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## LEGAL SERVICES DEPARTMENT

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**TO:** Members of the Utilities Committee  
Members of the Common Council

**FROM:** Ellen Totzke, Deputy City Attorney  
Nathan Loper, Deputy Director of Operations, Department of Public Works

**DATE:** August 6, 2013

**RE:** Appleton Grand Chute Intergovernmental Agreement

As you are aware, the City of Appleton (City) and the Grand Chute Sanitary District No. 1 (District) are sharing infrastructure, software and an FCC license as part of the construction and use of the advance metering infrastructure (AMI) system of water meters and the reading thereof. In order to accomplish that goal, the parties have crafted an intergovernmental cooperation agreement. The agreement addresses the following areas:

- Tower Ownership – the City shall maintain ownership of two of the three towers, the District one. This complies with Public Service Commission requirements, and the parties will not remove or relocate any of the towers without working with the other to maintain uninterrupted use of the system
- Shared Costs – Exhibit A attached hereto outlines the system costs and the allocation thereof.
- Indemnification – there is a mutual indemnification clause
- Dispute Resolution – the agreement provides for non-binding mediation prior to any court action being filed
- Term of the Agreement - the agreement remains in effect so long as both parties are using the AMI system
- Disposal of Assets
  - 180 day notice of termination
  - Transfer of the FCC license
  - Right to continue using any towers belonging to the other party that are necessary for the continued use of the system
  - Agreement to purchase any integral infrastructure assets owned by the terminating party
  - Depreciation of assets
  -

We ask that you recommend approval of the intergovernmental agreement by the Common Council.

If you have questions, please feel free to contact either Nate Loper, Deputy Director of Operations, Department of Public Works or Ellen Totzke, Deputy City Attorney.

**EXHIBIT A**

**SHARED COST RESPONSIBILITY**

	APPLETON	GRAND CHUTE
<b>Meter Equipment</b>		
Meters	100%	100%
Meter Interface Unit (MIU)	100%	100%
Wire & Gaskets	100%	100%
<b>Data Collection Equipment</b>		
AMI Data Collection Equipment	*66.67%	*33.33%
Collector Site Prep	100%	100%
Handheld Programmers	100%	100%
<b>Data Hosting Fees</b>		
Start Up Fee	*66.67%	*33.33%
Years 2013-2033	**78%	**22%
<b>Software</b>		
CIS (purchase)	*66.67%	*33.33%
CIS (support)	*66.67%	*33.33%
Rules Editor (purchase)	*66.67%	*33.33%
Rules Editor (support)	*66.67%	*33.33%
Advanced Reporting (purchase)	*66.67%	*33.33%
Advanced Reporting (support)	*66.67%	*33.33%
Customer Connect (purchase)	*66.67%	*33.33%
Customer Connect (support)	*66.67%	*33.33%
Software Licenses (purchase & renewals)	*66.67%	*33.33%
Software Escrow	*66.67%	*33.33%
<b>Maintenance &amp; Fees</b>		
Tower Maintenance	*66.67%	*33.33%
Backhaul – Monthly Wireless Charges	*66.67%	*33.33%
<b>Other</b>		
FCC License (purchase & renewals)	*66.67%	*33.33%
RNI License (purchase & renewals)	*66.67%	*33.33%
Bonds (2013-2017)	**78%	**22%

\* This apportionment of costs is based upon the ownership of the towers. At this time the City owns two towers and the District owns one. It will only be modified if there is a change in the proportionate number of towers owned by the parties.

\*\* This amount will vary from year to year. It is based on the percentage of total water accounts per Schedule W-24 of each party's Annual Public Service Commission report from the prior year. The 78/22 percentages noted in this Exhibit are from the 2011 reports.

All 100% entries refer to the equipment on the towers owned by that municipality.

James P. Walsh  
*City Attorney*

Ellen Totzke  
*Deputy City Attorney*

Christopher R. Behrens  
*Assistant City Attorney*

Stacy Doucette  
*Assistant City Attorney*