

## **Department of Public Works**

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November 14, 2017

Chairman Richard Nowacki Lake Pewaukee Sanitary District N25W27534 Oak St. P.O. Box 111 Pewaukee WI 53072

Re: Reconsideration of the terms of 2000 Sewer Service Agreement City of Pewaukee/Lake

Pewaukee Sanitary District

Dear Chairman Nowacki,

In 2000, the City of Pewaukee was granted "City" status by the Wisconsin Department of Administration. Subsequently, the newly formed City of Pewaukee and Lake Pewaukee Sanitary District entered into a sewer service agreement. LPSD would continue to operate and maintain the sanitary sewer system within the PS#11 service area, while the City would take over the quarterly billing/collections for LPSD in this service area. Other provisions in the agreement include assisting the District in collecting Contribution in Aid of Construction (CAC) fees as well as assisting LPSD with negotiating Developer's Agreements in new developments.

Section F. "Debt Service Payment" will expire at the end of this year. The City of Pewaukee would like to exercise the option to renegotiate some of the terms of the original agreement at this time. Over the last several years we have had situations that need to clarification in the existing agreement and need to include details on some other issues that have arisen in the last several years. Also of importance is the need to revisit the \$1.00 per unit credit of the quarterly user charge that is issued to the City Utility for maintaining the sewer accounts.

We respectfully request that City staff be allowed to work directly with District staff to put together a draft revised agreement.

Sincerely,

Jeffrey Weigel Director of Public Works