

**Racine Water and
Wastewater Utilities**

Keith E. Haas, P.E.
General Manager



City of Racine, Wisconsin

Michael L. Gitter, P.E.
Chief of Operations

Charles A. Schweitzer, P.E.
Chief Engineer

Kenneth M. Scolaro, C.P.A.
Administrative Manager

October 30, 2009

Mayor John Dickert
City of Racine
730 Washington Ave.
Racine, WI 53403

Dear Mayor Dickert:

The Racine Wastewater Commission and its Technical Advisory Committee are both in favor of modifying the Racine Area Intergovernmental Sanitary Sewer Service, Revenue Sharing, Cooperation and Settlement Agreement to increase the amount of funds that the Commission can spend on an annual basis for Minor Unplanned Upgrade of Sewer Service Facilities. The current limit affected the Utility's ability to plan for and fund a project called OpenCel during the 2010 budget process. All SSR parties of the agreement feel the project is a good project but the agreement currently forces us to pay for it in a manner that the outlying SSR Parties to the agreement have not been in favor of. Letters were sent to the SSR Parties in August detailing the costs associated with doing this project and the financial commitment of each Party. The Parties echoed that they would like to fund it by simply putting the costs into rates. The current agreement does not allow that method to occur. The attached documents detail the revisions that would be necessary to allow us to proceed. Changes to the agreement can be effectuated by having a vote, at the Commission level, of the current SSR Parties that represent more than 90% of the flow voting in favor of the change. Other adjunct parties of the agreement are also included on the revision in case they also choose to sign and endorse the change.

In order for the Commissioners to vote affirmatively, we believe you will likely need your local Sewer Commission to make a recommendation to your governing Board to vote in the affirmative. You should also have that governing body authorize the top municipal official and clerk to sign the revision following commission approval. If the Racine Utility sent you a financial analysis in August showing how this would be funded under the current rules in the agreement, we are also providing a copy of that correspondence to you at this time. If you think my presence at any upcoming meetings would be helpful, please contact me to see if I am available.

I am including a copy of the proposed revision for your review. If you would like an electronic copy for any reason, please let me know. If you have any questions relating to this communication, please do not hesitate to contact me.

Sincerely,

Keith E. Haas, P.E.
General Manager

c: R. Weber
T. Friedel
Wastewater Commissioners