



CITY OF REEDSBURG
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Reedsburg, WI 53959
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Public Works Committee Agenda
April 19, 2023
Reedsburg City Hall Council Chambers
5:30 PM

DUE TO THE RESTRICTIONS CAUSED BY THE COVID-19 PANDEMIC, SOME VOTING MEMBERS MAY BE PRESENT VIA TELECONFERENCE OR VIDEO CONFERENCE, AS PROVIDED BY THE RECOMMENDATIONS OF THE WISCONSIN DEPARTMENT OF JUSTICE. [HTTPS://WWW.DOJ.STATE.WI.US/NEWS-RELEASES/OFFICE-OPEN-GOVERNMENT-ADVISORY-CORONAVIRUS-DISEASE-2019-COVID-19-AND-OPEN-MEETINGS](https://www.doj.state.wi.us/news-releases/office-open-government-advisory-coronavirus-disease-2019-covid-19-and-open-meetings)

NOTICE IS HEREBY GIVEN THAT A MAJORITY OF THE MEMBERS OF THE COMMON COUNCIL MAY ATTEND THIS MEETING TO GATHER INFORMATION ABOUT A SUBJECT OVER WHICH THE COMMON COUNCIL HAS DECISION-MAKING AUTHORITY. IF A QUORUM OF THE COMMON COUNCIL ATTENDS THIS MEETING, NO ACTION WILL BE TAKEN BY THE COMMON COUNCIL AT THIS MEETING.

CALL TO ORDER

APPROVAL OF MINUTES

I. APPROVE MINUTES FOR THE MEETING HELD ON MARCH 15, 2023:

THE COMMITTEE WILL RECEIVE INFORMATION ON NON-AGENDA TOPICS BROUGHT BEFORE THE COMMITTEE BY MEMBERS OF THE PUBLIC. THE COMMITTEE WILL NOT DISCUSS THESE TOPICS, AND WILL NOT TAKE ACTION ON ANY OF THEM AT THIS MEETING

I. GENERAL BUSINESS:

- A. Consideration of large wastewater user contracts
- B. Consideration of new sludge dryer options
- C. Update on current projects

II. ADJOURN:



The City of Reedsburg does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings and programs are available by calling (608) 524-6404. To be able to meet the needs of a request for a different format contact the City Clerk-Treasurer at 134 S. Locust Street, Reedsburg, WI at least 48 hours prior to the commencement of the meeting so that any necessary arrangements can be made to accommodate each request.

Reedsburg, WI
March 15, 2023

The Public Works Committee for the City of Reedsburg convened for a regular meeting, on March 15, 2023 at 5:30 p.m. at the Reedsburg Center Conference Room with the following members present:

Members Present: Charlie Backeberg, Dave Knudsen, Phil Peterson, Jamison Sporakowski and Jason Schulte

Also Present: Steven Zibell

Motion by Peterson seconded by Backeberg to approve the minutes from February 15, 2023 meeting.

Motion Carried

Zibell presented 2023 Asphalt Pavement bids. Motion by Backeberg seconded by Sporakowski to recommend DL Gasser in the amount of \$418,147.20.

Motion Carried

Zibell presented 2023 Crushed Aggregate Base Course bids. Motion by Peterson seconded by Schulte to recommend Ray Zobel and Sons in the amount of \$51,250.00

Motion Carried

Zibell presented 2023 Curb, Gutter and Sidewalk bids. Motion by Schulte seconded by Sporakowski to recommend T&M Construction for Contract "B" in the amount of \$11,442.00 and Rennhack Construction for Contract "A" in the amount of \$118,400.20

Motion Carried

Zibell presented 2023 Annual Equipment bids. Motion by Sporakowski seconded by Backeberg to recommend Ray Zobel and Sons.

Motion Carried

Zibell gave a brief update on current and upcoming projects for this summer along with the WWTP project.

No Action

Motion by Schulte seconded by Sporakowski to adjourn.

Motion Carried

Adjourned at 6:45 p.m.
Respectively Submitted,

Steven T. Zibell, Public Works Director/City Engineer
City of Reedsburg

WASTEWATER TREATMENT SERVICES AGREEMENT
CITY OF REEDSBURG & SAPUTO CHEESE USA, INC.
(COMMERCIAL AVENUE)

This Agreement is by and between the City of Reedsburg (City) and Saputo Cheese USA, Inc. (Company).

RECITALS

- A. City operates a sanitary sewage collection and treatment system which is regulated by the Wisconsin Department of Natural Resources (WDNR) and local ordinances.
- B. City will upgrade its system and add additional treatment capacity (the “City Upgrade”) as provided in a Facilities Plan approved December 13, 2021 by the Reedsburg Common Council and submitted to WDNR for approval.
- C. Company owns and operates a dairy manufacturing facility located at 1120 Commercial Avenue, Reedsburg, Wisconsin 53959, which generates industrial wastewater.
- D. The City Upgrade will include improvements to its system to increase the capacity of wastewater it can accept from the company and treat in accordance with WDNR standards.
- E. City will make those improvements based on Company’s promise to pay its fair and equitable portion of the capital costs related to the Company’s use of capacity.
- F. City will accept industrial wastewater into its municipal sanitary sewer system from Company’s Commercial Avenue facility and increase capacity for Company’s use subject to certain specified conditions.
- G. City and Company believe it to be in the best interests of both parties to delineate those conditions in this Agreement, which replaces and supersedes all prior agreements between the parties including an Agreement dated May 6, 2009.

AGREEMENT

The City will accept and treat Company’s Wastewater and Company agrees to pay for such services as follows:

Section 1. City Ordinances

- a. **Application.** City shall endeavor to avoid conflicts between the “Sewers and Sewage Disposal Ordinance,” Chapter 493 and the substantive provisions of this Agreement. Although an effort will be made to avoid such conflicts, if there should be at any time a conflict between the terms of Chapter 493 and this Agreement this Agreement shall control.
- b. **Definitions.** The definitions of Chapter 493 are adopted by reference and made part of this Agreement.

Section 2. Service

1. City’s Control Over Sewerage System. The City has and shall retain control over the access of all users to its collection system and wastewater treatment plant (WWTP). Except as set forth herein, this Agreement is not intended to and shall not be construed as granting the Company the right to use the City’s WWTP, except on the same basis as other members of the general public.
2. Agreed Discharge Limitations. It is agreed and understood that in return for the payments to be made by the Company under this Agreement, the City will accept and treat the Company’s wastewater up to the following amounts (“agreed discharge limitations” or “ADLs”):
 - a. Average ADL and Maximum ADL: See attached Exhibit A.
 - b. **Intentionally left blank.**
 - c. Fats, Oil, and Grease ADL. The discharge of fats, oil, and grease shall not violate the requirements of the City’s Sewer Use Ordinance.
 - d. pH Range ADL. The permitted range for pH shall be 6.0 to 10.0 for any 24-hour composite sample. This discharge limit will be expanded to a range from 5.5 to 10.5 if the Company can provide continuous pH monitoring data which illustrates that pH values were within the range of 6.0 to 10.0 for at least 23 out of 24 hours of the day, and that temporary pH spikes lasted for less than 15 minutes in duration. The City reserves the right to adjust the permitted pH range with 30-days notice if high or low pH values in the incoming wastewater at the City’s facility are causing problems with the treatment process.
 - e. Nitrogen ADL. The City and the Company recognize that excessive or deficient nitrogen concentration in the form of ammonia, organic nitrogen, and other compounds containing nitrogen may have negative impacts on the operation of the wastewater treatment facility. At this time there are no limits that will be designated for ammonia or total nitrogen, however, the City reserves the right to add such limits to the agreement after giving proper notification to the Company if this course of action is

determined to be of necessity for the City to meet the requirements of the City's WPDES permit.

3. Points of Discharge and Monitoring. All industrial waste shall be discharged to the City system at a single location and shall be subject to the monitoring and pretreatment requirements set forth herein.
4. Prohibitions to Discharge. No discharge of stormwater, groundwater, surface drainage or uncontaminated cooling water shall be made to the City's collection system. There shall be no slug discharge of raw milk or whey to the system. There shall be no discharge of liquids or vapors with a temperature in excess of 150 degrees F. to the system. There shall be no discharge of gasoline, naphtha, fuel oil, BTEX compounds or other combustible, flammable, or explosive substances to the system. No material that may cause obstructions in the collection system or damage to WWTP equipment is to be discharged to the system including sand, gravel, wood, rags, plastics, wire, cable or other similar objects. The discharge shall not contain slug discharge of salt brine, heavy metals, and other substances in concentrations that would be inhibitory, toxic, incompatible or otherwise harmful to the operation of the WWTP, cause the WWTP to be in violation of its WPDES permit, nor would cause undo expense for the transport and treatment of the discharge.
5. ADL Exceedances. The City shall assess a surcharge against the Company for each event in which the Company's discharge exceeds one or more of the following conditions:
 - The daily discharge for flow, BOD, SS, or phosphorus for any 24-hour period exceeds the Maximum Daily ADL for that parameter;
 - The daily discharge has a pH value outside the permitted range;
 - The daily discharge is in violation of the City's Sewer Use Ordinance regarding the discharge of fats, oils, and grease;
 - Any discharge of prohibitive substances as defined in Paragraph 4 above.

Section 3. Industrial Pretreatment

1. The Company shall maintain such pretreatment and monitoring facilities as are necessary to demonstrate that the wastewater discharge meets the limits set forth above.
2. The pretreatment facilities shall, at a minimum, include the following capabilities:
 - Grease, oil, sand, and grit trapping and/or sedimentation facilities.
 - pH sensing with chemical feed adjustment.
 - Flow equalization as required to limit the maximum discharge rate to 200% of the average ADL limits set forth above.
 - Adequate storage capacity to totally contain a potentially toxic discharge of industrial waste; to prohibit raw milk or raw whey discharge to the system; and to prevent a

chemical spill or similar discharge from entering the City system without proper pretreatment.

3. A sampling station shall be maintained by the Company that meets the requirements set forth in Section 5 of this Agreement, and that includes the following:
 - A sampling manhole with primary measuring device such as a calibrated flume or weir located downstream from the pretreatment processes and which will include all industrial discharge to the City's sewer system. It may exclude wastewater discharge from bathrooms and showers.
 - Weatherproof shelter for housing monitoring instrumentation and sampler. The shelter shall be provided with a concrete floor, lockable access door, space heater, exhaust fan and electrical service for lighting, duplex receptacles and equipment.
 - Flow meter and flow recording instrumentation for continuous and totalized flow measurement.
 - Continuous pH metering and recording instrumentation.
 - Refrigerated, wastewater, composite sampler with sample line to the sampling manhole.
 - The sampling manhole and shelter must be accessible at all times to City WWTP staff. Duplicate keys will be held by City staff and a representative from the Company.
4. Plans for modifications to pretreatment facilities and the sampling station shall be prepared by the Company in accordance with this Agreement, DNR regulations and normal practice for the manufacturing process involved. Plans shall be submitted to the City for approval by their designated reviewer, as well as to any other agencies with regulatory authority over this operation. Construction of facilities or substantial changes in operation shall not commence until written approvals have been obtained from all reviewing individuals or agencies.
5. All plant equipment and operations which have an impact on the wastewater discharge to the sewerage system or the City's ability to monitor the same, including but not limited to pretreatment and sampling facilities, shall be properly maintained by the Company at all times and operated solely by competent personnel trained for that purpose. The City may identify maintenance issues to which the Company must take the necessary actions to correct, or respond in writing within 15 calendar days if there is an objection to the need to take action. Disputes regarding proper maintenance shall be settled by a Department of Natural Resources engineer familiar with these types of facilities, operations and pretreatment systems. The Company shall advise the City of all substantial changes in operation of the pretreatment facility.
6. The Company shall at all times have a designated authorized representative with whom the operator of the WWTP may coordinate operations. The name of the representative shall be submitted to the City's Director of Public Works.

7. No discharges of Company regulated wastewater shall be made when the pretreatment facilities are not completed and/or not operational. In the event that the Company shall experience operating difficulties and is experiencing, or anticipates a discharge, not in compliance with the previous limits, the Company shall immediately advise the City's WWTP staff so that appropriate action to protect the WWTP can be made. The Company shall in any case be responsible for any costs or labor expenses incurred by the City in handling such discharge.
8. The pretreatment process at the Company is more specifically described in Exhibit B.

Section 4. Charges, Billings, and Payment

1. Payment Basis. It is understood and agreed that the basis for the payments made by the Company under this Agreement is the City's commitment to treat the Company's discharges pursuant to the ADLs specified in Section 2. The charges for collection service and wastewater treatment shall consist of permit fees; user fees; and surcharges.
2. Permit Fees. The City may require a permit fee to be paid whenever plans are submitted for approval for construction, modification, or expansion of the Company's pretreatment facilities or operations. Said fee shall be, without itemization, for plan review, connection fees, City monitoring equipment, and/or any other facilities which the City, in its sole discretion, believes it requires to adequately accommodate the proposed wastewater discharge.
3. User Fees. The Company shall pay user fees based upon costs that represent as nearly as possible the actual operating and maintenance cost necessary to treat the waste load discharged to the treatment plant; debt service for capital improvements to the system; and depreciation, all as calculated by the auditors or engineers retained by the City. The City reserves the right to modify said user fee from time to time to more accurately reflect actual expenses experienced by the City for this service. The user fee charged to the Company shall consist of the elements as described below:
 - A basic service charge to recover certain customer related expenses and City administration costs.
 - A volume (flow) user fee, equal to the product of the volume unit cost in dollars per 1,000 gallons, times the discharge flow rate with the same volume units. The flow rate shall be as measured at the Company's discharge monitoring station in accordance with the monitoring requirements described in Section 5.
 - A wastewater loading user fee to reflect the discharge strength (concentration of monitored pollutants). The user fee shall be based upon pollutant concentrations exceeding normal domestic strength for BOD, Suspended Solids and Phosphorus as monitored at the Company's sampling station in accordance with the monitoring requirements contained herein. The resulting pollutant concentrations shall be converted to a mass loading based on the measured discharge flow. The user fee for

each pollutant shall be the result of the multiplication of each pollutant's unit cost (dollars per pound) times the pounds of each pollutant discharged. A summary of the current City user fee rates are attached to this agreement.

4. Surcharges. The City will assess surcharges against the Company pursuant to the conditions described in Section 2 above for ADL exceedances which shall be over and above that payment due for charges calculated based on the normal user fee schedule. Surcharge costs will be calculated by multiplying the normal user fee unit cost by the following factors:

For flow, BOD, SS, and Phosphorus parameters,

- If the daily discharge exceeds the Maximum Daily ADL by up to 50% the assessed surcharge shall be calculated by multiplying the unit cost by 150%.
- If the daily discharge exceeds the Maximum Daily ADL by 51 to 75% the assessed surcharge shall be calculated by multiplying the unit cost by 175%.
- If the daily discharge exceeds the Maximum Daily ADL by 76 to 100% the assessed surcharge shall be calculated by multiplying the unit cost by 200%.
- If the daily discharge exceeds the Maximum Daily ADL by over 100% the assessed surcharge shall be calculated by multiplying the unit cost by 300% for the first event per month; by 500% for the second event per month; and by 700% if there are more than two events in any one month.

For pH violations, the surcharge cost will be a flat rate penalty for each daily composite sample in violation of the listed criteria. The flat rate penalty amount will be based on pH monitoring performed at the City's WWTP. If continuous monitoring at the City's facility demonstrates that the influent pH to the facility did not exceed 10.0 for a period of greater than 15 total minutes during the day, the flat rate penalty amount will be \$200. However, if this pH value of 10.0 at the WWTP was exceeded for a period of time greater than 15 total minutes over the course of the day than the flat rate penalty amount will be \$400.

For fats, oil and grease violations of the City's Sewer Ordinance the surcharge cost will be \$200.

A schedule of current City surcharge rates is attached to this Agreement as Exhibit C.

5. Billing. Bills will be prepared monthly by the City, based on the actual monitoring data from the Company's sampling station. Bills are payable within 30 days of receipt. When, due to equipment malfunction, actual flow, BOD, SS and Phosphorus data is not available, charges shall be based on daily data taken from immediately before and after the malfunction. If adjustments are to be made to prior billing quantities due to errors or omissions they will be made on subsequent billing totals.

6. Annual Audit. The City shall furnish the Company with a copy of the annual audit of the sewerage system account. The City shall notify the Company of changes to the unit user fees at such time as changes occur.

7. Upgrade Share. The parties acknowledge the City is constructing a new WWTP at significant expense to the City, which will increase the capacity of the WWTP to treat industrial waste. The design of the upgrade and associated cost of construction is based in part on the estimated wastewater needs of the City's industrial users, including the Company and Facility. The City and Company have discussed the anticipated future treatment needs of the Facility. The City has designed the new WWTP, in part, to accommodate the company's representations as to the future needs of the Facility, which is equivalent to the ADLs specified in Section 2. The City intends to charge the Company for treatment of its wastewaters according to Section 4, of which user rates will include capital cost recovery. The City and Company acknowledge that the capital cost recovery portions of the user rates may or may not account for the Company's upgrade share of the new WWTP according to their requested ADL. The parties agree the Company's upgrade share of such cost is **12.23%** of the debt funding amount for the Improvements.

8. Modifications to Upgrade Share. By mutual agreement, modifications to the Upgrade Share may be made by the City for known and material changes to WWTP Upgrade capital costs. If mutual agreement is not reached on Upgrade Share changes, any increase to the Upgrade Share will require the following:
 - The City, through arrangement with one or more third parties experienced in relevant engineering fields and USCS methodology, shall conduct an engineering study and USCS ("Upgrade Share Cost Study") that evaluates both the basis for the proposed increase and the cost allocation of the same to all City customers.
 - The City shall provide the Upgrade Share Cost Study to the Company no less than ninety (90) days prior to the proposed implementation date of the modified Upgrade Share.

9. Upgrade Share Cost Recapture. All outstanding amounts of the Company's Upgrade Share and Future Upgrade Share, whether or not then currently due, shall be accelerated and immediately due and payable in full within thirty (30) days of any of the following events, notwithstanding the provisions of Section 4.7 above:
 - a. Termination of this Agreement; whether unilaterally, mutually, or otherwise, or
 - b. The dissolution of the Company; or
 - c. The Facility or the real estate upon which the Facility is located is sold to any entity other than the Company; or

- d. The Company becomes in material default of this Agreement and fails to cure said default within thirty (30) days of notice thereof; or
- e. The Company ceases to discharge wastewater to the WWTP for more than thirty (30) consecutive days; or
- f. The Company modifies its pre-treatment facilities as described in Exhibit B or practices to affect the quantity or quality of wastewater beyond that outlined in attached Exhibit A in a manner which reduces its discharge/ADF to the WWTP by 30% or more. For the purpose of this Agreement, the 30% baseline will be determined based on the average of the total waste contribution for the first three years of operation after conversion of the facility to process goat cheese in 2023.

Section 5. Monitoring

1. The Company shall maintain all monitoring and sampling equipment described in Section 3.3 of this Agreement to comply with the following schedule:

Parameter	Sample Frequency	Type of Sample
Flow	Daily	Continuous
BOD	Daily	24-hr Composite
Suspended Solids	Daily	24-hr Composite
Total Phosphorus	Daily	24-hr Composite
pH	Daily	24-hr Composite
pH	Daily	Continuous

2. Composite samples shall be collected by the City, and the City will do the requisite testing for BOD, suspended solids, phosphorus and pH. Testing results will be provided to the Company on a monthly basis or more frequently upon request. Recorded continuous flow and pH data will be collected periodically by the City from the sampling station.
3. Upon request, split samples will be prepared for the Company for verification of testing results by an independent laboratory. All fees for independent lab testing shall be the responsibility of the Company. If split sample testing demonstrates significant discrepancies in testing results, a meeting between the Company and the City will be held to discuss the discrepancies and to determine if any adjustments will be required to the monthly billing invoice. The Company must present appropriate information regarding the discrepancies within seven days and the subsequent meeting is to be held within 30 days of

disputed testing dates. If resolution cannot be reached to necessary adjustments a third party arbiter will be retained to resolve the conflict.

4. At all times during the period in which the Company is discharging to the sewerage system, the City shall have the right to monitor the discharge stream by whatever method and for whatever period it shall deem necessary. The Company agrees to cooperate and provide whatever assistance is necessary to aid the City in this monitoring effort. The City monitoring activities shall not interfere with the normal and lawful operations of the Company.

Section 6. Violations

1. Forfeiture: Violations of conditions of this agreement not already covered by surcharges shall result in forfeiture by the Company of \$500 per day. Each violation shall be considered a separate violation and continuing violations shall accrue on a daily basis. Notice of violation shall be provided by the City within seven days from the date of the violation. Forfeitures may be modified and/or waived by the City, if appealed, when considered in the public interest to do so and in response to corrective measures to be taken to resolve the problem(s) leading to the violations(s). Appeals shall be made in writing to the City Clerk within 30 days of the initial violation in contention.
2. Termination of Service: In the case of dire emergency, when a continued discharge would have a substantial detrimental effect to the wastewater treatment plant or sewerage collection system, the City's Public Works Director may immediately terminate discharge to the plant or sewerage collection system. Service may be resumed only at such time as the underlying situation that gave rise to the violation has been corrected to the City's satisfaction. The decision to terminate service may be appealed to the City Council for final disposition.

Section 7. Term This agreement shall commence on the date of execution written at page 11 and shall be in effect for a term of 45 years; or, until 60 days after city has paid or discharged all borrowings or financial obligations incurred or associated with the WWTP upgrades and improvements contemplated by this agreement, whichever happens first.

Section 8. General Conditions

1. The Company shall comply with all other City regulations which affect its operation. Specific attention is drawn to Chapter 493, of the Municipal Code.

2. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by registered mail to the City or to the Company at their listed addresses within the City limits.
3. The waiver by the City of a breach of any provision of this Agreement by the Company shall not operate or be construed as a waiver of any subsequent breach thereof.
4. This document shall be modified or amended only in writing, and must be duly authorized and executed by both the City and the Company. It may not be amended or modified by oral agreements or understandings between the parties unless the same is reduced to writing and authorized.
5. The parties may be excused from the performance of any of their respective obligations for the duration of any interruption occasioned by any event which is beyond their respective control, and which is not attributable to their own fault or actions, including, but not limited to: acts of God, labor strikes, accidents, explosions, fires, vandalism, war, or malicious mischief not caused by employees. Frequent occurrence of these events may be subject to be corrected as directed by the City.
6. This Agreement supersedes all previous agreements.
7. Immunity. The City Reedsburg is a governmental entity entitled to governmental immunity under law, including Wis. Stat. sec. 893.80. Nothing contained herein shall waive the rights and immunities to which each party may be entitled under law, including all of the immunities, limitations and defenses under Wis. Stat. sec. 893.80, or any subsequent amendments thereof, any federal law, common law or other applicable laws.
8. Assignment. Company may not assign its rights under this Agreement without the express prior written consent of City, which consent shall not be unreasonably withheld, conditioned or delayed.
9. Mediation. Prior to litigation, and as a condition precedent to bringing litigation, and party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. The parties shall agree upon a mediator and if they fail to do so within 30 days, either Party may apply to the Circuit Court for Sauk County, Wisconsin, for the designation of a mediator. In the event the parties do not accept the mediator's recommendation, the aggrieved party may then commence an action in Sauk County Circuit Court. However, the parties shall agree to alternative dispute resolution, if ordered by the Court.
10. Governing Law and Venue. The laws of the State of Wisconsin shall govern this Agreement. Venue for any disputes shall be the Sauk County Circuit Court.

11. No Construction Against Drafter. This Agreement is a product of the negotiation and drafting of attorneys for the parties, and as such, the rule of construing ambiguous contracts against the drafter shall not apply to this Agreement.
12. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between this Agreement and the documents to be delivered hereunder, or the Exhibits, this Agreement will control. This Agreement may be modified only in writing by all signed parties.
13. No Third Party Beneficiaries. This Agreement does not confer any additional legal rights, liabilities or obligations between the parties or to third parties that do not already exist in law.
14. Independent Contractors. Each party shall perform its responsibilities and activities described herein as an independent contractor and not as an officer, agent, servant, or employee of any of the other party hereto. Each party shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any. Nothing herein shall be considered as creating a partnership or joint venture between the parties.
15. WDNR Plan Approval. The Agreement is contingent on approval by WDNR of the Facilities Plan established by City.

IN WITNESS WHEREOF, the parties have executed this Agreement on _____, 2023.

CITY OF REEDSBURG

SAPUTO CHEESE USA, INC.

By: _____
David Estes, Mayor

By: _____
Its _____

By: _____
Jacob Crosetto,
Clerk/Treasurer-Finance Director

Exhibit A

Ave / Max ADL

Saputo

Commercial

EXHIBIT A
SAPUTO – COMMERCIAL AVENUE

1. Current: From date of this Agreement.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	110,000 gallons per day
BOD	1,500 pounds per day
SS	700 pounds per day
Phosphorus	50 pounds per day

b. Maximum Daily ADL. Maximum daily value computed as the peak for any 24-hour period:

Flow	150,000 gallons per day
BOD	1,800 pounds per day
SS	840 pounds per day
Phosphorus	60 pounds per day

2. Future: Effective beginning 90 days after start-up of City Upgrade.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	131,000 gallons per day
BOD	4,350 pounds per day
SS	1,357 pounds per day
Phosphorus	65 pounds per day

b. Maximum Daily ADL: Maximum daily value computed as the peak for any 24-hour period:

Flow	157,000 gallons per day
BOD	5,220 pounds per day
SS	1,628 pounds per day
Phosphorus	78 pounds per day

Exhibit B

Pretreatment Saputo Commercial

Date: 02/22/2023

To: Ben Heidemann, P.E. – Vice-President

**From: Nicholas Haizel – Manager, Engineering Projects (Wastewater)
and Alison McVane/Grant Kunkel – Environmental Managers**

Subject: Saputo Commercial Ave. WWTP Process Description

Saputo Commercial Ave. Wastewater Pretreatment Plant Process Description

The wastewater pretreatment plant (WWTP) at the Saputo Commercial Ave. facility consists of the following major process units and flows:

Manhole #1

- Process water enters manhole #1 from the production facility.

Manhole #2

- At manhole #2, process water normally continues to manhole #12, however, it can be diverted to the T002 spill containment chest for emergency spill containment.
 - T002 Spill containment chest
 - The spill containment chest has no discharge and cannot be pumped back into rest of the system. If flow is discharged to this tank, it must be removed from this tank via a vacuum truck or a similar process.

Manhole #12

- Manhole #12 contains two pumps which transfer process water to the T0003 Equalization chest.
- Manhole #12 can overflow to the T001 effluent chest.
 - See T001 Effluent chest below for additional overflow details.

T003 – Equalization chest

- Manhole #8
 - The size of the equalization tank is 40,000 Gallons.
 - This manhole consists of an in-tank mixer.
- Manhole #9 (Overflow)
 - If the equalization tank discharge pumps P-100/105 were to not be able to keep up with flow or they failed to pump, process water will overflow to the effluent chest.
- Manhole #11

- Under normal conditions, all flow from the T003 Equalization chest is discharged via the submersible pumps P-100/105 to the T-100 mixing tank.

T001 Effluent chest

- This chamber acts only as an overflow chamber for the T003 Equalization chest and manhole #12 in the case of a process failure.
- Any discharge from this tank will pass through a Palmer Boullus Flume for flow measurement prior to discharging to Manhole #5.

T-100 Mixing Tank

- Water is pumped from the T003 Equalization tank to the T-100 mixing tank.
- A flow meter is installed prior to the T-100 mixing tank to measure flow entering the tank.
- Acid and caustic are injected inline prior to the mixing tank for pH control.
- The tank itself has a serpentine type of flow path through the tank to promote mixing.
- Gravity flow discharging the tank is measured by a flow meter and pH meter.

Manhole #6

- Flow from the T-100 mixing tank and T001 Effluent chest/manhole #5 is discharged to manhole #6.

Manhole #7

- All process flows discharge to the POTW

Exhibit C

Current Rates

RESOLUTION 4487-22
Increasing Rates for Wastewater System

WHEREAS, the wastewater system of the City of Reedsburg is a self-supporting enterprise of the City; and

WHEREAS, the wastewater ordinance (Chapter 493) creates the authority of the City Council to adopt rates by resolution; and

WHEREAS, a well-funded and efficient wastewater system is important to the public health and the environment;

NOW THEREFORE IT IS RESOLVED BY THE CITY OF REEDSBURG COMMON COUNCIL that the following rates be confirmed and approved:

A. Sewer User Charges: (effective 01/01/2023)

(a) Fixed charge: shall be the "minimum" monthly wastewater service charge as established by resolution of the Common Council of the City of Reedsburg as amended from time to time. The current fixed charges shall be based on the size of the water meter(s) serving the user. Current rates are as follows:

<u>Fixed Monthly Meter Charge</u>	
<u>Meter Size</u>	<u>01/01/2023</u>
5/8"	\$11.50
3/4"	\$11.50
1"	\$25.35
1-1/4"	\$36.45
1-1/2"	\$48.50
2"	\$76.25
3"	\$140.95
4"	\$233.45
6"	\$464.65

(b) Volume charge: In addition to the minimum fixed charge, there shall be a volume charge based on water usage as determined from regular water meter readings by the Water Utility. The charge shall be determined by resolution of the Common Council as amended from time to time. Current rate for normal wastewater service is \$5.50 per 100 cubic feet of water usage

B. Industrial Surcharges: (effective 01/01/2023)

The rates of charge for each of the aforementioned constituents will be at the prevailing rate at the time. The Reedsburg City Council may adjust rates. Said prevailing rates at this time are as follows:

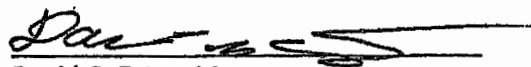
<u>Parameter</u>	<u>2023 Unit Charge</u>
Volume (\$V)	\$3.25 per 1,000 gallons
Biochemical Oxygen Demand (BOD)	\$0.36 per pound
Suspended Solids (SS)	\$0.39 per pound
Phosphorus (P)	\$11.54 per pound

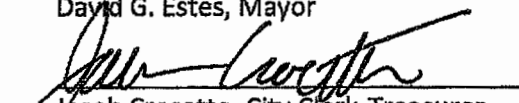
C. Septic, Leachate and Holding Tank Disposal Service Charges: (effective 01/01/2023)

Service charges for Septic, leachate and holding tank waste are calculated based on the following assumed concentrations and the unit rates specified in Chapter 493-30 and from time to time amended by resolution by the City Council.

- Holding Tank Waste \$12.85/1000 gal (Based on BOD @ 0 - 600 mg/L; SS @ 0 - 1,800 mg/L; and P @ 0 - 30 mg/L)
- Septic Tank Waste \$90.70/1000 gal (Based on BOD > 5,000 mg/L; SS > 15,000 mg/L; and P > 300 mg/L)
- Medium Septic Tank Waste \$50.00/1000 gal (Based on BOD @ 601-4,999 mg/L; TSS @ 1,801-14,999 mg/L; and P @ 31-299 mg/L)
- Leachate Waste – Based upon analysis of a suitable sample(s), the charge for leachate waste shall be calculated at the same rate as the surcharge for Industrial Wastewater.
- Administrative Fee - \$20.00 per load.

ADOPTED on this 24th day of October, 2022.


David G. Estes, Mayor


Jacob Crosetto, City Clerk-Treasurer

Respectfully Submitted:

The above resolution has been authorized by the governing body of the City of Reedsburg by Resolution No. 4487-22, dated October 24, 2022.

Date Passed: October 24, 2022

Vote:

8-0

WASTEWATER TREATMENT SERVICES AGREEMENT
CITY OF REEDSBURG & SAPUTO CHEESE USA, INC.
(GREENWAY COURT)

This Agreement is by and between the City of Reedsburg (City) and Saputo Cheese USA, Inc. (Company).

RECITALS

- A. City operates a sanitary sewage collection and treatment system which is regulated by the Wisconsin Department of Natural Resources (WDNR) and local ordinances.
- B. City will upgrade its system and add additional treatment capacity (the “City Upgrade”) as provided in a Facilities Plan approved December 13, 2021 by the Reedsburg Common Council and submitted to WDNR for approval.
- C. Company owns and operates a dairy manufacturing facility located at 522 Greenway Court, Reedsburg, Wisconsin 53959, which generates industrial wastewater.
- D. The City Upgrade will include improvements to its system to increase the capacity of wastewater it can accept from the company and treat in accordance with WDNR standards.
- E. City will make those improvements based on Company’s promise to pay its fair and equitable portion of the capital costs related to the Company’s use of capacity.
- F. City will accept industrial wastewater into its municipal sanitary sewer system from Company’s Greenway Court facility and increase capacity for Company’s use subject to certain specified conditions.
- G. City and Company believe it to be in the best interests of both parties to delineate those conditions in this Agreement, which replaces and supersedes all prior agreements between the parties including an Agreement dated June 17, 2021.

AGREEMENT

The City will accept and treat Company’s Wastewater and Company agrees to pay for such services as follows:

Section 1. City Ordinances

- a. Application. City shall endeavor to avoid conflicts between the “Sewers and Sewage Disposal Ordinance,” Chapter 493 and the substantive provisions of this Agreement.

Although an effort will be made to avoid such conflicts, if there should be at any time a conflict between the terms of Chapter 493 and this Agreement this Agreement shall control.

- b. **Definitions.** The definitions of Chapter 493 are adopted by reference and made part of this Agreement.

Section 2. Service

1. City's Control Over Sewerage System. The City has and shall retain control over the access of all users to its collection system and wastewater treatment plant (WWTP). Except as set forth herein, this Agreement is not intended to and shall not be construed as granting the Company the right to use the City's WWTP, except on the same basis as other members of the general public.
2. Agreed Discharge Limitations. It is agreed and understood that in return for the payments to be made by the Company under this Agreement, the City will accept and treat the Company's wastewater up to the following amounts ("agreed discharge limitations" or "ADLs"):
 - a. Average ADL and Maximum ADL: See attached Exhibit A.
 - b. **Intentionally left blank.**
 - c. Fats, Oil, and Grease ADL. The discharge of fats, oil, and grease shall not violate the requirements of the City's Sewer Use Ordinance.
 - d. pH Range ADL. The permitted range for pH shall be 6.0 to 10.0 for any 24-hour composite sample. This discharge limit will be expanded to a range from 5.5 to 10.5 if the Company can provide continuous pH monitoring data which illustrates that pH values were within the range of 6.0 to 10.0 for at least 23 out of 24 hours of the day, and that temporary pH spikes lasted for less than 15 minutes in duration. The City reserves the right to adjust the permitted pH range with 30-days notice if high or low pH values in the incoming wastewater at the City's facility are causing problems with the treatment process.
 - e. Nitrogen ADL. The City and the Company recognize that excessive or deficient nitrogen concentration in the form of ammonia, organic nitrogen, and other compounds containing nitrogen may have negative impacts on the operation of the wastewater treatment facility. At this time there are no limits that will be designated for ammonia or total nitrogen, however, the City reserves the right to add such limits to the agreement after giving proper notification to the Company if this course of action is determined to be of necessity for the City to meet the requirements of the City's WPDES permit.

3. Points of Discharge and Monitoring. All industrial waste shall be discharged to the City system at a single location and shall be subject to the monitoring and pretreatment requirements set forth herein.
4. Prohibitions to Discharge. No discharge of stormwater, groundwater, surface drainage or uncontaminated cooling water shall be made to the City's collection system. There shall be no slug discharge of raw milk or whey to the system. There shall be no discharge of liquids or vapors with a temperature in excess of 150 degrees F. to the system. There shall be no discharge of gasoline, naphtha, fuel oil, BTEX compounds or other combustible, flammable, or explosive substances to the system. No material that may cause obstructions in the collection system or damage to WWTP equipment is to be discharged to the system including sand, gravel, wood, rags, plastics, wire, cable or other similar objects. The discharge shall not contain slug discharge of salt brine, heavy metals, and other substances in concentrations that would be inhibitory, toxic, incompatible or otherwise harmful to the operation of the WWTP, cause the WWTP to be in violation of its WPDES permit, nor would cause undue expense for the transport and treatment of the discharge.
5. ADL Exceedances. The City shall assess a surcharge against the Company for each event in which the Company's discharge exceeds one or more of the following conditions:
 - The daily discharge for flow, BOD, SS, or phosphorus for any 24-hour period exceeds the Maximum Daily ADL for that parameter;
 - The daily discharge has a pH value outside the permitted range;
 - The daily discharge is in violation of the City's Sewer Use Ordinance regarding the discharge of fats, oils, and grease;
 - Any discharge of prohibitive substances as defined in Paragraph 4 above.

Section 3. Industrial Pretreatment

1. The Company shall maintain such pretreatment and monitoring facilities as are necessary to demonstrate that the wastewater discharge meets the limits set forth above.
2. The pretreatment facilities shall, at a minimum, include the following capabilities:
 - Grease, oil, sand, and grit trapping and/or sedimentation facilities.
 - pH sensing with chemical feed adjustment.
 - Flow equalization as required to limit the maximum discharge rate to 200% of the average ADL limits set forth above.
 - Adequate storage capacity to totally contain a potentially toxic discharge of industrial waste; to prohibit raw milk or raw whey discharge to the system; and to prevent a chemical spill or similar discharge from entering the City system without proper pretreatment.

3. A sampling station shall be maintained by the Company that meets the requirements set forth in Section 5 of this Agreement, and that includes the following:
 - A sampling manhole with primary measuring device such as a calibrated flume or weir located downstream from the pretreatment processes and which will include all industrial discharge to the City's sewer system. It may exclude wastewater discharge from bathrooms and showers.
 - Weatherproof shelter for housing monitoring instrumentation and sampler. The shelter shall be provided with a concrete floor, lockable access door, space heater, exhaust fan and electrical service for lighting, duplex receptacles and equipment.
 - Flow meter and flow recording instrumentation for continuous and totalized flow measurement.
 - Continuous pH metering and recording instrumentation.
 - Refrigerated, wastewater, composite sampler with sample line to the sampling manhole.
 - The sampling manhole and shelter must be accessible at all times to City WWTP staff. Duplicate keys will be held by City staff and a representative from the Company.
4. Plans for modifications to pretreatment facilities and the sampling station shall be prepared by the Company in accordance with this Agreement, DNR regulations and normal practice for the manufacturing process involved. Plans shall be submitted to the City for approval by their designated reviewer, as well as to any other agencies with regulatory authority over this operation. Construction of facilities or substantial changes in operation shall not commence until written approvals have been obtained from all reviewing individuals or agencies.
5. All plant equipment and operations which have an impact on the wastewater discharge to the sewerage system or the City's ability to monitor the same, including but not limited to pretreatment and sampling facilities, shall be properly maintained by the Company at all times and operated solely by competent personnel trained for that purpose. The City may identify maintenance issues to which the Company must take the necessary actions to correct, or respond in writing within 15 calendar days if there is an objection to the need to take action. Disputes regarding proper maintenance shall be settled by a Department of Natural Resources engineer familiar with these types of facilities, operations and pretreatment systems. The Company shall advise the City of all substantial changes in operation of the pretreatment facility.
6. The Company shall at all times have a designated authorized representative with whom the operator of the WWTP may coordinate operations. The name of the representative shall be submitted to the City's Director of Public Works.
7. No discharges of Company regulated wastewater shall be made when the pretreatment facilities are not completed and/or not operational. In the event that the Company shall experience operating difficulties and is experiencing, or anticipates a discharge, not in

compliance with the previous limits, the Company shall immediately advise the City's WWTP staff so that appropriate action to protect the WWTP can be made. The Company shall in any case be responsible for any costs or labor expenses incurred by the City in handling such discharge.

8. The pretreatment process at the Company is more specifically described in Exhibit B.

Section 4. Charges, Billings, and Payment

1. Payment Basis. It is understood and agreed that the basis for the payments made by the Company under this Agreement is the City's commitment to treat the Company's discharges pursuant to the ADLs specified in Section 2. The charges for collection service and wastewater treatment shall consist of permit fees; user fees; and surcharges.
2. Permit Fees. The City may require a permit fee to be paid whenever plans are submitted for approval for construction, modification, or expansion of the Company's pretreatment facilities or operations. Said fee shall be, without itemization, for plan review, connection fees, City monitoring equipment, and/or any other facilities which the City, in its sole discretion, believes it requires to adequately accommodate the proposed wastewater discharge.
3. User Fees. The Company shall pay user fees based upon costs that represent as nearly as possible the actual operating and maintenance cost necessary to treat the waste load discharged to the treatment plant; debt service for capital improvements to the system; and depreciation, all as calculated by the auditors or engineers retained by the City. The City reserves the right to modify said user fee from time to time to more accurately reflect actual expenses experienced by the City for this service. The user fee charged to the Company shall consist of the elements as described below:
 - A basic service charge to recover certain customer related expenses and City administration costs.
 - A volume (flow) user fee, equal to the product of the volume unit cost in dollars per 1,000 gallons, times the discharge flow rate with the same volume units. The flow rate shall be as measured at the Company's discharge monitoring station in accordance with the monitoring requirements described in Section 5.
 - A wastewater loading user fee to reflect the discharge strength (concentration of monitored pollutants). The user fee shall be based upon pollutant concentrations exceeding normal domestic strength for BOD, Suspended Solids and Phosphorus as monitored at the Company's sampling station in accordance with the monitoring requirements contained herein. The resulting pollutant concentrations shall be converted to a mass loading based on the measured discharge flow. The user fee for each pollutant shall be the result of the multiplication of each pollutant's unit cost (dollars per pound) times the pounds of each pollutant discharged. A summary of the current City user fee rates are attached to this agreement.

4. Surcharges. The City will assess surcharges against the Company pursuant to the conditions described in Section 2 above for ADL exceedances which shall be over and above that payment due for charges calculated based on the normal user fee schedule. Surcharge costs will be calculated by multiplying the normal user fee unit cost by the following factors:

For flow, BOD, SS, and Phosphorus parameters,

- If the daily discharge exceeds the Maximum Daily ADL by up to 50% the assessed surcharge shall be calculated by multiplying the unit cost by 150%.
- If the daily discharge exceeds the Maximum Daily ADL by 51 to 75% the assessed surcharge shall be calculated by multiplying the unit cost by 175%.
- If the daily discharge exceeds the Maximum Daily ADL by 76 to 100% the assessed surcharge shall be calculated by multiplying the unit cost by 200%.
- If the daily discharge exceeds the Maximum Daily ADL by over 100% the assessed surcharge shall be calculated by multiplying the unit cost by 300% for the first event per month; by 500% for the second event per month; and by 700% if there are more than two events in any one month.

For pH violations, the surcharge cost will be a flat rate penalty for each daily composite sample in violation of the listed criteria. The flat rate penalty amount will be based on pH monitoring performed at the City's WWTP. If continuous monitoring at the City's facility demonstrates that the influent pH to the facility did not exceed 10.0 for a period of greater than 15 total minutes during the day, the flat rate penalty amount will be \$200. However, if this pH value of 10.0 at the WWTP was exceeded for a period of time greater than 15 total minutes over the course of the day then the flat rate penalty amount will be \$400.

For fats, oil and grease violations of the City's Sewer Ordinance the surcharge cost will be \$200.

A schedule of current City surcharge rates is attached to this Agreement as Exhibit C.

5. Billing. Bills will be prepared monthly by the City, based on the actual monitoring data from the Company's sampling station. Bills are payable within 30 days of receipt. When, due to equipment malfunction, actual flow, BOD, SS and Phosphorus data is not available, charges shall be based on daily data taken from immediately before and after the malfunction. If adjustments are to be made to prior billing quantities due to errors or omissions they will be made on subsequent billing totals.
6. Annual Audit. The City shall furnish the Company with a copy of the annual audit of the sewerage system account. The City shall notify the Company of changes to the unit user fees at such time as changes occur.

7. Upgrade Share. The parties acknowledge the City is constructing a new WWTP at significant expense to the City, which will increase the capacity of the WWTP to treat industrial waste. The design of the upgrade and associated cost of construction is based in part on the estimated wastewater needs of the City's industrial users, including the Company and Facility. The City and Company have discussed the anticipated future treatment needs of the Facility. The City has designed the new WWTP, in part, to accommodate the company's representations as to the future needs of the Facility, which is equivalent to the ADLs specified in Section 2. The City intends to charge the Company for treatment of its wastewaters according to Section 4, of which user rates will include capital cost recovery. The City and Company acknowledge that the capital cost recovery portions of the user rates may or may not account for the Company's upgrade share of the new WWTP according to their requested ADL. The parties agree the Company's upgrade share of such cost is **16.32%** of the debt funding amount for the Improvements.
8. Modifications to Upgrade Share. By mutual agreement, modifications to the Upgrade Share may be made by the City for known and material changes to WWTP Upgrade capital costs. If mutual agreement is not reached on Upgrade Share changes, any increase to the Upgrade Share will require the following:
- The City, through arrangement with one or more third parties experienced in relevant engineering fields and USCS methodology, shall conduct an engineering study and USCS ("Upgrade Share Cost Study") that evaluates both the basis for the proposed increase and the cost allocation of the same to all City customers.
 - The City shall provide the Upgrade Share Cost Study to the Company no less than ninety (90) days prior to the proposed implementation date of the modified Upgrade Share.
9. Upgrade Share Cost Recapture. All outstanding amounts of the Company's Upgrade Share and Future Upgrade Share, whether or not then currently due, shall be accelerated and immediately due and payable in full within thirty (30) days of any of the following events, notwithstanding the provisions of Section 4.7 above:
- a. Termination of this Agreement; whether unilaterally, mutually, or otherwise, or
 - b. The dissolution of the Company; or
 - c. The Facility or the real estate upon which the Facility is located is sold to any entity other than the Company; or
 - d. The Company becomes in material default of this Agreement and fails to cure said default within thirty (30) days of notice thereof; or

- e. The Company ceases to discharge wastewater to the WWTP for more than thirty (30) consecutive days; or
- f. The Company modifies its pre-treatment facilities as described in Exhibit B or practices to affect the quantity or quality of wastewater beyond that outlined in attached Exhibit A in a manner which reduces its discharge/ADF to the WWTP by 30% or more. For the purpose of this Agreement, the 30% baseline will be determined based on the average of the total waste contribution for three years prior to the execution of this Agreement.

Section 5. Monitoring

1. The Company shall maintain all monitoring and sampling equipment described in Section 3.3 of this Agreement to comply with the following schedule:

Parameter	Sample Frequency	Type of Sample
Flow	Daily	Continuous
BOD	Daily	24-hr Composite
Suspended Solids	Daily	24-hr Composite
Total Phosphorus	Daily	24-hr Composite
pH	Daily	24-hr Composite
pH	Daily	Continuous

2. Composite samples shall be collected by the City, and the City will do the requisite testing for BOD, suspended solids, phosphorus and pH. Testing results will be provided to the Company on a monthly basis or more frequently upon request. Recorded continuous flow and pH data will be collected periodically by the City from the sampling station.
3. Upon request, split samples will be prepared for the Company for verification of testing results by an independent laboratory. All fees for independent lab testing shall be the responsibility of the Company. If split sample testing demonstrates significant discrepancies in testing results, a meeting between the Company and the City will be held to discuss the discrepancies and to determine if any adjustments will be required to the monthly billing invoice. The Company must present appropriate information regarding the discrepancies within seven days and the subsequent meeting is to be held within 30 days of disputed testing dates. If resolution cannot be reached to necessary adjustments a third party arbiter will be retained to resolve the conflict.

4. At all times during the period in which the Company is discharging to the sewerage system, the City shall have the right to monitor the discharge stream by whatever method and for whatever period it shall deem necessary. The Company agrees to cooperate and provide whatever assistance is necessary to aid the City in this monitoring effort. The City monitoring activities shall not interfere with the normal and lawful operations of the Company.

Section 6. Violations

1. Forfeiture: Violations of conditions of this agreement not already covered by surcharges shall result in forfeiture by the Company of \$500 per day. Each violation shall be considered a separate violation and continuing violations shall accrue on a daily basis. Notice of violation shall be provided by the City within seven days from the date of the violation. Forfeitures may be modified and/or waived by the City, if appealed, when considered in the public interest to do so and in response to corrective measures to be taken to resolve the problem(s) leading to the violations(s). Appeals shall be made in writing to the City Clerk within 30 days of the initial violation in contention.
2. Termination of Service: In the case of dire emergency, when a continued discharge would have a substantial detrimental effect to the wastewater treatment plant or sewerage collection system, the City's Public Works Director may immediately terminate discharge to the plant or sewerage collection system. Service may be resumed only at such time as the underlying situation that gave rise to the violation has been corrected to the City's satisfaction. The decision to terminate service may be appealed to the City Council for final disposition.

Section 7. Term This agreement shall commence on the date of execution written at page 11 and shall be in effect for a term of 45 years; or, until 60 days after city has paid or discharged all borrowings or financial obligations incurred or associated with the WWTP upgrades and improvements contemplated by this agreement; whichever happens first.

Section 8. General Conditions

1. The Company shall comply with all other City regulations which affect its operation. Specific attention is drawn to Chapter 493, of the Municipal Code.
2. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by registered mail to the City or to the Company at their listed addresses within the City limits.
3. The waiver by the City of a breach of any provision of this Agreement by the Company shall not operate or be construed as a waiver of any subsequent breach thereof.

4. This document shall be modified or amended only in writing, and must be duly authorized and executed by both the City and the Company. It may not be amended or modified by oral agreements or understandings between the parties unless the same is reduced to writing and authorized.
5. The parties may be excused from the performance of any of their respective obligations for the duration of any interruption occasioned by any event which is beyond their respective control, and which is not attributable to their own fault or actions, including, but not limited to: acts of God, labor strikes, accidents, explosions, fires, vandalism, war, or malicious mischief not caused by employees. Frequent occurrence of these events may be subject to be corrected as directed by the City.
6. This Agreement supersedes all previous agreements.
7. Immunity. The City Reedsburg is a governmental entity entitled to governmental immunity under law, including Wis. Stat. sec. 893.80. Nothing contained herein shall waive the rights and immunities to which each party may be entitled under law, including all of the immunities, limitations and defenses under Wis. Stat. sec. 893.80, or any subsequent amendments thereof, any federal law, common law or other applicable laws.
8. Assignment. Company may not assign its rights under this Agreement without the express prior written consent of City, which consent shall not be unreasonably withheld, conditioned or delayed.
9. Mediation. Prior to litigation, and as a condition precedent to bringing litigation, and party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. The parties shall agree upon a mediator and if they fail to do so within 30 days, either Party may apply to the Circuit Court for Sauk County, Wisconsin, for the designation of a mediator. In the event the parties do not accept the mediator's recommendation, the aggrieved party may then commence an action in Sauk County Circuit Court. However, the parties shall agree to alternative dispute resolution, if ordered by the Court.
10. Governing Law and Venue. The laws of the State of Wisconsin shall govern this Agreement. Venue for any disputes shall be the Sauk County Circuit Court.
11. No Construction Against Drafter. This Agreement is a product of the negotiation and drafting of attorneys for the parties, and as such, the rule of construing ambiguous contracts against the drafter shall not apply to this Agreement.
12. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any

inconsistency between this Agreement and the documents to be delivered hereunder, or the Exhibits, this Agreement will control. This Agreement may be modified only in writing by all signed parties.

13. No Third Party Beneficiaries. This Agreement does not confer any additional legal rights, liabilities or obligations between the parties or to third parties that do not already exist in law.
14. Independent Contractors. Each party shall perform its responsibilities and activities described herein as an independent contractor and not as an officer, agent, servant, or employee of any of the other party hereto. Each party shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any. Nothing herein shall be considered as creating a partnership or joint venture between the parties.
15. WDNR Plan Approval. The Agreement is contingent on approval by WDNR of the Facilities Plan established by City.

IN WITNESS WHEREOF, the parties have executed this Agreement on _____, 2023.

CITY OF REEDSBURG

SAPUTO CHEESE USA, INC.

By: _____
David Estes, Mayor

By: _____
Its _____

By: _____
Jacob Crosetto,
Clerk/Treasurer-Finance Director

Exhibit A

Ave / Max ADL

Saputo

Greenway

EXHIBIT A

SAPUTO – GREENWAY COURT

1. Current: From date of this Agreement.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	150,000 gallons per day
BOD	1,700 pounds per day
SS	750 pounds per day
Phosphorus	51 pounds per day

b. Maximum Daily ADL. Maximum daily value computed as the peak for any 24-hour period:

Flow	180,000 gallons per day
BOD	2,000 pounds per day
SS	1,000 pounds per day
Phosphorus	60 pounds per day

c. Peak flow ADL of 250 gpm.

2. Future: Effective beginning 90 days after start-up of City Upgrade.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	331,000 gallons per day
BOD	3,775 pounds per day
SS	878 pounds per day
Phosphorus	156 pounds per day

b. Maximum Daily ADL: Maximum daily value computed as the peak for any 24-hour period:

Flow	397,000 gallons per day
BOD	4,350 pounds per day
SS	1,053 pounds per day
Phosphorus	187 pounds per day

c. Peak flow ADL of 500 gpm.

Exhibit B

Pretreatment Saputo Greenway

Date: 02/22/2023

To: Ben Heidemann, P.E. – Vice-President

**From: Nicholas Haizel – Manager, Engineering Projects (Wastewater)
and Alison McVane/Grant Kunkel – Environmental Managers**

Subject: Saputo Greenway Ct. WWTP Process Description

Saputo Greenway Ct. Wastewater Pretreatment Plant Process Description

The wastewater pretreatment plant (WWTP) at the Saputo Greenway Ct. facility consists of the following major process units:

- Grit Chamber
- Lift Station
- Equalization Tank

Grit/Grease Chamber

Influent flow combines into one pipe before entering the grit/grease chamber. This is a small tank at the inlet of the process which was originally intended to allow solids to settle out prior to gravity flowing to the lift station. This tank is not currently used for any process treatment due to the size no longer correlating to the existing flow rates. Polisher RO water is sent to storm water at this time, however, it can be sent to the WWTP prior to the grit/grease chamber.

Lift Station

The lift station consists of the following major equipment:

- Pumps
 - (2) Lift pumps
 - (1) Submersible pump
- Level sensors
 - (1) High level float
 - (1) Level sensor
- Analytical sensor
 - (1) pH sensor

Process water entering the lift station is pumped to the equalization tank via the three (3) available pumps. The two lift pumps act as the primary pumps, and the submersible pump functions as a backup pump. The pumps are controlled by the level sensor and float switch in the lift station. pH monitoring takes place on the discharge of the lift pumps. Control of the pH

takes place in the equalization tank; however, chemicals are dosed directly after the lift station pumps, and only when the pumps are running.

Equalization Tank

The equalization tank consists of the following major equipment:

- Tank mixing and aeration
 - (2) Blowers
 - Course air diffusers
- (2) Effluent/Transfer pumps
- Level sensor
 - (1) Pressure level sensor
- Analytical equipment
 - (2) pH sensors
 - (1) Sampler
 - (1) Flow meter

The equalization tank consists of an 86,615-gallon steel bolted tank with a nominal size of 29'Ø x 16'H. The tank is mixed and aerated using two positive displacement blowers and course air diffusers.

pH is monitored in the equalization tank; pH control is accomplished via the acid and caustic dosing pumps on the inlet process water.

Level of the tank is controlled by a pressure level sensor mounted on the side of the tank and process water is discharge from the tank by two (2) effluent/transfer pumps. Flow rate out of the tank correlates to the level of the tank.

Effluent discharge to the city is continuously monitored by a pH sensor and flow meter. Flow proportional samples are collected via an automatic sampler prior to discharge.

The equalization tank has one overflow that returns to the lift station for self containment.

RESOLUTION 4487-22
Increasing Rates for Wastewater System

WHEREAS, the wastewater system of the City of Reedsburg is a self-supporting enterprise of the City; and

WHEREAS, the wastewater ordinance (Chapter 493) creates the authority of the City Council to adopt rates by resolution; and

WHEREAS, a well-funded and efficient wastewater system is important to the public health and the environment;

NOW THEREFORE IT IS RESOLVED BY THE CITY OF REEDSBURG COMMON COUNCIL that the following rates be confirmed and approved:

A. Sewer User Charges: (effective 01/01/2023)

(a) Fixed charge: shall be the "minimum" monthly wastewater service charge as established by resolution of the Common Council of the City of Reedsburg as amended from time to time. The current fixed charges shall be based on the size of the water meter(s) serving the user. Current rates are as follows:

<u>Fixed Monthly Meter Charge</u>	
<u>Meter Size</u>	<u>01/01/2023</u>
5/8"	\$11.50
3/4"	\$11.50
1"	\$25.35
1-1/4"	\$36.45
1-1/2"	\$48.50
2"	\$76.25
3"	\$140.95
4"	\$233.45
6"	\$464.65

(b) Volume charge: In addition to the minimum fixed charge, there shall be a volume charge based on water usage as determined from regular water meter readings by the Water Utility. The charge shall be determined by resolution of the Common Council as amended from time to time. Current rate for normal wastewater service is \$5.50 per 100 cubic feet of water usage

B. Industrial Surcharges: (effective 01/01/2023)

The rates of charge for each of the aforementioned constituents will be at the prevailing rate at the time. The Reedsburg City Council may adjust rates. Said prevailing rates at this time are as follows:

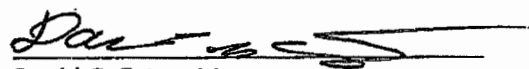
<u>Parameter</u>	<u>2023 Unit Charge</u>
Volume (\$V)	\$3.25 per 1,000 gallons
Biochemical Oxygen Demand (BOD)	\$0.36 per pound
Suspended Solids (SS)	\$0.39 per pound
Phosphorus (P)	\$11.54 per pound

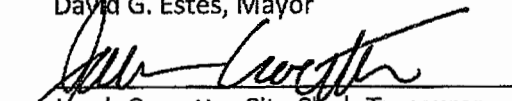
C. Septic, Leachate and Holding Tank Disposal Service Charges: (effective 01/01/2023)

Service charges for Septic, leachate and holding tank waste are calculated based on the following assumed concentrations and the unit rates specified in Chapter 493-30 and from time to time amended by resolution by the City Council.

- Holding Tank Waste \$12.85/1000 gal (Based on BOD @ 0 - 600 mg/L; SS @ 0 - 1,800 mg/L; and P @ 0 - 30 mg/L)
- Septic Tank Waste \$90.70/1000 gal (Based on BOD > 5,000 mg/L; SS > 15,000 mg/L; and P > 300 mg/L)
- Medium Septic Tank Waste \$50.00/1000 gal (Based on BOD @ 601-4,999 mg/L; TSS @ 1,801-14,999 mg/L; and P @ 31-299 mg/L)
- Leachate Waste – Based upon analysis of a suitable sample(s), the charge for leachate waste shall be calculated at the same rate as the surcharge for Industrial Wastewater.
- Administrative Fee - \$20.00 per load.

ADOPTED on this 24th day of October, 2022.


David G. Estes, Mayor


Jacob Crosetto, City Clerk-Treasurer

Respectfully Submitted:

The above resolution has been authorized by the governing body of the City of Reedsburg by Resolution No. 4487-22, dated October 24, 2022.

Date Passed: October 24, 2022

Vote:

8-0

WASTEWATER TREATMENT SERVICES AGREEMENT
CITY OF REEDSBURG & FOREMOST FARMS USA

This Agreement is by and between the City of Reedsburg (City) and Foremost Farms USA (Company).

RECITALS

- A. City operates a sanitary sewage collection and treatment system which is regulated by the Wisconsin Department of Natural Resources (WDNR) and local ordinances.
- B. City will upgrade its system and add additional treatment capacity (the “City Upgrade”) as provided in a Facilities Plan approved December 13, 2021 by the Reedsburg Common Council and submitted to WDNR for approval.
- C. Company owns and operates a dairy manufacturing facility located at 633 Booster Boulevard, Reedsburg, Wisconsin 53959, which generates industrial wastewater.
- D. The City Upgrade will include improvements to its system to increase the capacity of wastewater it can accept from the company and treat in accordance with WDNR standards.
- E. City will make those improvements based on Company’s promise to pay its fair and equitable portion of the capital costs related to the Company’s use of capacity.
- F. City will accept industrial wastewater into its municipal sanitary sewer system from Company’s facility and increase capacity for Company’s use subject to certain specified conditions.
- G. City and Company believe it to be in the best interests of both parties to delineate those conditions in this Agreement, which replaces and supersedes all prior agreements between the parties including an Agreement dated October 9, 2007.

AGREEMENT

The City will accept and treat Company’s Wastewater and Company agrees to pay for such services as follows:

Section 1. City Ordinances

- a. Application. City shall endeavor to avoid conflicts between the “Sewers and Sewage Disposal Ordinance,” Chapter 493 and the substantive provisions of this Agreement. Although an effort will be made to avoid such conflicts, if there should be at any time a

conflict between the terms of Chapter 493 and this Agreement this Agreement shall control.

- b. **Definitions.** The definitions of Chapter 493 are adopted by reference and made part of this Agreement.

Section 2. Service

1. City's Control Over Sewerage System. The City has and shall retain control over the access of all users to its collection system and wastewater treatment plant (WWTP). Except as set forth herein, this Agreement is not intended to and shall not be construed as granting the Company the right to use the City's WWTP, except on the same basis as other members of the general public.
2. Agreed Discharge Limitations. It is agreed and understood that in return for the payments to be made by the Company under this Agreement, the City will accept and treat the Company's wastewater up to the following amounts ("agreed discharge limitations" or "ADLs"):
 - a. Average ADL and Maximum ADL: See attached Exhibit A.
 - b. **Intentionally left blank.**
 - c. Fats, Oil, and Grease ADL. The discharge of fats, oil, and grease shall not violate the requirements of the City's Sewer Use Ordinance.
 - d. pH Range ADL. The permitted range for pH shall be 6.0 to 10.0 for any 24-hour composite sample. This discharge limit will be expanded to a range from 5.5 to 10.5 if the Company can provide continuous pH monitoring data which illustrates that pH values were within the range of 6.0 to 10.0 for at least 23 out of 24 hours of the day, and that temporary pH spikes lasted for less than 15 minutes in duration. The City reserves the right to adjust the permitted pH range with 30-days notice if high or low pH values in the incoming wastewater at the City's facility are causing problems with the treatment process.
 - e. Nitrogen ADL. The City and the Company recognize that excessive or deficient nitrogen concentration in the form of ammonia, organic nitrogen, and other compounds containing nitrogen may have negative impacts on the operation of the wastewater treatment facility. At this time there are no limits that will be designated for ammonia or total nitrogen, however, the City reserves the right to add such limits to the agreement after giving proper notification to the Company if this course of action is determined to be of necessity for the City to meet the requirements of the City's WPDES permit.

3. Points of Discharge and Monitoring. All industrial waste shall be discharged to the City system at a single location and shall be subject to the monitoring and pretreatment requirements set forth herein.
4. Prohibitions to Discharge. No discharge of stormwater, groundwater, surface drainage or uncontaminated cooling water shall be made to the City's collection system. There shall be no slug discharge of raw milk or whey to the system. There shall be no discharge of liquids or vapors with a temperature in excess of 150 degrees F. to the system. There shall be no discharge of gasoline, naphtha, fuel oil, BTEX compounds or other combustible, flammable, or explosive substances to the system. No material that may cause obstructions in the collection system or damage to WWTP equipment is to be discharged to the system including sand, gravel, wood, rags, plastics, wire, cable or other similar objects. The discharge shall not contain slug discharge of salt brine, heavy metals, and other substances in concentrations that would be inhibitory, toxic, incompatible or otherwise harmful to the operation of the WWTP, cause the WWTP to be in violation of its WPDES permit, nor would cause undue expense for the transport and treatment of the discharge.
5. ADL Exceedances. The City shall assess a surcharge against the Company for each event in which the Company's discharge exceeds one or more of the following conditions:
 - The daily discharge for flow, BOD, SS, or phosphorus for any 24-hour period exceeds the Maximum Daily ADL for that parameter;
 - The daily discharge has a pH value outside the permitted range;
 - The daily discharge is in violation of the City's Sewer Use Ordinance regarding the discharge of fats, oils, and grease;
 - Any discharge of prohibitive substances as defined in Paragraph 4 above.

Section 3. Industrial Pretreatment

1. The Company shall maintain such pretreatment and monitoring facilities as are necessary to demonstrate that the wastewater discharge meets the limits set forth above.
2. The pretreatment facilities shall, at a minimum, include the following capabilities:
 - Grease, oil, sand, and grit trapping and/or sedimentation facilities.
 - pH sensing with chemical feed adjustment.
 - Flow equalization as required to limit the maximum discharge rate to 200% of the average ADL limits set forth above.
 - Adequate storage capacity to totally contain a potentially toxic discharge of industrial waste; to prohibit raw milk or raw whey discharge to the system; and to prevent a chemical spill or similar discharge from entering the City system without proper pretreatment.

3. A sampling station shall be maintained by the Company that meets the requirements set forth in Section 5 of this Agreement, and that includes the following:
 - A sampling manhole with primary measuring device such as a calibrated flume or weir located downstream from the pretreatment processes and which will include all industrial discharge to the City's sewer system. It may exclude wastewater discharge from bathrooms and showers.
 - Weatherproof shelter for housing monitoring instrumentation and sampler. The shelter shall be provided with a concrete floor, lockable access door, space heater, exhaust fan and electrical service for lighting, duplex receptacles and equipment.
 - Flow meter and flow recording instrumentation for continuous and totalized flow measurement.
 - Continuous pH metering and recording instrumentation.
 - Refrigerated, wastewater, composite sampler with sample line to the sampling manhole.
 - The sampling manhole and shelter must be accessible at all times to City WWTP staff. Duplicate keys will be held by City staff and a representative from the Company.
4. Plans for modifications to pretreatment facilities and the sampling station shall be prepared by the Company in accordance with this Agreement, DNR regulations and normal practice for the manufacturing process involved. Plans shall be submitted to the City for approval by their designated reviewer, as well as to any other agencies with regulatory authority over this operation. Construction of facilities or substantial changes in operation shall not commence until written approvals have been obtained from all reviewing individuals or agencies.
5. All plant equipment and operations which have an impact on the wastewater discharge to the sewerage system or the City's ability to monitor the same, including but not limited to pretreatment and sampling facilities, shall be properly maintained by the Company at all times and operated solely by competent personnel trained for that purpose. The City may identify maintenance issues to which the Company must take the necessary actions to correct, or respond in writing within 15 calendar days if there is an objection to the need to take action. Disputes regarding proper maintenance shall be settled by a Department of Natural Resources engineer familiar with these types of facilities, operations and pretreatment systems. The Company shall advise the City of all substantial changes in operation of the pretreatment facility.
6. The Company shall at all times have a designated authorized representative with whom the operator of the WWTP may coordinate operations. The name of the representative shall be submitted to the City's Director of Public Works.
7. No discharges of Company regulated wastewater shall be made when the pretreatment facilities are not completed and/or not operational. In the event that the Company shall experience operating difficulties and is experiencing, or anticipates a discharge, not in

compliance with the previous limits, the Company shall immediately advise the City's WWTP staff so that appropriate action to protect the WWTP can be made. The Company shall in any case be responsible for any costs or labor expenses incurred by the City in handling such discharge.

8. The pretreatment process at the Company is more specifically described in Exhibit B.

Section 4. Charges, Billings, and Payment

1. Payment Basis. It is understood and agreed that the basis for the payments made by the Company under this Agreement is the City's commitment to treat the Company's discharges pursuant to the ADLs specified in Section 2. The charges for collection service and wastewater treatment shall consist of permit fees; user fees; and surcharges.
2. Permit Fees. The City may require a permit fee to be paid whenever plans are submitted for approval for construction, modification, or expansion of the Company's pretreatment facilities or operations. Said fee shall be, without itemization, for plan review, connection fees, City monitoring equipment, and/or any other facilities which the City, in its sole discretion, believes it requires to adequately accommodate the proposed wastewater discharge.
3. User Fees. The Company shall pay user fees based upon costs that represent as nearly as possible the actual operating and maintenance cost necessary to treat the waste load discharged to the treatment plant; debt service for capital improvements to the system; and depreciation, all as calculated by the auditors or engineers retained by the City. The City reserves the right to modify said user fee from time to time to more accurately reflect actual expenses experienced by the City for this service. The user fee charged to the Company shall consist of the elements as described below:
 - A basic service charge to recover certain customer related expenses and City administration costs.
 - A volume (flow) user fee, equal to the product of the volume unit cost in dollars per 1,000 gallons, times the discharge flow rate with the same volume units. The flow rate shall be as measured at the Company's discharge monitoring station in accordance with the monitoring requirements described in Section 5.
 - A wastewater loading user fee to reflect the discharge strength (concentration of monitored pollutants). The user fee shall be based upon pollutant concentrations exceeding normal domestic strength for BOD, Suspended Solids and Phosphorus as monitored at the Company's sampling station in accordance with the monitoring requirements contained herein. The resulting pollutant concentrations shall be converted to a mass loading based on the measured discharge flow. The user fee for each pollutant shall be the result of the multiplication of each pollutant's unit cost (dollars per pound) times the pounds of each pollutant discharged. A summary of the current City user fee rates are attached to this agreement.

4. Surcharges. The City will assess surcharges against the Company pursuant to the conditions described in Section 2 above for ADL exceedances which shall be over and above that payment due for charges calculated based on the normal user fee schedule. Surcharge costs will be calculated by multiplying the normal user fee unit cost by the following factors:

For flow, BOD, SS, and Phosphorus parameters,

- If the daily discharge exceeds the Maximum Daily ADL by up to 50% the assessed surcharge shall be calculated by multiplying the unit cost by 150%.
- If the daily discharge exceeds the Maximum Daily ADL by 51 to 75% the assessed surcharge shall be calculated by multiplying the unit cost by 175%.
- If the daily discharge exceeds the Maximum Daily ADL by 76 to 100% the assessed surcharge shall be calculated by multiplying the unit cost by 200%.
- If the daily discharge exceeds the Maximum Daily ADL by over 100% the assessed surcharge shall be calculated by multiplying the unit cost by 300% for the first event per month; by 500% for the second event per month; and by 700% if there are more than two events in any one month.

For pH violations, the surcharge cost will be a flat rate penalty for each daily composite sample in violation of the listed criteria. The flat rate penalty amount will be based on pH monitoring performed at the City's WWTP. If continuous monitoring at the City's facility demonstrates that the influent pH to the facility did not exceed 10.0 for a period of greater than 15 total minutes during the day, the flat rate penalty amount will be \$200. However, if this pH value of 10.0 at the WWTP was exceeded for a period of time greater than 15 total minutes over the course of the day than the flat rate penalty amount will be \$400.

For fats, oil and grease violations of the City's Sewer Ordinance the surcharge cost will be \$200.

A schedule of current City surcharge rates is attached to this Agreement as Exhibit C.

5. Billing. Bills will be prepared monthly by the City, based on the actual monitoring data from the Company's sampling station. Bills are payable within 30 days of receipt. When, due to equipment malfunction, actual flow, BOD, SS and Phosphorus data is not available, charges shall be based on daily data taken from immediately before and after the malfunction. If adjustments are to be made to prior billing quantities due to errors or omissions they will be made on subsequent billing totals.
6. Annual Audit. The City shall furnish the Company with a copy of the annual audit of the sewerage system account. The City shall notify the Company of changes to the unit user fees at such time as changes occur.

7. Upgrade Share. The parties acknowledge the City is constructing a new WWTP at significant expense to the City, which will increase the capacity of the WWTP to treat industrial waste. The design of the upgrade and associated cost of construction is based in part on the estimated wastewater needs of the City's industrial users, including the Company and Facility. The City and Company have discussed the anticipated future treatment needs of the Facility. The City has designed the new WWTP, in part, to accommodate the company's representations as to the future needs of the Facility, which is equivalent to the ADLs specified in Section 2. The City intends to charge the Company for treatment of its wastewaters according to Section 4, of which user rates will include capital cost recovery. The City and Company acknowledge that the capital cost recovery portions of the user rates may or may not account for the Company's upgrade share of the new WWTP according to their requested ADL. The parties agree the Company's upgrade share of such cost is **10.20%** of the debt funding amount for the Improvements.
8. Modifications to Upgrade Share. By mutual agreement, modifications to the Upgrade Share may be made by the City for known and material changes to WWTP Upgrade capital costs. If mutual agreement is not reached on Upgrade Share changes, any increase to the Upgrade Share will require the following:
- The City, through arrangement with one or more third parties experienced in relevant engineering fields and USCS methodology, shall conduct an engineering study and USCS ("Upgrade Share Cost Study") that evaluates both the basis for the proposed increase and the cost allocation of the same to all City customers.
 - The City shall provide the Upgrade Share Cost Study to the Company no less than ninety (90) days prior to the proposed implementation date of the modified Upgrade Share.
9. Upgrade Share Cost Recapture. All outstanding amounts of the Company's Upgrade Share and Future Upgrade Share, whether or not then currently due, shall be accelerated and immediately due and payable in full within thirty (30) days of any of the following events, notwithstanding the provisions of Section 4.7 above:
- a. Termination of this Agreement; whether unilaterally, mutually, or otherwise, or
 - b. The dissolution of the Company; or
 - c. The Facility or the real estate upon which the Facility is located is sold to any entity other than the Company; or
 - d. The Company becomes in material default of this Agreement and fails to cure said default within thirty (30) days of notice thereof; or
 - e. The Company ceases to discharge wastewater to the WWTP for more than thirty (30) consecutive days; or

- f. The Company modifies its pre-treatment facilities as described in Exhibit B or practices to affect the quantity or quality of wastewater beyond that outlined in attached Exhibit A in a manner which reduces its discharge/ADF to the WWTP by 30% or more. For the purpose of this Agreement, the 30% baseline will be determined based on the average of the total waste contribution for three years prior to the execution of this Agreement.

Section 5. Monitoring

1. The Company shall maintain all monitoring and sampling equipment described in Section 3.3 of this Agreement to comply with the following schedule:

Parameter	Sample Frequency	Type of Sample
Flow	Daily	Continuous
BOD	Daily	24-hr Composite
Suspended Solids	Daily	24-hr Composite
Total Phosphorus	Daily	24-hr Composite
pH	Daily	24-hr Composite
pH	Daily	Continuous

2. Composite samples shall be collected by the City, and the City will do the requisite testing for BOD, suspended solids, phosphorus and pH. Testing results will be provided to the Company on a monthly basis or more frequently upon request. Recorded continuous flow and pH data will be collected periodically by the City from the sampling station.
3. Upon request, split samples will be prepared for the Company for verification of testing results by an independent laboratory. All fees for independent lab testing shall be the responsibility of the Company. If split sample testing demonstrates significant discrepancies in testing results, a meeting between the Company and the City will be held to discuss the discrepancies and to determine if any adjustments will be required to the monthly billing invoice. The Company must present appropriate information regarding the discrepancies within seven days and the subsequent meeting is to be held within 30 days of disputed testing dates. If resolution cannot be reached to necessary adjustments a third party arbiter will be retained to resolve the conflict.
4. At all times during the period in which the Company is discharging to the sewerage system, the City shall have the right to monitor the discharge stream by whatever method and for

whatever period it shall deem necessary. The Company agrees to cooperate and provide whatever assistance is necessary to aid the City in this monitoring effort. The City monitoring activities shall not interfere with the normal and lawful operations of the Company.

Section 6. Violations

1. Forfeiture: Violations of conditions of this agreement not already covered by surcharges shall result in forfeiture by the Company of \$500 per day. Each violation shall be considered a separate violation and continuing violations shall accrue on a daily basis. Notice of violation shall be provided by the City within seven days from the date of the violation. Forfeitures may be modified and/or waived by the City, if appealed, when considered in the public interest to do so and in response to corrective measures to be taken to resolve the problem(s) leading to the violations(s). Appeals shall be made in writing to the City Clerk within 30 days of the initial violation in contention.
2. Termination of Service: In the case of dire emergency, when a continued discharge would have a substantial detrimental effect to the wastewater treatment plant or sewerage collection system, the City's Public Works Director may immediately terminate discharge to the plant or sewerage collection system. Service may be resumed only at such time as the underlying situation that gave rise to the violation has been corrected to the City's satisfaction. The decision to terminate service may be appealed to the City Council for final disposition.

Section 7. Term This agreement shall commence on the date of execution written at page 11 and shall be in effect for a term of 45 years; or, until 60 days after city has paid or discharged all borrowings or financial obligations incurred or associated with the WWTP upgrades and improvements contemplated by this agreement; whichever happens first.

Section 8. General Conditions

1. The Company shall comply with all other City regulations which affect its operation. Specific attention is drawn to Chapter 493, of the Municipal Code.
2. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and if sent by registered mail to the City or to the Company at their listed addresses within the City limits.
3. The waiver by the City of a breach of any provision of this Agreement by the Company shall not operate or be construed as a waiver of any subsequent breach thereof.
4. This document shall be modified or amended only in writing, and must be duly authorized and executed by both the City and the Company. It may not be amended or modified by

oral agreements or understandings between the parties unless the same is reduced to writing and authorized.

5. The parties may be excused from the performance of any of their respective obligations for the duration of any interruption occasioned by any event which is beyond their respective control, and which is not attributable to their own fault or actions, including, but not limited to: acts of God, labor strikes, accidents, explosions, fires, vandalism, war, or malicious mischief not caused by employees. Frequent occurrence of these events may be subject to be corrected as directed by the City.
6. This Agreement supersedes all previous agreements.
7. Immunity. The City Reedsburg is a governmental entity entitled to governmental immunity under law, including Wis. Stat. sec. 893.80. Nothing contained herein shall waive the rights and immunities to which each party may be entitled under law, including all of the immunities, limitations and defenses under Wis. Stat. sec. 893.80, or any subsequent amendments thereof, any federal law, common law or other applicable laws.
8. Assignment. Company may not assign its rights under this Agreement without the express prior written consent of City, which consent shall not be unreasonably withheld, conditioned or delayed.
9. Mediation. Prior to litigation, and as a condition precedent to bringing litigation, and party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. The parties shall agree upon a mediator and if they fail to do so within 30 days, either Party may apply to the Circuit Court for Sauk County, Wisconsin, for the designation of a mediator. In the event the parties do not accept the mediator's recommendation, the aggrieved party may then commence an action in Sauk County Circuit Court. However, the parties shall agree to alternative dispute resolution, if ordered by the Court.
10. Governing Law and Venue. The laws of the State of Wisconsin shall govern this Agreement. Venue for any disputes shall be the Sauk County Circuit Court.
11. No Construction Against Drafter. This Agreement is a product of the negotiation and drafting of attorneys for the parties, and as such, the rule of construing ambiguous contracts against the drafter shall not apply to this Agreement.
12. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between this Agreement and the documents to be delivered hereunder, or the

Exhibits, this Agreement will control. This Agreement may be modified only in writing by all signed parties.

13. No Third Party Beneficiaries. This Agreement does not confer any additional legal rights, liabilities or obligations between the parties or to third parties that do not already exist in law.
14. Independent Contractors. Each party shall perform its responsibilities and activities described herein as an independent contractor and not as an officer, agent, servant, or employee of any of the other party hereto. Each party shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any. Nothing herein shall be considered as creating a partnership or joint venture between the parties.
15. WDNR Plan Approval. The Agreement is contingent on approval by WDNR of the Facilities Plan established by City.

IN WITNESS WHEREOF, the parties have executed this Agreement on _____, 2023.

CITY OF REEDSBURG

FOREMOST FARMS USA

By: _____
David Estes, Mayor

By: _____
Its _____

By: _____
Jacob Crosetto,
Clerk/Treasurer-Finance Director

Exhibit A

Ave / Max ADL

Foremost

EXHIBIT A

FOREMOST

1. Current: From date of this Agreement.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	180,000 gallons per day
BOD	1,000 pounds per day
SS	500 pounds per day
Phosphorus	50 pounds per day

b. Maximum Daily ADL. Maximum daily value computed as the peak for any 24-hour period:

Flow	216,000 gallons per day
BOD	1,200 pounds per day
SS	600 pounds per day
Phosphorus	60 pounds per day

2. Future: Effective beginning 90 days after start-up of City Upgrade.

a. Average ADL. Average daily value for any consecutive five (5) day period:

Flow	188,000 gallons per day
BOD	1,900 pounds per day
SS	2,100 pounds per day
Phosphorus	53 pounds per day

b. Maximum Daily ADL: Maximum daily value computed as the peak for any 24-hour period:

Flow	225,000 gallons per day
BOD	2,280 pounds per day
SS	2,520 pounds per day
Phosphorus	63 pounds per day

Exhibit B

Foremost Reedsburg Pretreatment

From: Andrew Koch <Andrew.Koch@foremostfarms.com>
Sent: Thursday, February 9, 2023 4:27 PM
To: Ben Heidemann <ben@tcengineers.net>
Cc: Steve Zibell <szibell@reedsburgwi.gov>; Chris Kleinschmit <ckleinschmit@reedsburgwi.gov>; Billie Kershaw <bkershaw@tcengineers.net>
Subject: RE: Foremost Reedsburg

Good Afternoon Ben,

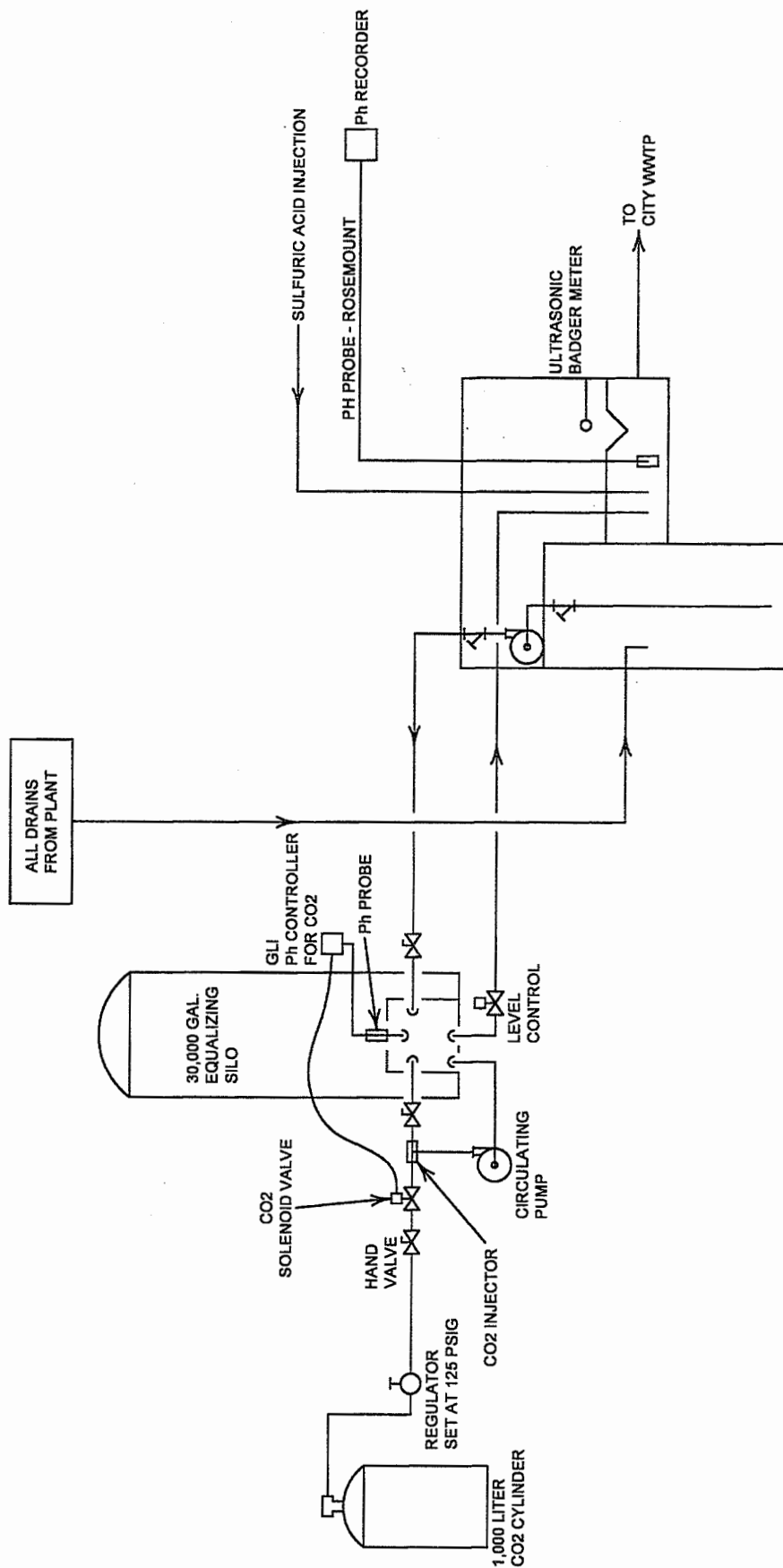
I have attached a schematic of the wastewater pretreatment system and below is a description of the wastewater pretreatment and flows that occurs onsite.:

- Wastewater flows by gravity from the production facility to an influent lift station.
- One Summit self-priming pump, controlled by a three-float switch level system, is utilized to pump wastewater to the 30,000-gallon EQ silo. A shelf spare pump is available at the facility for emergency purposes.
- The EQ silo is mixed with a recirculation pump and coarse bubble air header.
- The EQ silo contains a pH probe and carbon dioxide (CO₂) feed system for pH adjustment. The CO₂ feed system consists of a 60,000 lb CO₂ cylinder tank, pressure regulator, solenoid valve, and CO₂ injector. The CO₂ injector is mounted in the discharge of the recirculation pump. The EQ silo utilizes a GLI pH controller to automatically control CO₂ supply to the system. The pH probe is mounted directly in the sidewall of the tank. When the EQ silo wastewater pH is above 8.7 s.u., the controller opens the CO₂ solenoid valve to lower wastewater pH.
- The level in the EQ silo is controlled by an air-operated pinch valve manufactured by Red Valve. When the EQ silo level rises, the pinch valve opens and discharges flow by gravity to the effluent pit.
- Effluent flows through the effluent pit 90° V-Notch weir and is monitored with a E+H Prosonic S ultrasonic sensor. A Rosemount pH probe and data recorder are utilized in the effluent pit for monitoring and recording pH compliance data.
- An autosampler pulls samples accordingly which the City of Reedsburg then analyzes.

Please let me know if you have any further questions or need any other supplementary information.

Thank you,

-Andrew



REEDSBURG, WISCONSIN

FOREMOST FARMS USA

EXISTING WASTE WATER SCHEMATIC

DRW. #: REE13

REVISED: 6-15-10

1-29-07

Exhibit C

Current Rates

RESOLUTION 4487-22
Increasing Rates for Wastewater System

WHEREAS, the wastewater system of the City of Reedsburg is a self-supporting enterprise of the City; and

WHEREAS, the wastewater ordinance (Chapter 493) creates the authority of the City Council to adopt rates by resolution; and

WHEREAS, a well-funded and efficient wastewater system is important to the public health and the environment;

NOW THEREFORE IT IS RESOLVED BY THE CITY OF REEDSBURG COMMON COUNCIL that the following rates be confirmed and approved:

A. Sewer User Charges: (effective 01/01/2023)

(a) Fixed charge: shall be the "minimum" monthly wastewater service charge as established by resolution of the Common Council of the City of Reedsburg as amended from time to time. The current fixed charges shall be based on the size of the water meter(s) serving the user. Current rates are as follows:

<u>Fixed Monthly Meter Charge</u>	
<u>Meter Size</u>	<u>01/01/2023</u>
5/8"	\$11.50
3/4"	\$11.50
1"	\$25.35
1-1/4"	\$36.45
1-1/2"	\$48.50
2"	\$76.25
3"	\$140.95
4"	\$233.45
6"	\$464.65

(b) Volume charge: In addition to the minimum fixed charge, there shall be a volume charge based on water usage as determined from regular water meter readings by the Water Utility. The charge shall be determined by resolution of the Common Council as amended from time to time. Current rate for normal wastewater service is \$5.50 per 100 cubic feet of water usage

B. Industrial Surcharges: (effective 01/01/2023)

The rates of charge for each of the aforementioned constituents will be at the prevailing rate at the time. The Reedsburg City Council may adjust rates. Said prevailing rates at this time are as follows:

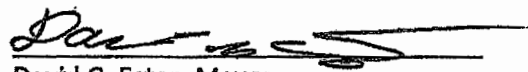
<u>Parameter</u>	<u>2023 Unit Charge</u>
Volume (\$V)	\$3.25 per 1,000 gallons
Biochemical Oxygen Demand (BOD)	\$0.36 per pound
Suspended Solids (SS)	\$0.39 per pound
Phosphorus (P)	\$11.54 per pound

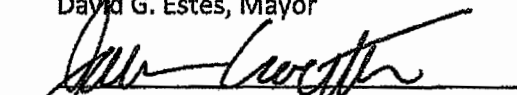
C. Septic, Leachate and Holding Tank Disposal Service Charges: (effective 01/01/2023)

Service charges for Septic, leachate and holding tank waste are calculated based on the following assumed concentrations and the unit rates specified in Chapter 493-30 and from time to time amended by resolution by the City Council.

- o Holding Tank Waste \$12.85/1000 gal (Based on BOD @ 0 - 600 mg/L; SS @ 0 - 1,800 mg/L; and P @ 0 - 30 mg/L)
- o Septic Tank Waste \$90.70/1000 gal (Based on BOD > 5,000 mg/L; SS > 15,000 mg/L; and P > 300 mg/L)
- o Medium Septic Tank Waste \$50.00/1000 gal (Based on BOD @ 601-4,999 mg/L; TSS @ 1,801-14,999 mg/L; and P @ 31-299 mg/L)
- o Leachate Waste – Based upon analysis of a suitable sample(s), the charge for leachate waste shall be calculated at the same rate as the surcharge for Industrial Wastewater.
- o Administrative Fee - \$20.00 per load.

ADOPTED on this 24th day of October, 2022.


David G. Estes, Mayor


Jacob Crosetto, City Clerk-Treasurer

Respectfully Submitted:

The above resolution has been authorized by the governing body of the City of Reedsburg by Resolution No. 4487-22, dated October 24, 2022.

Date Passed: October 24, 2022

Vote:

8-0