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MEQUON-THIENSVILLE FIRE & EMS JOINT WORKING GROUP

Wednesday, April 6, 2022

12:00 PM

Thiensville Village Hall

Agenda

- 1) Call to Order, Roll Call
- 2) Review & Discussion

Discussion and Possible Action

- a. Draft Fire & EMS Department Agreement
 1. Southern Ozaukee Agreement
- 3) Adjourn

SOUTHERN OZAUKEE EMERGENCY SERVICES AGREEMENT

THIS SOUTHERN OZAUKEE EMERGENCY SERVICES AGREEMENT (“Agreement”) is ~~effective made~~ as of July 1, 2022, by the Village of Thiensville (“Thiensville”) and the City of Mequon (“Mequon”) pursuant to the provisions of Wisconsin Statutes Sections 61.65 and 66.0301. As used in this Agreement, Thiensville and Mequon are referred to individually as a “municipality” and collectively as the “municipalities.”

RECITALS

A. The municipalities have determined that their communities will benefit from unified, integrated fire and emergency medical services.

B. The municipalities intend by this Agreement to establish a jointly operating fire and emergency services department (the “Department”) upon the terms set forth below.

C. The Department shall provide the following services for the municipalities, all as determined by the Board pursuant to this Agreement: firefighting, review of commercial plans for fire protection and suppression, fire inspections, fire safety education and paramedic, first responder, medical transport and other emergency medical services.

AGREEMENTS

NOW THEREFORE, in consideration of the following mutual covenants and conditions, the municipalities agree:

1. Definitions. As used in this Agreement, the following terms and phrases have the following meanings:

- (a) “Board” has the meaning given to it in Section 4.
- (b) “Capital Improvement Budget” means a single or multi-year budget for Capital Improvement Expenses in addition to those set forth in the Operating Budget.
- (c) “Capital Improvement Expenses” means expenditures for the construction or reconstruction of building improvements, the replacement or addition of major building systems (e.g., heating air conditioning, electric and plumbing systems), replacement of parking lots and purchases of any equipment that has a life of at least five years and a purchase price of at least \$100,000 (2022 dollars).
- (d) “Commission” has the meaning given to it in Section 5.
- (e) “Initial Plan” has the meaning given to it in Section 3.

(f) “Net Operating Expenses” means the Operating Expenses for a year, net of ~~s~~Service ~~f~~ees collected and any revenue received from sources other than the municipalities (including, for example, fire insurance dues), but excluding the municipalities’ contributions.

(g) “Operating Budget” means a calendar year budget substantially in the form prescribed by Wisconsin Statutes Section 65.90 for the Department, including income, Operating Expenses and routine annual capital expenditures.

(h) “Operating Expenses” means the usual and ordinary costs of operating the Department on an annual basis, including without limitation personnel costs, insurance, the costs of operating, repair and routine maintenance of buildings used by the Department and the costs of operating, repair, maintenance and routine replacement of the Department’s physical assets. Operating Expenses does not include Capital Improvement Expenses.

(i) “Service Fees” include ambulance and paramedic revenue; burn permits (if allowed by a municipality); fire assistance fees; accident fees; plan review, sprinkler inspection and similar fees; and false alarm fees, as well as any fees adopted by the Board after this date

2. Name. The Department shall be known as the Southern Ozaukee Emergency Services Department.

3. Implementation. Exhibit A sets forth a plan for implementation and initial operation of the Department (the “Initial Plan”) subject to the terms of this Agreement. During calendar year 2022, the Department’s budget shall equal the combined budgets of the municipalities for the services described above. The Board shall implement the Initial Plan as soon as practical but in any event by the end of 2022. Exhibit B sets forth a model for future years. Unless otherwise determined by the Board or agreed by both municipalities, the Department shall hire the employees specified on Exhibit B In all other respects, ~~t~~The model set forth on Exhibit B shall not bind the Board or the Department; rather, it simply expresses a concept that the Board may be adjust in the futureed going forward.

4. Board of Directors. Pursuant to Wisconsin Statutes Section 66.0301, the Department shall have a board of directors (the “Board”) that shall oversee operations pursuant to this Agreement.

(a) Board Members.

(i) The Board shall have five members. The members shall be the Thiensville Village President, a Thiensville Trustee nominated by the Thiensville Village President and confirmed by the Thiensville Village Board, the Mequon Mayor, the President of the Mequon Common Council and one other Mequon resident nominated by the Mequon Mayor and confirmed by the Mequon Common Council. The administrators of Mequon and Thiensville shall be *ex officio*, non-voting members of the Board.

(ii) Each municipality may designate an alternate member from that community to serve in place of an absent member. The governing body of each municipality shall determine how it appoints its alternate.

(iii) No regular or paid-on-call employee of the Department may be a member of the Board. If an elected official is an employee of the Department, he or she shall either resign from the Department or the municipality's governing body shall designate a replacement member of the Board.

(b) Terms of Office. The term of the Thiensville Village President and the Mequon Mayor on the Board shall be coterminous with their respective elected terms of office. The governing body of each municipality shall determine, for the members from its community, the terms of office, the methods for removing its other member or members and its alternate member and the method for filling vacancies.

(c) Officers.

(i) The Board shall have three officers: a President, a Vice President and a Secretary.

(ii) The office of President shall alternate between the Mequon Mayor and the Thiensville Village President. Whichever municipality's chief executive officer is not the President shall be the Vice President. From the date of this Agreement through May 1, 2023, the President shall be the Thiensville Village President and the Vice President shall be the Mequon Mayor. As of May 1 of each year thereafter, the roles shall reverse.

(iii) The President shall chair meetings of the Board. In the absence or upon recusal of the President, or until a vacancy in the President is filled and qualified, the Vice President shall serve as acting chair. If both the President and the Vice President are not present or participating, then the Board shall choose the acting chair.

(iv) The chair shall preserve order and decorum, decide all questions of order and conduct the proceedings of the meeting in accordance with the parliamentary rules contained in Robert's Rules of Order Revised, unless otherwise provided by state law. Any member shall have the right to appeal a decision of the chair. The appeal may be sustained by a majority of the members present, exclusive of the chair.

(v) The Secretary shall be the administrator of the municipality for which the President serves as chief elected official. Such administrator may designate another staff person to prepare agendas and minutes.

(d) Quorum. A quorum shall consist of three members of the Board, including any alternates serving in the stead of other members; however, at least one voting member from each municipality must be present to constitute a quorum. A quorum shall be required to conduct a meeting, to transact business and to take any action on any agenda item.

(e) Meetings.

(i) Meetings of the Board shall be held not less frequently than once in each calendar quarter and otherwise at the call of the President or upon the written request of at least two members of the Board. Meetings shall occur, as designated by the President, at the Mequon City Hall, the Thiensville Village Hall or one of the fire stations; however, in the absence of any specific designation, meetings shall be held at the Mequon City Hall if the President of the Board is the Mequon Mayor or at the Thiensville Village Hall if the President of the Board is the Thiensville Board President.

(ii) The chair shall establish the agendas for all such meetings after consultation with the Department's command staff.

(iii) Any member may request in writing, at least five business days prior to a meeting, that an item germane to the Department's or the Board's purpose, duties or powers be placed on an agenda. If the chair fails to place such item on the agenda for a meeting, the proposing member may, at any meeting, move the Board to have the item placed on the next agenda.

(iv) Written notice of a meeting and the agenda for such meeting shall be delivered in any manner allowed by law to each member at least 48 hours in advance of the meeting (or such lesser time as allowed by law in the event of an emergency as determined by the President), in such form as will reasonably apprise the members, the public and the press of the date, time and subject matter that is intended for consideration and action at the meeting.

(v) Minutes of the meetings and actions of the Board shall be submitted to the governing body of each municipality. The minutes shall show the vote of each member upon each question. The minutes shall also show if a member is absent or fails to vote on any question.

(vi) Members shall attend meetings in person. No member may appear at any meeting by telephonic or other electronic means. This rule may be waived in its entirety by the Board or the President in the event of any public health emergency or, provided a quorum is present in person, for an individual member or members.

(f) Voting Requirements. Except as otherwise specifically set forth in this Agreement, the affirmative vote of a majority of the members of the Board (including any alternates serving in the stead of other members) at which a quorum is present shall constitute the action of the Board.

(g) Compensation. No compensation shall be paid to members of the Board; however, members may be reimbursed for actual and necessary expenses incurred if so authorized by the Board.

(h) Powers. Except as limited by this Agreement, the Board shall have all the powers and duties authorized under the Wisconsin Statutes relating to the Department's operations. Such powers shall include without limitation the following:

(i) To authorize repair, maintenance and renewal of the physical assets which are owned by the Department.

(ii) To modify the Initial Plan as necessary, provided that no such modification shall increase the total costs of the Initial Plan to the municipalities.

(iii) To modify line items in any approved Operating Budget provided that no such modification shall increase from the approved Operating Budget the total Net Operating Costs payable by the municipalities.

(iv) To authorize and contract to make all expenditures necessary for the operation of the Department provided that no such expenditures or contracts shall increase from the approved Operating Budget the total Net Operating Costs payable by the municipalities.

(v) To authorize and contract to make all expenditures necessary for the implementation of approved Capital Improvement Expenses in any approved Capital Improvement Budget.

(vi) To negotiate, set and/or approve wages, salaries and benefits of the Department's employees and to enter into contracts for the foregoing.

(vii) To sell, exchange, convey or transfer assets of the Department for fair and equitable consideration, as determined to be necessary from time to time, having a fair market value not in excess of \$100,000 in any one calendar year.

(viii) To sell, exchange, convey or transfer assets of the Department (other than real property) for fair and equitable consideration, as determined to be necessary from time to time, having a fair market value in excess of \$100,000 in any one calendar year; however, any such transaction shall require the approval of a majority of the Board and at least one representative from each municipality.

(ix) To enter into and implement mutual aid agreements with other municipalities.

(x) To adopt Services Fees ~~for services~~ and to charge and collect such fees.

(xi) To monitor the condition of the capital assets owned and controlled by the Department, and to furnish annually estimated dates and costs of replacement or reconstruction for each item over a 10-year period to the member governing bodies for approval.

(xii) To recommend the following to the municipalities:

[1] Amendments to this Agreement.

- [2] Approval of Operating Budgets as described in this Agreement.
- [3] Approval of Capital Improvement Budgets as described in this Agreement.
- [4] Amendments to the Initial Plan, any approved Operating Budget or approved Capital Improvement Budget if and to the extent the power to make such amendments is not granted above to the Board.
- [5] The addition of other municipalities to this Agreement and the Department and appropriate amendments to this Agreement related to any such addition.

5. Joint Fire Commission. The Department shall have a Joint Fire Commission (the “Commission”) as provided by Wisconsin Statutes Sections 61.65 and 62.13(2)(b).

(a) Commission Members and Terms of Office. Members of the Board shall serve as the members of the Commission. Vacancies on the Commission shall be filled by appointment for any unexpired term by the appointing authority in the same manner as original appointments are made.

(b) Officers.

(i) The Commission shall have three officers: a President, a Vice President and a Secretary. The person holding each of such offices on the Board shall hold the same office as a member of the Commission.

(ii) The President shall chair meetings of the Commission. In the absence or upon recusal of the President, or until a vacancy in the President is filled and qualified, the Vice President shall serve as acting chair. If both the President and the Vice President are not present or participating, then the Commission shall choose the acting chair.

(iii) The chair shall preserve order and decorum, decide all questions of order and conduct the proceedings of the meeting in accordance with the parliamentary rules contained in Robert's Rules of Order Revised, unless otherwise provided by state law. Any member shall have the right to appeal a decision of the chair. The appeal may be sustained by a majority of the members present, exclusive of the chair.

(c) Quorum. A quorum shall consist of three members of the Commission, including any alternates serving in the stead of other members; however, at least one voting member from each municipality must be present to constitute a quorum. A quorum shall be required to conduct a meeting, to transact business and to take any action on any agenda item.

(d) Meetings.

(i) Meetings of the Commission shall be held not less frequently than once in each calendar quarter and otherwise at the call of the President or upon the written request of at least two members of the Commission, as designated by the President, at the Mequon City Hall, the Thiensville Village Hall or one of the fire stations; however, in the absence of any specific designation, meetings shall be held at the Mequon City Hall if the President of the Commission is a Mequon appointee or at the Thiensville Village Hall if the President of the Commission is a Thiensville appointee.

(ii) The chair shall establish the agendas for all such meetings after consultation with the Department's command staff or, if the command staff is the subject of the Commission's meeting, the attorney and personnel advisor for the municipality for which the President serves as chief elected official.

(iii) Any member may request in writing, at least five business days prior to a meeting, that an item germane to the Department's or the Commission's purpose, duties or powers be placed on an agenda. If the chair fails to place such item on the agenda for a meeting, the proposing member may, at any meeting, move the Commission to have the item placed on the next agenda.

(iv) Written notice of a meeting and the agenda for such meeting shall be delivered in any manner allowed by law to each member at least 48 hours in advance of the meeting (or such lesser time as allowed by law in the event of an emergency as determined by the President), in such form as will reasonably apprise the members, the public and the press of the date, time and subject matter that is intended for consideration and action at the meeting.

(v) Minutes of the meetings and actions of the Commission shall be submitted to the governing body of each municipality. The minutes shall show the vote of each member upon each question. The minutes shall also show if a member is absent or fails to vote on any question.

(vi) Members shall attend meetings in person. No member may appear at any meeting by telephonic or other electronic means. This rule may be waived in its entirety by the Board or the President in the event of any public health emergency or, provided a quorum is present in person, for an individual member or members.

(i) Voting Requirements. The affirmative vote of a majority of the members of the Commission at which a quorum is present shall constitute the action of the Commission.

(e) Compensation. No compensation shall be paid to members of the Commission; however, members may be reimbursed for actual and necessary expenses incurred if so authorized by the Board.

(f) Powers. The Commission shall have all powers set forth in the Wisconsin Statutes for joint fire commissions that apply to villages and fourth class cities except the municipalities specifically do not adopt, and the Commission shall not have, the optional powers set forth in Wisconsin Statutes Section 62.13(6).

6. Fiscal Responsibilities. The Department shall, subject to policies adopted by the Board, have one or more employees who perform the following fiscal and administrative duties:

(a) Maintaining financial records. The Department shall keep complete and accurate records of all receipts and disbursements of the Department, which shall be available for public inspection, and shall furnish the municipalities with annual audit reports.

(b) Receiving all service revenues and any other revenues of the Department.

(c) Paying all amounts authorized by the Board which are in accordance with the Operating Budget and any Capital Improvement Budget, each as approved by the governing bodies of the municipalities.

(d) Providing payroll administration.

(e) Administering insurance programs.

(f) Providing such other services described in this Agreement.

7. Employees. All employees of the Department shall be employees of the Department for all purposes, and in no event shall any such employees be or be deemed or construed to be an employee of any of the municipalities.

8. Personal Property and Contributions to the Department.

(a) Each municipality shall allow the Department to use the fire and emergency medical service apparatus and vehicles currently owned by it and shall provide the labor (but not parts) for the maintenance of such apparatus and vehicles. the municipalities On or before December 31, 2014, the Board in consultation with the Department's command staff shall determine which pieces of such apparatus and vehicles are necessary for the ongoing operations of the Department and shall purchase those pieces from the municipalities required to implement the approved plan, as determined by the Board, will be purchased by the Department from the municipalities on or before January 1, 2023. Each municipality shall deliver a Bill of Sale to the Department for the apparatus and vehicles purchased from it. The purchase price for such items shall be their appraised values as determined by an appraiser engaged by the Board. Each municipality shall be paid for apparatus and vehicles purchased by the Department, over a 10-year term commencing as of January 1, 2025³, with interest at the rate of 3% per annum. As of the effective date of this Agreement, eEach municipality shall contribute to the Department, at no charge, all records, parts and supplies currently in use by its fire department. Apparatus and vehicles not purchased by December 31, 2014 remain the property of the municipality for disposal as it may choose.

(b) The Department shall be the legal owner of assets contributed to or acquired by the Department, and where applicable such assets shall be titled in the name of the Department. The Department shall not be the owner of real estate, buildings and fixtures used by it unless any of such property is conveyed to and titled in the name of the Department. All assets contributed to or acquired by the Department shall be owned and held by the Department subject to the provisions of this Agreement for division of assets on termination of this Agreement.

(c) The Department shall pay for the repair, maintenance and replacement of apparatus and vehicles owned by the Department.

9. Real Property. ~~NEEDS FURTHER REVIEW~~

(a) As of the effective date of this Agreement, the municipalities shall transfer to the Department custody, use and control, but not ownership, of the buildings or portions of buildings to be used by the Department. ~~Buildings occupied but not owned by the Department shall be rented from the municipality at the initial rate of \$6 per square foot per year commencing as of January 1, 2023. Additionally, the Department shall pay for all insurance, utilities and other operating expenses related to the space occupied by the Department. The square footage of each building or portions of buildings transferred to the Department as of the effective date of this Agreement and allocation of building costs where both fire and other government functions (including without limitation police) occupy space in a building are described on Exhibit C.~~

(b) The municipal owner of a building shall bear the costs of (i) maintaining, repairing and replacing structural components, roofing, major systems, fixtures and paved areas of its building and the property on which it is located; (ii) routine maintenance; (iii) exterior maintenance, including without limitation landscaping and snow and ice removal; (iv) basic janitorial services (but the Department shall keep its space neat and orderly); and (v) dumpsters for waste removal.

~~(c) The Board shall endeavor to develop and implement a facilities plan by the end of 2025. The Board shall approve any additional real property to be used by the Department. If and to the extent any of the municipalities construct new buildings or obtain additional buildings to be used by the Department, or if additional municipalities are made parties to this Agreement, the Department shall pay rent for the municipalities' real property used by the Department so that the costs of maintaining the real property are proportionately borne by the municipalities. The Board shall determine an equitable rental amount to be paid by the Department as part of the Department's Operating Budget. If the Department acquires and develops real property, it shall do so as pursuant to the Capital Improvement Budget provisions of this Agreement.~~

10. Operating Budgets.

(a) The Board shall, by majority recommendation, submit a proposed Operating Budget to the governing bodies of the municipalities not later than October 1 of each year commencing October 1, 2022. The proposed Operating Budget shall contain an explanation of the Board's reasons for recommending the Operating Budget. Action by each municipality in

connection with approval of an Operating Budget shall be completed by November 15 of each year. No expenditures shall be made or contracted for by the Board or any employee with respect to any budget item not contained in the prior year's Operating Budget until the governing bodies of the municipalities approve the proposed Operating Budget.

(b) In the event an Operating Budget is not approved by the municipalities as set forth above, the Net Operating Expenses on a monthly basis shall not exceed the Net Operating Expenses for the prior calendar year, plus any cost increases resulting from contractual obligations incurred in prior years, until agreement is reached by the municipalities.

11. Capital Improvement Budgets. The Board may recommend a proposed Capital Improvement Budget to the governing bodies of the municipalities at any time. The Board may only recommend a Capital Improvement Budget with the approval of at least four members of the Board. The proposed Capital Improvement Budget shall contain an explanation of the Board's reasons for recommending the Capital Improvement Budget. No expenditures shall be made or contracted for by the Board or any employee with respect to any Capital Improvement Expenditure in the proposed Capital Improvement Budget until approved by the governing bodies of the municipalities. After such approval, the Board is authorized to enter into contracts and make expenditures deemed necessary by the Board for the Capital Improvement Expenses described in the Capital Improvement Budget as and when determined by the Board (unless otherwise specified in the approval of the governing bodies of the municipalities) and in amounts not in excess of the approved Capital Improvement Budget.

12. Payment of Expenses. The municipalities shall bear and pay the net operating expenses and capital expenditures of the Department as established according to the following procedures and proportions.

(a) Mequon shall bear 84.8% and Thiensville shall bear 15.2% of the Departments' Net Operating Expenses and Capital Improvement Expenses. If any other municipalities are added to this Agreement, these percentages shall be replaced by a formula dividing the total contributions among the municipalities in proportion to each municipality's usage (number of service calls per year), population and equalized value of improvements. The percentages of each of such three elements for the formula shall be negotiated as an amendment to this Agreement; however, the municipalities anticipate that 40-% shall be attributed to usage 30% shall be attributed to population and equalized value of improvements. Each municipality's annual financial contribution to the Operating Budget and contributions for the Capital Improvement Expenditures under a Capital Improvement Budget shall be calculated in the manner described in the formula and percentages outlined in the attached Exhibit D.

(b) The Department shall submit to each municipality a statement requiring payment of that municipality's share of the budgeted Net Operating Expenses, net of service fees as described below ~~and any revenue received from sources other than the municipalities~~, for the year. Such amount shall be paid to the Department in equal quarterly payments. The notice shall be given not later than 15 days following approval of the Operating Budget by the municipalities. Each municipality shall pay one-quarter of its share of the annual net Operating Expenses on or

before January 1, April 1, July 1 and October 1. The Department shall provide to each municipality a quarterly statement at least 15 days prior to each due date.

(c) In the case of Capital Improvement Expenditures from an approved Capital Improvement Budget, the Department shall provide a statement to each municipality setting forth the required payment(s) of that municipality's share of the Capital Improvement Budget with due dates of those payments. Due dates of payments shall not be less than 30 days from the date of the statement.

(d) On January 1 and July 1 of each year, the Department shall compute the amount of revenue received by the Department from ~~S~~service ~~usage~~-~~f~~ees during the preceding six month period and shall credit the amount of such revenues against the amounts due from the municipalities in accordance with the ratio of expense sharing in effect for such preceding six month period.

(e) For purposes of Sections 12(c) and 12(d), the amounts payable shall be based on actual expenses and revenues, if known, and if based on estimates, shall be subject to reconciliation when actual expenses and revenue are known.

(f) If any municipality fails to pay in full any payment to be made by it as provided by this Agreement on the due date, such defaulting municipality shall be indebted to the Department (or, if such amount is advanced by the other municipality, to the other municipality) for the payment due, plus interest at the prevailing rate available on a public purpose loan from the Wisconsin State Trust Fund loan program for a loan with a term of over 5 years and up to 10 years. Interest shall accrue until the obligation is paid. At the discretion of the Board, the Board may take legal action to enforce payment by the defaulting municipality. The costs, including reasonable attorneys' fees, of such action shall be paid by the defaulting municipality and shall be included in any judgment. Any recovery shall be paid to reimburse any other municipality to the extent it paid any part of such defaulted payment, plus interest, and the balance of such payments, plus interest, shall be made to the Department, which interest shall be credited against payments to be made by the municipality or municipalities that were not in default.

(g) Notwithstanding the provisions of this Agreement regarding withdrawal or termination, each municipality shall be liable for its share of a Capital Improvement Budget upon final approval of such Capital Improvement Budget.

(h) To the extent any organization or one or more residents of a municipality donates money to the Department, such donation shall be credited against such municipality's Operating Budget obligations if the donor specifies that it shall be so credited.

(i) Any donation to the Department of land, a vehicle, apparatus or other property shall require the approval of the Board prior to acceptance by the Department. If such a donation is from an organization or one or more residents of a municipality, and the donor specifies that the donation shall be credited to the municipality, such donation shall be credited against such municipality's obligations to the Department as follows: (i) if the item donated was scheduled to be purchased pursuant to the Operating Budget, the fair market value of the donation, as reasonably

determined by the Board, shall be credited against the municipality's Operating Budget obligations; or (ii) otherwise, the municipality shall receive a credit of 1/10th of the fair market value of the item, as reasonably determined by the Board, for each of the 10 years following the donation.

13. Term of Agreement. This Agreement shall take effect upon execution after adoption by the governing body of each municipality of a resolution approving this Agreement and authorizing its execution. This Agreement shall remain in effect in perpetuity subject to the following:

(a) Unless agreed by both municipalities, the municipalities shall participate in this Agreement for a minimum of five years.

(b) After the expiration of the initial five year period, a municipality wishing to withdraw from this Agreement may do so on at least two years written notice addressed to the clerk of the other municipality, provided however, that no such notice be given until expiration of the initial five-year period set forth above.

14. Termination and Distribution of Assets.

(a) This Agreement may be terminated at any time by the written consent of all municipalities or upon the permitted withdrawal of all but one municipality, provided that this Agreement and the Commission and the Board shall continue to exist for the purpose of disposing of all claims, distribution of assets and all other functions necessary to terminate the affairs of the Department.

(b) Upon termination or withdrawal, the municipalities shall be entitled to a distribution of assets as set forth below:

(i) A share of all equipment and apparatus of the Department shall be distributed to the withdrawing or terminating municipality in the proportion set forth in (ii) below, adjusted for additional capital expenditures for equipment and for depreciation.

(ii) All money and funds (including cash on hand and money due but uncollected) of the Department shall be distributed to the withdrawing or terminating municipality in the proportion of the previous year's cost allocation formula percentage of the withdrawing municipality or terminating municipalities, providing the distribution may be deferred by the Board in whole or in part for up to one year as a reserve to meet liabilities known and unknown.

(iii) All control of the buildings owned by the withdrawing or terminating municipality shall be returned to that municipality.

(iv) The distribution of assets provided in (i) shall be in kind, but only to the extent that assets are identifiable as contributed by the municipality withdrawing. To the extent that such identification is not possible, then the payment shall be made in cash or in the form of other assets acceptable to the withdrawing municipality, in an amount equal to the proportionate

share of book value of such property, net of depreciation. With respect to real estate, buildings and fixtures titled in the name of the Department, the withdrawing or terminating municipality shall be entitled to a cash payment in the amount of the proportionate share of the book value of such property, net of depreciation, equal to the municipality's proportionate share of contributions allocated to such property. The withdrawing or terminating municipality shall have no right to require a partition of any such real estate. In the event of a cash payment, such payment may be made in equal annual installments, bearing interest at the rate specified in Section 12(f), over a period of not more than four years with respect to equipment and apparatus and not more than 10 years with respect to real estate, buildings or fixtures, and such payment shall be reduced by the proportionate amount, net of depreciation, of any capital expenditures financed by the Department with respect to any buildings owned by such municipality.

15. Participation. Additional municipalities may be permitted to become parties to this Agreement, but only upon (a) approval of the governing bodies of the municipalities which have maintained in a current status their financial obligations under this Agreement, and (b) upon such terms and conditions as the governing bodies adopt.

16. Amendments. Amendments to this Agreement may be proposed by any member of the Board. The amendment shall be submitted to the Board at least 30 days prior to the meeting of the Board at which such amendment is to be considered. The approval of at least four members of the Board shall be required to recommend any amendment to the governing body of the municipalities. The agreement of the governing bodies of the municipalities shall be required to approve any amendments to this Agreement, except that the Initial Plan may be amended by the Board as provided in this Agreement.

17. Hold Harmless. Any uninsured liability, cost or damages for personal injury, property damage or any other loss of whatever nature incurred by the Department or any municipality by reason of its participation as a member of the Department and specifically by reason of the services provided by the Department shall be the liability of the Department, subject to the contributions of the municipalities described below. Any such uninsured liability, cost or damage shall be paid proportionately by each of the municipalities in accordance with the formula established in Section 12(a), notwithstanding the political jurisdiction in which such injury, loss or damage occurs, through contributions by such municipalities to the operating budget, or if such operating budget is insufficient, through additional contributions to the Department made proportionately by each municipality in accordance with the formula established in Section 12(a).

18. Mutual-Aid Response and Intercept Agreements. The mutual-aid response agreements between the municipalities are terminated. The mutual-aid response and intercept agreements between or among the municipalities and others shall be terminated by the earliest dates provided in those agreements. The Board may replace such agreements.

19. Fire Hydrants and Water Usage. Charges to a municipality from its water utility which relate to the repair, maintenance and replacement of fire hydrants and other system components and for water shall be the responsibility of the respective municipality.

20. Insurance.

(a) The Board shall, on behalf of the Department, procure and maintain during the term of this Agreement sufficient insurance to cover all aspects of its operations, including without limitation public liability, workers compensation, unemployment insurance, insurance for fire and other perils related to the buildings occupied by the Department and other insurance obligations. Proof of insurance on leased structures not owned but occupied by the Department shall be furnished to the owners of the structures annually.

(b) Public liability, workers compensation, unemployment insurance and other insurance obligations arising from incidents which occurred prior to the date of this Agreement shall remain the separate responsibility of each party, subject to the apportionment or proration with authority in accordance with applicable law.

21. General Provisions.

(a) Entire Agreement. This Agreement contains the municipalities' entire understanding with respect to the matters contemplated by this Agreement and supersedes any prior understandings or agreements among them with respect to the Department.

(b) Counterparts. This Agreement may be executed in several counterparts and each executed counterpart shall be considered as an original of this Agreement.

(c) Captions. The captions to the provisions of this Agreement are merely labels to assist in the locating and reading of this Agreement and shall be ignored in construing this Agreement.

(d) Disputes. In the event of any litigation or arbitration proceedings involving this Agreement, the "Prevailing Party," as defined below, shall be awarded from the court or the arbitrator its or their reasonable attorneys' fees incurred in connection with such proceedings. The "Prevailing Party" shall be, as determined by the court or the arbitrator, the party or parties whose position is found to be most correct.

(e) Severability. To the extent that all or any part of any provision of this Agreement is, or shall become, unenforceable, the provision or part of a provision shall be severed from this Agreement, and this Agreement shall be interpreted as if the severed provision or part of a provision did not exist. At any time such a provision is discovered or is deemed to have been severed from this Agreement, the municipalities shall execute any amendment to this Agreement necessary to clarify that the provision has been severed from this Agreement.

(f) Interpretation. Regardless of who prepared the original draft of this Agreement, each municipality has had significant input into its terms and content and, accordingly, no presumption shall be made against the drafter. Words of the masculine, feminine or neuter gender shall mean and include the other genders.

(g) Electronic Signatures. This Agreement may be signed electronically, and manual or electronic signatures may be transmitted by facsimile or email. All such signatures shall be enforceable as original signatures.

[The remainder of this page has been intentionally left blank.]

[SIGNATURE PAGE]

CITY OF MEQUON

VILLAGE OF THIENSVILLE

By: _____
John M. Wirth
Mayor

By: _____
Van Mobley
President

Exhibit A – Initial Plan

Exhibit B - Model

~~Exhibit C – Building Space and Allocation of Building Costs~~

Exhibit ~~C~~^D - Financing Formula

Attachment: Southern Ozaukee Agreement 220403 (01203942-10xC3B04) (7192 : Southern Ozaukee Agreement)

Exhibit A
Initial Plan

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Exhibit C
~~Building Space and Allocation of Building Costs~~

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Exhibit D
Financing Formula
 (Distribution of Costs)

~~Commencing as of January 1, 2023, each municipality's annual financial contribution to the Department's Operating Budget, and any approved Capital Improvement Budget, shall be based on the following:~~

~~1. Population~~

~~_____ % of the total budget contribution shall be shared among the municipalities in proportion to each municipality's percentage share of the total population of the municipalities, as determined by the State of Wisconsin. Each municipalities' population for the purposes of this Agreement will be calculated using the average of the population of each municipality for the five prior calendar years.~~

~~2. Equalized Valuation~~

~~_____ % of the total budget contribution shall be shared among the municipalities in proportion to each municipality's percentage share of the total equalized valuation, excluding land, of all the municipalities, as determined by the State of Wisconsin. The equalized valuation will be calculated, for the purposes of this Agreement, using the average of the total equalized valuation, excluding land, over the preceding five calendar years.~~

~~3. Usage~~

~~_____ % of the total budget contribution shall be shared among the municipalities in proportion to each municipality's percentage share of usage.~~

~~The financing formula calculation will be performed as of the date of this Agreement, to be effective as of January 1, 2023, and then again as of January 1 2028 and every five years thereafter. At the time of the next financing formula calculation, usage will be calculated, for the purposes of this Agreement, based on each municipality's percentage share of the total usage averaged over the preceding five calendar years. At that time, and thereafter, usage shall be calculated based on the actual number of personnel hours for each fire or emergency medical service run, rounded to the next one-tenth of one hour. Personnel hours are calculated from the time vehicle leave their stations to the time vehicles return to their stations. Usage is assigned to the municipality in which the call for service originated, without regard to where the personnel responding are stationed.~~