

**RECIPROCAL EMERGENCY WATER SERVICE AGREEMENT
BETWEEN THE CITY OF MILWAUKEE
AND THE OAK CREEK WATER AND SEWER UTILITY**

This agreement, made as of the _____ day of _____, 2008 by and between the City of Milwaukee, operating as a water public utility ("Milwaukee") and the Oak Creek Water and Sewer Utility ("Oak Creek").

WHEREAS, Milwaukee and Oak Creek desire to enter into an agreement for emergency water service; and

WHEREAS, Milwaukee and Oak Creek are agreeable to providing such emergency water service upon expressed conditions; now, therefore, in consideration of the mutual covenants of the parties hereto,

IT IS AGREED, as follows:

1. Milwaukee and Oak Creek agree to furnish emergency water service if and when the following conditions occur:

That such emergency is of such nature and duration as to justify a demand by either city to have water furnished to it at wholesale by the other with the reservation that the city furnishing the water shall determine whether such an emergency actually exists and whether the city has the ability to provide emergency water service. The word "emergency" as herein used shall mean an occurrence, which results from an equipment or main failure and the consequential decrease in water available for distribution by either city to its customers. It shall not include insufficient water available where such a situation results from insufficient plant capacity, inadequate storage facilities, or some other occurrence of a similar kind.

2. For such emergency service Oak Creek agrees to pay to Milwaukee or Milwaukee agrees to pay to Oak Creek, depending upon which municipality requested the emergency service, the commodity charge set forth in this paragraph. The commodity charge shall be calculated using the maximum Standby Service volume charge established in the current Milwaukee Water Works' rate order issued by the Public Service Commission of Wisconsin. Because this is a reciprocal agreement, there is no Standby Service standby charge.

3. Such emergency water service will be furnished from an underground 12" water main connection located in South 13th Street at approximately 100 feet south of West Zellman Court. Under normal operations of both utilities, the connection between the cities of Milwaukee and Oak Creek shall be closed at all times by means of a "bell capped" City of Milwaukee valve. The valve shall be located within the City of

Milwaukee at the City Limits line. The valve shall be owned, maintained, and operated by the Milwaukee Water Works. All infrastructure leading west from this valve to the existing City of Milwaukee water main shall be owned and maintained by the City of Milwaukee. All infrastructure leading east from the valve to the City of Oak Creek shall be owned and maintained by the City of Oak Creek Water and Sewer Utility.

4. The flushing, testing and operation of the connection between the utilities shall be done in a mutually accepted and coordinated procedure in order to reduce the possibility of any adverse water hammer or water quality impacts.

5. This Agreement shall operate for a period of ten years from the effective date and shall automatically renew for subsequent ten-year terms. A party wishing to not renew this Agreement at the conclusion of the initial term or any ten-year term must submit a written notice of non-renewal at least six months prior to the date that the Agreement would otherwise automatically renew. The party to whom a notice of non-renewal is submitted shall acknowledge receipt of the notice in writing within 30 days of the date of the notice.

6. Termination of this Agreement at any time other than renewal requires the mutual consent of both parties. A party shall give or withhold its consent in writing within 90 days of being formally requested to give its consent.

7. The parties agree to act in good faith and use due diligence in meeting their respective obligations under this Agreement.

8. Oak Creek and Milwaukee shall each pay all costs, charges, fees, and expenses incidental to construction, maintenance, and operation of its own water distribution system at the emergency connection and related mains, valves and hydrants.

9. It is agreed by and between the parties that this Agreement does not constitute a "holding out" of water service by Milwaukee or Oak Creek for any other purpose or any other area and is expressly limited to the subject matter set forth in this Agreement. It is also agreed by and between the parties that no water shall be sold at wholesale or retail by Oak Creek to any present customer of Milwaukee unless approved, in writing, by the Milwaukee Water Works. It is also agreed by and between the parties that no water shall be sold at wholesale or retail by Milwaukee to any present customer of Oak Creek unless approved in writing by the Oak Creek Water and Sewer Utility.

10. This Agreement is subject to the approval of the Common Council of the City of Milwaukee and the Oak Creek Water and Sewer Utility Commission, and after execution by both parties, Milwaukee shall file a copy of the Agreement with the Public Service Commission.

11. The effective date of this Agreement shall be the date upon which the Public Service Commission acknowledges the Agreement in such manner as the Public Service Commission shall deem appropriate.

12. This Agreement shall be governed by, construed, and enforced under and in accordance with the laws of the State of Wisconsin.

13. This Agreement may be executed in counterparts, which together shall constitute a single contract.

14. If the parties are unable to resolve a dispute over the terms and conditions of this Agreement, either party may request in writing that the matter be submitted for determination by an arbitrator. A party shall give or withhold its consent in writing within 90 days of being formally requested to give its consent. Upon mutual consent of both parties to proceed, the parties shall appoint one arbitrator. If the parties cannot agree on the arbitrator, the arbitrator shall be selected by a judge in a court of competent jurisdiction. The arbitrator may hold such hearings and require such briefs as the arbitrator determines to be necessary. The arbitrator shall issue a written decision within 15 business days of the final hearing or the final submission of any material requested by the arbitrator. The decision of the arbitrator shall be binding upon Milwaukee and Oak Creek. The cost of arbitration shall be equally shared and paid by Milwaukee and Oak Creek.

15. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto, but neither this Agreement nor any of the rights, interests, or obligations hereunder shall be assigned by either of the parties hereto without the prior written consent of the other party.

16. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested to the following addresses:

If to Oak Creek:
Oak Creek Water and Sewer Utility
Attention: General Manager
170 West Drexel Avenue
Oak Creek, WI 53154

If to Milwaukee:
Milwaukee Water Works
Attn: Superintendent
841 N. Broadway, Room 409
Milwaukee, WI 53202

17. This Agreement constitutes the entire Agreement between the parties and supersedes all other agreements between the parties for the provision of emergency water service.

Dated at Milwaukee, Wisconsin this _____ day of _____, 2008.

IN THE PRESENCE OF:

CITY OF MILWAUKEE, operating as a
Public Water Utility

Mayor

City Clerk

COUNTERSIGNED:

City Comptroller

IN THE PRESENCE OF:

OAK CREEK WATER AND SEWER
UTILITY

Michael J. Sells

Gerald H. Welle
Chairman

Michael J. Sells

Fredrick R. Siepert
Secretary