

Racine Water Utility
of the City of Racine, Wisconsin

AGENDA BRIEFING MEMORADUM

AGENDA DATE: August 29, 2017
SUBJECT: Inter-municipal Agreement for a Lake Michigan Diversion Request
PREPARED BY: Keith Haas
EXECUTIVE SUMMARY: The Village of Mt Pleasant has made a written request of the Racine Waterworks Commission to make application on its behalf with the WDNR for a straddling community within the State of Wisconsin to provide Lake Michigan water to a portion of their Village that is in the Des Plaines Watershed. The Racine Water Utility is the retail water purveyor for the Village of Mt Pleasant and WDNR policy requires that the Water Utility must make the application on behalf of Mt Pleasant
BACKGROUND & ANALYSIS: The Village has researched this procedure with the Water Utility for several years and is now desirable to move forward with a TID for this geographic area in their Village outside the Lake Michigan subcontinental divide. The Racine Waterworks Commission and Utility is not allowed by state law to enter into an agreement with an outside municipality. For this reason a three party agreement must be entered into to facilitate the relationship as set forth in the agreement for financial reimbursement. The Utility requires these agreements periodically in their ministerial duties with various municipalities. Most recently in 2016 such an agreement covered the Highway V water main project.
BUDGETARY IMPACT: The application estimate prepared by Ruckert-Mielke is estimated at \$150,000 of effort. An additional \$25,000 has been added to the agreement in case outside legal support is necessary during the application process. Attorney Stan Riffle is representing the Utility's interest and has drafted the subject agreement on behalf of the WaterWorks Commission. Mt Pleasant is required to cover all costs incurred by the Utility in preparation, submission and execution of this diversion application. The Racine Water Utility will periodically invoice the Village for expenses paid.
RECOMMENDED ACTION: To Authorize the Mayor and City Clerk to sign and enter into this agreement with the Village and Racine waterworks Commission and Utility