

# CITY OF ONALASKA MEETING NOTICE

**AMENDED**

**COMMITTEE/BOARD:** Common Council  
**DATE OF MEETING:** December 11, 2018 (Tuesday)  
**PLACE OF MEETING:** City Hall – 415 Main St. (Common Council Chambers)  
**TIME OF MEETING:** 7:00 P.M.

## PURPOSE OF MEETING

1. Call to Order and roll call
2. Pledge of Allegiance
3. Rules of the City of Onalaska Common Council and its Sub Committees – Harassment Free Forum
4. **PUBLIC INPUT: (limited to 3 minutes/individual)**
5. **REPORT FROM THE MAYOR:**
  - A. Library Statistics
  - B. Announcement of a Public Information Meeting on January 8, 2019 from 5:30PM-7:00PM at Irving Pertzsch Elementary School to gather stakeholder feedback for redeveloping Onalaska’s Downtown

## RECOMMENDATIONS FOR APPROVAL AND/OR POSSIBLE ACTION FROM THE FOLLOWING COMMITTEES/COMMISSIONS/BOARDS:

All items listed under the consent agenda are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a council member requests removal, in which event the item will be removed from the consent agenda and considered in the order of business in the non-consent agenda.

## 6. **Consent Agenda**

- A. Approval of minutes from the previous meeting(s)

### **FINANCE COMMITTEE**

- B. Modification to the existing timeline for the 2019 Capital Projects Timeline (FIO)
- C. Approve 2018 Omni Center Financials
- D. Approve 2018 General Fund Financials
- E. Authorization to approve the Coulee Region Humane Society, Inc. Animal Control Department Agreement for 2019
- F. Authorization to amend the City Attorney contract for 2019

### **NOTICES MAILED TO:**

*Mayor Joe Chilsen	Alex Deshler
*Ald. Jim Binash	Meghan Schoh
*Ald. Jim Olson	Tamara Thomson/Jessica Abnet
*Ald. Jerry Every	Jim Triatik/Jim Moeller
*Ald Ron Gjertsen	Mark Heet/Ginger Hillman
*Ald. Diane Wulf	Jacob Burch
*Ald. Kim Smith	Marvin Wanders
City Attorney	City Administrator
Dept Heads	La Crosse Tribune
Coulee Courier	FOX
WKTY WLXR WLAX WKBT WXOW	Onalaska Public Library Onalaska Omni Center

\*Committee Members

Date Mailed & Posted: 12-10-18

In compliance with the Americans with Disabilities Act of 1990, the City of Onalaska will provide reasonable accommodations to qualified individuals with a disability to ensure equal access to public meetings provided notification is given to the City Clerk within seventy-two (72) hours prior to the public meeting and that the requested accommodation does not create an undue hardship for the City.

## **PERSONNEL COMMITTEE**

- G. Approval of out of state travel for Chief Hayes to attend the Apparatus Symposium in Orlando, Florida from January 21 through January 25, 2019
- H. Approval of reorganization of Planning, Zoning and Inspection department
- I. Approval of new job descriptions and changes to the following existing job descriptions:
  - 1) Office Clerical Support - Finance
  - 2) Administrative Assistant/Emergency Management Assistant
  - 3) Planner/Zoning Inspector to Planning Manager
  - 4) Planning Technician (New)
  - 5) City Administrator
  - 6) Building/UDC Inspector, Commercial Inspector, Electrical Inspector, Plumbing/Heating Inspector to:
    - a) Building Inspector I
    - b) Building Inspector II
    - c) Building Inspector III
    - d) Lead Building Inspector
  - 7) Office Clerical Support - Inspection
  - 8) City Attorney (New)
  - 9) Administrative Assistant/Paralegal (New)
- J. Approval of authorization to fill the following positions:
  - 1) Office Clerical Support (Part Time to Full Time)
  - 2) Planning Technician
  - 3) Administrative Assistant/Emergency Management Coordinator (internally only)

## **JUDICIARY COMMITTEE**

- K. Approval of **Ordinance 1624-2018** to annex land located in the Southeast 1/4 of the Southwest 1/4 in Section 1, Township 16 North, Range 7 West from the Town of Medary to the City of Onalaska (Manske Annexation) (First and Second Reading)
- L. Approval of **Ordinance 1625-2018** to amend Chapter 2 of Title 9, Section 11 of the Code of Ordinances of the City of Onalaska relating to Sewer User Charge Rates (First and Second Reading)

## **ADMINISTRATIVE COMMITTEE**

- M. Approval of Operator's Licenses as listed on report dated December 5, 2018
- N. Approval of City of Onalaska Fee Schedule
- O. Approval of Special Events Permit for Sole Burner – Coulee Region Run / Walk on April 28, 2019 starting at 2700 Midwest Drive, Onalaska from approximately 8am – 1pm.

## **BOARD OF PUBLIC WORKS**

- P. Set January Board of Public Works meeting date and time for Thursday, January 3, 2019 at 6:30 PM
- Q. Set date/time of public hearing on 2018-2020 Capital Improvements Budget for Thursday, January 3, 2019 at 6:30 PM
- R. Approval of change order number one for 2018 Utility Project in the amount of \$72,196.96
- S. Approval of change order number one for Sand Lake Road/12<sup>th</sup> Avenue and Main Street Traffic Signal Project in the amount of \$14,320.69
- T. Approval of Abbey Road Project street cross section including sidewalk installation for Assessment Public Hearing
- U. Approval of Crestwood Lane Project street cross section for Assessment Public Hearing
- V. Approval of sidewalk installation along Troy Street in 2019 Utility Project for Assessment Public Hearing
- W. Approval of sanitary sewer leak policy

## **PLAN COMMISSION**

- X. Conditional Use Permit request filed by Jim Triatik of Sullivan Design Build, 1314 Emil Street, Madison, WI 53713 on behalf of CSM Truck Onalaska, 5100 Eastpark Boulevard, Suite 210, Madison, WI 53718 and Moeller Properties II, LLC, 5100 Eastpark Boulevard, Suite 210, Madison, WI 53718, for the purpose of allowing heavy and medium duty truck sales and service at the property located at 4101 Kinney Coulee Road North, Onalaska, WI 54650 (Tax Parcel # 18-3403-1) (FIO)

- Y. Approval of a of a rezoning request filed by Jim Triatik of Sullivan Design Build, 1314 Emil Street, Madison, WI 53713 on behalf of CSM Truck Onalaska, 5100 Eastpark Boulevard, Suite 210, Madison, WI 53718 and Moeller Properties II, LLC, 5100 Eastpark Boulevard, Suite 210, Madison, WI 53718, to rezone a parcel of land to remove the I-90 Economic Development Overlay District and retain the Light Industrial (M-1) Zoning District to facilitate the construction of a heavy and medium duty truck sales and service facility (Wisconsin Kenworth) without the associated overlay district standards at the property located at 4101 Kinney Coulee Road North, Onalaska, WI 54650 (Tax Parcel # 18-3403-1)
- Z. Conditional Use Permit request filed by Mike Heet of the wireless carrier US Cellular and USCOC of La Crosse, LLC, 800 Cornerstone Drive, Knoxville, TN 37932 on behalf of 2GJF, LLP, 3264 George Street, Onalaska, WI 54650, to replace three (3) existing antennas with three (3) new antennas, three (3) new Remote Radio Units (RRU), and adding ancillary equipment to the existing telecommunications tower located at 1033 2nd Avenue SW, Onalaska, WI 54650 (Tax Parcel # 18-939-0) (FIO)
- AA. Approval of an annexation application of Tax Parcel #'s 10-1275-2, 10-1119-1, 10-830-2, 10-1115-0, 10-830-1, 10-826-0, 10-781-1, 10-769-1, & 10-781-0 (total 49.77 acres of State Road 53 Right-of-Way) filed by the City of Onalaska, 415 Main Street, Onalaska, WI 54650 on behalf of State of Wisconsin DOT, 3550 Morman Coulee Road, La Crosse, WI 54601

#### **UTILITIES COMMITTEE**

- BB. Change January Utilities Committee meeting time to January 2, 2019 at 6:00 PM
- CC. Set date/time for public hearing to adjust the agency fare to January 2, 2019 at 6:00 PM
- DD. Approval of Shared Ride Transit 2018 Financials

#### **PARKS & RECREATION**

- EE. Approve the Public Art (Sculpture) to be placed at the Great River Landing

#### **ROOM TAX COMMISSION**

- FF. Approval of 2018 Financials

## **Non-Consent Agenda**

### 7. **RECAP ITEMS PULLED FROM THE CONSENT AGENDA**

### 8. **FINANCE COMMITTEE**

- A. Vouchers
- B. **Resolution 31 -2018** - Authorizing the Issuance of \$4,650,000 General Obligation Promissory Notes and the Issuance and Sale of \$4,650,000 Note Anticipation Note in Anticipation Thereof
- C. Approve the City of Onalaska Purchasing, Budget, and Accounting Manual

### 9. **JUDICIARY COMMITTEE**

- A. **Ordinance 1623-2018** to annex land located in the Southeast 1/4 of the Northwest 1/4 and part of the Southeast 1/4 of the Southwest 1/4 in Section 1, Township 16 North, Range 7 West from the Town of Medary to the City of Onalaska (Crestwood Property Annexation) (First and Second Reading)
- B. **Ordinance 1626-2018** to amend Section 9 of Chapter 3 of Title 2 of the Code of Ordinances of the City of Onalaska relating to Director of Inspection; Deputy Directors (First and Second Reading)

### 10. **ADMINISTRATIVE COMMITTEE**

- A. Approval of Class B Liquor License for Meghan E. Schoh, d/b/a Unwined, LLC, 201 Main Street, Onalaska, starting on January 1, 2019
- B. Possible consideration to proceed with a plan /ordinance change to allow on-line beer / liquor purchases with drive-up pick-up services within the City of Onalaska with adequate conditions outlining requirements for businesses that would qualify

### 11. **PLAN COMMISSION**

- A. Approval of a General Development Plan for a Planned Unit Development (PUD) application filed by Jacob Burch of Logistics Development Group, LLC, 205 4th Street, La Crosse, WI 54601, for a new residential subdivision to contain eighteen (18) buildable lots for single-family dwellings located at "State Road 16" at the end of Crestwood Lane, Onalaska, WI 54650 (Tax Parcel #9-13-5)

- B. Approval of a General Development Plan for a Planned Unit Development (PUD) application filed by Marvin Wanders of Three Sixty Real Estate Solutions, LLC, PO Box 609, La Crosse, WI 54602 for a multi-family residential development (98 units within three (3) structures) and a commercial/residential mixed-use development to be located at 200 Court Street, Court Street South, 300 Court Street South, 400 Court Street South, Onalaska, WI 54650 (land owned by the City of Onalaska) (Tax Parcel #'s 18-24-0, 18-25-0, 18-32-0, & 18-38-0)
12. **UTILITIES COMMITTEE**  
A. **Resolution 30-2018** to create the La Crosse Area Metropolitan Sewerage District  
B. Approval and place on file Memorandum of Understanding between the City of La Crescent, Minnesota and the City of Onalaska regarding sewer services
13. **COMMUNITY DEVELOPMENT AUTHORITY**  
A. Update on Onalaska Redevelopment Project and approval of contract with Hoisington Koegler Group inc. (HKGi) as Planning Consultant (FIO)
14. **CITY ADMINISTRATOR**  
A. Approval of Plan Commission Sub-Committee and Plan Commission 2019 meeting schedules  
B. Approval of Community Development Authority (CDA) 2019 meeting schedule
15. **REPORT FROM ALDERPERSON WULF**  
A. Onalaska Library showing of Decoding the Driftless on January 10, 2019 @ 6:30 PM with guest George Howe, Producer & File Maker
16. **REPORT FROM ALDERSON OLSON**  
A. Remembrance of President George H.W. Bush
17. **CLOSED SESSION**  
To consider a motion to convene in Closed Session under Section 19.85(1)(g) of the Wisconsin Statutes for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved:
- Holiday Heights claim
  - Fire Contract

If any action is required in Open Session, as the result of the Closed Session, the Common Council will reconvene in Open Session to take the necessary action and/or continue on with the printed agenda.

### **Adjournment**

NAME	ADDRESS
PASTOR PARK HUNTER	212 4TH AVE N, ONALASKA, WI
Rachel Teske	1255 Oriole Ln Onalaska
John Kalas	436 Court St South
Andrea Benico	816 Windhell St
Wend Reil	126 N <sup>th</sup> Ave N, #4
Robbie Young	234 23RD ST S. LaCrosse WI
Eric Hallsted	842 6 <sup>th</sup> Ave N
Fla Scheyzel	515 3 <sup>rd</sup> Ave N

## Burmester, Cari

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**From:** Jena Oeltjen <jenaoeltjen@gmail.com>  
**Sent:** Tuesday, December 11, 2018 4:19 PM  
**To:** Burmaster, Cari  
**Cc:** racheldoc28@yahoo.com  
**Subject:** City Council Meeting Tonight

Hi,

Can the following questions please be addressed at the City Council meeting tonight? I am unable to attend due to other obligations.

Are there plans or has there been consideration to keep a safe bike route through the area which includes the Great River Residences? Currently Court Street is designated as the bike route that connects the trail by the tennis courts to the Great River Landing. Onalaska High School classes use Court Street to travel from the high school to the Great River Landing. We try to avoid 3rd Avenue when traveling to the Great River Landing because the bike route crosses Main Street at an uncontrolled intersection. We also try to avoid 3rd Avenue when traveling back to OHS because 3rd Avenue and Wilson is also an uncontrolled intersection.

If there is development on Court Street will the bike path remain? If not, what are the other options to create a safe bike route? Lastly how will Irvin Street be accessible during construction? I have included pictures of the areas and intersections I have discussed.

Thank you,  
Jena Oeltjen  
Physical Education Teacher  
Onalaska High School

*N8359 McWain Dr.  
Holmen, WI 54636*



3rd Ave & Main St.PNG



3rd Ave & Wilson.PNG



Court Street Bike Route.PNG







Jim Binash

Jim Olson

Caroline Burmaster

We will not be able to attend the City Council meeting on December 11, 2018 but would like to go on record with the following statement.

We feel the Three Sixty apartment development will add to the downtown parking problem. Look at the streets near apartments here in Onalaska they are full of cars. Two (2) people per apartment equals 196 vehicles needing parking spots. The developer states 12 apartments will have 12 garages 21 apartment will have 21 garages. If they are like the apartments next to our home the garage is full and not with cars. We feel this will hold true with this development. The City of Onalaska has been lax in making sure a business has enough parking to survive. Look at the 2 log cabins in front of this proposal we stopped to shop several times, but no parking was available, so we left and so did the businesses.

Traffic will be another problem. Just try to make a left turn out of there now on to 4 lanes of traffic. More traffic control will be needed, another traffic circle?

We did not see any mention of the railroad horn blowing on both ends of this development. We have heard that to get a quiet zone it cost lots of money. Streets need to widen and center aisles and crossing arms.

This development seems to be on fast track that could cost the TAX Payers a lot of money. We are asking the council to slow this down until the Tax Payers of Onalaska can get some answers.

1. Where are the extra cars going to park?
2. Who pays for extra traffic control?
3. Who pays for railroad quiet zone?

Thank you



James & Carol Tonak.

1734 East Ave N

Onalaska, WI

783-0716

2018 Onalaska Public Library  
Monthly Use

#5-A

	Jan	Feb	Mar	April	May	June	July	August	September	October	November	YTD	% of Use
Bangor	28	14	39	28	37	54	40	17	39	54	43	393	0.20%
Campbell	278	218	232	166	165	254	251	215	106	157	124	2166	1.11%
Holmen	1033	958	987	791	925	1252	1158	775	750	894	845	10368	5.33%
Onalaska	9757	9019	10194	10076	10014	15035	14726	11461	8495	10031	8939	117747	60.57%
West Salem	258	198	219	244	206	187	212	174	93	123	171	2085	1.07%
Bangor (Town)	30	31	54	53	73	50	31	20	24	20	47	433	0.22%
Barre	32	21	75	68	76	135	114	72	96	60	89	838	0.43%
Burns		21	4	21	3	27	15	28	21	18	11	169	0.09%
Farmington	49	30	60	48	108	94	180	146	124	135	90	1064	0.55%
Greenfield	48	36	34	9	15	30	49	19	21	6	17	284	0.15%
Hamilton	227	198	504	287	262	181	231	426	179	140	237	2872	1.48%
Holland	208	199	354	236	181	368	405	311	263	255	227	3007	1.55%
Medary	179	166	247	150	196	352	402	367	188	303	214	2764	1.42%
Onalaska (Town)	2408	2347	2327	2266	2334	3035	2921	2438	1772	2169	2080	26097	13.43%
Rockland	40	10	5	5	6	12	10	47	12	41	4	192	0.10%
Shelby	15	40	24	1	33	75	8	10			9	215	0.11%
Washington	18	11	18	19	28	37	22	25	41	11	30	260	0.13%
<b>Total Resident</b>	<b>14608</b>	<b>13517</b>	<b>15377</b>	<b>14468</b>	<b>14662</b>	<b>21178</b>	<b>20775</b>	<b>16551</b>	<b>12224</b>	<b>14417</b>	<b>13177</b>	<b>170954</b>	<b>87.95%</b>
City of La Crosse	1254	1143	1400	1264	1091	1763	1763	1550	1205	1495	1046	14974	7.70%
WRLS													
<b>Jackson w/o Lib</b>	15	17	26	23	20	12	13	65	83	54	30	358	0.18%
<b>Monroe w/o Lib</b>	118	49	85	83	44	96	115	122	81	95	69	957	0.49%
<b>Trempeleau w/o Lib</b>	133	176	131	97	184	255	153	85	98	166	135	1613	0.83%
<b>Vernon w/o Lib</b>	1	6	54	14	2	2	6	22	8	18	17	150	0.08%
Buffalo w/o	6		21	2	4	28	28	25	47	23	5	189	0.10%
Juneau w/o			6						2	1	1	10	0.01%
<b>Total w/o</b>	<b>273</b>	<b>248</b>	<b>323</b>	<b>219</b>	<b>254</b>	<b>393</b>	<b>315</b>	<b>319</b>	<b>319</b>	<b>357</b>	<b>257</b>	<b>3277</b>	<b>1.69%</b>
Other WRLS	189	146	190	248	323	280	271	375	252	272	213	2759	1.42%
<b>Total WRLS</b>	<b>462</b>	<b>394</b>	<b>513</b>	<b>467</b>	<b>577</b>	<b>673</b>	<b>586</b>	<b>694</b>	<b>571</b>	<b>629</b>	<b>470</b>	<b>6036</b>	<b>3.11%</b>
Other Wisconsin	144	108	134	112	90	92	101	87	89	93	98	1148	0.59%
Out of State	144	69	105	110	76	90	169	186	139	97	88	1273	0.65%
<b>Total Non-Resident</b>	<b>2004</b>	<b>1714</b>	<b>2152</b>	<b>1953</b>	<b>1834</b>	<b>2618</b>	<b>2619</b>	<b>2517</b>	<b>2004</b>	<b>2314</b>	<b>1702</b>	<b>23431</b>	<b>12.05%</b>
<b>Total Circulation</b>	<b>16612</b>	<b>15231</b>	<b>17529</b>	<b>16421</b>	<b>16496</b>	<b>23796</b>	<b>23394</b>	<b>19068</b>	<b>14228</b>	<b>16731</b>	<b>14879</b>	<b>194385</b>	
Public Computer Use	1086	1057	1140	1075	707	1262	1272	1335	1148	1437	1102	12621	
Wireless	634	601	675	673	684	793	731	737	757	796	790	7871	
Reference Count	354	299	455	439	324	372	366	339	260	349	486	4043	
<b>Door Count</b>	<b>9144</b>	<b>8771</b>	<b>9709</b>	<b>9945</b>	<b>9896</b>	<b>14770</b>	<b>14916</b>	<b>11306</b>	<b>9275</b>	<b>10545</b>	<b>9480</b>	<b>117757</b>	
<b>Meeting Room Groups</b>	<b>16</b>	<b>21</b>	<b>20</b>	<b>18</b>	<b>27</b>	<b>18</b>	<b>22</b>	<b>14</b>	<b>21</b>	<b>17</b>	<b>15</b>	<b>209</b>	
<b>Meeting Rm Attendance</b>	<b>191</b>	<b>189</b>	<b>364</b>	<b>405</b>	<b>437</b>	<b>953</b>	<b>797</b>	<b>207</b>	<b>363</b>	<b>312</b>	<b>314</b>	<b>4532</b>	
<b>Revenue</b>	<b>\$ 200.00</b>	<b>\$ 300.00</b>	<b>\$ 200.00</b>	<b>\$ 150.00</b>	<b>\$ 300.00</b>	<b>\$ 225.00</b>	<b>\$ 200.00</b>	<b>\$ 125.00</b>	<b>\$ 200.00</b>	<b>\$ 150.00</b>	<b>\$ 125.00</b>	<b>2175</b>	
Jan-November 2017	Circ	207230				Door	115864						
Jan-November 2018	Circ	194385				Door	117757						

ORDINANCE NO. 1624-18

**AN ORDINANCE TO ANNEX LAND LOCATED IN THE SOUTHEAST ¼ OF THE  
SOUTHWEST ¼ IN SECTION 1, TOWNSHIP 16 NORTH, RANGE 7 WEST  
FROM THE TOWN OF MEDARY TO THE CITY OF ONALASKA**

THE COMMON COUNCIL OF THE CITY OF ONALASKA DOES HEREBY ORDAIN AS  
FOLLOWS:

SECTION I. Proper petition for direct annexation by unanimous approval, signed by all the owners of all real property in such territory and all of the electors residing in such territory, having been presented to the Common Council of the City of Onalaska, requesting the annexation of the territory described in Exhibit A which is attached hereto and incorporated herein to the City of Onalaska, Wisconsin from the Town of Medary, La Crosse County, Wisconsin. The population of the area annexed is zero (0).

IT IS HEREBY ORDAINED that the above-described property and the same is hereby annexed to the City of Onalaska, Wisconsin, and it is further ordained that the corporate limits of the City of Onalaska are hereby amended to include the above-described property within the corporate limits of the City of Onalaska, Wisconsin.

SECTION II. Sec. 2-1-3(b) of the Code of Ordinances of the City of Onalaska entitled “Ward and Aldermanic District Boundaries” is hereby amended to include the above-described property within the boundaries of the Third Aldermanic District.

SECTION III. The property is hereby zoned Single Family Residential (R-1) and all of the provisions of the Code of Ordinances of the City of Onalaska governing said zoning classification shall apply hereto.

SECTION IV. This Ordinance shall take effect and be in force from and after its passage.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF ONALASKA

By: \_\_\_\_\_  
Joe Chilsen, Mayor

By: \_\_\_\_\_  
Caroline Burmaster, Clerk

PASSED:  
APPROVED:  
PUBLISHED:

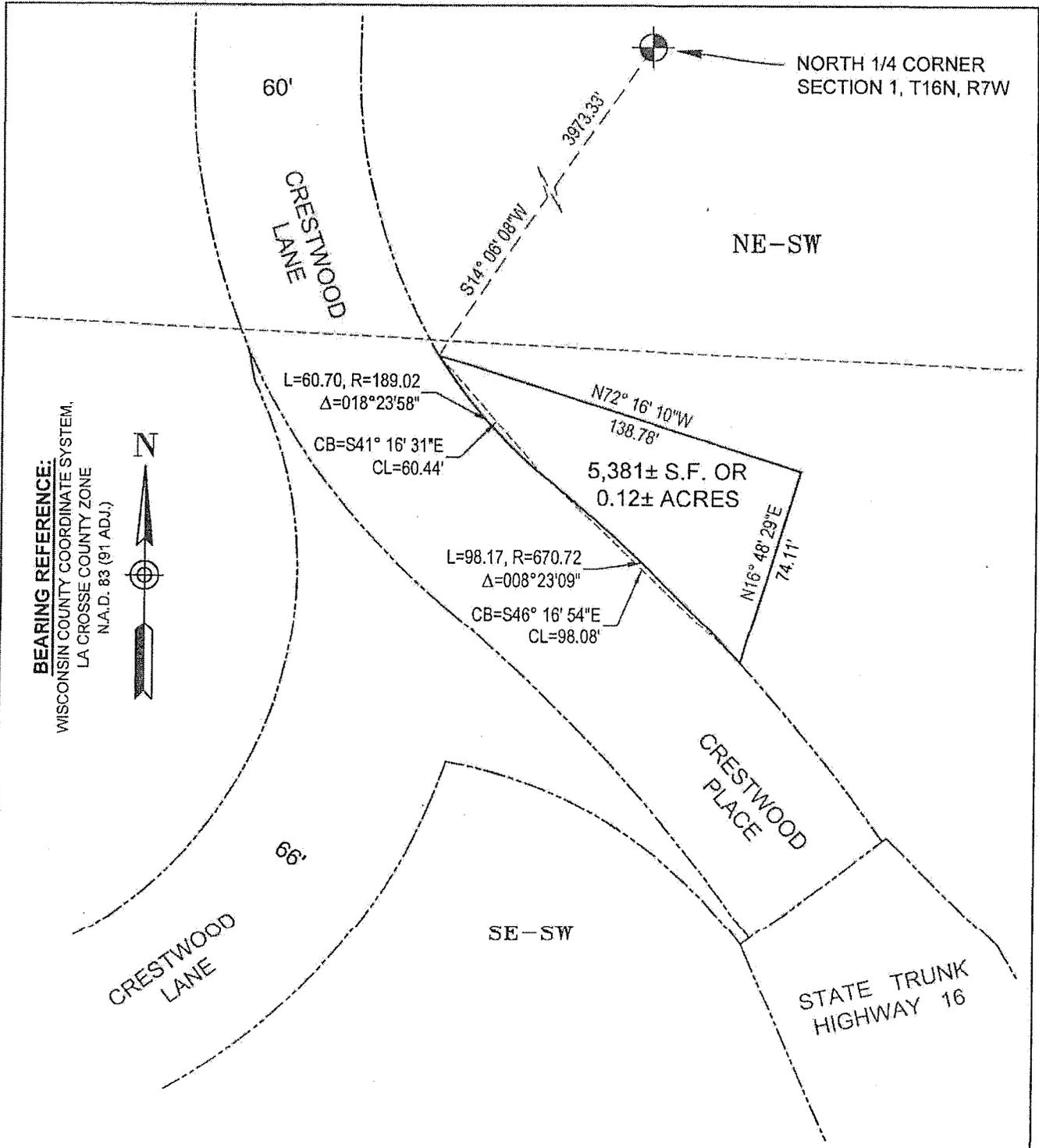
## EXHIBIT A

Located in part of the Southeast Quarter of the Southwest Quarter of Section 1, Township 16 North, Range 7 West, Town of Medary, La Crosse County, Wisconsin, more particularly described as follows:

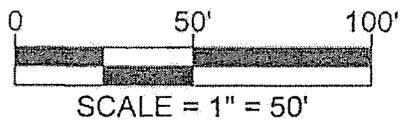
Commencing at the North 1/4 corner of said Section 1;  
thence S 13° 58' 29" W 3988.16 feet to the Easterly right of way of Crestwood Lane and the Point of Beginning of this description;  
thence Southerly along said Easterly right of way on the arc of a 189.02 foot radius curve, concave to the Northeast, the chord of which bears S 42° 21' 53" E and measures 60.50 feet;  
thence continuing Southerly along said Easterly right of way on the arc of a 670.72 foot radius curve, concave Southwest, the chord of which bears S 47° 23' 03" E and measures 98.00 feet;  
thence N 15° 53' 45" E 74.00 feet;  
thence N 73° 19' 30" W 139.00 feet to the Point of Beginning.

Parcel contains approximately 5,383 square feet or 0.12 acres more or less.

Subject to any easements, covenants and restrictions of record.



**BEARING REFERENCE:**  
 WISCONSIN COUNTY COORDINATE SYSTEM,  
 LA CROSSE COUNTY ZONE  
 N.A.D. 83 (91 ADJ.)

**EXHIBIT B**  
 MANSKE TO CITY OF ONALASKA  
 ONALASKA BOOSTER STATION  
 ONALASKA, WI



**DAVY ENGINEERING CO.**  
 LA CROSSE, WISCONSIN

DATE  
10/18/2018

NOTEBOOK NO.

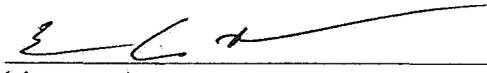
PROJECT NUMBER  
001398-109.100

SHEET  
1 OF 1

**FISCAL IMPACT OF ORDINANCE 1624 – 2018**  
Manske Annexation

Please route in this order

Eric Rindfleisch, Administrator  
(let Caitlin review all annexation ordinances)

  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Jarrold Holter, City Engineer

 11-29-18  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Troy Miller, Chief of Police

  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ UNKNOWN for POTENTIAL FE INCREASE IN POLICE SERVICE TO THIS ANCA to meet the requirements of this ordinance.

Fred Buehler, Financial Services Director

 11-30-18  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

ORDINANCE NO. 1625-2018

AN ORDINANCE TO AMEND CHAPTER 2 OF TITLE 9,  
SECTION 11 OF THE CODE OF ORDINANCES OF THE CITY OF ONALASKA  
RELATING TO SEWER USER CHARGE RATES

THE COMMON COUNCIL OF THE CITY OF ONALASKA DOES HEREBY ORDAIN AS  
FOLLOWS:

SECTION I. Title 9, Chapter 2, Section 11 of the City of Onalaska Code of Ordinances  
related to User Charge System is hereby deleted in its entirety and replaced as follows:

**Sec. 9-2-11 User Charge System.**

- (a) **Purpose.** The purpose of this Section is to establish the basis for reasonable charges for the cost of collection, transportation and treatment of wastewater.
- (b) **Classes of Charges.** Three (3) classes of wastewater charges shall be established as follows: (1) Treatment Rate; (2) Transmission and Maintenance Rate and (3) Flat Rate and shall be based on the Effective Total Meter Water Consumption for the quarter. Wastewater shall include wastewater from residential, multi-family, commercial, governmental and industrial classes.
- (c) **Effective Total Metered Water Consumption.** The term Effective Total Metered Water Consumption shall mean (i) for quarters 1, 3 and 4 (billed in April, October and January) the treatment charge and transmission and maintenance charge shall be based on metered water volume for the three (3) month period beginning December 5<sup>th</sup> and ending March 5<sup>th</sup> of each year which shall be reflected in the April billing unless consumption in any given quarter is lower than the metered water volume established on the April billing and (ii) for the 2<sup>nd</sup> quarter (billed in July), the treatment charge and transmission and maintenance charge shall be based on the actual metered water volume for that quarter (March 5 to June 5). In the event that December 5<sup>th</sup> or March 5<sup>th</sup> falls on a Saturday, Sunday or legal holiday, the following or preceding Business Day shall be used in lieu of the 5<sup>th</sup>. If consumption for quarters 3 or 4 is lower than the established metered water volume for the December 5<sup>th</sup> through March 5<sup>th</sup> period, the metered water volume for that quarter will be used to establish the treatment charge and transmission and maintenance charge for that specific quarter. Wastewater charges for new residential and nonresidential class customers in the City of Onalaska that do not have an established sewer value or where the public water supply is not available, and a private water supply is used or where metered records are not available, water usage shall be calculated based on the average sewer value of account classes within the City of Onalaska from the April billing. New residential or nonresidential class customers who establish service mid quarter will be charged the City average for first quarter or actual consumption, whichever is lower.
- (d) **Wastewater Charges.** The charges for wastewater shall include a quarterly charge consisting of a treatment charge, transmission and maintenance charge and a flat rate charge. The treatment charge and transmission and maintenance charge shall be based on the Effective Total Metered Water Consumption.

(e) **Quarterly Treatment Rate Charge.**

- (1) A quarterly treatment rate charge shall be assessed each residential and nonresidential class customer. The quarterly treatment rate charge is intended to generate sufficient revenues to pay the cost of wastewater treatment by the City of La Crosse and to pay the amortization cost of improvements to the La Crosse Interceptor Sewer System.
- (2) The Treatment Rate shall be an amount established yearly by the Common Council of the City of Onalaska based upon information provided by the City of La Crosse which shall be a sufficient amount to cover the annual cost of wastewater treatment and the amortization cost of improvements to the La Crosse Interceptor Sewer System
- (3) The quarterly treatment rate charge shall be calculated as follows:

$$\text{(Treatment Rate /100 Cubic Feet) x Effective Total Metered Water Consumption}$$

(f) **Quarterly Transmission & Maintenance Charge and Flat Fee.**

- (1) The quarterly transmission and maintenance and flat fee charge is intended to generate sufficient revenues to pay for the cost of operation, maintenance and depreciation of the Onalaska Sanitary Sewer Collection System. The annual operating budget will be estimated prior to each calendar year's operation.
- (2) The Transmission Rate shall be an amount established yearly by the Common Council of the City of Onalaska based upon the annual operating expense of Onalaska Sewer Utility.
- (3) The quarterly transmission and maintenance charge shall be calculated as follows:

$$\text{(Transmission Rate/100 Cubic Feet) x Effective Total Metered Water Consumption}$$

- (4) The quarterly sewer flat fee shall be determined as follows based upon the size of the meter:

<u>Meter Size</u>	<u>Charge (\$)</u>
5/8-3/4	\$6.50
1	\$8.60
1 ½	\$13.20
2	\$18.60
3	\$31.30
4	\$49.40

- (5) The Agency, as defined in Chapter 9-2-1 above, shall reserve the right to require a meter for any user.
- (6) Charges for a portion of a billing period shall be prorated by the Agency.
- (g) **Payment of Quarterly Sewer Charges; lien; penalty**
- (1) Wastewater charges shall be payable upon receipt, subject to the provisions of this section.
- (2) Wastewater charges shall not be payable in installments.
- (3) Charges remaining unpaid for a period of twenty (20) days or more from the date of the wastewater utility bill shall be assessed a late payment penalty charge of 3% of the amount billed, in addition to all other charges, penalties or interest, when the delinquent charge is extended upon the tax roll.
- (4) If a charge and/or late penalty remains unpaid for a period of twenty (20) days after the date of the utility bill, such charge and penalty shall become a lien upon the real property to which it applies, as provided in Section 66.0809 Wis. Stat., and other applicable provisions of the Wisconsin Statutes, as from time to time amended or renumbered.
- (5) Delinquent charges and penalties shall be automatically extended upon the next available tax roll as a delinquent tax against the real property, and all proceedings relating to the collection, return and sale of property for delinquent real estate taxes shall apply to such charges.
- (6) The City reserves the right to disconnect services pursuant to Wisconsin Administrative Code PSC §185.37 as may be amended.
- (h) **Billing Schedule.** Billing intervals shall be established by the Agency. If it has been impossible to read the water meter and as a result been over-estimated, there shall be no rebate on the sewer bill. No credits shall be given on such estimated bills unless proof is submitted of correctable error and a solution is possible.
- (i) **Unknown Water Leaks.** If a leak unknown to the user is found in an appliance or the plumbing, the City shall use be adjusted based on the City's current leak adjustment policy. No such adjustment shall be made for sewer after the customer has been notified and has had an opportunity to correct the condition.
- (j) **Special Treatment Charges.** Each user which discharges wastewater other than domestic or discharges toxic pollutants which cause an increase in the cost of managing the collection or treatment systems as determined by the Agency shall pay for such increased costs.
- (k) **Distribution of Costs.** The costs of operation and maintenance of all flow not directly attributable to users, e.g., infiltration and inflow, shall be distributed among all users on the basis of the flow volume of users.
- (l) **Records.** The Agency shall keep the records necessary to comply with applicable state or federal requirements.

SECTION II. This Ordinance shall take effect and be in force from and after its passage and prior to publication although it will be published in due course.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF ONALASKA

By: \_\_\_\_\_  
Joe Chilsen, Mayor

By: \_\_\_\_\_  
Caroline Burmaster, Clerk

PASSED:  
APPROVED:  
PUBLISHED:

FISCAL IMPACT OF ORDINANCE 1625 – 2018

Please route in this order

Eric Rindfleisch, Administrator  
(let Caitlin review all annexation ordinances)

E C R  
(signature)

No Fiscal Impact

Budgeted Item - Revenue Increase

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Jarrod Holter, City Engineer

J. Holter 11-29-18  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Troy Miller, Chief of Police

T. Miller  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Fred Buehler, Financial Services Director

Fred Buehler 11-30-18  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ funds to pay for operational costs & debt. for \_\_\_\_\_ to meet the requirements of this ordinance.



ID	PERIOD	NAME		LICENSE CODE
05435	11/08/18- 6/30/19	KEENEY	BRAEDEN	OPRATOR OPERATORS - 1 YEAR
05441	11/19/18- 6/30/20	VOIGTSCHILD	JUSTIN	OPRATOR OPERATORS - 2 YEAR
05443	11/26/18- 6/30/20	HART	HUNTER	OPRATOR OPERATORS - 2 YEAR
05444	11/26/18- 6/30/20	ZANGEL	ANNA	OPRATOR OPERATORS - 2 YEAR
05445	11/30/18- 6/30/20	WOOD	KYLE	OPRATOR OPERATORS - 2 YEAR
05448	12/03/18- 6/30/20	RENDLER	SADIE	OPRATOR OPERATORS - 2 YEAR

*The notice below is an agenda item for the Utilities Committee meeting scheduled for Wednesday, January 2, 2019 at 6:00pm.*

**#6-CC**

**PUBLIC NOTICE  
By the Onalaska/Holmen/West Salem Public Transit System on  
Proposed Increase in Fares**

The primary factors contributing to the increase in fares is due to higher fuel prices, reduction in state/federal operating assistance, and increase in operating costs. The existing and proposed fare schedule for the Onalaska/Holmen/West Salem Public Transit System is as follows:

<b>FARES</b>		
<b><u>Fare Category</u></b>	<b><u>Cash Fare</u></b>	<b><u>Proposed Fare-1-3-19</u></b>
Agency Fare	\$5.00	\$6.00

\* Holidays – New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Interested persons or agencies may submit, orally or in writing, any questions or concerns about the aforementioned change in fares on or before January 2, 2019. All inquires may be directed to:

City of Onalaska  
415 Main Street  
Onalaska, WI 54650  
608-781-9530

December 11, 2018

#8-A

To: Finance and Personnel Committee  
FROM: Finance Department  
SUBJ: Payables and Approval

The following is a list of monies expended since the last Common Council meeting dated November 13, 2018

<b>The total is:</b>	<b><u>\$1,824,928.63</u></b>
11/14/2018 AP Packet 2319 - November 2018	\$16,922.09
11/23/2018 AP Packet 949 - City Payroll 11/23/18	\$156,919.24
AP Packet 949 - City Payroll Drafts	\$97,578.30
AP Packet 2283 - Deferred Payables	\$46,319.15
11/26/2018 AP Packet 2328 - November 2018	\$10.08
11/27/2018 AP Packet 2330 - November 2018	\$91,812.02
12/3/2018 AP Packet 2333 - December 2018	\$3,241.58
12/6/2018 AP Packet 2338 -December 2018	\$2,168.61
12/7/2018 AP Packet 954 - City Payroll 12/07/18	\$148,665.41
AP Packet 951 - Fire Payroll 12/07/18	\$4,422.09
AP Packet 955 - SGT Holiday Payroll 12/07/18	\$1,772.11
AP Packet 954 - City Payroll Drafts	\$94,760.98
AP Packet 951 - Fire Payroll Drafts	\$876.44
AP Packet 955 - SGT Holiday Drafts	\$733.49
AP Packet 2337 - Deferred Payables	\$12,638.31
12/11/2018 AP Packet 2339 - December 2018	\$7,140.77
12/12/2018 AP Packet - December 2018 (includes ACH)	\$1,138,947.96
<b>Total</b>	<b><u><u>\$1,824,928.63</u></u></b>

Finance Committee Signatures

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RESOLUTION NO. 31-2018

RESOLUTION AUTHORIZING THE ISSUANCE OF \$4,650,000 GENERAL OBLIGATION PROMISSORY NOTES AND THE ISSUANCE AND SALE OF A \$4,650,000 NOTE ANTICIPATION NOTE IN ANTICIPATION THEREOF

WHEREAS, on November 13, 2018, the Common Council of the City of Onalaska, La Crosse County, Wisconsin (the "City") adopted a resolution (the "Set Sale Resolution"), providing for the sale of a \$4,650,000 Note Anticipation Note for public purposes, including financing a portion of the projects included in the City's 2019 Capital Improvement Plan, such as the general levy supported projects and certain water system and sewer system projects (the "Project");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, cities are authorized by the provisions of Chapter 67, Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance of and covenant to issue general obligation promissory notes (the "Securities") to provide permanent financing for the Project;

WHEREAS, the Securities have not yet been issued or sold;

WHEREAS, cities are authorized by the provisions of Section 67.12(1)(b), Wisconsin Statutes, to issue note anticipation notes in anticipation of receiving the proceeds from the issuance and sale of the Securities;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance and sale of note anticipation notes pursuant to Section 67.12(1)(b), Wisconsin Statutes (the "Note"), in anticipation of receiving the proceeds from the issuance and sale of the Securities, to provide interim financing to pay the cost of the Project;

WHEREAS, the City was duly organized and is validly existing and operating under and by virtue of the laws of the State of Wisconsin; and

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell the Note to Zions Bancorporation, N.A. (the "Purchaser"), pursuant to the terms and conditions of the Preliminary Private Placement Memorandum attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization of the Securities. The City hereby authorizes the issuance of and declares its intention and covenants to issue the Securities pursuant to the provisions of Chapter 67, Wisconsin Statutes, in an amount sufficient to retire the Note. There is hereby levied on all the taxable property in the City a direct, annual, irrevocable tax sufficient to pay the interest on said Securities as it becomes due, and also to pay and discharge the principal thereof.

Section 2. Authorization and Sale of the Note. In anticipation of the sale of the Securities, for the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(1)(b), Wisconsin Statutes, the principal sum of FOUR MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS (\$4,650,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, a Note aggregating the principal amount of FOUR MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS (\$4,650,000) for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 3. Terms of the Note. The Note shall be designated "Note Anticipation Note"; shall be issued in the aggregate principal amount of \$4,650,000; shall be dated December 27, 2018; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1; and shall bear interest at the rate per annum and mature on June 27, 2019 as set forth on the schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule"). Interest shall be payable at maturity. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Note is subject to redemption prior to maturity, at the option of the City, on March 27, 2019 or on any date thereafter. Said Note is redeemable as a whole or in part, and if in part by lot, at the principal amount thereof, plus accrued interest to the date of redemption. Before the redemption of the Note, unless waived by the registered owner, the City shall give notice of such redemption by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the Purchaser or registered owner of each Note to be redeemed, in whole or in part, at the address shown on the registration books.

Section 5. Form of the Note. The Note shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference.

Section 6. Security. The Note shall in no event be a general obligation of the City and does not constitute an indebtedness of the City nor a charge against its general credit or taxing power. No lien is created upon the Project or any other property of the City as a result of the issuance of the Note. The Note shall be payable only from (a) any proceeds of the Note set aside for payment of interest on the Note as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk or City Treasurer and

expended solely for the payment of the principal of and interest on the Note until paid. The City hereby agrees that, in the event such monies are not sufficient to pay the principal of and interest on the Note when due, if necessary, the City will pay such deficiency out of its annual general tax levy or other available funds of the City; provided, however, that such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the City to make any such appropriation or any further payments.

#### Section 7. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Note Anticipation Note, dated December 27, 2018" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Note; (ii) any proceeds of the Note representing capitalized interest on the Note or other funds appropriated by the City for payment of interest on the Note, as needed to pay the interest on the Note when due; (iii) proceeds of the Securities (or other obligations of the City issued to pay principal of or interest on the Note); (iv) such other sums as may be necessary at any time to pay principal of and interest on the Note when due and which are appropriated by the Common Council for that purpose; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Note until all such principal and interest has been paid in full and the Note canceled; provided that such monies may be invested in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Said account shall be used for the sole purpose of paying the principal of and interest on the Note and shall be maintained for such purpose until the Note is fully paid or otherwise extinguished, and shall at all times be invested in a manner that conforms with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When the Note has been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 8. Covenants of the City. The City hereby covenants with the owners of the Note as follows:

(A) It shall issue and sell the Securities as soon as practicable, as necessary to provide for payment of the Note;

(B) It shall segregate the proceeds derived from the sale of the Securities into the special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of principal of and interest on the Note until paid. After the payment of principal of and interest on the Note in full, said trust fund may be used for such other purposes as the Common Council may direct in accordance with law; and,

(C) It shall maintain a debt limit capacity such that its combined outstanding principal amount of general obligation bonds or notes or certificates of indebtedness and the \$4,650,000 authorized for the issuance of the Securities to provide for the payment of the Note shall at no time exceed its constitutional debt limit.

Section 9. Proceeds of the Note; Segregated Borrowed Money Fund. The proceeds of the Note (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Note into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Note. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Note has been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 10. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Note to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Note, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Note to the Purchaser which will permit the conclusion that the Note are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 11. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Note and the ownership, management and use of the projects will not cause the Note to be a "private activity bond" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Note including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Note) if taking, permitting or omitting to take such action would cause the Note

to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Note to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Note shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Note provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Note and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 12. Designation as Qualified Tax-Exempt Obligations. The Note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 13. Execution of the Note; Closing; Professional Services. The Note shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Note may be imprinted on the Note in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Note, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Note shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Note and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Note, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Note is hereby ratified and approved in all respects.

Section 14. Payment of the Note; Fiscal Agent. The principal of and interest on the Note shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 15. Persons Treated as Owners; Transfer of Note. The City shall cause books for the registration and for the transfer of the Note to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note necessary to effect any such transfer.

Section 16. Record Date. The fifteenth calendar day preceding the payment date shall be the record date for the Note (the "Record Date"). Payment of interest on the Note on any interest payment date shall be made to the registered owners of the Note as they appear on the registration book of the City at the close of business on the Record Date.

Section 17. Continuing Disclosure. The continuing disclosure requirements of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule") are not applicable to the Note because the Purchaser will covenant that it will hold and not make a primary offering of the Note, or otherwise will establish an exception to the Rule relating to the Note.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Note in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Note, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Note by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded December 11, 2018.

CITY OF ONALASKA

---

Joe Chilsen  
Mayor

---

Caroline L. Burmaster  
City Clerk

(SEAL)

EXHIBIT A

Proposal

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Debt Service Schedule

To be provided by Robert W. Baird & Co. Incorporated and incorporated into the Resolution.

(See Attached)

EXHIBIT C

(Form of )

NUMBER	UNITED STATES OF AMERICA STATE OF WISCONSIN LA CROSSE COUNTY CITY OF ONALASKA	DOLLARS
R-1	NOTE ANTICIPATION NOTE	\$ _____

MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
June 27, 2019	December 27, 2018	_____%	682217__

REGISTERED OWNER: ZIONS BANCORPORATION, N.A.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS (\$\_\_\_)

FOR VALUE RECEIVED, the City of Onalaska, La Crosse County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the registered owner identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable at maturity.

This Note is payable as to principal and interest upon presentation and surrender hereof at the office of the City Clerk or City Treasurer.

This Note is one of an issue of Notes aggregating the principal amount of \$4,650,000, all of which are of like tenor, except as to denomination, issued by the City pursuant to the provisions of 67.12(1)(b), Wisconsin Statutes, in anticipation of the sale of general obligation promissory notes (the "Securities"), to provide interim financing for public purposes, including financing a portion of the projects included in the City's 2019 Capital Improvement Plan, such as the general levy supported projects and certain water system and sewer system projects (the "Project"), as authorized by a resolution adopted on December 11, 2018. Said resolution is recorded in the official minutes of the Common Council for said date.

This Note shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds have been declared to constitute a special trust fund and to be held by the City Clerk or City Treasurer and expended solely for the payment of the principal of and interest on the Note until paid. In the event such monies are not sufficient to pay the principal of and interest on this Note when due, if necessary, the City will pay such deficiency out of its annual general tax levy or other available funds of the City; provided, however, that any such payment shall be subject to annual budgetary appropriation therefor and any applicable levy limits; and provided further, that no such payment nor any action authorizing this Note shall

be construed as constituting an obligation of the City to make such appropriation or to make any further payment.

The City has authorized the issuance of the Securities and has covenanted to issue the Securities in an amount sufficient to repay the Note pursuant to said resolution. **THE NOTE IS NOT A GENERAL OBLIGATION OF THE CITY AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION NOR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. NO LIEN IS CREATED UPON THE PROJECT OR ANY OTHER PROPERTY OF THE CITY AS A RESULT OF THE ISSUANCE OF THE NOTE.**

The Note is subject to redemption prior to maturity, at the option of the City, on March 27, 2019 or on any date thereafter. Said Note is redeemable as a whole or in part, and if in part by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Before the redemption of the Note, unless waived by the registered owner, the City shall give notice of such redemption by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed, in whole or in part, at the address shown on the registration books. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Note shall cease to bear interest on the specified redemption date, provided that federal or other immediately available funds sufficient for such redemption are on deposit with the registered owner at that time. Upon such deposit of funds for redemption the Note shall no longer be deemed to be outstanding.

The Note is issued in registered form in the denomination of \$5,000 or any integral multiple thereof. This Note may be exchanged at the office of the City Clerk or City Treasurer for a like aggregate principal amount of Note of the same maturity in other authorized denominations.

This Note is transferable by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon such transfer a new registered Note, in authorized denomination or denominations and in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The City may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes, and the City shall not be affected by notice to the contrary.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The City has covenanted to issue and sell the Securities, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Securities into a special trust fund for the payment of the principal of and interest on this Note.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Onalaska, La Crosse County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF ONALASKA  
LA CROSSE COUNTY, WISCONSIN

By: \_\_\_\_\_  
Joe Chilsen  
Mayor

(SEAL)

By: \_\_\_\_\_  
Caroline L. Burmaster  
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
(e.g. Bank, Trust Company  
or Securities Firm)

\_\_\_\_\_  
(Registered Owner)

\_\_\_\_\_  
(Authorized Officer)

NOTICE: This signature must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

Section 67.09, Wisconsin Statutes provides that the City Clerk of the City when acting as the registrar shall record the registration of each note or bond in its bond registrar. Therefore, if this Note is to be assigned, the City Clerk of the City should be notified and a copy of this Assignment should be sent to the City Clerk of the City for his or her records.

BAIRD

100  
YEARS

# City of Onalaska

Final Pricing Summary  
December 11, 2018

Bradley D. Viegut, Managing Director

[bviegut@rwbaird.com](mailto:bviegut@rwbaird.com)  
777 East Wisconsin Avenue  
Milwaukee, WI 53202  
Phone 414.765.3827  
[rwbaird.com/publicfinance](http://rwbaird.com/publicfinance)

# City of Onalaska



## SUMMARY OF FINANCING

Issue:	Note Anticipation Note
Issue Size:	\$4,650,000
Dated & Settlement Date:	December 27, 2018
Purpose:	Fund 2019 General Fund (\$3,535,000) and a portion of Water & Sewer CIP Projects (\$1,115,000)
Structure:	Matures June 27, 2019
First Interest:	At Maturity
Callable:	Beginning March 27, 2019 or any date thereafter
Final Interest Rate:	2.85%

## NEXT STEP

- Finance & Personnel Committee meeting in February to introduce Phase II of financing

Only costs that are reasonable, allowable and allocable to a federal award shall be charged to that award directly or indirectly. All unallowable costs shall be appropriately segregated from allowable costs in the general ledger in order to assure that unallowable costs are not charged to Federal awards.

7.2 CRITERIA FOR ALLOWABILITY

All costs must meet the following criteria in order to be treated as allowable direct or indirect costs under a federal award:

1. The cost must be "reasonable" for the performance of the award, considering the following factors:
  - a. Whether the cost is of a type that is generally considered as being necessary for the operation of the Organization or the performance of the award;
  - b. Restraints imposed by such factors as generally accepted sound business practices, arm's length bargaining, federal and state laws and regulations, and the terms and conditions of the award;
  - c. Whether the individuals concerned acted with prudence in the circumstances;
  - d. Consistency with established policies and procedures of the Organization, deviations from which could unjustifiably increase the costs of the award.
2. The cost must be "allocable" to an award by meeting one of the following criteria:
  - a. The cost is incurred specifically for a federal award;
  - b. The cost benefits both the federal award and other work, and can be distributed in reasonable proportion to the benefits received; or
  - c. The cost is necessary to the overall operation of the Organization, but where a direct relationship to any particular program or group of programs cannot be demonstrated.
3. The cost must conform to any limitations or exclusions of 2 CFR 200 Subpart E or the federal award itself. ← change
4. Treatment of costs must be consistent with policies and procedures that apply to both federally financed activities and other activities of the Organization.
5. Costs must be consistent with Non Federal charges and be consistently treated over time.
6. The cost must be determined in accordance with generally accepted accounting principles.
7. Costs may not be included as a cost of any other federally financed program in the current or prior periods.
8. The cost must be adequately documented.

7.3 PERSONNEL AND FRINGE BENEFIT COSTS

The cost of fringe benefits in the form of compensation paid to employees during periods of authorized absences from the job, such as for vacation, family-related leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowed and provided for under the City of Onalaska's written employment compensation and benefits manual.



# City of Onalaska

415 Main Street • Onalaska, WI 54650 • (608) 781-9530 • fax (608) 781-9534  
[www.cityofonalaska.com](http://www.cityofonalaska.com)

The undersigned employee hereby acknowledges that he/she has read the City of Onalaska Financial Manual Policy and has been afforded an opportunity to ask questions regarding the policy. The undersigned employee also agrees to be bound by and to comply with such Policy.

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

**ORDINANCE NO. 1623-2018**

**AN ORDINANCE TO ANNEX LAND LOCATED IN THE SOUTHEAST ¼ OF THE  
NORTHWEST ¼ AND PART OF THE SOUTHEAST ¼ OF THE SOUTHWEST 1/4 IN  
SECTION 1, TOWNSHIP 16 NORTH, RANGE 7 WEST  
FROM THE TOWN OF MEDARY TO THE CITY OF ONALASKA**

THE COMMON COUNCIL OF THE CITY OF ONALASKA DOES HEREBY ORDAIN AS  
FOLLOWS:

SECTION I. Proper petition for direct annexation by unanimous approval, signed by all the owners of all real property in such territory and all of the electors residing in such territory, having been presented to the Common Council of the City of Onalaska, requesting the annexation of the territory described in Exhibit A which is attached hereto and incorporated herein to the City of Onalaska, Wisconsin from the Town of Medary, La Crosse County, Wisconsin. The population of the area annexed is zero (0).

IT IS HEREBY ORDAINED that the above-described property and the same is hereby annexed to the City of Onalaska, Wisconsin, and it is further ordained that the corporate limits of the City of Onalaska are hereby amended to include the above-described property within the corporate limits of the City of Onalaska, Wisconsin.

SECTION II. Sec. 2-1-3(b) of the Code of Ordinances of the City of Onalaska entitled "Ward and Aldermanic District Boundaries" is hereby amended to include the above-described property within the boundaries of the Third Aldermanic District.

SECTION III. The property is hereby zoned Single Family Residential (R-1) and all of the provisions of the Code of Ordinances of the City of Onalaska governing said zoning classification shall apply hereto.

SECTION IV. This Ordinance shall take effect and be in force from and after its passage.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF ONALASKA

By: \_\_\_\_\_  
Joe Chilsen, Mayor

By: \_\_\_\_\_  
Caroline Burmaster, Clerk

PASSED:  
APPROVED:  
PUBLISHED:

## EXHIBIT A

### EXHIBIT A

Located in part of the Southeast 1/4 of the Northwest 1/4, part of the Northeast 1/4 of the Southwest 1/4 and part of the Southeast 1/4 of the Southwest 1/4 of Section 1, Township 16 North, Range 7 West, Town of Medary, La Crosse County, Wisconsin described as follows:

Commencing at the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 1;

Thence S 01° 24' 56" E along the East line thereof, 1277.80 feet to the Northeast corner of the Southeast 1/4 of the Northwest 1/4 and the Point of Beginning of this description;

thence continuing S 01° 24' 56" E along the East line thereof, 570.10 feet;  
thence S 54° 04' 19" W 473.08 feet to the Northeasterly extension of the  
Northwesterly line of Lot 1 of Certified Survey Map Volume 3, Page 83;  
thence S 22° 16' 45" W along said extended Northwesterly line and the  
Northwesterly line of said Lot 1, a distance of 168.39 feet;  
thence S 46° 15' 32" W along the Westerly line of said Lot 1 and the  
Southwesterly extension thereof, a distance of 223.61 feet to the Easterly right of  
way of Crestwood Lane;  
thence along said Easterly right of way S 17° 23' 25" E 208.04 feet;  
thence continuing along said Easterly right of way S 04° 41' 55" E 204.04 feet;  
thence Southerly along said Easterly right of way on the arc of a 267.31 foot  
radius curve, concave to the Northwest, the chord of which bears  
S 41° 23' 41" W and measures 385.18 feet;  
thence continuing Southerly along said Easterly right of way on the arc of a  
256.48 foot radius curve, concave to the Southeast, the chord of which bears  
S 44° 29' 25" W and measures 349.83 feet;  
thence continuing along said Easterly right of way S 01° 29' 31" W 386.21 feet;  
thence continuing Southerly along said Easterly right of way on the arc of a  
189.02 foot radius curve, concave to the Northeast, the chord of which bears  
S 25° 02' 27" E and measures 168.87 feet;  
thence continuing Southerly along said Easterly right of way on the arc of a  
670.72 foot radius curve, concave to the Southwest, the chord of which bears  
S 44° 28' 47" E and measures 165.66 feet;  
thence S 52° 16' 47" W along the Northerly right of way of State Trunk Highway  
16 a distance of 60.00 feet to the Westerly right of way of Crestwood Lane;  
thence Northerly along said Westerly right of way on the arc of a 610.72 foot  
radius curve, concave to the Southwest, the chord of which bears  
N 44° 27' 48" W and measures 151.19 feet;  
thence Northerly along said Westerly right of way on the arc of a 249.02 foot  
radius curve, concave to the Northeast, the chord of which bears N 25° 02' 27" W  
and measures 222.48 feet;

thence continuing along said Westerly right of way N 01° 29' 31" E 386.21 feet;  
thence Northerly along said Westerly right of way on the arc of a 316.48 foot  
radius curve, concave to the Southeast, the chord of which bears N 44° 29' 25" E  
and measures 431.66 feet;  
thence continuing Northerly along said Westerly right of way on the arc of a  
207.31 foot radius curve, concave to the Northwest, the chord of which bears  
N 41° 23' 41" E and measures 298.72 feet;  
thence continuing along said Westerly right of way N 04° 41' 55" W 197.37 feet;  
thence continuing along said Westerly right of way N 17° 23' 25" W 202.33 feet;  
thence S 86° 19' 10" W 360.87 feet;  
thence S 16° 44' 26" E 185.76 feet;  
thence S 88° 25' 59" W 284.73 feet;  
thence N 09° 04' 28" W 54.80 feet;  
thence N 17° 58' 55" W 102.14 feet to the Southwest corner of said  
Southeast 1/4 of the Northwest 1/4;  
thence along the West line thereof, N 01° 28' 14" W 623.28 feet;  
thence N 89° 50' 24" E 342.06 feet;  
thence N 50° 00' 20" E 368.33 feet;  
thence N 20° 32' 34" E 250.33 feet;  
thence N 01° 46' 35" E 164.30 feet to the North line of said Southeast 1/4 of the  
Northwest 1/4;  
thence S 87° 21' 31" E along said North line 582.79 feet to the Point of  
Beginning.

Parcel contains approximately 1,142,801 Square Feet or 26.23 Acres.

Subject to any easements, covenants and restrictions of record.

NW-NW

NE-NW

NORTH 1/4 CORNER  
SECTION 1, T18N, R7W

S01° 25' 30"E  
1277.80'

**NOTE:**  
 DIMENSIONS OF CRESTWOOD LANE AS SHOWN ARE BASED ON THE  
 DESCRIPTION FROM DOCUMENT NUMBER 878793 RECORDED ON  
 JANUARY 03, 1978, IN VOLUME 604 ON PAGE 21 AT THE LA CROSSE  
 COUNTY REGISTER OF DEEDS OFFICE, AS WELL AS VARIOUS SURVEYS  
 ON FILE AT THE LA CROSSE COUNTY SURVEYOR'S OFFICE AND SAID  
 REGISTER OF DEEDS OFFICE. THESE DIMENSIONS WERE ROTATED TO  
 BE ON THE LA CROSSE COUNTY COORDINATE SYSTEM.  
 NO FIELD MEASUREMENTS WERE TAKEN.

SW-NW

SE-NW

SW-NE

1,140,177± SQUARE  
FEET OR 26.17± ACRES

N01° 27' 57"W  
823.24'

N89° 50' 39"E  
341.98'

N03° 06' 00"E  
369.62'

N01° 45' 21"E  
154.39'

N02° 22' 37"E  
230.33'

S87° 18' 18"E  
582.76'

S01° 25' 30"E  
589.67'

S54° 04' 39"W  
473.05'

S46° 16' 14"W  
243.61'

S22° 16' 22"W  
188.39'

S66° 23' 12"W  
360.87'

S17° 23' 23"E  
207.91'

N17° 33' 29"W  
102.14'

S89° 19' 10"W  
284.73'

N17° 23' 23"W  
202.30'

CRESTWOOD LANE

NW-SE

N09° 41' 45"W  
54.80'

N04° 56' 58"W  
169.37'

S04° 55' 59"E  
175.91'

L=369.79, R=236.08  
Δ=089°44'46"  
CB=N39° 55' 39"E  
CL=333.13'

L=459.57, R=316.48  
Δ=083°12'01"  
CB=N43° 12' 02"E  
CL=420.24'

L=463.77, R=296.08  
Δ=089°44'46"  
CB=S39° 55' 39"W  
CL=417.79'

NE-SW

NW-SW

L=372.44, R=266.48  
Δ=083°12'01"  
CB=S43° 12' 02"W  
CL=340.57'

BEARING REFERENCE:  
 WISCONSIN COUNTY COORDINATE SYSTEM  
 LA CROSSE COUNTY ZONE  
 N.A.D. 83 (81' ADJ.)



CRESTWOOD LANE

N01° 36' 01"E  
370.90'

S01° 36' 01"W  
370.90'

L=96.27, R=248.02  
Δ=022°09'01"  
CB=N09° 28' 25"W  
CL=95.67'

L=171.89, R=189.02  
Δ=082°04'31"  
CB=S24° 26' 14"E  
CL=165.94'

0 200' 400'  
 SCALE = 1" = 200'

SW-SW

L=127.45, R=244.02  
Δ=029°55'30"  
CB=N35° 30' 45"W  
CL=126.01'

L=176.69, R=670.72  
Δ=015°05'37"  
CB=S42° 55' 40"E  
CL=176.18'

CRESTWOOD LANE

L=164.44, R=615.72  
Δ=015°18'07"  
CB=N42° 49' 25"W  
CL=163.95'

L=176.69, R=670.72  
Δ=015°05'37"  
CB=S42° 55' 40"E  
CL=176.18'

S52° 17' 18"W  
55.05'

STATE TRUNK  
HIGHWAY 16

**DAVY** ENGINEERING CO.  
 LA CROSSE, WISCONSIN

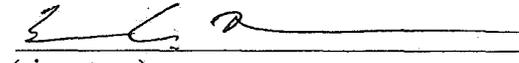
EXHIBIT A  
 CRESTWOOD ESTATES AND  
 CRESTWOOD LANE ANNEXATION  
 ONALASKA, WI

DATE 10/16/2018	NOTES/BOOK NO.	PROJECT NUMBER 11781-003	SHEET OF 1
--------------------	-------------------	-----------------------------	---------------

**FISCAL IMPACT OF ORDINANCE 1623 - 2018**  
Crestwood Property Annexation

Please route in this order

Eric Rindfleisch, Administrator  
(let Caitlin review all annexation ordinances)

  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Jarrod Holter, City Engineer

 11-29-18  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ UNKNOWN for INFRA STRUCTURE INVESTMENT MAINTENANCE to meet the requirements of this ordinance.

Troy Miller, Chief of Police

  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ UNKNOWN for POTENTIAL FOR INCREASE IN POLICE SERVICES TO MEET to meet the requirements of this ordinance.

Fred Buehler, Financial Services Director

 11-30-18  
\_\_\_\_\_  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Date: 11/16/2018

To: City of Onalaska Administrative & Judiciary Committee and the Common Council

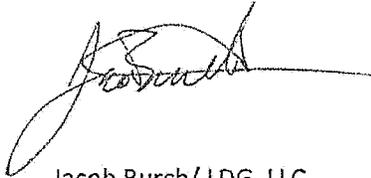
From: Jacob Burch/ Logistics Development Group, LLC

RE: Crestwood Estates – Reading of the Rules Request

To whom it may concern,

I am requesting on behalf of Logistics Development Group and myself for the "Reading of the Rules" to be suspended. We are hoping to make up ground on the timeframe in 2019 for construction needs and market exposure. It would be greatly appreciated if you would consider aid to timing by having the 1<sup>st</sup>&2<sup>nd</sup> and 3<sup>rd</sup>&Final Readings all to be within December meetings.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Jacob Burch", with a long horizontal flourish extending to the right.

Jacob Burch/ LDG, LLC

(608)317-3245

ORDINANCE NO 1626-2018

AN ORDINANCE TO AMEND SECTION 9 OF CHAPTER 3 OF TITLE 2  
OF THE CODE OF ORDINANCES OF THE CITY OF ONALASKA RELATING TO DIRECTOR OF  
INSPECTION; DEPUTY DIRECTORS

THE COMMON COUNCIL OF THE CITY OF ONALASKA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I. Title 2, Chapter 3, Section 3 of the City of Onalaska Code of Ordinances related to Director of Inspection; Deputy Directors is hereby deleted in its entirety and replaced as follows:

**Sec. 2-3-9 Director of Inspection; Deputy Directors.**

**(a) Organization.**

- (1) The Department of Inspection shall consist of a Director and such Deputy Inspectors as the Council shall provide. The Department shall provide all inspection services herein enumerated and such other inspection services as the Common Council shall direct.
- (2) The Department of Inspection is charged with the responsibility of implementing the directives of the Common Council or the Board of Public Works. The Board of Public Works shall work through the Director of Inspection and said Director shall be responsible for the inspections by the various Deputies.

**(b) Director of Inspection.**

- (1) The Director shall have charge of the Department of Inspection and shall assign duties to the Deputy Inspectors and generally direct the work of the Department.
- (2) The Deputy Inspectors shall perform such duties as the Director shall require. In the event that there are special inspection requirements by operation of state law, the Director or one (1) of the Deputies shall satisfy such specific requirements.

**(c) Qualifications.**

- (1) The Director shall have a general knowledge and show proficiency in the fields of building construction, plumbing, heating installation, electrical installation and such other related subjects as the Common Council shall direct.
- (2) The Deputy Directors are to have proper state certification in their appropriate area(s) of responsibility as determined by the Director of Inspection.

**(d) Appointment of Director and Deputies.** The Director of Inspections shall be appointed by the Common Council. Each deputy, whether hired or independently contracted, shall be appointed by the Director of Inspection after showing suitable proficiency for the duties pursuant to the job description and shall hold office until removed by the Director of Inspection or the Common Council.

**(e) Jurisdiction of Department.** The Department of Inspection, under the direction of the Director of Inspections, shall have control of the supervision and inspection of

plumbing, drainage, and drain-laying and shall faithfully enforce all laws, ordinances and rules in relation thereto. It shall be the duty of the Department of Inspection to see that all material construction, reconstruction or alteration of plumbing, drainage or plumbing, ventilation hereafter done in any building shall conform with the laws and ordinances and the rules and regulations laid down by the City or by the State Board of Health and Wisconsin Department of Safety and Professional Services (DSPS), and that said work is done by qualified plumbers and drain-layers as provided by law in this Code, and to make all inspections required thereby and in the manner set forth. Said Department shall also perform such other appropriate duties as may be described by the Director of Inspections, by ordinance, or by resolution of the Council. It shall also, when so ordered by the Director of Inspections, inspect water services as to their depth below grade, manner of construction, material and workmanship, and as to the placement of the earth, and in any other respects or particulars designated by the Land Use Development Director, supervise public sewer work, all connections, and all excavations for the purpose of making or repairing the same. The Department shall enforce the City ordinances, the State Statutes when applicable, and the rules and regulations of the various State agencies pertaining to zoning, buildings, heating, ventilating or air conditioning, plumbing, and electrical work.

- (f) **Authority to Enter Premises.** The members of the Department of Inspection, or any of them, shall have the power and authority, at all reasonable times for any proper purpose, to enter upon any private or public premises and make inspections thereof, and to require any person or persons doing work for which permits are required to produce such permit. It shall be unlawful to resist or obstruct or in any manner interfere with any member of the inspection department lawfully performing his duties.
- (g) **Preparation of Forms and Records.** The Department of Inspection shall prepare suitable forms for the applications and permits required and keep in its office a proper daily record of all the transactions of its office. The yearly report shall cover the period ending December 31st and shall be filed on or before January 10th next thereafter, and shall show the total amount of fees earned and a summary of the work of the office during said period.
- (h) **Scope Enumerated.** In all cases in the Code of Ordinances where reference is made to the Electrical Inspector, City Electrician, Building Inspector, Plumbing Inspector, Zoning Inspector, the Fire Inspector under the Heating, Ventilating and Air Conditioning Code and Sidewalk Inspector, such references are hereby amended and shall refer to the Director and various deputies in the Department of Inspection.

SECTION II. This Ordinance shall take effect and be in force from and after its passage and prior to publication although it will be published in due course.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF ONALASKA

By: \_\_\_\_\_  
Joe Chilsen, Mayor

By: \_\_\_\_\_  
Caroline Burmaster, Clerk

PASSED:  
APPROVED:  
PUBLISHED:

Eric Rindfleisch, Administrator  
(let Caitlin review all annexation ordinances)

[Signature]  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Jarrold Holter, City Engineer

C. Holter 11-15-18  
(signature)

No Fiscal Impact - TO PUBLIC WORKS DEPT.

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Katie Aspenson, Planner / Zoning Inspector

K.A. 11/20/18  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

Fred Buehler, Financial Services Director

Fred Buehler 11-20-18  
(signature)

No Fiscal Impact

Budgeted Item

Will need \$ \_\_\_\_\_ for \_\_\_\_\_ to meet the requirements of this ordinance.

## MEMO

TO: Administrative & Judiciary

FROM: Attorneys Amanda Jackson & Sean O'Flaherty

DATE: December 5, 2018

RE: Revision of Premises for Online Sale of Alcohol

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We have been asked to weigh in with respect to legal concerns regarding expanding premises and/or changing the City's ordinance to allow on-line beer/liquor sales with drive-up pick-up services. As stated in the article you were provided by the League of Wisconsin Municipalities, Wisconsin law requires that alcohol sales be (1) face to face sales to a consumer at the licensed premises; (2) Purchased by someone who is of the drinking age (21); (3) Seller must be a licensed operator or under the immediate supervision of a licensed operator; and (4) no sales can be made to intoxicated persons. We have also attached a Click & Collect Alcohol Sales in Wisconsin article and a Click and Collect Alcohol Policy Check List completed by the Wisconsin Alcohol Policy Project from the University of Wisconsin Law School, which outlines several considerations that the City would want to make as it considers these issues.

If the City is to pass an ordinance that allows the sale of alcohol online, they would need to ensure that the business seeking to expand their premises can adequately meet these four requirements. From a practical standpoint that means that the applicant would need to have adequate policies in place and to show that their Point of Sale system can accept an order and delay the actual transaction until the alcohol is being picked up. They would also need to show that those delivering alcohol curbside have an operator's licenses. This is relatively new terrain legally speaking, which often poses more questions than answers and will continue to do so as it becomes applied. For example, under strict interpretation of the law where someone places an order online, then someone else who is 21 but not the same person picks up the order, it would not be a face to face sale as the person paying for the alcohol is not the same as the person picking it up. Would the City want to spell that out in their requirements for expanded premises? Would the City want verification that the POS system can hold the transaction until pick up to ensure compliance with the law? Should the City require that these transactions be recorded on video and how long would the City want such video kept? Would it be practical to have universal hours for the entire City if pick up is allowed so as not to have differing hours of alcohol sales between retail establishments? How will the operator respond if someone appears to be intoxicated or if it appears the person has consumed alcohol but it is unclear they are intoxicated? Now it is clear that the person has driven to the licensed premises, they are sitting in a vehicle to pick up alcohol, what would be the City's expectation in this situation?

If the City creates an ordinance and allows the expansion of premises for a specific retailer based on a set of criteria, the City would need to do so for other similarly situated licensed premises. Some licensed premises already have issues with sales to minors and ensuring compliance with regular

sales, having to provide them with the ability to have drive-up sales may open the door for public safety concerns. Currently Walmart has sought approval from several cities throughout Wisconsin. The City of Menomonie recently amended its ordinance to allow for the sale of online alcohol by Walmart, unlike Madison, they took a more ambiguous approach adopting the following:

*3-3-5 (L) City of Menomonie Code :*

*L. Online Ordering And Curbside Pickup Of Alcohol Beverages: No person, corporation or other entity, who has been issued a license pursuant to this section, shall allow online purchase of alcohol beverages and curbside delivery of such purchases without first obtaining a license from the Common Council, or an amendment to an existing license from the Common Council, which includes the portion of the premises' parking lot that will allow vehicles to park for the purposes of picking up an online order of alcohol beverages. Any license request or license amendment request seeking to allow the online purchase and curbside delivery of alcohol beverages must include a detailed operating plan describing how the operation will function and must describe safeguards which will prevent underage and intoxicated persons from ordering and picking up alcohol beverages. The Common Council may add any additional requirements it deems necessary prior to the issuance of such license or license amendment. (Ord. 2018-03, 4-2-2018)*

The City of Eau Claire in March authorized the expansion of Eau Claire's Walmart store's description of their licensed premises to allow for alcohol pick up and sales without changing the ordinance and doing so by resolution. On the other hand, the City of Stoughton declined Walmart's requests to expand their licensed premises over concerns that it would result in multiple requests for similar services and that according to individuals with alcohol abuse training, it is difficult to judge a person's impairment when they are sitting in a car, especially after dark. The City of Neenah rejected it for similar reasons as well.

It is clear that municipalities have taken broad and differing approaches initially as to how to handle these situations. Given the great disparity in how municipalities are handling these, this may be a situation where it may be beneficial to wait and see what happens in the next year. Retailers frustrated with differing viewpoints could seek legislation to address the issue. Alternatively, as it becomes more common place and issues in how it will be applied become more apparent, there may be more unity in how municipalities regulate this as well as clarity in what a comprehensive ordinance should look like.

RESOLUTION 30 - 2018

**RESOLUTION TO CREATE THE LA CROSSE AREA METROPOLITAN SEWERAGE DISTRICT**

**WHEREAS**, the City of Onalaska is currently in negotiations for a renewal of the Agreement for Sewer Conveyance and Treatment with the City of La Crosse; and

**WHEREAS**, the City of La Crosse currently contracts with local regional municipalities for the treatment and disposal of sewerage; and

**WHEREAS**, the growth patterns and sewerage needs in the La Crosse area have shifted since the inception and development of the Isla La Plume wastewater treatment plant; and

**WHEREAS**, municipalities across the State of Wisconsin including the La Crosse area are experiencing budgeting restraints and regionalizing services such as wastewater treatment allows for better fiscal management and cost effectiveness, better planning and the provision of efficient and environmentally-sound sewerage collection and treatment systems across a greater area;

**WHEREAS**, for these reasons the City of Onalaska propose the creation of a metropolitan sewerage district known as the La Crosse Area Metropolitan Sewerage District (LAMSD), which shall encompass the territories of the City of La Crosse, City of Onalaska, Town of Shelby and Town of Campbell and by interstate compact include the City of La Crescent, Minnesota; and

**WHEREAS**, the purpose of LAMSD shall be to approach wastewater collection and treatment from a regional perspective, allowing the district to pool resources that will enhance the quality of life of area residents by identifying and meeting the wastewater and collection needs for its local communities, planning for long-term growth of the area, providing innovative engineering and environmental initiatives, conservation leadership and allowing the district to be cost-conscious for all ratepayers across the board.

**NOW, THEREFORE, BE IT RESOLVED**, by the Common Council of the City of Onalaska that the La Crosse Area Metropolitan Sewerage District be created with the territories of the City of La Crosse, City of Onalaska, Town of Shelby and Town of Campbell and with the boundaries as set forth on the map attached hereto as Exhibit A; and

**BE IT FURTHER RESOLVED**, that the LAMSD shall be the single-purpose government utility that reclaims water and promotes pollution prevention and water conservation for the district's municipalities; and

**BE IT FURTHER RESOLVED**, that the LAMSD shall manage the existing facilities within those territories listed above including the Isla La Plume wastewater treatment facility which currently serves as the regional facility and the existing regional lift stations as set forth on Exhibit B; and

**BE IT FURTHER RESOLVED**, that the creation of the LAMSD furthers the provisions of 200.05(4)(a-c) by uniting the La Crosse area municipalities which are currently being treated by the Isla La Plume wastewater treatment facility and providing a regional approach to identifying and meeting the wastewater collection and treatment needs of the area as well as sharing fiscal management among the area users.

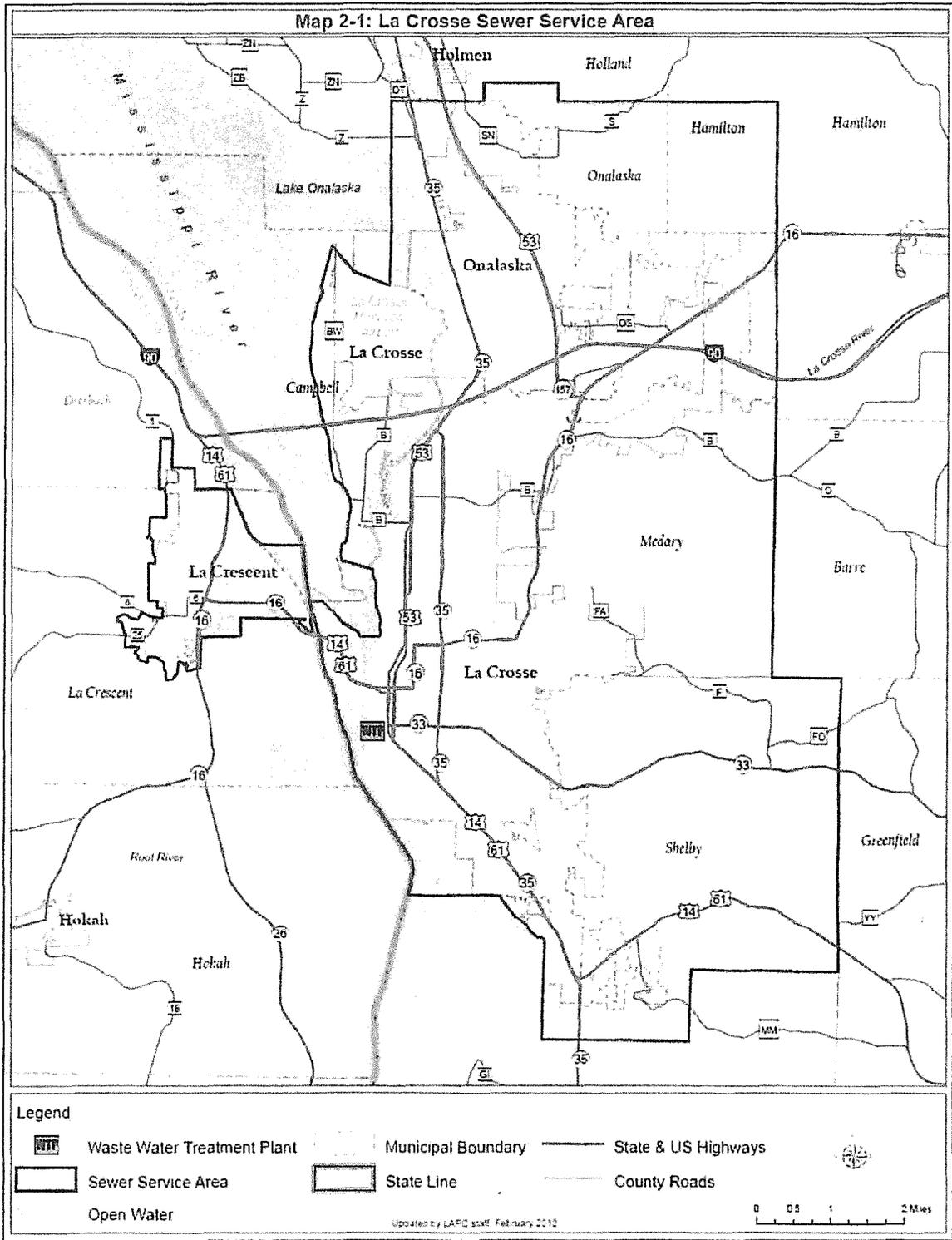
Dated this \_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF ONALASKA

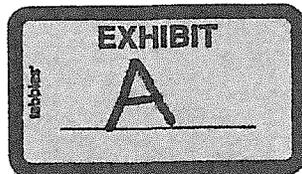
By: \_\_\_\_\_  
Joe Chilsen, Mayor

By: \_\_\_\_\_  
Caroline Burmaster, Clerk

PASSED:  
APPROVED:  
PUBLISHED:



**MAP 2-1: La Crosse Sewer Service Area.**





## **CITY OF ONALASKA**

**Eric C. Rindfleisch, City Administrator**

E-Mail: [erindfleisch@onalaskawi.gov](mailto:erindfleisch@onalaskawi.gov)

415 Main Street • Onalaska, WI 54650 • (608) 781-9530 • fax (608) 781-9534 • [www.cityofonalaska.com](http://www.cityofonalaska.com)

Mayor Tim Kabat  
City of La Crosse  
400 La Crosse St  
La Crosse, WI 54601

August 14, 2018

Mayor Kabat:

On behalf of the Common Council of the City of Onalaska, I am informing you of the acceptance of the offer extended by the City of La Crosse to Onalaska to continue the current Sanitary Sewer Service Agreement at the existing terms to expire on December 31, 2019. The agreement has been approved by the Council and signed by the Mayor. As we look to completing the successor agreement, it is Onalaska's intention to work with La Crosse and all participants in the regional sewer service, so that the needs of all partner communities are met as well as ensuring the long-term financial health and future physical plant condition of the system.

To accomplish this, I am requesting you forward the below necessary information regarding the historical, current, and future status of the regionally-shared sewer system capital assets, system and treatment plant capacity and usage, operations and maintenance, financials, and governance plan. This list is not all-inclusive, but it highlights important information that all the partnering communities in the regional system need to have so that mutually beneficial and informed decisions can be made regarding this important shared service.

- List of regionally-shared sewer system capital assets (plant, equipment, mains, etc.)
  - Date of construction
  - Cost of construction
  - Depreciation schedule for each
  - Methodology for determining City of La Crosse assets and regionally-held assets
- Capacity and usage
  - Review of original planned capacity of plant, mains, or other capital assets with forecasts (historical review of planned and designed system usage for and by whom)
  - Report of current and actual capacity and usage of plant and system as compared to planned (what is available plant capacity and current usage of system by whom compared to the original plans?)
  - Plan for future plant and system capacity and usage listed by community
  - Engineering rationale for not operating plant more efficiently (specifically - engineering reasons for denying sewer service area extensions and not accepting additional effluent)
- Operations and maintenance
  - Audited review of actual current operations and maintenance costs for transportation and treatment allocated to Regional partners
  - List of any deferred maintenance to the wastewater system and reasons for the deferral
  - Methodology for isolating regional O&M costs from City of La Crosse costs (Volume? TSS? Or, how calculated?)

- Financials
  - Audit of all current and historical receivables from regional partners compared to capital assets, depreciation, O&M costs, and expenses
  - Financial rationale for any “buy-in” for previous capital expenses, depreciation, or O&M costs and proposed “buy-in” formula
  - List of planned future capital expenditures with timeline and proposed depreciation schedule for those capital improvements
  - Financial plan for equitable sharing of future capital expenditures amongst La Crosse and partnering communities and districts
  - Audit of all Clean Water Funds, other Federal loans and grants, and State DNR or other funds received by La Crosse or the sanitary sewer system including dates, amounts, and purposes
  - Audit of any city of La Crosse borrowing or other usage of sewer system cash/revenues/assets with P&I repayment schedules
  - Financial rationale for not pursuing lower unit costs for both City of La Crosse users and Regional partners (specifically – financial reasons for denying sewer service area extensions thereby eliminating additional paying users to system)
- Governance
  - Plan for equitably sharing in the decision-making process with regional partners regarding:
    - Future Sanitary Sewer Service Area extensions
    - Setting of future user rates
    - Future capital expenses
    - Operations and maintenance decisions

The City of Onalaska looks forward to working with the City of La Crosse in reaching a fair and equitable agreement on the future use of this important shared system.

Sincerely,

Eric C. Rindfleisch  
City Administrator

**SECOND AMENDMENT TO AGREEMENT FOR SEWER CONVEYANCE AND TREATMENT - LA CROSSE – ONALASKA**

This Second Amendment to Agreement for Sewer Conveyance and Treatment is entered into between the City of La Crosse, a Wisconsin municipal corporation, hereinafter referred to as 'LA CROSSE,' and the City of Onalaska, a Wisconsin municipal corporation, hereinafter referred to as "ONALASKA."

**RECITALS**

WHEREAS, La Crosse and Onalaska entered into an Agreement for Sewer conveyance and Treatment dated March 28, 1997, for a period of twenty (20) years commencing on January 1, 1997, and ending on December 31, 2016, and

WHEREAS, a First Amendment was approved extending the agreement through December 31, 2018 in Resolution 17-0717.

NOW, THEREFORE, LA CROSSE and ONALASKA hereby amends the agreement as follows:

1. Section 3 is hereby amended to read:
3. LA CROSSE shall only treat up to 8.41 Cubic Feet per Second (CFS) of sewage for ONALASKA measured at the metering point at George Street and Lauderdale Place for a period commencing January 1, 2018 and terminating December 31, 2019. Flow from other metered ONALASKA connections to the LA CROSSE sewer system as may be made shall be included in the termination of peak flow. ONALASKA shall not discharge more than 8.41 CFS at ONALASKA's peak flow, to LA CROSSE's sewer system, measured over six 15 minute periods within any 24 consecutive months. Average flow contributed from connections from the City of La Crosse upstream of the meter near George Street and Lauderdale Place shall be deducted from the meter reading in determining Onalaska's peak flow, and average flow from ONALASKA connections downstream of said flow meter or from ONALASKA connections to the LA CROSSE sewer system at other locations shall be added.

2. Except as amended hereby, the Agreement for Sewer Conveyance and Treatment dated March 28, 1997 shall remain unchanged and in full force and effect.

WITNESS:

CITY OF ONALASKA

\_\_\_\_\_

By: \_\_\_\_\_  
Joe Chilsen, Mayor

\_\_\_\_\_

By: \_\_\_\_\_  
Cari Burmaster, City Clerk

CITY OF LA CROSSE

\_\_\_\_\_

By: \_\_\_\_\_  
Timothy Kabat, Mayor

\_\_\_\_\_

By: \_\_\_\_\_  
Teri Lehrke, City Clerk

**AGREEMENT FOR SANITARY SEWAGE CONVEYANCE AND TREATMENT  
BETWEEN THE CITY OF LA CROSSE AND THE TOWN OF CAMPBELL**

THIS AGREEMENT is made this 12<sup>th</sup> day of Nov. 2015, by and between the City of La Crosse and the Town of Campbell.

WHEREAS, the Town operates a sanitary sewer collection system through the Town of Campbell Utility District No. 1, and

WHEREAS, the Town desires to transfer the untreated sanitary sewage from the Utility District to the sewage system owned by the City for purposes of treatment and disposal, and

WHEREAS, the Town has authorized the making, execution and delivery of a contract with the City, providing for the continued treatment and disposal of sanitary sewage from the Utility District by the City, through December 31, 2018, and

WHEREAS, the Common Council of La Crosse has authorized the making, execution and delivery of a contract with the Town for the continued treatment and disposal of sanitary sewage from the Utility District, through December 31, 2018.

NOW, THEREFORE, the City and Town do hereby covenant and agree as follows:

**ARTICLE 1  
DEFINITIONS**

- 1.1 "Agreement" means this Agreement for Sanitary Sewage Conveyance and Treatment between the City of La Crosse and the Town of Campbell.
- 1.2 "Breezy Point Lift Station" means the lift station located near the intersection of Breezy Point Road and Airport Road where sanitary sewage originating within the City's municipal limits at the City's Airport Industrial Park is delivered to the Campbell Sewer System.
- 1.3 "Breezy Point Meter" means the wastewater meter located at the Breezy Point Lift Station which measures the volume of sanitary sewage originating within the City's municipal limits that is delivered to the Campbell Sewer System at the Breezy Point Lift Station.
- 1.4 "Campbell Meter" means the wastewater meter located near Clinton Street and Nakomis Avenue which measures the volume of sanitary sewage carried by the Campbell Sewer System that is delivered to the City Sewer System.

- 1.5 “Campbell Rate Study” means the wastewater rate study prepared by Davy Engineering, dated October 1, 2014, which was approved by the Town Board. A copy of the Campbell Rate Study is attached to this Agreement as Exhibit A.
- 1.6 “Campbell Sewer System” means the sanitary sewer system owned and operated by the Town through the Utility District.
- 1.7 “Campbell Wastewater Charge” means the charge to users of the Campbell Sewer System established in accordance with the Campbell Rate Study.
- 1.8 “City” means the City of La Crosse, a Wisconsin municipal corporation, with a principal address of 400 La Crosse Street, La Crosse, WI 54601, and its sewer utility.
- 1.9 “City Rate Study” means the wastewater rate study prepared by John A Mayer Associates, as described in the Executive Summary dated August 14, 2014, which was approved by the City Common Council on October 9, 2014. A copy of the Executive Summary of the City Rate Study is attached to this Agreement as Exhibit B.
- 1.10 “City Sewer System” means the sanitary sewer system owned and operated by the City.
- 1.11 “City Users” means the City Sewer Utility customers located within the City’s municipal limits.
- 1.12 “City Wastewater Treatment Plant” means the wastewater treatment plant owned and operated by the City.
- 1.13 “City Sewer Utility” means the sewer utility operated by the City.
- 1.14 “City’s Code of Ordinances” means the City’s code of ordinances in effect as of the date of this Agreement, and all amendments thereto subsequently adopted by the City of La Crosse Common Council.
- 1.15 “Copeland Park Lift Station” means the lift station located at the Copeland Park West boat ramp/parking facility on the south side of Clinton Street that is connected to the Campbell Sewer System, upstream of the Campbell Meter.
- 1.16 “Party” means the City and Town individually. “Parties” mean the City and Town jointly.
- 1.17 “REU” means residential equivalent unit. One REU represents the average volume of wastewater discharged by an average residential user to the Campbell Sewer System. Each residential user of the Campbell Sewer System is assigned one REU. Each non-residential user of the Campbell Sewer System is assigned REUs based upon its usage compared to that of an average residential user.

- 1.18 "Significant Industrial Users" has the meaning given to that term in the City's Code of Ordinances, related to wastewater.
- 1.19 "Town" means the Town of Campbell, a body corporate and politic of La Crosse County, Wisconsin, with a principal address of 2219 Bainbridge Street, La Crosse, WI 54603, and its successors and assigns.
- 1.20 "Utility District" means the Town of Campbell Utility District No. 1, established by the Town of Campbell, pursuant to 66.0827 of the Wisconsin Statutes, hereinafter referred to as "Utility District".
- 1.21 "Wholesale Volumetric Rate" means the City's volumetric rate to the Town as determined in accordance with Article 5 of this Agreement.

ARTICLE 2  
AUTHORIZED DISCHARGE

- 2.1 Discharge to City Sewer System Authorized. During the term of this Agreement, the Town is authorized to discharge sewage from the Campbell Sewer System to the City Sewer System at a point near Clinton Street and the east bank of the Black River.

ARTICLE 3  
LIMITS ON DISCHARGE

- 3.1 Volumetric Flow Limits.
  - 3.1.1 *Flow Measurement Location.* The volume of flow from the Campbell Sewer System discharging into the City Sewer System shall be measured at the Campbell Meter. Flow from the Campbell Sewer System shall equal the flow measured at the Campbell Meter, minus the flow measured concurrently at the Breezy Point Meter.
  - 3.1.2 *Daily Limit Averaged Over a Month.* Flow from the Campbell Sewer System shall not exceed a maximum average of 1.20 million gallons per day (MGD), for any calendar month.
  - 3.1.3 *Peak Flow Limit Averaged Over 24 Hours.* Peak flow from the Campbell Sewer System for any 24 hour period shall not exceed 2.0 MGD.
- 3.2 Limits on Strength of Wastewater.
  - 3.2.1 *Discharge Not to Exceed Domestic Strength.* The sewage discharged from the Campbell Sewer System to the City Sewer System shall not exceed domestic strength as defined by the City's Code of Ordinances.

- 3.2.2 *Sampling.* The City shall have access to the Campbell Sewer System for sampling purposes and may, upon request, periodically sample the sewage discharged from the Campbell Sewer System to the City Sewer System.
- 3.2.3 *Compliance with City Ordinances.* All wastewater entering the Campbell Sewer System and the City Sewer System shall be subject to all provisions the City's Code of Ordinances pertaining to sewers and sewerage.
- 3.3 Prohibition on Certain Discharges.
- 3.3.1 *Trucked Waste.* No septic tank waste, seepage pit wastes, grease-trap wastes, or any trucked liquid wastes shall be deposited into the Campbell Sewer System by persons engaged in the business of cleaning, pumping or hauling of the same. All trucked wastewater shall be disposed of in accordance with applicable State, Federal and local regulations.
- 3.3.2 *Clear Water.* The Town shall not permit clear water discharge from drain tile, air conditioning systems, rain water, any surface water conduits, or any other clear water source to be connected with or discharged into the Campbell Sewer System.
- 3.4 Requirements for Significant Industrial Users. The City may require Significant Industrial Users, including Significant Industrial Users in the Town, to obtain discharge permits, and to comply with the provisions of those discharge permits, including payment of fees to the City Sewer Utility. Permit fees and laboratory analysis fees charged to Significant Industrial Users in the Town shall be the same as those charged to comparable Significant Industrial Users in the City, plus a 50% surcharge on the permit fee. Service to any such Significant Industrial User shall require prior approval from the City Sewer Utility.
- 3.5 Notification of Prohibited Discharge. The Town shall notify the City immediately of the occurrence of any discharge in violation of this Article 3, the details thereof, and the action which is being taken or proposed to be taken by the Town with respect thereto.

ARTICLE 4  
METERING

- 4.1 Billable Flow. The City will charge the Town for the volume of sewage delivered from the Utility District to the City Sewer System as measured by the Campbell Meter, less 21the flow measured by the Breezy Point Meter.
- 4.2 Campbell Meter. The Town shall furnish the Campbell Meter, at its cost, to accurately measure the flow the Campbell Sewer System conveys to the City Sewer System. The Town shall maintain and service the Campbell Meter at its cost.

- 4.3 Calibration of Campbell Meter. The Campbell Meter shall be calibrated by a competent technician not less than once annually. The Town shall pay all expenses related to the calibration. The Town shall provide the City with documentation of the results of such annual calibration within 10 days after the completion of the calibration.
- 4.4 Failure to Maintain Campbell Meter. In the event the Town fails to maintain the Campbell Meter in good and accurate working condition or fails to have the annual calibration performed, the City may maintain and calibrate such meter, and charge the expenses related to such maintenance and calibration to the Town, which expense the Town agrees to pay.
- 4.5 Access to Campbell Meter. The City shall have access to the Campbell Meter, upon request, for purposes of periodically inspecting the meter.
- 4.6 Reading of Campbell Meter. The City shall have regular access to the Campbell Meter for purposes of reading the meter. Meter readings shall be taken by the City weekly.
- 4.7 Metering Disputes. In the event that either the City or the Town believes that the sewage flow has been inaccurately metered resulting in over billing or under billing under Article 5, the objecting Party shall give notice to the other Party in writing of its objection. The Parties shall cooperate to determine the existence and extent of the alleged meter inaccuracy and the overbilling or under billing. If a meter is determined to be inaccurate, an adjustment shall be made in charges for such meter inaccuracies extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half of the time elapsed since the last date of calibration. If the Parties are unable to agree upon the adjustment to be made in charges for meter inaccuracies, the Parties shall resolve the dispute in accordance with Article 12.

ARTICLE 5  
CITY RATES; BILLING

- 5.1 2015 Rate for Flow. The Wholesale Volumetric Rate for 2015 is \$1,631 per million gallons. The Wholesale Volumetric Rate was determined based upon the City Rate Study. This Wholesale Volumetric Rate will remain in effect until changed in accordance with Section 5.2 or 5.3.
- 5.2 Rate Changes. If the City changes the volumetric rate charged to City Users, the Wholesale Volumetric Rate for the Town will be similarly revised in accordance with a methodology similar to that used by the City Rate Study attached as Exhibit B to determine the Wholesale Volumetric Rate initially. This Section does not apply to cost of living rate adjustments covered by Section 5.3.

- 5.3 Cost of Living Adjustments. Cost of living rate adjustments may be made without completing a new rate study if the same percentage increase is applied to both the volumetric rate charged to City Users, and the Wholesale Volumetric Rate. Cost of living increases, if made, shall not be greater than the nearest whole percent above the increase in the Consumer Price Index (CPI), All Urban Consumers. The CPI shall be based on the increase over the period from June to June, with the rate increase being effective January 1 of the year following the June to June period. No cost of living rate adjustment shall be based on the change in the CPI for a period longer than 24 months.
- 5.4 Timing for Rate Change. Changes in rates shall be effective on January 1, with notice provided to the Town on or before the preceding September 1.
- 5.5 Sewer Charges. The City's sewer charges to the Town shall equal:
- a. the flow measured at the Campbell Meter minus the flow measured concurrently at the Breezy Point Meter;
  - b. multiplied by the Wholesale Volumetric Rate;
  - c. less the conveyance charge calculated under subsection 8.1.4 for conveying sewage that originated within the City's municipal limits upstream of the Breezy Point Meter to the City Sewer System.
- 5.6 Billing. The City will bill the Town monthly on or about the tenth day of the following month for the cost of sewage handling and treatment.
- 5.7 Due Date. The invoice shall be due and payable within 45 days of the date of the invoice. If an invoice is not fully paid within 45 days, the unpaid balance shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

## ARTICLE 6

### CONNECTIONS TO CAMPBELL SEWER SYSTEM; REGULATIONS ON USE

- 6.1 Sewer Main Extensions within the Utility District. Sewer main extensions may be made by the Town within the boundaries of the Utility District, provided such main extensions are also within the sanitary sewer service area described in the City's Code of Ordinances.
- 6.2 City Approval of Plans. All plans for sewer main extensions, new lift stations or new forcemains within the Utility District must be submitted to the City Sewer Utility and La Crosse City Engineer, and be approved by the City Board of Public Works. The Utility District shall inform the City Sanitary Sewer Utility of major sewer, forcemain and lift station replacement or renovation projects.

- 6.3 Plumbing. All plumbing shall be installed in compliance with the Wisconsin State Plumbing Code. The Town shall have a plumbing inspector who shall inspect all connections to the mains, keep records of all connections by measurements from manholes and inspect all inside plumbing. The City reserves the right to inspect all mains, connections, premises and records in order to ascertain compliance with all contracts, agreements, rules, regulations and accuracy of such records.
- 6.4 Application of City's Code of Ordinances. The Town shall by ordinance require all users, including industrial and commercial users within its jurisdiction, to conform and comply with the provisions of the City's Code of Ordinances related to wastewater and sewerage in order to protect the City's sewer system, and to comply with laws, orders, or directives of the United States government, or the State of Wisconsin. All dischargers to the Campbell Sewer System shall be subject to all City ordinances related to wastewater and sewerage, along with the provisions of all laws, orders and directives of the U.S. Government and the State of Wisconsin pertaining to wastewater.
- 6.5 Authority to Inspect. The City shall have the right to inspect and/or survey the wastewater discharge, the clear water discharge, and the premises of all Campbell Sewer System users, including industrial or commercial users within the jurisdiction of the Town.
- 6.6 Enforcement. If it is determined by the City that any wastewater or clear water entering the Campbell Sewer System is in apparent violation of the this Agreement, the City's Code of Ordinances or other authority, the City is authorized to proceed to enforce the Agreement, the City's Code of Ordinances and all laws, orders and directives of the U.S. Government and the State of Wisconsin pertaining to wastewater, using the enforcement process applicable to wastewater discharges set forth in the City's Code of Ordinances.

ARTICLE 7  
MAINTENANCE OF CAMPBELL SEWER SYSTEM

- 7.1 Maintenance of Campbell Sewer System. The Town shall pay all costs associated with maintaining, operating, and replacing the Campbell Sewer System. The costs shall be included in the Town or Utility District sewer utility budget and reflected in Town or Utility District sewer rates. There shall be no additional cost to the City for replacement of Campbell Sewer System facilities unless such replacement is necessitated by an increase in flow from property within the City's municipal limits upstream of the Breezy Point Meter beyond that allowed under subsection 8.1.1 of this Agreement.
- 7.2 Infiltration and Inflow. The Town shall, at its expense, reduce infiltration/inflow into the Campbell Sewer System whenever such infiltration is in excess of any limits imposed or standards set by the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency.

ARTICLE 8  
CITY CONNECTIONS TO CAMPBELL SEWER SYSTEM

8.1 Breezy Point Lift Station Connection to Campbell Sewer System.

8.1.1 *Breezy Point Lift Station Connection Authorized.* The City maintains a sewage collection system for property located within the City's municipal limits upstream of the Breezy Point Lift Station. The City is authorized to connect its sewage collection system to the Campbell Sewer System at the Breezy Point Lift Station. The Town agrees to convey through the Campbell Sewer System up to 0.144 MGD (100 GPM), maximum average for any calendar month, of wastewater originating within the City's municipal limits from the Breezy Point Lift Station to the point where the Campbell Sewer System connects to the City Sewer System downstream of the Campbell Meter.

8.1.2 *Breezy Point Meter.* The City flow entering the Breezy Point Lift Station shall be measured by the Breezy Point Meter. The City shall furnish the Breezy Point Meter, at its cost. The City shall maintain and service the Breezy Point Meter at its cost. The Breezy Point Meter shall be calibrated by a competent technician not less than once annually. The City shall pay all expenses related to the calibration. The City shall provide the Town with documentation of the results of such annual calibration within 10 days after the completion of the calibration.

8.1.3 *Reading of Breezy Point Meter.* Meter readings of the Breezy Point Meter shall be taken by the City weekly. Disputes over meter readings shall be resolved in the manner set forth in Section 4.7 of this Agreement.

8.1.4 *Conveyance Charge for Sewage from the Breezy Point Lift Station.* The City shall pay the Town a charge per million gallons for conveying the sewage generated from within the City's municipal limits upstream of the Breezy Point Lift Station from the Breezy Point Lift Station to the City Sewer System near Clinton Street and the east bank of the Black River. The conveyance charge paid by the City shall equal 15% of the Wholesale Volumetric Rate charged to the Town. For example, since the Wholesale Volumetric Rate for 2015 is \$1,631 per million gallons, the City would pay the Town a conveyance charge equal to 15% of \$1,631, or \$244.65 per million gallons of flow from the Breezy Point Lift Station. The conveyance charge calculated under this subsection shall be applied as a credit to the City's sewer charges in accordance with Section 5.5.

8.1.5 *Request for Increased Flow Limit.* Any increase in the City's allowable discharge at the Breezy Point Lift Station above 0.144 MGD (100 GPM), maximum average for any calendar month, must be negotiated with the Town. If any Campbell Sewer System facility must be replaced or upgraded to accommodate such increased flow from the City at the Breezy Point Lift Station, the Parties shall negotiate the conditions and cost sharing of such replacement or upgrade at that time.

8.2 Copeland Park Lift Station Connection to Campbell Sewer System.

8.2.1 *Copeland Park Lift Station Connection Authorized.* The City maintains the Copeland Park Lift Station to handle wastewater discharged from property located within the City's municipal limits upstream of the Copeland Park Lift Station. The City is authorized to connect its sewage collection system to the Campbell Sewer System at the Copeland Park Lift Station. The Town agrees to convey through the Campbell Sewer System wastewater originating within the City's municipal limits from the Copeland Park Lift Station to the point where the Campbell Sewer System connects to the City Sewer System at the Campbell Meter.

8.2.2 *City Payment for Service Provided.* The City shall compensate the Town for wastewater service provided to properties located within the City's municipal limits upstream of the Copeland Park Lift Station as provided under Subsection 8.3.3.

8.3 Other Connections of Property Located Within the City's Municipal Limits to the Campbell Sewer System.

8.3.1 *Connections Authorized.* Certain properties within the City's municipal limits are located downstream of the Breezy Point Meter but upstream of the Campbell Meter. The Town agrees to allow these properties located within the City's municipal limits to connect to the Campbell Sewer System. Connection to the Campbell Sewer System shall be at the expense of the property owner(s) receiving service.

8.3.2 *Status as City Customer.* A person or entity whose property is located within the City's municipal limits shall be a customer of the City Sewer Utility even if the person's or entity's property is connected to the Campbell Sewer System. The City shall be solely responsible for providing service to persons or entities whose property is located within the City's municipal limits. The Town agrees that it will not assess or make any sewer charge of any kind against any property owned or under the jurisdiction of the City unless otherwise provided in this Agreement.

8.3.3 *City Payment for Service Provided to City Customers.* The City shall compensate the Town for wastewater service provided to properties located within the City's municipal limits downstream of the Breezy Point Meter but upstream of the Campbell Meter. For each such property provided service through the Campbell Sewer System, the City shall pay to the Town the same charge the Town charges to its own customers. The City's payment shall be made as provided in Section 8.4.

8.4 Campbell Wastewater Charges.

8.4.1 *Campbell Rate Study.* The Campbell Rate Study is based on an REU methodology. The methodology for initially determining the number of REUs per user connected to the

Campbell Sewer System is set out in the Campbell Rate Study. In future updates and revisions of the Campbell Rate Study, the number of REUs to be assigned to each non-residential user with a water meter will be calculated based on the past, actual metered water usage of the user divided by the volume assigned to one REU. The volume assigned to one REU will equal the volume of Metered Sales to Residential Customers in the City, as reported on page W-2 of the La Crosse Water Utility PSC Annual Report, divided by the number of Residential Customers of the City, as also reported on page W-2.

- 8.4.2 *Campbell Wastewater Charge.* The Campbell Wastewater Charge for 2015 is \$220 per REU.
- 8.4.3 *Calculation of Charge to City.* The City shall pay the Town for service provided to City Customers under subsection 8.3.3 the amount calculated by multiplying the Campbell Wastewater Charge by the number of REUs allocated to those properties located within the City's municipal limits that are connected to the Campbell Sewer System under subsection 8.3.1 as of January 1 of each year.
- 8.4.4. *Billing and Payment.* The Town shall invoice the City for the charge calculated under subsection 8.4.3 and the invoice shall be due and payable within 45 days of the date of the invoice. If an invoice is not fully paid within 45 days, the unpaid balance shall be subject to interest at the rate of one and one-half percent (1.5%) per month.
- 8.4.5 *Changes in REUs or Campbell Wastewater Charge.* The Campbell Wastewater Charge shall remain in effect unless revised in accordance with a methodology similar to that used by the Campbell Rate Study, attached as Exhibit A, to determine the Campbell Wastewater Charge initially. Changes in rates shall be effective on January 1, with notice provided to the City on or before the preceding September 1. The number of REUs per user as set forth in the Campbell Rate Study shall remain in effect unless revised in accordance with subsection 8.4.1.

ARTICLE 9  
RECIPROCAL OBLIGATIONS

- 9.1 Use of Funds.
  - 9.1.1 *City Funds.* All funds collected from users of the City Wastewater Treatment Plant, including wholesale customers, contract users, City Users, or other users of the plant, for capital improvements including anticipated future capital improvements, shall be maintained by the City in a separate reserve fund and only used for expenses directly related to collection, treatment, or disposal of sanitary sewage. Furthermore, that portion of funds collected from users of the City Wastewater Treatment Plant that are designed for capital expenditures shall be used only for capital expenses directly related to collection, treatment, or disposal of sanitary sewage.

- 9.1.2 *Town and Utility District Funds.* All funds collected from users of the Campbell Sewer System for capital improvements, including anticipated future capital improvements, shall be maintained by the Town in a separate reserve fund for the Utility District and only used for expenses directly related to collection and conveyance of sanitary sewage.
- 9.2 Access to Records.
- 9.2.1 *City Records.* The City shall provide the Town access to all City records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to the City Sewer Utility's operations.
- 9.2.2 *Town and Utility District Records.* The Town shall provide the City access to all the Town's and Utility District's records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to the Town's and Utility District's sewer utility operations.
- 9.3 Public Records Law. Each Party to this Agreement is subject to the Public Records Law of the State of Wisconsin. As such, each Party agrees to retain all records as defined by Wisconsin Statute § 19.32(2) applicable to this Agreement for a period of not less than seven (7) years after the termination or expiration of this Agreement. Each Party agrees to assist a Party who receives a public record request pertaining to this Agreement ("Receiving Party") to comply with such public records request. Additionally, each Party agrees to indemnify and hold harmless a Receiving Party, its elected and appointed officials, officers, employees, and authorized representatives, for any liability, including without limitation, attorney fees, related to or in any way arising from the indemnifying Party's actions or omissions which contribute to the Receiving Party's inability to comply with the Public Records Law. This provision shall survive the termination of this Agreement.
- 9.4 Insurance. The City and Town shall each maintain insurance policies or maintain self insurance programs of the kinds and in the amounts which are customarily carried or maintained by local governments operating wastewater collection and treatment systems. Each Party shall provide the other with proof of such insurance coverage upon request.
- 9.5 Notification of Wisconsin Department of Natural Resources. Each Party shall be solely responsible for notifying the Wisconsin Department of Natural Resources of a discharge to or from its wastewater system in violation of federal or state law, or its wastewater discharge permit.
- 9.6 Capacity, Management, Operation, and Maintenance Programs. Each Party shall be solely responsible for implementing a capacity, management, operation, and

maintenance program for its own sewer system that satisfies the requirements of Wis. Admin. Code NR 210.23.

ARTICLE 10  
FORCE MAJEURE

- 10.1 Force Majeure. In case by reason of Force Majeure any Party shall be rendered unable wholly or in part to carry out its obligation under this Agreement, then if such Party shall give notice and full particulars of such Force Majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein shall mean acts of God, acts of public enemy, orders of any kind of Governmental Authorities, or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery, or pipelines, partial or entire failure of wastewater treatment, or inability on the part of a Party to receive or convey wastewater hereunder, on account of any other causes not reasonably within the control of the Party claiming such inability.

ARTICLE 11  
NOTICES

- 11.1 Written Notice Required. Unless otherwise provided in this Agreement, any notice, demand or other communication required or permitted under this Agreement shall be given in writing and delivered personally, by courier, by U.S. Mail or commercial delivery service.
- 11.2 Effective Date of Notice. Notice provided under this Agreement shall be deemed effective: (i) when personally delivered; (ii) three (3) days after deposit with the United States Postal Service, postage prepaid, certified, return receipt requested; or (iii) one (1) business day after deposit with a nationally recognized overnight courier service, addressed by name and to the Party or person intended, at the address provided in accordance with Section 11.3.
- 11.3 Address for Notices. Notices to a Party shall be provided to its respective address set forth below, or at such other address as may from time to time be designated by such Party to the others in accordance with this Article 10:

If to the City:

Attn: City Clerk

City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

With a copy to:  
Attn: City Attorney  
City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

If to the Town:

Attn: Town Clerk/Treasurer  
Town of Campbell  
2219 Bainbridge Street  
La Crosse, WI 54603

#### ARTICLE 12

#### EFFECTIVE DATE; TERM; TERMINATION FOR CAUSE

- 12.1 Effective Date. This Agreement shall become effective upon the date of execution of this Agreement by both the City and the Town.
- 12.2 Term. This Agreement shall extend from the effective date through December 31, 2018. The Agreement may be extended for further subsequent terms upon the written consent of both parties.
- 12.3 Default and Termination for Cause. Except as otherwise provided herein, if the Town shall fail to comply with or perform any of the conditions or obligations on its part, and, if after such failure the City shall notify the Town in writing of its intention to discontinue accepting sewage from the Utility District on account of such failure, refusal, or neglect, then the City shall have the right to discontinue accepting wastewater from the Utility District at the expiration of 60 days after the giving of such notice and terminate this Agreement, unless within this 60 day period the Town shall perform the conditions or obligations requested by the City. The discontinuance of service shall not release the Town from its obligations to make payments on past due services rendered under this Agreement.

#### ARTICLE 13

#### DISPUTE RESOLUTION

- 13.1 Dispute Resolution. A dispute or controversy between the City and the Town regarding any matter relating to this Agreement shall be resolved in accordance with this Article except as otherwise provided in this Agreement.

13.2 Notice of Dispute and Initial Meeting. If a dispute or controversy arises and exists regarding any matter relating to this Agreement, either Party may send a written notice to the other Parties identifying the nature and underlying facts of the dispute. Within 30 days of the date written notice is delivered, a meeting between the Parties shall be held to attempt in good faith to negotiate a resolution of the dispute or controversy. This Section is intended by the Parties to this Agreement to waive their respective statutory right to any further notice pursuant to Section 893.80, Wisconsin Statutes, to the extent such statute is applicable. Such waiver, however, shall not constitute a waiver of the damage cap contained in Section 893.80(3), Wisconsin Statutes, applicable to tort claims.

13.3 Mediation. If the Parties have not succeeded in resolving the dispute or controversy at the initial meeting or subsequent meetings scheduled by mutual agreement, or if the Parties have not held an initial meeting within thirty (30) days after the date of delivery of the written notice, the Parties may choose to proceed to mediation in accordance with this Section. The Parties shall jointly appoint a mutually acceptable neutral person not affiliated with either of them (the "Mediator") to conduct the mediation. The Mediator shall have a minimum of ten (10) years of experience in the subject matter of the dispute or controversy. The fees of the Mediator shall be shared equally by the Parties. If the Parties are unable to agree upon the selection of a Mediator within twenty (20) days after the initial meeting, or if no initial meeting was held, within fifty (50) days after the delivery of the written notice required by Section 13.2, the Parties shall either request that the La Crosse County Circuit Court shall select the Mediator or, in the alternative, proceed with other forms of dispute resolution. If the La Crosse County Circuit Court is to select the Mediator, the Parties agree that the Mediator selected shall be a Wisconsin professional with a minimum of ten (10) years of experience in the subject matter of the dispute or controversy, and that the selected Mediator need not be an attorney.

In consultation with the Parties, the Mediator will select or devise the mediation procedure to be held in La Crosse County, Wisconsin, by which the Parties will attempt to resolve the dispute or controversy. In consultation with the Parties, the Mediator will also select a date and time for the mediation and a date by which the mediation will be completed.

The Parties shall participate in good faith in the mediation to its conclusion as designated by the Mediator. If the Parties are not successful in resolving the dispute or controversy through the mediation, the dispute may be resolved by litigation or other appropriate means.

13.4 Costs. Except as expressly provided in this Agreement, each Party shall bear its own costs associated with dispute resolution, including attorneys' fees and litigation expenses.

ARTICLE 14  
MISCELLANEOUS

- 14.1 Agreement Supersedes Prior Agreements. This Agreement replaces all former agreements between the City and the Town related to the treatment and disposal of sewage.
- 14.2 Modification of this Agreement. This Agreement shall be amended only by formal written supplementary amendment. No oral amendment of this Agreement shall be given any effect. All amendments to this Agreement shall be in writing executed by both parties.
- 14.3 Mutual Cooperation. Each Party will assist the other in obtaining the necessary permits from the Wisconsin Department of Natural Resources, or any other governmental authority, for the receipt and provision of wastewater conveyance and treatment service in accordance with this Agreement.
- 14.4 Non-Assignability. No assignment or transfer of this Agreement shall be made by the Town or the City without the prior written agreement of the other Parties. This Agreement shall be binding on the heirs, successors, and assigns of each Party hereto.
- 14.5 No Third-Party Beneficiary. Nothing contained in this Agreement, nor the performance of the Parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party.
- 14.6 Severability. The provisions of this Agreement are severable. If any provision or part of this Agreement or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.
- 14.7 No Waiver. The failure of any Party to insist, in any one or more instance, upon performance of any of the terms, covenants, or conditions of this Agreement shall not be construed as a waiver, or relinquishment of the future performance of any such term, covenant, or condition by any other Party or Parties hereto but the obligation of such other Party with respect to such future performance shall continue in full force and effect.
- 14.8 Governing Law. This Agreement and all questions and issues arising in connection herewith shall be governed by and construed in accordance with the laws of the State of Wisconsin. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in La Crosse County, Wisconsin. Each party waives its right to challenge venue.

- 14.9 Jury Trial Waiver. The Parties hereby waive their respective rights to a jury trial on any claim or cause of action based upon or arising from or otherwise related to this Agreement. This waiver of right to trial by jury is given knowingly and voluntarily by the Parties and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. Each Party is hereby authorized to file a copy of this Section in any proceeding as conclusive evidence of this waiver by the other Party.
- 14.10 References to Laws. Unless otherwise explicitly provided in this Agreement, any reference to laws, ordinances, rules, or regulations shall include such laws, ordinances, rules or regulations as they may be amended or modified from time to time hereafter.
- 14.11 Compliance with Law. The Parties shall comply in all material respects with any and all applicable federal, state and local laws, regulations and ordinances.
- 14.12 Construction. This Agreement shall be construed without regard to any presumption or rule requiring construction against the Party causing such instrument to be drafted. This Agreement shall be deemed to have been drafted by the Parties of equal bargaining strength. The captions appearing at the first of each numbered section of this Agreement are inserted and included solely for convenience but shall never be considered or given any effect in construing this Agreement with the duties, obligations, or liabilities of the respective hereto or in ascertaining intent, if any questions of intent should arise. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.
- 14.13 Time Computation. Any period of time described in this Agreement by reference to a number of days includes Saturdays, Sundays, and any state or national holidays. Any period of time described in this Agreement by reference to a number of business days does not include Saturdays, Sundays or any state or national holidays. If the date or last date to perform any act or to give any notices is a Saturday, Sunday or state or national holiday, that act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.
- 14.14 Authority to Sign. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the Party for whom they are signing.
- 14.15 Execution of Agreement. Each Party shall sign and execute this Agreement on or before sixty (60) days of its approval by the La Crosse Common Council, and failure to do so will render the approval of the Agreement by the La Crosse Common Council null and void unless otherwise authorized.

14.16 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.

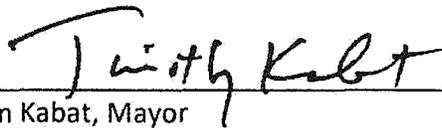
14.17 Survival. All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination for any reason.

IN WITNESS WHEREOF, the Mayor and City Clerk of the City of La Crosse and the Chairperson and Clerk of the Town of Campbell, by virtue of directions of the governing bodies of each municipality heretofore referred to, made and executed this Agreement for the Town and City of La Crosse this \_\_\_\_ day of \_\_\_\_\_, 2015 for the Town of Campbell, and this \_\_\_ day of \_\_\_\_\_, 2015, for the City of La Crosse.

- 14.14 Authority to Sign. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the Party for whom they are signing.
- 14.15 Execution of Agreement. Each Party shall sign and execute this Agreement on or before sixty (60) days of its approval by the La Crosse Common Council, and failure to do so will render the approval of the Agreement by the La Crosse Common Council null and void unless otherwise authorized.
- 14.16 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.
- 14.17 Survival. All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination for any reason.

IN WITNESS WHEREOF, the Mayor and City Clerk of the City of La Crosse and the Chairperson and Clerk of the Town of Campbell, by virtue of directions of the governing bodies of each municipality heretofore referred to, made and executed this Agreement for the Town and City of La Crosse this 12 day of JAN, 201~~6~~<sup>5</sup> for the Town of Campbell, and this 12<sup>th</sup> day of November, 2015, for the City of La Crosse.

CITY OF LA CROSSE, WISCONSIN

  
\_\_\_\_\_  
Tim Kabat, Mayor

  
\_\_\_\_\_  
Teri Lehrke, Clerk

TOWN OF CAMPBELL, WISCONSIN



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Terry Schaller, Chairperson



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Chadwick Hawkins, Clerk

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INTERGOVERNMENTAL COOPERATION  
AGREEMENT FOR SANITARY SEWAGE CONVEYANCE AND TREATMENT  
BETWEEN  
-THE CITY OF LA CROSSE, WISCONSIN,  
-AND THE TOWN OF SHELBY SANITARY DISTRICT #2,  
AND THE TOWN OF SHELBY

RECITALS

A. Wisconsin Statutes § 66.0301 provides that Wisconsin municipalities, as defined in THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_ 2018, by and between the statute, may contract with each other for the receipt or furnishing of services, or the joint exercise of any power or duty required or authorized by law.

B. The City of La Crosse ("La Crosse"), the Town of Shelby ("Town"), and the Town of Shelby Sanitary District #2 ("District") are all municipalities as defined by Wisconsin Statutes § 66.0301, located in La Crosse County, Wisconsin (hereafter referred to as "the greater La Crosse region").

C. La Crosse, the Town and the District recognize their shared interest in the overall success of the greater La Crosse region, and further recognize that the advancement of the greater La Crosse region can best be accomplished through cooperation, collaboration, and coordination among the governmental bodies located in the greater La Crosse region.

D. The WHEREAS, the District owns and operates a sanitary sewer collection system located within a designated portion of the Town that benefits residents of the Town. The District currently conveys its , and

WHEREAS, the District desires to transfer the untreated sanitary sewage from the District's collection system to the sewage system owned by La Crosse the City for purposes of treatment and disposal, and

WHEREAS, the District has authorized the making, execution and delivery of a contract with the City, providing for treatment and disposal. This service is provided pursuant to a wastewater conveyance, the continued treatment and disposal agreement that expires of sanitary sewage from the District by the City, through December 31, 2018, 2027, and

E. The Town and WHEREAS, the Common Council of La Crosse has authorized the making, execution and delivery of a contract with the District would like to continue receiving sanitary sewer for the continued treatment and disposal services from La Crosse.

F. La Crosse is concerned that the provision of sanitary sewer treatment and disposal services to the District has financially harmed La Crosse taxpayers by facilitating increased development in the Town and the District, increasing the demand on other regional facilities and services available in and funded by La Crosse taxpayers, and exacerbating what La Crosse sees as a funding inequity with respect to the continued provision of regional facilities and services sewage from the District, through December 31, 2027.

G. The Town ~~NOW, THEREFORE, the City~~ and District recognizes that La Crosse provides other regional facilities and services, beyond sanitary sewer treatment, that benefit residents of the Town and the District, and acknowledges La Crosse's concerns related to the funding of regional facilities and services.

H. La Crosse, the Town and the District seek to promote the further advancement of the greater La Crosse region and the provision of facilities and services to residents of the greater La Crosse region effectively, efficiently and economically, and in a manner which recognizes their respective interests and concerns.

I. La Crosse, the Town and the District agree that the Town's and the District's interest in obtaining sanitary sewer treatment service for an extended period into the future will be addressed in this Agreement, while La Crosse's concerns about funding of other regional facilities and services will be addressed in a separate agreement or agreements.

J. The Town and the District acknowledge that La Crosse's willingness to contractually agree to extend sanitary sewer treatment services into the future with this Agreement is conditioned on the Town's and the District's agreement to provide a contribution towards funding of regional facilities and services in a separate cooperative plan and/or revenue-sharing agreement.

#### AGREEMENT

In consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt of which is acknowledged, La Crosse, the Town and the District ~~do hereby~~ covenant and agree as follows:

#### ARTICLE 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings unless the context requires otherwise.

- 1.1 ~~“Agreement” means this Intergovernmental Cooperation Agreement for Sanitary Sewage Conveyance and Treatment Between the City of La Crosse, and the Town of Shelby Sanitary District #2, and the Town of Shelby.~~
- 1.2 ~~“Direct Connect PropertiesCity” means those properties listed on Exhibit A that are located in the District and that are directly connected to the the City of La Crosse, a Wisconsin municipal corporation, with a principal address of 400 La Crosse Street, La Crosse, WI 54601, and its wastewater utility.~~
- 1.3 ~~“City Rate Study” means the wastewater rate study prepared by John A. Mayer Associates, as described in the Executive Summary dated August 14, 2014, which was approved by the City Common Council on October 9, 2014. A copy of the Executive Summary of the City Rate Study is attached to this Agreement as Exhibit A.~~
- 1.4 ~~“City Sewer Connection Fee Study” means the sewer connection fee study prepared by Trilogy Consulting, LLC, dated January 2016, which was approved by La Crosse Common Council Resolution 16-0468 on March 10, 2016. A copy of the City Sewer Connection Fee Study is attached to this Agreement as Exhibit B.~~
- 1.5 ~~“City Sewer System” means the sanitary sewer system owned and operated by the City.~~
- 1.31.6 ~~“City Users” means the City Wastewater Utility customers located within the City’s municipal limits.~~
- 1.7 ~~“City Wastewater Treatment Plant” means the wastewater treatment plant owned and operated by the City.~~
- 1.8 ~~“City Wastewater Utility” means the sanitary sewer utility operated by the City.~~
- 1.9 ~~“City’s Code of Ordinances” means the City’s code of ordinances in effect as of the date of this Agreement, and all amendments thereto subsequently adopted by the City of La Crosse Common Council.~~
- 1.10 ~~“District” means the Town of Shelby Sanitary District #2, a body corporate and politic of La Crosse County, Wisconsin, established pursuant to § 60.71 of the Wisconsin Statutes, with a principal address of 2800 Ward Avenue, La Crosse, WI 54601, and its successors and assigns.~~
- 1.411 ~~“District Connection Point” means a connection point where the District Sewer System is connected to the La CrosseCity Sewer System. The five District Connection Points are the Fairchild Connection Point, the Greenbriar Court Connection Point, the Floral Lane Connection Point, the Old Vineyard Road Connection Point, and the Easter Road Connection Point.~~

~~1.512~~ "District Meter" means a wastewater meter that measures the volume of sanitary sewage carried by the District Sewer System to the La Crosse City Sewer System.

~~1.613~~ "District Sewer System" means the sanitary sewer system owned and operated by the District.

~~1.714~~ "District Wastewater Charge" means the charge to users of the District Sewer System.

~~1.815~~ "Easter Road Connection Point" means the connection point near the intersection of Easter Road and Birch Drive in the City of La Crosse where the District Sewer System is connected to the La Crosse City Sewer System.

1.9 "Effective Date" means the date this Agreement is signed by the last Party signing this Agreement.

~~1.101-16~~ "Fairchild Connection Point" means the connection point located near the intersection of 32<sup>nd</sup> Street South and Fairchild Street East in the City of La Crosse where the District Sewer System is connected to the La Crosse City Sewer System.

~~1.1117~~ "Floral Lane Connection Point" means the connection point located near the intersection of 29th Street South and Floral Lane in the City of La Crosse where the District Sewer System is connected to the La Crosse City Sewer System.

~~1.1218~~ "Greenbriar Connection Point" means the connection point located near the intersection of 32<sup>nd</sup> Street South and Greenbriar Court in the City of La Crosse where the District Sewer System is connected to the La Crosse City Sewer System.

1.13 "La Crosse" means the City of La Crosse, a Wisconsin municipal corporation, with a principal address of 400 La Crosse Street, La Crosse, WI 54601, and its wastewater utility.

1.14 "La Crosse Rate Study" means the wastewater rate study prepared by John A. Mayer Associates, as described in the Executive Summary dated August 14, 2014, which was approved by the La Crosse Common Council on October 9, 2014. A copy of the Executive Summary of the La Crosse Rate Study is attached to this Agreement as **Exhibit B**.

1.15 "La Crosse Sewer Connection Fee Study" means the sewer connection fee study prepared by Trilogy Consulting, LLC, dated January 2016, which was approved by La Crosse Common Council Resolution 16-0468 on March 10, 2016. A copy of the La Crosse Sewer Connection Fee Study is attached to this Agreement as **Exhibit C**.

1.16 "La Crosse Sewer System" means the sanitary sewer system owned and operated by the City of La Crosse.

1.17 "La Crosse Users" means the La Crosse Wastewater Utility customers located within La Crosse's municipal limits.

1.18 "La Crosse Wastewater Treatment Plant" means the wastewater treatment plant owned and operated by La Crosse.

1.19 "La Crosse Wastewater Utility" means the sanitary sewer utility operated by La Crosse.

1.20 "La Crosse's Code of Ordinances" means La Crosse's code of ordinances in effect as of the date of this Agreement, and all amendments thereto subsequently adopted by the City of La Crosse Common Council.

~~1.211-19~~ "Old Vineyard Road Connection Point" means the connection point located near the intersection of 31<sup>st</sup> Place South and Farnam Street in the City of La Crosse where the District Sewer System is connected to the La Crosse City Sewer System.

~~1.2220~~ "Party" means La Crosse, the City and District and the Town, individually. "Parties" mean La Crosse, the City and District, and the Town jointly.

~~1.2324~~ "REC" means residential equivalent connection as that term is used in the La Crosse City Sewer Connection Fee Study. One REC represents 162 gallons per day which is the estimated average volume of wastewater discharged by an average residential user to the La Crosse Sewer System.

~~1.2422~~ "REU" means residential equivalent unit as that term is used in Exhibit DC.

~~1.2523~~ "Significant Industrial Users" has the meaning given to that term in La Crosse's the City's Code of Ordinances, related to wastewater.

~~1.2624~~ "State Road School" means the elementary school located at N1821 Hagen Road that is within the municipal boundaries of the City of La Crosse.

1.27 "Town" means the Town of Shelby, a body corporate and politic of La Crosse County, Wisconsin, with a principal address of 2800 Ward Avenue, La Crosse, WI 54601, and its successors and assigns.

~~1.2825~~ "Wholesale Volumetric Rate" means La Crosse's the City's volumetric rate to the District as determined in accordance with Article 5 of this Agreement.

ARTICLE 2  
AUTHORIZED DISCHARGE

- 2.1 Discharge to La Crosse City Sewer System—Authorized. During the term of this Agreement, sewage originating within the District shall be discharged~~is authorized to discharge sewage from the La Crosse District Sewer System only to the City Sewer System~~ in accordance with the terms of this Agreement.
- 2.2 Connection Points to La Crosse City Sewer System. The District is authorized to discharge sewage from the District's District Sewer System to the La Crosse City Sewer System at the following five connection points:
- a. the Fairchild Connection Point;
  - b. the Greenbriar Connection Point;
  - c. the Floral Lane Connection Point;
  - d. the Old Vineyard Road Connection Point; and
  - e. the Easter Road Connection Point.

Except as provided in Section 2.3, theThe District is not authorized to discharge sewage originating from within the District Sewer System to the La Crosse City Sewer System at any other point unless this Agreement is amended to authorize~~allow~~ such discharge.

- 2.3 Direct Connections. Notwithstanding Section 2.2, La Crosse agrees that the Direct Connect Properties located within the Town that are listed on **Exhibit A** may continue to directly discharge sewage to the La Crosse Sewer System. All the provisions of this Agreement that apply to sewage discharged to the District Sewer System equally apply to sewage from Direct Connect Properties that is discharged directly to the La Crosse Sewer System.
- 2.4 No Obligation to Serve Beyond Terms of Agreement. The Parties agree that La Crosse's obligation to provide the District with sanitary sewer treatment and disposal service is strictly limited to the terms of this Agreement and that La Crosse has no obligation to provide the District with service beyond the terms of this Agreement. The District agrees that it shall not allege, contend or argue in any future proceeding that La Crosse has an obligation to provide sanitary sewer service to the District beyond the express terms and provisions of this Agreement~~additional connection~~.

ARTICLE 3  
LIMITS ON DISCHARGE

- 3.1 Service Area Limit. The District ~~shall~~is only authorized to discharge wastewater generated from within the area shown on **Exhibit ED** to the La Crosse City Sewer System.
- 3.2 Volumetric Discharge Limits. By no later than December 1, 2018, La Crosse~~the City~~ shall establish reasonable volumetric discharge limits for each~~the~~ District Connection Point

that ~~take~~ take into account (i) the District's billed discharges in 2016 and 2017, (ii) existing and future studies of flow from or near those connection points, and (iii) the capacity of ~~La Crosse's~~ the City's wastewater collection system. Volumetric discharge limits shall include a maximum average discharge limit averaged over a month, and a peak flow limit averaged over 24 hours. If the District disagrees with the volumetric discharge limits established by ~~La Crosse~~ the City for the District, the District may invoke the dispute resolution provisions in Article 13 of this Agreement.

3.3 Limits on Strength of Wastewater.

3.3.1 *Discharge Not to Exceed Domestic Strength.* The sewage discharged from the District Sewer System to the ~~La Crosse~~ City Sewer System shall not exceed domestic strength as defined by ~~La Crosse's~~ the City's Code of Ordinances.

3.3.2 *Sampling.* ~~La Crosse~~ The City shall have access to the District Sewer System for sampling purposes and may, upon request, periodically sample the sewage discharged from the District Sewer System to the ~~La Crosse~~ City Sewer System.

3.3.3 *Right to Require Pretreatment.* Based on sampling data from the District's flow, La Crosse reserves the right to require the District to install pretreatment to reduce future loadings to the La Crosse Sewer System to meet the requirements of subsection 3.3.1.

3.3.4 *Compliance with ~~La Crosse~~ City Ordinances.* All wastewater generated within the District and entering the ~~La Crosse~~ City District Sewer System and the City Sewer System shall be subject to all provisions ~~La Crosse's~~ the City's Code of Ordinances pertaining to sewers and sewerage.

3.4 Prohibition on Certain Discharges.

3.4.1 *Trucked Waste.-* No septic tank waste, seepage pit wastes, grease-trap wastes, or any trucked liquid wastes shall be deposited into the District Sewer System by persons engaged in the business of cleaning, pumping or hauling of the same. -All trucked wastewater shall be disposed of in accordance with applicable State, Federal and local regulations.

3.4.2 *Clear Water.* The District shall not permit clear water discharge from drain tile, air conditioning systems, rain water, any surface water conduits, or any other clear water source to be connected with or discharged into the District Sewer System.

3.4.3 *Wastewater from Other Entities.* The District shall not carry or transport wastewater from any property outside of the District without the express written prior approval of the La Crosse Common Council.

3.5 Requirements for Significant Industrial Users. ~~La Crosse~~The City may require Significant Industrial Users, including Significant Industrial Users in the District, to obtain discharge permits, and to comply with the provisions of those discharge permits, including payment of fees to the ~~La Crosse~~City Wastewater Utility. Permit fees and laboratory analysis fees charged to Significant Industrial Users in the District shall be the same as those charged to comparable Significant Industrial Users in ~~La Crosse~~the City, plus a 50% surcharge on the permit fee. Service to any such Significant Industrial User shall require prior approval from the ~~La Crosse~~City Wastewater Utility.

3.6 Exceeding Discharge Limits.

~~3.6.1 Notification of Prohibited Discharge.~~ The District shall notify ~~La Crosse~~the City immediately ~~if of the occurrence of~~ any discharge in violation of this Article 3 ~~occurs~~. ~~Notification shall include the details of the discharge~~hereof, and the action ~~the District has~~which is being taken or ~~proposes~~proposed to ~~take~~be taken by the District with respect thereto.

~~3.6.2 Moratorium on Additional Extensions or Connections.~~ If the District exceeds a discharge limit in violation of this Article 3, the District shall allow no additional sewer main extensions or customer connections to the District Sewer System until the District satisfactorily demonstrates to La Crosse that modifications have been made to District Sewer System facilities or operations to prevent the District from exceeding the discharge limits in the future. This moratorium is not triggered by a discharge authorized by La Crosse under subsection 3.6.3.

~~3.6.3 Authorization and Acceptance of Discharges in Excess of Discharge Limits.~~ La Crosse may authorize and accept a discharge from the District in excess of the District's discharge limits for a limited period if La Crosse reasonably believes that no serious harm or adverse effects will result. Any discharge in excess of the District's discharge limits must be authorized by La Crosse in advance of such discharge and must be for a limited period. The District may orally request such authorization, and La Crosse's Utility Manager may grant such authorization orally provided that the Utility Manager promptly confirms such oral authorization, including the duration of the authorization, in writing to both the District and La Crosse's Public Works Committee.

~~3.6.4 Payment of Costs for Exceeding Discharge Limits.~~ If the District discharges sewage from the District Sewer System to the La Crosse Sewer System in excess of the discharge limits of this Article 3, La Crosse shall charge the District for any fine, penalty or forfeiture incurred by La Crosse, and may charge the District for any cost incurred by La Crosse (including without limitation, for employees, equipment or materials) as a result of such discharge. The District shall pay any such charges within 60 days of receipt of a fully itemized invoice. The receipt of authorization under subsection 3.6.3 does not eliminate the District's obligation to make the payment required by this subsection 3.6.4.

ARTICLE 4  
MEASUREMENT OF FLOW; METERING

4.1 Measuring Discharge Volume.

4.1.1 ~~Cumulative Flow from District Connection Points.~~ The volume of wastewater discharged from the District ~~to Sewer System~~ into the La Crosse City Sewer System equals the sum of the flows entering the La Crosse City Sewer System from all of the District Connections Points, plus the flows from the Direct Connect Properties.

4.1.2 *Measurement of Flow at District Connection Point.* The flow entering the La Crosse City Sewer System at a District Connection Point shall be measured by the meter located at the District Connection Point if a meter exists at that District Connection Point. If a meter does not exist at a District Connection Point, the flow volume entering the La Crosse City Sewer System at that District Connection Point shall be determined in accordance with subsections 4.1.3 through 4.1.5.

4.1.3 *REU Methodology for Determining Flow.* If a meter does not exist at a District Connection Point, the monthly flow volume entering the La Crosse City Sewer System at that District Connection Point shall be equal to the number of REUs discharging wastewater through that specific District Connection Point multiplied by the average gallons per Average Gallons Per REU per month determined as provided in ~~under~~ subsection 4.1.5.

4.1.4 *Determination of REUs.* The District shall determine the number of REUs discharging wastewater through each specific District Connection Point. The number of REUs shall be determined as provided in **Exhibit DC**. The number of REUs that discharge wastewater through each specific District Connection Point shall be reviewed, adjusted, and communicated to La Crosse ~~the City~~ annually.

4.1.5 *Average Gallons Per REU Per Month.* Until January 1, ~~2020~~2023, the average gallons ~~Average Gallons~~ per REU per month shall equal the average annual sewage flow from La Crosse City residents for the previous calendar year divided by twelve (12), ~~per month~~. After January 1, ~~2020~~, average gallons ~~2017~~, the Average Gallons per REU per month ~~year~~ shall equal the sum of the annual flows entering the La Crosse City Sewer System at each District Connection Point that is metered, less the sum of the annual flows ~~flow~~ from the State Road School if the Fairchild Connection Point is metered, divided by the number of REUs as of January 1 discharging wastewater through the District Connection Points that are metered, divided by twelve (12). The average gallons ~~Average Gallons~~ per REU per month shall be reviewed, adjusted, and communicated by La Crosse ~~the City~~ to the District annually.

4.1.6 Measurement of Flow from Direct Connect Properties. The flow volume from each Direct Connect Property shall be determined in accordance with subsections 4.1.3 through 4.1.5.

4.2 District Meters. The District shall, at its sole cost, arrange for the design, construction and installation of sewer meters to measure the volume of wastewater discharged from the District Sewer System into the La Crosse~~City~~ Sewer System. The District shall provide the plans for such facilities and equipment to La Crosse~~the City~~ for La Crosse~~the City's~~ review and approval. The facilities shall be constructed and the District Meters and other equipment shall be installed in accordance with the plans approved by La Crosse~~the City~~. The District shall maintain and service all District Meters at its cost.

4.3 Timing for District Meter Installation.

- a. The District Meter located at the Fairchild Connection Point shall be installed and operational by no later than January 1, 2019.
- b. The District Meter located at the Greenbriar Court Connection Point shall be installed and operational by no later than January 1, 2020.
- c. The District Meter located at the Floral Lane Connection Point shall be installed and operational by no later than January 1, 2021.
- d. The District Meter located at the Old Vineyard Road Connection Point shall be installed and operational by no later than January 1, 2022, unless the Parties mutually agree to an alternative method of measuring the flow at the Old Vineyard Road Connection Point.
- e. The District Meter located at the Easter Road Connection Point shall be installed and operational by no later than January 1, 2023, unless the Parties mutually agree to an alternative method of measuring the flow at the Easter Road Connection Point.

4.4 Calibration of District Meters. Each District Meter shall be calibrated by a certified competent technician not less than once annually. The District shall pay all expenses related to the calibration. The District shall provide La Crosse with notice of the calibration, at least two working days prior to the time of calibration, so that La Crosse may have a representative present during the calibration. The District shall provide La Crosse~~The District shall provide the City~~ with documentation of the results of each such annual calibration within 10 days after the completion of the calibration.

4.5 Failure to Maintain District Meters. -In the event the District fails to maintain the District Meters in good and accurate working condition or fails to have the annual calibration performed, La Crosse~~the City~~ may maintain and calibrate such meters, and charge the expenses related to such maintenance and calibration to the District, which expense the District agrees to pay. If replacement of a District Meter is prudent and the District fails to replace the meter, La Crosse may replace such meter, and charge the expenses related to such meter replacement to the District.

- 4.6 Access to District Meters. ~~La Crosse~~The City shall be entitled to have access to the District Meters, upon request, for purposes of periodically inspecting the meters.
- 4.7 Reading of District Meters. The ~~District~~City shall read the District Meters at least weekly and provide the meter readings to La Crosse for billing purposes. If La Crosse chooses, it may read the District Meters itself and base billings on its meter readings. La Crosse shall be entitled to have regular access to the District Meters for purposes of reading the meter meters. Meter readings shall be taken by the City weekly.
- 4.8 Metering Disputes. In the event that either ~~La Crosse~~the City or the District believes that the sewage flow has been inaccurately metered resulting in over billing or under billing under Article 5, the objecting Party shall give notice to the other Party in writing of its objection. The Parties shall cooperate to determine the existence and extent of the alleged meter inaccuracy and the over billing or under billing. If a meter is determined to be inaccurate, an adjustment shall be made in charges for such meter inaccuracies extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half of the time elapsed since the last date of calibration. If the Parties are unable to agree upon the adjustment to be made in charges for meter inaccuracies, the Parties shall resolve the dispute in accordance with Article 13.

#### ARTICLE 5

#### LA CROSSECITY RATES; BILLING

- 5.1 Billable Flow. ~~La Crosse~~The City will charge the District for the volume of sewage delivered from the District to the ~~La Crosse~~City Sewer System as determined in accordance with subsection 4.1.1, less the metered flow of the State Road School if the Fairchild Connection Point is metered.
- 5.2 Wholesale Volumetric Rate. The Wholesale Volumetric Rate for ~~2018~~2015 is \$1,631 per million gallons. ~~The Wholesale Volumetric Rate was determined based upon the La Crosse~~City Rate Study. This Wholesale Volumetric Rate will remain in effect until changed in accordance with Section 5.3 or 5.4.
- 5.3 Rate Changes. If ~~La Crosse~~the City changes the volumetric rate charged to ~~La Crosse~~City Users, the Wholesale Volumetric Rate for the District will be similarly revised in accordance with a methodology similar to that used by the ~~La Crosse~~City Rate Study attached as **Exhibit BA** to determine the Wholesale Volumetric Rate initially. This Section does not apply to cost of living rate adjustments covered by Section 5.4.
- 5.4 Cost of Living Adjustments. Cost of living rate adjustments may be made without completing a new rate study if the same percentage increase is applied to both the volumetric rate charged to ~~La Crosse~~City Users, and the Wholesale Volumetric Rate.

Cost of living increases, if made, shall not be greater than the nearest whole percent above the increase in the Consumer Price Index (CPI), All Urban Consumers. The CPI shall be based on the increase over the period from June to June, with the rate increase being effective January 1 of the year following the June to June period. No cost of living rate adjustment shall be based on the change in the CPI for a period longer than 24 months.

5.5 Timing for Rate Change. Unless otherwise approved by the La Crosse Common Council, changes in rates shall be effective on January 1, with notice provided to the District on or before the preceding September 1.

5.6 Sewer Charges. ~~La Crosse's~~The City's sewer charges to the District shall equal:

- a. the billable flow determined in accordance with Section 5.1;
- b. multiplied by the Wholesale Volumetric Rate;
- c. less the conveyance charge calculated under Section 8.1 for conveying wastewater that originated at the State Road School to the La CrosseCity Sewer System.

5.7 Billing. ~~La Crosse~~The City will bill the District monthly on or about the tenth day of the following month for the cost of sewage handling and treatment.

5.8 Due Date. The invoice shall be due and payable within 45 days of the date of the invoice. If an invoice is not fully paid within 45 days, the unpaid balance shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

~~5.9 Deferred Assessments. Where existing City infrastructure has already been upsized for future growth along the Highway 14/61 corridor, standardized deferred assessments shall be charged to the area served and paid to the City. The assessments are calculated as the combined rate between the Phase I (1994) Interceptor Project, costing \$124.22 per acre serving developable land, and the Phase II (2000) Interceptor Project, costing \$170.52 per acre serving developable land, for a total of \$294.74 per acre serving developable land. "Serving developable land" means that the land has less than thirty percent (30%) slopes.~~

#### ARTICLE 6

#### CONNECTIONS TO DISTRICT SEWER SYSTEM; REGULATIONS ON USE

6.1 Sewer Main Extensions within the District. Sewer main extensions may be made by the District within the area shown on **Exhibit ED**, provided such main extensions are also

within the sanitary sewer service area described in La Crosse's~~the City's~~ Code of Ordinances.

- 6.2 La Crosse~~City~~ Approval of Plans. All plans for sewer main extensions, new lift stations or forcemains, and any major sewer, forcemain, or lift station replacement or renovation within the District must be submitted to the La Crosse~~City~~ Wastewater Utility and La Crosse City Engineer, and be approved by the La Crosse~~City~~ Board of Public Works.
- 6.3 Plumbing. All plumbing shall be installed in compliance with the Wisconsin State Plumbing Code. The District shall require a plumbing inspector to inspect all connections to the mains, keep records of all connections by measurements from manholes and inspect all inside plumbing. La Crosse~~The City~~ reserves the right to inspect all mains, connections, premises and records in order to ascertain compliance with all contracts, agreements, rules, regulations and accuracy of such records.
- 6.4 Application of La Crosse's~~City's~~ Code of Ordinances. The District shall by ordinance require all users, including industrial and commercial users within its jurisdiction, to conform and comply with the provisions of La Crosse's~~the City's~~ Code of Ordinances related to wastewater and sewerage in order to protect La Crosse's~~the City's~~ wastewater system. The District shall by ordinance also require all users, including industrial and commercial users within its jurisdiction, and to comply with laws, orders, or directives of the United States government, and the State of Wisconsin. ~~All~~ dischargers to the District Sewer System shall be subject to all La Crosse~~City~~ ordinances related to wastewater and sewerage, along with the provisions of all laws, orders and directives of the U.S. Government and the State of Wisconsin pertaining to wastewater. If the District is unable to adopt or enforce the ordinances required by this Section, the Town agrees to adopt and enforce such ordinances.
- 6.5 Authority to Inspect. La Crosse~~The City~~ shall have the right to inspect and/or survey the wastewater discharge, the clear water discharge, and the premises of all District Sewer System users, including industrial or commercial users within the jurisdiction of the District.
- 6.6 Enforcement. If it is determined by La Crosse~~the City~~ that any wastewater or clear water entering the District Sewer System is in apparent violation of the this Agreement, La Crosse's~~the City's~~ Code of Ordinances or other authority, La Crosse~~the City~~ is authorized to proceed to enforce the Agreement, La Crosse's~~the City's~~ Code of Ordinances and all applicable governmental laws, orders and directives ~~of the U.S. Government and the State of Wisconsin~~ pertaining to wastewater, using the enforcement process applicable to wastewater discharges set forth in La Crosse's~~the City's~~ Code of Ordinances.

6.7 Sewer Connection Fee.

6.7.1 ~~Connection Fee for New Connections.~~ The District shall pay La Crosse~~the City~~ a sewer connection fee for each property with a new connection~~, other than property located within the City's limits, which connects to the District Sewer System after the Effective Date of this Agreement.~~

6.7.2 Connection Fee Charge Per REC. Sewer connection fees shall be determined on a per REC basis. Each single-family residential property is one REC. Each non-single-family residential property is assigned RECs based upon estimated usage compared to that of an average residential user. For each ~~new~~non-single-family residential property connection, the District shall prepare and submit a usage estimate for review and approval by the City of La Crosse.

6.7.3 Amount of Connection Fee Per REC. The amount of the sewer connection fee for ~~2018~~2017 is \$730 per REC. The amount of the sewer connection fee shall remain in effect unless revised in accordance with the alternative 2 methodology used in the La Crosse~~City~~ Sewer Connection Fee Study. Changes to the unit cost per REC must be approved by the La Crosse Common Council. Unless otherwise approved by the La Crosse Common Council, changes in the sewer connection fee shall be effective on January 1, with notice provided to the District on or before the preceding September 1.

6.7.4 Notification of New Connections and Payment of Fees. The District shall provide La Crosse~~the City~~ a copy of every permit issued by the Town which results in a new District for each sewer connection ~~from new properties or areas connecting to the District Sewer System.~~ Within 10 days after a new~~each~~ connection is completed, the District shall provide La Crosse~~the City~~ with a copy of the inspection report of the connection along with payment of the applicable sewer connection fee for the property. A new connection shall pay the fee required under subsection 6.7.3.

6.7.5 Failure to Timely Pay Connection Fee. If a sewer connection fee is not timely paid as required by subsection 6.7.4, the unpaid sewer connection fee shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

6.8 Deferred Assessments. If a property that connects to the District Sewer System is subject to a deferred assessment from the City of La Crosse to pay for existing infrastructure that has been sized for future growth, the property must pay the deferred assessment to the City of La Crosse in addition to paying the sewer connection fee under Section 6.7. The deferred assessment for existing La Crosse infrastructure that has been upsized for future growth along the Highway 14/61 corridor is \$294.74 per acre serving developable land. This total consists of the assessment for the Phase I (1994) Interceptor Project which is \$124.22 per acre serving developable land, and the assessment for the Phase II (2000) Interceptor Project which is \$170.52 per acre serving

developable land. "Serving developable land" means that the land has less than thirty percent (30%) slopes.

#### ARTICLE 7

##### MAINTENANCE OF DISTRICT SEWER SYSTEM

- 7.1 Maintenance of District Sewer System. –The District shall pay all costs associated with ~~maintaining~~, operating, maintaining and replacing the District Sewer System. –The costs shall be included in the District’s sewer utility budget. There shall be no cost to La Crosse~~the City~~ for replacement of District Sewer System facilities.
- 7.2 Infiltration and Inflow. The District shall, at its expense, reduce infiltration/inflow into the District Sewer System whenever such infiltration is in excess of any limits imposed or standards set by the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency.

#### ARTICLE 8

##### LA CROSSE~~CITY~~ CONNECTIONS TO DISTRICT SEWER SYSTEM

- 8.1 State Road School Connection to District Sewer System.
- 8.1.1 State Road School Connection Authorized. The State Road School is located within La Crosse~~the City’s~~ municipal limits upstream of the Fairchild Connection Point. The District agrees to allow the State Road School to continue connecting to the District Sewer System and agrees to convey the wastewater discharged by the State Road School through the District Sewer System to the La Crosse~~City~~ Sewer System.
- 8.1.2 Conveyance Charge for Sewage from State Road School. La Crosse~~The City~~ shall pay the District a charge per million gallons for conveying the sewage generated from the State Road School to the La Crosse~~City~~ Sewer System. The conveyance charge paid by La Crosse~~the City~~ shall equal 15% of the Wholesale Volumetric Rate charged to the District. For example, since the Wholesale Volumetric Rate for ~~2018~~2015 is \$1,631 per million gallons, La Crosse~~the City~~ would pay the District a conveyance charge equal to 15% of \$1,631, or \$244.65 per million gallons of flow from the State Road School. The conveyance charge calculated under this subsection shall be applied as a credit to La Crosse~~the City’s~~ sewer charges in accordance with Section 5.6.
- 8.1.3 Measurement of State Road School Discharge. The volume of wastewater flow discharged from the State Road School shall be measured by the water meter readings for the State Road School. La Crosse~~The City~~ shall meter the water at the State Road School in accordance with the rules of the Public Service Commission of Wisconsin. Disputes over water meter readings for the State Road School shall be resolved in the manner set forth in Section 4.8 of this Agreement.

8.2 Other Connections of Property Within La Crosse's Municipal Limits to the District Sewer System.

8.2.1 *Connections Authorized.* The District agrees to allow properties located within La Crosse's municipal limits that are located upstream of a District Connection Point to connect to the District Sewer System. Connection to the District Sewer System shall be at the expense of the property owner(s) receiving service.

8.2.2 *Status as La Crosse Customer.* A person or entity whose property is located within La Crosse's municipal limits shall be a customer of the La Crosse Wastewater Utility even if the person's or entity's property is connected to the District Sewer System. La Crosse shall be solely responsible for providing service to persons or entities whose property is located within La Crosse's municipal limits. The District agrees that it will not assess or make any charge of any kind against any property owned or under the jurisdiction of La Crosse unless otherwise provided in this Agreement.

8.2.3 *La Crosse Payment for Service Provided to La Crosse Customers.* La Crosse shall compensate the District for wastewater service it provides to properties located within La Crosse's municipal limits upstream of the District Connection Points. For each such property provided service through the District Sewer System, La Crosse shall pay to the District the same charge the District charges to its own customers.

8.2.4 *Billing and Payment.* The District shall invoice La Crosse for services provided to La Crosse Customers under this Section and the invoice shall be due and payable within 45 days of the date of the invoice. If an invoice is not fully paid within 45 days, the unpaid balance shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

ARTICLE 9  
RECIPROCAL OBLIGATIONS

9.1 Use of Funds.

9.1.1 *La Crosse Funds.* All funds collected from users of the La Crosse Wastewater Treatment Plant, including wholesale customers, contract users, La Crosse Users, or other users of the plant, for capital improvements including anticipated future capital improvements, shall be maintained by La Crosse in a separate reserve fund and only used for expenses directly related to collection, treatment, or disposal of sanitary sewage.

9.1.2 *District Funds.* All funds collected from users of the District Sewer System for capital improvements, including anticipated future capital improvements, shall be maintained

by the District in a separate reserve fund for the District and only used for expenses directly related to collection and conveyance of sanitary sewage.

9.2 Access to Records.

9.2.1 La Crosse City Records. ~~La Crosse~~The City shall provide the District access to all ~~La Crosse~~City records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to the ~~La Crosse~~City Wastewater Utility's operations.

9.2.2 District Records. The District shall provide ~~La Crosse~~the City access to all the District's records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to the District's sewer utility operations.

9.3 Public Records Law. Each Party to this Agreement is subject to the Public Records Law of the State of Wisconsin. As such, each Party agrees to retain all records as defined by Wisconsin Statute § 19.32(2) applicable to this Agreement for a period of not less than seven (7) years after the termination or expiration of this Agreement. Each Party agrees to assist a Party who receives a public record request pertaining to this Agreement ("Receiving Party") to comply with such public records request. Additionally, each Party agrees to indemnify and hold harmless a Receiving Party, its elected and appointed officials, officers, employees, and authorized representatives, for any liability, including without limitation, attorney fees, related to or in any way arising from the indemnifying Party's actions or omissions which contribute to the Receiving Party's inability to comply with the Public Records Law. This provision shall survive the termination of this Agreement.

9.4 Insurance. ~~La Crosse~~The City and ~~the~~ District shall each maintain insurance policies or maintain self insurance programs of the kinds and in the amounts which are customarily carried or maintained by local governments operating wastewater collection and treatment systems. Each Party shall provide the other with proof of such insurance coverage upon request.

9.5 Notification of Wisconsin Department of Natural Resources. Each Party shall be solely responsible for notifying the Wisconsin Department of Natural Resources of a discharge to or from its wastewater system in violation of federal or state law, or its wastewater discharge permit. If a Party provides notice under this section, it shall notify the other Party of the notice and provide details of the discharge covered by the notice.

9.6 Capacity, Management, Operation, and Maintenance Programs. The District agrees to implement and maintain a capacity, management, operation, and maintenance program for its own sewer system that meets the requirements of Wis. Admin. Code NR 210.23. ~~The District~~Each Party shall provide a copy of its written program and its annual self-audit to La Crosse. ~~La Crosse shall not be solely responsible for implementing or and~~

maintaining a capacity, management, operation, and maintenance program for the District Sewer System. La Crosse shall implement and maintain a capacity, management, operation, and maintenance program for the La Crosse Sewer System that ~~its own sewer system that~~ satisfies the requirements of Wis. Admin. Code NR 210.23.

ARTICLE 10  
FORCE MAJEURE

- 10.1 Force Majeure. In case by reason of Force Majeure any Party shall be rendered unable wholly or in part to carry out its obligation under this Agreement, then if such Party shall give notice and full particulars of such Force Majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein shall mean acts of God, acts of public enemy, orders of any kind of Governmental Authorities, or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery, or pipelines, partial or entire failure of wastewater treatment, or inability on the part of a Party to receive or convey wastewater hereunder, on account of any other causes not reasonably within the control of the Party claiming such inability.

ARTICLE 11  
NOTICES

- 11.1 Written Notice Required. Unless otherwise provided in this Agreement, any notice, demand or other communication required or permitted under this Agreement shall be given in writing and delivered personally, by courier, by U.S. Mail or commercial delivery service.
- 11.2 Effective Date of Notice. –Notice provided under this Agreement shall be deemed effective: (i) when personally delivered; (ii) three (3) days after deposit with the United States Postal Service, postage prepaid, certified, return receipt requested; or (iii) one (1) business day after deposit with a nationally recognized overnight courier service, addressed by name and to the Party or person intended, at the address provided in accordance with Section 11.3.———
- 11.3 Address for Notices. Notices to a Party shall be provided to its respective address set forth below, or at such other address as may from time to time be designated by such Party to the others in accordance with this Article 11:

If to La Crossethe City:

- Attn. City Clerk  
City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

With a copy to:  
Attn. Utility Manager  
City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

If to the District:

Attn: District Clerk/Treasurer  
Town of Shelby Sanitary District #2  
2800 Ward Avenue  
La Crosse, WI 54601

If to the Town:

Attn: Town Clerk  
Town of Shelby  
2800 Ward Avenue  
La Crosse, WI 54601

#### ARTICLE 12

##### EFFECTIVE DATE; TERM; TERMINATION FOR CAUSE

- 12.1 Effective Date. This Agreement shall become effective upon the date of execution of this Agreement by ~~all both the Parties, City and the District.~~
- 12.2 Term. This Agreement shall extend from the Effective Date~~effective date~~ through December 31, ~~2028~~2027. The Agreement may be extended for further subsequent terms upon the written consent of ~~the Parties~~both parties.
- 12.3 Default and Termination for Cause. Except as otherwise provided herein, if the District shall fail to comply with or perform any of the conditions or obligations on its part, and, if after such failure ~~La Crosse~~the City shall notify the District in writing of its intention to discontinue accepting sewage from the Utility District on account of such failure, refusal, or neglect, then ~~La Crosse~~the City shall have the right to discontinue accepting wastewater from the ~~Utility~~ District at the expiration of 60 days after the giving of such notice and terminate this Agreement, unless within this 60 day period the District shall perform the conditions or obligations requested by ~~La Crosse~~the City. The

discontinuance of service shall not release the District from its obligations to make payments on past due services rendered under this Agreement.

ARTICLE 13  
DISPUTE RESOLUTION

13.1 Dispute Resolution. A dispute or controversy between ~~La Crosse~~the City and the District regarding any matter relating to this Agreement shall be resolved in accordance with this Article except as otherwise provided in this Agreement.

13.2 Notice of Dispute and Initial Meeting. If a dispute or controversy arises and exists regarding any matter relating to this Agreement, ~~the disputing~~either Party may send a written notice to the other Parties identifying the nature and underlying facts of the dispute. Within 30 days of the date written notice is delivered, a meeting between the Parties shall be held to attempt in good faith to negotiate a resolution of the dispute or controversy. This Section is intended by the Parties to this Agreement to waive their respective statutory right to any further notice pursuant to Section 893.80, Wisconsin Statutes, to the extent such statute is applicable. Such waiver, however, shall not constitute a waiver of the damage cap contained in Section 893.80(3), Wisconsin Statutes, applicable to tort claims.

13.3 Mediation. If the Parties have not succeeded in resolving the dispute or controversy at the initial meeting or subsequent meetings scheduled by mutual agreement, or if the Parties have not held an initial meeting within thirty (30) days after the date of delivery of the written notice, the Parties may choose to proceed to mediation in accordance with this Section. The Parties shall jointly appoint a mutually acceptable neutral person not affiliated with either of them (the "Mediator") to conduct the mediation. The Mediator shall have a minimum of ten (10) years of experience in the subject matter of the dispute or controversy. The fees of the Mediator shall be shared equally by the Parties. If the Parties are unable to agree upon the selection of a Mediator within twenty (20) days after the initial meeting, or if no initial meeting was held, within fifty (50) days after the delivery of the written notice required by Section 13.2, the Parties shall either request that the La Crosse County Circuit Court shall select the Mediator or, in the alternative, proceed with other forms of dispute resolution. If the La Crosse County Circuit Court is to select the Mediator, the Parties agree that the Mediator selected shall be a Wisconsin professional with a minimum of ten (10) years of experience in the subject matter of the dispute or controversy, and that the selected Mediator need not be an attorney.

In consultation with the Parties, the Mediator will select or devise the mediation procedure to be held in La Crosse County, Wisconsin, by which the Parties will attempt to resolve the dispute or controversy. In consultation with the Parties, the Mediator will also select a date and time for the mediation and a date by which the mediation will be completed.

The Parties shall participate in good faith in the mediation to its conclusion as designated by the Mediator. If the Parties are not successful in resolving the dispute or controversy through the mediation, the dispute may be resolved by litigation or other appropriate means.

- 13.4 Costs. Except as expressly provided in this Agreement, each Party shall bear its own costs associated with dispute resolution, including attorneys' fees and litigation expenses.

#### ARTICLE 14

##### COOPERATIVE PLAN AND REVENUE SHARING AGREEMENT

14.1 Cooperative Plan. The Parties' obligations to perform under this Agreement are conditioned upon the Parties having negotiated a cooperative plan pursuant to Wis. Stat. § 66.0307(3) that includes a boundary agreement, the Parties having adopted the cooperative plan as provided in Wis. Stat. § 66.0307(4), and the Wisconsin Department of Administration having approved the cooperative plan in accordance with Wis. Stat. § 66.0307(5).

14.2 Revenue Sharing Agreement. The Parties' obligations to perform under this Agreement are further conditioned upon the Parties having executed a revenue sharing agreement which includes provisions for a regional services payment.

14.3 Failure of Conditions. La Crosse's willingness to provide wastewater treatment services under this Agreement is conditioned on the adoption of the agreements identified in Sections 14.1 and 14.2. If the agreements identified in Sections 14.1 and 14.2 are not adopted or are not performed for any reason, La Crosse's agreement to provide sanitary sewer treatment services to the District under this Agreement shall terminate.

#### ARTICLE 15

##### MISCELLANEOUS

15.1 Recitals. The Parties confirm and ratify the statements and commitments contained in the Recitals. The Recitals are incorporated and made a part of this Agreement.

~~15.214.1~~ Agreement Supersedes Prior Agreements. This Agreement replaces all former agreements between ~~La Crosse~~the City and the District related to the treatment and disposal of sewage.

~~15.314.2~~ Modification of this Agreement. This Agreement shall be amended only by formal written supplementary amendment. No oral amendment of this Agreement shall be given any effect. All amendments to this Agreement shall be in writing executed by ~~the Parties~~both parties.

~~15.4~~<sup>15.414.3</sup> Mutual Cooperation. Each Party will assist the other in obtaining the necessary permits from the Wisconsin Department of Natural Resources, or any other governmental authority, for the receipt and provision of wastewater conveyance and treatment service in accordance with this Agreement.

~~15.5~~<sup>15.514.4</sup> Non-Assignability. No assignment or transfer of this Agreement shall be made by ~~any Party~~<sup>the District or the City</sup> without the prior written agreement of the other Parties. This Agreement shall be binding on the heirs, successors, and assigns of each Party hereto.

~~15.6~~<sup>15.614.5</sup> No Third-Party Beneficiary. Nothing contained in this Agreement, nor the performance of the Parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party.

~~15.7~~ Nonseverability. ~~This Agreement shall be considered and construed as a single instrument.~~ ~~14.6~~ Severability. ~~The provisions of this Agreement are severable.~~ If any provision or part of this Agreement or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement shall be void and of no effect, and the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

~~15.8~~<sup>15.814.7</sup> No Waiver. The failure of any Party to insist, in any one or more instance, upon performance of any of the terms, covenants, or conditions of this Agreement shall not be construed as a waiver, or relinquishment of the future performance of any such term, covenant, or condition by any other Party or Parties hereto but the obligation of such other Party with respect to such future performance shall continue in full force and effect.

~~15.9~~<sup>15.914.8</sup> Governing Law. This Agreement and all questions and issues arising in connection herewith shall be governed by and construed in accordance with the laws of the State of Wisconsin. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in La Crosse County, Wisconsin. Each ~~Party~~<sup>party</sup> waives its right to challenge venue.

~~15.10~~<sup>15.1014.9</sup> Jury Trial Waiver. The Parties hereby waive their respective rights to a jury trial on any claim or cause of action based upon or arising from or otherwise related to this Agreement. This waiver of right to trial by jury is given knowingly and voluntarily by the Parties and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. Each Party is hereby authorized to file a copy of this Section in any proceeding as conclusive evidence of this waiver by the other Party.

- ~~15.11~~~~14.10~~ References to Laws. Unless otherwise explicitly provided in this Agreement, any reference to laws, ordinances, rules, or regulations shall include such laws, ordinances, rules or regulations as they may be amended or modified from time to time hereafter.
- ~~15.12~~~~14.11~~ Compliance with Law. The Parties shall comply in all material respects with any and all applicable federal, state and local laws, regulations and ordinances.
- ~~15.13~~~~14.12~~ Construction. This Agreement shall be construed without regard to any presumption or rule requiring construction against the Party causing such instrument to be drafted. This Agreement shall be deemed to have been drafted by the Parties of equal bargaining strength. The captions appearing at the first of each numbered section of this Agreement are inserted and included solely for convenience but shall never be considered or given any effect in construing this Agreement with the duties, obligations, or liabilities of the respective hereto or in ascertaining intent, if any questions of intent should arise. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.
- ~~15.14~~~~13~~ Time Computation. Any period of time described in this Agreement by reference to a number of days includes Saturdays, Sundays, and any state or national holidays. Any period of time described in this Agreement by reference to a number of business days does not include Saturdays, Sundays or any state or national holidays. If the date or last date to perform any act or to give any notices is a Saturday, Sunday or state or national holiday, that act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.
- ~~15.15~~~~14.14~~ Authority to Sign. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the Party for whom they are signing.
- ~~14.15~~~~16~~ Execution of Agreement. Each Party shall sign and execute this Agreement on or before sixty (60) days of its approval by the La Crosse Common Council, and failure to do so will render the approval of the Agreement by the La Crosse Common Council null and void unless otherwise authorized.
- ~~15.17~~~~14.16~~ Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.
- ~~15.18~~~~14.17~~ Survival. All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination for any reason.
- ~~14.18~~ Conditions Precedent. ~~The Parties' obligations to perform under this Agreement are conditioned upon the completion of the following conditions precedent: (a) the Parties~~

~~shall have executed and delivered to each other a (i) boundary agreement / cooperative plan and (ii) revenue sharing agreement, which includes Section \_\_\_\_\_ concerning the payment of a regional services fees to the City of La Crosse; (b) the Wisconsin Department of Administration shall have approved the boundary agreement / cooperative plan in accordance with Wis. Stat. 15.19 \_\_\_\_\_ Town Covenants. The Town covenants that it will not dissolve the District unless the Town assumes all the obligations and responsibilities of the District under this Agreement. The Town also covenants that if the District is unable to adopt and enforce the ordinances required pursuant to this Agreement, the Town will adopt and enforce such ordinances.~~

ARTICLE 16  
NO CHALLENGE TO VALIDITY OF AGREEMENT

16.1 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 Public Service Commission of Wisconsin ("PSC"), and hereby agrees not to complain to the PSC pursuant to Wis. Stat. § 66.0821(5), that this Agreement or any provision of this Agreement is unreasonable or unjustly discriminatory on its face. Nothing in this Section 16.1 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 an action seeking equitable relief to enforce this Agreement, or an action seeking damages for breach of this Agreement. Nothing in this Section 16.1 shall be construed as preventing a Party from complaining to the PSC or maintaining a complaint pursuant to Wis. Stats. § 66.0821(5) that a decision made by La Crosse 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. § 66.0307(5).

IN WITNESS WHEREOF, the Mayor and City Clerk of the City of La Crosse, the Town Board Chair and Clerk of the Town of Shelby, and the President and Clerk of the Town of Shelby Sanitary District #2, by virtue of directions of the governing bodies of each local governmental body heretofore referred to, made and executed this Agreement this \_\_\_\_ day of \_\_\_\_\_, 2018 for the Town of Shelby Sanitary District #2, this \_\_\_\_ day of \_\_\_\_\_, 2018 for the Town of Shelby, and this \_\_ day of \_\_\_\_\_, 2018, for the City of La Crosse.

CITY OF LA CROSSE, WISCONSIN

By:

\_\_\_\_\_  
Tim Kabat, Mayor

\_\_\_\_\_  
Teri Lehrke, Clerk

TOWN OF SHELBY, LA CROSSE COUNTY, WISCONSIN

By:

\_\_\_\_\_  
, Town Chair

\_\_\_\_\_  
, Clerk

TOWN OF SHELBY SANITARY DISTRICT #2,  
LA CROSSE COUNTY, WISCONSIN

By:

\_\_\_\_\_  
, District President

\_\_\_\_\_  
, District Secretary

| 12:20:47

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EXHIBIT AC  
DIRECT CONNECT PROPERTIES

1020 Shorewood Place

1030 Shorewood Place

1040 Shorewood Place

1050 Shorewood Place

1060 Shorewood Place

1070 Shorewood Place

1080 Shorewood Place

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**EXHIBIT D**

**RESIDENTIAL EQUIVALENT UNITS**

1. A single family residence shall be considered one (1) REU.
2. Each duplex shall be considered two (2) REUs.
3. Each triplex shall be three (3) REUs.
4. Each larger multiple dwelling structure shall be considered to have a number of REUs equal to the number of dwelling units contained in the structure.
5. Each mobile home shall be considered one (1) REU.
6. A commercial or industrial establishment employing less than 10 full time equivalent employees and not having a process related discharge shall be considered two (2) REUs.
7. A commercial or industrial facility with more than 10 full time equivalent employees and no process related discharge shall be considered to have a number of REUs equal to full time equivalent employment divided by four, with the result rounded up to the nearest whole integer.
8. An industrial facility with a significant process related discharge shall meter its wastewater discharges, and shall be considered to have a number of REUs equal to its metered wastewater discharge divided by 64 CCF (Centum or one-hundred cubic feet), with the result rounded up to the nearest whole integer.
9. No REUs will be assigned to the State Road School since wastewater discharged from the State Road School will not be charged to the District.

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8/11/2018

INTERGOVERNMENTAL COOPERATION AGREEMENT  
BETWEEN  
THE CITY OF LA CROSSE, WISCONSIN,  
AND  
THE CITY OF LA CRESCENT, MINNESOTA

RECITALS

- A. Wisconsin Statutes § 66.0301 provides that Wisconsin municipalities may contract with each other for the receipt or furnishing of services, or the joint exercise of any power or duty required or authorized by law.
- B. Wisconsin Statutes § 66.0303 provides that Wisconsin municipalities may also contract with municipalities of other states for the receipt or furnishing of services, or the joint exercise of any power or duty required or authorized by law.
- C. Minnesota Statutes § 471.59, subd. 10, provides that a governmental unit may enter into an agreement with another governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself.
- D. The City of La Crosse ("La Crosse"), a Wisconsin municipal corporation, and the City of La Crescent ("La Crescent"), a Minnesota municipal corporation, are municipalities located in or adjacent to La Crosse County, Wisconsin (hereafter referred to as "the greater La Crosse region").
- E. La Crosse and La Crescent recognize their shared interest in the overall success of the greater La Crosse region.
- F. La Crosse and La Crescent further recognize that the advancement of the greater La Crosse region can best be accomplished through cooperation, collaboration, and coordination among the governmental bodies located in the greater La Crosse region, including La Crosse and La Crescent.
- G. La Crescent owns and operates a sanitary sewer collection system that provides sewer service within a designated area. La Crescent currently conveys its untreated sanitary sewage to the sewage system owned by La Crosse for purposes of treatment and disposal.
- H. La Crescent would like to expand the area in which it provides sanitary sewer service and would like to obtain treatment from La Crosse for this expanded service area, but to do so it must obtain La Crosse's consent to discharge sewage from this larger service area to La Crosse.

- J. La Crosse is concerned that further expansion of sewer service in La Crescent will increase development in La Crescent, increase the demand on other regional facilities and services available in and funded by La Crosse, and exacerbate what La Crosse sees as a funding inequity with respect to the provision of regional facilities and services.
- J. La Crescent recognizes that La Crosse provides other regional facilities and services, beyond sanitary sewer treatment, that benefit residents of La Crescent, and acknowledges La Crosse's concerns related to the funding of regional facilities and services.
- K. La Crosse and La Crescent seek through this Agreement to promote the further advancement of the greater La Crosse region and the provision of facilities and services to residents of the greater La Crosse region effectively, efficiently and economically, and in a manner which recognizes their respective interests and concerns.
- L. In this Agreement, La Crosse and La Crescent address La Crescent's interest in obtaining sanitary sewer treatment service for an expanded area, and La Crosse's concerns about funding of other regional facilities and services.
- M. La Crosse and La Crescent agree that an agreement by La Crescent to provide a contribution towards funding of regional facilities and services is an appropriate tradeoff for expansion of La Crescent's sewer service area.
- O. La Crescent acknowledges that La Crosse's willingness to consent to the expansion of La Crescent's sewer service area is conditioned on La Crescent's agreement to provide a contribution towards funding of regional facilities and services.

#### AGREEMENT

In consideration of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt of which is acknowledged, La Crosse and La Crescent covenant and agree as follows.

#### ARTICLE 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings unless the context requires otherwise.

- 1.1 "Agreement" means this Intergovernmental Cooperation Agreement between the City of La Crosse, Wisconsin and the City of La Crescent, Minnesota, as may be amended or restated from time to time.

- 1.2 "Barron Island Force Main" means the force main owned by La Crosse that extends under the Mississippi River from the Junction Point on Barron Island to Riverside Park.
- 1.3 "Effective Date" means the date this Agreement is signed by the last Party signing this Agreement.
- 1.4 "Junction Point" means the point shown on Exhibit A as MH-13 where the La Crescent Force Main connects to the Barron Island Force Main.
- 1.5 "La Crescent" means the City of La Crescent, a body corporate and politic of the State of Minnesota, with a principal address of 315 Main Street, La Crescent, MN 55947, and its successors and assigns.
- 1.6 "La Crescent Force Main" means the force main, including MH-13 as shown on Exhibit A, owned by La Crescent that extends between the La Crescent Lift Station and the Junction Point.
- 1.7 "La Crescent Lift Station" means the lift station owned by La Crescent and located at the southeast corner of the junction of Highway 61 and South Chestnut Street in La Crescent where sanitary sewage originating within La Crescent enters the La Crescent Force Main for conveyance to the La Crosse Sewer System.
- 1.8 "La Crescent Meter" means the wastewater meter located at the La Crescent Lift Station that measures the volume of sanitary sewage carried by the La Crescent Sewer System to the La Crosse Sewer System.
- 1.9 "La Crescent Sewer System" means the sanitary sewer system owned and operated by La Crescent.
- 1.10 "La Crosse" means the City of La Crosse, a Wisconsin municipal corporation, with a principal address of 400 La Crosse Street, La Crosse, WI 54601, and its wastewater utility.
- 1.11 "La Crosse Rate Study" means the wastewater rate study prepared by John A. Mayer Associates, as described in the Executive Summary dated August 14, 2014, which was approved by the La Crosse Common Council on October 9, 2014. A copy of the Executive Summary of the La Crosse Rate Study is attached to this Agreement as Exhibit B.
- 1.12 "La Crosse Sewer Connection Fee Study" means the sewer connection fee study prepared by Trilogy Consulting, LLC, dated January 2016, which was approved by La Crosse Common Council Resolution 16-0468 on March 10, 2016. A copy of the La Crosse Sewer Connection Fee Study is attached to this Agreement as Exhibit C.

- 1.13 "La Crosse Sewer System" means the sanitary sewer system owned and operated by the City of La Crosse.
- 1.14 "La Crosse Users" means the La Crosse Wastewater Utility customers located within La Crosse's municipal limits.
- 1.15 "La Crosse Wastewater Utility" means the sanitary sewer utility operated by the City of La Crosse.
- 1.16 "La Crosse's Code of Ordinances" means La Crosse's code of ordinances in effect as of the date of this Agreement, and all amendments thereto subsequently adopted by the La Crosse Common Council.
- 1.17 "Party" means La Crosse and La Crescent individually. "Parties" mean La Crosse and La Crescent jointly.
- 1.18 "REC" means residential equivalent connection as that term is used in the La Crosse Sewer Connection Fee Study. One REC represents the estimated average volume of wastewater discharged by an average residential user to the La Crosse Sewer System.
- 1.19 "Regional Services" means those assets, programs and services identified by the Parties in Article 14 of this Agreement that are provided by La Crosse and which are used by and/or provide benefits to La Crescent residents.
- 1.20 "Significant Industrial Users" has the meaning given to that term in La Crosse's Code of Ordinances, related to wastewater.
- 1.21 "Wastewater Treatment Plant" means the wastewater treatment plant owned and operated by the City of La Crosse.
- 1.22 "Wholesale Volumetric Rate" means La Crosse's volumetric rate to La Crescent as determined in accordance with Article 5 of this Agreement.

ARTICLE 2  
AUTHORIZED DISCHARGE

- 2.1 Discharge to La Crosse Sewer System. During the term of this Agreement, La Crescent shall discharge sewage from the La Crescent Sewer System to the La Crosse Sewer System at the Junction Point on Barron Island, and La Crosse shall provide treatment and disposal of such discharge.
- 2.2 No Obligation to Serve Beyond Terms of Agreement. The Parties agree that La Crosse's obligation to provide La Crescent with sanitary sewer treatment and disposal service is strictly limited to the terms of this Agreement and that La Crosse has no obligation to

provide La Crescent with service beyond the terms of this Agreement. La Crescent agrees that it shall not allege, contend or argue in any future proceeding that La Crosse has an obligation to provide sanitary sewer service to La Crescent beyond the express terms and provisions of this Agreement.

ARTICLE 3  
LIMITS ON DISCHARGE

- 3.1 Service Area Limit. La Crescent shall only discharge wastewater generated from within the area shown on Exhibit D to the La Crosse Sewer System.
- 3.2 Volumetric Discharge Limits.
- 3.2.1 *Daily Limit Averaged Over a Month.* Flow from the La Crescent Sewer System shall not exceed a maximum average of 0.40 million gallons per day (MGD), for any calendar month.
- 3.2.2 *Peak Flow Averaged Over 24 Hours.* Peak flow from the La Crescent Sewer System for any 24 hour period shall not exceed 0.63 MGD.
- 3.3 Limits on Strength of Wastewater.
- 3.3.1 *Discharge Not to Exceed Domestic Strength.* The sewage discharged from the La Crescent Sewer System to the La Crosse Sewer System shall not exceed domestic strength as defined by La Crosse's Code of Ordinances.
- 3.3.2 *Sampling.* La Crescent shall periodically sample and analyze sanitary flow from La Crescent and provide this information to La Crosse. Samples shall be analyzed for the following constituents: BOD, TSS, dissolved sulfides, phosphorus and metals. Samples shall be taken on a flow-proportional, composite basis. Initial sample frequency shall be annually. La Crosse may require that sample frequency be increased based on sample data. La Crosse shall also have access to the La Crescent Sewer System for sampling purposes and shall have the right to conduct its own sampling of the sewage discharged from the La Crescent Sewer System to the La Crosse Sewer System.
- 3.3.3 *Right to Require Pretreatment.* Based on sampling data from La Crescent's flow, La Crosse reserves the right to require La Crescent to install pretreatment to reduce future loadings to the La Crosse Sewer System to meet the requirements of subsection 3.3.1.
- 3.3.4 *Compliance with La Crosse Ordinances.* All wastewater from the La Crescent Sewer System entering the La Crosse Sewer System shall be subject to all provisions of La Crosse's Code of Ordinances pertaining to sewers and sewerage.

3.4 Prohibition on Certain Discharges.

3.4.1 *Trucked Waste.* No septic tank waste, seepage pit wastes, grease-trap wastes, or any trucked liquid wastes shall be deposited into the La Crescent Sewer System by persons engaged in the business of cleaning, pumping or hauling of the same. All trucked wastewater shall be disposed of in accordance with applicable State, Federal and local regulations.

3.4.2 *Clear Water.* La Crescent shall not permit clear water discharge from drain tile, air conditioning systems, rain water, any surface water conduits, or any other clear water source to be connected with or discharged into the La Crescent Sewer System.

3.4.3 *Wastewater from Other Entitles.* La Crescent shall not carry or transport wastewater from any property outside of La Crescent without the express written prior approval of the La Crosse Common Council.

3.5 Requirements for Significant Industrial Users. La Crosse may require Significant Industrial Users, including Significant Industrial Users in La Crescent, to obtain discharge permits, and to comply with the provisions of those discharge permits, including payment of fees to the La Crosse Wastewater Utility. Permit fees and laboratory analysis fees charged to Significant Industrial Users in La Crescent shall be the same as those charged to comparable Significant Industrial Users in the City of La Crosse, plus a 50% surcharge on the permit fee. Service to any such Significant Industrial User shall require prior approval from the La Crosse Wastewater Utility.

3.6 Exceeding Discharge Limits.

3.6.1 *Notification.* La Crescent shall notify La Crosse immediately if any discharge in violation of this Article 3 occurs. Notification shall include details of the discharge, and the action La Crescent has taken or proposes to take with respect thereto.

3.6.2 *Moratorium on Additional Extensions or Connections.* If La Crescent exceeds a discharge limit in violation of this Article 3, La Crescent shall allow no additional sewer main extensions or customer connections to the La Crescent Sewer System until La Crescent satisfactorily demonstrates to La Crosse that modifications have been made to La Crescent Sewer System facilities or operations to prevent La Crescent from exceeding the discharge limits in the future. This moratorium is not triggered by a discharge authorized by La Crosse under subsection 3.6.3.

3.6.3 *Authorization and Acceptance of Discharges in Excess of Discharge Limits.* La Crosse may authorize and accept a discharge from La Crescent in excess of La Crescent's discharge limits for a limited period if La Crosse reasonably believes that no serious harm or adverse effects will result. Any discharge in excess of La Crescent's discharge limits must be authorized by La Crosse in advance of such discharge and must be for a

limited period. La Crescent may orally request such authorization, and La Crosse's Utility Manager may grant such authorization orally provided that the Utility Manager promptly confirms such oral authorization, including the duration of the authorization, in writing to both La Crescent and La Crosse's Public Works Committee.

- 3.6.4 *Payment of Costs for Exceeding Discharge Limits.* If La Crescent discharges sewage from the La Crescent Sewer System to the La Crosse Sewer System in excess of the discharge limits of this Article 3, La Crosse shall charge La Crescent for any fine, penalty or forfeiture incurred by La Crosse, and may charge La Crescent for any cost incurred by La Crosse (including without limitation, for employees, equipment or materials) as a result of such discharge. La Crescent shall pay any such charges within 60 days of receipt of a fully itemized invoice. The receipt of authorization under subsection 3.6.3 does not eliminate La Crescent's obligation to make the payment required by this subsection 3.6.4.

#### ARTICLE 4 MEASUREMENT OF FLOW; METERING

- 4.1 Flow Measurement Location. The volume of flow from the La Crescent Sewer System discharging into the La Crosse Sewer System shall be measured at the La Crescent Meter.
- 4.2 La Crescent Meter. La Crescent shall furnish the La Crescent Meter, at its cost, to accurately measure the flow the La Crescent Sewer System conveys to the La Crosse Sewer System. La Crescent shall maintain, service, repair and replace the La Crescent Meter at its cost. Meter installation plans must be submitted to the La Crosse Wastewater Utility for approval.
- 4.3 Calibration of La Crescent Meters. The La Crescent Meter shall be calibrated by a certified technician not less than once annually. La Crescent shall pay all expenses related to the calibration. La Crescent shall provide La Crosse with notice of the calibration, at least two working days prior to the time of calibration, so that La Crosse may have a representative present during the calibration. La Crescent shall provide La Crosse with documentation of the results of such annual calibration within 10 days after the completion of the calibration.
- 4.4 Failure to Maintain La Crescent Meters. In the event La Crescent fails to maintain the La Crescent Meter in good and accurate working condition or fails to have the annual calibration performed, La Crosse may maintain and calibrate such meter, and charge the expenses related to such maintenance and calibration to La Crescent, which expense La Crescent agrees to pay. If replacement of the La Crescent Meter is prudent and La Crescent fails to replace the La Crescent Meter, La Crosse may replace such meter, and charge the expenses related to such meter replacement to La Crescent.

- 4.5 Access to La Crescent Meters. La Crosse shall be entitled to access the La Crescent Meter for purposes of periodically inspecting the meter.
- 4.6 Reading of La Crescent Meters. La Crescent shall read the La Crescent Meter at least weekly and provide the meter readings to La Crosse for billing purposes. If La Crosse chooses, it may read the La Crescent Meter itself and base billings on its meter readings. La Crosse shall be entitled to access the La Crescent Meter for purposes of reading the meter.
- 4.7 Metering Disputes. In the event that either La Crosse or La Crescent believes that the sewage flow has been inaccurately metered resulting in over billing or under billing under Article 5, the objecting Party shall give notice to the other Party in writing of its objection. The Parties shall cooperate to determine the existence and extent of the alleged meter inaccuracy and the over billing or under billing. If a meter is determined to be inaccurate, an adjustment shall be made in charges for such meter inaccuracies extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half of the time elapsed since the last date of calibration. If the Parties are unable to agree upon the adjustment to be made in charges for meter inaccuracies, the Parties shall resolve the dispute in accordance with Article 13.

#### ARTICLE 5

#### LA CROSSE RATES; BILLING

- 5.1 Billable Flow. La Crosse will charge La Crescent for the volume of sewage delivered from La Crescent to the La Crosse Sewer System as measured in accordance with Section 4.1.
- 5.2 Wholesale Volumetric Rate. The Wholesale Volumetric Rate for 2018 is \$1,631 per million gallons. The Wholesale Volumetric Rate was determined based upon the La Crosse Rate Study. This Wholesale Volumetric Rate will remain in effect until changed in accordance with Section 5.3 or 5.4.
- 5.3 Rate Changes. If La Crosse changes the volumetric rate charged to La Crosse Users, the Wholesale Volumetric Rate for La Crescent will be similarly revised in accordance with a methodology similar to that used by the La Crosse Rate Study attached as Exhibit B to determine the Wholesale Volumetric Rate initially. This Section does not apply to cost of living rate adjustments covered by Section 5.4.
- 5.4 Cost of Living Adjustments. Cost of living rate adjustments may be made without completing a new rate study if the same percentage increase is applied to both the volumetric rate charged to La Crosse Users, and the Wholesale Volumetric Rate. Cost of living increases, if made, shall not be greater than the nearest whole percent above the increase in the Consumer Price Index (CPI), All Urban Consumers. The CPI shall be based on the increase over the period from June to June, with the rate increase being effective

January 1 of the year following the June to June period. No cost of living rate adjustment shall be based on the change in the CPI for a period longer than 24 months.

- 5.5 Timing for Rate Change. Unless otherwise approved by the La Crosse Common Council, changes in rates shall be effective on January 1, with notice provided to La Crescent on or before the preceding September 1.
- 5.6 Sewer Charges. La Crosse's sewer charges to La Crescent shall equal:
- a. the billable flow determined in accordance with Section 5.1;
  - b. multiplied by the Wholesale Volumetric Rate.
- 5.7 Billing. La Crosse will bill La Crescent monthly on or about the tenth day of the following month for the cost of sewage handling and treatment.
- 5.8 Due Date. The invoice shall be due and payable within 45 days of the date of the invoice. If an invoice is not fully paid within 45 days, the unpaid balance shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

#### ARTICLE 6

##### CONNECTIONS TO LA CRESCENT SEWER SYSTEM; REGULATIONS ON USE

- 6.1 Sewer Main Extensions within La Crescent. Sewer main extensions may be made by La Crescent within the area shown on Exhibit D, provided such main extensions are also within the sanitary sewer service area described in La Crosse's Code of Ordinances.
- 6.2 La Crosse Approval of Plans. All plans for sewer main extensions, new lift stations or forcemains, and any major sewer, forcemain, or lift station replacement or renovation within La Crescent must be submitted to the La Crosse Wastewater Utility and La Crosse City Engineer, and be approved by the La Crosse Board of Public Works.
- 6.3 Plumbing. All plumbing shall be installed in compliance with the Minnesota State Plumbing Code. La Crescent shall require a plumbing inspector to inspect all connections to the mains, keep records of all connections by measurements from manholes and inspect all inside plumbing. La Crosse reserves the right to inspect all mains, connections, premises and records in order to ascertain compliance with all contracts, agreements, rules, regulations and accuracy of such records.
- 6.4 Application of La Crosse's Code of Ordinances. La Crescent shall by ordinance require all users, including industrial and commercial users within its jurisdiction, to conform and comply with the provisions of La Crosse's Code of Ordinances related to wastewater and sewerage in order to protect La Crosse's wastewater system. La Crescent shall by ordinance also require all users, including industrial and commercial users within its

jurisdiction, to comply with laws, orders, or directives of the United States government, and the State of Minnesota. All dischargers to the La Crescent Sewer System shall be subject to all La Crosse ordinances related to wastewater and sewerage, along with the provisions of all laws, orders and directives of the U.S. Government and the State of Minnesota pertaining to wastewater.

- 6.5 Authority to Inspect. La Crosse shall have the right to inspect and/or survey the wastewater discharge, the clear water discharge, and the premises of all La Crescent Sewer System users, including industrial or commercial users within the jurisdiction of the La Crescent.
- 6.6 Enforcement. If it is determined by La Crosse that any wastewater or clear water entering the La Crescent Sewer System is in apparent violation of the this Agreement, La Crosse's Code of Ordinances or other authority, La Crosse is authorized to proceed to enforce the Agreement, La Crosse's Code of Ordinances and all applicable governmental laws, orders and directives pertaining to wastewater, using the enforcement process applicable to wastewater discharges set forth in La Crosse's Code of Ordinances.
- 6.7 Sewer Connection Fee.
- 6.7.1 *Connection Fee.* La Crescent shall pay La Crosse a sewer connection fee for each property with a new connection to the La Crescent Sewer System after the Effective Date of this Agreement.
- 6.7.2 *Connection Fee Charge Per REC.* Sewer connection fees shall be determined on a per REC basis. Each single-family residential property is one REC. Each non-single-family residential property is assigned RECs based upon estimated usage compared to that of an average residential user. For each non-single-family residential property, La Crescent shall prepare and submit a usage estimate for review and approval by the City of La Crosse.
- 6.7.3 *Amount of Connection Fee Per REC.* The amount of the sewer connection fee for 2018 is \$730 per REC. The amount of the sewer connection fee shall remain in effect unless revised in accordance with the alternative 2 methodology used in the La Crosse Sewer Connection Fee Study. Changes to the unit cost per REC must be approved by the La Crosse Common Council. Unless otherwise approved by the La Crosse Common Council, changes in the sewer connection fee shall be effective on January 1, with notice provided to La Crescent on or before the preceding September 1.
- 6.7.4 *Notification of New Connections and Payment of Fees.* La Crescent shall provide La Crosse a copy of every permit issued by La Crescent which results in a new sewer connection to the La Crescent Sewer System. Within 10 days after a new connection is completed, La Crescent shall provide La Crosse with a copy of the inspection report of

the connection along with payment of the applicable sewer connection fee for the property. A new connection shall pay the fee required under subsection 6.7.3.

- 6.7.5 *Failure to Timely Pay Connection Fee.* If a sewer connection fee is not timely paid as required by subsection 6.7.4, the unpaid sewer connection fee shall be subject to interest at the rate of one and one-half percent (1.5%) per month.

#### ARTICLE 7

##### MAINTENANCE OF LA CRESCENT SEWER SYSTEM

- 7.1 Maintenance of La Crescent Sewer System. La Crescent shall pay all costs associated with operating, maintaining, and replacing the La Crescent Sewer System. The costs shall be included in La Crescent's sewer utility budget. There shall be no cost to La Crosse for replacement of La Crescent Sewer System facilities.
- 7.2 Infiltration and Inflow. La Crescent shall, at its expense, reduce excessive infiltration/inflow into the La Crescent Sewer System. For purposes of this Agreement, excessive infiltration/inflow means the quantities of infiltration/inflow which can be economically eliminated from a sewerage system by rehabilitation, as determined in a cost effectiveness analysis that compares the costs of correcting the infiltration/inflow conditions to the total cost for transportation and treatment of the infiltration/inflow. La Crosse may conduct the analysis to determine whether infiltration/inflow into the La Crescent Sewer System is excessive.

#### ARTICLE 8

##### BARRON ISLAND FORCE MAIN

- 8.1 Maintenance of Barron Island Force Main. La Crosse shall maintain and repair the Barron Island Force Main. The cost of maintaining and repairing the Barron Island Force Main shall be included within the wholesale rates that are charged to La Crescent.
- 8.2 Replacement of Barron Island Force Main. The Parties agree that in the event the Barron Island Force Main fails and must be replaced, the Parties will share in the cost of replacement. The Parties agree to divide replacement costs between the Parties in proportion to each Party's anticipated flow volume in the Barron Island Force Main, with La Crescent paying 85% of the full replacement cost, and La Crosse paying 15% of the full replacement cost. Failure of the Barron Island Force Main is defined as any condition or situation that renders the Barron Island Force Main completely unusable.

ARTICLE 9  
RECIPROCAL OBLIGATIONS

9.1 Use of Funds:

9.1.1 *La Crosse Funds.* All funds collected from users of the La Crosse Wastewater Treatment Plant, including wholesale customers, contract users, La Crosse Users, or other users of the plant, for capital improvements including anticipated future capital improvements, shall be maintained by La Crosse in a separate reserve fund and only used for expenses directly related to collection, treatment, or disposal of sanitary sewage.

9.1.2 *La Crescent Funds.* All funds collected from users of the La Crescent Sewer System for capital improvements, including anticipated future capital improvements, shall be maintained by La Crescent in a separate reserve fund for La Crescent and only used for expenses directly related to collection and conveyance of sanitary sewage.

9.2 Access to Records.

9.2.1 *La Crosse Records.* La Crosse shall provide La Crescent access to all La Crosse records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to the La Crosse Wastewater Utility's operations.

9.2.2 *La Crescent Records.* La Crescent shall provide La Crosse access to all La Crescent's records on sanitary sewer flow, sewer utility income and expenses, sewer utility reserve funds, and other financial records relative to La Crescent's sewer utility operations.

9.3 Insurance. La Crosse and La Crescent shall each maintain insurance policies or maintain self insurance programs of the kinds and in the amounts which are customarily carried or maintained by local governments operating wastewater collection and treatment systems. Each Party shall provide the other with proof of such insurance coverage upon request.

9.4 Notification of Certain Discharges. Each Party shall be solely responsible for notifying applicable state governmental agencies of a discharge to or from its wastewater system in violation of federal or state law, or its wastewater discharge permit. If a Party provides a state governmental agency with notice under this section, it shall notify the other Party of the notice and provide details of the discharge covered by the notice.

9.5 Capacity, Management, Operation, and Maintenance Programs. La Crescent agrees to implement and maintain a capacity, management, operation, and maintenance program for its own sewer system that meets the requirements of Wis. Admin. Code NR 210.23. La Crescent shall provide a copy of its written program and its annual self-audit to La Crosse. La Crosse shall not be responsible for implementing or maintaining a capacity, management, operation, and maintenance program for the La Crescent Sewer System.

La Crosse shall implement and maintain a capacity, management, operation, and maintenance program for the La Crosse Sewer System that satisfies the requirements of Wis. Admin. Code NR 210.23.

ARTICLE 10  
FORCE MAJEURE

- 10.1 Force Majeure. In case by reason of Force Majeure any Party shall be rendered unable wholly or in part to carry out its obligation under this Agreement, then if such Party shall give notice and full particulars of such Force Majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein shall mean acts of God, acts of public enemy, orders of any kind of Governmental Authorities, or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery, or pipelines, partial or entire failure of wastewater treatment, or inability on the part of a Party to receive or convey wastewater hereunder, on account of any other causes not reasonably within the control of the Party claiming such inability.

ARTICLE 11  
NOTICES

- 11.1 Written Notice Required. Unless otherwise provided in this Agreement, any notice, demand or other communication required or permitted under this Agreement shall be given in writing and delivered personally, by courier, by U.S. Mail or commercial delivery service.
- 11.2 Effective Date of Notice. Notice provided under this Agreement shall be deemed effective: (i) when personally delivered; (ii) three (3) days after deposit with the United States Postal Service, postage prepaid, certified, return receipt requested; or (iii) one (1) business day after deposit with a nationally recognized overnight courier service, addressed by name and to the Party or person intended, at the address provided in accordance with Section 11.3.
- 11.3 Address for Notices. Notices to a Party shall be provided to its respective address set forth below, or at such other address as may from time to time be designated by such Party to the others in accordance with this Article 11:

If to the City of La Crosse:

Attn. La Crosse City Clerk  
City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

With a copy to:  
Attn. Utility Manager  
City of La Crosse  
400 La Crosse Street  
La Crosse, WI 54601

If to City of La Crescent:

Attn: La Crescent City Clerk  
City of La Crescent  
315 Main Street  
La Crescent, MN 55947

#### ARTICLE 12

##### TERM; TERMINATION FOR CAUSE

- 12.1 Term. This Agreement shall extend from the Effective Date through December 31, 2027. The Agreement may be extended for further subsequent terms upon the written consent of both Parties.
- 12.2 Default and Termination for Cause. Except as otherwise provided herein, if La Crescent shall fail to comply with or perform any of the conditions or obligations on its part, and, if after such failure La Crosse shall notify La Crescent in writing of its intention to discontinue accepting sewage from La Crescent on account of such failure, refusal, or neglect, then La Crosse shall have the right to discontinue accepting wastewater from La Crescent at the expiration of 60 days after the giving of such notice and terminate this Agreement, unless within this 60 day period La Crescent shall perform the conditions or obligations requested by La Crosse. The discontinuance of service shall not release La Crescent from its obligations to make payments on past due services rendered under this Agreement.

#### ARTICLE 13

##### DISPUTE RESOLUTION

- 13.1 Dispute Resolution. A dispute or controversy between La Crosse and La Crescent regarding any matter relating to this Agreement shall be resolved in accordance with this Article except as otherwise provided in this Agreement.

13.2 Notice of Dispute and Initial Meeting. If a dispute or controversy arises and exists regarding any matter relating to this Agreement, either Party may send a written notice to the other Parties identifying the nature and underlying facts of the dispute. Within 30 days of the date written notice is delivered, a meeting between the Parties shall be held to attempt in good faith to negotiate a resolution of the dispute or controversy. This Section is intended by the Parties to this Agreement to waive any respective statutory right to further notice. Such waiver, however, shall not constitute a waiver of any applicable damage cap, liability cap, or immunities contained in applicable state law.

13.3 Mediation. If the Parties have not succeeded in resolving the dispute or controversy at the initial meeting or subsequent meetings scheduled by mutual agreement, or if the Parties have not held an initial meeting within thirty (30) days after the date of delivery of the written notice, the Parties may choose to proceed to mediation in accordance with this Section. The Parties shall jointly appoint a mutually acceptable neutral person not affiliated with either of them (the "Mediator") to conduct the mediation. The Mediator shall have a minimum of ten (10) years of experience in the subject matter of the dispute or controversy. The fees of the Mediator shall be shared equally by the Parties. If the Parties are unable to agree upon the selection of a Mediator within twenty (20) days after the initial meeting, or if no initial meeting was held, within fifty (50) days after the delivery of the written notice required by Section 13.2, the Parties shall either request that the La Crosse County Circuit Court shall select the Mediator or, in the alternative, proceed with other forms of dispute resolution. If the La Crosse County Circuit Court is to select the Mediator, the Parties agree that the Mediator selected shall be a Wisconsin professional with a minimum of ten (10) years of experience in the subject matter of the dispute or controversy, and that the selected Mediator need not be an attorney.

In consultation with the Parties, the Mediator will select or devise the mediation procedure to be held in La Crosse County, Wisconsin, by which the Parties will attempt to resolve the dispute or controversy. In consultation with the Parties, the Mediator will also select a date and time for the mediation and a date by which the mediation will be completed.

The Parties shall participate in good faith in the mediation to its conclusion as designated by the Mediator. If the Parties are not successful in resolving the dispute or controversy through the mediation, the dispute may be resolved by litigation or other appropriate means.

13.4 Costs. Except as expressly provided in this Agreement, each Party shall bear its own costs associated with dispute resolution, including attorneys' fees and litigation expenses.

ARTICLE 14  
ANNUAL CONTRIBUTION FOR REGIONAL SERVICES

- 14.1 Identification of Regional Services. The Parties agree that for purposes of this Article 14 the following entities, facilities and programs constitute Regional Services.
- a. La Crosse Center
  - b. La Crosse Public Library
  - c. La Crosse Parking Utility
  - d. La Crosse Parks, Recreation & Forestry Department
- 14.2 Annual Contribution to Cost of Regional Services. La Crescent agrees to pay an annual contribution towards La Crosse's cost of providing Regional Services. In 2018, La Crescent's annual contribution shall be \$60 per household. For purposes of this calculation, the number of households in La Crescent shall be determined annually by the La Crosse City Planner in his or her sole and absolute discretion based upon current information contained in the geographic information systems for Houston and Winona Counties. After 2018, the per household annual contribution amount shall increase each year by the greater of (i) 3 percent, or (ii) the yearly increase in the Consumer Price Index for all Urban Consumers (CPI-U) measured as of January 1 of each year for the preceding 12 months.
- 14.3 Timing of Annual Contribution Payment. La Crescent shall pay the Regional Services contribution payment to the La Crosse City Treasurer on or before 1 July each year.
- 14.4 Access to Services. La Crosse agrees to provide La Crescent residents with access to those Regional Service identified in Section 14.1 in a non-discriminatory manner. La Crescent agrees to provide La Crosse residents with access to comparable regional services offered in La Crescent in a non-discriminatory manner.
- 14.5 Impact of Termination. La Crosse's willingness to provide wastewater treatment services under this Agreement is conditioned on the continued applicability of this Article 14. If La Crescent does not make payment under this Article 14 for any reason, or if this Article 14 is invalidated for any reason, La Crosse's agreement to provide sanitary sewer treatment services to La Crescent under this Agreement shall also terminate.

ARTICLE 15  
MISCELLANEOUS

- 15.1 Recitals. The Parties confirm and ratify the statements and commitments contained in the Recitals. The Recitals are incorporated and made a part of this Agreement.
- 15.2 Agreement Supersedes Prior Agreements. This Agreement replaces all former agreements between La Crosse and La Crescent related to the treatment and disposal of

sewage, including but not limited to the Agreement for Sanitary Sewer Conveyance and Treatment dated January 11, 2007, and the Agreement for the Design, Construction and Maintenance of Sanitary Sewer Forcemains dated February 8, 2007.

- 15.3 Modification of this Agreement. This Agreement shall be amended only by formal written supplementary amendment. No oral amendment of this Agreement shall be given any effect. All amendments to this Agreement shall be in writing executed by both parties.
- 15.4 Mutual Cooperation. Each Party will assist the other in obtaining the governmental permits necessary for the receipt and provision of wastewater conveyance and treatment service in accordance with this Agreement.
- 15.5 Non-Assignability. No assignment or transfer of this Agreement shall be made by La Crescent or La Crosse without the prior written agreement of the other Parties. This Agreement shall be binding on the heirs, successors, and assigns of each Party hereto.
- 15.6 No Third-Party Beneficiary. Nothing contained in this Agreement, nor the performance of the Parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party.
- 15.7 Nonseverability. This Agreement shall be considered and construed as a single instrument. If any provision or part of this Agreement or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement shall be void and of no effect.
- 15.8 No Waiver. The failure of any Party to insist, in any one or more instance, upon performance of any of the terms, covenants, or conditions of this Agreement shall not be construed as a waiver, or relinquishment of the future performance of any such term, covenant, or condition by any other Party or Parties hereto but the obligation of such other Party with respect to such future performance shall continue in full force and effect.
- 15.9 Governing Law. The Parties agree that this Agreement and all questions and issues arising in connection herewith shall be governed by and construed in accordance with the laws of the State of Wisconsin. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in La Crosse County, Wisconsin. Each Party waives its right to challenge venue.
- 15.10 Jury Trial Waiver. The Parties hereby waive their respective rights to a jury trial on any claim or cause of action based upon or arising from or otherwise related to this Agreement. This waiver of right to trial by jury is given knowingly and voluntarily by the Parties and is intended to encompass individually each instance and each issue as to

which the right to a trial by jury would otherwise accrue. Each Party is hereby authorized to file a copy of this Section in any proceeding as conclusive evidence of this waiver by the other Party.

- 15.11 References to Laws. Unless otherwise explicitly provided in this Agreement, any reference to laws, ordinances, rules, or regulations shall include such laws, ordinances, rules or regulations as they may be amended or modified from time to time hereafter.
- 15.12 Compliance with Law. The Parties shall comply in all material respects with any and all applicable federal, state and local laws, regulations and ordinances.
- 15.13 Construction. This Agreement shall be construed without regard to any presumption or rule requiring construction against the Party causing such instrument to be drafted. This Agreement shall be deemed to have been drafted by the Parties of equal bargaining strength. The captions appearing at the first of each numbered section of this Agreement are inserted and included solely for convenience but shall never be considered or given any effect in construing this Agreement with the duties, obligations, or liabilities of the respective hereto or in ascertaining intent, if any questions of intent should arise. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.
- 15.14 Time Computation. Any period of time described in this Agreement by reference to a number of days includes Saturdays, Sundays, and any state or national holidays. Any period of time described in this Agreement by reference to a number of business days does not include Saturdays, Sundays or any state or national holidays. If the date or last date to perform any act or to give any notices is a Saturday, Sunday or state or national holiday, that act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.
- 15.15 Authority to Sign. The governing body of each of the Parties has duly adopted a resolution approving this Agreement and authorizing their municipality to become a party to this Agreement. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the Party for whom they are signing.
- 15.16 Execution of Agreement. Each Party shall sign and execute this Agreement on or before sixty (60) days of its approval by the La Crosse Common Council, and failure to do so will render the approval of the Agreement by the La Crosse Common Council null and void unless otherwise authorized.
- 15.17 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.

- 15.18 Survival. All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination for any reason.
- 15.19 Condition Precedent. The Parties' obligations to perform under this Agreement are conditioned upon obtaining the Wisconsin Attorney General's approval of this Agreement in accordance with Wis. Stat. § 66.0303(3)(a).

ARTICLE 16  
NO CHALLENGE TO VALIDITY OF AGREEMENT

- 16.1 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 Public Service Commission of Wisconsin ("PSC"), and hereby agrees not to complain to the PSC pursuant to Wis. Stat. § 66.0821(5), that this Agreement or any provision of this Agreement is unreasonable or unjustly discriminatory on its face. Nothing in this Section 16.1 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 an action seeking equitable relief to enforce this Agreement, or an action seeking damages for breach of this Agreement. Nothing in this Section 16.1 shall be construed as preventing a Party from complaining to the PSC or maintaining a complaint pursuant to Wis. Stats. § 66.0821(5) that a decision made by La Crosse 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

IN WITNESS WHEREOF, the Mayor and City Clerk of the City of La Crosse, Wisconsin, and the Mayor and City Clerk of the City of La Crescent, Minnesota, by virtue of directions of the governing bodies of each local governmental body heretofore referred to, made and executed this Agreement this \_\_\_\_ day of \_\_\_\_\_, 2018 for the City of La Crescent, and this \_\_\_\_ day of \_\_\_\_\_, 2018, for the City of La Crosse.

CITY OF LA CROSSE, WISCONSIN

By:

\_\_\_\_\_  
Tim Kabat, Mayor

---

Teri Lehrke, Clerk

CITY OF LA CRESCENT, MINNESOTA  
By:

---

Mike Poellinger, Mayor

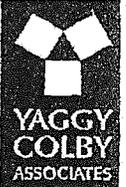
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Harris Waller, Clerk

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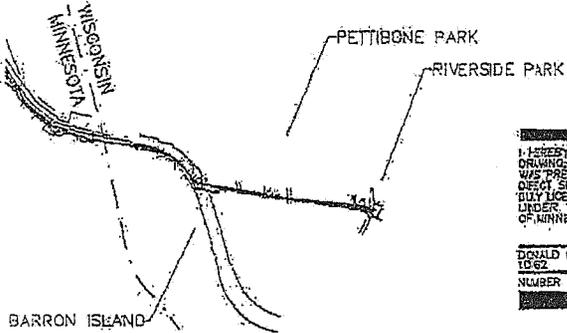
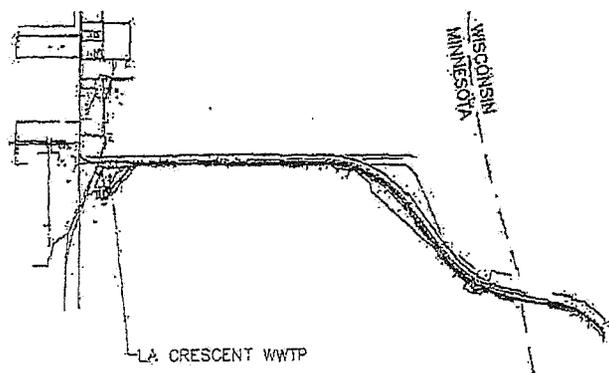
EXHIBIT A

# PUBLIC IMPROVEMENTS SANITARY FORCE MAIN AND WATER MAIN RECORD DRAWING LA CRESCENT, MN / LA CROSSE, WI



ENGINEERS & ARCHITECTS  
SURVEYORS & PLANNERS  
LANDSCAPE ARCHITECTS  
REGISTERED PROFESSIONALS  
STATE OF MINNESOTA  
1900 W. WASHINGTON ST.  
ROCHESTER, MN 55904  
PHONE (507) 288-5058  
FAX (507) 288-5058

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**CITY OFFICIALS**

MAYOR: MIKE POELLINGER

CITY COUNCIL: GREG HUSMANN  
JOY ROCKWELL  
BEN RUDERT  
DALE WILLIAMS

CITY ADMINISTRATOR: BILL WALLER

CITY ATTORNEY: WILLIAM VON ARX

UTILITY SUPERINTENDENT: MIKE ALBRECHT

**OWNER**

CITY OF LA CRESCENT  
315 MAIN STREET  
LA CRESCENT, MINNESOTA 55947  
PHONE NO. (507) 885-2895  
FAX NO. (507) 885-8894

**CIVIL ENGINEERS / SURVEYORS**

YAGGY COLBY ASSOCIATES  
717 3RD AVENUE S.E.  
ROCHESTER, MINNESOTA 55904  
PHONE NO. (507) 288-5464  
FAX NO. (507) 288-5058

**SHEET INDEX**

NO.	TITLE SHEET
1	TITLE SHEET
2	GENERAL INFORMATION SHEET
3	GENERAL LAYOUT
4 - 8	MISCELLANEOUS DETAILS
9 - 37	FORCE MAIN PLAN & PROFILE
38, 39	WATER MAIN PLAN & PROFILE

**BENCH MARKS**

SEE GENERAL LAYOUT SHEET FOR BENCH MARK LISTING.

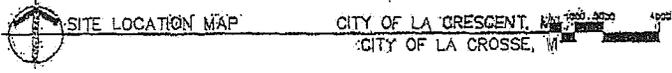
**VERTICAL CONTROL**

THE ELEVATIONS ON THIS PLAN ARE BASED ON THE NATIONAL GEODETIC VERTICAL DATUM OF 1929.

- GENERAL CONSTRUCTION NOTES :**
- CONTRACTOR SHALL BE RESPONSIBLE FOR FURNISHING & INSTALLING SILT FENCE AROUND ALL BRUSH BY LOCATIONS. SILT FENCES WILL BE INCIDENTAL TO DIRECTIONAL DRILLING OPERATIONS UNLESS OTHERWISE NOTED.
  - FOR WORK OUTSIDE OF THE SHOULDER, CONTRACTOR SHALL ESTABLISH TEMPORARY TRAFFIC CONTROL IN ACCORDANCE WITH MN/DOT FIELD MANUAL FOR TEMPORARY TRAFFIC CONTROL ZONE LAYOUTS - LAYOUT 66, WORK OFF SHOULDER OR WS/DOT WORK ZONE SAFETY GUIDE BOOK, WORK BEYOND THE SHOULDER.
  - FOR WORK IMPACTING THE CONTIGUOUS SHOULDER ALONG MN/DOT R.O.W., CONTRACTOR SHALL ESTABLISH TEMPORARY TRAFFIC CONTROL IN ACCORDANCE WITH MN/DOT FIELD MANUAL FOR TEMPORARY TRAFFIC CONTROL ZONE LAYOUTS, LAYOUT 66, SHOULDER COURSE.
  - RESTORE ALL DISTURBED AREAS TO MATCH EX. CONDITIONS.
- ALL DISTURBED AREAS ALONG MN/DOT R.O.W. TO BE COVERED WITH 4" OF TOPSOIL AND SEEDED WITH MN/DOT SEED MIX 10X10 AT A RATE OF 80 LBS./ACRE AND TYPE 1 AND MAINTENANCE - DISK ANCHORED. ALL DISTURBED AREAS TO BE SEEDED WITHIN 7 DAYS OF FINISHED GRADING, INCIDENTAL.
- RESTORE ALL DISTURBED AREAS TO MATCH EX. CONDITIONS. ALL DISTURBED AREAS ALONG WS/DOT R.O.W. TO BE COVERED WITH 4" OF TOPSOIL AND SEEDED WITH WS/DOT SEED MIX 10 AND MAINTENANCE - DISK ANCHORED. ALL DISTURBED AREAS TO BE SEEDED WITHIN 7 DAYS OF FINISHED GRADING, INCIDENTAL.
- ALL DISTURBED AREAS WITH SLOPES GREATER THAN 4:1 SHALL BE COVERED OR SEEDED AND PROTECTED WITH AN APPROVED STABILIZATION MAT OR FABRIC. ALL SEEDING AND STABILIZATION MATERIALS SHALL BE INCIDENTAL TO THE DIRECTIONAL DRILLING OR STRUCTURE INSTALLATION.
  - ANY DEWATERING NECESSARY SHALL BE CONSIDERED INCIDENTAL TO CONSTRUCTION OF FORCE MAIN AND STRUCTURES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DEWATERING FORMING NECESSARY.
  - WHERE PVC CONNECTIONS ARE CALLED FOR BETWEEN MAIN LINE AND VARIOUS STRUCTURES, D.I.P. MAY BE SUBSTITUTED, SEE SPECIAL PROVISIONS.
  - TRACER WIRE SHALL BE INSTALLED ALONG ALL HOPE FORCE MAIN AND HOPE WATER MAIN INSTALLED. TRACER WIRE SHALL ALSO BE CONNECTED TO ALL MANHOLES, HYDRANTS AND GATE VALVES AS NOTED IN THE PLANS AND SPECIFICATIONS.
  - THE 100-YEAR FLOOD ELEVATION OF THE MISSISSIPPI RIVER AND BACKWATERS IS APPROXIMATELY 244.00.

I HEREBY CERTIFY THAT THIS RECORD DRAWING SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

\_\_\_\_\_  
DONALD R. BORCHERDING  
1062 11/03/08  
NUMBER DATE



PUBLIC IMPROVEMENTS  
SANITARY FORCE MAIN / WATER  
LA CRESCENT, MN / LA CROSSE, WI

TITLE SHEET

PROJECT NUMBER	1348
DATE	05/11/08
SCALE	AS SHOWN
DESIGNED BY	DL
CHECKED BY	DL
DATE	05/25/08

2008

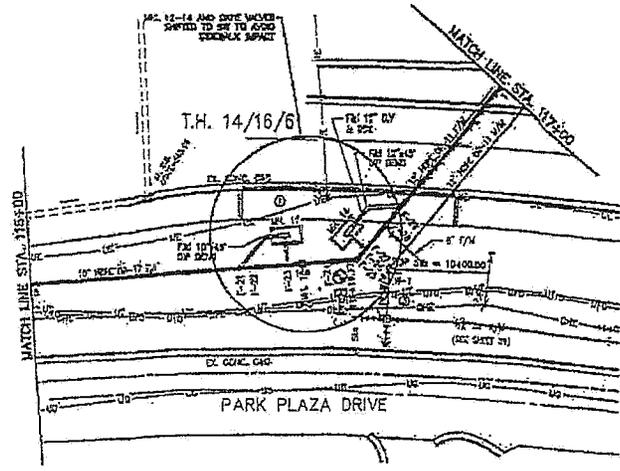
PLAN, SET REVISIONS	
NO.	DATE
1	05/11/08
2	05/25/08

**GENERAL NOTE**

FORCEMAIN #1 (DIV. A OF THE BID FORM) ENDS AT STA. 115+09.77 AT THE 12"x10" REDUCER, FORCEMAIN #2 (DIV. B OF THE BID FORM) BEGINS AT STA. 115+09.77,

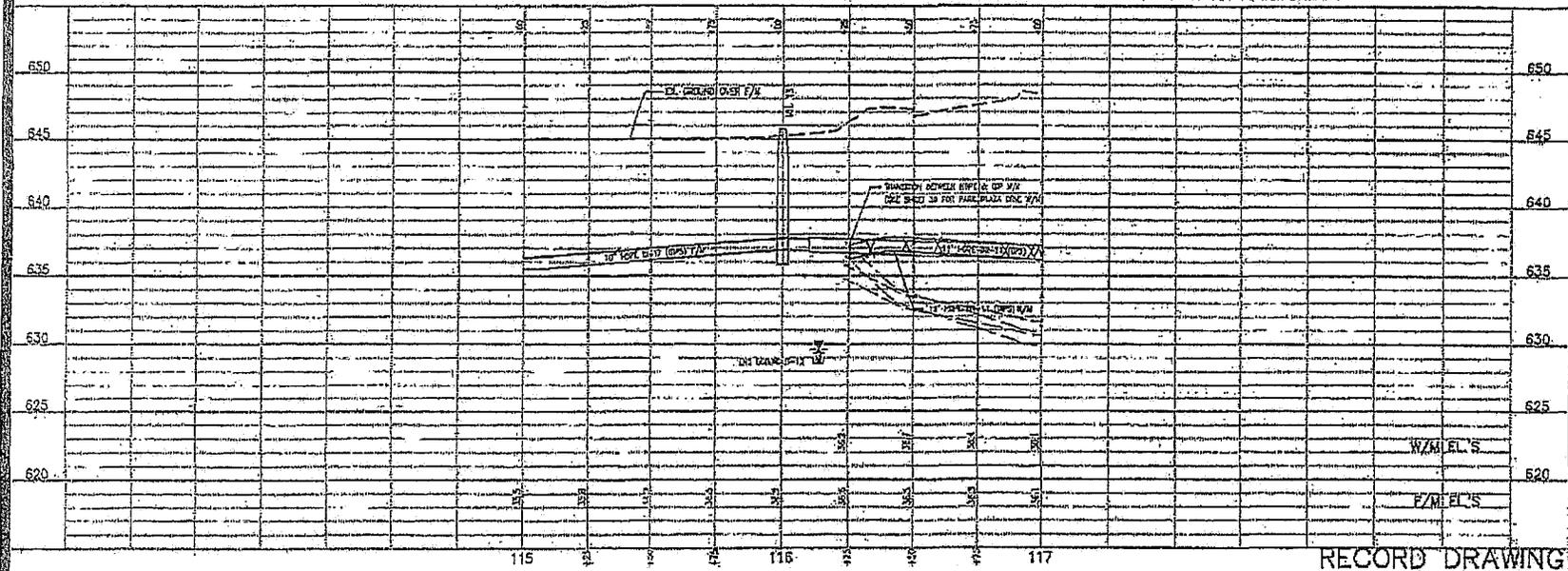
DIVISION C OF THE BID FORM INCLUDES ALL WATER MAIN CONSTRUCTION.

NOTE: VERTICAL AND HORIZONTAL ALIGNMENTS WERE NOT PROVIDED BY MINNCOMM UNDERGROUND UTILITY CONSTRUCTION, DATA SHOWN IS BASED ON ORIGINAL PLAN DRAWINGS.



- F-21  
STA. 115+77.29 - C/A  
F/M 12"x12" D.I.P. W/E  
F/M 10" C.V. & BOX  
- 3.00' E. OF W/E
- F-22  
STA. 115+28.00 - C/A  
F/M 10" C.V. & BOX
- F-23  
STA. 115+34.42 - C/A  
F/M 10"x12" D.I.P. W/E  
F/M 10" C.V. & BOX  
- 3.00' E. OF W/E
- F-24  
STA. 115+09.77 - C/A  
F/M 12"x10" REDUCER
- F-25  
STA. 115+14.77 - C/A  
F/M 12"x15" BOX
- F-26  
STA. 115+22.50 - C/A  
F/M 12"x6" D.I.P. TEL  
F/M 8" C.V. & BOX  
- 3.00' N. OF TEL
- F-27  
STA. 115+22.00 - C/A  
F/M 12" C.V. & BOX
- F-28  
STA. 115+27.15 - C/A  
F/M 12"x12" D.I.P. W/E  
F/M 8"x6" REDUCER - 3.00' S. OF W/E  
F/M 8" C.V. & BOX - 3.00' S. OF BOX  
F/M 8" RIGID - 1.500' S. OF BOX
- F-29  
STA. 115+12.85 - C/A  
F/M 12"x12" D.I.P. W/E
- M-12  
STA. 115+22.50 - 10.00' LT.  
CONSTRUCT 12" PIG REMOVAL STATION
- M-13  
STA. 115+25.00 - C/A  
CONSTRUCT 12" RELEASE RM
- M-14  
STA. 115+23.55 - 5.00' LT.  
CONSTRUCT 12" PIG LAUNCH STATION
- M-15  
STA. 115+25.18 - 11.00' RT. - W.A. STA.  
F/M 12"x12" D.I.P. BEND

**FORCE MAIN ALIGNMENT**



NOTES:  
 (1) SEE MISCELLANEOUS DETAILS.  
 (2) CONTRACTOR SHALL BE REQUIRED TO OBTAIN ALL PHONE LINES PRIOR TO WATER MAIN INSTALLATION, PAID FOR UNDER E.D. RFD, UTILITY EXPLOSION.

RECORD DRAWING



**YAGGY COLBY ASSOCIATES**

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PROJECT: BORDERS  
 SHEET: 30 OF 39

PUBLIC IMPROVEMENTS  
 SANITARY FORCE MAIN / WATER MAIN  
 LA CRESCENT, MN / LA CROSSE, WI  
 FORCE MAIN PLAN & PROFILE

PROJECT: 0412  
 DRAWING: 11/00001  
 DATE: 05/14/07  
 DRAWN BY: JLS  
 CHECKED BY: JLS  
 APPROVED:

30  
 39 SHEETS

EXHIBIT B

**LA CROSSE SANITARY SEWER UTILITY**

**LA CROSSE, WISCONSIN**

**PROPOSED SEWER "USER CHARGE" RATES**

**EXECUTIVE REPORT**

**AUGUST 14, 2014**

*John A. Mayer  
Utility Rate Consultant  
Milwaukee, Wisconsin*

**JOHN A. MAYER**  
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MILWAUKEE, WISCONSIN 53217-2360

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Thursday, August 14, 2014

Mr. Mark E. Johnson  
Utilities Director  
CITY OF LA CROSSE  
400 La Crosse Street  
La Crosse, WI 54601

Dear Mr. Johnson:

Accompanying this letter is our report titled Proposed Sewer "User Charge" Rates. This report contains our "Findings & Recommendations" for the sanitary sewer utility. Essentially the proposed increase adjusts sanitary sewer revenues for 5 years of normal and ordinary inflation as measured by the Consumer Price Index (CPI-U).

This increase is a conservative increase, and if actual capital improvements follow the level as projected by the utility in their 5-Year CIP, the utility will be pretty much out of cash by the end of 2019. This increase will provide an estimated \$1,117,000 for capital projects. This dollar amount will decrease over time as labor and non-labor costs increase. This \$1,117,000 is approximately equal to the historical actual 8-year inflation adjusted construction average. However, the utility's 5-year CIP is projecting an average capital project expenditure of \$1,500,000 per year. Given the following: a) the inherent uncertainty of 5-year construction projections, b) the desire to limit rate increases to the absolute minimum necessary, c) the level of existing cash reserves, and d) the ability to increase rates again in 2 or 3 years if capital needs dictate; a more measured and conservative increase was considered a reasonable approach.

A separate document has been provided to you containing this Executive Report plus approximately 105 pages of "schedules-only" which show detailed financial information, cost-of-service and rate design calculations, customer usage, revenue reconciliation and development of billable units, and numerous other schedules relating to the cost-of-service allocations and rate design for the sewer utility. These schedules provide all of the supporting information for our rate recommendation and are included to fulfill DNR sewer "user charge" review requirements should that need arise in the near future.

As always it was a pleasure working with you, Jared, and Tina. I thank you all for your prompt response to my many questions and requests for data.

Respectfully submitted,

*/s/ John A. Mayer*

John A. Mayer  
Utility Rate Consultant

JAM/cb3

# LA CROSSE SANITARY SEWER UTILITY

## LA CROSSE, WISCONSIN

### RESULTS OF CONTRACTUALLY REQUIRED 5-YEAR RATE REVIEW & PROPOSED SEWER "USER CHARGE" RATES

AUGUST 14, 2014

#### EXECUTIVE REPORT

##### Preface

The purpose of periodic sewer rate reviews is to perform a comprehensive evaluation of the financial condition of the Utility, considering historical data and, as much as possible, anticipated changes that can affect the financial health of the Utility. In addition, the La Crosse Sanitary Sewer Utility is required by contract with the City of Onalaska to conduct a rate re-determination "...not less than once in five years."

The current rate review considers not only operating and capital expenses over the past 13 years, but also incorporates expected changes to operating expenses as well as anticipated capital projects proposed through the City's Capital Improvement Program. Recommendations for rate changes apply to the full rate structure, including:

- Fixed and sewer use charges for City of La Crosse customers;
- Wholesale rates charged to other entities that current receive sewer and wastewater treatment service from La Crosse. Currently, the City provides these services to:
  - The City of Onalaska;
  - The City of La Crescent, MN;
  - The Town of Campbell Utility District;
  - The Town of Shelby Sanitary District #1; and
  - The Town of Shelby Sanitary District #2.
- High-strength charges for customers discharging higher than domestic strength waste;
- Charges for waste that delivered and discharged at the wastewater plant by waste haulers.

Any changes to rates must be applied to all categories of customers.

**Findings & Recommendations**

1. The current sewer rates in effect for the City of La Crosse were based on a rate study dated September 2009. That report contained rate recommendations for the years 2010, 2011, and 2012 consisting of 3 approximately equal percentage increases. The recommended rate increase for 2010 was 8.83%. The rates for 2011 and 2012 were never implemented.
2. For the 10 year period from 1/1/2003 through 12/31/2012 (2013 data not yet available) the utility has funded \$12.8 million of construction, of which \$7.1 million was for treatment plant upgrades to the aeration system sludge storage, headworks improvements, SCADA upgrades, UV system replacement, rebuilding primary clarifiers and final clarifiers, and other projects. The Sanitary Sewer Utility (SSU) has accomplished this using existing cash reserves coupled with cash generated through user charge rates. The fact that this construction was done without borrowing is a major factor in explaining why SSU rates in La Crosse (LAX) are one of the lowest, if not the lowest, in the State of Wisconsin.
3. A "financially prudent" level of utility rates suggests that revenues need to be great enough for the utility to pay all operating expenses, pay debt service principal and interest, and have enough cash remaining to pay for "ordinary and typical capital expenditures" for an average year. Ordinary and typical capital projects include such things as replacing sewer mains in conjunction with road rehabilitation, rebuilding lift stations, replacing treatment plant mechanical items that wear out, replacing utility trucks, etc. If the utility needs to spend \$x,xxx,xxx for capital projects each and every year for the foreseeable future, borrowing for that level of expenditure on an annual basis does not make a lot of financial sense.
4. This is why it does not make financial sense. If the utility needed \$1,000,000 each year for "normal capital construction" the utility could raise rates to generate \$1,000,000 to cash finance the construction, or it could borrow the \$1,000,000 and raise rates to only pay for debt service. Each year the utility would have to borrow another \$1,000,000 and raise rates to cover the additional debt service. Each year the total debt service would increase because each year another \$1,000,000 was borrowed. Given a normal level of interest rates (not the artificially low rates set by the current Federal Reserve policy) and a maturity schedule of 14 – 18 years, there is a point of equilibrium when the oldest debt issue is paid off but another new debt issue is added. At that point total debt service is approximately 150% of the original borrowing. Ultimately the utility will have raised rates \$1,500,000 to pay for debt service, basically forever, versus originally raising rates by \$1,000,000 to fund "normal capital construction" with cash.
5. Recent inflation adjusted capital expenditure averages are:
 

	<u>SSU Asset Addit.</u>	<u>SSU Asset Addit. w/o Major Proj.</u>
10-year:	\$1,440,300	\$430,000
8-year:	\$1,115,900	\$427,000
6-year:	\$ 981,600	\$521,800
4-year:	\$1,011,800	\$630,400
6. As is the case with most water and wastewater utilities in Wisconsin, usage has declined over time even though the number of customers has increased. It seems that this trend has slowed in La Crosse during the last 5-years. From the time of the last rate study in which rates were adjusted in September 2009 until now, residential usage is down 7.4%, however commercial usage is up slightly 0.3%; industrial usage is up 15.0%; public authority usage up 3.3%; and combined total usage up 1.5%. During this same period the overall number of customers increased 0.8%.
7. Periodic rate increases are inevitable when the following three conditions exist: 1) the volume of billable sales decreases each year, 2) labor and non-labor costs increase each year, and 3) every few years the EPA and/or DNR change regulations that require stricter discharge limits

and/or monitoring for some new element now determined to be a concern. More about this later, but the elephant in the closet is called "the coming DNR phosphorus discharge limits for LAX".

8. There is one area in which there is some control. Utilities with the lowest amount of debt are generally the ones with the lowest rates. This is simply basic economics applied to rates. The converse is also true. LAX has roughly 15,900 SSU customers with sewer influent flow of 3,575 MG/yr (million gallons per year). In comparison, Fond du Lac has 15,400 customers with sewer influent flow of 3,046 MG/yr. FDL recently completed a \$59 million new treatment plant. The estimated median LAX residential customer using 1,600 cubic feet (12,000 gallons) per quarter currently pays \$31.74 every 3 months. At FDL's rates that bill would be \$100.06 per quarter. Thirty-seven cents (37¢) of every \$1 of FDL's sewer revenue is needed to pay debt service. Oshkosh also has made some \$37.5 million in treatment plant and collection system improvements in the past 10 year. At Oshkosh's rates the median LAX customer would pay \$80.90 per quarter. Thirty-six point three cents (36.2¢) of every revenue dollar is needed to pay debt service in Oshkosh. As of right now, LAX is totally debt free which is a phenomenal accomplishment, and indeed a major factor in the extraordinary low sanitary sewer rates in LAX.
9. The point to be made is that if a sewer utility like LAX can upgrade its existing treatment plant, maintain compliance with DNR discharge requirements, and consequently avoid building a new treatment plant, it will have the greatest potential to contain sewer rates to the absolutely lowest level possible. If it can perform these upgrades without the need to borrow money, it absolutely will have the lowest rates possible.
10. The SSU has a 5-year "Capital Improvement Projects" (5-Yr. CIP) currently totaling \$7.37 million, \$5.25 million of which have been approved in previous capital budgets. While the SSU could borrow to fund the construction of these projects, recent history suggest that the SSU would rather continue the more financially conservative course of "cash financing" this construction. The major criteria is that the rates generate the dollars needed to cash-finance the projects, should that be the City Council's desire.
11. The 5-Yr. CIP averages \$1,473,000 per year which is approximately the same as the 10-year inflation adjusted construction average in item 5 above. If the desire was to increase cash flow to that level, an increase in rates of 15.74% would be needed. However, capital project schedules frequently tend to "extend" in terms of times. The 8-year inflation adjusted construction average is \$1,115,900. Increasing rates to that level of cash flow would require an overall increase in sewer revenues of 9.86%.
12. *Given the following: a) the inherent uncertainty of 5-year construction projections, b) the desire to limit rate increases to the absolute minimum necessary, c) the level of existing cash reserves, and d) the ability to increase rates again in 2 or 3 years if capital needs dictate; it is recommended that overall sanitary revenues be increased by approximately 9.80%. (This is slightly lower than the target of 9.86% due to rounding of the volume rate to the nearest 1¢ per 100 cubic feet.)*
13. The CPI-U increase for the 5-year period from June 2009 – June 2014 was 10.50%. The increase in wages measured by the CPI-W for that same period was 11.25%. The increase in construction costs as measured by the Engineering News Record Construction Cost Index (ENR-CCI) was 14.81%. Consequently the recommended increase of 9.80% should be viewed as nothing more than a conservative adjustment for inflationary cost increases.
14. The rates were developed by first projecting a level of operating and maintenance expenses (O&M) for calendar year 2015. Labor costs were estimated by assuming a 2% per year labor increase over actual 2013 levels. Most non-labor costs were estimated by taking the 3-year

inflation adjusted historical average times 102% per year. A 3-year inflation-adjusted average for almost all expenses was used as the base for projections of 2014 and 2015 expenses. The inflation factor for each of the 3-years was calculated by taking the average CPI-U for the 2013 base year divided by the average CPI-U for each year included in the average. The actual expenses for each year times the calculated CPI-U "inflation factor" produces the inflation-adjusted expenses for that year. The mathematical average of those 3 years provides the "3-year inflation adjusted average" level of expense. This averaging process adjusts for year-to-year variations in non-labor expenses that frequently occur. Electric power, natural gas, chemicals, and pension & benefit costs were estimated to increase by 3% over the inflation adjusted average.

15. Accounting rules require the SSU to maintain a balance sheet which shows assets and liabilities. Using the asset list as of 12-31-2012 updated with several items from 2013, a new DNR mandated "Equipment Replacement Fund" (ERF) list was developed. Based on that list, the annual accrual to ERF for 2015 should be \$399,380.
16. Capital expenditures consist of "normal and ordinary" new equipment capital outlays of \$126,000 (which is the 12-year inflation adjusted actual new equipment capital outlay). A capital projects/reserve amount \$718,042 which together with the annual accrual to ERF brings the total cash for to \$1,117,422 which is the targeted 8-year inflation adjusted average actual construction by the SSU.
17. The sum of #14, #15, and #16 above comprise the *Revenue Requirement* or total amount of cash required to be generated by sewer "user charge" rates. Comparing projected revenues to the revenue requirement indicates the level that sewer rates need to be adjusted.
18. A comprehensive cost-of-service and rate design was performed to determine the actual recommended rates that would generate the targeted increase. The rate design portion of the study results in sewer "user charge" rates for domestic sewage customers, non-domestic high-strength sewage customers, and trucked-in sewage waste. The user charge rates were developed using methodology consistent with both EPA and DNR definitions of an approvable "user charge" system which is one that results in rates that are fair, equitable, and which collect for costs in proportion to each user's contribution to the total wastewater loading of the treatment works. These rates were developed with the intent of satisfying in-depth reviews by either the DNR or PSCW. These rates hold open LAX's options to pursue Federal or State grants or low interest loans should that be desired.
19. For residential customers, wastewater discharge in LAX is estimated using actual water meter readings for the 2 winter quarters (actual months for those 2 winter quarters vary due to meter reading cycles), and using the lower of "actual usage" or the "average of the Q4 and Q1" for the 2<sup>nd</sup> and 3<sup>rd</sup> quarters. This most likely underestimates the actual discharge into the sanitary-sewer since during the summer children are home from school, college students return to live at home for the summer, people do more laundry, take more showers, entertain more guests, etc. Also people who take extended winter vacations have an unusually low "winter average" usage. Examining actual billed volumes of water vs. sewer for the years 2011, 2012, and 2013, somewhere between 45% - 55% of summer water usage IS NOT billed as sewer usage. That seems like an extraordinary large percentage. While it is reasonable to assume that some portion of the increase in water usage during the summer quarters versus the "winter average" is for watering lawns and gardens; it is also reasonable to assume that a significant portion of the increase is due to an actual increase in wastewater discharged into the sanitary sewer system. To better estimate actual usage during Q2 and Q3 it is recommended that LAX change the formula to the lower of "actual usage" or 130% of the winter average of Q4 and Q1.

20. The "elephant in the closet" referred to previously is the coming DNR mandate to reduce phosphorus discharge limits from the treatment plant. The timing and cost to meet these reduced phosphorus limits are, as yet, very much of an "educated engineering guess". At the moment phosphorus reduction could result in a capital expenditure anywhere from \$10 million to \$60 million. That amount is not possible to "cash finance" and will require borrowing to finance the needed construction. Hopefully LAX would be able to secure a low interest loan from the State's "Clean Water Fund" (CWF), but none the less such a massive amount of borrowing would translate to an "ADDITIONAL INCREASE" in the 14% to 86% range. That is why is so important to cash finance the construction indicated in the 5-year CIP. Limiting borrowing to only what is needed for the required phosphorus reduction will keep sanitary sewer rates as low as possible.

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### Equipment Replacement Fund

As a condition for any potential future grant funding (or low interest loans) for the construction of treatment plants and/or other sewerage facilities, the DNR would require the establishment of an "Equipment Replacement Fund" or ERF. Each year the utility is required to set aside money in a separate fund to provide for the replacement of equipment whose service life is shorter than the expected service life of the wastewater treatment plant. Generally speaking that means that equipment with a service life of 20 years or less should be included in the ERF. Annual operating, maintenance, and replacement costs are referred to as OM&R costs. These costs must be recovered from current users in order to have a DNR approvable user charge system. In order to preserve the option of obtaining a "low interest loan" in the future, the decision was made in 1990 to establish an equipment replacement fund.

During past rate studies concerns have been raised that the balance in the ERF fund is too large. The DNR has issued guidelines for the determination of the "Minimum Required ERF Balance". These guidelines can be found on the internet at the following web address: <http://dnr.wj.gov/aid/documents/eif/guide/replace.html>. There are two accepted methods for determining the minimum ERF balance: 1) the annual accrual for each line item piece of equipment times the number of years that piece of equipment has been in-service, and 2) a balance equal to a percentage of mechanical equipment to be replaced. Under the 1<sup>st</sup> method the calculated "Minimum Required ERF Balance" balance should be \$3,990,335. Under the 2<sup>nd</sup> method the minimum balance should be \$1,457,784. The actual ERF balance as of 12/31/2013 was \$2,208,686 so under Method 1 the ERF is under-funded by \$1,781,650 but under Method 2 it is over-funded by \$750,902. Under the proposed CIP construction coupled with the recommended increase the ERF balance will decrease to \$671,000. This should be considered a temporary condition and restoring the minimum ERF balance of about \$1.5 million calculated under Method 2 should be considered a goal.

### Level of Existing Non-Replacement Fund Balances

A 2<sup>nd</sup> concern that has been raised in the past is that the level of existing cash reserves (exclusive of the ERF) is too large. The utility has been able to fund all of its capital improvements during the past 10 years from cash reserves without the need to resort to borrowing. The ability to fund capital projects from cash on hand without borrowing is the key element to keeping sewer rates as low as possible. One needs only to look at Schedule 3, Page 1 to see that the City's sewer rates are extraordinarily low.

A utility's "cash balance" (excluding cash in the "equipment replacement fund") can be viewed as having two components: 1) an "operating reserve fund" or "rate stabilization" fund which can be used to handle year-to-year variations in revenues, annual increases in operating costs,

and any unforeseen major repairs, and 2) a "capital reserve fund" (or "depreciation reserve fund" if you will) which is used to pay for capital items without the need to borrow.

Logically utilities need a minimum of working capital equal to their billing cycle or 3 months which would translate to about \$1,500,000. On the high side, 4½ months of revenues would seem more than sufficient which would be \$2,200,000. Therefore an "operating reserve fund" between \$1.5 and \$2.2 million would be a reasonable target range.

Most utilities *do not* have a funded depreciation reserve as such. Utilities typically accumulate cash over time by having revenues in excess of expenses that may or may not be the result of including "depreciation" as a line item in the rate setting process. The cash in the utility's bank account not identified as an "operating reserve fund" can be considered a "capital reserve fund", and typically is used for the purchase and/or construction of capital assets. There is no "right" or "wrong" level of cash to be held in a "capital reserve fund". Common sense would suggest that accumulating vast amounts of cash for no definitive future construction project might be inappropriate. However if "big ticket items" are in the foreseeable future and it is desired by the municipality to fund such projects wholly or partly from revenues versus borrowing, then the only question becomes one of making sure that monies are collected in a fair and equitable manner.

The argument often raised against cash financing large capital expenditures is that of timing. Some feel that the benefit received from a particular piece of equipment is best matched by bonding since this matches the "cost" of the item to the service life of that same item. The contra argument is that a customer should pay for a service based on the cost to replace that service, hence replacement or "marginal cost pricing". Unless the utility is accumulating cash for a specific capital project or projects, a reasonable accumulation of cash in the "capital reserve fund" equal to 3 or 4 years of depreciation is suggested. Using Public Service Commission of Wisconsin (PSCW) guideline depreciation rates, that would translate to \$3.7 to \$5.0 million

Consequently non-ERF cash reserves ranging from \$1.5 million to \$7.2 million would be "reasonable". *The current non-ERF balance is \$3.1 million is on the low side of the range. The utility has proposed \$7,366,000 worth of capital improvement projects for 2015 – 2019 that are desired to be funded without borrowing. Utilities that can consistently avoid borrowing and can fund ongoing periodic construction from cash reserves always end up to be the utilities with the lowest rates. If these projects are cash-financed, the non-ERF cash reserves will be reduced to an estimated \$401,000 level by the end of 2014. This is an uncomfortably low level, however it was considered acceptable in order to limit the increases to the absolutely smallest possible, but still be able to cash-finance the needed construction.*

### Conclusion

The recommended rates shown on Schedule 1 are projected to continue to cover operating costs and also permit the utility to cash-finance the \$7.37 million of construction as shown on Schedule LAX-1. The rate increase is a "bare bones" level of increase, and if the 5-year CIP materializes as estimated it will reduce cash balances by over \$4 million. *If combined unrestricted and ERF cash balances decrease under \$2.5 million the SSU needs to review rates once again and likely implement another increase before the typical 5-year review mark.*

Attached are several schedules showing the current rates and recommended rates, comparisons with sewer rates in other communities, and a graph showing La Crosse compared to the rates in other university communities. The bound report consists of this Executive Report plus additional sections containing schedules-only which show detailed financial and cost study workpapers that support the recommended rate changes.

ESTIMATE 5-YEAR CAPITAL PROJECT COSTS

ESTIMATED AMOUNTS FOR CAPITAL PROJECTS-NEXT 5 YEARS

CURRENT PROJECTS & EQUIPMENT BUDGETED FOR 2015

1	CONVERT SCADA TO RADIO	\$160,000
2	REPLACE LIGHTING-PLANT 1	35,000
3	INSTALL SEWER LINER - 24" MAIN FROM LAX RIVER TO STATE ST	135,000
4	PLC REPLACEMENT & INTEGRATOR SERVICES	432,000
5	NEW SANITARY SEWER ON 22ND ST-MARKET TO WINNEBAGO	18,700
6	NEW SANITARY SEWER ON 22ND ST-WINNEBAGO TO MISSISSIPPI	30,400
7	NEW SANITARY SEWER ON 22ND ST-MISSISSIPPI TO JACKSON	34,300
8	SANITARY SEWER MODIFICATIONS - BNSF R.O.W.	100,000
9	EQ ITEMS - LAB SPEC, HOTTSY & SALT SPREADER	19,250
10	EQ ITEM - SEWER MANT TRUCK (S-11)	30,000
11	EQ ITEM - PICKUP TRUCK (D-22)	<u>20,800</u>
		\$1,015,450

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
	\$1,015,450	\$693,600	\$80,200	\$330,000	0
	<u>\$1,049,400</u>	<u>\$1,049,400</u>	<u>\$1,049,400</u>	<u>\$1,049,400</u>	<u>\$1,049,400</u>
	\$2,064,850	\$1,743,000	\$1,129,600	\$1,379,400	\$1,049,400

CURRENT PROJECTS & EQUIPMENT BUDGETED FOR 2016

1	REPLACE CONTROLS AT CAUSEWAY SANITARY LIFT STATION	\$25,000
2	INSTALL SEWER LINER-30" MAIN FROM LAX RIVER TO STATE ST	136,000
3	NEW SANITARY SEWER ON 13TH ST FROM FERRY TO MARKET	35,100
4	SANITARY SEWER & REHAB PROJECTS	330,000
5	EQ ITEM - FLATBED TRUCK (D-21)	36,000
6	EQ ITEM - FLATBED TRUCK (D-35)	38,000
7	EQ ITEM - POTABLE GENERATOR	90,000
8	EQ ITEM - CHAIN HOIST	<u>3,500</u>
		\$693,600

CURRENT PROJECTS & EQUIPMENT BUDGETED FOR 2017

1	EQ ITEM - (4) LAPTOP CPMPUTERS	\$7,200
2	EQ ITEM - TRUCK (TRP-54)	19,000
3	EQ ITEM - VAN (TVB - 01)	37,000
4	EQ ITEM - VAN (VAN -10)	<u>17,000</u>
		\$80,200

CURRENT PROJECTS & EQUIPMENT BUDGETED FOR 2018

1	SANITARY SEWER & REHAB PROJECTS	\$330,000
---	---------------------------------	-----------

PROJECTS APPROVED IN PREVIOUS CAPITAL BUDGETS

1	INSPECT/REHAB LARGE COLLECTION SYSTEM GATES	\$240,000	2011 - 2012
2	DIGESTER/HEATING SYSTEMS REHAB - DIGESTER HEATING	1,386,000	2011 - 2012
3	DIGESTER/HEATING SYSTEMS REHAB - FACILITY-WIDE HEATING SYSTEM	589,000	2011 - 2012
4	DIGESTER/HEATING SYSTEMS REHAB - BLDG ROOF & REPAIR DIG. #4 COVER	379,000	2011 - 2013
5	DIGESTER/HEATING SYSTEMS REHAB - DIGESTER RECIRCULATION	666,000	2011 - 2013
6	DIGESTER/HEATING SYSTEMS REHAB - DIGESTER MIXING	1,323,000	2011 - 2013
7	DIGESTER/HEATING SYSTEMS REHAB - F.O.G. & HIGH STR. WASTE RECEIVING	468,000	2012 - 2014
8	DIGESTER/HEATING SYSTEMS REHAB - ENERGY RECOVERY	0	2014 - 2015 BUDGETED 3,119,000 - DID NOT INCLUDE; OTHER PROJECTS FIRST
9	DIGESTER/HEATING SYSTEMS REHAB - 2ND WASTE GAS BURNER	<u>196,000</u>	2014 - 2015
		\$5,247,000	
		\$1,049,400	5-YEAR AVERAGE AMOUNT FOR PREVIOUSLY BUDGETED PROJECTS

Total 2015 - 2019 Construction

\$7,366,250

Schedule - Cash Flow Projection

**LA CROSSE WASTEWATER UTILITY  
CONSTRUCTION CASH FLOW ANALYSIS**

			Total Cash	Unrestricted Cash	Equipment Replacement Fund
Cash Balance as of	12/31/2013		\$ 5,281,813	\$ 3,073,128	\$ 2,208,686
Generated thru Rates	2014		\$ 612,135	\$ 247,172	\$ 364,963
Cash Available for Construction			\$ 5,893,949	\$ 3,320,300	\$ 2,573,649
Normal Construction For	2014		(108,200)	\$ -	\$ (108,200)
Major Construction For	2014		(\$863,800)	\$ (863,800)	\$ -
Cash Balance as of	12/31/2014		\$ 4,921,949	\$ 2,456,500	\$ 2,465,449
Generated thru Rates	2015	80%	\$ 970,580	\$ 571,200	\$ 399,380
Cash Available for Construction			\$ 5,892,529	\$ 3,027,700	\$ 2,864,829
Normal Construction For	2015		\$ (126,500)	\$ (18,300)	\$ (108,200)
Major Construction For	2015		(\$2,064,850)	\$ (1,414,850)	\$ (650,000)
Cash Balance as of	12/31/2015		\$ 3,701,179	\$ 1,594,550	\$ 2,106,629
Generated thru Rates	2016		\$ 988,380	\$ 589,000	\$ 399,380
Cash Available for Construction			\$ 4,689,559	\$ 2,183,550	\$ 2,506,009
Normal Construction For	2016		\$ (126,500)	\$ (18,300)	\$ (108,200)
Major Construction For	2016		(\$1,743,000)	\$ (1,093,000)	\$ (650,000)
Cash Balance as of	12/31/2016		\$ 2,820,059	\$ 1,072,250	\$ 1,747,809
Generated thru Rates	2017		\$ 860,880	\$ 461,500	\$ 399,380
Cash Available for Construction			\$ 3,680,939	\$ 1,533,750	\$ 2,147,189
Normal Construction For	2017		\$ (126,500)	\$ (18,300)	\$ (108,200)
Major Construction For	2017		(\$1,129,600)	\$ (479,600)	\$ (650,000)
Cash Balance as of	12/31/2017		\$ 2,424,839	\$ 1,035,850	\$ 1,388,989
Generated thru Rates	2018		\$ 730,780	\$ 331,400	\$ 399,380
Cash Available for Construction			\$ 3,155,619	\$ 1,367,250	\$ 1,788,369
Normal Construction For	2018		\$ (126,500)	\$ (18,300)	\$ (108,200)
Major Construction For	2018		\$ (1,379,400)	\$ (729,400)	\$ (650,000)
Cash Balance as of	12/31/2018		\$ 1,649,719	\$ 619,550	\$ 1,030,169
Generated thru Rates	2019		\$ 598,080	\$ 198,700	\$ 399,380
Cash Available for Construction			\$ 2,247,799	\$ 818,250	\$ 1,429,549
Normal Construction For	2019		\$ (126,500)	\$ (18,300)	\$ (108,200)
Major Construction For	2019		\$ (1,049,400)	\$ (399,400)	\$ (650,000)
Cash Balance as of	12/31/2019		\$ 1,071,899	\$ 400,550	\$ 671,349
Cumulative Change in Cash Balance			\$ (4,209,915)	\$ (2,672,578)	\$ (1,537,337)
Ordinary Incr. in O&M		\$125,000 /yr inflated by 2.0%/yr.			
				per year avg.	
Total Major Construction			\$ 7,366,250	\$ 1,473,250	
Total "Normal" Construction			\$ 632,500	\$ 126,500	

**PRESENT & PROPOSED "USER CHARGE" RATES**

**Domestic Sewage Customers (Category A)**

BOD<250 mg/l, TSS<350 mg/l, P<10 mg/l, NH3-N<40 mg/l):

Quarterly Facilities Charge:

Meter Size	Present Rate	Proposed Rate
5/8	\$13.50	\$15.00
3/4	13.50	15.00
1	22.00	24.00
1½	37.00	39.00
2	56.00	60.00
3	100.00	108.00
4	162.00	174.00
6	318.00	342.00
8	506.00	543.00
10	756.00	813.00
12	1,006.00	1,080.00

Volume Charge:

\$ per 100 cubic feet                      \$1.14              \$1.26

Fiat Rate for Unmetered Customers

New Quarterly Charge

(Based on 17 CCF/quarter)              \$32.88              \$36.40

**Non-Domestic Sewage Customers**

BOD>250 mg/l, TSS>350 mg/l, P>10 mg/l, NH3-N>40 mg/l):

Quarterly Facilities Charge:

Same as Domestic Sewage Customers

Volume Charge:

Same as Domestic Sewage Customers

Surcharge per lb. Over

Domestic Strength Sewage:

B.O.D.	(\$/lb.)	\$0.210	\$0.224
T.S.S.	(\$/lb.)	\$0.223	\$0.211
Phosphorus	(\$/lb.)	\$2.465	\$4.177
NH <sub>3</sub> -N	(\$/lb.)	\$0.600	\$0.559

**WHOLESALE CUSTOMERS**

	Contract Expires		Present	Rates per Cost Study
Onalaska	3/28/2017	\$ per million gallons	\$1,488	\$1,631
Tn. of Campbell	12/31/2014	\$ per million gallons	\$1,488	\$1,631
Shelby SD#2	12/31/2014	\$ per million gallons	\$1,488	\$1,631
La Crescent, MN	12/31/2027	\$ per million gallons	\$1,488	\$1,631

**TANKER TRUCK HAULERS**

	Present	Proposed
Billing Charge (Admin./Testing)	\$11.00	\$11.00

Bill at Category "B" Rates if Tested for Strength, or in appropriate category below:

Volume Charge:

Holding Tank (Low Strength)	BOD / TSS / P / NH3-N < 600 / 1800 / 25 / 50	\$/Kgal	\$5.40	\$5.70
Septic Waste (Medium Strength)	BOD / TSS / P / NH3-N < 1800 / 5500 / 60 / 100	\$/Kgal	\$15.40	\$15.90
Grease Trap (High Strength)	BOD / TSS / P / NH3-N < 7500 / 18000 / 120 / 200	\$/Kgal	\$45.00	\$46.00

PROPOSED RATES - DETAIL

**Domestic Sewage Customers**

BOD<250 mg/l, TSS<350 mg/l, P<10 mg/l, NH3-N<40 mg/l):

<u>Quarterly Facilities Charge:</u>	<u>Meter Size</u>	<u>Total</u>	<u>OM&amp;R</u>	<u>Capital</u>
	5/8	\$15.00	\$8.48	\$6.52
	3/4	\$15.00	\$8.48	\$6.52
	1	\$24.00	\$14.55	\$9.45
	1½	\$39.00	\$24.67	\$14.33
	2	\$60.00	\$36.82	\$23.18
	3	\$108.00	\$65.16	\$42.84
	4	\$174.00	\$105.65	\$68.35
	6	\$342.00	\$206.87	\$135.13
	8	\$543.00	\$328.33	\$214.67
	10	\$813.00	\$490.28	\$322.72
	12	\$1,080.00	\$652.23	\$427.77
<u>Volume Charge:</u>	\$ per 100 cubic feet	\$1.26	\$1.21	\$0.05

**Non-Domestic Sewage Customers**

BOD>250 mg/l, TSS>350 mg/l, P>10 mg/l, NH3-N>40 mg/l):

Quarterly Facilities Charge: Same as Domestic Sewage Customers  
 Volume Charge: Same as Domestic Sewage Customers

Surcharge per lb. Over

<u>Domestic Strength Sewage:</u>		<u>Total</u>	<u>OM&amp;R</u>	<u>Capital</u>
B.O.D.	(\$/lb.)	\$0.224	\$0.206	\$0.018
T.S.S.	(\$/lb.)	\$0.211	\$0.190	\$0.021
Phosphorus	(\$/lb.)	\$4.177	\$3.862	\$0.315
NH <sub>3</sub> -N	(\$/lb.)	\$0.559	\$0.541	\$0.018

SEWER BILL COMPARISON

Qtrly Usage	0.750 INCH METER				1 INCH METER				2 INCH METER			
	Present	Proposed	\$ Chg.	% Chg.	Present	Proposed	\$ Chg.	% Chg.	Present	Proposed	\$ Chg.	% Chg.
0	13.50	15.00	1.50	11.1%								
1	14.64	16.26	1.62	11.1%								
2	15.78	17.52	1.74	11.0%								
3	16.92	18.78	1.86	11.0%								
4	18.06	20.04	1.98	11.0%								
5	19.20	21.30	2.10	10.9%								
6	20.34	22.56	2.22	10.9%								
7	21.48	23.82	2.34	10.9%								
8	22.62	25.08	2.46	10.9%								
9	23.76	26.34	2.58	10.9%								
10	24.90	27.60	2.70	10.8%	33.40	36.60	3.20	9.6%				
11	26.04	28.86	2.82	10.8%	34.54	37.86	3.32	9.6%				
12	27.18	30.12	2.94	10.8%	35.68	39.12	3.44	9.6%				
13	28.32	31.38	3.06	10.8%	36.82	40.38	3.56	9.7%				
14	29.46	32.64	3.18	10.8%	37.96	41.64	3.68	9.7%				
15	30.60	33.90	3.30	10.8%	39.10	42.90	3.80	9.7%				
16	31.74	35.16	3.42	10.8%	40.24	44.16	3.92	9.7%				
17	32.88	36.42	3.54	10.8%	41.38	45.42	4.04	9.8%				
18	34.02	37.68	3.66	10.8%	42.52	46.68	4.16	9.8%				
19	35.16	38.94	3.78	10.8%	43.66	47.94	4.28	9.8%				
20	36.30	40.20	3.90	10.7%	44.80	49.20	4.40	9.8%				
22	38.58	42.72	4.14	10.7%	47.08	51.72	4.64	9.9%				
25	42.00	46.50	4.50	10.7%	50.50	55.50	5.00	9.9%	84.50	91.50	7.00	8.3%
30	47.70	52.80	5.10	10.7%	56.20	61.80	5.60	10.0%	90.20	97.80	7.60	8.4%
35	53.40	59.10	5.70	10.7%	61.90	68.10	6.20	10.0%	95.90	104.10	8.20	8.6%
40	59.10	65.40	6.30	10.7%	67.60	74.40	6.80	10.1%	101.60	110.40	8.80	8.7%
45	64.80	71.70	6.90	10.6%	73.30	80.70	7.40	10.1%	107.30	116.70	9.40	8.8%
50	70.50	78.00	7.50	10.6%	79.00	87.00	8.00	10.1%	113.00	123.00	10.00	8.8%
60	81.90	90.60	8.70	10.6%	90.40	99.60	9.20	10.2%	124.40	135.60	11.20	9.0%
70	93.30	103.20	9.90	10.6%	101.80	112.20	10.40	10.2%	135.80	148.20	12.40	9.1%
80	104.70	115.80	11.10	10.6%	113.20	124.80	11.60	10.2%	147.20	160.80	13.60	9.2%
90	116.10	128.40	12.30	10.6%	124.60	137.40	12.80	10.3%	158.60	173.40	14.80	9.3%
100	127.50	141.00	13.50	10.6%	136.00	150.00	14.00	10.3%	170.00	186.00	16.00	9.4%
150	184.50	204.00	19.50	10.6%	193.00	213.00	20.00	10.4%	227.00	249.00	22.00	9.7%
200	241.50	267.00	25.50	10.6%	250.00	276.00	26.00	10.4%	284.00	312.00	28.00	9.9%
300	355.50	393.00	37.50	10.5%	364.00	402.00	38.00	10.4%	398.00	438.00	40.00	10.1%
400	469.50	519.00	49.50	10.5%	478.00	528.00	50.00	10.5%	512.00	564.00	52.00	10.2%
500	583.50	645.00	61.50	10.5%	592.00	654.00	62.00	10.5%	626.00	690.00	64.00	10.2%
750	868.50	960.00	91.50	10.5%	877.00	969.00	92.00	10.5%	911.00	1,005.00	94.00	10.3%
1000	1,153.50	1,275.00	121.50	10.5%	1,162.00	1,284.00	122.00	10.5%	1,196.00	1,320.00	124.00	10.4%
2000	2,293.50	2,535.00	241.50	10.5%	2,302.00	2,544.00	242.00	10.5%	2,336.00	2,580.00	244.00	10.4%
3000	3,433.50	3,795.00	361.50	10.5%	3,442.00	3,804.00	362.00	10.5%	3,476.00	3,840.00	364.00	10.5%

\* Average Residential = 16.2 Units/quarter  
 \* Typical Residential = 16.0 Units/quarter  
 Typical % of Avg. = 98.9%

## SEWER BILL COMPARISON - SELECTED CUSTOMERS

Meter Size (In.)	Customer Type	CCF Used	Quarterly Bill @			
			Present	Proposed	\$ Change	% Change
			\$	\$	\$	%
0.625 *	Small Residential	8	22.62	25.08	2.46	10.9%
0.625 *	Typical Residential	16	31.74	35.16	3.42	10.8%
0.750 *	Large Residential	32	49.98	55.32	5.34	10.7%
0.750 *	Small Commercial	62	84.18	93.12	8.94	10.6%
1.000	Typical Commercial	124	163.36	180.24	16.88	10.3%
1.500	Large Commercial	372	461.08	507.72	46.64	10.1%
1.500	Very Large Commercial	500	607.00	669.00	62.00	10.2%
2.000	Industrial	700	854.00	942.00	88.00	10.3%
3.000	P/A - School	400	556.00	612.00	56.00	10.1%

\* Note: The PSCW considers 5/8" x 5/8" meters, 5/8" x 3/4" meters, and 3/4" x 3/4" meters to be identical. The recommended SSU rates also uses those definitions.

COMPARISON WITH OTHER SEWER RATES

Municipality:	Source Data (x)	Quarterly Conn. Chg.	Volume Chg. \$/CCF	Qtrly. Bill @ 16 CCF
Rhineland	Oct-2009 (4)	\$52.00	\$5.89	\$146.31
Tomahawk	Jan-2013 (1)	\$37.00	\$5.84	\$125.68
Pittsville	Jan-2013 (1)	\$45.00	\$4.61	\$118.72
Marshfield	Jan-2013 (1)	\$54.50	\$3.78	\$114.94
Park Falls	Jan-2013 (1)	\$42.00	\$4.01	\$106.15
Whitewater	Jan-2013 (1)	\$27.25	\$4.68	\$102.05
Fond du Lac	Jan-2009 (4)	\$37.50	\$3.91	\$100.06
Ashland	Jan-2007 (3)	\$40.50	\$3.72	\$99.98
DuFond	Jan-2013 (1)	\$38.75	\$3.63	\$96.79
Tomah	Jan-2013 (1)	\$15.00	\$4.75	\$91.00
Stevens Point	Apr-2010 (4)	\$34.00	\$3.31	\$86.96
Mondovi	Jan-2013 (1)	\$22.00	\$3.93	\$84.95
Oshkosh	Jan-2014 (4)	\$22.50	\$3.65	\$80.90
Black River Falls	Jan-2013 (1)	\$10.00	\$3.94	\$73.07
Prairie du Chien	Jan-2013 (1)	\$30.00	\$2.58	\$71.29
Monroe	Jan-2013 (1)	\$20.00	\$3.18	\$70.86
Kenosha	Jan-2010 (2)	\$7.25	\$3.86	\$69.00
West Salem	Jan-2013 (1)	\$45.00	\$1.38	\$67.14
Portage	Jan-2013 (1)	\$32.75	\$2.14	\$66.98
Beloit	Jan-2013 (1)	\$19.00	\$2.95	\$66.15
Janesville	Jan-2013 (1)	\$35.50	\$1.77	\$63.86
Port Washington	Jan-2013 (1)	\$15.25	\$2.94	\$62.28
Madison	Jan-2013 (1)	\$33.75	\$1.77	\$62.11
Milwaukee	Jul-2014 (4)	\$18.83	\$2.56	\$59.79
Ripon	Jan-2013 (1)	\$17.50	\$2.58	\$58.79
Wausau	Jan-2013 (1)	\$17.00	\$2.59	\$58.41
Onalaska	Jan-2013 (1)	\$15.00	\$2.52	\$55.33
Holmen	Jan-2010 (2)	\$12.50	\$2.80	\$54.15
Eau Claire	Apr-2014 (4)	\$5.31	\$2.97	\$52.83
Sheboygan	Jan-2013 (1)	\$24.25	\$1.54	\$48.90
Chippewa Falls	Jan-2010 (2)	\$13.75	\$2.15	\$48.10
Appleton	Jan-2013 (1)	\$13.50	\$2.04	\$46.17
Sauk City	Jan-2013 (1)	\$15.50	\$1.57	\$40.63
La Crosse	2015 Proposed	\$15.00	\$1.26	\$35.16
La Crosse	Jan-2013	\$13.50	\$1.14	\$31.74
Average without La Crosse		\$26.35	\$3.18	\$77.28

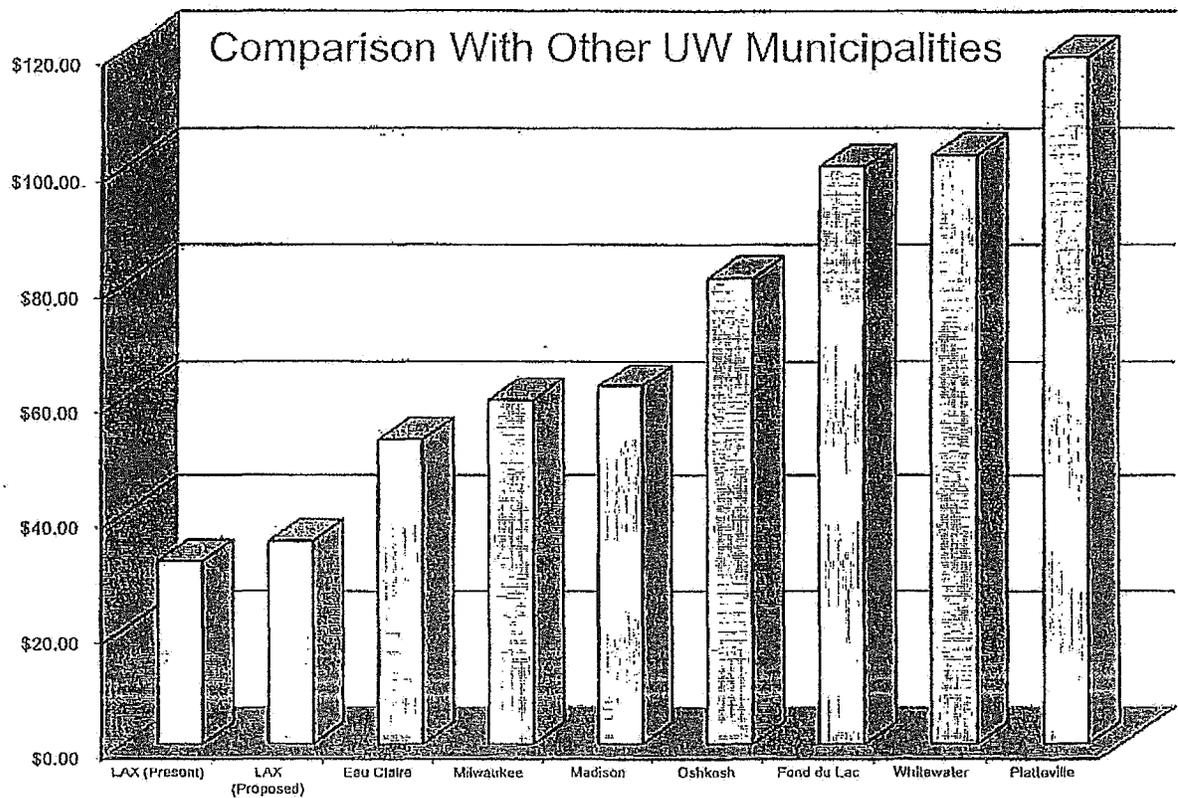
- (1) MSA's "2013 Wisconsin Sewer User Charge Survey Report"
- (2) MSA's "2010 Wisconsin Sewer User Charge Survey Report"
- (3) MSA's "2007 Wisconsin Sewer User Charge Survey Report"
- (4) Updated Rates per Consultant
- (5) MMSD plus Local Rate

La Crosse	Jan-2013	\$13.50	\$1.14	\$31.74
La Crosse	Phase 1	\$15.00	\$1.26	\$35.16

Present Rates +/- Average -48.77% -64.19% -58.93%  
 Proposed Rates +/- Average -43.08% -60.42% -54.51%

MSA's "2013 Wisconsin Sewer User Charge Survey Report"				
Range	Population:	Avg. Qtrly Conn. Chg.	Volume Chg. \$/CCF	Qtrly. Bill @ 16 CCF
A	0 - 500	\$76.76	\$2.12	\$110.72
B	501 - 1,000	\$65.49	\$3.52	\$121.76
C	1,001 - 2,000	\$65.39	\$3.74	\$125.20
D	2,001 - 5,000	\$50.55	\$3.60	\$108.13
E	5,001 - 10,000	\$35.06	\$2.90	\$81.40
F	10,001 - 50,000	\$26.29	\$3.15	\$76.62
G	Over 50,000	\$23.07	\$1.97	\$54.51

Figure 1



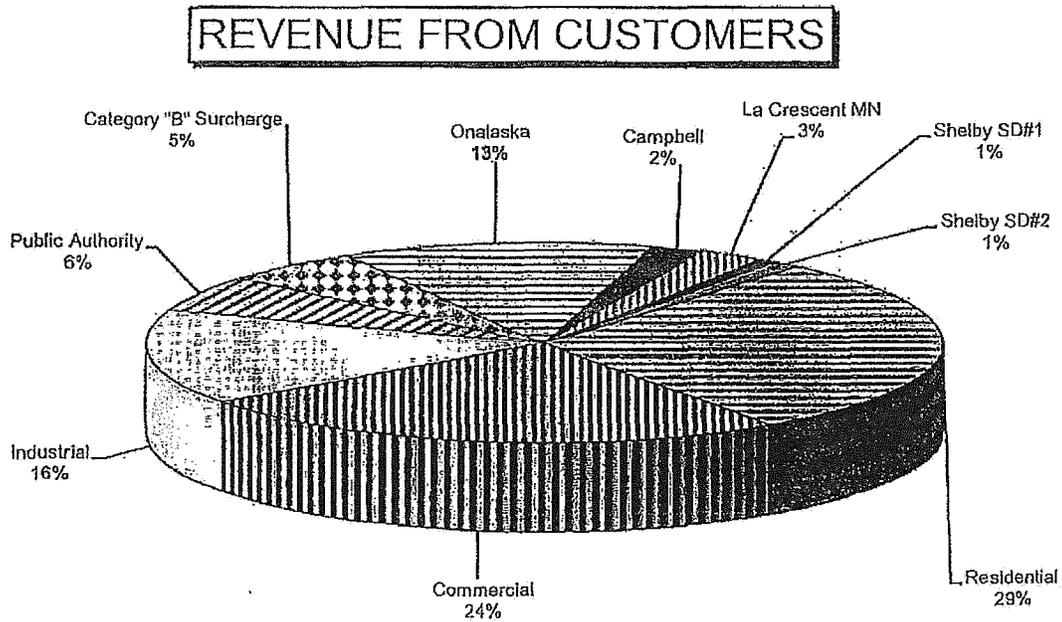
**UNIVERSITY CAMPUS COMPARISON:**

	Average Quarterly Resid. Bill
LAX (Present)	\$31.74
LAX (Proposed) 2015 Proposed	\$35.16
Eau Claire	\$52.83
Milwaukee	\$59.79
Madison	\$62.11
Oshkosh	\$80.90
Fond du Lac	\$100.06
Whitewater	\$102.05
Platteville	\$118.72
Average - All of the Above	\$76.45

## PRESENT &amp; PROPOSED REVENUES

	Revenues Under			
	Present	Recommended	Dollar	Percent
	Rates	Rates	Increase	Increase
	\$	\$	\$	%
<b>Customer Class:</b>				
Residential	\$1,718,310	\$1,903,167	\$184,857	10.76%
Commercial	1,447,428	1,596,944	149,515	10.33%
Industrial	917,747	1,013,438	95,691	10.43%
Public Authority	342,722	377,950	35,229	10.28%
Category "B" Surcharge	337,053	358,837	21,785	6.46%
Onalaska	753,050	825,420	72,370	9.61%
Campbell	124,543	136,512	11,969	9.61%
La Crescent MN	160,176	175,569	15,393	9.61%
Shelby SD#1 [Incr. not calculated]	47,500	47,500	0	0.00%
Shelby SD#2 [Incr. based on Wholesale Incr.]	68,800	75,385	6,585	9.57%
<b>Total</b>	<b>\$5,917,329</b>	<b>\$6,510,722</b>	<b>\$593,394</b>	<b>10.03%</b>
Category "B" Hi-Strength Sewage (Domestic Sewage Portion plus Charge for Excess over Domestic Sewage)	\$1,089,747	\$1,190,764	\$101,018	9.27%
<b>Other Revenue:</b>				
Non-Sewer "Deduct" Matera	1,000	1,000	0	
Late Payment Charge	46,600	46,600	0	
All Other Revenue	28,600	28,600	0	
Pre-Treatment Revenue	61,723	61,723	0	
<b>Total - All Revenue</b>	<b>\$6,055,251</b>	<b>\$6,648,645</b>	<b>\$593,394</b>	<b>9.80%</b>
Target Revenue Level		\$6,652,272		
Amount Over / (Under) Target		(\$3,627)		
Percent Over / (Under) Target		-0.05%		

Figure 2



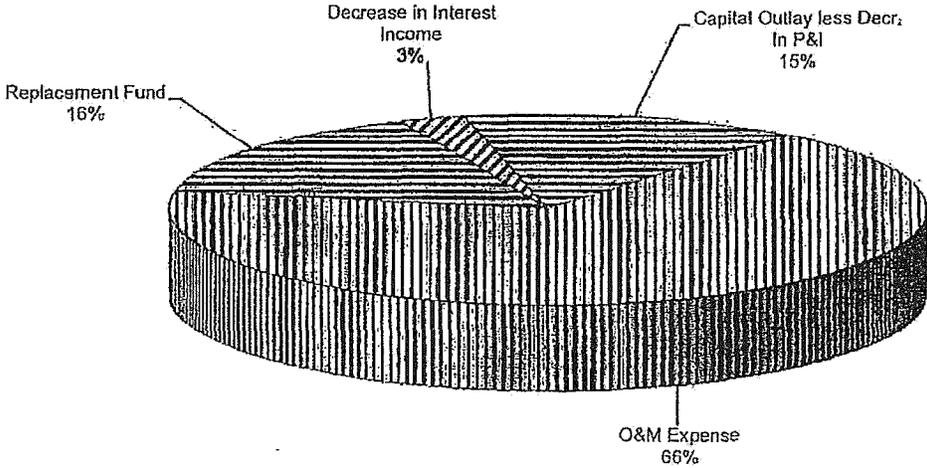
<u>REVENUE UNDER PROPOSED RATES:</u>	\$	% of Total Revenues
Residential	1,903,167	29.2%
Commercial	1,596,944	24.5%
Industrial	1,013,438	15.6%
Public Authority	377,950	5.8%
Category "B" Surcharge	358,837	5.5%
Onalaska	825,420	12.7%
Campbell	136,512	2.1%
La Crescent MN	175,569	2.7%
Shelby SD#1	47,500	0.7%
Shelby SD#2	75,385	1.2%
<b>USER CHARGE REVENUE</b>	<b>\$6,510,722</b>	<b>100.0%</b>
Revenue Over/(Under) Target	(\$3,627)	
Debt Service as % of Revenue	0.00%	Proposed
Debt Service as % of Revenue	0.00%	Present

## REASONS FOR THE CHANGE IN SEWER RATES

	Present Revenues & Expenses	Basis For Present Rates	Increase/ (Decrease)	% Increase/ (Decrease)	
	\$	\$	\$	%	
<b>REVENUES:</b>					
Residential	1,718,310	1,782,305	(63,995)	-3.59%	
Commercial	1,447,428	1,447,354	74	0.01%	
Industrial	917,747	806,649	111,098	13.77%	
Public Authority	342,722	331,196	11,526	3.48%	
Category "B" Surcharge	337,053	214,253	122,800	57.32%	
Tanker Truck Waste	21,600	20,100	1,500	7.46%	
Onalaska	753,050	814,110	(61,060)	-7.50%	
Tn. Of Campbell	124,543	151,998	(27,455)	-18.06%	
La Crescent MN	160,176	169,216	(9,040)	-5.34%	
Shelby SD#1 & 1A	47,500	42,800	4,700	10.98%	
Shelby SD#2	68,800	75,496	(6,696)	-8.87%	
<b>TOTAL SEWER SERVICE</b>	<b>5,938,929</b>	<b>5,855,478</b>	<b>83,451</b>	<b>1.43%</b>	
Misc. Revenues	116,323	86,632	29,691	34.27%	
<b>TOTAL OPERATING REVENUES</b>	<b>6,055,251</b>	<b>5,942,110</b>	<b>113,142</b>	<b>1.90%</b>	
<b>OPERATING EXPENSES:</b>					
Direct Salaries & Wages	1,224,700	1,206,862	17,738	1.47%	0.25%
Employee Benefits (Pension, Insur., FICA)	866,850	724,845	142,205	19.82%	3.12%
Electric, Gas, Wtr, Swr	723,450	714,750	8,700	1.22%	0.21%
Chemicals	202,800	148,200	54,600	36.84%	5.52%
All Other Costs	2,400,550	2,151,076	249,474	11.60%	1.90%
Total O&M Expense	5,418,350	4,946,634	472,716	9.56%	1.58%
Replacement Fund	399,380	286,580	112,800	39.36%	5.86%
<b>CASH OPERATING EXPENSES</b>	<b>5,817,730</b>	<b>5,232,214</b>	<b>585,516</b>	<b>11.19%</b>	<b>1.84%</b>
<b>CAPITAL COSTS:</b>					
Principal & Interest on Debt	0	175,885	(175,885)	-100.00%	-100.00%
Less: Interest Income / TIF / Spec. Assmnt.	(10,000)	(30,000)	20,000	-66.67%	-17.17%
Capital Outlay - WWTP	95,500	102,200	(6,700)	-6.56%	-1.16%
Capital Outlay - Collection	31,000	11,600	19,400	167.24%	18.36%
Less: Equipment Replacement Fund Withdrawal	0	(59,300)	59,300	-100.00%	-100.00%
Cash Contingency	718,042	509,511	208,531	40.93%	6.06%
<b>TOTAL CAPITAL REQUIREMENTS</b>	<b>834,542</b>	<b>709,896</b>	<b>124,646</b>	<b>17.56%</b>	<b>2.81%</b>
<b>TOTAL OPERATING &amp; CAPITAL EXPENSES</b>	<b>\$6,652,272</b>	<b>\$5,942,110</b>	<b>\$710,162</b>	<b>11.95%</b>	<b>1.95%</b>
<b>TOTAL CHANGE IN REVENUES REQUIRED</b>	<b>\$597,020</b>	<b>\$0</b>	<b>\$597,020</b>	<b>9.86%</b>	

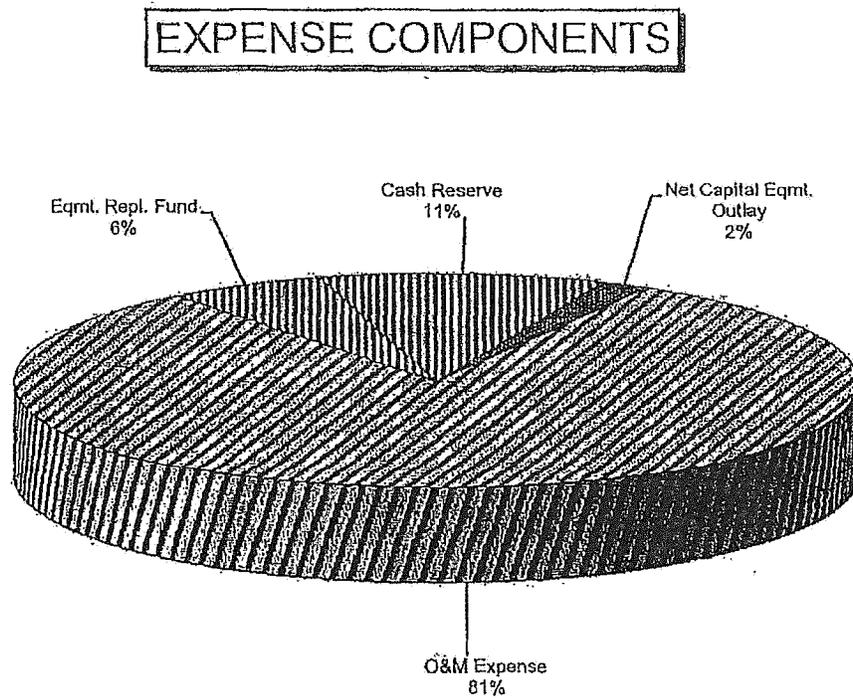
Figure 3

**REASONS FOR THE CHANGE**



Reason For The Change:	\$	Incr. In Rates	
		%	Required
O&M Expense	472,716	66.6%	6.6%
Replacement Fund	112,800	15.9%	1.6%
Decrease in Interest Income	20,000	2.8%	0.3%
Capital Outlay less Decr. In P&I	104,646	14.7%	1.5%
Sub-total	\$710,162	100.0%	9.9%
Less: Increase in Revenue	(113,142)		
<b>NET CHANGE REQUIRED</b>	<b>\$597,020</b>		

Figure 4



<u>EXPENSE COMPONENTS:</u>	\$	% of Total Expense
O&M Expense (w/o PreTrmnt)	5,357,127	81.2%
Eqmt. Repl. Fund	399,380	6.1%
Cash Reserve	718,042	10.9%
Net Capital Eqmt. Outlay	126,000	1.9%
<b>Total Sewer Revenue Required</b>	<b>6,600,549</b>	<b>100.00%</b>
Less: Interest Income	(10,000)	
Less: Other Revenue	(76,200)	
<b>USER CHARGE REVENUE NEEDED</b>	<b>\$6,514,349</b>	

EXHIBIT C

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# Sewer Connection Fee Study

Prepared for the

**City of La Crosse**

by Trilogy Consulting, LLC

January 2016



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**TRILOGY**  
CONSULTING, LLC  
MUNICIPAL & UTILITY ADVISORS

## INTRODUCTION

The City of La Crosse owns and operates a wastewater treatment plant, and a system of collector and interceptor sewers and lift stations. In addition to serving the City of La Crosse, the wastewater treatment plant and interceptor sewers convey and treat wastewater from the City of Onalaska, the Town of Campbell, Sanitary Districts No. 1 and No 2 in the Town of Campbell, the Shelby Sanitary District No. 2, and the City of La Crescent, MN.

The sewer utility system has capacity to serve additional customers and no outstanding debt. The cost of constructing the existing wastewater system was contributed by the City and by past and current customers.

The City retained Trilogy Consulting, LLC to analyze and evaluate methods for charging sewer connection fees to new customers that connect to the sewer system. The purpose of the connection fees is to recover the cost of the available capacity in the utility system that has been paid for by past and current customers.

## SEWER CONNECTION FEES

### Methodology

The basis for the proposed connection fees is the value of the excess capacity in the sanitary sewer facilities serving the entire system. These system-wide facilities include wastewater treatment facilities, interceptor sewers and interceptor lift stations. The intent of the fees is that properties or municipal wholesale customers obtaining new or additional sanitary sewer service will be required to buy into the system in an amount equal to the value of the system-wide reserve capacity required to convey and treat their wastewater. The amount of capacity required is determined based on estimated sewer usage, and equated to a per Residential Equivalent Connection (REC). A REC is defined as the estimated amount of wastewater discharged by one single-family home on a daily basis. For nonresidential uses, the number of RECs would be determined based on the estimated amount of wastewater discharge compared to an average single family household. For the wastewater utility, this study relied on data compiled and used in the calculation of sewer user charges by the Utility's sewer rate consultant, John Mayer & Associates.

### Existing Wastewater System Assets

Wastewater system assets include the Isle La Plume Wastewater Treatment Plant (WWTP), 26 wastewater lift stations, interceptor sewers and collector sewers. The WWTP was originally constructed in 1936, with a major expansion in 1972 and numerous other upgrades, expansions and replacements of individual components since then. The facilities currently in service include

portions of the plant that were constructed in 1936, as well portions of the plant that were constructed in each of the decades since then.

The rated capacity of the WWTP, as well as the recent historical influent flows and loadings, are shown in Table 1. As shown, the average day and peak day flows generated by the current service area use only about half of the existing plant capacity. The existing plant is at approximately 56 to 84 percent of loadings capacity, depending on the specific type of loadings.

*Table 1 - Wastewater Treatment Plant Capacity and Utilization*

	Peak Day Flows (gpd)	Average Day Flows (gpd)	BOD (lbs. per day)	T.S.S. (lbs. per day)	Phosphorus (lbs. per day)	Ammonia (lbs. per day)
System Capacity (per day) <sup>(1)</sup>	44,000,000	20,000,000	29,793	33,400	977	3,500
Influent Flows and Loadings at WWTP <sup>(2)</sup>	20,454,288	10,102,244	24,916	25,436	551	1,966
Percentage of Capacity Utilized	46%	51%	84%	76%	56%	56%

1) Source: Facilities Plan Volume 1, p. 164. Ammonia capacity is from an earlier study.

2) Based on last 7 years average, except for peak day flows which represents the peak day influent for 2013-2015.

The original cost of wastewater utility assets in service as of December 31, 2014 was \$40,979,075. These costs were adjusted to a current value of \$150,430,362 in terms of 2014 dollars using the Engineering News Record (ENR) 20-city construction cost index, as shown in Table 2. For purposes of developing sewer connection fees, only those assets that are considered to be system-wide assets, benefitting both retail and wholesale customers, were included in the fees. Collector sewers, laterals, a portion of the sewer lift stations, equipment and facilities required for customer metering and billing and general plant were excluded. The current value of assets was allocated to each of the utility functions using the same allocation percentages used to establish sewer user charges. The share of asset values allocated to WWTP and interceptor functions totaled \$89,925,448, as shown in Table 2.



Residential Equivalent Connections

Based on recent historical data, a typical residential customer in the City of La Crosse ("La Crosse REC") discharges wastewater with the amounts and characteristics described in Table 3.

*Table 3 - Capacity Requirements per Residential Equivalent Connection*

Component:	Basis:	Factor:	Total Daily Discharge
Average Day Flows	Average daily billable flows per residential retail customer, 2013: <sup>(1)</sup>		162 gpd
Peak Day Flows	Average daily flows x ratio of peak day to average day influent flows: <sup>(2)</sup>	2.02	329 gpd
BOD	Ave Daily Flows x Estimated domestic strength (mg/l) <sup>(3)</sup>	278	0.377 pounds per day
TSS	Ave Daily Flows x Estimated domestic strength (mg/l) <sup>(3)</sup>	303	0.411 pounds per day
Phosphorus	Ave Daily Flows x Estimated domestic strength (mg/l) <sup>(3)</sup>	8	0.011 pounds per day
Ammonia	Ave Daily Flows x Estimated domestic strength (mg/l) <sup>(3)</sup>	29	0.039 pounds per day

Notes:

1) Average day capacity is based on average flows per customer for retail residential customers for 2013. Source: User Charge Rate Study for Test Year 2016, prepared by John Mayer & Associates.

2) The ratio of peak day to average day flows influent to the WWTP is based on the historical data presented in Table 1.

3) Domestic strength is estimated based on analysis of influent loadings to the WWTP, less estimated loadings from high-strength and wholesale customers. Source: User Charge Rate Study for Test Year 2016, prepared by John Mayer & Associates.

Alternatives

Two alternative methods for computing sewer connection fees were considered and evaluated as part of this study.

*Alternative 1 - Multiple component fee*

The first alternative calculated a fee based on the current value of WWTP and interceptor assets per unit of capacity for each of the components of flows and loading, as shown in Table 4. First the total asset value for each category of utility function was divided by the capacity of each utility function in order to determine the asset value per unit of capacity. The values per unit of capacity were then multiplied by the amount of flows and loadings for a typical La Crosse REC to calculate the cost of facilities needed to serve one REC.

City of La Crosse  
Sewer and Water Connection Fee Study

*Table 4 - Sewer Connection Fee Alternative 1*

	Interceptor System:	Wastewater Treatment Plant					Total
	Peak Day Capacity (gpd)	Ave Day Capacity (gpd)	BOD Capacity (lbs. per day)	T.S.S. Capacity (lbs. per day)	Phos. Capacity (lbs. per day)	NH <sub>3</sub> -N Capacity (lbs. per day)	
Asset Value by Function <sup>(1)</sup>	\$42,826,497	\$25,167,263	\$6,480,882	\$7,326,823	\$4,083,955	\$4,020,027	\$89,925,448
System Capacity (gallons or pounds per day) <sup>(2)</sup>	44,000,000	20,000,000	29,783	33,400	877	3,600	
Asset Value per Unit of Capacity (gallons or lbs. per day)	\$0.97	\$1.26	\$217.87	\$219.37	\$4,180.10	\$1,148.58	
Est. Capacity Requirements per REC <sup>(3)</sup>	329	162	0.377	0.411	0.011	0.039	
Asset Value per REC	\$320	\$204	\$82	\$90	\$44	\$45	\$786

Notes:  
 1) Allocated costs from Table 2.  
 2) From Table 1.  
 3) From Table 3.

Under this alternative, the components of the fee and the total fee per REC would be as follows:

Fee per REC:	
Peak day flow	\$320
Average day flow	\$204
BOD	\$ 82
SS	\$ 90
Phosphorus	\$ 44
<u>Ammonia</u>	<u>\$ 45</u>
Total	\$786

The proposed fee would be \$786 per single-family residential connection. The fees for flows from nonresidential sources would be calculated based on the estimated amount and wastestrength characteristics of the flows. If, for example, a new high-strength customer was connecting to the sewer system, the City could adjust the wastestrength components of the fee to reflect the higher amounts of BOD, TSS, Phosphorus, or Ammonia generated by the user.

The advantages of this method include that it is based on the varying costs to provide different types of treatment, similar to the City's wastewater user charge rate structure. It can also be adapted to account for high-strength connections (industry) or other users whose wastewater characteristics are different than normal domestic strength.

The disadvantage of this method is that it is more complicated and requires more information to calculate the fees as compared to other methods. It is also based on detailed analysis of residential customers in the City of La Crosse, while users in other communities may have

different wastewater characteristics than typical La Crosse customers. If this method were applied to other municipalities or individual customers in other municipalities, the definition of a REC may need to be adjusted.

*Alternative 2 - Fee based on average day flow only*

The second alternative calculated a fee based on the total current value of WWTP and interceptor assets divided by the average day flow capacity of the entire system. The cost per gallon per day was then multiplied by the average flow per day per REC, resulting in a fee of \$730 per REC, as shown in Table 5. This alternative did not calculate costs per unit to handle other components of wastewater.

*Table 5 - Sewer Connection Fee Alternative 2*

System Capacity	Total
Asset Value by Function <sup>(1)</sup>	\$89,925,448
System Capacity (Average Day Flow in gpd) <sup>(2)</sup>	20,000,000
Asset Value per Unit of Capacity (gallons per day)	\$4.50
Est. Capacity Requirements per REC <sup>(3)</sup>	162
Asset Value per REC	\$730

Notes:

- 1) Allocated costs from Table 2.
- 2) From Table 1.
- 3) From Table 3.

The advantages of this method are that it is simpler to explain and requires less information to calculate the fees.

The primary disadvantage of this approach is that it doesn't take wastewater strength or differences in peaking factors into account, so it cannot be adapted to require higher charges for customers with higher wastestrength or peaking ratios (or lower charges for customers with lower peaking ratios). However, in many cases, the information needed to reliably estimate wastestrength or peaking factors may not be available at the time of connection, or the characteristics of a particular property or service area may change over time. The City will still have the opportunity to charge for ongoing operation and maintenance costs in proportion to wastestrength through its system of sewer user charges.

### Recommended Alternative

The recommended alternative is to charge sewer connection fees according to Alternative 2, based on average daily wastewater flow, as the more feasible of the two methods.

### IMPLEMENTATION

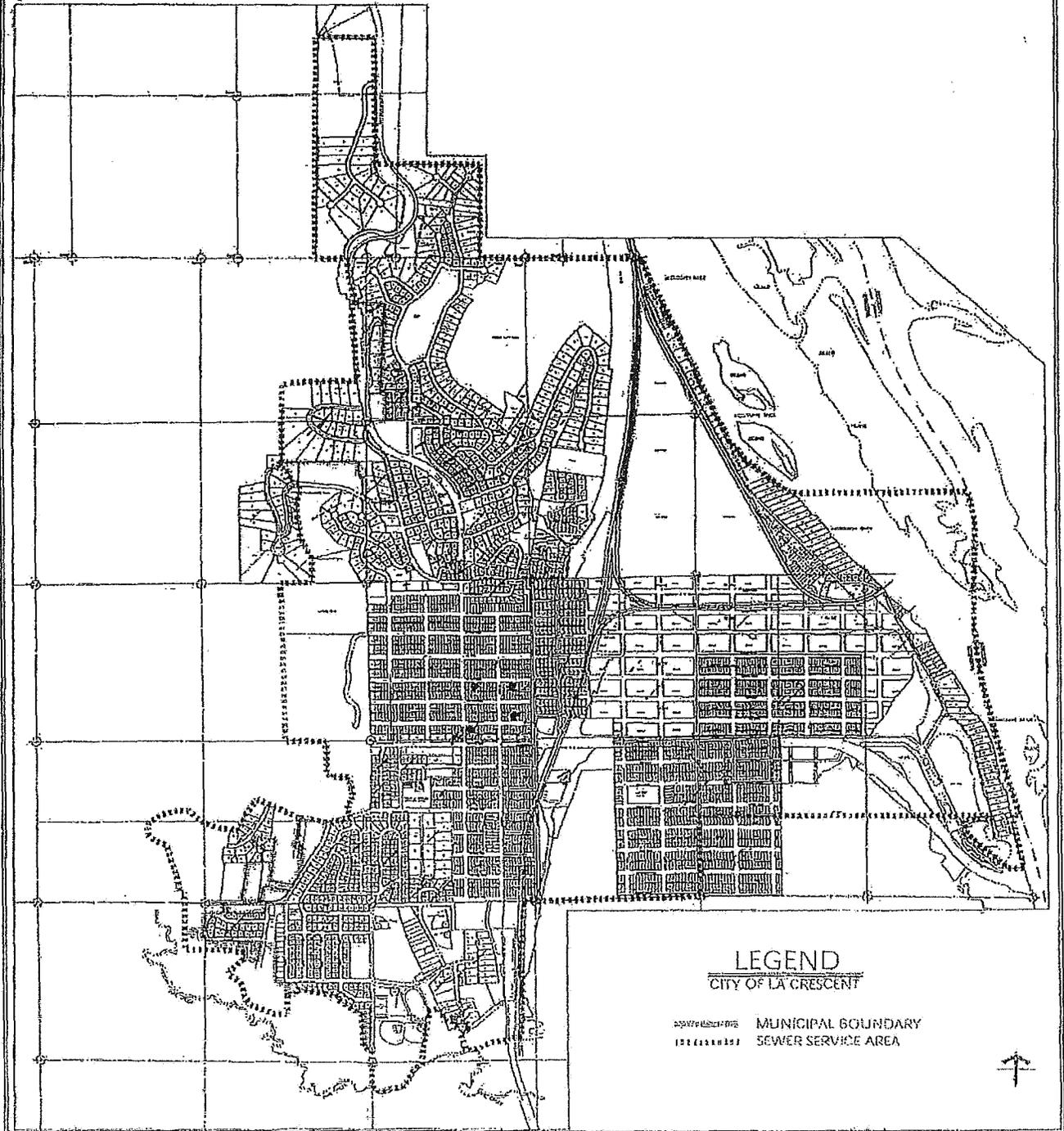
The method of implementation will depend on the specific service area from which the City proposes to collect the fees. In general, fees imposed on areas outside of City boundaries will require an intermunicipal agreement in order to implement the fees. For areas that will be served as retail customers of the City, the fees may be collected from individual customers as they connect. For areas that will be served on a wholesale basis, the City may choose to collect the fees in one of two general ways:

- Initial lump sum payment for RECs associated with existing development connecting to the City's system and payment for new development as it occurs
- Initial lump sum payment for RECs associated with both existing and anticipated future development (purchase of total anticipated future capacity needs upfront)

It is recommended that the fees be reviewed and updated from time to time to ensure that the fees reflect the amounts that the City has invested in its sewer infrastructure and the current demand patterns of customers.

EXHIBIT D

PROPOSED AMENDMENT TO THE  
LA CROSSE SEWER SERVICE AREA



**LEGEND**  
CITY OF LA CRESCENT

- MUNICIPAL BOUNDARY
- SEWER SERVICE AREA





OFFICE OF THE MAYOR  
L A C R O S S E

October 17, 2018

Mayor Mikel Poellinger  
City of La Crescent, MN  
315 Main Street  
La Crescent, MN 55947

Dear Mayor Poellinger:

Thank you for your letter received on October 5<sup>th</sup>, 2018. I appreciate your offer to meet and to set up a spring bike ride to highlight our shared community's amenities. I look forward to it.

Regarding your letter, I offer this brief reply. Your attorney's September 12<sup>th</sup> letter was clear to La Crosse, in both spirit and intent. Mr. Wieser stated "The Proposed Agreement, as presented, is not acceptable to La Crescent." The letter went on to suggest reduced or \$0 fees, expanded sanitary sewer areas and an extension of the agreement until 2047. Mr. Wieser's suggested changes are not acceptable to La Crosse.

Back in June our staff met with your staff and interested parties to explain the connection fee and regional services fee. These fees are directly linked to the assets and operations of the regional waste water treatment plant that the City of La Crosse operates for the benefit of our metropolitan region, as well as the services La Crosse provides to residents and visitors, including a significant number from La Crescent.

La Crosse provides these services in the form of regional waste water treatment, a civic center, a public library, transit, parking and parks and recreation. In addition, La Crosse provides emergency medical and police services to the thousands of commuters who travel into La Crosse every day. We know that non-La Crosse residents comprise 12% to 40% of all users of these services. To ask La Crosse taxpayers to fund 100% of their cost is unfair.

La Crosse provides these regional services for the benefit of all and only seeks a fair cost sharing. Until La Crescent acknowledges this reality and comes to the table in the spirit of true regional cooperation in both the benefits and costs, I see no need to rehash Mr. Weiser's letter. Thank you.

Sincerely,

Timothy Kabat  
Mayor

## CHAPTER 200

## METROPOLITAN SEWERAGE DISTRICTS

SUBCHAPTER I  
DISTRICTS GENERALLY

200.01	Metropolitan sewerage districts, definitions.
200.03	Applicability.
200.05	Creation.
200.07	Dissolution.
200.09	Commissioners.
200.11	Powers and duties.
200.13	Financing.
200.15	Addition of territory.

SUBCHAPTER II  
DISTRICTS INCLUDING 1ST CLASS CITIES

200.21	Definitions.
200.23	Establishing a district and a commission.
200.25	Commissioners.
200.27	Commission; organization.
200.29	Boundary; name; corporate status.
200.31	General duties of the commission.

200.33	Local sewers.
200.35	Sewerage construction, operation and maintenance.
200.37	Connections to the sewerage system.
200.39	Contract sewerage service.
200.41	Noncontractual sewerage service.
200.43	Acquisition of property.
200.45	Rules; special orders; special use permits.
200.47	Contracts.
200.49	Minority business development and training program.
200.51	Commission employees.
200.53	Capital budget.
200.55	Financing.
200.57	Minority financial advisers and investment firms and disabled veteran-owned businesses.
200.59	User charges for sewer operation.
200.61	Judicial review of compliance schedules.
200.63	Construction.
200.65	Validation of debt; liability for diverting funds.

## SUBCHAPTER I

## DISTRICTS GENERALLY

**200.01 Metropolitan sewerage districts, definitions.**

Unless the context requires otherwise, for the purposes of this subchapter, the following terms have the designated meanings:

(1) “Commission” means a metropolitan sewerage district commission.

(2) “Department” means the department of natural resources.

(3) “District” means a metropolitan sewerage district.

(4) “Municipality” means town, village, city or county.

**History:** 1971 c. 276, 307; 1999 a. 150 s. 315; Stats. 1999 s. 200.01.

**200.03 Applicability.** This subchapter applies to all areas of the state except those areas included in a metropolitan sewerage district created under ss. 200.21 to 200.65.

**History:** 1971 c. 276; 1981 c. 282 s. 47; 1999 a. 150 s. 316; Stats. 1999 s. 200.03.

**200.05 Creation.** (1) Proceedings to create a district may be initiated by resolution of the governing body of any municipality setting forth:

(a) The proposed name of the district;

(b) A general description of the territory proposed to be included in the district;

(c) A general description of the functions which are proposed to be performed by such district;

(d) A general description of the existing facilities and works which are proposed to be placed under jurisdiction of the district; and

(e) Such other facts and statements as are deemed by the governing body to be relevant to the standards of sub. (4) (a) to (c).

(2) A governing body which adopts a resolution under sub. (1) shall immediately transmit a copy thereof to the department.

(3) Upon receipt of the resolution, the department shall:

(a) Schedule a public hearing in the county of the petitioning municipality, providing at least 30 days’ written notice of the hearing and a copy of the resolution by mail to the clerk of all affected municipalities, town sanitary or utility districts, and to the affected regional planning commissions and state agencies; and publish an official notice of the hearing in a newspaper of general circulation in the proposed district as a class 1 notice under ch. 985;

(b) Conduct the hearing to permit any person to present any oral or written pertinent and relevant information relating to the purposes and standards of this subchapter; and

(c) Undertake research and collect other information and request advisory reports from regional planning commissions, other state agencies and citizen groups.

(4) Within 90 days following the hearing, the department shall either order or deny creation of the proposed district. An order creating the district shall be issued by the department if:

(a) The territory consisting of at least one municipality in its entirety and all or part of one or more other municipalities can be identified and can be determined to be conducive to fiscal and physical management of a unified system of sanitary sewage collection and treatment;

(b) The formation of the district will promote sewerage management policies and operation and will be consistent with adopted plans of municipal, regional and state agencies; and

(c) The formation of the district will promote the public health and welfare and will effect efficiency and economy in sewerage management, based upon current generally accepted engineering standards regarding prevention and abatement of environmental pollution and federal and state rules and policies in furtherance thereof.

(5) An order creating the district shall state the name and boundaries of the district, which may be different than those originally proposed if each municipality affected by the district received written notice of the hearing under sub. (3) (a) and if each municipality which jointly or separately owns or operates a sewerage collection and disposal system which has territory included in the revised district boundaries has filed with the department a certified copy of a resolution of its governing body consenting to the inclusion of that territory within the revised district. No territory of a city, village or town jointly or separately owning or operating a sewerage collection and disposal system may be included in the district unless it has filed with the department a certified copy of a resolution of its governing body consenting to inclusion of such territory within the proposed district. The order shall be effective on the date issued and the existence of the district shall commence on such date.

(6) No resolution for the formation of a district encompassing the same or substantially the same territory shall be made by any municipality for one year following the issuance of an order denying the formation under this subchapter.

**200.05 METROPOLITAN SEWERAGE DISTRICTS**

Updated 15–16 Wis. Stats. 2

(7) The orders of the department under this section shall be subject to review under ch. 227.

History: 1971 c. 276; 1993 a. 246; 1999 a. 150 s. 317; Stats. 1999 s. 200.05.

**200.07 Dissolution.** If a district has been inactive for at least 2 years and if the department receives certified copies of a resolution recommending the dissolution of the district adopted by the governing bodies of every municipality owning or operating the district, upon a finding that all outstanding indebtedness of the district has been paid and all unexpended funds returned to the municipality which supplied them, or that adequate provision has been made therefor, the department shall either order or deny dissolution of the district.

History: 1983 a. 27; 1999 a. 150 s. 318; Stats. 1999 s. 200.07.

**200.09 Commissioners.** (1) (a) Except as provided in par. (b), a district formed under this subchapter shall be governed by a 5–member commission appointed for staggered 5–year terms. Except as provided in par. (b) and sub. (11), commissioners shall be appointed by the county board of the county in which the district is located. Except as provided in par. (b), if the district contains territory of more than one county, the county boards of the counties not having the greatest population in the district shall appoint one commissioner each and the county board of the county having the greatest population in the district shall appoint the remainder. Of the initial appointments under this paragraph, the appointments for the shortest terms shall be made by the counties having the least amount of population, in reverse order of their population included in the district. Commissioners shall be residents of the district. Initial appointments shall be made no sooner than 60 days and no later than 90 days after issuance of the department order forming a district or after completion of any court proceedings challenging such order.

(b) A district that contains a 2nd class city with a population of 200,000 or more shall be governed by a 9–member commission appointed for staggered 3–year terms. The mayor of the 2nd class city shall appoint 5 individuals as members of the commission. An executive council composed of the elected executive officers of each city and village that is wholly or partly within the boundaries of the district, except the 2nd class city, shall appoint 3 members of the commission by a majority vote of the members of the executive council. An executive council composed of the elected executive officers of each town that is wholly or partly within the boundaries of the district shall appoint one member of the commission by a majority vote of the members of the executive council.

(2) Each member of the commission shall take and file the official oath.

(3) A majority of such commission shall constitute a quorum to do business; and in the absence of a quorum, those members present may adjourn any meeting and make announcement thereof. All meetings and records of the commission shall be published.

(3m) All actions of a commission under sub. (1) (b) shall be approved by a majority vote of the members present, except that the following actions require the affirmative vote of three–fourths of the members who are entitled to a seat on the commission:

(a) Any policy, rule, regulation, ordinance, rate, or charging structure that does not by its terms apply uniformly to all geographical areas of the district.

(b) Any change in the methods in effect on May 1, 2015, that are used to finance capital projects or to finance operations of the district.

(4) Such commission, when all of its members have been duly sworn and qualified, shall have charge of all the affairs of the district.

(5) Such commission shall organize by electing one of its members president and another secretary.

(6) The secretary shall keep a separate record of all proceedings and accurate minutes of all hearings.

(7) A per diem compensation may be paid to commissioners in an amount the commission specifies by resolution. Any change in the per diem amount after its initial establishment applies only to subsequently appointed or reappointed commissioners. Commissioners shall be reimbursed for actual expenses incurred as commissioners in carrying out the work of the commission.

(8) The treasurer of the city, village or town having the largest equalized valuation within the district shall act as treasurer of the district, shall receive such additional compensation therefor as the commission may determine, and shall at the expense of the district furnish such additional bond as the commission may require. Such treasurer shall keep all moneys of the district in a separate fund to be disposed of only upon order of the commission signed by the president and secretary.

(9) Chapter 276, laws of 1971, shall apply to every metropolitan sewerage district that had been operating, prior to April 30, 1972, under ss. 66.20 to 66.209, 1969 stats. Commissioners for such districts who were in office on April 30, 1972 shall continue to serve until their respective terms are completed. The county board of the county having the greatest population in the district shall appoint 2 additional members to each such commission no sooner than 60 days and no later than 90 days after April 30, 1972. One such member shall have a 5–year term and one such member shall have a 4–year term. The county board of those counties having population within the district that did not appoint the preceding 2 members if any shall, each in turn according to their population in the district, appoint successors to each of the 3 commissioners who held office on April 30, 1972, until their allotted number of appointments, as specified under sub. (1) is filled. The governor may adjust terms of the successors to the 3 original commissioners in order that the appointment schedules are consistent with this section.

(10) Sections 200.01 to 200.15 do not affect the continued validity of contracts and obligations previously entered into by a metropolitan sewerage district operating under ss. 66.20 to 66.209, 1969 stats., before April 30, 1972, nor the validity of the district.

(11) (a) Notwithstanding sub. (1) the governing bodies of cities, towns and villages comprising a sewerage district may make the initial appointments of the commissioners under this section.

(am) 1. If the governing bodies of each city, town and village comprising a district pass a resolution authorizing the election of commissioners to terms succeeding the initial appointments, commissioners shall be chosen to fill vacant seats at spring elections, as defined in s. 5.02 (21), of the district at large. Each commissioner may hold office until a successor is elected and qualified, except as provided in s. 17.27 (1m). Any commissioner elected for a regular or unexpired term shall take office after filing the official oath on the 4th Monday in April.

2. No resolution passed under subd. 1. may authorize election of commissioners sooner than 6 months after the date of passage. The metropolitan sewerage district commission shall immediately notify the elections commission under s. 5.05 upon passage of a resolution under subd. 1.

3. If the governing bodies of each city, town, and village comprising the district pass a resolution to discontinue election of commissioners, each commissioner may hold office until a successor is appointed and qualified. The metropolitan sewerage district commission shall immediately notify the elections commission under s. 5.05 upon passage of a resolution under this subdivision.

(b) This subsection shall apply only if all the governing bodies of the cities, villages and towns comprising the sewerage district agree by resolution to elect its provisions.

History: 1971 c. 276; 1973 c. 289; 1979 c. 221; 1987 a. 399; 1989 a. 359; 1993 a. 246; 1999 a. 150 s. 319; Stats. 1999 s. 200.09; 2001 a. 103; 2007 a. 1; 2011 a. 32; 2015 a. 55, 118.

**200.11 Powers and duties.** (1) GENERAL. (a) *Corporate status.* The district shall be a municipal body corporate and shall

be authorized in its name to contract and to be contracted with, and to sue and to be sued. The commission may employ persons or firms performing engineering, legal or other necessary services, require any employee to obtain and file with it an individual bond or fidelity insurance policy, and procure insurance. A commission may employ engineers or other employees of any municipality as its engineers, agents or employees.

(b) *Plans.* The commission shall prepare and by resolution adopt plans and standards of planning, design and operation for all projects and facilities which will be operated by the district or which affect the services to be provided by the district. Commissions may and are encouraged to contract with regional or area-wide planning agencies for research and planning services. The commission's plans shall be consistent with adopted plans of a regional planning commission or area-wide planning agency organized under s. 66.0309.

(c) *Research.* The commission may project and plan scientific experiments, investigations and research on treatment processes and on the receiving waterway to ensure that an economical and practical process for treatment is employed and that the receiving waterway meets the requirements of regulating agencies. The commission may conduct such scientific experiments, investigations and research independently or by contract or in cooperation with any public or private agency including any political subdivision of the state or any person or public or private organization.

(d) *Rules.* The commission may adopt rules for the supervision, protection, management and use of the systems and facilities operated by the district. Such rules may, in the interest of plan implementation, restrict or deny the provision of utility services to lands which are described in adopted master plans or development plans of a municipality or county as not being fit or appropriate for urban or suburban development. Rules of the district shall be adopted and enforced as provided by s. 200.45. Notwithstanding any other provision of law, such rules or any orders issued thereunder, may be enforced under s. 823.02 and the violation of any rule or any order lawfully promulgated by the commission is declared to be a public nuisance.

(e) *Annual report.* The commission shall prepare annually a full and detailed report of its official transactions and expenses and of all presently planned additions and major changes in district facilities and services and shall file a copy of such report with the department of natural resources, the department of health services and the governing bodies of all cities, villages and towns having territory in such district.

**(2) METROPOLITAN SEWERAGE COLLECTION AND TREATMENT.** The commission shall plan, project, construct and maintain within the district interceptor and other main sewers for the collection and transmission of sewage. The commission shall also cause the sewage to be treated, disposed or recycled and may plan, project, construct and maintain works and facilities for this purpose.

**(3) CONNECTIONS WITH SYSTEM.** The commission may require any person or municipality in the district to provide for the discharge of its sewage into the district's collection and disposal system, or to connect any sanitary sewerage system with the district's disposal system wherever reasonable opportunity therefor is provided; may regulate the manner in which such connections are made; may require any person or municipality discharging sewage into the system to provide preliminary treatment therefor; may prohibit and impose a penalty for the discharge into the system of any substance which it determines will or may be harmful to the system or any persons operating it; and may, with the prior approval of the department, after hearing upon 30 days' notice to the municipality involved, require any municipality to discontinue the acquisition, improvement or operation of any facility for disposal of any wastes or material handled by the commission wherever and so far as adequate service is or will be provided by the commission. The commission shall have access to all sewerage records of any municipality in the district and shall require all such municipalities to submit plans of existing systems and proposed extensions of local services or systems. The commission

or its employees may enter upon the land in any municipality within the district for the purpose of making surveys or examinations.

**(4) PROPERTY ACQUISITION.** Commissions may acquire by gift, purchase, lease or other like methods of acquisition or by condemnation under ch. 32, any land or property necessary for the operations of the commission or in any interest, franchise, easement, right or privilege therein, which may be required for the purpose of projecting, planning, constructing and maintaining the system. Any municipality and state agency is authorized to convey to or permit the use of any facilities owned or controlled by the municipality or agency subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government agency. Property, or any part or interest therein, when acquired, may be sold, leased or otherwise disposed of by the district whenever in the discretion of the commission the property or any part or portion thereof or interest therein is not needed to carry out the requirements and powers of the commission.

**(5) CONSTRUCTION.** (a) *General.* The district may construct, enlarge, improve, replace, repair, maintain and operate any works determined by the commission to be necessary or convenient for the performance of the functions assigned to the commission.

(b) *Roads.* The district may enter upon any state, county or municipal street, road or alley, or any public highway for the purpose of installing, maintaining and operating the system, and it may construct in any such street, road or alley or public highway necessary facilities without a permit or a payment of a charge. Whenever the work is to be done in a state, county or municipal highway, the public authority having control thereof shall be duly notified, and the highway shall be restored to as good a condition as existed before the commencement of the work with all costs incident thereto borne by the district. All persons, firms or corporations lawfully having buildings, structures, works, conduits, mains, pipes, tracks or other physical obstructions in, over or under the public lands, avenues, streets, alleys or highways which block or impede the progress of district facilities, when in the process of construction, establishment or repair shall upon reasonable notice by the district, promptly so shift, adjust, accommodate or remove the same at the cost and expense of such individuals or corporations, as fully to meet the exigencies occasioning such notice. Any entry upon or occupation of any state freeway right-of-way after relocation or replacement of district facilities for which reimbursement is made under s. 84.295 (4m) shall be done in a manner which is acceptable to the department of transportation.

(c) *Waterways.* The district shall have power to lay or construct and to forever maintain, without compensation to the state, any part of the utility system, or of its works, or appurtenances, over, upon or under any part of the bed of any river or of any land covered by any of the navigable waters of the state, the title to which is held by the state, and over, upon or under canals or through waterways, and if the same is deemed advisable by the commission, the proper officials of the state are authorized and directed upon application of the commission to execute, acknowledge and deliver such easements, or other grants, as may be proper for the purpose of carrying out the district operations.

(d) *Bids.* Whenever plans and specifications for any facilities have been completed and approved by the commission and by any other agency which must approve the plans and specifications, and the commission has determined to proceed with the work of the construction thereof, it shall advertise by a class 2 notice under ch. 985, for bids for the construction of the facilities. Contracts for the work shall be let to the lowest responsible bidder, or the agency may reject any and all bids and if in its discretion the prices quoted are unreasonable, the bidders irresponsible or the bids informal, it may readvertise the work or any part of it. All contracts shall be protected by such bonds, penalties and conditions as the district shall require. The commission may itself do any part of any of the works.

(6) **ACQUISITION OF EXISTING FACILITIES.** The commission may order that the district shall assume ownership of such existing utility works and facilities within the district as are needed to carry out the purposes of the commission. Appropriate instruments of conveyance for all such property shall be executed and delivered to the district by the proper officers of each municipality concerned. All persons regularly employed by a municipality to operate and maintain any works so transferred, on the date on which the transfer becomes effective, shall be employees of the district, in the same manner and with the same options and rights as were reserved to them in their former employment. The commission, upon assuming ownership of any works, shall become obligated to pay to the municipality amounts sufficient to pay when due all remaining principal of and interest on bonds issued by the municipality for the acquisition or improvement of the works taken over. Such amounts may be offset against any amounts due to be paid by the municipality to the district. The value of any works and facilities taken over by a commission may be agreed upon by the commission and the municipality owning the same. Should the commission and the governing body of the municipality be unable to agree upon a value, the value shall be determined by and fixed by the public service commission after a hearing to be held upon application of either party, and upon reasonable notice to the other party, to be fixed and served in such manner as the public service commission shall prescribe.

(7) **STORM WATER DRAINAGE.** The commission may plan, project, construct and maintain storm sewers, works and facilities for the collection, transmission, treatment, disposal or recycling of storm water effluent to the extent such is permitted for sewage.

(8) **SOLID WASTE MANAGEMENT.** The district may engage in solid waste management and shall for such purposes have all powers granted to county boards under s. 59.70 (2), except acquisition of land by eminent domain, if each county board having jurisdiction over areas to be served by the district has adopted a resolution requesting or approving the involvement of the district in solid waste management. County board approval shall not be required for the management by the district of such solid wastes as are contained within the sewage or storm water transmitted or treated by the district or as are produced as a by-product of sewerage treatment activities.

(9) **EXTRATERRITORIAL SERVICE BY CONTRACT.** A district may provide service to territory outside the district, including territory in a county not in that district, under s. 66.0301, subject to ss. 200.01 to 200.15 and 200.45, except that s. 200.09 (1) does not require the appointment of a commissioner from that territory.

**History:** 1971 c. 276; Sup. Ct. Order, 67 Wis. 2d 585, 774 (1975); 1975 c. 425; 1977 c. 29 s. 1654 (8) (c); 1977 c. 379 s. 33; 1981 c. 282 s. 47; 1987 a. 399; 1995 a. 27 s. 9126 (19); 1995 a. 201; 1999 a. 150 s. 320; Stats. 1999 s. 200.11; 2007 a. 20 s. 9121 (6) (a).

Sub. (5) (c) does not exempt a sewerage district from the requirements of s. 30.12. *Cassidy v. DNR*, 132 Wis. 2d 153, 390 N.W.2d 81 (Ct. App. 1986).

**200.13 Financing.** (1) **SPECIAL ASSESSMENT.** (a) The commission may make a special assessment against property which is served by an intercepting or main sewer or any other appropriate facility at any time after the commission votes, by resolution recorded in the minutes of its meeting, to construct the intercepting or main sewer or any other appropriate facility, either before or after the work of constructing the sewer or other appropriate facility is done.

(b) The commission shall view the premises and determine the amount properly assessable against each parcel of land and shall make and file, in their office, a report and schedule of the assessment so made, and file a duplicate copy of the report and schedule in the office of the clerk of the town, village or city wherein the land is situated.

(c) The commission shall give notice that the report and schedule are on file in its office and in the office of the clerk of the town, village or city in which the land is situated, and that the notice will remain in those offices for a period of 10 days after the date on which the notice is issued; that on the date named in the notice,

which shall not be more than 3 days after the expiration of the 10 days, the commission will be in session at its office, the location of which shall be specified in the notice, to hear all objections to the report.

(d) The notice shall be published as a class 2 notice, under ch. 985, and a copy of the notice shall be mailed at least 10 days before the hearing or proceeding to every interested person whose post-office address is known, or can be ascertained with reasonable diligence.

(e) No irregularity in the form of the report, nor of such notice, shall affect its validity if it fairly contains the information required to be conveyed thereby.

(f) At the time specified for hearing objections to the report, the commission shall hear all parties interested who may appear for that purpose.

(g) The commission may at the meeting, or at an adjourned meeting, confirm or correct the report, and when the report is so confirmed or corrected, it shall constitute and be the final report and assessment against such lands.

(h) When the final determination has been reached by the commission it shall publish a class 1 notice, under ch. 985, that a final determination has been made as to the amounts assessed against each parcel of real estate.

(i) The owner of any parcel of real estate affected by the determination and assessments may, within 20 days after the date of such determination, appeal to the circuit court of the county in which the land is situated, and s. 66.0703 (12) shall apply to and govern such appeal, however the notice therein required to be served upon the city clerk shall be served upon the district, and the bond therein provided for shall be approved by the commission and the duties therein devolving upon the city clerk shall be performed by the president of the commission.

(j) The commission may provide that the special assessment may be paid in annual installments not more than 10 in number, and may, for the purpose of anticipating collection of the special assessments, and after said installments have been determined, issue special improvement bonds payable only out of the special assessment, and s. 66.0713 shall apply to and govern the installment payments and the issuance of said bonds, except that the assessment notice shall be substantially in the following form:

#### INSTALLMENT ASSESSMENT NOTICE

Notice is hereby given that a contract has been (or is about to be) let for (describe the improvements) and that the amount of the special assessment therefor has been determined as to each parcel of real estate affected thereby, and a statement of the same is on file with the commission; that it is proposed to collect the same in .... installments, as provided by s. 66.0713, with interest thereon at ....% per year; that all assessments will be collected in installments, as above provided, except such assessments as the owners of the property shall, within 30 days from the date of this notice, file with the commission a statement in writing that they elect to pay in one installment, in which case the amount of the installment shall be placed upon the next ensuing tax roll.

(k) The installment assessment notice shall be published as a class 1 notice, under ch. 985.

(L) The commission shall, on or before October 1 in each year, certify in writing to the clerks of the several cities, towns or villages, the amount of the special assessment against lands located in their respective city, town or village for the ensuing year. Upon receipt of such certificate the clerk of each such city, town or village shall forthwith place the same on the tax roll to be collected as other taxes and assessments are collected. Such moneys when collected shall be paid to the treasurer of the district. The provisions of law applicable to the collection of delinquent taxes upon real estate, including sale of lands for nonpayment of taxes, shall apply to and govern the collection of the special assessments and the collection of general taxes levied by the commission.

(m) Section 66.0703 (14) shall be applicable to assessments made under this section.

(n) The commission may provide for a deferred due date on the levy of the special assessment as to real estate which is in agricultural use or which is otherwise not immediately to receive actual service from the sewer or other facility for which the assessment is made. Such assessments shall be payable as soon as such lands receive actual service from the sewer or other facility. Any such special assessments shall be a lien against the property from the date of the levy. For the purpose of anticipating collection of special assessments for which the due date has been deferred, the commission may issue special improvement bonds payable only out of the special assessments. Section 66.0713 shall apply to and govern the issuance of bonds, except that the assessment notice shall be substantially in the following form:

#### DEFERRED ASSESSMENT NOTICE

Notice is hereby given that a contract has been (or is about to be) let for (describe the improvements) and that the amount of the special assessment therefor has been determined as to each parcel of real estate affected thereby, and a statement of the same is on file with the commission. It is proposed to collect the same on a deferred basis consistent with actual use of the improvements. All assessments will be collected in installments, as above provided, except such assessments for which the owners of the property, within 30 days from the date of this notice, file with the commission a statement in writing that they elect not to have the due date deferred, in which case the amount of the levy shall be placed upon the next ensuing tax roll.

(2) **TAX LEVY.** The commission may levy a tax upon the taxable property in the district as equalized by the department of revenue for state purposes for the purpose of carrying out and performing duties under this subchapter but the amount of any such tax in excess of that required for maintenance and operation and for principal and interest on bonds or promissory notes shall not exceed, in any one year, one mill for each dollar of the district's equalized valuation, as determined under s. 70.57. The tax levy may be spread upon the respective real estate and personal property tax rolls of the city, village and town areas included in the district taxes, and shall not be included within any limitation on county or municipality taxes. Such moneys when collected shall be paid to the treasurer of such district.

(3) **SERVICE CHARGES.** (a) The commission may establish service charges in such amount as to meet all or part of the requirements for the construction, reconstruction, improvement, extension, operation, maintenance, repair and depreciation of functions authorized by this subchapter, and for the payment of all or part of the principal and interest of any indebtedness incurred thereof.

(b) The district may charge to the state, county or municipality the cost of service rendered to any state institution, county or municipality.

(4) **BORROWING.** A district under this subchapter may borrow money and issue municipal obligations under ss. 66.0621 and 66.0713 and ch. 67.

(5) **BORROWING; TAX COLLECTION.** After the issue of any municipal obligation under ch. 67, the commission shall, on or before October 1 in each year, certify in writing to the clerks of the several cities, villages or towns having territory in the district, the total amount of the tax to be raised by each such municipality, and upon receipt of such certificate the clerk of each such municipality shall place the same on the tax roll to be collected as other taxes are collected, and such moneys, when collected, shall be paid to the treasurer of the district.

(12) **EXEMPTION FROM LEVIES.** Lands designated as permanent open space, agricultural protection areas or other undeveloped areas not to be served by public sanitary sewer service in plans adopted by a regional planning commission or other area-wide planning agency organized under s. 66.0309 and approved by the board of supervisors of the county in which the lands are located

shall not have property taxes, assessments or service charges levied against them by the district.

(13) **APPLICATION OF OTHER LAWS.** Section 66.0821 shall apply to all districts now or hereafter organized and operating under this subchapter.

**History:** 1971 c. 276; 1973 c. 172; 1977 c. 26; 1979 c. 110 s. 60 (13); 1981 c. 314; 1983 a. 24, 27, 207, 294, 538; 1987 a. 197, 403; 1993 a. 246; 1999 a. 150 s. 321; Stats. 1999 s. 200.13; 2017 a. 365 s. 111.

A metropolitan sewerage district cannot collect a service charge against a vocational school district. *Green Bay Metropolitan School District v. VTAE District 13*, 58 Wis. 2d 628, 207 N.W.2d 623 (1973).

**200.15 Addition of territory.** Territory not originally within a district may be added thereto in the following ways:

(1) (a) Except as provided in par. (b), upon receipt by the commission, and the regional planning commission of the region within which the district or the greatest portion of the district is located, of official notice from the city, village, or town sanitary district for any of the following territories:

1. Territory that is annexed to a city or village that is located entirely within the original district prior to the annexation.

2. Territory that is added to a town sanitary district under s. 60.785 (1) that is located entirely within the original district prior to the addition.

3. Territory that is annexed or attached to a city or village or added to a town sanitary district under s. 60.785 (1) if a portion of the city, village, or town sanitary district is located within a district that contains a 2nd class city with a population of 200,000 or more.

(b) If, within 30 days after receipt of a notice under par. (a), the regional planning commission files with the commission a written objection to any part of the annexation or addition or the commission issues a written determination disapproving the addition of the territory, the territory proposed to be added or annexed under this subsection may be added or annexed only under sub. (2).

(c) Failure of the commission to disapprove the addition of the territory under this subsection is subject to review under ch. 227.

(2) Proceedings leading to the addition of other territory to a district may be initiated by petition from a municipal governing body or upon motion of the commission. Upon receipt of the petition or upon adoption of the motion, the commission shall hold a public hearing preceded by a class 2 notice under ch. 985. The commission may approve the annexation upon a determination that the standards of ss. 200.05 (4) (b) and (c) and 200.15 (3) are met. Approval actions by the commission under this section shall be subject to review under ch. 227.

(3) Annexations under subs. (1) and (2) may be subject to reasonable requirements as to participation by newly annexed areas toward the cost of existing or proposed district facilities.

(4) Section 200.09 (1) does not require the appointment of a commissioner from territory annexed under this section if that territory, on the day before the annexation, has a population of less than 8.5 percent of the total population served by the district.

**History:** 1971 c. 276; 1987 a. 399; 1991 a. 39; 1999 a. 150 s. 322; Stats. 1999 s. 200.15; 2015 a. 55.

## SUBCHAPTER II

### DISTRICTS INCLUDING 1ST CLASS CITIES

**200.21 Definitions.** In this subchapter:

(1) "Capital costs" means the cost of acquiring, purchasing, adding to, leasing, planning, designing, constructing, extending and improving all or any part of a sewerage system and of paying principal, interest or premiums on any indebtedness incurred for these purposes.

(2) "Combined sewer overflow abatement" means decreasing discharges of a combination of storm and sanitary wastewater or storm and industrial wastewater directly or indirectly to the waters of the state that occur when the volume of wastewater flow

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE CITY OF LA CRESCENT, MINNESOTA AND  
THE CITY OF ONALASKA, WISCONSIN REGARDING SEWER SERVICES**

The City of La Crescent, Minnesota (“La Crescent”) and the City of Onalaska, Wisconsin (“Onalaska”) do hereby enter into this Memorandum of Understanding related to sewer services.

**RECITALS**

- A. Onalaska and La Crescent each contract with the City of La Crosse, Wisconsin sanitary sewer utility for treatment and disposal of their sanitary sewer waste (the “Utility”).
- B. The Onalaska contract for Sanitary Sewer Services has been extended to December 31, 2019.
- C. The La Crescent contract for Sanitary Sewer Services runs through 2028.
- D. La Crescent desires to expand the sanitary sewer district to allow development of a subdivision.
- E. Onalaska desires to enter into a long term arrange for sanitary sewer services.
- F. Onalaska and La Crescent have discussed Onalaska forming a metropolitan sewerage district in La Crosse County which would encompass the Utility’s entire sanitary sewer district.
- G. Onalaska and La Crescent enter into this Memorandum of Understanding with respect to Onalaska’s intent that La Crescent would be included within an metropolitan sewer district upon approval by the governors of both Wisconsin and Minnesota.

**AGREEMENT**

- 1. Onalaska and La Crescent will jointly work towards the sanitary sewer services within the Coulee Region.
- 2. Onalaska and La Crescent will use good faith efforts to form and allow La Crescent either membership or contractual rights in the metropolitan sewer district serving the Coulee Region.
- 3. Onalaska and La Crescent have not made representations or covenants to each other with respect to sewer services other than those made in this Memorandum of Understanding.

CITY OF ONALASKA

CITY OF LA CRESCENT

By: \_\_\_\_\_  
Name: Joe Chilsen  
Title: Mayor

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: Caroline Burmaster  
Title: City Clerk

DRAFT

CITY OF ONALASKA  
2019 APPLICATION DEADLINES  
AND CITY MEETING SCHEDULE

**Subdivision Review/Rezoning/Conditional Use Permits/Annexations**

Application Submittal Deadline (approximately 9 working days prior to Plan Sub meeting date)	Plan Commission Sub-Committee Meeting (4:30 P.M.)	Plan Commission Meeting (7:00 P.M.)	Common Council Meeting (7:00 P.M.)
November 19, 2018	December 11, 2018	December 18, 2018	January 8, 2019
December 19, 2018	January 8, 2019	January 22, 2019	February 12, 2019
January 30	February 12	February 26	March 12
February 27	March 12	March 26	April 9
March 27	April 9	April 23	May 14
May 1	May 14	May 28	June 11
May 29	June 11	June 25	July 9
June 25	July 9	July 23	August 13
July 31	August 13	August 27	September 10
August 27	September 10	September 24	October 8
September 25	October 8	October 22	November 12
October 30	November 12	November 19	December 10
November 18	December 10	December 17	January 14, 2020
December 16	January 14, 2020	January 28, 2020	February 11, 2020

All applications should be accompanied by a scaled site plan along with any additional information as requested on the application. Site plans must be submitted to City staff for review five (5) working days in advance of the initial Plan Commission Sub-Committee Meeting.

IMPORTANT NOTES:

Building and Occupancy Permits are subject to the completion of Conditions of Approval for the above permits. Make sure you review the approved conditions carefully so that your permit process is efficient.

Rezoning and Annexation requests require referral to the City’s Judiciary Committee and publishing. This process requires additional review time beyond the final approval by the Common Council, with an approximate timeline of 4-5 months.

Conditional Use Permits are determined by the Plan Commission. If the Plan Commission should deny a Conditional Use Permit, the applicant may appeal to the Common Council for consideration.

Please contact the Planning and Zoning Department at (608) 781-9590 if you have any questions.

CITY OF ONALASKA  
MEETING SCHEDULE - 2019

**Community Development Authority**

<b>Community Development Authority Meetings</b>
<b>Wednesdays @ 4:00 P.M.</b>
January 9 <sup>th</sup>
February 13 <sup>th</sup>
March 13 <sup>th</sup>
April 10 <sup>th</sup>
May 15 <sup>th</sup>
June 12 <sup>th</sup>
July 10 <sup>th</sup>
August 14 <sup>th</sup>
September 11 <sup>th</sup>
October 9 <sup>th</sup>
November 13 <sup>th</sup>
December 11 <sup>th</sup>

Note: Meetings will occur on the Wednesday after the second Tuesday of the month.  
Additional meetings may be needed throughout the year and will be scheduled accordingly.

#15-A

# DECODING THE DRIFTLESS

A FILM OF SCIENCE EXPLORATION AND ADVENTURE BY



UNTAMED SCIENCE



SUSTAINABLE DRIFTLESS THE UNTAMED SCIENCE PRESENTS A FILM BY  
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JOHN KJOMI, SCOTT LEEDY, ROB NELSON, KATHY O'CONNOR, KENDRA PEDNADT,  
TOM PRESTBY, AMY REIS, MIKE VAN SICKLEN, JUNAS STENSTRÖM,  
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