 %	250.00		250.00		250.00		250.00
1977	167-TMB Drive Set Tools	20 %	255.17		255.17		255.17		255.17
1977	367-M Drive Set Tools	20 %	443.36		443.36		443.36		443.36
1977	299-AF Drive Set Tools	20 %	423.50		423.50		423.50		423.50
1977	430-GND Drive Set Tools	20 %	363.86		363.86		363.86		363.86
1977	BG-1000c Bench Grinder	10 %	338.75		338.75		338.75		338.75
1977	CG-2500B Puller Set	10 %	295.25		295.25		295.25		295.25
1978	#2276-20" Drill Press	12.5 %	1,406.30		1,406.30		1,406.30		1,406.30
1978	6-250 Soton Drake Press	10 %	2,352.00		2,352.00		2,352.00		2,352.00
1978	5444 Cabinets	5 %	425.00	5.31	425.00		425.00		425.00
1978	k-356-1R Budget Hoist	10 %	676.22		676.22		676.22		676.22
1978	34-430 10" Saw	10 %	913.35		913.35		913.35		913.35
1978	91-667 Flut Air Hydr. Jack	10 %	506.47		506.47		506.47		506.47
1978	91-731 Flut Air Hydr. Jack	10 %	488.04		488.04		488.04		488.04

Wastewater Utility
Other General Equipment
Account # 1010379

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
1978	91-765 Flat Wheel Dolly	10 %	332.57		332.57		332.57		332.57
1978	Mod. D350 Air Comp.	5 %	3,038.25	113.79	3,038.25		3,038.25		3,038.25
1978	Mod. D350 Air Comp.	5 %	3,038.25	113.79	3,038.25		3,038.25		3,038.25
1978	Mod. R-20A Air Dryer	5 %	1,621.90	60.73	1,621.90		1,621.90		1,621.90
1978	Tot 1015 Tuneup Tester	10 %	3,436.00		3,436.00		3,436.00		3,436.00
03/01/79	Hurricane Washer	10 %	1,757.25		1,757.25		1,757.25		1,757.25
03/01/79	CarpetWin Vacuum Cleaner	20 %	445.50		445.50		445.50		445.50
03/01/79	Adv Mod 11250 Econo Dock	5 %	4,225.00	211.25	4,172.19	52.81	4,225.00		4,225.00
12/01/79	Starlite Roto Spreader	20 %	800.00		800.00		800.00		800.00
01/01/80	Toro Sno Pup	20 %	229.00		229.00		229.00		229.00
06/01/80	Econo Drum Trucks (2)	10 %	313.60		313.60		313.60		313.60
02/01/81	Tool Set	10 %	1,188.30		1,188.30		1,188.30		1,188.30
04/01/81	Chuck for Lathie	10 %	699.12		699.12		699.12		699.12
05/01/81	Mower & Snowblower	10 %	6,201.50		6,201.50		6,201.50		6,201.50
01/01/82	Positive Displacement Pumps	10 %	1,466.43		1,466.43		1,466.43		1,466.43
09/01/82	Scaffolding	4 %	2,615.30	104.61	1,708.63	104.61	1,813.24	104.61	1,917.85
01/01/82	Snow Throwers (2)	20 %	499.90		499.90		499.90		499.90
01/01/82	Atomic Absorp. Spectrometer	6.67 %	27,013.00		27,013.00		27,013.00		27,013.00
01/01/82	Chromatograph Data System	6.67 %	16,480.00		16,480.00		16,480.00		16,480.00
01/01/82	Light Spectrophotometer	6.67 %	10,243.00		10,243.00		10,243.00		10,243.00
01/01/82	Specific Ion System	6.67 %	4,897.00		4,897.00		4,897.00		4,897.00
01/01/82	Analytical Balance	6.67 %	4,062.00		4,062.00		4,062.00		4,062.00
01/01/82	Brightfield Microscope	6.67 %	4,070.00		4,070.00		4,070.00		4,070.00
01/01/82	Stereo Microscope	6.67 %	923.00		923.00		923.00		923.00
01/01/82	Centrifuger	6.67 %	775.00		775.00		775.00		775.00
01/01/82	Deionizer System	6.67 %	680.00		680.00		680.00		680.00
01/01/82	Desiccating Cabinets	6.67 %	2,848.00		2,848.00		2,848.00		2,848.00
01/01/82	Hot Plate/Stirrers PC100	6.67 %	718.00		718.00		718.00		718.00
01/01/82	Paddle Stirrer	6.67 %	461.00		461.00		461.00		461.00
01/01/82	Dissolved Oxygen Meter	6.67 %	1,460.00		1,460.00		1,460.00		1,460.00

Wastewater Utility
Other General Equipment
Account # 1010379

		1998	12/31/98	1999	12/31/99	2000	12/31/00
	Rate	Cost	Depreciation	Reserve	Depreciation	Reserve	Reserve
01/01/82	6.67 %	344.00		344.00		344.00	344.00
01/01/82	6.67 %	828.00		828.00		828.00	828.00
01/01/82	6.67 %	1,455.00		1,455.00		1,455.00	1,455.00
01/01/82	6.67 %	1,720.00		1,720.00		1,720.00	1,720.00
01/01/82	6.67 %	1,507.00		1,507.00		1,507.00	1,507.00
01/01/82	6.67 %	684.00		684.00		684.00	684.00
04/01/83	10 %	1,044.90		1,044.90		1,044.90	1,044.90
04/01/83	10 %	924.56		924.56		924.56	924.56
06/01/83	10 %	523.00		523.00		523.00	523.00
07/01/83	10 %	2,370.00		2,370.00		2,370.00	2,370.00
07/01/83	10 %	629.00		629.00		629.00	629.00
08/01/83	10 %	704.10		704.10		704.10	704.10
07/01/80	4 %	5,427.21	217.09	4,016.21	217.09	4,233.30	4,450.39
03/01/83	5 %	4,995.00	249.75	3,933.55	249.75	4,183.30	4,433.05
08/01/83	5 %	3,715.00	185.75	2,848.15	185.75	3,033.90	3,219.65
08/01/83	5 %	3,344.01	167.20	2,563.70	167.20	2,730.90	2,898.10
01/01/84	10 %	549.80		549.80		549.80	549.80
01/01/84	10 %	1,002.74		1,002.74		1,002.74	1,002.74
04/01/84	10 %	1,434.94		1,434.94		1,434.94	1,434.94
05/01/84	10 %	3,084.94		3,084.94		3,084.94	3,084.94
08/01/84	10 %	2,873.85		2,873.85		2,873.85	2,873.85
08/01/84	10 %	2,060.00		2,060.00		2,060.00	2,060.00
09/01/84	10 %	1,480.05		1,480.05		1,480.05	1,480.05
09/01/84	10 %	1,570.00		1,570.00		1,570.00	1,570.00
10/01/84	5 %	2,332.13	116.60	1,651.83	116.60	1,768.43	1,885.03
10/01/84	10 %	474.86		474.86		474.86	474.86
03/01/85	20 %	129,400.00					
04/01/85	10 %	3,685.00		3,685.00		3,685.00	3,685.00
06/01/85	10 %	6,707.02		6,707.02		6,707.02	6,707.02
07/01/85	10 %	2,012.94		2,012.94		2,012.94	2,012.94

Wastewater Utility

Other General Equipment

Account # 1010379

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
9/01/85	2500 KVA Transformer	4 %	35,644.09	1,425.76	19,604.18	1,425.76	21,029.94	1,425.76	22,455.70
1/01/86	Sample Pump	10 %	4,691.83		4,691.83		4,691.83		4,691.83
4/01/86	Purge & Trap Device	10 %	6,057.70		6,057.70		6,057.70		6,057.70
5/01/86	Laboratory Balance	10 %	2,189.62		2,189.62		2,189.62		2,189.62
7/01/86	3" Barnes Pump	10 %	1,253.60		1,253.60		1,253.60		1,253.60
8/01/86	Update #1 & #2 Boilers	4 %	5,732.00	229.28	2,827.78	229.28	3,057.06	229.28	3,286.34
7/01/86	Wincher	10 %	1,323.78		1,323.78		1,323.78		1,323.78
31/01/86	Meter Replacements	10 %	12,176.70		12,176.70		12,176.70		12,176.70
04/01/88	Vectra Mod ES lab Computer	10 %	7,604.50	253.48	7,604.50		7,604.50		7,604.50
09/01/88	Microtox Mod 2055 - Lab	10 %	16,341.00		6,698.83		6,698.83		6,698.83
01/01/88	Lighting	10 %	62,787.48	6,278.75	59,648.12	3,139.36	62,787.48		62,787.48
06/01/89	Atomic Absorption Unit	10 %	4,257.67	425.77	4,115.77	141.90	4,257.67		4,257.67
04/01/89	Refrigerated WW Sampler	10 %	3,893.00	389.30	3,665.91	227.09	3,893.00		3,893.00
05/01/89	PH Meter	10 %	2,617.25	261.72	2,595.39	21.86	2,617.25		2,617.25
01/01/89	Jenny Steam Cleaner	20 %	1,736.94	86.85	825.07	86.85	911.92	86.85	998.77
06/01/89	Gas Pump		(129,400.00)						
01/01/90	Retire Jet Vactor	5 %	154,978.00						
09/28/90	Jet Vactor		(16,341.00)						
01/01/90	Retire Microtox Mod. 2055	5 %	15,368.75		15,368.75		15,368.75		15,368.75
11/30/90	Toxicity Analyzer	10 %	10,450.00	1,045.00	8,534.00	1,045.00	9,579.00	871.00	10,450.00
10/12/90	20 hp Schw. Compressor	10 %	2,559.50	256.00	2,176.00	256.00	2,432.00	127.50	2,559.50
07/01/90	Airless Sprayer	10 %	623.00	62.00	517.00	62.00	579.00	44.00	623.00
09/01/90	Thoromatic Vac	10 Yr.	2,600.00	260.00	2,210.00	260.00	2,470.00	130.00	2,600.00
05/18/90	Lab MC5B EM Tester	10 Yr.	12,925.00	1,292.00	10,766.00	1,292.00	12,058.00	867.00	12,925.00
09/01/90	Solids Analyzer	10 Yr.	3,744.25	375.00	2,937.00	375.00	3,312.00	375.00	3,687.00
02/01/91	Rainfall Recorder	10 Yr.	335,748.44	33,575.00	243,418.70	33,575.00	276,993.70	33,575.00	310,568.70
09/01/91	Energy Save Gas Equip.	10 Yr.	15,658.41	1,566.00	11,875.40	1,566.00	13,441.40	1,566.00	15,007.40
05/01/91	Flow Prop. Refrig.	15 Yr.	14,735.20	982.00	7,365.20	982.00	8,347.20	982.00	9,329.20
06/01/91	Mowing Equipment	10 Yr.	3,481.00	348.00	2,523.00	348.00	2,871.00	348.00	3,219.00
09/01/91	Wind Gauge								

Wastewater Utility
Other General Equipment
Account # 1010379

		Rate	Cost	1998	12/31/98	1999	12/31/99	2000	12/31/00
				Depreciation	Reserve	Depreciation	Reserve	Depreciation	Reserve
05/01/91	Compound Meter Saw	10 Yr.	544.40	54.44	403.62	54.44	458.06	54.44	512.50
08/01/91	15 Ton AC	10 Yr.	3,283.98	328.00	2,405.50	328.00	2,733.50	328.00	3,061.50
06/01/91	Dryer	10 Yr.	340.00	34.00	255.00	34.00	289.00	34.00	323.00
03/01/91	Yocmen Compressor	20 Yr.	11,100.00	555.00	4,301.25	555.00	4,856.25	555.00	5,411.25
09/01/91	Fumes Hood	20 Yr.	9,326.00	466.00	3,378.60	466.00	3,844.60	466.00	4,310.60
09/01/91	Gibson Refrig.	10 Yr.	863.00	86.00	623.60	86.00	709.60	86.00	795.60
12/31/91	Auditors Adjustment				(12,664.27)		(12,664.27)		(12,664.27)
01/01/92	Energy Save Gas Equip.	10 Yr.	500.00	50.00	350.00	50.00	400.00	50.00	450.00
04/01/93	Pressure Washer - Mustang	15 Yr.	2,774.00	184.93	1,063.35	184.93	1,248.28	184.93	1,433.21
04/01/93	Engine Borescope	10 Yr.	4,840.00	484.00	2,783.00	484.00	3,267.00	484.00	3,751.00
04/01/93	Salt Spreader	10 Yr.	4,500.00	450.00	2,588.25	450.00	3,038.25	450.00	3,488.25
04/01/93	Sampler	10 Yr.	8,124.17	812.42	4,671.41	812.42	5,483.83	812.42	6,296.25
06/01/93	Gibson Refrig.	10 Yr.	500.61	50.06	279.50	50.06	329.56	50.06	379.62
07/01/93	Fumehood	20 Yr.	9,251.00	462.55	2,544.03	462.55	3,006.58	462.55	3,469.13
09/01/93	Digester Chem / Metal	10 Yr.	13,046.25	1,304.63	6,958.03	1,304.63	8,262.66	1,304.63	9,567.29
09/01/93	Furnance Auto Muffler	10 Yr.	2,096.00	209.60	1,117.87	209.60	1,327.47	209.60	1,537.07
09/01/94	Waukesha Engines (2)	25 Yr.	1,282,207.35	51,288.00	222,248.00	51,288.00	273,536.00	51,288.00	324,824.00
11/01/94	Process Pump.	20 Yr.	11,266.00	563.30	2,347.20	563.30	2,910.50	563.30	3,473.80
07/01/94	Garage Doors (9)	25 Yr.	30,898.00	1,236.00	5,562.00	1,236.00	6,798.00	1,236.00	8,034.00
05/01/94	Auxiliary Air Compr.	10 Yr.	8,562.48	856.00	3,994.00	856.00	4,850.00	856.00	5,706.00
06/01/94	Portable Gas Washer	10 Yr.	1,842.00	184.00	843.00	184.00	1,027.00	184.00	1,211.00
04/01/94	Computer Upgrade	5 Yr.	5,095.17	1,019.00	4,840.00	255.17	5,095.17		5,095.17
03/15/94	Surge Suppressor	5 Yr.	2,675.64	535.00	2,541.00	134.64	2,675.64		2,675.64
11/01/94	Tire Machine	20 Yr.	3,237.50	162.00	675.00	162.00	837.00	162.00	999.00
07/01/94	BOD Analyzer	10 Yr.	2,626.26	263.00	1,184.00	263.00	1,447.00	263.00	1,710.00
12/01/94	Computer	5 Yr.	1,882.96	377.00	1,539.00	343.96	1,882.96		1,882.96
08/25/95	Laboratory Ventilation	25 Yr.	74,183.62	989.00	3,956.00	3,192.17	7,148.17	3,192.17	10,340.34
07/01/95	Tire Machine	20 Yr.	4,466.46	112.00	448.00	236.38	684.38	236.38	920.76
10/01/95	Fume Hood	25 Yr.	634.76	6.00	24.00	27.76	51.76	27.76	79.52
10/01/95	Lawn Mower & Snow Blower	5 Yr.	3,855.34	193.00	772.00	1,541.67	2,313.67	1,541.67	3,855.34

Wastewater Utility
Other General Equipment
Account # 1010379

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
C	Jet Vactor	5 Yr.	128,722.00	15,018.00	60,072.00	34,325.00	94,397.00	34,325.00	128,722.00
	Cyanide Analyzer	10 Yr.	20,011.75	1,501.00	6,004.00	2,001.11	8,005.11	2,001.11	10,006.22
C	Copier	5 Yr.	3,000.00	600.00	2,350.00	600.00	2,950.00	50.00	3,000.00
	Welder	10 Yr.	1,635.60	27.00	108.00	218.23	326.23	218.23	544.46
	Diescl Kit	10 Yr.	1,930.00	32.00	128.00	257.43	385.43	257.43	642.86
	Oil Cady	10 Yr.	425.00	7.00	28.00	56.71	84.71	56.71	141.42
	Misc. Small Tools	5 Yr.	2,551.18	85.00	340.00	1,105.59	1,445.59	1,105.59	2,551.18
B	Removal of 1990 Jet Vactor		(154,978.00)						
	Garage Furniture	10 yr	1,930.00	193.00	482.50	193.00	675.50	193.00	868.50
	Tools	5 yr	1,188.65	237.73	554.70	237.73	792.43	237.73	1,030.16
	Sampler & Refrig. (lab)	10 yr	5,542.90	554.29	1,154.77	554.29	1,709.06	554.29	2,263.35
	Delonizer	10 yr	875.00	87.50	240.63	87.50	328.13	87.50	415.63
	Scienoid Valve	5 yr	160.17	32.03	88.09	32.03	120.12	32.03	152.15
	Still Mega Pure	10 yr	2,655.75	265.57	730.32	265.57	995.89	265.57	1,261.46
	Incubator	10 yr	2,150.00	215.00	573.33	215.00	788.33	215.00	1,003.33
	Ph Temp. Meter	10 yr	1,053.26	105.32	263.30	105.32	368.62	105.32	473.94
	Ph Meter	10 yr	1,069.23	106.92	245.03	106.92	351.95	106.92	458.87
	Disillation Unit	10 yr	7,695.00	769.50	1,731.38	769.50	2,500.88	769.50	3,270.38
	Scale	10 yr	3,437.35	343.73	916.62	343.73	1,260.35	343.73	1,604.08
	Garage Equip. - Lift & Misc.	10 yr	12,475.55	1,247.56	2,287.19	1,247.56	3,534.75	1,247.56	4,782.31
	Pressure Washer	10 yr	1,321.43	132.14	198.21	132.14	330.35	132.14	462.49
	BOD Analyzer - Madison Met.	10 yr	22,758.50	2,275.85	3,413.78	2,275.85	5,689.63	2,275.85	7,965.48
	Safety Equipment	10 yr	1,436.50	143.65	191.53	143.65	335.18	143.65	478.83
	Waukesha Engine (1)	25 yr	746,475.99			29,859.04	29,859.04	29,859.04	59,718.08
	Standby Generator	10 yr	18,949.00			1,894.90	1,894.90	1,894.90	3,789.80
	Power Washer	10 yr	1,343.23	11.19	11.19	134.32	145.51	134.32	279.83
	Box for Sampling Van # 18	10 yr	23,441.00	1,367.39	1,367.39	2,344.10	3,711.49	2,344.10	6,055.59
	Misc. Small Tools	10 yr	530.47	48.63	48.63	53.05	101.68	53.05	154.73
	Multi Wave & Printer - Lab	10 yr	8,058.63	604.40	604.40	805.86	1,410.26	805.86	2,216.12
	Refrigerator	10 yr	1,635.16	95.38	95.38	163.52	258.90	163.52	422.42

Wastewater Utility
Other General Equipment
Account # 1010379

		Rate	Cost	1998 Depreciation	12/31/98 Reserve	1999 Depreciation	12/31/99 Reserve	2000 Depreciation	12/31/00 Reserve
07/31/98	Spectrophotometer	10 yr	1,877.09	78.21	78.21	187.71	265.92	187.71	453.63
12/31/98	Isco Model 3700	10 yr	2,155.00			215.50	215.50	215.50	431.00
12/01/99	HP Vectra PC	5 yr	1,872.00			31.20	31.20	374.40	405.60
12/01/99	Spectrometer	10 yr	67,361.87			561.35	561.35	6,736.19	7,297.54
02/01/99	SS Manifold	10 yr	6,889.62			631.55	631.55	688.96	1,320.51
09/01/99	Compact Autoclave	10 yr	3,226.00			107.53	107.53	322.60	430.13
09/01/99	Metric Balance	10 yr	2,682.61			89.42	89.42	268.26	357.68
09/01/99	Stools (2)	10 yr	616.00			24.64	24.64	61.60	86.24
04/01/99	Hot Plates	10 yr	5,209.97			390.75	390.75	521.00	911.75
07/01/99	Electric Water Bath	10 yr	1,087.17			54.36	54.36	108.72	163.08
06/01/99	Omni software	5 yr	645.00			75.25	75.25	129.00	204.25
03/01/99	Hot Water Heater	10 yr	2,015.00			167.92	167.92	201.50	369.42
08/01/99	Trouble shooter & tools - garage	10 yr	2,111.60			87.98	87.98	211.16	299.14
07/01/00	Jet Vactor	5 yr	166,057.58					16,605.76	16,605.76
05/01/00	Exhaust Fan - Lab	10 yr	1,541.42					102.80	102.80
07/01/00	W1 Turf - Riding Mower	5 yr	18,618.95					1,861.90	1,861.90
07/01/00	Two Sarlo Push Mowers	5 yr	1,764.40					176.44	176.44
10/01/00	Emergency Pumps	10 yr	26,929.16					673.23	673.23
03/01/00	Snap-on misc hand tools	5 yr	1,830.16					305.00	305.00
05/01/00	Garage Floor Jack	10 yr	2,777.00					185.12	185.12
12/31/00	Removals		(149,656.46)						149,656.46
			3,463,985.07	140,157.70	984,383.10	195,096.40	1,179,479.50	216,665.80	1,545,801.76

Racine Wastewater Treatment Facility Expansion

Capital Cost Estimate

Exhibit B

	Total	Deficiency	Future Growth
<u>Treatment Plant</u>			
2nd Equalization Tank	\$2,146,000	\$614,548	\$1,531,452
Stormwater Clarifier/ EQ	\$3,115,000	\$892,040	\$2,222,960
Preliminary Treatment	\$3,005,000	\$862,906	\$2,142,094
Primary Clarifiers	\$3,324,000	\$954,509	\$2,369,491
Blower Building	\$86,000	\$60,971	\$25,029
Final Clarifiers	\$2,969,000	\$852,569	\$2,116,431
Return Activated Sludge Pumping	\$502,400	\$144,268	\$358,132
Ultraviolet Disinfection	\$3,381,000	\$970,877	\$2,410,123
New 72-inch Outfall Sewer	\$1,170,000	\$256,184	\$913,816
WAS Thickener Building	\$4,730,500	\$3,353,772	\$1,376,728
Anaerobic Digester (90-ft diameter)	\$1,838,000	\$0	\$1,838,000
Digester Control Building	\$526,400	\$0	\$526,400
Digester No. 1 Rehabilitation	\$819,200	\$580,786	\$238,414
Belt Press Feed Pump Building	\$718,700	\$509,535	\$209,165
Maintenance Building Belt Press Replacement	\$1,746,000	\$1,237,858	\$508,142
Laboratory and Maintenance Garage	\$1,721,000	\$1,220,134	\$500,866
Gas Sphere	\$519,000	\$149,034	\$369,966
Plant Monitoring and Control System	\$2,213,000	\$1,568,946	\$644,054
Redundant Backup Power at Plant and PS 1	\$1,101,000	\$780,574	\$320,426
Demolition	\$64,000	\$0	\$64,000
General Construction	\$15,705,900	\$6,604,190	\$9,101,710
Subtotal Plant Improvement Costs	\$51,401,100	\$21,613,701	\$29,787,399
Contingency	\$10,280,240	\$4,322,749	\$5,957,491
Engineering, Legal, & Administrative	\$9,252,201	\$3,890,467	\$5,361,734
Total	\$70,933,541	\$29,826,917	\$41,106,624
			\$0
			\$0
<u>Interceptor System Costs</u>			
Gulf Ave./Rapids Drive/Layard Ave. Relief Sewer	\$1,323,834	\$104,657	\$1,219,177
Buchanan Avenue Relief Sewer	\$1,117,800	\$0	\$1,117,800
Drexel Avenue Replacement Sewer	\$121,440	\$0	\$121,440
Wastewater Storage at Caledonia	\$5,851,200	\$2,160,684	\$3,690,516
Total	\$8,414,274	\$2,265,341	\$6,148,933
<u>Total Wastewater Utility Costs</u>	\$79,347,815	\$32,092,257	\$47,255,558
Local Costs for System -Wide Inflow Reduction	\$6,184,400		
Total System-Wide Costs	\$85,532,215		

Note:

1. Based upon cost estimate prepared by Earth Tech (9/29/2000).

Racine Area Facilities Planning Data Existing and Projected Future Flows (With Inflow Reduction)

Exhibit C

	Existing		2020		Average Daily Flow (MGD)		2020		2020	
	Flow	Share	Flow	Share	Flow	Share	Increase	Share	Increase	Share
Racine ⁽¹⁾	16.32	64.90%	17.06	41.10%	18.24	44.88%	0.74	7.17%	1.92	12.40%
Mount Pleasant ⁽²⁾	4.71	18.75%	10.21	28.80%	11.08	27.88%	5.50	53.29%	6.37	41.12%
Yorkville ⁽³⁾	0.02	0.10%	0.76	2.13%	0.76	1.86%	0.73	7.08%	0.73	4.72%
Raymond ⁽⁴⁾	0.01	0.02%	0.15	0.44%	0.15	0.38%	0.15	1.45%	0.15	0.97%
Caledonia	1.17	4.55%	3.03	8.54%	4.22	10.39%	1.86	18.02%	3.05	19.69%
Sturtevant ⁽⁵⁾	0.71	2.82%	1.15	3.24%	2.02	4.97%	0.44	4.26%	1.31	8.46%
North Park ⁽⁶⁾	1.70	6.76%	2.17	6.12%	3.03	7.46%	0.47	4.55%	1.33	8.59%
Crestview	0.50	1.97%	0.93	2.62%	1.13	2.78%	0.43	4.17%	0.63	4.02%
	25.14	100.00%	35.40	100.00%	40.63	100.00%	10.32	100.00%	15.49	100.00%

Maximum Daily Flow (MGD)

	Existing		2020		2020		2020		2020	
	Flow	Share	Flow	Share	Flow	Share	Increase	Share	Increase	Share
Racine ⁽¹⁾	87.61	68.17%	90.59	54.36%	95.32	51.59%	7.71	13.71%	7.71	13.71%
Mount Pleasant ⁽²⁾	24.42	19.08%	45.95	27.57%	49.36	26.71%	24.84	44.16%	24.84	44.16%
Yorkville ⁽³⁾	0.12	0.09%	2.66	1.59%	2.66	1.44%	2.54	6.66%	2.54	4.52%
Raymond ⁽⁴⁾	0.02	0.02%	0.54	0.33%	0.54	0.29%	0.52	1.36%	0.52	0.92%
Caledonia	5.46	4.25%	11.99	7.19%	16.14	8.74%	6.53	17.12%	10.68	18.99%
Sturtevant ⁽⁵⁾	2.49	1.94%	3.82	2.29%	6.43	3.48%	1.33	3.49%	3.94	7.08%
North Park ⁽⁶⁾	6.16	4.79%	7.59	4.55%	10.16	5.50%	1.43	3.75%	4.00	7.11%
Crestview	2.14	1.67%	3.52	2.11%	4.16	2.25%	1.38	3.62%	2.02	3.99%
	128.32	100.00%	166.66	100.00%	184.77	100.00%	38.14	100.00%	56.25	100.00%

Peak Hourly Flow (MGD)

	Existing		2020		2020		2020		2020	
	Flow	Share	Flow	Share	Flow	Share	Increase	Share	Increase	Share
Racine ⁽¹⁾	105.34	60.52%	109.12	46.42%	114.83	43.93%	3.38	3.90%	9.29	10.68%
Mount Pleasant ⁽²⁾	44.34	25.42%	83.15	33.37%	89.35	34.18%	38.81	63.97%	45.01	51.74%
Yorkville ⁽³⁾	0.13	0.03%	3.23	1.37%	3.23	1.24%	3.10	3.10%	3.10	3.56%
Raymond ⁽⁴⁾	0.03	0.02%	0.66	0.28%	0.66	0.25%	0.63	1.05%	0.63	0.73%
Caledonia	6.97	4.00%	15.30	6.51%	20.49	7.88%	8.33	13.73%	13.63	15.67%
Sturtevant ⁽⁵⁾	5.09	2.92%	7.49	3.19%	12.19	4.66%	2.40	3.56%	7.10	8.16%
North Park ⁽⁶⁾	9.49	5.44%	11.50	4.89%	15.08	5.77%	2.61	3.31%	5.59	6.43%
Crestview ⁽⁶⁾	2.80	1.61%	4.61	1.96%	5.45	2.09%	1.81	2.98%	2.65	3.05%
	174.39	100.00%	233.06	100.00%	261.39	100.00%	60.67	100.00%	87.00	100.00%

1. Includes Villages of North Day and Elmwood Park
2. Includes Colonial Heights.
3. Yorkville flows split 83% to Yorkville, 17% to Raymond per Earth Tech memo (11/17/99).
4. Revised Sturtevant Flows and Loadings per Earth Tech memo (1/23/02).
5. Includes Wind Point.
6. Revised Crestview flows per Earth Tech memo (2/23/02).

Source: Estimated average flow rates for Earth Tech. December 31, 1998

City of Racine

Wastewater Treatment Capacity Allocations

Exhibit D

	Average Day Flow (mgd)	Peak Day Flow (mgd)	Peak Hour Flow (mgd)	Peak Monthly Flow (mgd)	Average Daily BOD (lbs.)	Peak Monthly BOD (lbs.)	Average Daily TSS (lbs.)	Peak Monthly TSS (lbs.)	Average Daily TKN (lbs.)	Peak Monthly TKN (lbs.)	Average Daily P (lbs.)	Peak Monthly P (lbs.)
Racine (1)	17.06	90.59	109.12	23.20	14,555	17,466	17,796	23,313	2,253	3,019	425	543
Mount Pleasant (2)	10.21	45.95	83.15	13.89	9,134	10,961	12,605	16,513	1,235	1,655	259	332
Yorkville (3)	0.76	2.66	3.23	1.03	437	524	539	706	69	92	13	17
Raymond (4)	0.15	0.54	0.66	0.21	89	107	110	145	14	19	3	3
Caledonia	2.03	11.99	15.30	4.12	3,098	3,718	3,824	5,009	487	653	93	119
Sturtevant (4)	1.15	3.82	7.49	1.56	1,242	1,490	1,532	2,007	196	263	37	47
North Park (5)	2.17	7.59	11.50	2.95	2,424	2,909	2,992	3,920	381	511	71	91
Crestview (6)	0.93	3.52	4.61	1.26	1,071	1,285	1,321	1,731	168	225	32	41
Total	35.46	166.66	235.06	48.22	32,050	38,460	40,719	53,342	4,803	6,436	933	1,194

1. Includes Villages of North Bay and Elmwood Park, excludes Colonial Heights.

2. Includes Colonial Heights.

3. Yorkville allocation split 17% to Raymond, 83% to Yorkville per Earth Tech memo (11/17/99).

4. Revised Sturtevant Flows and Loadings per Earth Tech memo (1/23/02).

5. Includes Wind Point.

6. Revised Crestview flows per Earth Tech memo (2/25/02).

City of Racine Wastewater Treatment Capacity Allocations

Exhibit E

	Average Day Flow (mgd)	Peak Day Flow (mgd)	Peak Hour Flow (mgd)	Peak Monthly Flow (mgd)	Average Daily BOD (lbs.)	Peak Monthly BOD (lbs.)	Average Daily TSS (lbs.)	Peak Monthly TSS (lbs.)	Average Daily TKN (lbs.)	Peak Monthly TKN (lbs.)	Average Daily P (lbs.)	Peak Monthly P (lbs.)
Racine (1)	17.06	90.59	109.12	23.20	14,555	17,466	17,796	23,313	2,253	3,019	425	543
Mount Pleasant (2)	10.21	45.95	83.15	13.89	9,134	10,961	12,605	16,513	1,235	1,655	259	332
Yorkville (3)	0.76	2.66	3.23	1.03	437	524	539	706	69	92	13	17
Raymond (4)	0.15	0.54	0.66	0.21	89	107	110	145	14	19	3	3
Caledonia	3.03	11.99	15.30	4.12	3,098	3,718	3,824	5,009	487	653	93	119
Surtevant (5)	1.15	3.82	7.49	1.56	1,242	1,490	1,532	2,007	196	263	37	47
North Park (6)	2.17	7.59	11.50	2.95	2,424	2,909	2,992	3,920	381	511	71	91
Crestview (6)	0.93	3.52	4.61	1.26	1,071	1,285	1,321	1,731	168	225	32	41
Total	35.46	166.66	235.06	48.22	32,050	38,460	40,719	53,342	4,803	6,436	933	1,194

1. Includes Villages of North Bay and Elmwood Park, excludes Colonial Heights.
2. Includes Colonial Heights.
3. Yorkville allocation split 17% to Raymond, 83% to Yorkville per Earth Tech memo (11/17/99).
4. Revised Surtevant Flows and Loadings per Earth Tech memo (1/23/02).
5. Includes Wind Point.
6. Revised Crestview flows per Earth Tech memo (2/25/02).

Exhibit E1

Racine Capacity Allocations

Classifications: SSP, SSR, OAE, RSP

Allocated Treatment Capacity ⁽¹⁾

Average Day Flow (mgd)	17.06
Peak Day Flow (mgd)	90.59
Peak Hour Flow (mgd)	109.12
Peak Monthly Flow (mgd)	23.20
Average Daily BOD (lbs.)	14,555
Peak Monthly BOD (lbs.)	17,466
Average Daily TSS (lbs.)	17,796
Peak Monthly TSS (lbs.)	23,313
Average Daily TKN (lbs.)	2,253
Peak Monthly TKN (lbs.)	3,019
Average Daily P (lbs.)	425
Peak Monthly P (lbs.)	543

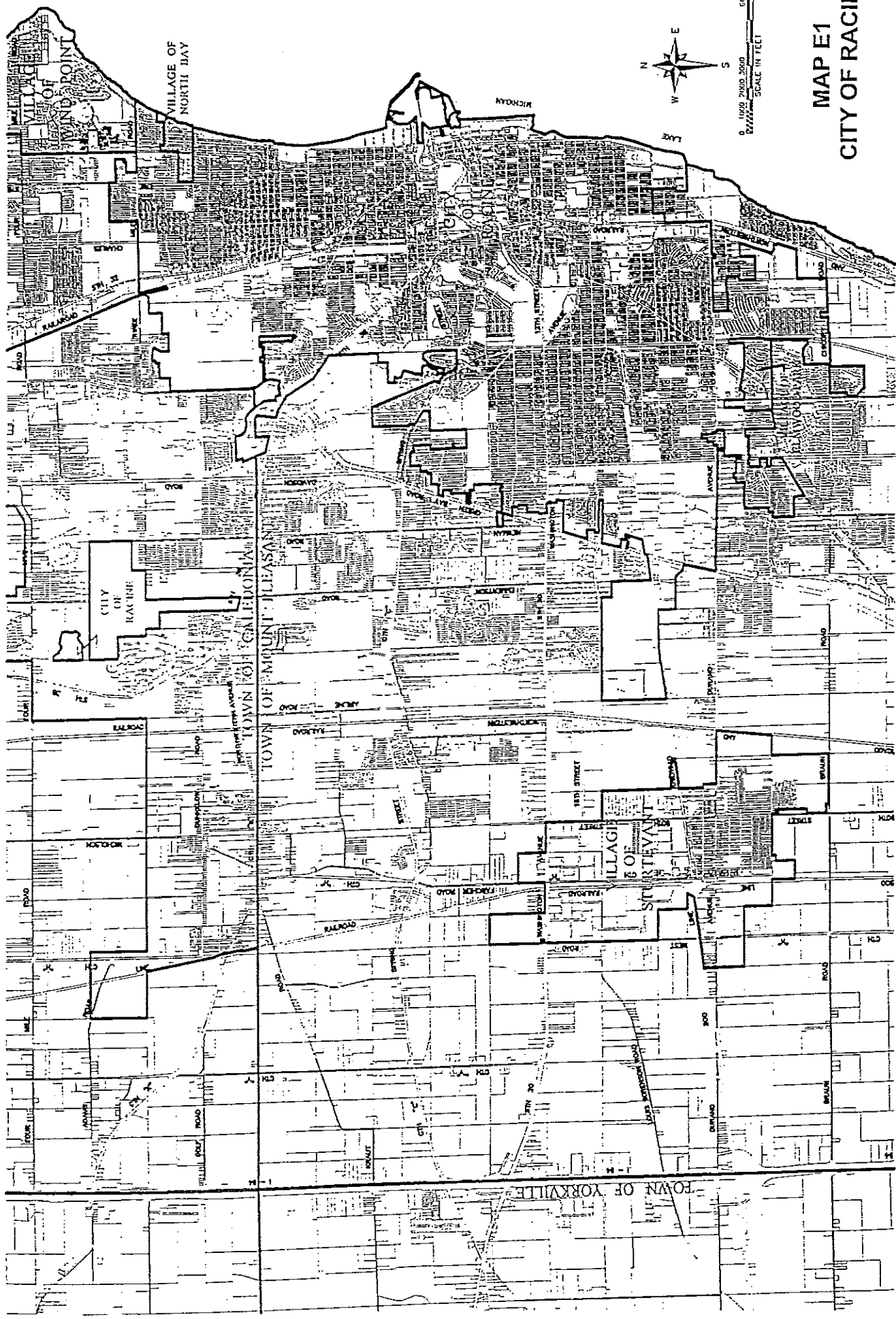
Allocated Conveyance Capacity See Exhibit F

Notice Addressee
City Clerk
Room 102
730 Washington Ave.
Racine, WI. 53403

City Attorney
730 Washington Ave.
Racine, WI. 53403

Note:

1. Includes the Village of North Bay and Elmwood Park



MAP E1
CITY OF RACINE

THE DESIGNATED SSR, C, AND RSP TERRITORIES OF RACINE EACH INCLUDES THE ENTIRE TERRITORY OF RACINE, EXCEPT THAT THE TWO CITY ISLANDS WITHIN CALEI ARE NOT INCLUDED IN RACINE'S SSR TERRITORY. ADDITIONALLY, RACINE'S DESIGNATED SSR TERRITORY WILL INCLUDE NORTH BAY AND ELMWOOD PARK WHEN THEY BECOME A PARTY.

Mount Pleasant Capacity Allocations

Exhibit E2

Classifications: SSR, OAE, RSP

Allocated Treatment Capacity ⁽¹⁾

Average Day Flow (mgd)	10.21
Peak Day Flow (mgd)	45.95
Peak Hour Flow (mgd)	83.15
Peak Monthly Flow (mgd)	13.89
Average Daily BOD (lbs.)	9,134
Peak Monthly BOD (lbs.)	10,961
Average Daily TSS (lbs.)	12,605
Peak Monthly TSS (lbs.)	16,513
Average Daily TKN (lbs.)	1,235
Peak Monthly TKN (lbs.)	1,655
Average Daily P (lbs.)	259
Peak Monthly P (lbs.)	332

Allocated Conveyance Capacity

See Exhibit F

Notice Addressee

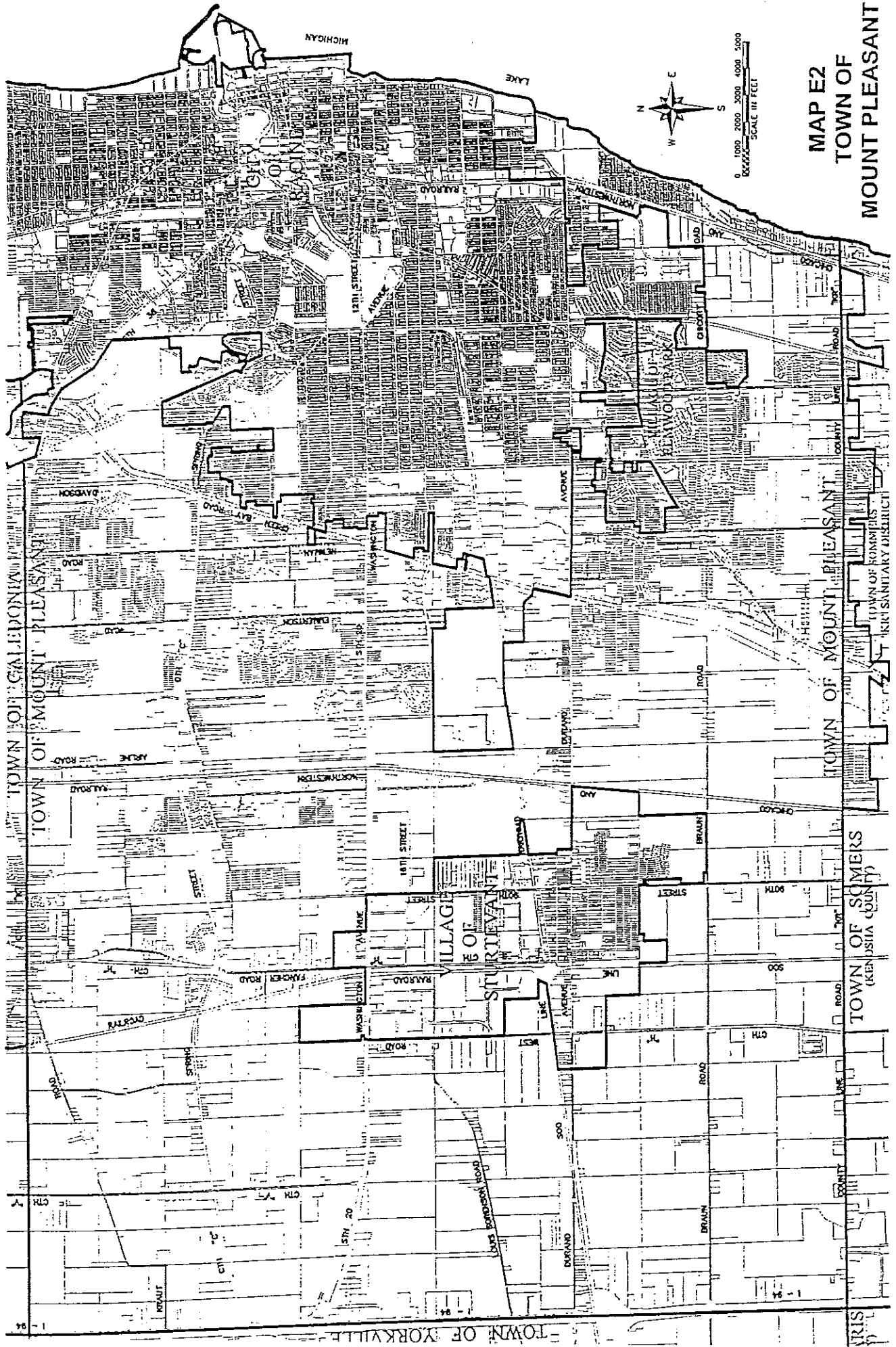
Town Administrator

6126 Durand Ave.

Racine, WI. 53406

Note:

1. Includes Somers KR Sanitary District & Colonial Heights



MAP E2
TOWN OF
MOUNT PLEASANT

IF DESIGNATED SSR, OAE TERRITORIES OF MT. PLEASANT EACH INCLUDE THE ENTIRE TERRITORY OF MT. PLEASANT AS SHOWN.
ADDITIONALLY, MT. PLEASANT TERRITORY WILL INCLUDE THE SOMERS KR DISTRICT WHEN SOMERS BECOMES A CITY.

Yorkville

Capacity Allocations

Exhibit E3

Classifications: SSR, OAE, RSP

Allocated Treatment Capacity

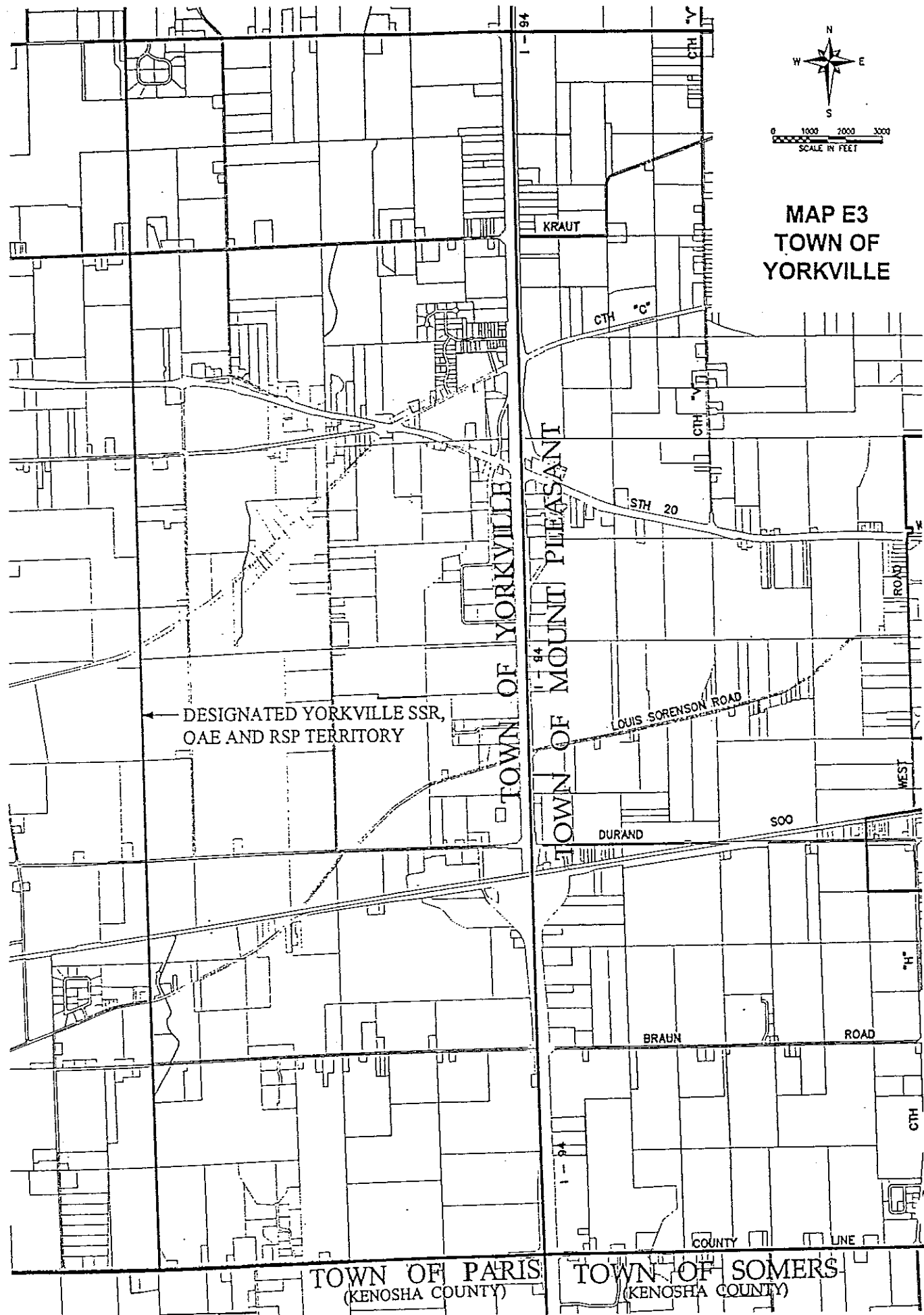
Average Day Flow (mgd)	0.76
Peak Day Flow (mgd)	2.66
Peak Hour Flow (mgd)	3.23
Peak Monthly Flow (mgd)	1.03
Average Daily BOD (lbs.)	437
Peak Monthly BOD (lbs.)	524
Average Daily TSS (lbs.)	539
Peak Monthly TSS (lbs.)	706
Average Daily TKN (lbs.)	69
Peak Monthly TKN (lbs.)	92
Average Daily P (lbs.)	13
Peak Monthly P (lbs.)	17

Allocated Conveyance Capacity

Not Applicable

Notice Addressee

Town Clerk
720 Main Street
P.O. Box 15
Union Grove, WI. 53182



Raymond Capacity Allocations

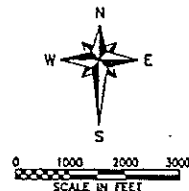
Exhibit E4

Classifications: SSR, OAE, RSP

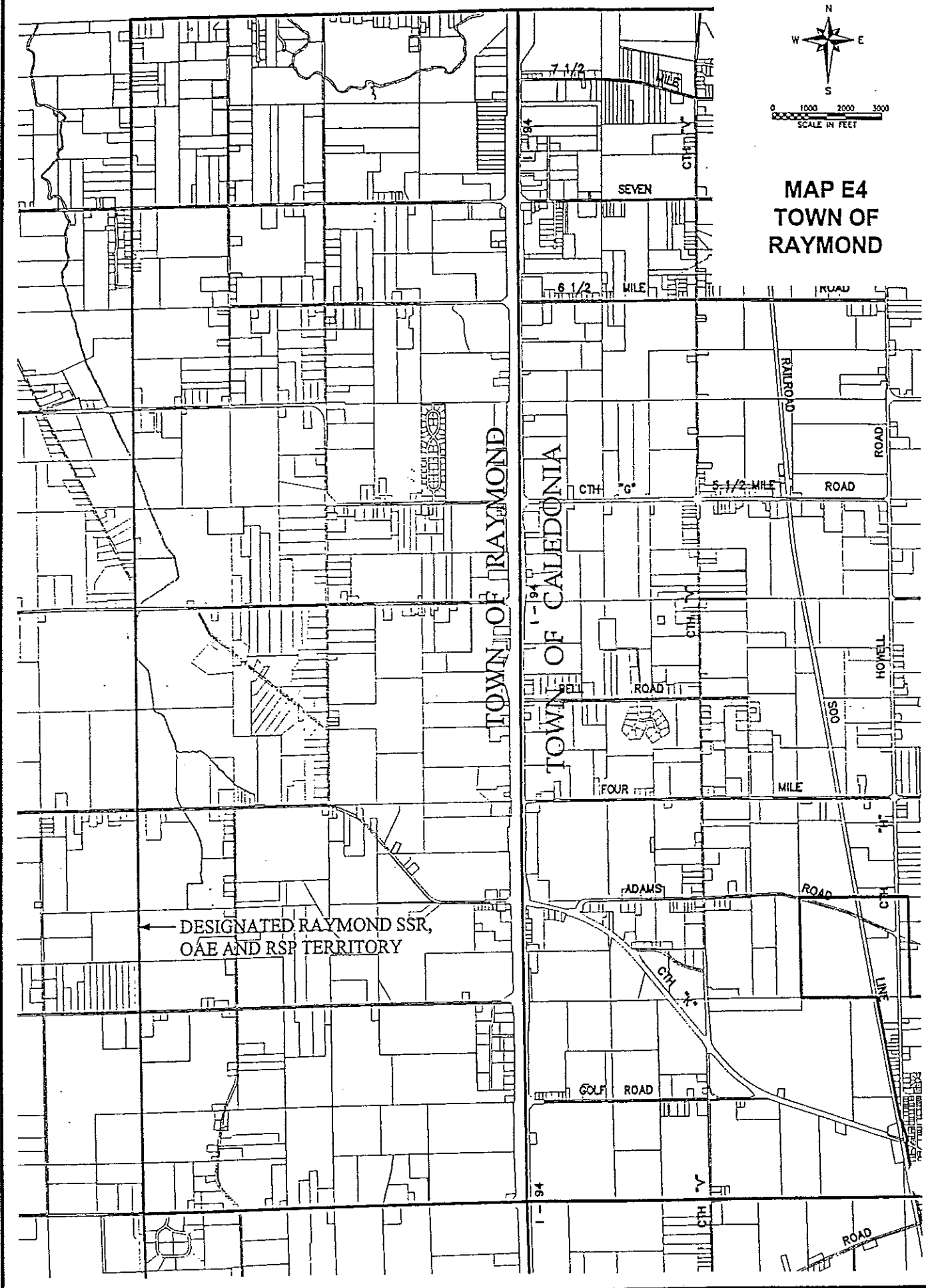
Allocated Treatment Capacity	
Average Day Flow (mgd)	0.15
Peak Day Flow (mgd)	0.54
Peak Hour Flow (mgd)	0.66
Peak Monthly Flow (mgd)	0.21
Average Daily BOD (lbs.)	89
Peak Monthly BOD (lbs.)	107
Average Daily TSS (lbs.)	110
Peak Monthly TSS (lbs.)	145
Average Daily TKN (lbs.)	14
Peak Monthly TKN (lbs.)	19
Average Daily P (lbs.)	3
Peak Monthly P (lbs.)	3

Allocated Conveyance Capacity
Not Applicable

Notice Addressee
Town Clerk
2255 South 76th Street
Franksville, WI. 53126-9539



MAP E4 TOWN OF RAYMOND



Feb 01, 2002 11:12am
P:\ACAD_DWG\8022001\Raymond\WICA-E4.dwg Layout1
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AROT: S: P:\ACAD_DWG\8022001\BASTMAE.DWG
P:\ACAD_DWG\8022001\Bastmae.dwg

[WHEN RAYMOND BECOMES A PARTY]

Caledonia Capacity Allocations

Exhibit E5

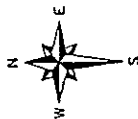
Classifications: SSR, OAE, RSP

Allocated Treatment Capacity	
Average Day Flow (mgd)	3.03
Peak Day Flow (mgd)	11.99
Peak Hour Flow (mgd)	15.30
Peak Monthly Flow (mgd)	4.12
Average Daily BOD (lbs.)	3,098
Peak Monthly BOD (lbs.)	3,718
Average Daily TSS (lbs.)	3,824
Peak Monthly TSS (lbs.)	5,009
Average Daily TKN (lbs.)	487
Peak Monthly TKN (lbs.)	653
Average Daily P (lbs.)	93
Peak Monthly P (lbs.)	119

Allocated Conveyance Capacity
See Exhibit F

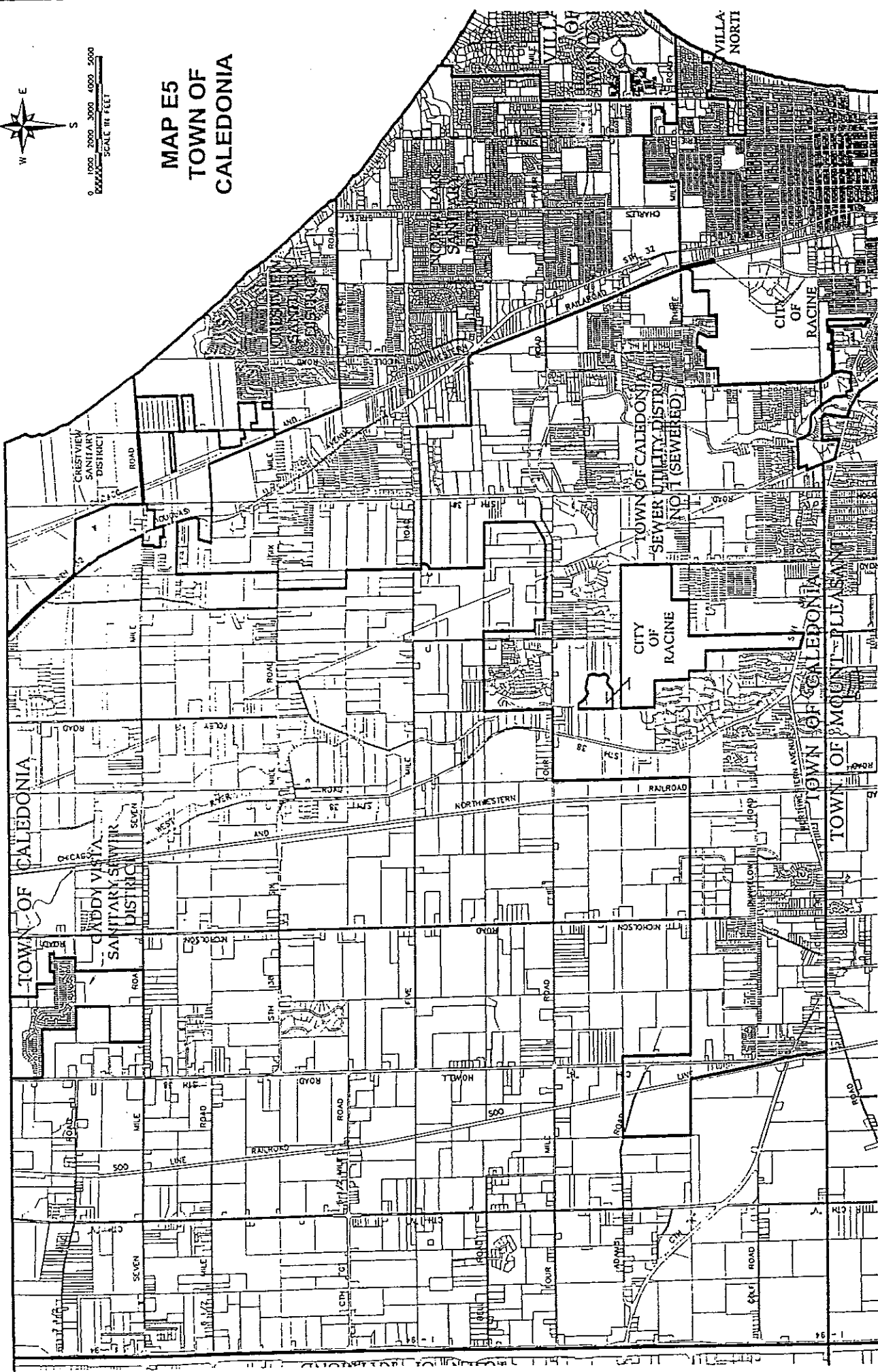
Notice Addressee
Town Administrator
6922 Nicholson Road
Caledonia, WI. 53108

Caledonia Water & Sewer Utility No. 1
8225 Nicholson Road
Caledonia, WI. 53108



0 1000 2000 3000 4000 5000
SCALE IN FEET

MAP E5 TOWN OF CALEDONIA



THE CALEDONIA DESIGN' SSR TERRITORY INCLUDES THE ENTIRE TERRITORY OF CALEDONIA AS SHOWN, EXCEPT THE NORTH PARK DISTRICT, THE CRESTVIEW DISTRICT, AND ALSO INCLUDES THE TWO RACINE ISLANDS IN CAL IA. THE CALEDONIA OAE AND RSP TERRITORIES INCLUDES THE ENTIRE TERRITORY OF CALEDONIA. [WHEN CALEDONIA BECOMES A P.]

Sturtevant Capacity Allocations

Exhibit E6

Classifications: SSR, OAE, RSP

Allocated Treatment Capacity

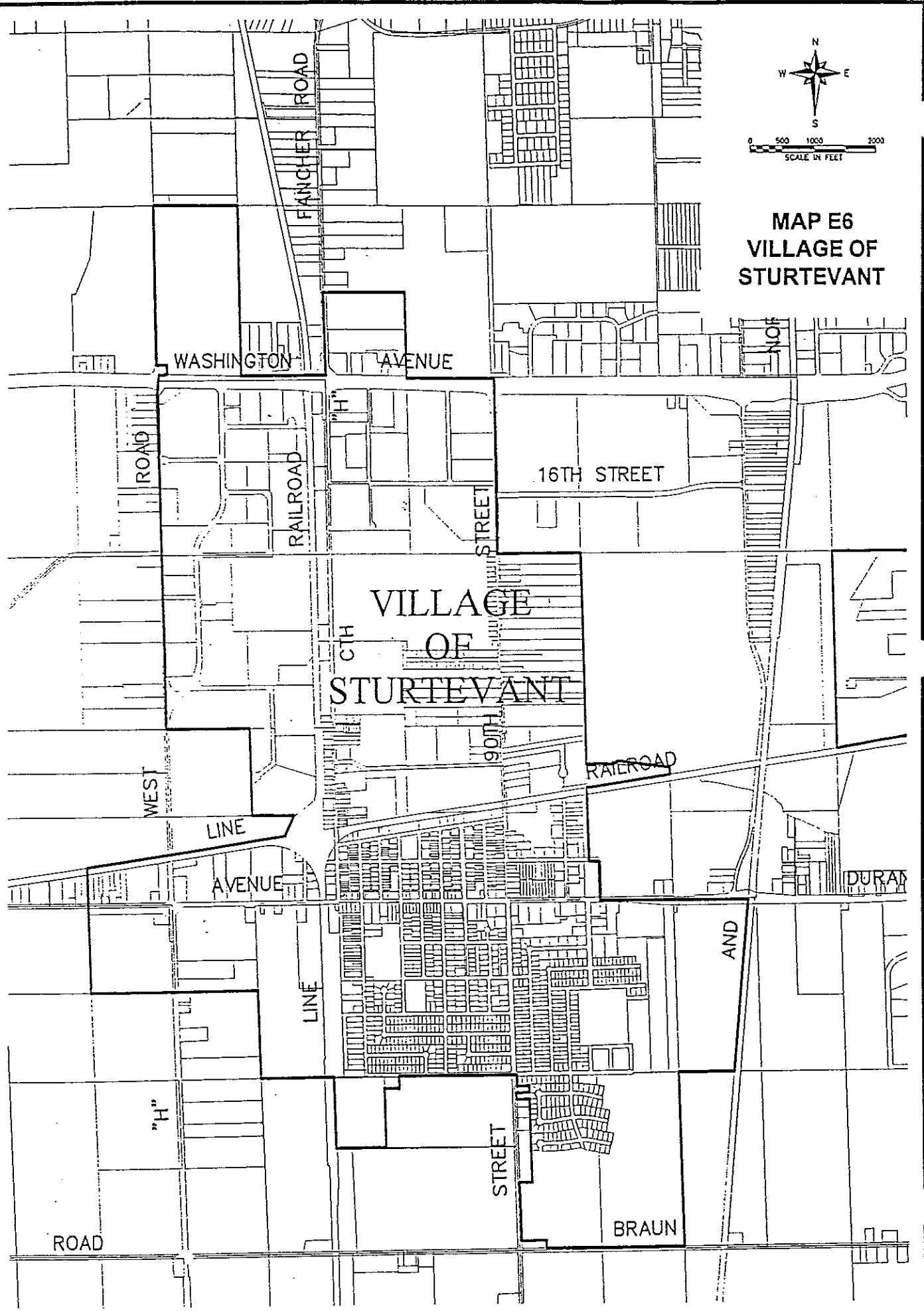
Average Day Flow (mgd)	1.15
Peak Day Flow (mgd)	3.82
Peak Hour Flow (mgd)	7.49
Peak Monthly Flow (mgd)	1.56
Average Daily BOD (lbs.)	1,242
Peak Monthly BOD (lbs.)	1,490
Average Daily TSS (lbs.)	1,532
Peak Monthly TSS (lbs.)	2,007
Average Daily TKN (lbs.)	196
Peak Monthly TKN (lbs.)	263
Average Daily P (lbs.)	37
Peak Monthly P (lbs.)	47

Allocated Conveyance Capacity

Not Applicable

Notice Addressee

Village Administrator
2801 89th Street
Sturtevant, WI. 53177



**MAP E6
 VILLAGE OF
 STURTEVANT**

THE DESIGNATED SSR, OAE AND RSP TERRITORIES OF STURTEVANT EACH INCLUDES THE ENTIRE TERRITORY OF STURTEVANT AS SHOWN. [WHEN STURTEVANT BECOMES A PARTY]

North Park Capacity Allocations

Exhibit E7

Classifications: SSR, OAE

Allocated Treatment Capacity ⁽¹⁾

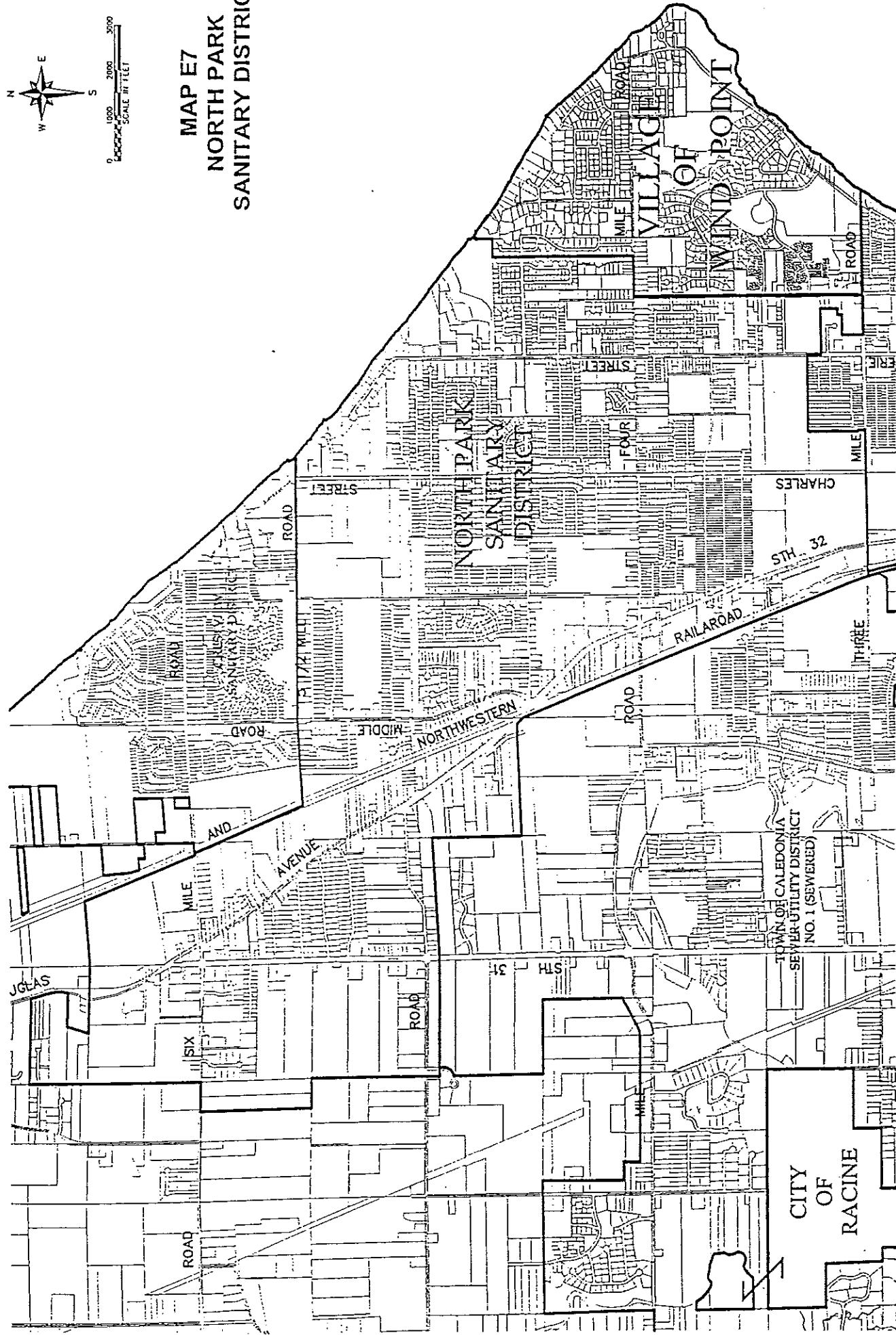
Average Day Flow (mgd)	2.17
Peak Day Flow (mgd)	7.59
Peak Hour Flow (mgd)	11.50
Peak Monthly Flow (mgd)	2.95
Average Daily BOD (lbs.)	2,424
Peak Monthly BOD (lbs.)	2,909
Average Daily TSS (lbs.)	2,992
Peak Monthly TSS (lbs.)	3,920
Average Daily TKN (lbs.)	381
Peak Monthly TKN (lbs.)	511
Average Daily P (lbs.)	71
Peak Monthly P (lbs.)	91

Allocated Conveyance Capacity
See Exhibit F

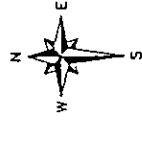
Notice Addressee
North Park Sanitary District
333 4 1/2 Mile Road
Racine, WI. 53402

Note:

1. Includes Wind Point



MAP E7 NORTH PARK SANITARY DISTRICT



0 1000 2000 3000
SCALE IN FEET

THE NORTH PARK DISTRICT TERRITORY EACH INCLUDES THE ENTIRE TERRITORY OF THE NORTH PARK DISTRICT AS SHOWN IF CALEDONIA AND WIND POINT JOIN THE AGREEMENT. IF ONLY CALEDONIA OR WIND POINT JOINS THE AGREEMENT, ONLY THE TERRITORY DESIGNATED SSR TERRITORY OF THE NORTH PARK DISTRICT. [WHEN NORTH PARK DISTRICT BECOMES A PARTY]

Crestview Capacity Allocations

Exhibit E8

Classifications: SSR, OAE

Allocated Treatment Capacity

Average Day Flow (mgd)	0.93
Peak Day Flow (mgd)	3.52
Peak Hour Flow (mgd)	4.61
Peak Monthly Flow (mgd)	1.26
Average Daily BOD (lbs.)	1,071
Peak Monthly BOD (lbs.)	1,285
Average Daily TSS (lbs.)	1,321
Peak Monthly TSS (lbs.)	1,731
Average Daily TKN (lbs.)	168
Peak Monthly TKN (lbs.)	225
Average Daily P (lbs.)	32
Peak Monthly P (lbs.)	41

Allocated Conveyance Capacity

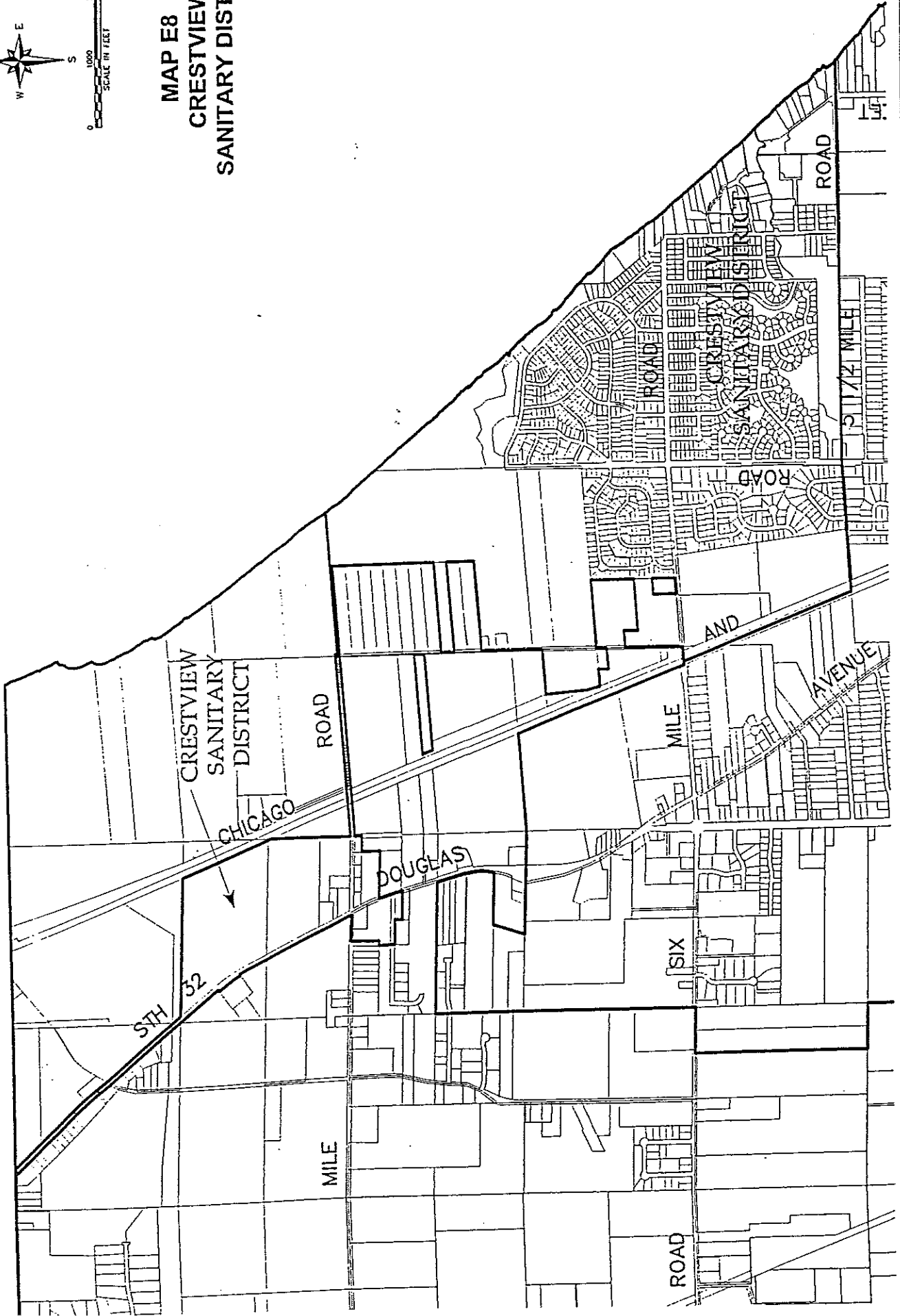
Not Applicable

Notice Addressee

Crestview Sanitary District
3120 Indian Trail
Racine, WI. 53402



STH



THE DESIGNATED SSR AND THE TERRITORIES OF THE CRESTVIEW DISTRICT EACH INCLUDE THE ENTIRE TERRITORY OF THE DISTRICT AS SHOWN
[WHEN THE CRESTVIEW DISTRICT BECOMES A PARTY]

Wind Point Capacity Allocations

Exhibit E9

Classifications: OAE, RSP

Allocated Treatment Capacity ⁽¹⁾

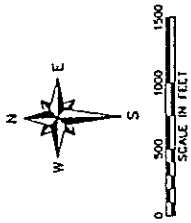
Not Applicable

Allocated Conveyance Capacity
Not Applicable

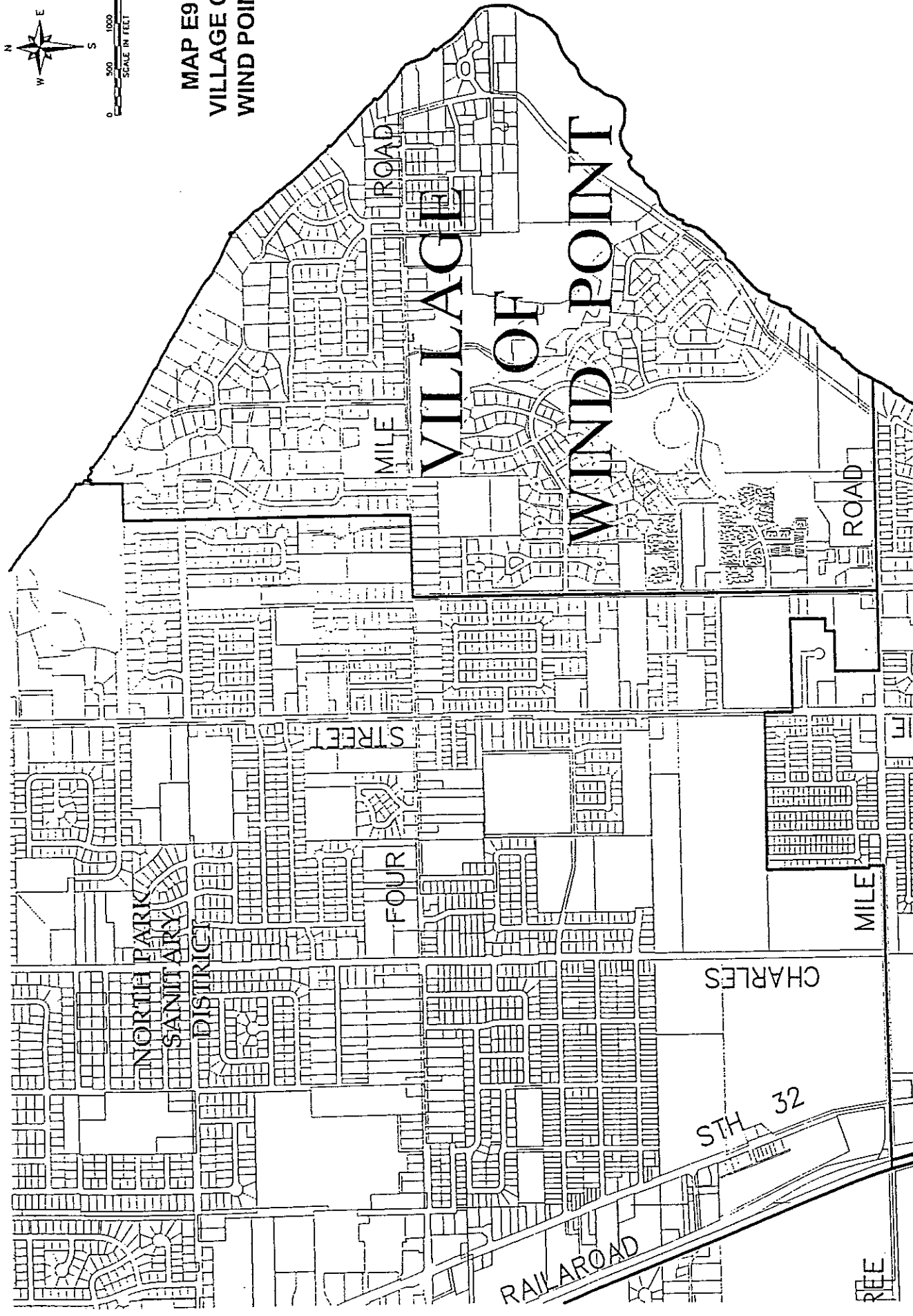
Notice Addressee
Village Clerk
215 East Four Mile Road
Racine, WI. 53402

Note:

1. Wind Point's Allocation is included in North Park's Allocation



**MAP E9
 VILLAGE OF
 WIND POINT**



THE DESIGNATED OAE AND RSP TERRITORIES OF WIND POINT EACH INCLUDES THE ENTIRE TERRITORY OF WIND POINT AS SHOWN.
 (WHEN WIND POINT BECOMES A PARTY)

Town Of Somers Capacity Allocations

Exhibit E10

Classifications: SSR, OAE, RSP

Allocated Treatment Capacity ⁽¹⁾

Not Applicable

Allocated Conveyance Capacity
Not Applicable

Notice Addressee
Town Clerk
P.O. Box 197
Somers, WI. 53171

Somers KR Sanitary District
P.O. Box 197
Somers, WI. 53171

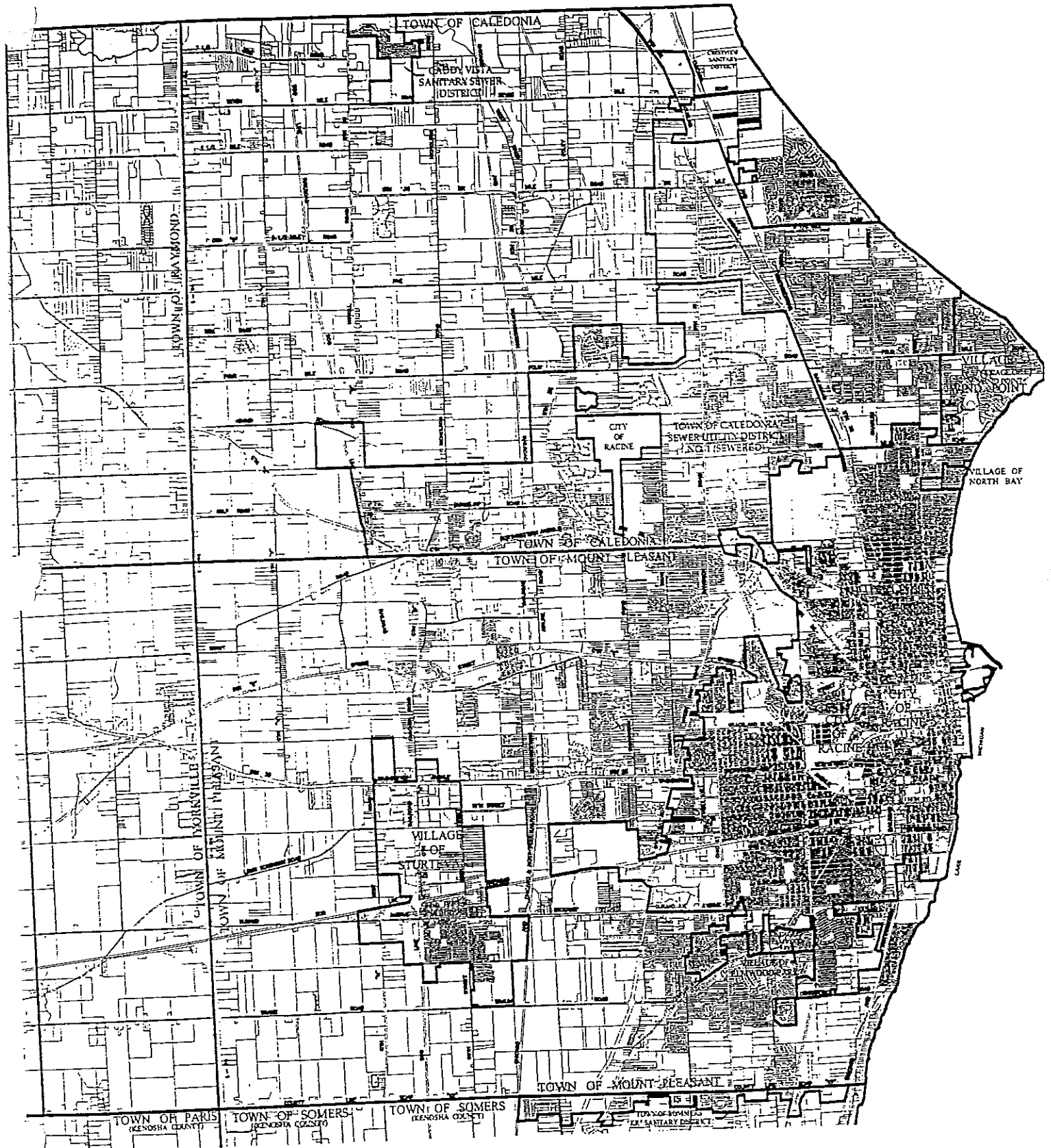
Note:

1. Town of Somers KR Sanitary District Capacity allocation is included in Mt. Pleasants Allocation

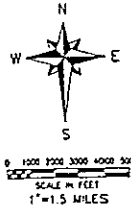


**MAP E10
TOWN OF
SOMERS**

MAP E11 RACINE AND THE WASTEWATER COMMISSION



THE DESIGNATED SSP TERRITORY OF RACINE AND THE RACINE WASTEWATER COMMISSION INCLUDE THE ENTIRE AREA SHOWN IF AND TO THE EXTENT THAT EACH OF THE ANTICIPATED PARTIES BECOMES.



Racine Wastewater Commission Capacity Allocations

Exhibit E11

Classifications: SSP

Allocated Treatment Capacity

Not Applicable

Allocated Conveyance Capacity

Not Applicable

Notice Addressee

Manager Racine Utilities

City Hall Annex

800 Center Street Room 227

Racine, WI. 53403

Exhibit F

Conveyance Capacity Allocations

Golf Ave./Rapids Drive/Layard Ave Relief Sewer Peak Hourly Flow Capacity (mgd)

	Manhole AO420	Manhole AO414	Manhole AO401	Manhole AO394
Caledonia	20.60	20.60	20.60	20.60
Mt. Pleasant	0.00	2.51	2.51	2.51
Racine	1.89	2.97	3.76	4.52
Total	22.49	26.09	26.87	27.63

North Side Interceptor (Buchanan Avenue Relief Sewer) Peak Hourly Flow Capacity (mgd)

	Upstream	Downstream
Caledonia	20.60	20.60
Mt. Pleasant	2.51	2.51
North Park	15.08	15.08
Crestview	5.45	5.45
Racine	27.70	31.97
Total	71.34	75.61

Exhibit G

Racine Wastewater Utility

Capital Cost Allocation

Summary of Community Shares of Estimated Project Costs ⁽¹⁾

	WWTF		Interceptor System		Total	
	Cost	Share	Cost	Share	Cost	Share
Racine	\$2,668,485	3.8%	\$949,842	11.3%	\$3,618,327	4.6%
Mt. Pleasant	\$24,760,901	34.9%	\$1,437,130	17.1%	\$26,198,032	33.0%
Yorkville	\$2,312,356	3.3%	\$98,613	1.2%	\$2,410,970	3.0%
Raymond	\$473,615	0.7%	\$20,198	0.2%	\$493,813	0.6%
Caledonia	\$6,206,979	8.8%	\$3,187,056	37.9%	\$9,394,035	11.8%
Sturtevant	\$1,740,306	2.5%	\$76,447	0.9%	\$1,816,753	2.3%
North Park	\$1,570,997	2.2%	\$310,028	3.7%	\$1,881,026	2.4%
Crestview	\$1,372,984	1.9%	\$174,275	2.1%	\$1,547,259	1.9%
Utility (Deficiency)	\$29,826,917	42.0%	\$2,160,684	25.7%	\$31,987,601	40.3%
Total	\$70,933,541	100.0%	\$8,414,274	100.0%	\$79,347,815	100.0%

Note:

1. Based upon cost estimate prepared by Earth Tech (9/29/2000).
2. Final Cost Allocation will be based on actual cost.

Racine Area Facilities Planning Data
Community Flow Shares
(With Inflow Reduction)

Exhibit G

	Racine	Mt. Pleasant	Yorkville	Raymond	Caledonia	Sturtevant	North Park	Crestview	Total
A Existing Peak Day Flow	68.17%	19.08%	0.09%	0.02%	4.25%	1.94%	4.79%	1.67%	100.00%
B Design 2020 Peak Day Flow	54.36%	27.57%	1.59%	0.33%	7.19%	2.29%	4.55%	2.11%	100.00%
C 2020 Increased Peak Day Flow	7.81%	56.19%	6.66%	1.36%	17.12%	3.49%	3.75%	3.62%	100.00%
D Existing Average Flow	64.90%	18.75%	0.10%	0.02%	4.65%	2.82%	6.76%	1.99%	100.00%
E Design 2020 Average Flow	48.10%	28.80%	2.13%	0.44%	8.54%	3.24%	6.12%	2.62%	100.00%
F 2020 Increased Average Flow	7.17%	53.29%	7.08%	1.45%	18.02%	4.26%	4.55%	4.17%	100.00%
G 2030 Peak Day Flow	51.59%	26.71%	1.44%	0.29%	8.74%	3.48%	5.50%	2.25%	100.00%
H 2030 Increased Peak Day Flow	13.71%	44.16%	4.52%	0.92%	18.99%	7.00%	7.11%	3.59%	100.00%
I Existing Peak Hour Flow	60.52%	25.42%	0.08%	0.02%	4.00%	2.92%	5.44%	1.61%	100.00%
J Design 2020 Peak Hour Flow	46.42%	35.37%	1.37%	0.28%	6.51%	3.19%	4.89%	1.96%	100.00%
K 2020 Increased Peak Hour Flow	5.90%	63.97%	5.10%	1.05%	13.73%	3.96%	3.31%	2.98%	100.00%
L 2030 Peak Hour Flow	43.93%	34.18%	1.24%	0.25%	7.88%	4.66%	5.77%	2.09%	100.00%
M 2030 Increased Peak Hour Flow	10.68%	51.74%	3.56%	0.73%	15.67%	8.16%	6.43%	3.05%	100.00%

Description of methodologies for allocating community flow shares:

- A - Existing peak day flows.
- B - Year 2020 peak day flows.
- C - Community shares of the increase in peak day flows between the current year and year 2020.
- D - Existing average daily flows.
- E - Year 2020 average daily flows.
- F - Community shares of the increase in average daily flows between the current year and year 2020.
- G - Year 2030 peak day flows.
- H - Community shares of the increase in peak day flows between the current year and year 2030.
- I - Existing peak hour flows.
- J - Year 2020 peak hour flows.
- L - Year 2030 peak hour flows.
- M - Community shares of the increase in peak hour flows between the current year and year 2030.

Exhibit G

Racine Wastewater Utility Capital Cost Allocation Summary

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	St. Pleasant	Yorkville	Raymond	Caledonia	Sturtevant	North Park	Crestview
Treatment Plant												
2nd Equalization Tank			\$330,000	\$94,502	\$13,896	\$150,646	\$12,017	\$2,461	\$32,334	\$9,316	\$7,802	\$7,026
Mechanical Bar Screen			\$17,000	\$4,868	\$716	\$7,761	\$619	\$127	\$1,666	\$480	\$402	\$362
Screening Conveyor			\$594,000	\$170,103	\$25,013	\$271,163	\$21,631	\$4,430	\$58,201	\$16,769	\$14,044	\$12,646
Submersible Pumps			\$1,205,000	\$345,075	\$50,742	\$550,086	\$43,881	\$8,988	\$118,068	\$34,017	\$28,489	\$22,655
Structural/Architecture			\$2,146,000	\$614,548	\$90,368	\$797,655	\$78,148	\$16,006	\$210,269	\$60,582	\$50,737	\$45,689
Subtotal			\$429,200	\$122,910	\$18,074	\$195,931	\$15,630	\$3,201	\$42,054	\$12,116	\$10,147	\$9,138
Contingency			\$386,280	\$110,619	\$16,266	\$176,318	\$14,067	\$2,881	\$37,848	\$10,905	\$9,133	\$8,224
Engineering, Legal, & Administrative			\$2,961,480	\$848,076	\$124,707	\$1,351,923	\$107,844	\$22,089	\$290,171	\$83,603	\$70,017	\$63,050
Total												
Deficiency Share	(1)	Existing Peak Hour Flow	\$848,076	\$848,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	(1)	Increased Peak Hour Flow	\$2,113,404	\$124,707	\$124,707	\$1,351,923	\$107,844	\$22,089	\$290,171	\$83,603	\$70,017	\$63,050
Stormwater Clarified/EQ												
Clarifier Mechanism			\$364,000	\$104,238	\$15,328	\$166,167	\$13,255	\$2,715	\$35,665	\$10,276	\$8,606	\$7,750
54 inch effluent pipe			\$172,000	\$49,255	\$7,243	\$78,518	\$6,263	\$1,283	\$16,853	\$4,856	\$4,067	\$3,662
Structural			\$2,206,000	\$631,720	\$92,894	\$1,007,045	\$80,333	\$16,454	\$216,147	\$62,275	\$52,156	\$46,966
Subtotal			\$372,000	\$106,816	\$15,707	\$170,275	\$13,583	\$2,782	\$36,547	\$10,530	\$8,819	\$7,941
Relocation of Influent Sewer to Preliminary Treatment			\$3,115,000	\$892,040	\$131,172	\$1,422,006	\$113,434	\$23,234	\$305,213	\$87,936	\$73,647	\$66,319
Subtotal			\$623,000	\$178,408	\$26,234	\$284,401	\$22,687	\$4,647	\$61,043	\$17,587	\$14,729	\$13,264
Contingency			\$560,700	\$160,567	\$23,611	\$255,961	\$20,418	\$4,182	\$54,938	\$15,829	\$13,256	\$11,917
Engineering, Legal, & Administrative			\$4,298,700	\$1,231,015	\$181,017	\$1,962,368	\$156,539	\$32,062	\$421,194	\$121,352	\$101,633	\$91,520
Total												
Deficiency Share	(1)	Existing Peak Hour Flow	\$1,231,015	\$1,231,015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	(1)	Increased Peak Hour Flow	\$3,067,685	\$181,017	\$181,017	\$1,962,368	\$156,539	\$32,062	\$421,194	\$121,352	\$101,633	\$91,520
Preliminary Treatment												
Bar Screens			\$661,000	\$189,811	\$27,804	\$301,415	\$24,044	\$4,925	\$64,694	\$18,639	\$15,611	\$14,057
Plata Grits/Dewatering Screws			\$410,000	\$117,234	\$17,246	\$186,959	\$14,914	\$3,055	\$40,128	\$11,562	\$9,683	\$8,719
Conveyors			\$1,795,000	\$339,915	\$55,847	\$63,384	\$5,056	\$1,036	\$13,604	\$3,920	\$3,283	\$2,956
Structural/Arch			\$3,005,000	\$515,446	\$75,504	\$818,518	\$65,294	\$13,373	\$175,683	\$50,617	\$42,392	\$38,174
Subtotal			\$601,000	\$172,581	\$25,280	\$274,055	\$21,862	\$4,478	\$58,822	\$16,948	\$14,194	\$12,781
Contingency			\$540,900	\$155,321	\$22,752	\$246,650	\$19,675	\$4,030	\$52,900	\$15,253	\$12,774	\$11,503
Engineering, Legal, & Administrative			\$4,146,900	\$1,190,811	\$174,432	\$1,890,981	\$150,845	\$30,896	\$405,372	\$116,938	\$97,935	\$88,191
Total												
Deficiency Share	(1)	Existing Peak Hour Flow	\$1,190,811	\$1,190,811	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	(1)	Increased Peak Hour Flow	\$2,956,089	\$174,432	\$174,432	\$1,890,981	\$150,845	\$30,896	\$405,372	\$116,938	\$97,935	\$88,191
Primary Clarifiers												
Primary Sludge Pump			\$17,000	\$4,882	\$715	\$7,752	\$618	\$127	\$1,664	\$479	\$401	\$362
Clarifier Mechanisms			\$661,000	\$189,811	\$27,804	\$301,415	\$24,044	\$4,925	\$64,694	\$18,639	\$15,611	\$14,057
Structural			\$3,324,000	\$954,509	\$139,818	\$1,515,740	\$120,912	\$24,765	\$325,331	\$93,713	\$78,501	\$70,690
Subtotal			\$664,800	\$190,902	\$27,964	\$303,148	\$24,182	\$4,953	\$65,066	\$18,747	\$15,700	\$14,138
Contingency			\$598,320	\$171,812	\$25,167	\$272,833	\$21,764	\$4,458	\$58,560	\$16,872	\$14,130	\$12,724
Engineering, Legal, & Administrative			\$4,587,120	\$1,191,223	\$192,949	\$2,091,721	\$166,858	\$34,176	\$448,957	\$129,351	\$108,332	\$97,553
Total												

(1) Deficiency Share and Increased Flow Share are based on deficiency/increased flow allocation for the Stormwater Clarifier.

Ruckert/Mielke

Racine Wastewater Utility Capital Cost Allocation Summary

Exhibit G

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	Mt. Pleasant	Yorkville	Raymond	Caledonia	Sturtevant	North Park	Crestview
Deficiency Share	Existing Peak Hour Flow	I	\$1,317,223	\$1,317,223	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	Increased Peak Hour Flow	K	\$3,269,897		\$192,949	\$2,091,721	\$166,858	\$34,176	\$448,957	\$122,351	\$108,332	\$97,553
Blower Building												
Replace Blower No. 1			\$86,000	\$60,971	\$1,795	\$13,339	\$1,771	\$363	\$4,511	\$1,067	\$1,140	\$1,043
Contingency			\$17,200	\$12,194	\$339	\$2,668	\$354	\$73	\$902	\$213	\$228	\$209
Engineering, Legal, & Administrative			\$15,480	\$10,975	\$323	\$2,401	\$319	\$65	\$812	\$192	\$205	\$188
Total			\$118,680	\$84,140	\$2,477	\$18,408	\$2,445	\$501	\$6,225	\$1,473	\$1,573	\$1,439
Deficiency Share	Existing Ave. Day Flow	D	\$84,140	\$84,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	Increased Ave. Day Flow	F	\$34,540		\$2,477	\$18,408	\$2,445	\$501	\$6,225	\$1,473	\$1,573	\$1,439
Final Clarifiers												
Clarifier Mechanisms			\$430,000	\$123,477	\$18,087	\$196,079	\$15,641	\$3,204	\$42,086	\$12,126	\$10,155	\$9,145
Structural			\$2,539,000	\$729,091	\$106,799	\$1,157,781	\$92,357	\$18,916	\$248,501	\$71,597	\$59,962	\$53,996
Subtotal			\$2,969,000	\$852,569	\$124,886	\$1,353,860	\$107,998	\$22,120	\$290,586	\$83,722	\$70,117	\$63,141
Contingency			\$593,800	\$170,514	\$24,977	\$270,772	\$21,600	\$4,424	\$58,116	\$16,744	\$14,023	\$12,628
Engineering, Legal, & Administrative			\$534,420	\$153,462	\$22,479	\$243,695	\$19,440	\$3,982	\$52,306	\$15,070	\$12,621	\$11,365
Total			\$4,097,220	\$1,176,545	\$172,342	\$1,868,327	\$149,038	\$30,526	\$401,009	\$115,537	\$96,762	\$87,134
Deficiency Share	Existing Peak Hour Flow	I	\$1,176,545	\$1,176,545	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	Increased Peak Hour Flow	K	\$2,920,675		\$172,342	\$1,868,327	\$149,038	\$30,526	\$401,009	\$115,537	\$96,762	\$87,134
Return Activated Sludge Pumping												
RAS Pumps			\$159,000	\$45,658	\$6,688	\$72,504	\$5,784	\$1,185	\$15,562	\$4,484	\$3,755	\$3,381
Scum Pump			\$17,500	\$5,025	\$736	\$7,980	\$637	\$130	\$1,713	\$493	\$413	\$372
Scum Mixer			\$17,500	\$5,025	\$736	\$7,980	\$637	\$130	\$1,713	\$493	\$413	\$372
Structural / Architecture			\$508,400	\$38,559	\$12,972	\$140,630	\$11,218	\$2,298	\$30,184	\$8,697	\$7,283	\$6,559
Subtotal			\$702,400	\$144,268	\$21,133	\$229,094	\$18,275	\$3,743	\$49,172	\$14,167	\$11,865	\$10,684
Contingency			\$100,480	\$28,854	\$4,227	\$45,819	\$3,655	\$749	\$9,834	\$2,833	\$2,373	\$2,137
Engineering, Legal, & Administrative			\$90,432	\$25,968	\$3,804	\$41,237	\$3,289	\$674	\$8,851	\$2,550	\$2,136	\$1,923
Total			\$692,312	\$199,089	\$29,163	\$316,149	\$22,219	\$5,165	\$67,857	\$19,551	\$16,374	\$14,744
Deficiency Share	Existing Peak Hour Flow	I	\$199,089	\$199,089	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	Increased Peak Hour Flow	K	\$494,223		\$29,163	\$316,149	\$22,219	\$5,165	\$67,857	\$19,551	\$16,374	\$14,744
Ultraviolet Disinfection												
UV Modules			\$2,957,000	\$849,123	\$124,381	\$1,348,388	\$107,562	\$22,031	\$289,412	\$83,384	\$69,834	\$62,885
Structural			\$212,000	\$60,877	\$8,917	\$96,672	\$7,712	\$1,579	\$20,749	\$5,978	\$5,007	\$4,509
Miscellaneous Channel Modifications			\$3,312,000	\$970,877	\$142,216	\$1,541,732	\$122,985	\$25,190	\$330,910	\$95,340	\$79,847	\$71,902
Subtotal			\$5,481,000	\$1,480,877	\$235,514	\$2,986,800	\$238,269	\$48,800	\$640,871	\$185,302	\$155,185	\$140,396
Contingency			\$676,200	\$194,175	\$28,443	\$308,346	\$24,597	\$5,038	\$66,182	\$19,068	\$15,969	\$14,380
Engineering, Legal, & Administrative			\$608,580	\$174,758	\$25,599	\$277,512	\$22,137	\$4,534	\$59,564	\$17,161	\$14,373	\$12,942
Total			\$6,765,780	\$1,849,811	\$296,558	\$3,572,598	\$284,903	\$58,368	\$766,617	\$231,530	\$195,190	\$177,719
Deficiency Share	Existing Peak Hour Flow	I	\$1,849,811	\$1,849,811	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Exhibit G

Racine Wastewater Utility Capital Cost Allocation Summary

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	Mt. Pleasant	Yorkville	Raymond	Caledonia	Sturtevant	North Park	Crestview
Increased Flow Share	Increased Peak Hour Flow	K	\$3,325,969		\$196,258	\$2,127,590	\$169,719	\$34,762	\$456,656	\$131,570	\$110,190	\$99,225
New 22-inch Outfall Sewer			\$1,170,000	\$256,184	\$97,579	\$472,769	\$32,518	\$6,660	\$143,165	\$74,576	\$58,715	\$27,835
Outfall Sewer			\$234,000	\$31,237	\$19,516	\$94,554	\$6,504	\$1,332	\$28,633	\$14,915	\$11,743	\$5,567
Contingency			\$210,000	\$46,113	\$17,564	\$85,098	\$5,853	\$1,199	\$25,770	\$13,424	\$10,569	\$5,010
Engineering, Legal, & Administrative			\$1,614,600	\$353,533	\$134,659	\$652,421	\$44,875	\$9,191	\$197,567	\$102,915	\$81,027	\$38,412
Total												
Deficiency Share	Existing Peak Hour Flow	I	\$353,533	\$353,533	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Flow Share	2030 Inter. Peak Hour Flow	M	\$1,261,067		\$134,659	\$652,421	\$44,875	\$9,191	\$197,567	\$102,915	\$81,027	\$38,412
WAS Thickener Building			\$336,000	\$228,213	\$7,012	\$52,115	\$6,921	\$1,418	\$17,624	\$4,169	\$4,453	\$4,074
Belt Thickener Feed Pumps			\$1,030,000	\$730,237	\$21,495	\$159,757	\$21,216	\$4,345	\$54,027	\$12,781	\$13,652	\$12,490
Belt Thickeners			\$110,000	\$77,986	\$2,296	\$17,061	\$2,266	\$464	\$5,770	\$1,365	\$1,458	\$1,334
Polymer System			\$103,000	\$73,024	\$2,149	\$15,976	\$2,122	\$435	\$5,403	\$1,278	\$1,365	\$1,249
W3 System			\$103,000	\$73,024	\$2,149	\$15,976	\$2,122	\$435	\$5,403	\$1,278	\$1,365	\$1,249
Thickened Sludge Pumps			\$26,500	\$18,788	\$553	\$4,110	\$556	\$112	\$1,390	\$329	\$351	\$321
Mixer			\$65,000	\$46,083	\$1,356	\$10,082	\$1,339	\$274	\$1,409	\$807	\$862	\$788
Aeration Equipment (feed well)			\$78,000	\$49,628	\$1,461	\$10,857	\$1,442	\$295	\$3,672	\$869	\$928	\$849
Blowers			\$2,887,000	\$2,046,790	\$60,248	\$447,786	\$59,466	\$12,180	\$151,433	\$35,823	\$38,265	\$35,009
Structural/Architecture			\$4,730,500	\$3,353,772	\$98,719	\$733,721	\$97,438	\$19,957	\$248,131	\$58,698	\$62,700	\$57,364
Subtotal			\$946,100	\$670,754	\$19,744	\$146,744	\$19,488	\$3,991	\$49,626	\$11,740	\$12,540	\$11,473
Contingency			\$851,490	\$603,679	\$17,769	\$132,070	\$17,539	\$3,592	\$44,069	\$10,566	\$11,286	\$10,325
Engineering, Legal, & Administrative			\$6,528,090	\$4,628,206	\$136,232	\$1,012,535	\$134,465	\$27,541	\$342,421	\$81,003	\$86,526	\$79,162
Total												
Deficiency Share	Existing Ave. Day Flow	D	\$4,628,206	\$4,628,206	\$136,232	\$1,012,535	\$134,465	\$27,541	\$342,421	\$81,003	\$86,526	\$79,162
Increased Flow Share	Increased Ave. Day Flow	F	\$1,899,884									
Anaerobic Digester (99.0 diameter)			\$197,000	\$14,126	\$14,126	\$104,990	\$13,943	\$2,856	\$35,506	\$8,399	\$8,972	\$8,208
Gas Mixing System			\$598,000	\$42,880	\$42,880	\$318,702	\$42,324	\$8,669	\$107,779	\$25,496	\$27,234	\$24,917
Floating Cover			\$1,043,000	\$74,789	\$74,789	\$555,862	\$73,819	\$15,119	\$187,983	\$44,469	\$47,501	\$43,458
Structural			\$1,838,000	\$131,795	\$131,795	\$979,554	\$130,085	\$26,644	\$331,267	\$78,364	\$83,707	\$76,583
Subtotal			\$367,600	\$26,339	\$26,339	\$195,911	\$26,017	\$5,329	\$66,253	\$15,673	\$16,741	\$15,317
Contingency			\$330,840	\$23,723	\$23,723	\$176,290	\$23,415	\$4,796	\$59,628	\$14,106	\$15,067	\$13,785
Engineering, Legal, & Administrative			\$2,536,440	\$1,818,877	\$181,877	\$1,351,785	\$179,517	\$36,769	\$457,149	\$108,143	\$115,516	\$105,685
Total												
Digester Control Building			\$178,000	\$12,764	\$12,764	\$94,864	\$12,598	\$2,580	\$32,081	\$7,589	\$8,107	\$7,417
Heat Exchanger			\$61,600	\$4,560	\$4,560	\$33,895	\$4,501	\$922	\$11,463	\$2,712	\$2,897	\$2,650
Gas Safety Equipment			\$35,600	\$2,553	\$2,553	\$18,973	\$2,520	\$516	\$6,416	\$1,518	\$1,621	\$1,483
Recirculation pumps			\$71,200	\$5,105	\$5,105	\$37,946	\$5,039	\$1,032	\$12,833	\$3,036	\$3,243	\$2,967
Digested Sludge Pumps			\$178,000	\$12,764	\$12,764	\$94,864	\$12,598	\$2,580	\$32,081	\$7,589	\$8,107	\$7,417
Structural/Architecture			\$326,400	\$23,746	\$23,746	\$280,543	\$37,256	\$7,631	\$94,874	\$22,443	\$23,974	\$21,913
Subtotal			\$105,280	\$7,549	\$7,549	\$56,109	\$7,451	\$1,526	\$18,975	\$4,489	\$4,795	\$4,387
Contingency			\$94,752	\$6,794	\$6,794	\$50,498	\$6,706	\$1,374	\$17,077	\$4,040	\$4,315	\$3,948
Engineering, Legal, & Administrative			\$726,432	\$52,089	\$52,089	\$387,149	\$51,413	\$10,530	\$130,927	\$30,972	\$33,084	\$30,268
Total												

Ruckert/Mielke

Racine Wastewater Utility Capital Cost Allocation Summary

Exhibit G

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	Mt. Pleasant	Yorkville	Raymond	Chaledon	Sturtevant	North Park	Crestview
Digester No. 1 Rehabilitation												
Remove Existing Cover			\$24,200	\$17,157	\$505	\$3,754	\$498	\$102	\$1,269	\$300	\$321	\$293
New Floating Cover			\$598,000	\$423,963	\$12,479	\$92,752	\$12,318	\$2,523	\$31,367	\$7,420	\$7,926	\$7,252
Gas Mixing System			\$197,000	\$139,667	\$4,111	\$30,556	\$4,958	\$831	\$10,333	\$2,444	\$2,611	\$2,389
Subtotal			\$819,200	\$580,786	\$17,096	\$127,061	\$16,874	\$3,456	\$42,970	\$10,165	\$10,858	\$9,934
Contingency			\$163,840	\$116,157	\$3,419	\$25,412	\$3,375	\$691	\$8,594	\$2,033	\$2,172	\$1,987
Engineering, Legal, & Administrative			\$147,456	\$104,542	\$3,077	\$22,871	\$3,037	\$622	\$7,735	\$1,830	\$1,954	\$1,788
Total			\$1,130,496	\$801,485	\$23,592	\$175,345	\$23,286	\$4,769	\$59,298	\$14,028	\$14,984	\$13,709
Deficiency Share	Existing Ave. Day Flow	D	\$801,485									
Increased Flow Share	Increased Ave. Day Flow	F	\$329,011									
Belt Press Feed Pump Building												
Belt Press Pumps			\$203,500	\$144,275	\$4,247	\$31,564	\$4,192	\$859	\$10,674	\$2,525	\$2,697	\$2,468
Mixer			\$38,200	\$27,083	\$797	\$5,925	\$787	\$161	\$2,004	\$474	\$506	\$463
Structural/Architecture			\$477,000	\$338,178	\$9,954	\$73,985	\$9,825	\$2,012	\$25,020	\$5,919	\$6,322	\$5,784
Subtotal			\$718,700	\$509,535	\$14,998	\$111,473	\$14,804	\$3,032	\$37,698	\$8,918	\$9,526	\$8,715
Contingency			\$143,740	\$101,907	\$3,000	\$22,295	\$2,961	\$606	\$7,540	\$1,784	\$1,905	\$1,743
Engineering, Legal, & Administrative			\$129,366	\$91,716	\$2,700	\$20,065	\$2,665	\$546	\$6,786	\$1,605	\$1,715	\$1,569
Total			\$991,806	\$703,159	\$20,698	\$153,833	\$20,429	\$4,184	\$52,024	\$12,307	\$13,146	\$12,027
Deficiency Share	Existing Ave. Day Flow	D	\$703,159									
Increased Flow Share	Increased Ave. Day Flow	F	\$288,647									
Maintenance Building Belt Press Replacement												
Remove Belt Presses			\$30,800	\$21,836	\$643	\$4,777	\$634	\$130	\$1,616	\$382	\$408	\$373
New Belt Presses			\$1,317,000	\$933,711	\$27,484	\$204,272	\$27,127	\$5,556	\$69,081	\$16,342	\$17,456	\$15,970
Polymer Storage Tanks			\$19,000	\$13,470	\$397	\$2,947	\$391	\$80	\$997	\$236	\$252	\$230
Liquid Polymer Transfer Pumps			\$27,600	\$19,568	\$576	\$4,281	\$569	\$116	\$1,448	\$342	\$366	\$335
Polymer Mix / Storage Equipment			\$89,000	\$63,098	\$1,857	\$13,804	\$1,833	\$375	\$4,668	\$1,104	\$1,180	\$1,079
Conveyors			\$139,000	\$98,547	\$2,901	\$21,560	\$2,863	\$586	\$7,291	\$1,725	\$1,842	\$1,686
Polymer Solution Feeders			\$98,600	\$69,904	\$2,058	\$15,293	\$2,031	\$416	\$5,172	\$1,223	\$1,307	\$1,196
Remove Existing CIP Equipment			\$25,000	\$17,724	\$522	\$3,878	\$515	\$105	\$1,311	\$310	\$331	\$301
Subtotal			\$1,746,000	\$1,237,858	\$36,437	\$270,812	\$35,964	\$7,366	\$91,584	\$21,665	\$23,142	\$21,173
Contingency			\$349,200	\$247,572	\$7,287	\$54,162	\$7,193	\$1,473	\$18,317	\$4,333	\$4,628	\$4,235
Engineering, Legal, & Administrative			\$314,280	\$222,814	\$6,559	\$48,746	\$6,473	\$1,326	\$16,485	\$3,900	\$4,166	\$3,811
Total			\$2,409,480	\$1,708,244	\$50,282	\$373,721	\$49,630	\$10,165	\$126,386	\$29,898	\$31,936	\$29,218
Deficiency Share	Existing Ave. Day Flow	D	\$1,708,244									
Increased Flow Share	Increased Ave. Day Flow	F	\$701,236									
Laboratory and Maintenance Garage												
Laboratory (Renodel Maintenance Garage)			\$384,000	\$272,244	\$8,014	\$59,560	\$7,910	\$1,620	\$20,142	\$4,765	\$5,090	\$4,657
New Oil-Site Maintenance Garage			\$1,337,000	\$947,800	\$27,901	\$207,375	\$27,539	\$5,641	\$70,130	\$16,590	\$17,721	\$16,213
Subtotal			\$1,721,000	\$1,220,134	\$35,915	\$266,935	\$35,449	\$7,261	\$90,272	\$21,355	\$22,811	\$20,869
Contingency			\$344,200	\$244,027	\$7,183	\$53,387	\$7,090	\$1,452	\$18,054	\$4,271	\$4,562	\$4,174
Engineering, Legal, & Administrative			\$109,780	\$79,624	\$2,465	\$18,048	\$2,381	\$473	\$5,849	\$1,344	\$1,406	\$1,286
Total			\$2,374,980	\$1,683,784	\$49,562	\$368,370	\$48,919	\$10,020	\$124,576	\$29,470	\$31,479	\$28,800
Deficiency Share	Existing Ave. Day Flow	D	\$1,683,784									
Increased Flow Share	Increased Ave. Day Flow	F	\$691,196									

Exhibit G

Racine Wastewater Utility Capital Cost Allocation Summary

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	MT. Pleasant	Yorkville	Raymond	Caledonia	Starkevant	North Park	Crestview
Gas Sphere												
Relocate Gas Sphere			\$519,000	\$149,034	\$21,831	\$236,663	\$18,879	\$3,867	\$50,796	\$14,635	\$12,257	\$11,037
Contingency			\$103,800	\$29,807	\$4,366	\$47,333	\$3,776	\$773	\$10,159	\$2,927	\$2,451	\$2,207
Engineering, Legal, & Administrative			\$93,420	\$26,826	\$1,930	\$42,599	\$3,398	\$696	\$9,143	\$2,634	\$2,206	\$1,987
Total			\$716,220	\$205,667	\$30,127	\$326,595	\$26,053	\$5,336	\$70,099	\$20,197	\$16,915	\$15,232
Deficiency Share												
Existing Peak Hour Flow		I	\$205,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Peak Hour Flow		K	\$510,553	\$205,667	\$30,127	\$326,595	\$26,053	\$5,336	\$70,099	\$20,197	\$16,915	\$15,232
Plant Monitoring and Control System												
Plant Monitoring and Control System			\$2,213,000	\$1,568,946	\$46,182	\$343,246	\$45,583	\$9,336	\$116,080	\$27,460	\$29,332	\$26,836
Contingency			\$442,600	\$113,789	\$9,236	\$68,649	\$9,117	\$1,867	\$23,216	\$5,492	\$5,866	\$5,367
Engineering, Legal, & Administrative			\$398,340	\$282,410	\$8,313	\$61,784	\$8,205	\$1,681	\$20,894	\$4,943	\$5,280	\$4,830
Total			\$3,053,940	\$2,165,145	\$63,731	\$473,679	\$62,905	\$12,884	\$160,190	\$37,894	\$40,478	\$37,033
Deficiency Share												
Existing Ave. Day Flow		D	\$2,165,145	\$2,165,145	\$63,731	\$473,679	\$62,905	\$12,884	\$160,190	\$37,894	\$40,478	\$37,033
Increased Ave. Day Flow		F	\$888,795	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Redundant Backup Power Plant and PS 1												
Redundant Backup Power Plant			\$1,101,000	\$780,574	\$22,976	\$170,770	\$22,678	\$4,645	\$57,751	\$13,662	\$14,593	\$13,351
Contingency			\$220,200	\$158,115	\$4,595	\$34,154	\$4,536	\$929	\$11,550	\$2,732	\$2,919	\$2,670
Engineering, Legal, & Administrative			\$198,180	\$140,503	\$4,136	\$30,739	\$4,082	\$836	\$10,395	\$2,459	\$2,627	\$2,403
Total			\$1,519,380	\$1,077,192	\$31,707	\$235,662	\$31,296	\$6,410	\$79,697	\$18,853	\$20,138	\$18,425
Deficiency Share												
Existing Ave. Day Flow		D	\$1,077,192	\$1,077,192	\$31,707	\$235,662	\$31,296	\$6,410	\$79,697	\$18,853	\$20,138	\$18,425
Increased Ave. Day Flow		F	\$442,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Demolition												
Demolition			\$64,000	\$3,776	\$3,776	\$40,940	\$3,266	\$669	\$8,787	\$2,532	\$2,120	\$1,909
Contingency			\$12,800	\$755	\$755	\$8,188	\$653	\$134	\$1,757	\$506	\$424	\$382
Engineering, Legal, & Administrative			\$11,520	\$680	\$680	\$7,369	\$588	\$120	\$1,582	\$466	\$382	\$344
Total			\$88,320	\$5,212	\$5,212	\$56,497	\$4,507	\$923	\$12,126	\$3,494	\$2,926	\$2,635
Subtotal Plant												
Plant Improvement Costs			\$35,695,200	\$15,009,511	\$1,342,836	\$12,460,189	\$1,163,625	\$238,333	\$3,123,478	\$875,757	\$790,558	\$690,914
Contingency			\$7,139,040	\$3,001,902	\$268,567	\$2,492,038	\$232,725	\$47,667	\$624,696	\$175,151	\$158,112	\$138,183
Engineering, Legal, & Administrative			\$6,425,136	\$2,701,712	\$241,710	\$2,242,834	\$209,452	\$42,900	\$562,226	\$157,636	\$142,300	\$124,364
Total			\$49,259,376	\$20,713,125	\$1,853,113	\$17,195,061	\$1,605,802	\$328,899	\$4,310,400	\$1,208,545	\$1,090,970	\$953,461
Community Shares												
General Construction			\$2,141,700	\$900,566	\$80,570	\$747,607	\$69,817	\$14,300	\$187,408	\$52,545	\$47,433	\$41,455
Site Work (6%)			\$2,855,600	\$1,200,754	\$107,426	\$996,810	\$93,089	\$19,067	\$249,877	\$70,060	\$63,244	\$55,273
Plumbing/HVAC (8%)			\$5,354,300	\$2,251,435	\$201,426	\$1,869,035	\$174,544	\$35,750	\$468,523	\$131,364	\$118,584	\$103,637
Process Piping (15%)			\$3,354,300	\$2,251,435	\$201,426	\$1,869,035	\$174,544	\$35,750	\$468,523	\$131,364	\$118,584	\$103,637
Electrical (15%)			\$15,705,900	\$6,604,190	\$590,848	\$5,482,487	\$511,995	\$104,866	\$1,374,331	\$385,334	\$347,846	\$304,002
Subtotal			\$31,412,200	\$13,202,846	\$1,181,770	\$11,096,504	\$1,024,400	\$20,973	\$274,868	\$77,067	\$69,570	\$60,801
Contingency			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Ruckert/Mielke

Exhibit G

Racine Wastewater Utility Capital Cost Allocation Summary

Item	Allocation Method	Code	Total Cost	Deficiency	Racine	Mt. Pleasant	Yorkville	Raymond	Caledonia	Starkevau	North Park	Crestview
<i>(Allocated based on community shares of plant costs)</i>												
Engineering, Legal, & Administrative			\$2,827,065	\$1,188,755	\$106,153	\$985,849	\$92,159	\$18,876	\$247,380	\$69,360	\$62,612	\$54,720
Total			\$21,674,165	\$9,113,792	\$815,371	\$7,565,841	\$706,554	\$144,716	\$1,896,579	\$531,761	\$480,028	\$419,524
Total Plant												
Plant Improvement Costs			\$51,401,100	\$21,613,701	\$1,913,684	\$17,943,626	\$1,675,620	\$343,199	\$4,497,809	\$1,261,091	\$1,138,404	\$994,916
Contingency			\$9,280,240	\$4,322,749	\$386,718	\$3,588,542	\$335,125	\$68,640	\$899,564	\$252,219	\$227,681	\$198,984
Engineering, Legal, & Administrative			\$9,252,201	\$3,890,467	\$348,063	\$3,229,681	\$301,612	\$61,776	\$809,006	\$226,996	\$204,913	\$179,085
Total			\$70,933,541	\$29,826,917	\$2,668,485	\$24,760,901	\$2,312,356	\$473,615	\$6,206,979	\$1,740,306	\$1,570,997	\$1,372,984
Community Shares of Plant Costs												
			100.00%	42.05%	3.76%	34.91%	3.26%	0.67%	8.75%	2.45%	2.21%	1.94%
Interceptor System Costs												
Golf Ave./Rapids Drive/Layard Ave. Relief Sewer			\$1,322,834	\$104,657	\$145,575	\$48,139	\$0	\$0	\$1,025,264	\$0	\$0	\$0
Buchanan Avenue Relief Sewer			\$1,117,800	\$121,285	\$21,899	\$0	\$0	\$0	\$669,147	\$0	\$190,577	\$114,892
Drexel Avenue Replacement Sewer			\$121,440	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wastewater Storage at Caledonia			\$5,851,200	\$2,160,684	\$508,704	\$1,351,712	\$98,613	\$20,198	\$1,513,163	\$76,447	\$64,024	\$57,654
Total			\$8,414,274	\$2,265,341	\$897,004	\$1,421,950	\$98,613	\$20,198	\$3,207,574	\$76,447	\$254,601	\$172,545
<i>(See Interceptor System Allocation Worksheet)</i>												
Total Wastewater Utility Costs												
Construction Improvements			\$79,347,815	\$32,092,257	\$3,565,489	\$26,182,852	\$2,410,970	\$493,813	\$9,414,553	\$1,816,753	\$1,825,599	\$1,545,530
Community Shares of Total Wastewater Utility Costs			\$79,347,815	\$32,092,257	\$3,565,489	\$26,182,852	\$2,410,970	\$493,813	\$9,414,553	\$1,816,753	\$1,825,599	\$1,545,530
Local Costs for System -Wide Inflow Reduction												
			\$6,184,400		\$1,597,400	\$1,826,000	\$88,810	\$18,190	\$980,000	\$380,000	\$980,000	\$314,000
Total System-Wide Costs												
			\$85,532,215	\$32,092,257	\$5,162,889	\$28,008,852	\$2,499,780	\$512,003	\$10,394,553	\$2,196,753	\$2,805,599	\$1,859,530
Community Shares of Total Costs			100.00%	37.52%	6.04%	32.75%	2.92%	0.60%	12.15%	2.57%	3.28%	2.17%

Notes:
Costs are as shown in the September 2000 Facilities Plan Cost Update provided by Earth Tech.
Final Cost Allocations will be based on actual costs.

Exhibit G

Peak Hour Capacity

Calculation of Deficiency and Increased Flow Shares of New Plant Capacity Based Upon 2020 Peak Hour Design

For Plant Cost

	Existing Capacity MGD	Ratio	Deficiency Allocation MGD	Total MGD	Design 2020 MGD	Ratio	Total Additional Capacity MGD	Deficiency Capacity MGD	Increased Flow Capacity MGD	Deficiency Increased Flow	
										Share	Share
Plant	70.00	0.47	11.46	81.46	109.92	0.47	39.92	11.46	28.46	0.29	0.71
Stormwater Clarifier	80.00	0.53	12.93	92.93	125.14	0.53	45.14	12.93	32.21	0.29	0.71
Deficiency ⁽¹⁾	24.39		-24.39	0.00	235.06	1.00	85.06	24.39	60.67		

(1) Deficiency refers to the amount of capacity that would be necessary to supplement existing capacity in order to adequately treat existing peak hour flows. Increased flow share refers to the amount of capacity required to serve the increase in flows, for the design year, over that of existing flows. The increased flow is equal to the current flow subtracted from the design year flows. Existing system deficiency is determined by subtracting the existing facility peak hour capacity, in terms of mgd, from total existing peak hour flows. Design 2020 plant capacity is comprised of the existing plant peak hour capacity plus additional capacity resulting from new plant improvements. The additional capacity is attributable to correcting for the existing deficiency and providing for increased flows for the design year. Capacity needed to treat increased flow is determined by subtracting the capacity needed to correct for existing deficiencies from the total amount of additional capacity needed to treat 2020 peak hour flows. The respective shares of total additional capacity are used as cost allocation percentages for those plant improvements which were designed based upon peak hour flows.

Racine Wastewater Utility

Capital Cost Allocation

Calculation of Deficiency- Increased Flow Shares for New 72" Outfall Sewer

Exhibit G

New 72 inch Outfall Sewer	Existing		Existing		Deficiency		Design 2030		Total New		Growth	Share	Allocation
	Peak Hr.	MGD	Capacity	MGD	MGD	MGD	Peak Hour	MGD	Capacity	MGD			
Designed for 2030	134.767	122.533	122.533	12.234	261.390	138.857	126.623	8.811% deficiency share	91.189% 2030 increased peak share	100.000%			

Golf Ave./Rapids Drive/Layard Ave Relief Sewer Capital Cost Allocation

Calculation of Community Shares of Segment A ⁽¹⁾

Flows (cfs)		Caledonia	Mt. Pleasant	Racine	Total Flow
Existing					
AO420		16.53	0.00	0.13	16.65
AO414		16.53	3.05	1.18	20.75
Segment A	Average	16.53	1.52	0.65	18.70
	Existing Share	0.884	0.082	0.035	1.000
2030					
AO420		42.02	0.00	2.92	44.94
AO414		42.02	3.89	4.60	50.51
Segment A	Average	42.02	1.94	3.76	47.73
	2030 Share	0.880	0.041	0.079	1.000
Increase					
AO420		25.50	0.00	2.79	28.29
AO414		25.50	0.84	3.42	29.76
Segment A	Average	25.50	0.42	3.11	29.025
	Growth Share	0.878	0.014	0.11	1.000

Calculation of Deficiency/Increased Flow Share of Cost ⁽²⁾

Flows (cfs)	Existing Flow	Existing Capacity	Excess (Deficiency)	Design 2030	Total Increase	Def. Share	Increased Flow Share
AO420	16.65	12.39	-4.26	44.94	32.55	0.131	0.869
AO414	20.75	18.01	-2.74	50.51	32.50	0.084	0.916
Segment A	18.70	15.30	-3.50	47.73	32.53	0.108	0.892

Calculation of Community Shares of Estimated Cost Segment A

	Caledonia	Mt. Pleasant	Racine	Total
Deficiency Share	\$2,754	\$900	\$384	\$11,038
Growth Share	\$82,418	\$1,327	\$9,808	\$91,553
Total	\$90,172	\$2,226	\$10,192	\$102,590

Calculation of Community Shares of Segment C ⁽³⁾

Flows (cfs)	Caledonia	Mt. Pleasant	Racine	Total Flow	
Existing					
AO401	16.53	3.05	2.21	21.78	
AO394	16.53	3.05	3.17	22.74	
Segment C	Average	16.53	3.05	2.69	22.26
Existing Share	0.742	0.137	0.121	1.000	
2030					
AO401	42.02	3.89	5.81	51.72	
AO394	42.02	3.89	6.99	52.90	
Segment C	Average	42.02	3.89	6.40	52.31
2030 Share	0.803	0.074	0.122	1.000	
Increase					
AO401	25.50	0.84	3.60	29.94	
AO394	25.50	0.84	3.83	30.16	
Segment C	Average	25.50	0.84	3.72	30.05
Growth Share	0.848	0.028	0.124	1.000	

Calculation of Deficiency/Increased Flow Share of Cost ⁽²⁾

Flows (cfs)	Existing Flow	Existing Capacity	Excess (Deficiency)	Design 2030	Total Increase	Def. Share	Increased Flow Share	2030 Share
AO401	21.78	17.86	-3.92	51.72	33.86	0.116	0.884	0.000
AO394 ⁽³⁾	22.74	34.04	11.3	52.90	18.86	0.080	0.900	1.000
Segment C	22.26	25.95	3.69	52.31	26.36	0.058	0.442	0.500

Calculation of Community Shares of Estimated Cost Segment C

	Caledonia	Mt. Pleasant	Racine	Total
Deficiency Share	\$21,310	\$3,932	\$3,463	\$28,706
Growth Share	\$185,014	\$6,125	\$27,109	\$219,248
2030 Share	\$199,178	\$18,433	\$30,342	\$247,953
Total	\$406,502	\$28,490	\$60,915	\$495,907

Calculation of Community Shares of Segment B ⁽¹⁾

Flows	Caledonia	Mt Pleasant	Racine	Total Flow	
Existing					
AO414	16.53	3.05	1.18	20.75	
AO401	16.53	3.05	2.21	21.78	
Segment B	Average	16.53	3.05	1.69	21.27
Existing Share	0.777	0.143	0.080	1.000	
2030					
AO414	42.02	3.89	4.60	50.51	
AO401	42.02	3.89	5.81	51.72	
Segment B	Average	42.02	3.89	5.21	51.12
2030 Share	0.822	0.076	0.102	1.000	
Increase					
AO414	25.50	0.84	3.42	29.76	
AO401	25.50	0.84	3.60	29.94	
Segment B	Average	25.50	0.84	3.51	29.85
Growth Share	0.854	0.028	0.118	1.000	

Calculation of Deficiency/Increased Flow Share of Cost ⁽²⁾

	Existing Flow	Existing Capacity	Excess (Deficiency)	Design 2030	Total Increase	Def. Share	Increased Flow Share
AO414	20.75	18.01	-2.74	50.51	32.50	0.084	0.916
AO401	21.78	17.86	-3.92	51.72	33.86	0.116	0.884
Segment A	21.27	17.94	-3.33	51.12	33.18	0.100	0.900

Calculation of Community Shares of Estimated Cost Segment B

	Caledonia	Mt. Pleasant	Racine	Total
Deficiency Share	\$28,049	\$5,175	\$2,871	\$36,094
Growth Share	\$277,335	\$9,144	\$38,229	\$324,708
Total	\$305,384	\$14,319	\$41,100	\$360,803

Community Shares Of Estimated Total Costs

	Deficiency	Caledonia	Mt. Pleasant	Racine	Total
Project Cost	\$75,838	\$742,945	\$35,028	\$105,489	\$959,300
Contingency	\$15,168	\$148,589	\$7,006	\$21,098	\$191,860
Eng., Legal, Admin.	\$13,651	\$139,730	\$6,305	\$18,988	\$172,674
Total	\$104,657	\$1,031,264	\$48,339	\$145,575	\$1,229,834

Notes:

* All costs exclude engineering and contingency costs.

- 1) See Appendix A for a map of the segments used for purposes of cost allocations.
- 2) Existing flows and capacity were determined for each segment of the sewer system. The existing flows were subtracted from existing capacity to determine the current excess or deficiency in capacity for the segment. Next, the design 2030 capacity flows were compared to the existing flows to determine the amount of capacity added by the improvements. The increased capacity is attributable to a combination of correction for deficiencies and additional flows. The percentage shares of additional capacity were used to allocate the cost of the new system improvements. The deficiency shares were allocated on the basis of current flows and the increased flow shares were allocated on the basis of increased flows through year 2030.
- 3) No deficiency for 2nd half of Segment C -- allocated based upon 2030 flow.
- 4) Final cost allocations will be based on actual costs.

North Side Interceptor (Buchanan Avenue Relief Sewer) ⁽¹⁾
Calculation of Community Shares of Estimated Capital Costs

Exhibit G

Community Shares of Flows (mgd)

	Caledonia	Mt. Pleasant	North Park	Cresview	Racine	Total Flow
Existing						
Upstream	6.97	1.97	9.49	2.80	24.71	45.94
Downstream	6.97	1.97	9.49	2.80	28.06	49.29
Upstream Share	0.152	0.043	0.207	0.061	0.538	1.000
Downstream Share	0.141	0.040	0.193	0.057	0.569	1.000
2030						
Upstream	20.60	2.51	15.08	5.45	27.70	71.34
Downstream	20.60	2.51	15.08	5.45	31.97	75.61
Upstream Share	0.289	0.035	0.211	0.076	0.388	1.000
Downstream Share	0.272	0.033	0.199	0.072	0.423	1.000
Increase						
Upstream	13.63	0.54	5.59	2.65	2.99	25.40
Downstream	13.63	0.54	5.59	2.65	3.91	26.32
Upstream Share	0.537	0.021	0.220	0.104	0.118	1.000
Downstream Share	0.518	0.021	0.212	0.101	0.149	1.000

Calculation of Deficiency/Increased Flow Share of Cost ⁽²⁾

	Existing Flow	Existing Capacity	Excess (Deficiency)	Design 2030	Total Increase	Deficiency Share	Increased Flow Share
Upstream ⁽³⁾	45.94	50.93	4.99	71.34	20.41	0.000	100.000
Downstream ⁽⁴⁾	49.29	83.78	34.49	75.61	-8.17	0.000	0.000

Calculation of Community Shares of Estimated Cost

	Caledonia	Mt. Pleasant	North Park	Cresview	Racine	Total
Community Share	\$434,657	\$17,220	\$178,264	\$84,508	\$95,350	\$810,000
Contingency	\$86,931	\$3,444	\$35,653	\$16,902	\$19,070	\$162,000
Eng., Legal, & Admin.	\$78,238	\$3,100	\$32,057	\$15,211	\$17,163	\$145,800
Total	\$599,827	\$23,764	\$246,004	\$116,621	\$131,584	\$1,117,800

Notes:

- 1) See Appendix A for a map of the proposed Buchanan Avenue Relief Sewer.
- 2) Existing flows and capacity were determined for each segment of the sewer system. The existing flows were subtracted from existing capacity to determine the current excess or deficiency in capacity for the segment. Next, the design 2030 capacity flows were compared to the existing flows to determine the amount of capacity added by the improvements. The increased capacity is attributable to a combination of correction for deficiencies and additional flows. The percentage shares of additional capacity were used to allocate the cost of the new system improvements. The deficiency shares were allocated on the basis of current flows and the increased flow shares were allocated on the basis of increased flows through year 2030.
- 3) Upstream has no deficiency - allocate all costs based upon increased 2030 upstream flow.
- 4) Downstream half has no deficiency and is adequate for 2030.
- 5) Final cost allocations will be based on actual costs.

Wastewater Storage at Caledonia Allocation of Estimated Capital Costs

Exhibit G

Allocation of Total Estimated Costs (10)

	Total	Deficiency	Racine	Mt. Pleasant	Yorkville	Raymond	Caledonia	Stoutsvend	North Park	Crestview
Total Cost	\$4,240,000									
Costs to Allocate on the basis of Michigan Blvd. 2030 Improvements	\$1,273,913		\$285,993	\$83,696			\$904,223			
Allocated to Existing Flow	\$1,565,713	\$1,565,713								
Net to Allocate on basis of 2020 Increased Peak Hour Flow	\$1,400,374		\$82,633	\$895,805	\$71,459	\$14,636	\$192,272	\$55,396	\$46,394	\$41,778
Subtotal	\$4,240,000	\$1,565,713	\$368,626	\$979,501	\$71,459	\$14,636	\$1,096,495	\$55,396	\$46,394	\$41,778
Contingency	\$848,000	\$313,143	\$73,725	\$195,900	\$14,292	\$2,927	\$219,299	\$11,079	\$9,279	\$8,356
Engineering, Legal, & Administrative	\$763,200	\$281,838	\$66,351	\$176,310	\$12,863	\$2,635	\$197,369	\$9,971	\$8,351	\$7,520
Total	\$5,851,200	\$2,160,694	\$508,704	\$1,351,712	\$98,613	\$20,198	\$1,513,163	\$76,447	\$64,024	\$57,654

Calculation of Community Shares of Flows

Flows (cfs)	Caledonia	Mt. Pleasant	Racine	Total Flow
Existing				
Upstream	18.24	3.37	9.65	31.250
Upstream Share	0.584	0.108	0.309	1.000
2030				
Upstream	42.02	3.89	13.29	59.200
Upstream Share	0.710	0.066	0.225	1.000
Increase				
Upstream	23.78	0.52	3.64	27.95
Upstream Share	0.851	0.019	0.130	1.000

Calculation of Community Shares of Cost for Michigan Blvd. 2030 Improvements

System has no deficiency and is adequate to 2030.

Allocate cost based upon 2030 flow.

	Caledonia	Mt. Pleasant	Racine	Total
Community Share	\$904,223	\$83,696	\$285,993	\$1,273,913

Notes:

- Cost excludes contingencies and engineering.
- Construction of Caledonia Storage eliminated the need for Michigan Blvd. 2030 Improvements. A portion of the costs for storage, equal to the amount that would have been spent on Michigan Blvd. Improvements, is allocated on the same basis on which the Michigan Blvd. Improvements would have been allocated. The remainder of the storage costs are allocated on the basis of 2020 Increased Peak Hour Flow.
- Final cost allocations will be based on actual costs.

Exhibit H

Racine Wastewater Utility Sewer User Rate Calculations

- 1) Obtain O&M Budget, including adjustments for interceptor maintenance, sewer maintenance, and meters & billings costs. (See Step 1 worksheet).
- 2) Obtain estimated annual flows and loadings (See Step 2 worksheet).
- 3) Obtain asset and accumulated depreciation balances and estimated annual depreciation (See Step 3 worksheet).
- 4) Obtain grant and accumulated amortization information (See Step 4 worksheet).
- 5) Calculate the Return on Investment (See Step 5 worksheet).
- 6) Calculate Class II Rates and determine Class II revenue projections (See Step 6 worksheet).
- 7) Calculate net Class I Revenue Requirements after obtaining estimates for special fees, pretreatment fees, Class 2 revenues and City income and expenses (See Step 7 worksheet).
- 8) Calculate Interceptor I/I Adjustment (See Step 8 worksheet).
- 9) Calculate the Class I Rates for each user group (See Step 9 worksheet).

Exhibit H

RACINE WASTEWATER UTILITY
2002 PROPOSED OPERATION AND MAINTENANCE BUDGET

ACCOUNT	2000 Actual	2001 Budget	2001 Thru 7/31	2001 Projected	Proposed 02 Budget	01 vs 02 Budget	01 Proj vs 02 Budget
A. PERSONNEL SERVICES							
Salaries & Wages	\$1,923,000	\$1,950,000	\$1,085,187	\$1,958,000	\$2,024,000	3.79%	3.37%
Overtime	92,230	75,000	50,090	80,000.00	80,000	6.67%	0.00%
Extra Help	29,919	25,000	18,139	28,000.00	26,000	4.00%	-7.14%
TOTAL	\$2,045,148	\$2,050,000	\$1,153,416	\$2,066,000	\$2,130,000	3.90%	3.10%
B. CONTRACTUAL							
Professional Services	\$185,269	\$135,000	\$207,605	\$356,000	\$186,000	37.78%	-47.75%
Laboratory Prof. Services	17,977	14,000	3,238	14,000.00	14,000	0.00%	0.00%
Pre-treat. Prof Services		4,000	2,450	4,000.00	4,000	0.00%	0.00%
Equipment Maintenance	189,184	160,000	64,916	158,000.00	160,000	0.00%	1.27%
Building Maintenance	8,854	10,000	6,125	10,000.00	10,000	0.00%	0.00%
Vehicle Maintenance	8,895	10,000	3,130	10,000.00	10,000	0.00%	0.00%
Telephone	10,111	12,000	5,423	12,000.00	12,000	0.00%	0.00%
Natural Gas	232,253	200,000	194,954	281,000.00	240,000	20.00%	-14.59%
Electric Service	338,808	378,000	209,219	359,000.00	390,000	3.17%	8.64%
Water & Wastewater Service	163,308	200,000	151,893	203,000.00	210,000	5.00%	3.45%
Auto Hire	329	1,000	466	1,000.00	1,000	0.00%	0.00%
City Sewer System Repairs	17,385	15,000	6,220	15,000.00	19,000	26.67%	26.67%
Interceptor & L.S. Maint.	41,712	30,000	17,102	31,000.00	43,000	43.33%	38.71%
Sludge & Grit Disposal	819,872	860,000	477,182	858,000.00	870,000	1.16%	1.40%
Safety Glasses	1,044	1,000	276	1,000.00	1,000	0.00%	0.00%
TOTAL	\$2,035,000	\$2,030,000	\$1,350,199	\$2,313,000	\$2,170,000	6.90%	-6.18%
C. MATERIALS & SUPPLIES							
Office Supplies	\$13,569	\$12,000	\$7,340	\$13,000	\$13,000	8.33%	0.00%
Gasoline & Diesel Fuel	13,986	16,000	8,390	16,000.00	16,000	0.00%	0.00%
Lubricants	19,169	18,000	6,094	16,000.00	16,000	-11.11%	0.00%
Custodial Supplies	9,721	11,000	5,958	11,000.00	11,000	0.00%	0.00%
Operational Chemicals	283,373	280,000	146,985	270,000.00	273,000	-2.50%	1.11%
Plant & System Supplies	53,059	45,000	21,122	50,000.00	48,000	6.67%	-4.00%
Sewer Maint. Supplies	2,130	4,000	2,833	4,000.00	4,000	0.00%	0.00%
Pre-treat. Sampling Supplies	2,678	4,000	3,099	4,000.00	4,000	0.00%	0.00%
Laboratory Supplies	22,064	21,000	16,726	21,000.00	21,000	0.00%	0.00%
Pre-treat. Lab Supplies	12,925	13,000	8,260	14,000.00	14,000	7.69%	0.00%
Telemetry & PLC Supplies		15,000	3,091	10,000.00	10,000	-33.33%	0.00%
TOTAL	\$432,673	\$439,000	\$229,898	\$429,000	\$430,000	-2.05%	0.23%

Exhibit II

RACINE WASTEWATER UTILITY
2002 PROPOSED OPERATION AND MAINTENANCE BUDGET

ACCOUNT	2000 Actual	2001 Budget	2001 Thru 7/31	2001 Projected	Proposed 02 Budget	01 vs 02 Budget	01 Proj vs 02 Budget
D. CUSTOMER ACCOUNT							
Metering, Billing & Collection	\$425,604	\$432,000	\$248,269	\$431,000	\$448,000	3.70%	3.94%
TOTAL	\$425,604	\$432,000	\$248,269	\$431,000	\$448,000	3.70%	3.94%
E. ADMINISTRATION & GENERAL							
Dues, Publications & Travel	\$22,452	\$34,000	\$7,166	\$28,000	\$30,000	-11.76%	7.14%
FICA Tax	158,952	163,000	91,245	168,000.00	171,000	4.91%	1.79%
Property & Liability Insurance	19,565	22,000	11,282	22,000.00	25,000	13.64%	13.64%
Worker's Compensation Insur.	27,304	30,000	16,250	31,000.00	31,000	3.33%	0.00%
Office Rent	18,476	19,000	11,120	19,000.00	20,000	5.26%	5.26%
Wisconsin Retirement Expense	218,512	240,000	123,618	231,000.00	235,000	-2.08%	1.73%
Medical Expenses	459,548	400,000	261,935	449,000.00	450,000	12.50%	0.22%
Life Insurance	12,875	14,000	7,847	13,000.00	14,000	0.00%	7.69%
Safety Program	2,051	2,000	553	2,000.00	2,000	0.00%	0.00%
City Dept. Charges	56,440	59,000	34,240	59,000.00	61,000	3.39%	3.39%
Training Programs	12,378	15,000	1,573	10,000.00	10,000	-33.33%	0.00%
DNR Permit Fee	141,271	220,000	156,396	157,000.00	185,000	-15.91%	17.83%
TOTAL	\$1,149,823	\$1,218,000	\$723,225	\$1,189,000	\$1,234,000	1.31%	3.78%
SUMMARY							
A. PERSONNEL SERVICE	\$2,045,148	\$2,050,000	\$1,153,416	\$2,066,000	\$2,130,000	3.90%	3.10%
B. CONTRACTUAL SERVICE	2,035,000	2,030,000	1,350,199	2,313,000	2,170,000	6.90%	-6.18%
C. MATERIALS & SUPPLIES	432,673	439,000	229,898	429,000	430,000	-2.05%	0.23%
D. CUSTOMER ACCTS.	425,604	432,000	248,269	431,000	448,000	3.70%	3.94%
E. ADMINISTRATIVE & GEN.	1,149,823	1,218,000	723,225	1,189,000	1,234,000	1.31%	3.78%
TOTALS	\$6,088,248	\$6,169,000	\$3,705,007	\$6,428,000	\$6,412,000	3.94%	-0.25%

Exhibit H

Step 1
Racine Wastewater Utility
O & M Budget

Year 2002

Budget Summary	\$2,130,000
A. Personnel Services	\$2,170,000
B. Contractual	\$430,000
C. Materials and Supplies	\$448,000
D. Customer Account	\$1,234,000
E. Administrative & General	\$6,412,000
Total Budget	

Less Items Not Shared by All Communities	
Interceptor Maintenance ⁽¹⁾	\$53,000
Sewer Maintenance ⁽²⁾	\$232,918
Meters & Billings ⁽³⁾	\$448,000
Net O & M ⁽⁴⁾	\$5,678,082

Notes:

- 1) Interceptor Maintenance costs are shared by those customers that use the City interceptor:
T. Mount Pleasant (part), T. Caledonia, North Park S.D., V. Elmwood Park, V. North Bay,
Lakeside S.D. and City of Racine.
- 2) Sewer Maintenance costs are recovered from City of Racine customers only.
- 3) Meters & Billings costs are shared by all metered customers: V. Elmwood Park, V. North Bay,
Lakeside S.D. and City of Racine.
- 4) Net O&M costs are shared by all customers.

Exhibit II

Step 2
Racine Wastewater Utility
Annual Flows by Customer Class ⁽¹⁾

Year 2002

Customer Class	Total Flows (MG)	WTF Flows	Lift Stations & Inter. Costs ⁽²⁾	City Only Costs	Meters & Billings
Class II	33	33	33	33	33
Class II Racine	33	33	33	33	33
Class II Mt. Pleasant ⁽³⁾	311	311			
Subtotal Class II	344	344	33	33	33
Class I A ⁽⁴⁾	249	249			
V. Sturtevant (1)	249	249			
T. Mount Pleasant (1)	1,479	1,479			
Subtotal Class I A	1,728	1,728	0	0	0
Class I B ⁽⁵⁾	300	300	300		
T. Mount Pleasant	300	300	300		
T. Caledonia	518	518	518		
North Park S.D.	814	814	814		
Subtotal Class I B	1,632	1,632	1,632	0	0
Class I B ⁽⁶⁾	15	15	15		15
V. Elmwood Park	15	15	15		15
V. North Bay	8	8	8		8
Lakeside S.D.	0	0	0		0
Subtotal Class I B	23	23	23	0	23
Class I Racine ⁽³⁾	2,980	2,980	2,980	2,980	2,980
Subtotal Billable Flow	6,707	6,707	4,668	3,013	3,036
City VI ⁽⁶⁾	2,693	2,693	0	0	0
Total WTF Flow	9,400	9,400	4,668	3,013	3,036

LOADINGS
BOD 9,343,916 lbs
Suspended Solids 11,869,849 lbs
Phosphorous 242,951 lbs

Notes:

- Each community's flows are listed under the items for which it pays a share of the costs. The total billable flow for each item is the amount of flow over which costs are distributed. For example, the cost of Sewer Maintenance is distributed over 3,013 MG of flow, while costs for the WTF are distributed over 6,707 MG of flow.
- The Village of Sturtevant and a portion of the Town of Mount Pleasant have their own tributary interceptor and do not share the costs of the Racine interceptor system.
- The Town of Caledonia, North Park S.D., and a portion of the Town of Mount Pleasant share the cost of the Racine interceptor system, including a share of the City VI attributable to the interceptor system.
- All metered customers, excluding the City of Racine, pay a share of all costs including City VI but excluding Sewer Maintenance.
- City of Racine customers pay for a share of all costs including City VI and Sewer Maintenance.
- Customers that share in the cost of the Lift Stations and Interceptors also share in the cost of City VI. Class I B (3) customers (T. Mount Pleasant, T. Caledonia, & North Park S.D.) pay for their share of City VI attributable to the interceptor through an adjustment to the rates.

Exhibit II

Step 3
Racine Wastewater Utility
Assets and Depreciation

Year 2002

Asset Class	Balance 12/31/2001	Depr. Rate %	Accumulated Depr. 12/31/01	Net Assets 12/31/2001	2002 Depreciation
Land	\$81,950		\$0	\$81,950	
Leasehold Improvements	\$31,137	Varies	\$7,860	\$23,277	\$1,350
Interceptors	\$16,576,147	1.0%	\$9,394,162	\$7,181,985	\$124,300
Structures - lift stations	\$3,816,023	2.0%	\$970,205	\$2,845,818	\$74,205
Pumping equipment - lift stations	\$4,919,907	5.0%	\$2,500,316	\$2,419,591	\$226,530
Pre-treatment equipment	\$30,396	10.0%	\$28,877	\$1,519	\$675
Primary treatment equipment	\$6,236,828	3.3%	\$2,240,010	\$3,996,818	\$164,600
Secondary treatment equipment	\$853,494	4.5%	\$390,321	\$463,173	\$39,250
Sludge treatment and disposal equipment	\$763,135	6.7%	\$761,188	\$1,947	\$1,250
Metering and monitoring equipment	\$393,860	8.7%	\$90,924	\$302,936	\$19,000
Structures - general plant	\$22,047,695	2.7%	\$14,075,695	\$7,972,000	\$619,000
Office equipment	\$328,521	Varies	\$255,328	\$73,193	\$50,000
Transportation equipment	\$424,922	Varies	\$192,854	\$232,068	\$45,000
Other general equipment	\$3,490,934	Varies	\$1,444,788	\$2,046,146	\$200,000
Total	\$59,994,949		\$32,352,529	\$27,642,420	\$1,565,160
Interceptors	\$16,576,147	1.00%	\$9,394,162	\$7,181,985	\$124,300
Structures - lift stations	\$3,816,023	2.00%	\$970,205	\$2,845,818	\$74,205
Pumping equipment - lift stations	\$4,919,907	5.00%	\$2,500,316	\$2,419,591	\$226,530
Total Lift Station	\$8,735,930		\$3,470,521	\$5,265,409	\$300,735
WTF	\$34,682,872		\$19,487,846	\$15,195,026	\$1,140,125
TOTAL	\$59,994,949		\$32,352,529	\$27,642,420	\$1,565,160

Step 4
Racine Wastewater Utility
Grants (Contributions in Aid of Construction) and Amortization

Exhibit H

Year 2002

TOTAL GRANTS				
Year	Grants Received	2001 Amortization 2.55%	Total Accumulated Amortization	Net Grants 12/31/2001
1977	\$11,341,761	\$289,215	\$7,100,083	\$4,241,678
1979	\$144,971	\$3,697	\$84,041	\$60,930
1985	\$54,962	\$1,402	\$23,398	\$31,564
1986	\$2,104,452	\$53,664	\$839,913	\$1,264,539
1987	\$15,965	\$407	\$5,952	\$10,013
1988	\$938,390	\$23,929	\$325,258	\$613,132
1989	\$2,706,800	\$69,023	\$873,247	\$1,833,553
1990	\$2,180,804	\$55,611	\$652,742	\$1,528,062
1991	\$338,008	\$8,619	\$94,173	\$243,835
1995	\$185,943	\$4,742	\$33,453	\$152,490
1996	\$0	\$0	\$0	\$0
1997	\$0	\$0	\$0	\$0
1998	\$0	\$0	\$0	\$0
Total Grant Base:	\$20,012,056	\$510,307	\$10,032,261	\$9,979,795

INTERCEPTOR GRANTS				
Year	Grants Received	2001 Amortization 1.00%	Total Accumulated Amortization	Net Grants 12/31/2001
1988	\$511,666	\$5,117	\$71,633	\$440,033
1989	\$1,380,076	\$13,801	\$179,410	\$1,200,666
1990	\$1,372,163	\$13,722	\$164,660	\$1,207,503
Total Interceptor:	\$3,263,905	\$32,639	\$415,703	\$2,848,202

LIFT STATION GRANTS-STRUCTURES				
Year	Grants Received	2001 Amortization 2.00%	Total Accumulated Amortization	Net Grants 12/31/2001
1988	\$211,634	\$4,233	\$59,258	\$152,376
1989	\$1,175,369	\$23,507	\$305,596	\$869,773
1990	\$278,533	\$5,571	\$66,848	\$211,685
Total LS Structure	\$1,665,536	\$33,311	\$431,701	\$1,233,835

LIFT STATION GRANTS -EQUIPMENT				
Year	Grants Received	2001 Amortization 5.00%	Total Accumulated Amortization	Net Grants 12/31/2001
1988	\$215,090	\$10,582	\$148,662	\$66,428
1989	\$151,355	\$7,568	\$98,381	\$52,974
1990	\$152,330	\$7,617	\$91,398	\$60,932
Total LS Equipment	\$518,775	\$25,766	\$338,441	\$180,334

Total Lift Station	\$2,184,311	\$59,077	\$770,142	\$1,414,169
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WTF GRANTS	\$14,563,840	\$418,592	\$8,846,416	\$5,717,424
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TOTAL GRANTS	\$20,012,056	\$510,307	\$10,032,261	\$9,979,795
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1) Annual grant amortization factors based upon annual depreciation as a percentage of wastewater utility asset base (average annual depreciation rates)

Exhibit H

Step 5 Racine Wastewater Utility Calculation of Return on Investment (ROI)

Year 2002

	Interceptor	Lift Stations	WTF	Total Rate Base
Plant Asset Cost	\$16,856,147	\$8,902,180	\$34,879,372	\$60,637,699
Accumulated Depreciation	\$9,394,162	\$3,470,521	\$19,487,846	\$32,352,529
Net Book Value	\$7,461,985	\$5,431,659	\$15,391,526	\$28,285,170
Grants (CIAC)	\$3,263,905	\$2,184,311	\$14,563,840	\$20,012,056
Accumulated Amortization	\$415,703	\$770,142	\$8,846,416	\$10,032,261
Net Grants	\$2,848,202	\$1,414,169	\$5,717,424	\$9,979,795
Rate Base	\$4,613,783	\$4,017,490	\$9,674,102	\$18,305,375
ROI @ 8%	\$369,103	\$321,399	\$773,928	\$1,464,430

Step 6
Racine Wastewater Utility
2002 Class II User Rates

Exhibit H

a. Revenue Requirement and Allocation of Costs

	Total	FLOW (45%)	BOD (23%)	SS (24%)	PHOS (8%)
Net O&M	\$5,678,082	\$2,555,137	\$1,305,959	\$1,362,740	\$454,247
Lift Station Deprec	\$300,735	\$300,735			
Interceptors Deprec	\$124,300	\$124,300			
WTF Deprec	\$1,140,125	\$513,056	\$262,229	\$273,630	\$91,210
Lift Station Return	\$321,399	\$321,399			
Interceptors Return	\$369,103	\$369,103			
WTF Return	\$773,928	\$348,268	\$178,003	\$185,743	\$61,914
Prior Year Reconciliation	\$0	\$0			
Subtotal	\$8,707,672	\$4,531,998	\$1,746,191	\$1,822,112	\$607,371
Interceptor Maintenance	\$53,000	\$53,000			
Sewer maintenance	\$232,918	\$232,918			
Meters & Billings	\$448,000	\$448,000			
Total	\$9,441,590	\$5,265,916	\$1,746,191	\$1,822,112	\$607,371

b. Class II Charges

	2002	2001
1. Flow Racine	\$482.13 VMG	\$480.24 VMG
Flow Mt. Pleasant	\$363.45 VMG	\$363.09 VMG
2. Meter & billing	\$147.56 VMG	\$132.95 VMG
3. Sewer maintenance	\$77.30 VMG	\$61.92 VMG
4. Interceptor maintenance	\$11.35 VMG	\$8.55 VMG
5. IT	\$430.92 VMG	\$429.28 VMG
6. BOD	\$0.187 VLB	\$0.188 VLB
	\$186.88 \1000 LBS	\$187.900 \1000 LBS
7. Suspended Solids	\$0.154 VLB	\$0.149 VLB
	\$153.51 \1000 LBS	\$148.696 \1000 LBS
8. Phosphorous	\$2.50 VLB	\$2.78 VLB
	\$2,499.97 \1000 LBS	\$2,783.51 \1000 LBS

Step 7**Exhibit H****Racine Wastewater Utility****Calculation of Class 1 Revenue Requirements****Year 2002**

Total O & M	\$6,412,000
Depreciation	
Interceptor Deprec	\$124,300
Lift Stations Deprec	\$300,735
WTF Deprec	\$1,140,125
Total Depreciation	\$1,565,160
Return on Invested Capital	
Interceptor Return	\$369,103
Lift Stations Return	\$321,399
WTF Return	\$773,928
Total Return	\$1,464,430
Prior Year Reconciliation	\$0
Total Revenue Requirement	\$9,441,590
Total Revenue Requirement	\$9,441,590
Special Fees	(\$28,650)
Pretreatment Fees	(\$175,000)
Estimated Class II	(\$460,000)
Subtotal for Class I Allocation	\$8,777,940
City Only Income	(\$479,507)
City Only Expense (Mt. Pleasant Int.)	\$50,000
Net Class I Revenue Requirement	\$8,348,433

Step 8
Racine Wastewater Utility
Interceptor I/I Rate Adjustment Worksheet

Year 2002

a. Calculate Interceptor I/I Cost

Components Contributing to City I/I ⁽¹⁾		Share
Collector System	3236.19 inch diameter miles	73.36%
Interceptor System	373.02 inch diameter miles	8.46%
Laterals	802 inch diameter miles	18.18%
Total	4411.21 inch diameter miles	100.00%

Share of Total I/I attributable to interceptors	8.46%
Total City I/I (MG)	2,693
Portion of City I/I attributable to interceptor I/I (MG)	227.73
Cost/ MG for I/I	\$430.92
Total Interceptor I/I Cost	\$98,132

b. Allocate Costs to Customers Using Interceptor

	Flow MG	Share	Est I/I MG	I/I Cost	Rate Adj	Adj Amt	Adj. By Class
T. Mount Pleasant	300	4.23%	9.62	\$4,146	\$13.82	\$4,146	
T. Caledonia	518	7.30%	16.61	\$7,159	\$13.82	\$7,159	
North Park S.D.	814	11.46%	26.11	\$11,251	\$13.82	\$11,251	\$22,556
V. Elmwood Park	15	0.21%	0.48	\$207	(\$4.12)	(\$62)	
V. North Bay	8	0.11%	0.26	\$111	(\$4.12)	(\$33)	(\$95)
C. Racine	5,445	76.69%	174.64	\$75,258	(\$7.54)	(\$22,461)	(\$22,461)
Subtotal Excluding Interceptor I/I	7,100	100%	227.73	\$98,133		\$0	\$0
Interceptor I/I	227.73						
Total Interceptor Flow	7,328						

Notes: 1. From Rust 1992 report (Prior to 1997 certain communities which utilize the city interceptor system had not been contributing toward recovery of the cost of infiltration and inflow into the interceptor system. Based upon an engineering report, it was determined that approximately 8.46% of the total city infiltration and inflow is attributable to the interceptor system. A cost was calculated for that share of I/I and allocated to contributing communities according to their share of total flow for the interceptor system).

Step 9

**Racine Wastewater Utility
2002 Class I Rates and Revenues**

	Total Class 1	Class 1 A ⁽¹⁾	Class 1 B ⁽²⁾	Class 1 B ⁽³⁾	Class 1 Racine ⁽⁴⁾
Billable Flow (MG)	6,363	1,728	1,632	23	2,980
City Total I/I	2,693			0	2,693
Total Flow for User Group	9,056	1,728	1,632	23	5,673
Costs allocated to all Class 1					
O & M (less int. & sewer maint, meters & billings)	\$5,678,082	\$5,678,082	\$5,678,082	\$5,678,082	\$5,678,082
WTF dep.	\$1,140,125	\$1,140,125	\$1,140,125	\$1,140,125	\$1,140,125
WTF return	\$773,928	\$773,928	\$773,928	\$773,928	\$773,928
Prior Year Reconciliation	\$0	\$0	\$0	\$0	\$0
Class II Rev	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)
Special Fees	(\$28,650)	(\$28,650)	(\$28,650)	(\$28,650)	(\$28,650)
Pretreatment Fees	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)
Subtotal revenue base for rate allocation	\$6,928,485	\$6,928,485	\$6,928,485	\$6,928,485	\$6,928,485
Subtotal rate		\$765.07	\$765.07	\$1,451.16	\$1,451.16
Revenue Recovered by Customer Class		\$1,322,043.11	\$1,248,596.27	\$33,376.77	\$4,324,469.03
Costs allocated to customers using interceptors					
Interceptor maintenance	\$53,000	\$0	\$53,000	\$53,000	\$53,000
Lift Stations dep.	\$300,735	\$0	\$300,735	\$300,735	\$300,735
Interceptor dep.	\$124,300	\$0	\$124,300	\$124,300	\$124,300
Lift Stations return	\$321,399	\$0	\$321,399	\$321,399	\$321,399
Interceptor return	\$369,103	\$0	\$369,103	\$369,103	\$369,103
Subtotal revenue base for rate allocation	\$1,168,537	\$0	\$1,168,537	\$1,168,537	\$1,168,537
Subtotal rate		\$0	\$159.46	\$302.46	\$302.46
Revenue Recovered by Customer Class		\$0.00	\$260,241.82	\$6,956.64	\$901,338.34
Costs Allocated to Metered Customers					
Meters & Billings	\$448,000	\$0	\$0	\$448,000	\$448,000
Meter charge adj. ⁽⁵⁾	(\$940)			(\$940)	(\$940)
Subtotal revenue base for rate allocation	\$447,060	\$0	\$0	\$447,060	\$447,060
Subtotal rate		\$0	\$0	\$148.87	\$148.87
Revenue Recovered by Customer Class		\$0	\$0	\$3,424	\$443,636
Cost to Racine Only					
Racine City Only	(\$479,507)	\$0	\$0	\$0	(\$479,507)
City Only Mt. Pleasant Interceptor Chg.	\$50,000	\$0	\$0	\$0	\$50,000
Racine Sewer Maintenance	\$232,918	\$0	\$0	\$0	\$232,918
Subtotal revenue base for rate allocation	(\$196,589)	\$0	\$0	\$0	(\$196,589)
Subtotal rate		\$0	\$0.00	\$0.00	(\$65.97)
Revenue Recovered by Customer Class		\$0	\$0	\$0	(\$196,589)
Cost Reallocations and Adjustments					
Interceptor I/I Within Racine	\$0	\$0	\$22,556	(\$95)	(\$22,461)
Subtotal revenue base for rate allocation	\$0	\$0	\$22,556	(\$95)	(\$22,461)
Subtotal rate	\$0	\$0	\$13.82	(\$4.12)	(\$7.54)
Revenue Recovered by Customer Class		\$0	\$22,556	(\$95)	(\$22,461)
NET Class 1 Rates / MG		\$765.07	\$938.35	\$1,898.37	\$1,828.99
Rates / 100 CU. FT.		\$0.57	\$0.70	\$1.42	\$1.37
NET RATE ALLOCATED REVENUES	\$8,347,493	\$1,322,043	\$1,531,394	\$43,663	\$5,450,394
METER CHARGE ⁽⁵⁾	\$940			\$940	
TOTAL REVENUES FROM RATES	\$8,348,433	\$1,322,043	\$1,531,394	\$44,603	\$5,450,394

1) Communities with tributary interceptor (V. Sturtevant & Mt. Pleasant).

2) Communities that share interceptor costs (T. Mt. Pleasant, T. Caledonia, North Park S. D.).

3) Metered extraterritorial customers (V. Elmwood Park, V. North Bay).

4) City of Racine customers.

5) Does not include Racine \$8 per quarter meter and local capital improvement charge.

Reconciliation of Budgeted Revenues and Expenses to Actual

Each year an adjustment will be included in the computation of the utility revenue requirements. The adjustment will be based upon a comparison of prior year's actual revenues and expenditures with actual amounts. The adjustment shall be calculated as follows and as shown in table O-1:

- 1) Subtract actual prior years revenue amounts from prior year budgeted revenue amounts to determine excess or shortage of revenues
- 2) Subtract actual prior years expenditure amounts from prior year budgeted amounts to determine net expenditures over or under budget.
- 3) Subtract the result from step 2 (over/under expenditures) from the result from step 1 ((excess)/shortage of revenues. This amount becomes the revenue requirement adjustment amount.

**Racine Wastewater Utility
Reconciliation (Sample)**

Exhibit H

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Revenues			
Class I Revenues	\$8,348,433	\$8,300,000	(\$48,433)
Class II Revenues	\$460,000	\$460,000	\$0
Special fees	\$28,650	\$27,000	(\$1,650)
Pretreatment Fees	\$175,000	\$175,000	\$0
Excess/(Shortage) Revenues			<u>(\$50,083)</u>
 Expenditures			
Total O & M	\$6,412,000	\$6,500,000	\$88,000
Depreciation	\$1,565,160	\$1,600,000	<u>\$34,840</u>
Over /(Under) Expenditures			<u>\$122,840</u>
 Required Revenue Adjustment			 \$172,923

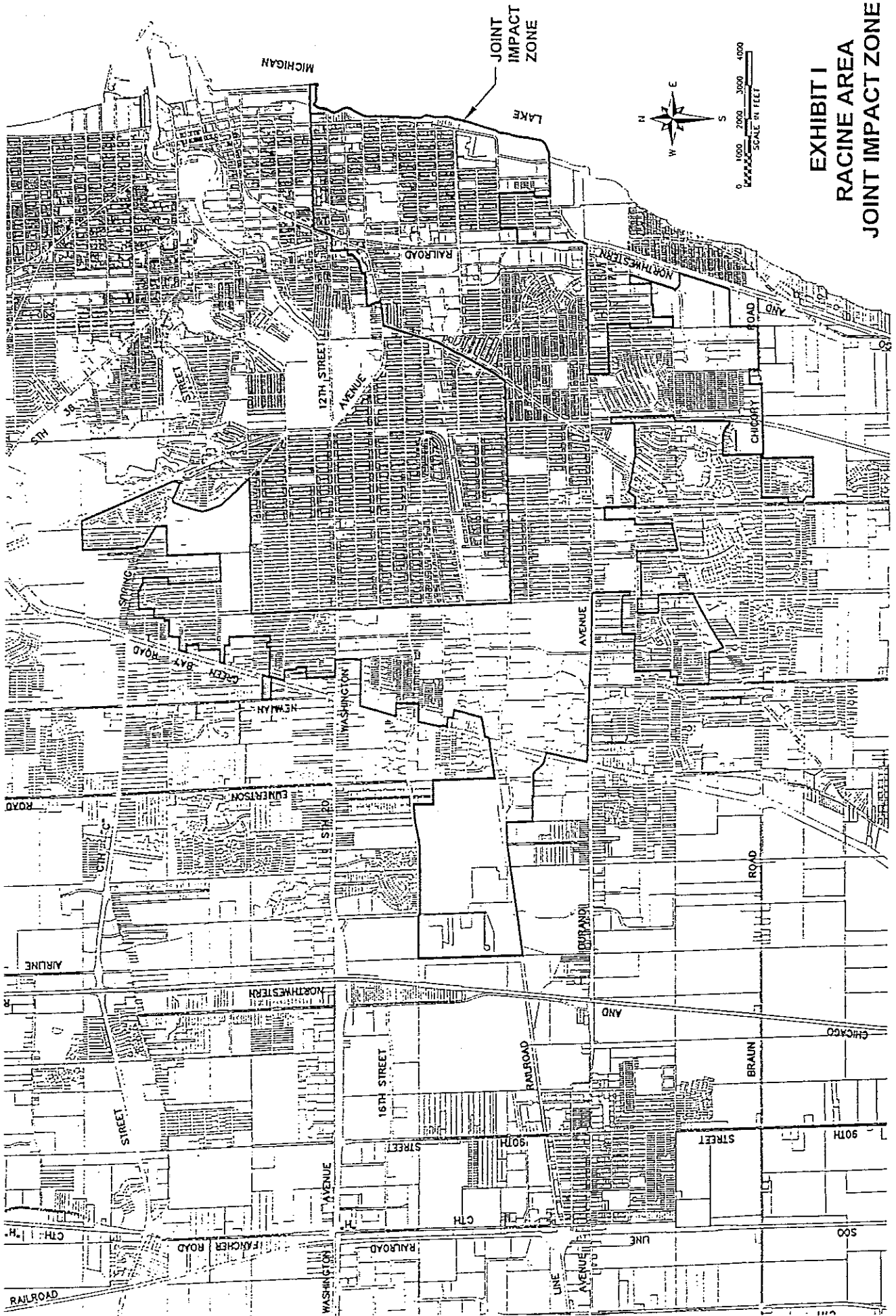
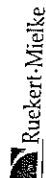


EXHIBIT I
RACINE AREA
JOINT IMPACT ZONE

**EXISTING MUNICIPAL
BOUNDARIES
RACINE COUNTY
WISCONSIN
EAST OF I-94**



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Data last updated: 24July2001

Townships: 40322

Sensitive elements: The results of your query contain one or more species whose location(s) we consider to be more sensitive than most species that we track, therefore the location(s) cannot be disclosed to a level more detailed than county. For non WI DNR staff, more detailed information is available only through a formal licensing agreement. For more information, please contact the [Environmental Review Coordinator](#).

The townships or watersheds you selected **may** contain sensitive elements. Sensitive elements locations are not listed at the township and watershed level. This message indicates that the townships or watersheds selected form a part of a county that contains sensitive elements, but may not necessarily themselves contain sensitive elements.

Displaying records 1 to 10 of 28 Element Records

Sensitive:

The query returned one or more elements with a location too sensitive to map at a level more detailed than county.

40322 : COMMUNITY

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
MESIC PRAIRIE	MESIC PRAIRIE		NA	S1	G2	1993	4	not available
SOUTHERN DRY-MESIC FOREST	SOUTHERN DRY-MESIC FOREST		NA	S3	G4	1991	2	not available

40322 : COMMUNITY^

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
FLOODPLAIN FOREST	FLOODPLAIN FOREST		NA	S3	G3?	1976	1	not available

40322 : FISH^

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
APHREDODERUS SAYANUS	PIRATE PERCH		SC/N	S2S3	G5	1979	1	not available

40322 : PLANT

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
ASCLEPIAS PURPURASCENS	PURPLE MILKWEED		END	S2	G4G5	1985	2	not available
ASCLEPIAS PURPURASCENS	PURPLE MILKWEED		END	S2	G4G5	1879	2	View Factsheet
ASCLEPIAS SULLIVANTII	PRAIRIE MILKWEED		THR	S2	G5	1992	2	not available
ASCLEPIAS SULLIVANTII	PRAIRIE MILKWEED		THR	S2	G5	1880	3	View Factsheet
CACALIA MUEHLENBERGII	GREAT INDIAN-PLANTAIN		SC	S2	G4	1994	3	not available

CACALIA TUBEROSA	PRAIRIE INDIAN PLANTAIN	THR	IS2	C4G5	1995	5	not available
New search: Distribution Query	New search: Geographic Query	Download		Next>			

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40322 : PLANT

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
CACALIA TUBEROSA	PRAIRIE INDIAN PLANTAIN		THR	S2	G4G5	1898	2	View Factsheet
CAREX RICHARDSONII	RICHARDSON SEDGE		SC	S3	G4	1901	3	not available
ECHINACEA PALLIDA	PALE-PURPLE CONEFLOWER		THR	S2S3	G4G5	1987	1	not available
EUPHORBIA POLYGONIFOLIA	SEASIDE SPURGE		SC	S2	G5?	1898	2	not available
GENTIANA ALBA	YELLOW GENTIAN		THR	S2	G4	1992	1	not available
LITHOSPERMUM LATIFOLIUM	AMERICAN GROWWELL		SC	S2	G4	1933	1	not available
PANICUM WILCOXIANUM	WILCOX PANIC GRASS		SC	SH	G5	1944	1	not available
PARTHENIUM INTEGRIFOLIUM	AMERICAN FEVER-FEW		THR	S2	G5	1993	7	not available
PARTHENIUM INTEGRIFOLIUM	AMERICAN FEVER-FEW		THR	S2	G5	1907	2	View Factsheet
TOMANTHERA AURICULATA	EARLEAF FOXGLOVE		SC	S1	G3	1900	3	not available

<<Back

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40322 : PLANT

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
TRILLIUM RECURVATUM	REFLEXED TRILLIUM		SC	S3	G5	1992	2	not available

40322 : PLANT^a

Scientific	Common	Federal	State	SRank	GRank	Date	Total	Factsheet
CAREX LUPULIFORMIS	FALSE HOP SEDGE		END	S1	G3G4	1992	2	not available
GENTIANOPSIS PROCERA	LESSER FRINGED GENTIAN		SC	S3	G5	1897	3	not available
LATRIS SPICATA	MARSH BLAZING STAR		SC	S2S3	G5	1990	4	not available
RANUNCULUS CYMBALARIA	SEASIDE CROWFOOT		THR	S3	G5	1878	2	View Factsheet
SOLIDAGO OHIOENSIS	OHIO GOLDENROD		SC	S3	G4	1990	2	not available
THALICTRUM REVOLUTUM	WAXLEAF MEADOWRUE		SC	S2	G5	1990	1	not available
TOFIELDIA GLUTINOSA	STICKY FALSE-ASPHODEL		THR	S3	G5	1898	3	View Factsheet

<<Back

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New search: Geographic Query

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ZONING CODE INDEX

-A-

ACCESSORY BUILDINGS	17.14
AGRICULTURAL RESIDENCEDISTRICT	17.32
ANNEXATION	17.44
APPEAL	17.20(6)
APPLICATION	17.10
ARCHITECTURAL CONTROL	17.20
AUTHORITY OF THE VILLAGE PLAN COMMISSION	17.52

-B-

BOARD OF APPEALS	17.40
BOUNDARIES	17.03(2)
BUILDING INSPECTOR	17.42(1)
BUILDING PERMITS	17.53
BUILDINGS AND USES	17.11
BUSHES	17.21
BUSINESS DISTRICT	17.33

-C-

CERTIFICATE OF COMPLIANCE	17.42(3)
CERTIFICATE TO BE FILED WITH REGISTER OF DEEDS	17.51
CHANGES AND AMENDMENTS	17.41
CONDITIONAL USES	17.43

-D-

DEFINITIONS	17.04
DISTRICT MAP	17.03(3)
DISTRICTS	17.04
DURAND AVENUE SETBACK LINE	17.18(2)(c)

-E-

ENFORCEMENT	17.42
EXPERTS, POWER TO EMPLOY	17.45(4)
EXPIRATION OF USE	17.43(2)(d)

-F-

FENCES	17.21
FRONT, SIDE AND REAR YARD REGULATIONS	17.17

-G-

GENERAL PROVISIONS	17.10-17.20
--------------------	-------------

-H-

HEIGHT AND AREA EXCEPTIONS	17.16
HOUSING PROJECTS	17.15(2)

-I-

INDUSTRIAL DISTRICT	17.35
INSTITUTIONAL DISTRICT	17.38
INTERPRETATION	17.02

-L-

LAND USE PERMIT	17.42(2)
LIGHTING	17.19(3)(g)
LOADING AND UNLOADING	17.19(2)

-M-

MAP, DISTRICT	17.03(3)
MAPS	17.45(6)
MOTOR VEHICLE PARKING	17.19
MULTIPLE RESIDENCE DISTRICT	17.31

-N-

NONCONFORMING USES	17.12
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-O-

OFF-STREET PARKING AND LOADING	17.19(3)
ONE AND TWO FAMILY RESIDENCE DISTRICT	17.30

-P-

PARKING SPACES REQUIRED	17.19(4)
PENALTY	17.61
PLAN COMMISSION	
Authority of	17.52
Duties	17.20(4)
Powers of	17.45(2)
PLANNED DEVELOPMENT DISTRICT	17.37
PLOT PLAN	17.53
PRIOR PERMITS EXCEPTED	17.13
PURPOSE	17.01, 17.50

-R-

REAR YARD REGULATIONS 17.17

-S-

SCREENING AND LANDSCAPING 17.19(3)(f)

SCREENS 17.21

SETBACKS 17.18

SIDE YARD REGULATIONS 17.17

SPECIAL CIRCUMSTANCES 17.15

-T-

THROUGH LOTS 17.18(2)(e)

-V-

VILLAGE BOARD MAY CHANGE 17.54

VILLAGE PLAN COMMISSION 17.45

VIOLATIONS 17.60

-W-

WEIGHT LIMITED 17.19(1)

WISCONSIN STREET SETBACK LINE 17.18(2)(d)

-Y-

YARD REGULATIONS 17.17

Adoption
DRAFT

YEAR 2030

MASTER PLAN

FOR LAND USE AND TRANSPORTATION

**UPDATED FROM
1970-1972 RACINE URBAN PLANNING DISTRICT PLAN
and S.E. WISCONSIN REGIONAL PLANNING COMMISSION PLANS
1972-1997**

MT. PLEASANT

RACINE COUNTY, WISCONSIN

NOVEMBER, 2002

Mt. Pleasant

Racine County Wisconsin



Zoning Ordinance

**NOTICE OF PUBLIC HEARING
RESPECTING VILLAGE OF STURTEVANT/TOWN OF MT. PLEASANT
COOPERATIVE PLAN AND AGREEMENT
UNDER SECTION 66.0307, WISCONSIN STATUTES**

PLEASE TAKE NOTICE that there will be a Joint Public Hearing held by representatives of the Village of Sturtevant and Town of Mt. Pleasant respecting "Village of Sturtevant/Town of Mt. Pleasant Cooperative Plan and Agreement under Section 66.0307, Wisconsin Statutes", on Wednesday, September 18, 2002, at 7:00 P.M. at the Village of Sturtevant Village Hall, 2801 - 89th Street, Sturtevant, Wisconsin 53172.

TAKE FURTHER NOTICE that any person may comment on the plan during the hearing and may submit written comments before, at, or within twenty (20) days following the hearing. A summary of the proposed plan is on file with the Clerk, Town of Mt. Pleasant, 6126 Durand Avenue, Racine, Wisconsin 53406 and with the Clerk, Village of Sturtevant, 2801 - 89th Street, Sturtevant, Wisconsin 53172, during normal business hours.

Juliet Edmands
Town Clerk

Barbara Pauls
Village Clerk

*To be published: August 28, 2002
 September 4, 2002
 September 11, 2002*

**NOTICE OF PUBLIC HEARING
RESPECTING VILLAGE OF STURTEVANT/TOWN OF MT. PLEASANT
COOPERATIVE PLAN AND AGREEMENT
UNDER SECTION 66.0307, WISCONSIN STATUTES**

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TAKE FURTHER NOTICE that any person may comment on the plan during the hearing and may submit written comments before, at, or within twenty (20) days following the hearing. A summary of the proposed plan is on file with the Clerk, Town of Mt. Pleasant, 6126 Durand Avenue, Racine, Wisconsin 53406 and with the Clerk, Village of Sturtevant, 2801 - 89th Street, Sturtevant, Wisconsin 53172, during normal business hours.

Juliet Edmands
Town Clerk

Barbara Pauls
Village Clerk

To be published: *April 23, 2003*
 April 30, 2003
 May 7, 2003

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT
PUBLIC HEARING
SEPTEMBER 18, 2002**

SIGN IN AS A RECORD OF YOUR ATTENDANCE:

Name	Address	Municipality
BOB Leibsch	ELICH WIS	
ART ZABIEREK	P.O. Box 848 LAKE	GENEVA, WI. 53147
Margaret M. Rendall	6710 Braun Rd	Racine (Mt Pleasant)
Oscar Friedrich	1000 2 Braun Rd	Sturt - Mt Pl.
Bertha "	" "	" "
Richard Sorensen	9509 Broadway Dr	Sturtevant
ROBERT KARNOOP	3225 96 ST.	STURTEVANT
GEORGE LOUMOS	5820 LIN. VILL. DR	MT PLEASANT
Al + Mary Ellen Cde	3641 90th St.	Mt. Pleasant
DAVID HAUZEN	8303 BRAUN RD	MT PLEASANT
HENRY JOHNSON	9224 DURAND AVE	STURTEVANT, WI.
AGNES B. KLASINSKI	3721 S. Hwy H	MT. PLEASANT, WI.
LINDA ROSE	10830 DURAND AVE	MT PLEASANT
Tara Connaughton	3635 S. Hwy H	Mt Pleasant
Lorraine Buggren	10812 Durand ave	MT Pleasant
HAROLD M. ROSE	1083 DURAND AVE	MT. PLEASANT
Joe Mrazek, Jr.	8930 Washington Ave.	Mt. Pleasant
JOHN JOHNSON	7000 Bays DR.	STURTEVANT
Lance Meiner	8836 Braun Rd	MT. Pleasant
SONNY HAVN	1316 MEADOWLANE AVE	MT. PLEASANT
Joe C. MRAZEK SR.	3525 SPRING LAKE DR.	Mt. Pleasant 53405
Randy + Donna House	2928 Willow Rd.	Sturt (Mt Pleasant) 53177
Ryan D. Kowick	3030 90th St	Sturt
Beth Kowick	3030 90th St	Sturt
Jonny Kowick	9017 Durand Ave	Sturt. 53177

SIGN IN AS A RECORD OF YOUR ATTENDANCE:

[illegible]

TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: Loraine Berggren (BERGGREN)

STREET: 10812 Durand Ave

CITY: mt Pleasant STATE: WI ZIP CODE: 53177

X Town Resident mt Pleasant

 Village Resident

 Other

To Avoid ~~Rebuilding~~ Tearing up our yards again!

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

** All on west side of Road.*

Re: 9 parcels West of Sturtevant Rd:*

Sewer & Water - We would have thought that the sewer & water (west) would have been done during the road construction while so much was being torn up ^{Now} and to further ^{New} preserve the new Road and ~~curb~~ ^{Driveway} which will be installed, (along with the storm sewer) why would this take soooo long to get this put in ??? Also has anyone contacted any of us Re: Assessment and to who(?) would this be paid - Sturtevant? mt. Pleasant?

*Thank you
L. Berggren*

TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: AGNES KLASINSKI

STREET: 3721 So. Hwy H

CITY: MT PLEASANT STATE: WI ZIP CODE:

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

I would like to ^{have} the boundary agreement map with the streets and highways, railroads etc. listed to give us a better idea of locations. Thank you.

A.B.K.

My land presently is zoned agriculture. When its village will lose that zoning? and not be able to be farmed as it is now.

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT**

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: HENRY JO HANSON

STREET: 924 DORAND, Av.

CITY: STURTEVANT STATE: WI, ZIP CODE: 53177

_____ Town Resident

✓ Village Resident

_____ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT**

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: Ian Connaughton

STREET: 3635 S. Hwy H

CITY: Sturtevant STATE: WI ZIP CODE: 53177

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT**

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: HAROLD M. ROSE

STREET: 10830 DURAND AVE

CITY: STURTEVANT STATE: WI ZIP CODE: 53177

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building.
Thank you.)

TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: JOE MRAZEK

STREET: 3525 SPRING LAKE DR

CITY: RACINE STATE: WI ZIP CODE: 53405

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT**

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: Al + Mary Ellen Cole

STREET: 3641 - 90th St.

CITY: Sturtevant STATE: WI ZIP CODE: 53177

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

Will the village of Sturtevant run-
sewer + water to the 5 homes
located just South of Broadway
on 90th Street?

**TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT**

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: *Lance Meinert*

STREET: *8836 Braun Rd*

CITY: *Racine* STATE: *WI* ZIP CODE: *53403*

☒ Town Resident

☐ Village Resident

☐ Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME:

Kathy Howe

STREET:

2928 Willow Rd

CITY:

Sturtevant

STATE: WI ZIP CODE: 53127

Town Resident

Village Resident

Other

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)

TOWN OF MT. PLEASANT/VILLAGE OF STURTEVANT
COOPERATIVE BOUNDARY AGREEMENT

PUBLIC HEARING

September 18, 2002

Public Hearing Meeting Registration

This form should be completed and submitted prior to the start of the meeting, if you wish to make an oral statement.

NAME: **BOB LEIBSLE**

STREET: **11 N. WIS ST.**

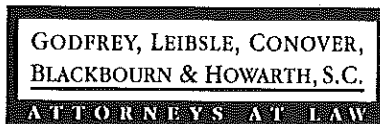
CITY: **Elkhorn** STATE: **WI** ZIP CODE: **53124**

_____ Town Resident

_____ Village Resident

☒ Other **ATTORNEY FOR ANTHON ZAHNEK**

Comments: (Please return this form to the Village or Town Clerk prior to exiting the building. Thank you.)



ROBERT C. LEIBSLE
ATTORNEY AT LAW

11 North Wisconsin Street
P.O. Box 260
Elkhorn, WI 53121-0260
E-Mail: rleibsle@godfreylaw.com

Telephone: 262-723-3220
Facsimile: 262-723-5121
Direct Line: 262-741-1521
Residence: 262-723-4468

NARRATIVE/PROPOSAL FOR THE ARTHUR W. ZABIEREK PROPERTY

Date: September 18, 2002

**Re: Cooperative Boundary Agreement Between Village of Sturtevant and
Town of Mount Pleasant, Racine County, Wisconsin, as it Relates to
the Arthur W. Zabierek Property, Highway 11, Section 22, Town of
Mount Pleasant**

BACKGROUND

Mr. Arthur W. Zabierek is, and has been for many years, the owner of approximately forty-seven (47) acres of vacant land located on State Highway 11 [Durand Avenue], contiguous to the eastern boundary of the Village of Sturtevant (Sturtevant), and presently situated in Section 22 of the Town of Mount Pleasant (Mount Pleasant), Racine County, Wisconsin (Zabierek Property).

The Zabierek Property presently lies in two (2) zoning districts under the County of Racine Zoning Ordinance:

1. Approximately fifteen (15) acres of the Zabierek Property abutting Highway 11 is zoned B-3, Highway Commercial District (Highway Commercial District); and
2. The rear approximately thirty-two (32) acres of the Zabierek Property is zoned Agricultural Holding District.

Sturtevant and Mount Pleasant have instituted proceedings, under Wis. Stat. § 66.0307 (1999-00), for a Cooperative Boundary Agreement (Agreement), whereby Mount Pleasant will become a village, and the Zabierek Property will be transferred to Sturtevant and included within Sturtevant's village limits.

Mr. Zabierek has spent a considerable sum of money in developing his property, for commercial development, by constructing and installing water/sanitary sewer/stormwater sewer mains in what is proposed to be an extension of Coreless Avenue (Coreless Avenue Extension), from Sturtevant, west to the eastern boundary of the Zabierek Property, and in a proposed new street, known as Market Street, which connects to highway 11 to the

south and extends north to the proposed Coreless Avenue Extension. In addition to installation of the water/sanitary sewer/stormwater sewer mains, Mr. Zabierek has begun installation and construction of both the Coreless Avenue Extension and Market Street, with the gravel base of each being installed (the water/sanitary sewer/stormwater sewer mains and the installation of the Coreless Avenue Extension and Market Street are collectively referred to herein as "Improvements").

Mr. Zabierek has also installed additional stormwater drainage facilities in the Zabierek Property, specifically retention ponds have been installed in the proposed Lot 7 of the Business/Commercial portion of the Zabierek Property and along the eastern edge of the proposed multi-family development running north up to a standpipe, through a 30 inch stormwater sewer, and then into Pike Creek.

Attached hereto as Exhibit A is a copy of General Layout Plan Mr. Zabierek intends to implement. Although the General Layout Plan shows seven (7) lots in the fifteen (15) acres zoned Highway Commercial District, the Final Plat of Subdivision has not been filed and recorded. Thus, the Zabierek Property remains undeveloped today, with the exception of the Improvements that have already been constructed and installed, as mentioned above. It is important to note, however, that the Final Plat of Subdivision, though never recorded, was approved by the appropriate governmental bodies of Racine County, and other governmental agencies, and that Sturtevant did not file any objection to the proposed plat under its Extraterritorial Platting Authority.

PROPOSAL

It is Mr. Zabierek's understanding that Sturtevant's BA and BB Business Districts are in the process of being merged into one (1) business/commercial zoning district (BA/BB Business District), which such new district will combine all the permitted and conditioned uses currently granted each district. To that end, Mr. Zabierek requests that Sturtevant, upon transfer of the Zabierek Property, zone the fifteen (15) acres of the Zabierek Property located between Highway 11 and the Coreless Avenue Extension (*see* General Layout Plan, Ex. A) into the proposed BA/BB Business District. This is consistent with the current zoning in Mount Pleasant, as evidenced by Sturtevant's previous acquiescence to the Final Plat of Subdivision, referred to above, and will allow for full utilization of the Improvements already installed and constructed in that portion of the Zabierek Property.

Mr. Zabierek also requests that after the transfer of his property to Sturtevant, Sturtevant zone the rear thirty-two (32) acres of the Zabierek Property Multi-Family Zoning District (MF). Mr. Zabierek believes this would be the best use of that portion of his property because it would be a good transition from the Highway Commercial Zoning and mix well with the existing R-1 and R-2, Single-Family/Two-Family Zoning in the approximate area

of the Zabierek Property. See the Sturtevant Zoning Map, a copy of which is attached hereto as Exhibit B, for details.

Mr. Zabierek intends thereafter to seek a Planned District Development Overlay in the MF District by submitting a General Development Plan, consistent with the regulations of Section 17.37 of Sturtevant's Zoning Code. The first step in that process, however, upon the transfer of the Zabierek Property under the Agreement, is the establishment of a Multi-Family Residential District. Mr. Zabierek will then follow that up with a General Development Plan under the Planned District Development Overlay District.

CONCLUSION

Mr. Zabierek agrees with and supports the Agreement between Sturtevant and Mount Pleasant, and endorses the inclusion of the Zabierek Property within the boundaries of Sturtevant.

Mr. Zabierek requests that upon transfer of the Zabierek Property, Sturtevant zone the fifteen (15) acres of the Zabierek Property BA/BB Business Zoning District, and zone the remaining thirty-two (32) acres of the Zabierek Property Multi-Family Residential Zoning District, all as set forth above, consistent with Mr. Zabierek's long term plan for the Zabierek Property, the investment of hundreds of thousands of dollars in the property in the form of Improvements for development, as described above, and conforming to the overall plan of the area.

EXHIBIT A

GENERAL LAYOUT PLAN

1
2
3
4 PUBLIC HEARING RE VILLAGE OF STURTEVANT
5 AND TOWN OF MT. PLEASANT COOPERATIVE
6 PLAN AND AGREEMENT
7
8
9

COPY

10 VILLAGE OF STURTEVANT BOARD
11 TOWN OF MT. PLEASANT BOARD
12
13

14 May 21, 2003
15 7:00 p.m.
16 Mt. Pleasant Fire Station #3
17
18

19 APPEARANCES:

20 ARENZ MOLTER MACY & RIFFLE, by Stan Riffle, 720 N. East
21 Avenue, PO Box 1348, Waukesha, WI 53187-1348 appeared
on behalf of the Village of Sturtevant.

22 MICHAEL BEST & FRIEDRICH, LLP., by William F. White,
23 One South Pinckney Street, PO Box 1806, Madison, WI
53701-1806 appeared on behalf of the Town of Mt.
24 Pleasant.

25 Kevin O'Donnell - Mt. Pleasant Town Administrator
Paul Schumacher - Racine Co. Economic Development Corp.

SUSAN K. TAYLOR

262-553-1058
FAX NO. 553-2010

COURT REPORTER

1 MR. WHITE: Why don't I start
2 off? My name is Bill White. I am special counsel for
3 the Town of Mt. Pleasant. With me tonight is Stan
4 Riffle who is special counsel for the Village of
5 Sturtevant.

6 The purpose of tonight's meeting is to
7 provide the public an opportunity to comment on a
8 proposed cooperative plan to be entered into between
9 the Village of Sturtevant and Town of Mt. Pleasant.
10 There's been a draft available for review in the office
11 of the clerk of both the Town of Mt. Pleasant and the
12 Village of Sturtevant since the first publication of
13 the notice of this meeting.

14 This is the second such public hearing
15 that we have had. There have been continuing and
16 ongoing discussions between the parties and this
17 process is the second one to allow the public to have
18 input.

19 Written comments will be received for a
20 period of 30 days following this public hearing. We
21 will also have input from the Southeastern Wisconsin
22 Regional Planning Commission as well as Racine County.

23 The introductions to the agreement will
24 be done by Mr. O'Donnell, the administrator of the Town
25 of Mt. Pleasant.

1 Before you are the respective governing
2 boards of the Town of Mt. Pleasant and the Village of
3 Sturtevant.

4 We are passing around a sign-in sheet.
5 We would ask everybody who is in attendance to let us
6 know you are here. We are creating a record for
7 purposes of review by the State of Wisconsin Department
8 of Administration. Anything else?

9 MR. RIFFLE: No, sir.

10 MR. WHITE: I will turn it over
11 to Mr. O'Donnell to describe the basic provisions of
12 the agreement. We have some extra copies for those in
13 the audience who would like one.

14 MR. RIFFLE: If you want one,
15 raise your hand and I will bring it to you.

16 MR. O'DONNELL: I am Kevin
17 O'Donnell, the town administrator for the Town of
18 Mt. Pleasant. For the record, I want to indicate this
19 requires a Class 3 notice and it was published in the
20 Journal Times on April 23, April 30, and May 7 of this
21 year in a legal notice that was submitted by both the
22 town clerk and the village clerk, so we meet the
23 statutory requirements.

24 The boundary agreement is pretty simple
25 and straightforward. To summarize it, the area in

1 green is the Town of Mt. Pleasant. This is the City of
2 Racine and this is the Village of Elmwood. The area in
3 red is the Village of Sturtevant -- the area in green
4 is the Village of Sturtevant as it now exists. The
5 area in red would become the Village of Sturtevant with
6 the boundary agreement and the properties north of
7 Highway 20 right up here upon the expiration of the TIF
8 district that the Village of Sturtevant would revert to
9 the Town of Mt. Pleasant. Essentially, the area in
10 purple or light blue here represents approximately 700
11 acres that would go to the Village of Sturtevant.

12 There is approximately 100, 105 or so
13 acres north of Highway 20 that would come back to the
14 Town of Mt. Pleasant for a net exchange you might say
15 of about 600 acres to the Village of Sturtevant. This
16 area right now is generally open field, farmland right
17 now. There is a little development going on, very
18 little. This is part of the tax increment finance
19 district that the Village of Sturtevant has created.
20 The properties in the light purple would revert to the
21 Village of Sturtevant upon completion of the agreement.

22 After the conclusion of this public
23 hearing, people are allowed to submit written testimony
24 for a 20-day period and by state statute, neither body
25 can act on it for a 60-day period of time following

SUSAN K. TAYLOR

262-553-1058
FAX NO. 553-2010

COURT REPORTER

1 tonight's meeting, so we are projecting sometime toward
2 the third week of July that the two bodies would be
3 able to convene again and formally take action on it at
4 which point the legal document is prepared, these
5 properties would go to the Village of Sturtevant and
6 these properties at the expiration of the TIF which is
7 approximately 2010 roughly or thereabouts would come to
8 the Village of Mt. Pleasant at that point. Hopefully
9 by then, we will be incorporated.

10 Over here, it shows the particular
11 zoning areas. The area in -- this pink area is
12 multi-family. The area up here is business with some
13 residential in the back. These areas are business,
14 manufacturing areas and again, the yellow is some
15 multi-family as well. So these properties would go to
16 the Village of Sturtevant. This would come to the Town
17 of Mt. Pleasant. This is compatible with our
18 comprehensive plan and it complies with the existing
19 zoning characteristics of what the Town of Mt. Pleasant
20 wants to do at this point. So it is a pretty
21 straightforward land swap.

22 One of the purposes of why this land is
23 going to the Village of Sturtevant is upon our
24 successful incorporation, in essence as you can see on
25 this map, we totally surround the Village of

1 Sturtevant.

2 If we were to incorporate under our
3 existing petition, it would include the 600 acres.
4 It would in essence land lock the Village of Sturtevant
5 forever more because one village cannot annex another
6 village.

7 As a result of that and wanting to have
8 the village of Sturtevant having the ability to grow
9 within their own confines of how they want to match
10 their particular growth, both communities agreed upon
11 the particular land swap. This gives the Village of
12 Sturtevant about 600 acres to develop. That is within
13 the existing sewer capacity issues they were able to
14 purchase the city in the sewer negotiations. We have
15 enough sewer capacity to service the area that would be
16 the remaining of the area. So this allows the Village
17 of Sturtevant to grow in a very distinct
18 characteristic.

19 You will notice the borders are pretty
20 well squared off. One of the things that the state
21 wishes to see communities do in the development of
22 border agreements is try to square off borders as much
23 as possible, so in essence, 20 is the northern part of
24 Sturtevant and Braun Road would be the southern part of
25 Highway H. Right?

1 MR. JANSEN: A section west.

2 MR. O'DONNELL: It is pretty squared
3 off. It makes it pretty homogeneous and convenient for
4 Sturtevant to provide municipal services and we would
5 have remaining -- the township would become the village
6 of Mt. Pleasant.

7 That is the purpose of the hearing.
8 That concludes my remarks. It is really now open up
9 to the general public to ask any questions they may
10 have -- or comments.

11 MR. WHITE: If anybody has any
12 comments, we'd ask for the court reporter's sake, to
13 make sure you state your name and address and speak
14 clearly.

15 Stan?

16 MR. RIFFLE: Just a couple more
17 things. Part of this boundary agreement will provide
18 for extra territorial service of sewer and water for
19 approximately nine properties immediately to the west
20 of the village boundary presently. That is tied into
21 this agreement. So the village is providing some
22 service outside of our borders along the same terms
23 that we are presently providing extra territorial
24 services to the town as I understand it.

25 In addition, this cooperative boundary

SUSAN K. TAYLOR

262-553-1058
FAX NO. 553-2010

COURT REPORTER

1 plan from the village and the town's understanding will
2 go into effect if the town is successful in
3 incorporating. If the town is not successful in
4 incorporating at this juncture, this cooperative
5 boundary plan will not go into place and we will talk
6 about whether or not it makes sense to come up with
7 some other type of plan, but at this juncture, if the
8 town is unsuccessful in its incorporation efforts, that
9 would probably involve just a negative vote. In other
10 words, the people don't want to incorporate because it
11 is all -- the state is going to approve the
12 incorporation of the petition that is pending before
13 it.

14 The other thing is this is a draft
15 agreement and I understand that there is the interest
16 on the part of the village to talk about one aspect of
17 that and I think Trustee Villalpando had some interest
18 in raising an issue with the village board because
19 since the last time we were dealing with this changed
20 slightly to the effect that he would like to raise an
21 issue.

22 MR. VILLALPANDO: The issue I would
23 like to raise with the town board is after reading the
24 draft cooperative boundary agreement, which is awesome
25 reading, reading it through a couple times, there is a

1 couple things that bothered me.

2 The biggest is that in the boundary
3 agreement, there is a date listed of December 31 of
4 2011. That date bothers me a little bit because if
5 this agreement goes through, Mt. Pleasant will receive
6 the land north of Highway 20 that is presently in our
7 TIF district and the TIF district is very healthy and
8 should be paid off by then, but because of the way the
9 economy has been going lately, if the TIF is not closed
10 by then, the village would not want to hand that land
11 over until the closure of the TIF. We are using that
12 to pay for our TIF infrastructure and our outstanding
13 loans and the other thing is I don't even know legally
14 if it can be done to transfer the land that is part of
15 the TIF district until it is closed. That is one issue
16 that we wanted to bring up tonight.

17 MR. RIFFLE: I think that that may
18 be correct. Everybody is certainly believing right now
19 that by 2011, that TIF will be retired, but I don't
20 have the answer. I have not done the research as to
21 whether or not if that transfer -- if that transfer
22 occurs under this agreement, how that affects the TIF
23 law. That would be an interesting scenario, so I don't
24 know, Bill, if you have looked at that issue or not.

25 MR. WHITE: No. I think the

SUSAN K. TAYLOR

262-553-1058
FAX NO. 553-2010

COURT REPORTER

1 purpose of tonight is to bring out comments and not to
2 reach conclusions, so that is something that we will
3 look at.

4 MS. CARRINGTON: Mary Carrington,
5 6326 Kingsview Drive. I have had the privilege of
6 being a former and retired Mt. Pleasant town chairman
7 and to that extent, I am interested in the western
8 boundary. I am all in favor of cooperation and when I
9 was on the town board, we did cooperate with the
10 village of Sturtevant even to putting in a common sewer
11 line and force main into the City of Racine.

12 The western boundary I believe is a
13 section line rather than a road and to that extent, if
14 it is developed as a road, I hope that the two
15 municipalities will cooperate in each putting in half
16 of it.

17 MR. WHITE: This is this line
18 here?

19 MS. CARRINGTON: Because the red line
20 is West Road and Highway H. So as you go further down
21 the map, that red line should be a section line or
22 could be a section line, I am not sure, so part of it
23 is a question and part of it is a comment.

24 Nevertheless, I am sure that the
25 cooperation of the two municipalities will only lead to

1 a greater success for both of them because we really
2 are each other and together, we grow. Thank you.

3 MR. WHITE: Any other comments?

4 MR. SMITH: Tom Smith, Town of
5 Mt. Pleasant board. This is a question and it related
6 to your question, Mark, or your comments. The TIF is
7 planning to pay for the intersection of 20 and
8 Renaissance Boulevard going north?

9 MR. VILLALPANDO: Right now, that is
10 up in the air also. The state is kind of hesitant
11 about letting us do that, so I cannot answer that
12 question.

13 MR. SMITH: If you were able to
14 do it, TIF is planning to take care of that structure
15 cost?

16 MR. VILLALPANDO: Yes.

17 MR. SMITH: If you did get
18 approval, that is where the funds would come from.

19 MR. VILLALPANDO: Yes. That is up in
20 the air.

21 MR. JANSEN: Steven Jansen,
22 village president of Sturtevant. That intersection
23 across from that development, that section of property.
24 Without that improvement, you know, like Mark said,
25 that is a work in progress. There's been issues with

1 traffic impact analysis, what is correct, what is not
2 correct, so the state is still juggling all the data
3 that they have in front of them right now and at this
4 point in time as of today, we don't have a clearcut
5 answer as to exactly what modifications need to be done
6 at that intersection, the cost of what the intersection
7 will entail, so these are issues that our boards are
8 diligently working on and will continue to see this
9 thing through. That is all we can say at this time.
10 We don't have a clearcut answer for you, unfortunately.

11 MR. WHITE: Any other comments?
12 The public record will be kept open --

13 MR. O'DONNELL: For a 20-day period
14 of time.

15 MR. WHITE: -- for written
16 comments if anybody wishes to submit anything. If you
17 made a comment on the record, it is not necessary to
18 repeat that in writing, but if any further thoughts
19 come through, we will keep the record open and receive
20 those comments.

21 The earliest action that can be taken on
22 the proposed cooperative plan will be 60 days from
23 tonight and at that point, should there be an approval
24 or if there is any modification, it will be sent to the
25 department of administration for its consideration.

1 Hearing no other comments, we will
2 adjourn the meeting. Thank you everybody for coming.
3 (WHEREUPON, THE HEARING WAS CONCLUDED AT 7:20 P.M.)
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SUSAN K. TAYLOR

262-553-1058
FAX NO. 553-2010

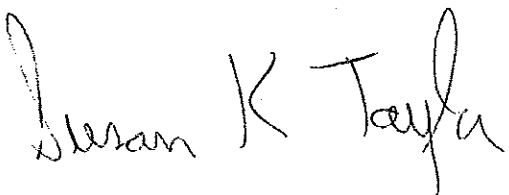
COURT REPORTER

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STATE OF WISCONSIN)
)
COUNTY OF RACINE)

I, SUSAN K. TAYLOR, do hereby certify
that I am a stenographic reporter; that I was present
at the hearing in the above entitled action, and that I
recorded the same in shorthand; that the above and
foregoing is a true, correct and exact copy, in
longhand, of my shorthand notes taken at said hearing.

Dated this 5th day of June, 2003



SUSAN K. TAYLOR
Court Reporter

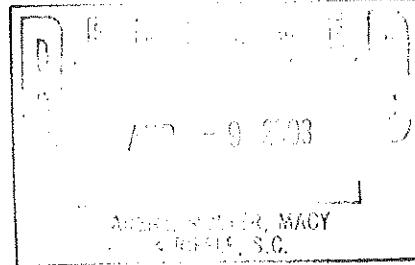
RACINE COUNTY
PLANNING & DEVELOPMENT DEPARTMENT
PLANNING DIVISION

14200 Washington Avenue
Sturtevant, WI 53177

phone: (262) 886-8470 fax: (262) 886-8488
www.racineco.com

April 4, 2003

H. Stanley Riffle
Attorney at Law
Arenz, Molter, Macy & Riffle, S.C.
Post Office Box 1348
Waukesha, WI 53187-1348



SUBJECT: Review of Cooperative Boundary Plan - Town of Mt. Pleasant & Village of Sturtevant, dated February 27, 2003

Dear Mr. Riffle:

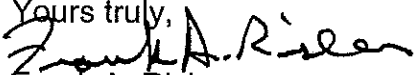
As you requested, we have reviewed the subject plan. Based on that review, we have determined the following:

1. At this time, the County's development plan is the regional land use and transportation plan, and as such is refined by specific plan elements, such as the Racine County Park and Open Space Plan or Jurisdictional Highway System Plan. Approval and implementation of the subject boundary plan will not impact the implementation of the County's development plan.
2. Certain sections of the subject plan and the map which identifies the zoning of lands to be exchanged do not reflect areas subject to Racine County shoreland/floodplain regulations. These items should be revised to reflect this shoreland/floodplain jurisdiction. Wisconsin State Statute 59.692(7) [formerly 59.971(7)] relates to the administration of shoreland zoning in annexed and newly incorporated areas. (See enclosed.) This would apply to the navigable waterways with their attendant floodplains which exist in the exchange areas. (Note: This provision also applies to any such shoreland areas annexed by the Village of Sturtevant since May 7, 1982.)
3. Implementation of the boundary plan should serve to enhance the delivery of essential municipal services to the boundary adjustment area as identified in the plan and appears to provide for a more logical boundary between the subject communities.
4. Our review has found certain areas in the subject plan where editorial revisions would prove helpful. A copy of the plan document with the items annotated in red is enclosed for your information.

H. Stanley Riffle
April 3, 2003
Page 2 of 2

We trust this information will be helpful to you. If you have any questions, please contact this office at (262) 886-8470.

Yours truly,



Frank A. Risler
Interim Planning & Development Director

FAR/ni

enclosures

c: Allen Acker
Joseph S. Clementi
Phil Evenson
file

DATE: April 3, 1996

Shoreland Guidance Ref: 96-01

TO: District Directors

FROM: Margie Devereaux – WZ/6

Distribution: WRZ Program Staff
County Zoning Administrators
Municipal Clerks
Legal Services
Department of Justice – Environmental Unit

Insertion: Ch.4 Floodplain/Shoreland Mgt. Guidebook
REPLACES 8/22/95 PROGRAM GUIDANCE TITLED
“SHORELAND ZONING ADMINISTRATION IN ANNEXED
AREAS”

SUBJECT: **SHORELAND ZONING ADMINISTRATION
IN ANNEXED AND NEWLY INCORPORATED AREAS**

The purpose of this document is to provide guidance for understanding the provisions of s. 59.971(7), Stats. Regarding the applicability of *shoreland** zoning to annexed and newly incorporated shoreland areas and to provide recommendations for implementing those provisions. The statute only applies to shoreland annexed after May 7, 1982 or incorporated after April 30, 1994.

Within s. 59.971(7), Wisconsin Statutes, paragraph (a) addresses annexed areas and Paragraph (ad) addresses newly incorporated areas. The requirements for annexed areas and newly incorporated areas are the same, with the exception of the effective date of the statutory requirements.

Understanding the Statute.

Section 59.971(7), Wis. Stats., says that those provisions of a county shoreland ordinance (e.g. structure setbacks from waterways, vegetation cutting restrictions, filling and grading provisions) in effect at the time of annexation/incorporation shall continue in effect and must be enforced by the annexing/incorporating city or village unless the city or village enacts, administers and enforces a zoning ordinance for the annexed/incorporated area that is *at least as restrictive* as the county shoreland zoning ordinance in effect at the time of annexation/incorporation. It is the city or village's responsibility to administer the provisions unless the municipality requests, and the county agrees, that the county will enforce the shoreland ordinance as it applies to the annexed/incorporated area.

In other words, the annexing/incorporating municipality essentially inherits the county's shoreland provisions for the annexed/incorporated area although after annexation/incorporation the city or village may request the county to amend the county shoreland zoning ordinance as it applies to the annexed/incorporated area to delete or modify certain provision. Only those provisions which

*land within 1,000 ft. of the ordinary high water mark (OHWM) of a navigable lake, pond, or flowage or within 300 feet of the OHWM of a navigable stream or river or to the landward side of the floodplain, whichever distance is greater.

Rec'd 1/31/03
Racine Code Administration



establish specified land uses (include zoning districts) or requirements associated with those uses that are not necessary for the protection of navigable waters may be deleted or modified.

Wetlands within shorelands that are subject to zoning required by s. 61.351 or 62.231, Wis. Stats., are not subject to the statutory requirements discussed above (see s. 59.971(7)(e), Wis. Stats.). Requirements for shoreland-wetlands are discussed in some detail on p. 4.

What does “at least as restrictive” mean? The annexing/incorporating municipality has the option of either continuing to administer the provisions of a county shoreland ordinance or of enacting, administering and enforcing an ordinance which is **at least as restrictive** as the county shoreland zoning ordinance in effect at the time of the annexation. This means that the annexing/incorporating municipality must adopt provisions that are at least as restrictive as the county’s ordinance even if a county has adopted shoreland zoning provisions that are more restrictive than the minimum standards of NR 115, Wis. Adm. Code, (such as 100 ft. waterway setback instead of 75 ft.).

In the absence of a statutory definition of “as restrictive” we must rely on the dictionary definition of “restrictive” and on general zoning law. There are three general types of ordinance provision: dimensional standards, performance standards and use designations. Comparisons of dimensional standards and performance standards are straightforward (e.g. a 100 ft. setback is more restrictive than a 75’ setback; requiring zero increased discharge over undeveloped conditions is more restrictive than requiring zero increased discharge over current site conditions). An ordinance which allows fewer and less intensive uses is the more restrictive. Uses are generally ranked from least intensive to most intensive as follows: conservancy – residential – commercial – industrial.

Where a city or village chooses to adopt its own ordinance for annexed/incorporated areas, the adopted ordinance must contain a parallel provision that is at least as restrictive (by the tests above) as each provision of the county ordinance. Restrictions refer to the substantive provisions, e.g. 75 ft. setback or use designations (zoning districts). A city or village ordinance can be “as restrictive” as the county’s shoreland zoning ordinance even where the city or village does not utilize the same ordinance administration procedures as the county uses. However, the procedures must comply with the minimum requirements of the standards established in the NR 155, Wis. Adm. Code. For example, the annexing/incorporating municipality is required to provide notice to the Department in advance of public hearings, and of decisions made on proposed variances, special exceptions (conditional uses), appeals, and text and map amendments.

Given the requirement of having to be “at least as restrictive” as the county’s shoreland ordinance, can the annexing/incorporating municipality change zoning districts within the shoreland after annexation/incorporation? Land use designations adopted under the authority of s. 59.971, Stats. (Zoning of Shorelands on Navigable Waters) are assumed to be adopted to further the purposes of shoreland zoning. In order to be as restrictive as the county shoreland ordinance, the annexing/incorporating municipality is essentially locked into the shoreland use designations in place at the time of annexation/incorporation. The only way that the zoning district can be changed after annexation/incorporation is if the city or village is successful in its petition to the county requesting that the county shoreland zoning ordinance as it applies to the annexed/incorporated area be amended to change the land use district designation (see s. 59.971(7)(a)2. and (ag), Wis. Stats.) where the county determines that the district designation is not necessary to protect navigable waters. In cases where the use districts were adopted by the county under s. 59.971, Stats., and a use designation is not desirable or appropriate for the intended use of the parcel, it would be advantageous to apply to the

county to have the zoning changed prior to annexation/incorporation so that is not necessary to petition the county to amend the land use district after annexation/incorporation. Specified land uses (zoning districts) which were clearly adopted by the County under the general zoning provisions of s. 59.97, Stats. and not under s. 59.971, Stats. can be amended by the annexing/incorporating municipality after annexation/incorporation following a standard amendment process (without the county's involvement).

How can a municipality be sure that what they've adopted is "as restrictive"? Just as DNR is required to review shoreland, wetland and floodplain ordinances for compliance with state standards, the agency will review amended city or village ordinances for annexed/incorporated areas to assure that they are as restrictive as the county shoreland ordinance and that the amended ordinance complies with the shoreland zoning standards. ("Shoreland zoning standard" means a standard promulgated as rules by the Department (e.g. NR 115). See s. 59.971(1)(c)). If an amended ordinance for an annexed/incorporated area does not comply with the appropriate requirements and the municipality does not voluntarily alleviate the problem, DNR will initiate procedures to reinstate the county shoreland zoning provisions. (See s. 59.971(1)(c), Wis. Stats.) Statutes require that the DNR charge the municipality for the costs of reinstatement and that cities and villages administer the reinstated provisions. (See s. 87.30(1)(c), Wis. Stats.)

If the county did not have the area identified as shoreland on its zoning maps, is the annexing municipality still required to adhere to the annexed/incorporated shoreland provisions?

Although the county may not have been aware of the navigability of the waterway, or did not have the shoreland zone mapped, this does not change the applicability of the county shoreland zoning provisions to the parcel. All counties have adopted shoreland zoning ordinances, but very few of them have adopted county zoning maps showing the boundaries of the shoreland area nor have they identified all of their navigable waterways. Many navigability determinations and associated shoreland zones are not identified until such time as a development is being proposed. If the site in fact meets the definition of shoreland (see definition on p. 1), the requirements of s. 59.971(7), Wis. Stats., apply.

What provisions apply to the shoreland-wetlands in the annexed/incorporated area? Due to the exemption in s. 59.971(7)(e), Wis. Stats., the county's regulations governing shoreland-wetlands do not apply to wetlands in the annexed or incorporated shoreland area that are subject to zoning required by s. 61.351 or 62.231, Wis. Stats. All shoreland-wetland areas within the municipal boundary of a city or village are subject to the provisions of NR 117, Wis. Adm. Code and s. 62.231 or 61.351, Stats. If a municipality has a shoreland-wetland ordinance in place at the time of annexation, the ordinance and map would have to be amended to include any additional shoreland-wetland(s) located within the annexed area. An annexing municipality that previously did not have any shoreland-wetlands and newly-incorporated areas containing shoreland-wetlands must adopt a shoreland-wetland zoning ordinance (pursuant to s. 61.351 Wis. Stats. or 62.231, Wis. Stats. and NR 117, Wis. Adm. Code).

What about annexed floodplain areas? When a city or village annexes/incorporates land, all of the county's zoning ordinance regulations continue in effect, without change, and must be enforced by the annexing/incorporating village or city until such time as the regulations are officially changed by the municipal governing body (See s. 59.97(7), Wis. Stats., and s. 66.012(7), Wis. Stats.) If there is a floodplain area present within the annexed/incorporated parcel, the annexing/incorporating municipality essentially inherits the county's floodplain zoning regulations until the municipality adopts and enforces its own ordinance which meets the requirements of Ch. NR 116, Wis. Adm. Code.

Considerations for Adopting Shoreland Ordinance Provisions for Annexed/Incorporated Areas

1. It is important to remember that s. 59.971(7), Stats. requires that the shoreland zoning provisions in place at the time of annexation be enforced by the annexing municipality. Therefore, later annexations may be subject to county ordinance provisions different from those of earlier annexations. This must be accounted for when creating zoning districts. Thus, it is generally not an acceptable approach to create only one shoreland zoning district to cover all shoreland annexations because the applicable county provisions may change for subsequent annexations. In theory, new zoning districts would only have to be formed if the county shoreland ordinance has been amended to be more restrictive since the last annexation. However, it may be easier administratively to simply create a new district if there has been an amended county shoreland ordinance since your last annexation. This will prevent the need to evaluate the relative restrictiveness of the new provisions by incorporating the appropriate county shoreland requirements of their entirety. For a streamlined option, rather than repeating the entire text of the shoreland provisions, subsequent districts can reference all of the applicable regulations in the initial district(s) but must include any different regulations that were a result of a change to the county shoreland ordinance since the creation of the previous shoreland zoning districts.
2. Administrative provisions of your existing ordinances may be incorporated into a new shoreland ordinance by reference. **However, be sure that all the required notices to DNR are included in these sections.** The county shoreland ordinance should have provisions (required by NR 115.05(6)(h)) for written notice to DNR "at least 10 days prior to hearings on variances, special exceptions (conditional uses), appeals for map or text interpretations, and map or text amendments" and submittal to DNR of "copies of decisions on variances, special exceptions (conditional uses), appeals for map or text interpretations, and map or text amendments within 10 days after they are granted or denied." These notice provisions must be included in ordinances adopted for annexed/ incorporated areas.
3. Land division review and sanitary regulations that are part of a county shoreland zoning ordinance must be incorporated into the city or village ordinance unless the county amends the ordinance as it applies to the annexed/incorporated area. If the city or village has more restrictive provisions, they also apply.
4. Any city or village zoning provisions adopted pursuant to s. 62.23 Wis. Stats., which are applicable to shoreland areas and which differ from but are more restrictive than the county shoreland zoning provisions are applicable to annexed areas to the extent of the greater restrictions. For example, if the county's setback averaging provisions would allow a structure to be placed 52 ft. from the ordinary high water mark but the municipality has a 60 ft. minimum waterway setback requirement, the 60 ft. setback would apply.
5. Under s. 66.30, Wis. Stats., municipalities may enter into cooperative agreements for the provision of services. This would allow cities and villages to contract with the county or town governments for some administrative components of the shoreland zoning program, for example permit issuance and inspection. However, such a cooperative agreement may not include enforcement or quasi-judicial decisions (variances, appeals, conditional use permits). The city or village must provide for its own Board of Appeals to decide appeals and variance requests, and either a Board of Appeals or Zoning Agency to handle applications for special

exception (conditional use) permits unless the requirements in s. 59.97(7)(a)3 are satisfied, in which case the County Board of Adjustment could decide appeals and variance requests for the annexed/incorporated shoreland area and the County zoning agency, County Board or the County Board of Adjustment could handle applications for special exception (conditional use) permits.

Drafted by: Kate Fitzgerald
Sue Jones
Reviewed by: Linda Meyer
Scott Hausmann
Larry Larson

RACINE COUNTY
PLANNING & DEVELOPMENT DEPARTMENT
PLANNING DIVISION

14200 Washington Avenue
Sturtevant, WI 53177

phone: (262) 886-8470 fax: (262) 886-8488
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June 23, 2003

H. Stanley Riffle
Attorney at Law
Arenz, Molter, Macy & Riffle, S.C.
Post Office Box 1348
Waukesha, WI 53187-1348

SUBJECT: Review of Revised Cooperative Boundary Plan - Town of Mt. Pleasant & Village of Sturtevant, dated May 27, 2003

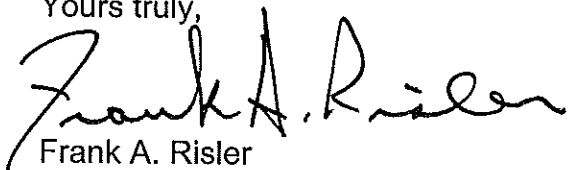
Dear Mr. Riffle:

As you requested, we have reviewed the subject revised plan. Based on that review, we have determined the following:

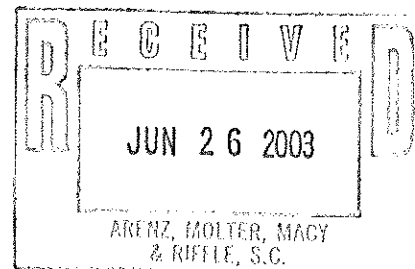
1. As we stated in our April 4, 2003 review, the County's development plan is the regional land use and transportation plan, as such is refined by specific plan elements, such as the Racine County Park and Open Space Plan or Jurisdictional Highway System Plan. Approval and implementation of the subject boundary plan will not impact the implementation of the County's development plan.
2. A map showing the navigable waterways with their attendant floodplains which exist in the exchange areas was received under separate cover on June 18, 2003. This appears to address our previous concerns regarding this subject.
3. Implementation of the boundary plan should serve to enhance the delivery of essential municipal services to the boundary adjustment area as identified in the plan and appears to provide for a more logical boundary between the subject communities.

We trust this information will be helpful to you. If you have any questions, please contact this office at (262) 886-8470.

Yours truly,



Frank A. Risler
Interim Planning & Development Director



FAR/ni

c: Steve Jansen, Mark Gleason, Phil Evenson, file

06/23/03/FAR/ni

L:\DS\Frank\03\Riffle..revised cooperative boundary plan.jun

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

W239 N1812 ROCKWOOD DRIVE • PO BOX 1607 • WAUKESHA, WI 53187-1607 •

TELEPHONE (262) 547-6721
FAX (262) 547-1103

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WAUKESHA



April 3, 2003

H. Stanley Riffle
Attorney at Law
Arenz, Molter, Macy & Riffle, S.C.
P. O. Box 1348
Waukesha, WI 53187-1348

Dear Mr. Riffle:

Pursuant to your letter request of March 3, 2003, the Southeastern Wisconsin Regional Planning Commission has reviewed the cooperative boundary plan prepared by the Town of Mount Pleasant and the Village of Sturtevant dated February 27, 2003. The Commission has made the following findings relative to the plan as required by the provisions of Section 66.0307 of the Wisconsin Statutes:

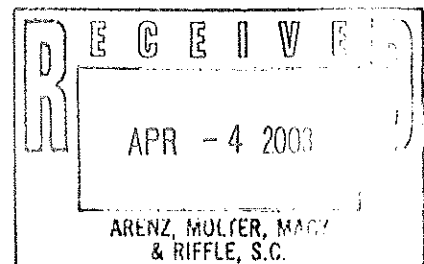
1. Upon its approval and implementation by all parties concerned, the plan and the boundary agreements set forth therein should serve to facilitate implementation of the master plan for the Southeastern Wisconsin Region adopted by the Commission under Section 66.945(9) of the Wisconsin Statutes.
2. Implementation of the boundary plan should serve to enhance the delivery of essential municipal services to the boundary adjustment area identified in the plan and provide for a more logical boundary between the communities involved.
3. The map identifying the zoning of exchanged properties does not reflect areas subject to county shoreland/floodland regulations. This map should be revised to show those areas.

We trust that the foregoing findings are responsive to your request and will be helpful to the Village of Sturtevant and the Town of Mount Pleasant. It is the Commission's hope that the boundary plan will be approved by all parties concerned.

Sincerely,

Philip C. Evenson
Executive Director

PCE/DAS/ds
#81717 v1 - MT PLEASANT/STURTEVANT AGREEMENT



cc: Allan Acker, President, Village of Sturtevant
Joseph S. Clementi, Chairman, Town of Mount Pleasant
Frank Risler, Interim Director, Racine County Division of Planning and Development

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

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June 12, 2003

H. Stanley Riffle
Attorney at Law
Arenz, Molter, Macy & Riffle, S.C.
P. O. Box 1348
Waukesha, WI 53187-1348

RE: Mt. Pleasant/Sturtevant Boundary Agreement
SEWRPC No. CA-306-187

Dear Mr. Riffle:

Pursuant to your letter request of June 4, 2003, the Southeastern Wisconsin Regional Planning Commission has reviewed the revised cooperative boundary plan prepared by the Town of Mount Pleasant and the Village of Sturtevant dated May 27, 2003. The Commission has made the following findings relative to the plan as required by the provisions of Section 66.0307 of the Wisconsin Statutes:

1. Upon its approval and implementation by all parties concerned, the plan and the boundary agreements set forth therein should serve to facilitate implementation of the master plan for the Southeastern Wisconsin Region adopted by the Commission under Section 66.945(9) of the Wisconsin Statutes.
2. Implementation of the boundary plan should serve to enhance the delivery of essential municipal services to the boundary adjustment area identified in the plan and provide for a more logical boundary between the communities involved.
3. The map identifying the zoning of exchanged properties does not reflect areas subject to county shoreland/floodland regulations. This map should be revised to show those areas.

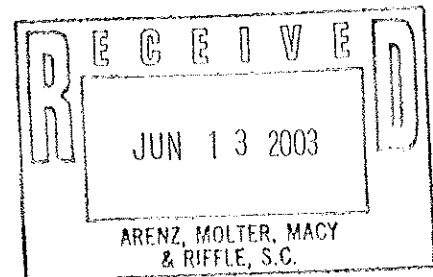
We trust that the foregoing findings are responsive to your request and will be helpful to the Village of Sturtevant and the Town of Mount Pleasant. It is the Commission's hope that the boundary plan will be approved by all parties concerned.

Sincerely,

Philip C. Evenson
Executive Director

PCE/DAS/ds
#83727 v1 - REVISED MT PLEASANT/STURTEVANT AGREEMENT

cc: Steve Jansen, President, Village of Sturtevant
Mark M. Gleason, Chairman, Town of Mount Pleasant
Frank Risler, Interim Director, Racine County Division of Planning and Development



**INTERMUNICIPAL AGREEMENT BETWEEN
THE TOWN OF MT. PLEASANT AND
THE VILLAGE OF STURTEVANT SEWER AND WATER UTILITY
FOR PROVISION OF SANITARY SEWER AND WATER SERVICES**

This Agreement entered into this 19th day of August 2003, by and between the Town of Mt. Pleasant (Town) and the Village of Sturtevant Sewer and Water Utility (Utility), both organized and existing under the laws of the State of Wisconsin, is hereby set forth for the provision of water and sanitary sewer services.

WHEREAS, the Town and Utility entered into an agreement on August 16, 1977, for the construction and operation of a sanitary sewer line between the Town and Utility, said agreement having been amended on April 22, 2002, by the enactment of the Racine Area Sanitary Sewer Service, Revenue Sharing, Cooperative and Settlement Agreement; and,

WHEREAS, the Utility's sewer service area encompasses portions of the Town, and there are eight (8) properties ("Service Area") within the Town in need of sewer and water service, and the Village's Water and Sewer Utility is the most convenient and logical system to provide service for this area; and,

WHEREAS, the individual properties in need of service within the Service Area of the Town are more particularly described as:

11000 Hwy 11, Sturtevant, 53177
Tax Key # 03-22-20-034-000

Tax Key # 03-22-20-038-000

10842 Durand Ave., Sturtevant, 53177
Tax Key # 03-22-20-035-000

10812 Hwy 11, Sturtevant, 53177
Tax Key # 03-22-20-036-000

10830 Hwy 11, Sturtevant, 53177

11226 Durand Ave., Sturtevant, 53177
Tax Key # 03-22-20-032-000

10800 Hwy 11, Sturtevant, 53177
Tax Key # 03-22-20-033-000

11326 Durand Ave., Sturtevant, 53177
Tax Key # 03-22-20-030-000

11310 Hwy 11, Sturtevant, 53177
Tax Key # 03-33-20-31-000
and,

WHEREAS, Section 66.0813, Wis. Stats. (1999-2000), permits the provision of utility service outside of a municipality by a municipal public utility.

NOW, THEREFORE, pursuant to the mutual covenants and agreements of the parties contained herein and the mutual benefits to be derived from this Agreement, the parties hereto agree as follows:

1. After a determination has been made that the water and sewer lines of the Utility can adequately accommodate the Service Area in the Town, the Utility shall permit extension of services to the Service Area.
2. The Town shall be responsible for obtaining any and all governmental approvals and all rights of way, if any are needed, to allow for extension of service to the Service Area.
3. Water and sewer service will not be extended to the Service Area until the Town has taken all measures to ensure that all properties within the Service Area will connect to the system within one year of availability of service.
4. Upon connection to the water and sewer system, the Utility shall charge each property owner in the Service Area for connection of the water and sewer systems under the same

rates as Village customers are charged and payment for connection shall be paid to the Utility.

5. If upon connection to the water and sewer system a property owner does not pay for the connection in accord with any payment terms, the Utility shall levy a special assessment upon the property upon the passage of a resolution by the Town as provided for under §66.0707, Wis. Stats.
6. Once water and sewer service is established, the property owners in the Service Area shall be subject to the same rights, responsibilities and obligations as Utility customers within the Village, including the same rates and charges and shall make all payments to the Utility.
7. If the provision of sewer services to the Service Area results in increased costs to the Utility under the terms of the Racine Area Intergovernmental Sanitary Sewer Service, Revenue-Sharing, Cooperation and Settlement Agreement, the Town shall reimburse the Utility those costs.
8. The parties agree that the Utility shall have the right to inspect all public and private sewer facilities within the Service Area and if, from any inspection, it is determined by the Utility that any deleterious waste is improperly entering the system, or that either the Town or a user is violating any ordinance, rule, regulation or this agreement, the user and the Town will be notified in writing and shall be required to cease and desist such discharge immediately in the case of deleterious waste and within five days if some other violation. In the event that the Town and/or user fail to take corrective action, or in the alternative to satisfactorily assure the Utility that corrective action will be taken within a

specified period of time, the Utility may pursue any and all remedies available to achieve compliance.

9. It is understood by the Town that the Utility's sewer system services are considered a regional sewer and, accordingly, the potential exists for future agreements by the Utility for the provision of sewer system services in other municipalities, or sanitary and utility districts created therein. Additions to the capacity of the sewer service, consistent with upgraded treatment processes as required by Department of Natural Resources and the Environmental Protection Agency (EPA) or caused by growth, may be necessary in the future. If improvements to the sewer system are required due to the treatment of wastewater from a user within the Town, the total of such expense shall be paid by the Town in which the user requiring such a process is located. Nothing in this agreement requires or obligates the Utility to extend sewer service to any other properties in the Town other than those properties particularly described in this agreement.
10. The Utility and the Town shall keep accurate books, records, and accounts of costs, expenses, expenditures, and receipts as they pertain to this Agreement. Upon reasonable notice, either party shall be entitled to examine any and all such books and records. Either party may request an annual certified audit report of the books and records of the other party. The effective date of this Agreement shall be the date upon which it is executed by the last of the parties to this Agreement.
11. In the event of a violation of the terms of this Agreement or of any rule and regulation of the Wisconsin Department of Natural Resources or the United States Environment Protection Agency, or other authority having legal jurisdiction in these matters, either

party may sue in any court of record for declaratory judgment or other relief as may be provided by law.

12. If any clause, provision, or section of this Agreement be declared invalid by any Court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions.
13. This Agreement is binding upon the parties hereto and their respective successors and assigns.
14. This Agreement is in full force and effect unless and until it is terminated by mutual written consent of the parties.

IN WITNESS WHEREOF, each of the parties have caused this Agreement to be executed by its duly authorized officers and has hereto set its hand.

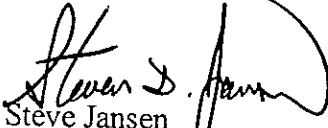
Date: 8-28-03


Mark M. Gleason
Town Board Chairman

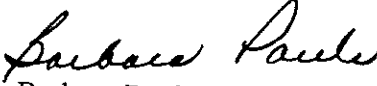
ATTEST:


Juliet Edmands
Town Clerk

Date: AUGUST 19, 2003


Steve Jansen
Village of Sturtevant President

ATTEST:


Barbara Pauls
Village Clerk



TOWN OF MT. PLEASANT TOWN BOARD

RESOLUTION #15-2003

RESOLUTION AUTHORIZING SUBMISSION OF COOPERATIVE BOUNDARY
AGREEMENT TO DEPARTMENT OF ADMINISTRATION

WHEREAS, the Village of Sturtevant and the Town of Mt. Pleasant, by their governing bodies, authorized the negotiation and preparation of a cooperative boundary plan to fix the municipal boundaries between the Town and Village; and,

WHEREAS, the provisions of §66.0307, Stats., provide that the Department of Administration, Division of Municipal Boundary Review must review the changes to municipal boundaries which are set forth in a cooperative boundary agreement and any supporting materials and information; and,

WHEREAS, the Village Board of Trustees, the Town Board of Supervisors, their attorneys and planning personnel have prepared a submission for the Department of Administration for its review in furtherance of the Town and Village's boundary change; and,

WHEREAS, the provisions of §66.0307, Stats., provide that the Racine County Zoning Agency as well as the Southeastern Wisconsin Regional Planning Commission review and comment upon the plan; and,

WHEREAS, the ultimate approval of the Cooperative Boundary Plan shall be effective if and only if the Town of Mt. Pleasant is successful in its incorporation proceeding.

NOW THEREFORE, the Town of Mt. Pleasant Town Board has reviewed the prepared submission document and supporting information and materials and approves and authorizes the delivery of the cooperative boundary agreement to the Director of the Municipal Boundary Review of the State of Wisconsin's Department of Administration, upon the completion of the review by Racine County and SEWRPC.

FURTHERMORE, the Cooperative Boundary Plan shall become effective, if approved by the Director of Municipal Boundary Review - Department of Administration, on the date immediately following certification by the Secretary of State of the incorporation of the Town of Mt. Pleasant as a Village.

Dated this 11th day of August 2003.

By the Town Board of the Town of Mt. Pleasant

Mark M. Gleason

Mark Gleason
Town Chairman

Attest:

Juliet Edmands
Juliet Edmands, Town Clerk

VILLAGE OF STURTEVANT VILLAGE BOARD

RESOLUTION # R2003-25

RESOLUTION AUTHORIZING SUBMISSION OF COOPERATIVE BOUNDARY
AGREEMENT TO DEPARTMENT OF ADMINISTRATION

WHEREAS, the Village of Sturtevant and the Town of Mt. Pleasant, by their governing bodies, authorized the negotiation and preparation of a cooperative boundary plan to fix the municipal boundaries between the Town and Village; and,

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WHEREAS, the provisions of §66.0307, Stats., provide that the Racine County Zoning Agency as well as the Southeastern Wisconsin Regional Planning Commission review and comment upon the plan; and,

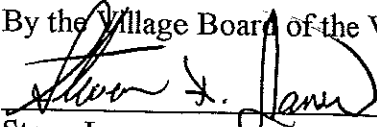
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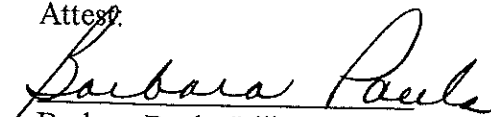
FURTHERMORE, the Cooperative Boundary Plan shall become effective, if approved by the Director of Municipal Boundary Review - Department of Administration, on the date immediately following certification by the Secretary of State of the incorporation of the Town of Mt. Pleasant as a Village.

Dated this 15 day of July 2003.

By the Village Board of the Village of Sturtevant


Steve Jansen
Village Board President

Attest:


Barbara Pauls, Village Clerk