

LAKE MICHIGAN DIVERSION APPLICATION AGREEMENT
BETWEEN
THE CITY OF RACINE, RACINE WATER UTILITY AND VILLAGE OF MT. PLEASANT

This Lake Michigan Diversion Application Agreement (the "Agreement") is entered into as of the ____ day of _____, 2017, by and between the City of Racine, Wisconsin, a Wisconsin municipal corporation (the "City") through the Racine Water Utility, a department of the City and a municipal public utility (the "Racine Utility"), governed by the Racine Waterworks Commission, and the Village of Mt. Pleasant, Wisconsin, a Wisconsin municipal corporation (the "Village"). The City, Racine Utility and the Village are collectively referred to in this Agreement as the "Parties". The City and Racine Utility are collectively referred to in this Agreement as "Racine".

RECITALS

A. Racine and Mt. Pleasant are parties to an Intergovernmental Retail Water Service Agreement dated May 24, 2004 (the "Mt. Pleasant Water Agreement").

B. The purpose of this Agreement is to set forth the terms of financial responsibility of the Village to Racine for all costs and expenses in any way related to the preparation of an application to the Wisconsin Department of Natural Resources (the "DNR") and to attempt to secure any and all other approvals necessary for the Village to obtain Great Lakes water under the provisions of the Great Lakes Compact and subsequent amendments and procedures adopted by the Wisconsin state legislature with regard to a diversion request by a straddling community. Any and all costs incurred by Racine in any way associated with the application shall be reimbursed to Racine in accord with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual provisions of this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, and pursuant to Sections 61.34(1) and (2), 62.11(5) and 66.0301 of the Wisconsin Statutes and other applicable provisions of such statutes, the Parties hereby agree as follows:

- 1. Incorporation of Recitals.** The Recitals set forth above are hereby incorporated herein as part of the Agreement of the Parties.
- 2. Estimate of Costs.** The Original estimate of costs for all anticipated costs to be paid by the Village for work to be performed under this Agreement shall not exceed \$205,000.
- 2. Obligations of Mt. Pleasant.** Mt. Pleasant agrees to:
 - (a)** Pay invoices promptly to the Racine Water Utility within thirty (30) days receipt of any invoice of the costs and expenses incurred in the application process of this Lake Michigan Diversion request.

3. Obligations of Racine. Racine agrees to:

- (a) Engage the engineering firm of Ruekert & Mielke to prepare the necessary documents, exhibits, reports, investigations, applications and environmental analysis and work necessary to prepare, file process and support a Lake Michigan Diversion request application on behalf of the Village, in general conformity with the "LAKE MICHIGAN DIVERSION APPLICATION AGREEMENT" attached hereto as Attachment A.
- (b) Engage outside legal counsel to assist in preparation, filing and providing of any necessary legal support to secure the approvals from the State of Wisconsin and to assist in incorporating any provisions of legislative amendments related to a large electronic firm relocating to the region.
- (c) Invoice the Village in a timely manner for the services rendered by consultants and attorneys in support of this application.
- (d) Use reasonable efforts to minimize costs associated with securing the necessary approvals.
- (e) Notify the Village of any excessive cost increases in the application process over and above 20% of the original estimate of costs provided at the time of the agreement signing.

4. No Guaranties. Village recognizes and understands that the Lake Michigan Diversion request is subject to agency and administrative reviews and that the City cannot guaranty that the diversion request will be granted. The City shall not be obligated to challenge any negative determination.

5. Notices. All notices, requests, demands, consents and approvals required or permitted to be given under this Agreement shall be in writing and shall be delivered to the party receiving notice by personal delivery, or mailed to the party by certified mail, return receipt requested. Addresses for delivery are as follows:

To Racine:
Racine Water Utility
Attn: Mr. Keith Haas
800 Center Street, Room 227
Racine, Wisconsin 53403

To Mt. Pleasant:
Village Clerk
Village of Mt. Pleasant
8811 Campus Drive
Mt. Pleasant, Wisconsin 53406

THIS AGREEMENT EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

CITY OF RACINE

By: _____
Dennis Wisner, Mayor

Attest: _____
Janice Johnson-Martin, City Clerk

Date Signed: _____

RACINE WATER UTILITY by the RACINE
WATERWORKS COMMISSION

By: _____
James Spangenberg, President

Attest: _____
Keith Haas, General Manager

Date Signed: _____

VILLAGE OF MT. PLEASANT

By: _____
David DeGroot, President

Attest: _____
Stephanie Kohlhagen, Clerk

Date Signed: _____