

State of Wisconsin's November 15, 2005 Tributaries Only Draft Settlement Stipulation

STATE OF WISCONSIN

CIRCUIT COURT
BRANCH _____

MILWAUKEE COUNTY

STATE OF WISCONSIN,

Plaintiff,

Case No. 2005-CX-000013

v.

Complex Forfeiture: 30109

MILWAUKEE METROPOLITAN SEWERAGE DISTRICT,
VILLAGE OF BAYSIDE, VILLAGE OF BROWN DEER,
CITY OF MILWAUKEE, VILLAGE OF ELM GROVE,
VILLAGE OF FOX POINT, VILLAGE OF HALES CORNERS,
VILLAGE OF BUTLER, CADDY VISTA SANITARY DISTRICT,
CITY OF FRANKLIN, VILLAGE OF GERMANTOWN,
CITY OF GLENDALE, VILLAGE OF GREENDALE,
CITY OF GREENFIELD, VILLAGE OF MENOMONEE FALLS,
CITY OF MEQUON, COUNTY OF MILWAUKEE,
CITY OF MUSKEGO, CITY OF NEW BERLIN,
CITY OF OAK CREEK, VILLAGE OF RIVER HILLS,
CITY OF ST. FRANCIS, VILLAGE OF SHOREWOOD,
VILLAGE OF THIENSVILLE, VILLAGE OF WEST MILWAUKEE,
CITY OF CUDAHY, CITY OF WEST ALLIS,
VILLAGE OF WHITEFISH BAY, CITY OF WAUWATOSA,
and CITY OF BROOKFIELD,

Defendants.

STIPULATION AND ORDER FOR JUDGMENT

STIPULATION

WHEREAS, the Plaintiff State of Wisconsin has filed a civil complaint in this matter against the Defendants in which they are alleged to have violated certain water pollution

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control laws at various sanitary sewer and combined sewer outfall locations in Milwaukee County, Wisconsin,

WHEREAS, the Tributaries (as hereinafter defined) have made substantial efforts since 2002 to improve water quality in the Milwaukee metropolitan area, as shown on Exhibit A¹ attached hereto, by reducing infiltration and inflow and upgrading sewer systems, and

WHEREAS, the City of Milwaukee intends to continue implementing and enforcing Chapter 120 (Storm Water Management) of the City of Milwaukee's Code of Ordinances, and Chapter 13 of the Milwaukee Metropolitan Sewerage District's Rules and Regulations within the combined sewer area for both new developments and redevelopments, and intends to allow all property owners within its jurisdiction to disconnect roof drains from the combined sewer system on the condition they take steps to prevent flooding and safety hazards, and intends to continue its work on demonstration projects involving the disconnection of such roof drains, all of which measures are expected to reduce the future incidence of combined sewer overflows ("CSOs"),

WHEREAS, the Village of Shorewood, in addition to past actions it has taken to reduce peak flows in the combined sewers during heavy rain fall events to reduce surcharging, intends to continue implementing and enforcing Article 3(B) of Chapter 9 of the Shorewood Village Code for stormwater management for both new developments and redevelopments, intends to continue implementing an extensive downspout disconnection

¹ Please note that the Plaintiff will need to see and approve Exhibit A before signing the stipulation.

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project, and intends to continue promoting the construction of rain gardens and the installation of rain barrels in the combined sewer area, all of which are expected to reduce the incidence of CSOs, and

WHEREAS, the State believes that, due to the unique circumstances of this case, including the Tributaries' implementation of the remedial measures described herein, this Stipulation is consistent with the missions of all parties to meet the requirements of the Federal and State Clean Water Acts, including the elimination of sanitary sewer overflows ("SSOs") and the further reduction of CSOs without the imposition of penalties against the Tributaries for the past violations alleged in the complaint, and

WHEREAS, the Plaintiff and the Tributaries desire and intend to resolve the litigation between them by stipulation, without a judicial resolution of the allegations in the complaint and without resolving the litigation pending between the Plaintiff and the Defendant Milwaukee Metropolitan Sewerage District (hereinafter "MMSD"),

NOW, THEREFORE, the Plaintiff and the Tributaries enter into this stipulation and hereby agree as follows:

GENERAL PROVISIONS

1. The parties to this stipulation are the Plaintiff State of Wisconsin and the Defendants the Village of Bayside, the Village of Brown Deer, the City of Milwaukee, the Village of Elm Grove, the Village of Fox Point, the Village of Hales Corners, the Village of Butler, the Caddy Vista Sanitary District, the City of Franklin, the Village of Germantown, the City of Glendale, the Village of Greendale, the City of Greenfield, the

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Village of Menomonee Falls, the City of Mequon, the County of Milwaukee, the City of Muskego, the City of New Berlin, the City of Oak Creek, the Village of River Hills, the City of St. Francis, the Village of Shorewood, the Village of Thiensville, the Village of West Milwaukee, the City of Cudahy, the City of West Allis, the Village of Whitefish Bay, the City of Wauwatosa, and the City of Brookfield. Hereinafter in this Stipulation these Defendants, *i.e.*, all Defendants other than MMSD, may be referred to collectively as the "Tributaries" or individually as "Tributary." This Stipulation shall apply only to that territory served by MMSD at any time during the term of this Stipulation. The Tributaries and the State of Wisconsin are collectively referred to herein as the "Parties" and individually as a "Party."

2. This stipulation confirms the Tributaries' commitment to the goal of eliminating SSOs according to the requirements of the Federal Water Pollution Control Act ("Act"), 33 U.S.C. § 1251, *et seq.*, and federal implementing rules, and according to the requirements of the Wisconsin Clean Water Act, Wis. Stat. § 283.01, *et seq.*, and state implementing regulations.

3. The Parties agree that nothing in this Stipulation shall be construed to extend the applicability of the stipulation previously entered on May 29, 2002, in the Milwaukee County Circuit Court case entitled *State of Wisconsin v. Milwaukee Metropolitan Sewerage District*, Case No. 02-CV-2701 (hereinafter the "2002 Stipulation") between MMSD and the State to the Tributaries in the present action.

4. This Stipulation and judgment as approved by the Court shall apply to and be binding on the parties and on the successors and assigns of the parties.

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5. Compliance by a Tributary with its obligations under this Stipulation shall constitute full compromise, settlement and satisfaction of all of the Tributary's (including its predecessors, successors, and all current and former officers, directors, employees, trustees, and agents) civil, administrative and criminal liability for the violations alleged against it in the complaint, or for violations the Plaintiff knew or should have known about based on documented information as of the date the Stipulation is approved by the Court. Except for matters covered by this Stipulation, nothing herein relieves the Tributaries of their responsibilities to comply with any federal, state, or local law, regulation or permit. A Tributary's payment of a stipulated penalty for a non-exempt SSO during the term of this Stipulation, as provided for by paragraph 33* of this Stipulation, shall constitute full compromise, settlement and satisfaction of all of that Tributary's civil, administrative and criminal liability for such violation.

6. As between the Tributaries:

- a. Each Tributary hereby agrees to release each other settling Tributary from any and all claims, including claims for contribution, that it may have against another Tributary arising out of the 2004 events complained of by the Plaintiff (hereinafter the "Contribution Release"); and
- b. Each Tributary shall be liable for its own obligations, actions, and omissions under this Stipulation and nothing contained herein shall be construed to make one settling Tributary liable for the obligations, actions, or omissions of any other settling Tributary.

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7. Nothing in this Stipulation shall be construed to limit the authority of the Plaintiff to undertake any action for injunctive relief against any person, including any Tributary, in response to non-weather or climate-related conditions not addressed or anticipated in the complaint or this Stipulation and which present an imminent and substantial endangerment to the public health, welfare or the environment. Nothing in this paragraph waives any rights of the Tributaries to assert defenses under applicable law in the event the Plaintiff seeks injunctive relief pursuant to this paragraph in the future.

8. For purposes of this Stipulation the term "sanitary sewer overflow" (SSO) means a discharge of sewage to waters of the state from a sanitary sewerage collection system, owned or operated by one of the Tributaries or a sewerage system (as defined in Wis. Stat. § 200.21(11)) owned or operated by MMSD. Each point at which such discharge occurs shall be deemed a separate SSO, and each calendar day on which an SSO occurs or continues from a specific point shall be deemed a separate SSO.

9. For purposes of this Stipulation the terms "infiltration," "inflow" and "infiltration/inflow" (or "I/I") shall have the meanings indicated in Wis. Admin. Code § NR 110.03(14), (16) and (17).

10. This Stipulation shall not be modified except by written agreement of all Parties affected by the modification and approval by the Court.

11. Nothing in this Stipulation shall waive the Tributaries' rights under Wis. Stat. § 806.07. The Parties specifically agree that the subsequent enactment of federal or state legislation which significantly impairs the Tributaries' financial ability to meet their

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obligations under this Stipulation in light of all of their other governmental responsibilities (hereinafter "Financial Impairment") shall be a sufficient basis for a court to entertain a motion to reopen the judgment under Wis. Stat. § 806.07. Financial Impairment, however, shall not automatically vacate this Stipulation, but instead shall entitle the Tributaries to such relief as the court may order or the Parties may agree is appropriate in light of the Financial Impairment.

12. Specific requirements in existing individual WPDES permits take precedence over requirements otherwise applicable to all Tributaries in this Stipulation. Nothing in this Stipulation prohibits the Wisconsin Department of Natural Resources ("DNR") from issuing, amending or modifying the terms of a WPDES permit applicable to any Defendant, as required or permitted by state and federal law, or as subject to requirements for public notice and comment. However, no permit may be issued, amended, or modified by DNR that will avoid, alter, or otherwise amend the requirements of this Stipulation or the DNR approved MMSD 2020 Facilities Plan.

13. The Court has jurisdiction over the parties and the subject matter of this action and shall retain such jurisdiction to enforce the terms of this Stipulation and order for judgment until the Stipulation terminates.

14. This Stipulation embodies the complete and exclusive agreement and understanding between the Parties as to the resolution of the claims alleged in the complaint. Except as may be expressly stated within this Stipulation, no other meanings or interpretations of terms in the agreement, or obligations or promises by a party, are to

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be inferred by reference to any other oral or written statements by the Parties or their representatives.

PUBLIC COMMENT

15. The parties to this Stipulation believe it to be fair, reasonable and adequate and presently intend to request that the Court enter the proposed order for judgment approving the stipulation. The parties to this Stipulation also agree, however, that the Court should defer entering an order for judgment approving the Stipulation for a period of at least thirty days after the Stipulation is filed and published so that the public may review and comment upon the terms of the Stipulation. The Plaintiff shall publish a Class I notice in the official newspaper of the State of Wisconsin describing the filing of this Stipulation, the availability of the Stipulation for review, and the opportunity to file comments. During that thirty-day comment period the Plaintiff will accept and consider written comments regarding the Stipulation and thereafter file those written comments with the Court and provide copies to the Tributaries forthwith. In addition to filing this Stipulation with the Court, the Plaintiff shall make the Stipulation available for inspection at the offices of the Wisconsin Department of Justice, the DNR, and on the Internet web site of the Department of Justice, located at <http://www.doj.state.wi.us/>.
Written comments regarding the Stipulation should be mailed to:

Assistant Attorney General Thomas L. Dosch
Wisconsin Department of Justice
Post Office Box 7857
Madison, WI 53707-7857

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16. The Plaintiff and the Tributaries reserve a right to withdraw from or withhold their consent to entry of the proposed order for judgment if the public comments received disclose facts or considerations which indicate the Stipulation and proposed order for judgment will not result in achievement of the goals set forth in paragraph 2, above. The Plaintiff's and the Tributaries' rights to withdraw from the Stipulation shall terminate if not exercised in writing and filed with the Court within 45 days after the Stipulation is filed.

FLOW MONITORING SYSTEM, RAIN GAUGE SYSTEM AND PEAK FLOW PERFORMANCE STANDARDS

17. The Plaintiff and the Tributaries agree that the establishment of appropriate flow monitoring and rain gauge systems and peak flow performance standards for the Milwaukee Metropolitan Sewerage District ("MMSD Activities") will be useful and important parts of the Tributaries' efforts to avoid future SSOs. The Plaintiff and the Tributaries further agree, however, that the only practical way for such MMSD Activities to be successfully established and administered is if they are constructed and managed by MMSD. To that end, the Tributaries agree that they will encourage and support MMSD's continuing development, implementation, and management of flow monitoring and rain gauge systems and peak flow performance standards. Each Tributary retains all legal rights to object to and appeal any rules and standards implementing such MMSD Activities.

ENFORCEMENT OF SEWER USE ORDINANCES

18. The Tributaries (other than Milwaukee County) shall maintain local sewer use ordinances meeting, at a minimum, the standards established by Wis. Admin. Code §§ NR 128.20(5) and 162.08(4)(d). By March 1, 2006, or such other dates as may be provided in applicable WPDES permits, and annually thereafter, each of these Tributaries shall submit a report to MMSD and DNR documenting that Tributary's actual and effective efforts to enforce its sewer use ordinance so as to identify and remove illegal connections, including but not limited to downspouts and footing drains, where applicable.

**WASTEWATER STORAGE CAPACITY IMPROVEMENT PROJECTS,
SEWER IMPROVEMENT PROJECTS, AND
SEWER MANAGEMENT PROJECTS**

19. By no later than December 31, 2006, the Tributaries, except *,² shall complete the correction of all defects identified for correction in the 2010 Limited Sewer Service Evaluation Survey and that are required to be corrected by current MMSD rules. By no later than December 31, 2007, *³ shall complete the correction of all defects identified for correction in the 2010 Limited Sewer Service Evaluation Survey and that are required to be corrected by current MMSD rules. No later than December 31, 2006, however, *⁴ shall submit to the DNR an interim report describing in detail its progress towards completing these corrections.

² *Insert the name of the single municipal exception.*

³ *Insert the name of the single municipal exception.*

⁴ *Insert the name of the single municipal exception.*

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20. By no later than September 30, 2006, the Tributaries shall inspect externally all sanitary sewer manholes to identify those subject to surface water ponding and install as needed solid gasketed manhole covers and manhole frame seals to prevent surface water inflow.

21. By no later than June 30, 2006, each of the Tributaries shall develop and begin implementing a program under which it will internally inspect each of its sanitary sewer manholes at least once every five years to identify defects which may contribute to leakage. Furthermore, the program shall require, where cost-effective (as that term is defined in Wis. Admin. Code § NR 110.03(11)), the correction of each such defect within eighteen months of discovery unless demonstrated extraordinary circumstances indicate that a longer period, not to exceed twenty-four months from discovery, is necessary.

**MUNICIPAL CAPACITY, MANAGEMENT, OPERATION AND
MAINTENANCE ("CMOM") PROGRAM DEVELOPMENT AND
IMPLEMENTATION**

22. No later than June 30, 2009, all Tributaries shall develop and implement Capacity, Management, Operation and Maintenance (CMOM) programs reflecting the requirements of MMSD's regional CMOM program, as contemplated by paragraphs 6-7 of the settlement stipulation in the case of *State of Wisconsin v. Milwaukee Metropolitan Sewerage District*, Milwaukee County Circuit Court Case No. 02-CV-2701.

MILWAUKEE COUNTY

23. Milwaukee County shall complete and submit to the DNR a report describing the findings of a complete Sewer System Evaluation Survey ("SSES") by no later than one year from the effective date of this Stipulation.

24. By no later than December 31, 2009, Milwaukee County shall certify to the DNR that it has completed all necessary corrective actions to address "excessive inflow/infiltration" as that term is defined in Wis. Admin. Code § NR 110.03(14), identified in the SSES, provided, however, that if in the course of its taking corrective action Milwaukee County discovers and demonstrates truly extraordinary problems associated with correcting excessive inflow/infiltration, the deadline may be extended accordingly to a date beyond December 31, 2009, which the Plaintiff and Milwaukee County mutually agree upon.

HALES CORNERS

25. To alleviate a sewer capacity problem in the sanitary sewer which runs under Highway 100 between Grange Avenue and Janesville Road, the Village of Hales Corners ("Hales Corners") shall take the actions required by subparagraph a. and subparagraph b., and do so within the indicated schedules:

- a. By no later than December 31, 2007, replace the sanitary sewer running under Highway 100 between Grange Avenue and Janesville Road, provided:

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- i. That such work is performed in coordination with the resurfacing of this road by the Wisconsin Department of Transportation (so as to prevent more than one road project/closure to the public user);
- ii. That MMSD grants Hales Corners' July 26, 2005 request to connect a larger diameter replacement sanitary sewer to the MMSD interceptor sewer; and
- iii. That all other applicable governmental approvals for such work (including any closure letters by the DNR, or the like) are granted.

Any delays in meeting this schedule due to unforeseeable delays in obtaining such approvals or unreasonable delays by other governmental agencies in issuing such approvals shall not constitute a failure by Hales Corners to comply with the scheduled deadline, but in any such event the parties shall attempt to negotiate an appropriate extension of this deadline and, failing agreement, the matter shall be subject to dispute resolution; and

- b. By no later than December 31, 2007, relay the sagging eight-inch sewer in West Grange Avenue identified in the May 24, 2005, Capacity Analysis & Remediation Proposal, provided:

- i. That such work is performed in coordination with the resurfacing of Highway 100 between Grange Avenue and Janesville Road by the Wisconsin Department of Transportation;

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- ii. That MMSD grant the July 26, 2005, request by Hales Corners to connect a larger diameter replacement sanitary sewer (to replace the sanitary sewer running under Highway 100 between Grange Avenue and Janesville Road) to the MMSD interceptor sewer; and
- iii. That all other applicable governmental approvals for such work are granted.

Any delays in meeting this schedule due to unforeseeable delays in obtaining such approvals or unreasonable delays by other governmental agencies in issuing such approvals shall not constitute a failure by Hales Corners to comply with the scheduled deadline, but in any such event the parties shall attempt to negotiate an appropriate extension of this deadline and, failing agreement, the matter shall be subject to dispute resolution.

BAYSIDE

26. By no later than December 31, 2006, the Village of Bayside ("Bayside") shall provide the DNR with a plan for eliminating bypassing in sewer basin BA2. Assuming DNR approval of the plan within sixty days after its receipt, Bayside shall complete all approved corrective actions by no later than March 31, 2007. If the DNR does not approve the plan the parties agree to work in good faith to resolve any disputes about its adequacy. If, ninety days after Bayside submits the plan to the DNR, a dispute about its adequacy remains unresolved, the matter may be submitted to dispute resolution as provided for in this Stipulation.

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27. By no later than December 31, 2006, Bayside shall upgrade all sewer lift stations within the village, excluding the Ravine Lane lift station, to meet the requirements of Wis. Admin. Code ch. NR 110.

VILLAGE OF BROWN DEER

28. On an annual basis, beginning no later than December 31, 2006, the Village of Brown Deer ("Brown Deer") shall report to the DNR its progress of the lateral grouting program documented in a letter to the DNR dated June 1, 2004, a copy of which is attached hereto as Exhibit B. In each such report Brown Deer shall identify the number of laterals sealed and the peak flow to dry weather flow ratio for the project area. The program shall be completed by no later than December 31, 2009, and Brown Deer shall provide DNR with a certification to that effect within thirty days after completion.

CITY OF MILWAUKEE

29. By no later than June 30, 2006, the City of Milwaukee shall complete and report its monitoring of, and by March 31, 2007, complete and report to the DNR its capacity evaluations of, the following sewer basins owned by the City of Milwaukee which experienced SSOs in 2004:

- a. North 21st Street and West Hampton Avenue;
- b. North 19th Place and West Fairmount Avenue;
- c. North 20th Street and West Fairmount Avenue;
- d. North 27th Street and West Villard Avenue;

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- e. North Green Bay Road and West Fairmount Avenue;
- f. North 27th Street 300 feet north of West Villard Avenue;
- g. West Congress Street and North 41st Street;
- h. North 20th Street and West Hampton Avenue;
- i. North 110th Street and West Harvest Lane;
- j. West Toronto Street and North 36th Street;
- k. West Metcalf Place and 95th Street;
- l. North 31st Street and West Capitol Drive;
- m. South 92nd Street and West Howard Avenue;
- n. South 72nd Street and South Honey Creek Drive;
- o. North 72nd Street and West Capitol Drive;
- p. North 86th Street and West Center Street; and
- q. South 99th Street and West Oklahoma Avenue.

For any of the basins where the City of Milwaukee determines that sewers it owns lack adequate capacity, the City of Milwaukee shall submit to the DNR, no later than 120 days after such determination, an action plan for providing sufficient capacity or taking other reasonable and cost effective (as that term is defined in Wis. Admin. Code § NR 110.03(11)) actions to reduce or eliminate overflows at such locations. Any such action plan shall include a schedule within the City of Milwaukee's six-year capital improvement program for implementation of all remedial measures. The DNR shall have ninety days after receipt of the action plan in which to indicate DNR's approval, conditional approval, or rejection of the action plan as inadequate. The schedule shall be

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deemed adequate if it falls within the City of Milwaukee's six-year capital improvement program. If DNR does not otherwise respond within this period the action plan shall be deemed adequate for purposes of compliance with this Stipulation. If the DNR does not approve the action plan as initially proposed by the City of Milwaukee, the parties agree to work in good faith to resolve any disputes about its adequacy. If, ninety days after the City of Milwaukee submits the action plan to the DNR a dispute about its adequacy remains unresolved, the matter may be submitted to dispute resolution as provided for in this Stipulation.

30. With respect to the MMSD-owned sewer located at North 35th Street and West Roosevelt Drive where SSOs were experienced in 2004 and where the City Of Milwaukee is the tributary community, the City of Milwaukee shall:

- a. Maintain flow monitoring at the current level in the vicinity of North 35th Street and West Roosevelt Drive; and
- b. Prepare an annual report for each calendar year and submit it to the DNR by the following March 1st which describes the condition of the sewer system in this area and all corrective actions taken in the proceeding year. This reporting requirement shall continue until these sewer sheds meet performance standards adopted in the MMSD 2020 facility plan.

VILLAGE OF WHITEFISH BAY

31. By no later than January 31, 2007, the Village of Whitefish Bay ("Whitefish Bay") shall submit to the DNR the results of its investigation into causes for the SSOs in 2004 at:

- a. North Newhall Street and East Chateau Place; and
- b. North Diversey Boulevard and East Lancaster Avenue.

If that evaluation reveals a continuing problem of overflows at either site attributable to Whitefish Bay, Whitefish Bay shall submit a plan for eliminating the problems (including schedules for implementing the remedies) to the DNR for its approval by no later than March 31, 2007. Any such plan shall include a proposed schedule for implementation of all remedial measures. The DNR shall have ninety days after receipt of the plan in which to indicate DNR's approval, conditional approval, or rejection of the plan as inadequate. If DNR does not otherwise respond within this period the plan shall be deemed adequate for purposes of compliance with this Stipulation. If the DNR does not approve the plan as initially proposed by Whitefish Bay, the parties agree to work in good faith to resolve any disputes about its adequacy. If, ninety days after Whitefish Bay submits the plan to the DNR a dispute about its adequacy remains unresolved, the matter may be submitted to dispute resolution as provided for in this Stipulation.

32. By no later than December 31, 2008, Whitefish Bay shall complete the DNR-approved sanitary sewer improvements identified in Whitefish Bay's five-year capital improvement plan (as revised May 2003).

**PENALTIES FOR NONEXEMPT SSOs AND VIOLATIONS
OF THE STIPULATION WHICH MAY OCCUR
DURING THE TERM OF THE STIPULATION**

33. The State releases each Tributary and Tributary Representatives from liability for any violations of applicable law including, but not limited to, the provisions of the Tributary's or MMSD's WPDES permits (as they may be amended, modified, or reissued) resulting from SSOs up to the termination date of this Stipulation, unless the SSO results from negligence in the operation of a Tributary's system or from a failure to meet a deadline in this Stipulation (hereinafter "Nonexempt SSO").

34. Unless excused under paragraph 11*⁵ or the Force Majeure section of this Stipulation, the Tributaries shall be liable for stipulated penalties in the amounts set forth in this section for failures to comply with the terms of this Stipulation, subject to the Dispute Resolution mechanism set forth in this Stipulation. The stipulated penalties described below shall be inclusive of all applicable statutory surcharges and costs.

a. For each failure to comply with any scheduled deadline expressed in this Stipulation, a non-complying Tributary shall pay \$200 per day of violation of this Stipulation.

b. For Nonexempt SSOs, as follows:

i. For the first Nonexempt SSO, \$1,000 for each calendar day with a maximum of \$5,000;

⁵ *The TABOR provision.*

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ii. For the second Nonexempt SSO of a same or similar nature, \$3,000 for each calendar day with a maximum of \$9,000;

iii. For any future Nonexempt SSO of a same or similar nature, \$5,000 for each calendar day with a maximum of \$50,000.

35. The Parties agree that this Stipulation is intended to constitute diligent prosecution for purposes of all applicable environmental laws, including the Clean Water Act.

36. Except as may be specifically provided otherwise in this Stipulation, nothing in this Stipulation shall operate to resolve the Tributaries' liabilities, if any, for violations of other laws, regulations or permits during the term of this Stipulation.

37. Any and all stipulated penalties shall be paid into a fund to support the MMSD's Conservation Easement Program.

FORCE MAJEURE

38. If any event occurs that causes or may cause a Tributary to violate any provision of this Stipulation the Tributary shall notify the DNR in writing within fourteen days (unless a specific requirement in its existing individual WPDES permit provides a shorter period) from when it knew, or in the exercise of reasonable diligence under the circumstances should have known, that compliance with the Stipulation would be prevented or delayed, describing in detail the cause or causes of the violation, the anticipated length of the delay if applicable, the measures taken by the Tributary to prevent or minimize the delay and the timetable by which those measures will be

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implemented. The Tributaries shall make reasonable efforts to identify events that cause violations of this Stipulation and, in such events, the Tributaries shall adopt all reasonable measures to minimize the effects of the violation and to avoid additional violations. A Tributary's failure to so notify the DNR or to mitigate shall constitute a waiver of any claim of Force Majeure as to the event in question.

39. In response to any request by the Plaintiff to seek stipulated penalties or other sanctions for alleged violations of this Stipulation, a Tributary may raise the question of whether it is entitled to a defense that its conduct was caused by circumstances beyond its control, such as, by way of example and not limitation, acts of God, strikes, acts of war or civil disobedience. In such event, the Tributary asserting this defense shall have the burden of proving that any delay or violation was caused by circumstances beyond its control. Except in the event of "Financial Impairment," as that term is used in paragraph 11*⁶ of this Stipulation, which either a court determines or the parties agree should operate to extend a deadline in this Stipulation, changed financial circumstances or increased costs associated with the implementation of any action required by this Stipulation shall not in any event constitute circumstances entirely beyond the control of the Tributary or serve as a basis for extending any compliance deadline in this Stipulation.

40. A Tributary's compliance with this Stipulation shall not be contingent upon the receipt of federal or state funds.

⁶ *The TABOR provision.*

DISPUTE RESOLUTION

41. Any good faith dispute that arises between the Plaintiff and a Tributary with respect to the meaning or application of any requirement of this Stipulation shall be, in the first instance, the subject of informal negotiations between those parties to attempt to resolve such disputes. Unless a longer period is specifically provided for elsewhere in this Stipulation, such period of informal negotiations shall not extend beyond thirty days from the date when notice of a dispute is given by one party to the others unless all parties to the dispute have agreed in writing to extend that period.

42. Within thirty days after the end of the informal negotiation period, any disputing party may petition the Court for relief.

43. Any party to the dispute may request an evidentiary hearing for good cause. The moving party shall bear the burden of proof except that Plaintiff must bear the burden with respect to a disputed imposition of a stipulated penalty. No penalty shall be imposed during the period of Dispute Resolution in the absence of bad faith.

ACCEPTANCE CONTINGENCY

44. This Stipulation shall be effective only if executed by substantially all Parties and filed with the Court on or before December 16, 2005.

45. This Stipulation may be executed in counterpart.

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TERMINATION

46. This Stipulation shall terminate with respect to a Tributary after the Tributary shows to the satisfaction of the Plaintiff, and the Plaintiff certifies to the Court, that the Tributary has complied with its obligations under this Stipulation.

Dated this ____ day of _____, 2005

PEGGY A. LAUTENSCHLAGER
Attorney General

THOMAS L. DOSCH
Assistant Attorney General
State Bar # 1017026
Attorneys for Plaintiff State of Wisconsin

Wisconsin Department of Justice
Post Office Box 7857
Madison, Wisconsin 53707-7857
(608) 266-0770

[Insert Tributaries' signature pages]

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ORDER FOR JUDGMENT

This matter, *State of Wisconsin v. Milwaukee Metropolitan Sewerage District, et al.*, Case No. 2005-CX-000013, came before the Court on the stipulation for entry of judgment entered into by the Plaintiff, by counsel, and the Tributaries, by counsel, and the Plaintiff and Tributaries having notified the Court that, in the thirty days following the filing of the stipulation and the related public notification, they received no comments causing them to conclude that the stipulation is inappropriate, improper or inadequate and therefore they have requested the entry of judgment contemplated by the stipulation. The Court hereby accepts the foregoing stipulation of the Plaintiff and the Tributaries and orders that judgment be entered accordingly, pursuant to the terms of the stipulation, which are to be incorporated into the judgment in their entirety.

Dated this _____ day of _____, 2005

BY THE COURT:

Milwaukee County Circuit Court Judge

EXHIBIT A
I/I Reduction Efforts
1997 - 2005

Community	1 I/I Investigation	2 I/I Reduction	3 Sewer Relay/Upgrade	4 Stormwater Management	Total
Bayside	N/A	N/A	N/A	N/A	0
Brookfield ¹	870,000	4,295,000	---	---	5,165,000
Brown Deer ²	74,048	1,109,478	97,500	2,303,940	3,584,966
Butler	N/A	N/A	N/A	N/A	0
Caddy Vista	18,865	140,988	276,075	---	435,928
Cudahy	433,626	371,432	894,927	---	1,699,985
Elm Grove	182,900	1,054,276	1,059,135	16,762,382	19,058,693
Fox Point ³	276,321	1,646,215	147,000	896,671	2,966,207
Franklin ⁴	140,041	722,146	---	---	862,187
Germantown	N/A	N/A	N/A	N/A	0
Glendale	376,800	1,040,450	753,000	6,399,400	8,569,650
Greendale	N/A	N/A	N/A	N/A	0
Greenfield	N/A	N/A	N/A	N/A	0
Hales Corners	145,603	185,724	107,850	112,357	551,534
Menomonee Falls	555,329	1,176,188	4,408,200	528,300	6,668,017
Megunon ⁵	913,051	1,058,100	6,051,600	2,950,945	10,973,7560
Milwaukee	6,072,679	40,499,774	7,479,938	5,777,885	59,830,276
Muskego ⁶	816,292	477,773	3,886,150	3,563,389	8,743,604
New Berlin ⁷	1,596,313	12,186,561	542,289	2,328,572	16,653,735

¹ Includes costs for 1999-2005.

² Type 2 costs include some expenses for Type 1.

³ Includes costs for 1998-2005.

⁴ Includes costs for 1999-2005.

⁵ Includes costs for 1999-2005.

⁶ Includes costs for 1999-2005.

⁷ Type 2 costs include some expenses for Type 1, Type 3 and Type 4.

Oak Creek	295,000	1,068,000	29,000	1,493,600	2,885,600
River Hills	151,747	288,504	---	---	440,251
Shorewood	232,503	626,579	---	533,390	1,392,472
St. Francis	N/A	N/A	N/A	N/A	0
Thiensville ⁸	243,391	1,557,228	569,989	748,672	3,119,280
Wauwatosa	632,311	9,436,736	---	6,606,972	16,676,019
West Allis ⁹					20,548,000
West Milwaukee ¹⁰	156,900	234,600	103,900	---	495,400
Whitefish Bay	N/A	N/A	N/A	N/A	0
Totals	14,183,720	79,175,752	26,406,613	51,006,475	191,320,560

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⁸ Includes costs for 1999-2005.

⁹ Costs associated with the individual categories are not available. The Total Expenditures represent a combination of the 4 categories.

¹⁰ Type 2 costs include some expenses for Type 4. Includes costs between 1999 and 2005.