

**INTERGOVERNMENTAL COOPERATION AGREEMENT  
BETWEEN THE CITY OF MILWAUKEE  
AND THE CITY OF WAUKESHA**

This Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the City of Milwaukee, a municipal corporation (“Milwaukee”), and the City of Waukesha, a municipal corporation (“Waukesha”).

WHEREAS, Milwaukee, operating as a public water utility, and Waukesha, operating as a public water utility, executed an agreement as of the \_\_\_\_ day of \_\_\_\_\_, 2017 for the sale of water by Milwaukee to Waukesha at wholesale, which agreement is entitled Agreement Between the City of Milwaukee and the City of Waukesha for the Purchase of Water at Wholesale (“Water Service Agreement”); and

WHEREAS, in a Final Decision dated June 21, 2016 (“Final Decision”), the Great Lakes-St. Lawrence River Basin Water Resources Council approved Waukesha’s application for an exception to allow a diversion of Great Lakes water from Lake Michigan, subject to conditions contained in the Final Decision; and

WHEREAS, the Final Decision established and defined the “Approved Diversion Area” permitted to be served with water from Lake Michigan; and

WHEREAS, pursuant to the Water Service Agreement, Milwaukee will serve water to the area identified as the Approved Diversion Area; and

WHEREAS, a map of the Approved Diversion Area is found in Exhibit A to this Agreement and is identical to the map of the Service Area delineated in the Water Service Agreement; and

WHEREAS, in consideration of the extension of water service to the Approved Diversion Area, Waukesha has agreed to enter into this Agreement to compensate Milwaukee for the value of Milwaukee water to Waukesha’s residents and businesses within the Approved Diversion Area; and

WHEREAS, Milwaukee and Waukesha have a shared interest in furthering the public health of each community’s residents by reducing exposure to contaminants in drinking water; and

WHEREAS, Waukesha has authorized its proper City officials to enter into this Agreement pursuant to Resolution Number \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_; and

WHEREAS, Milwaukee has authorized its proper City officials to enter into this Agreement pursuant to Common Council Resolution Number 171127, dated November 30, 2017; and

WHEREAS, Wisconsin Statute § 66.0301 authorizes municipalities to contract with each other for the receipt or furnishing of services.

NOW, THEREFORE, In consideration of the mutual promises contained herein and for other good and valuable consideration, the parties agree as follows:

**ARTICLE I**  
**AGREEMENT ON BEHALF OF WAUKESHA**

A. In partial consideration of Milwaukee's agreement to extend water service to the Approved Diversion Area, and apart from and in addition to any obligations under the Water Service Agreement, Waukesha agrees to pay to Milwaukee a one-time Infrastructure Enhancement Payment of \$2.5 million payable by January 31, 2020. The parties expressly recognize that the Infrastructure Enhancement Payment shall not be considered tax receipts or revenues of Milwaukee's water utility. Milwaukee shall deposit the payment into the City of Milwaukee general fund.

B. If the Great Lakes Compact Council approves an adjustment of volume or service area under Sec. IV.E of the Water Service Agreement, Waukesha shall pay Milwaukee an additional Infrastructure Enhancement Payment in the amount of \$250,000 for the volume of water exceeding 8.2 MGD and up to 8.5 MGD before the Water Service Agreement is amended to incorporate the adjusted volume or service area.

**ARTICLE II**  
**AGREEMENT ON BEHALF OF MILWAUKEE**

A. It is expressly understood by the parties that, notwithstanding approval of the Water Service Agreement by the Public Service Commission of Wisconsin, Milwaukee's obligation to provide water service to the Approved Diversion Area is contingent upon the receipt of the Infrastructure Enhancement Payment.

B. It is expressly understood by the parties that this Agreement creates no obligation on the part of Milwaukee to provide water service at any time to any portion of Waukesha County that is not a part of the Approved Diversion Area, except in accordance with Section IV of the Water Service Agreement.

**ARTICLE III**  
**AGREEMENT ON BEHALF OF BOTH PARTIES**

A. Both parties agree that economic development generates local and regional benefits. In order to achieve local and regional economic development benefits, both parties agree to abide by the Code of Ethics adopted by the Milwaukee 7 on November 29, 2006 and attached as Exhibit B.

B. Both parties agree to hold an annual meeting with designees of both communities' mayors to discuss opportunities to collaborate on city services and to improve the availability of skilled workers in both communities and to improve the access of workers in each community to job opportunities.

C. Both parties agree that neither party shall take any action to solicit businesses to relocate from the City of Milwaukee to the City of Waukesha, or from the City of Waukesha to the City of Milwaukee.

**ARTICLE IV  
TERM**

This Agreement shall become effective upon execution by the parties and shall run concurrently with the term of the Water Sale Agreement.

**ARTICLE V  
AMENDMENT**

This Agreement may be amended at any time in writing upon mutual agreement of the parties.

**ARTICLE VI  
NOTICES**

All notices to be given by the parties shall be in writing and served by personal delivery, facsimile or United States mail, first class, postage prepaid, addressed as follows:

If to: City of Milwaukee

Commissioner of Public Works  
City of Milwaukee  
841 N. Broadway, Room 501  
Milwaukee, WI 53202

If to: City of Waukesha

General Manager  
Waukesha Water Utility  
P.O. Box 1648  
Waukesha, WI 53187-1648

**ARTICLE VII  
ENTIRE AGREEMENT**

With the exception of the terms of the Water Service Agreement, this Agreement sets forth all the covenants, provisions, agreements, conditions and understandings between the parties and there are no covenants, promises, agreements, conditions or understandings either oral or written other than are herein set forth.

**ARTICLE VIII  
COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall constitute an original and all of which shall constitute one and the same Agreement.

In Witness Whereof, The parties hereto have executed this Agreement the day and year first above written.

IN THE PRESENCE OF:

CITY OF MILWAUKEE,

\_\_\_\_\_

\_\_\_\_\_  
Mayor

\_\_\_\_\_

\_\_\_\_\_  
City Clerk

COUNTERSIGNED:

\_\_\_\_\_

\_\_\_\_\_  
City Comptroller

Approved as to form, execution, and content  
this \_\_\_\_ day of \_\_\_\_\_, 201\_.

\_\_\_\_\_

Assistant City Attorney

IN THE PRESENCE OF:

CITY OF WAUKESHA,

\_\_\_\_\_

\_\_\_\_\_  
Mayor

\_\_\_\_\_

\_\_\_\_\_  
City Clerk

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