

DEC 16 1988

AGREEMENT BETWEEN  
THE TOWN OF CALEDONIA, THE COUNTY OF RACINE  
THE CALEDONIA LANDFILL LOCAL NEGOTIATING COMMITTEE  
AND WISCONSIN ELECTRIC POWER COMPANY

THIS AGREEMENT is entered into on this 28th day of  
November, 1988, by and between the Town of Caledonia, the  
County of Racine, the Caledonia Landfill Local Negotiating Committee  
(Local Committee) and Wisconsin Electric Power Company (Wisconsin  
Electric).

W I T N E S S E T H:

WHEREAS, Wisconsin Electric is desirous of constructing and op-  
erating a "land disposal site or facility," as defined in Section NR  
500.03(72), Wis. Admin. Code, (hereinafter "Landfill"), on certain  
property located in the Town of Caledonia, Racine County, Wisconsin,  
which property is more fully described on Exhibit 1 attached hereto  
and made a part hereof, for the purpose of disposing of coal combus-  
tion by-products and other waste products resulting from the gen-  
eration of electricity (collectively hereinafter called "flyash") at  
Wisconsin Electric's Oak Creek Power Plant, including only flyash,  
bottom ash, treatment plant sludge, demineralizer resin, and such  
other materials which the Department of Natural Resources (DNR) per-  
mits to be deposited in the Landfill and which have been approved in  
writing by the County Board and the Town Board and their respective  
designees, and

WHEREAS, Wisconsin Electric has made application for various  
local approvals pursuant to Section 144.44(lm) Wis. Stats., and

WHEREAS, pursuant to Section 144.445(7), Wis. Stats., a Local Committee has been appointed by the Town of Caledonia and County of Racine, and

WHEREAS, pursuant to Section 144.445(9), Wis. Stats., Wisconsin Electric and the Local Committee have negotiated certain agreements relating to the Landfill, and

WHEREAS, the parties wish to formalize their agreements as authorized by law;

NOW, THEREFORE, IT IS AGREED by and between the parties hereto, for and in consideration of the mutual promises contained herein and the sums of money to be paid, as follows:

1. Wisconsin Electric will reimburse the Local Committee for the costs it has reasonably incurred relating to negotiating this Agreement up to, but not to exceed the greater of \$20,000, or the maximum allowed by statute at the time this agreement is executed.

2. In order to minimize any adverse economic impact upon the value of real estate located in the immediate vicinity of the Landfill, Wisconsin Electric agrees to provide economic protection as hereinafter described for those properties listed on Exhibit 2 which is attached to this Agreement and incorporated by this reference.

Owners of property listed in Exhibit 2 as of the date on which flyash is first deposited in the Landfill ("Election Date") may demand either a "CASH PAYMENT" or the "FAIR MARKET VALUE PROTECTION" as described below. Wisconsin Electric shall thereafter make the

CASH PAYMENT or provide the FAIR MARKET VALUE PROTECTION if the terms and conditions contained herein are met.

Eligible owners must notify Wisconsin Electric in writing within one year of the Election Date of their demand for a CASH PAYMENT. Such demand shall be effective only if made by all owners of a specific parcel of property as identified and listed in Exhibit 2. Such demand shall further be effective only if such owner has not previously demanded Fair Market Value Protection for such property. To be eligible for payment, at the time of receipt of such payment, the property owner must own the property and must certify that either he or she has not entered into a contract for the sale thereof or, if he or she has entered into such a contract, that the purchaser or prospective purchaser of the property joins in requesting such payment to the owner. If such written demand is not received by Wisconsin Electric within one year of the Election Date or the property owner does not meet the requirements for receipt of a CASH PAYMENT, the property owner will be deemed to have waived payment under CASH PAYMENT option.

Wisconsin Electric shall mail to eligible owners a notice which informs them of the Election Date and clearly outlines owner's rights under both the CASH PAYMENT and FAIR MARKET VALUE PROTECTION options. A copy of the notice to be given hereunder is attached to this Agreement as Exhibit 3. This notice shall be sent by certified mail and shall be postmarked not later than 10 working days before the Election Date, as established by Wisconsin Electric.

THE FAIR MARKET VALUE PROTECTION hereof shall be available to all eligible property owners making a written demand therefor from Wisconsin Electric who have not demanded, except if subsequently determined such owner did not qualify for, or received a CASH PAYMENT. In cases where there is more than one owner of a specific parcel of property as identified and listed on Exhibit 2, all owners must demand FAIR MARKET VALUE PROTECTION. The FAIR MARKET VALUE PROTECTION section hereof shall apply only to or on the first sale or other transfer of title to a property listed in Exhibit 2 after the Election Date, and only once for each such property.

Under the CASH PAYMENT program, Wisconsin Electric agrees to compensate the owners of property listed on Exhibit 2 by paying to the owner or owners an aggregate sum equal to 5% of the equalized value of the property as found on the most recent STATEMENT OF REAL ESTATE TAXES for the property. Such sum shall be paid within 60 days after receipt by Wisconsin Electric of a request from an eligible property owner and all necessary certifications, provided the property and property owner meet all conditions for such CASH PAYMENT.

The FAIR MARKET VALUE PROTECTION program shall be administered as follows:

- a. To be eligible for fair market value price protection under this section, owners of marketable title to the listed real estate must place their property on the market for sale with a real estate broker licensed under the laws of the State of Wisconsin. At such time as property is offered for sale, the owner must provide Wisconsin Electric with both the name of the bro-

ker with which such real estate is listed and the proposed terms of sale. Wisconsin Electric shall cause the property to be appraised at its fair market value both (1) as of that day and (2) as of that day but making the sole additional assumption that the Landfill had not been acquired for use and used as a landfill as proposed by Wisconsin Electric. The difference between the two values, if the appraisal considering the Landfill is less than the appraisal without considering the Landfill, which shall be presumed to represent the adverse impact on property value, if any, caused by the presence of the Landfill, shall be deemed to be "diminished fair market value" of the property. The real estate appraiser hired by Wisconsin Electric shall be certified as a member of the American Institute of Real Estate Appraisers or recognized by the National Appraisers Association and shall work independently of Wisconsin Electric.

Upon completion Wisconsin Electric shall provide a copy of the appraisal to the affected property owner. In the event the affected property owner disagrees with the valuation arrived at, he or she shall have a right to obtain an appraisal valuing the subject property in the same manner as it was valued by the appraiser for Wisconsin Electric. Any appraiser retained by the affected property owner shall be certified as a member of the American Institute of Appraisers or recognized by the National Appraisers Association and work independently of the affected property owner. The costs for all appraisals under section shall be paid by Wisconsin Electric provided that Wisconsin Electric shall not be obligated to pay for the owner's appraisal if the owner discloses or causes to be disclosed to the appraiser retained by such owner the appraisal furnished to such owner by Wisconsin Electric prior to the completion and delivery to Wisconsin Electric of the owner's appraisal. Wisconsin Electric shall notify the owner in writing of the foregoing condition of payment at the time the Wisconsin Electric appraisal is delivered to the owner. If the property owner so desires for purposes of offering the property for sale, he or she may request of Wisconsin Electric that the first appraisal be performed by an appraiser of the owner's choice. If so and if Wisconsin Electric is dissatisfied with such appraisal, the order of appraisals described above shall be reversed.

- b. Computation of Fair Market Value. For purposes of subsection c(1)-(5), "fair market value" means the value of the property as if the site described herein had not been acquired for use and used as landfill as proposed by Wisconsin Electric. Fair market value shall be established as follows: 1) by a single appraiser under subsection (a) if the results were acceptable to both parties; or, 2) by agreement between the two appraisers retained under subsection (a). If the two appraisers retained under subsection (a) do not agree, they shall meet forthwith and have 5 days to agree upon a fair market value. If they are unable to agree, they shall have 7 days to pick a third appraiser who shall act as a review appraiser and shall arrive at a fair market value within 15 days of his or her selection. Diminished fair market value, which is defined in subsection (a), shall be established in the same manner as described in this subsection.
- c. Any property affected by this section shall continue to be exposed for sale until:
- 1) The property owner sells it at a price that is at or above the fair market value, in which case no payment shall be made by Wisconsin Electric.
  - 2) The property owner receives an arm's length written offer which is less than the fair market value. The property owner shall notify Wisconsin Electric of the offer and Wisconsin Electric shall purchase the property at the fair market value or permit the property owner to accept the offer and then pay the property owner the difference between the sale price and the fair market value as determined under subsection (b). Except at the sole election of Wisconsin Electric, this subsection shall not apply unless the property has been on the market for at least 180 days.
  - 3) At least 270 days expire from the time the property has been continuously exposed to the market for sale and no offers of purchase acceptable to Wisconsin Electric have been received. If no offers of purchase acceptable to Wisconsin Electric have been received for the affected property, Wisconsin Electric

shall, unless it in its sole discretion offers to purchase such property at its fair market value, make a onetime payment to the owner equal to the difference between the fair market value and the diminished fair market value of the property.

- 4) The property owner chooses to sell the property to one other than an arm's length purchaser. Such property owner shall notify Wisconsin Electric at least 30 days prior to the proposed conveyance. Fair market value shall be determined under subsection (b) but the property owners shall only be entitled to payment from Wisconsin Electric equivalent to the difference between the fair market value of the property and the diminished fair market value, rather than the difference between the purchase price and the fair market value price.

3. The Town of Caledonia hereby approves the closure and vacation of Rifle Range Road east of a point approximately 175 feet east of the east line of S.T.H. 32, and Wisconsin Electric agrees to pay the Town of Caledonia the sum of \$15,000 within 15 days of the effectiveness of the closure and vacation of Rifle Range Road.

4. The Town of Caledonia may create a Monitoring Committee as hereinafter set forth. Such Monitoring Committee shall have the powers and duties specified herein. The Monitoring Committee shall have such additional powers and duties as may be granted it by the Town Board; provided, however, that the granting of such additional powers by the Town Board shall not in any manner increase the powers and authority of the Monitoring Committee over the design, construction, operation or closure of the landfill or over Wisconsin Electric, and the Monitoring Committee's powers and authority over

such matters and over the Landfill and Wisconsin Electric shall be limited to the powers and authority otherwise expressly provided in this Agreement.

The Monitoring Committee shall consist of 5 voting members, each appointed for a term of 2 years by the Town Board. One member shall be a member of the Town Planning Committee. Another member shall be a person residing within the Town of Caledonia and within 2 miles of the Landfill. The remaining 3 members shall be residents of Racine County. When the Monitoring Committee member who is the Town Planning Committee member no longer is on the Town Planning Committee, he or she shall automatically cease to be a member of the Monitoring Committee. The Town Board shall appoint a successor as soon as possible. Other Monitoring Committee members under the above specified residency requirements shall automatically cease to be Monitoring Committee members upon failing to meet such residency requirements. Monitoring Committee members may voluntarily resign at any time. There shall be a nonvoting liaison member of the Monitoring Committee who shall be appointed by Wisconsin Electric.

The Monitoring Committee shall immediately elect a chairperson who shall be the designated recipient of all Wisconsin Electric correspondence and notifications. The Monitoring Committee shall immediately notify Wisconsin Electric of any change in chairperson or other members.

Three voting Monitoring Committee members shall constitute a quorum. A majority vote of Monitoring Committee voting members at a



meeting, provided a quorum is present, shall be required for Monitoring Committee action.

Wisconsin Electric shall provide free of charge to the Committee membership copies of all technical reports and monitoring data supplied to the DNR pertaining to the Landfill, including the Plan of Operation, any proposed amendments to the feasibility study or any proposed changes to any special conditions imposed by the DNR. Wisconsin Electric shall notify the Monitoring Committee at least 3 weeks prior to commencement of construction of any new cells.

The Monitoring Committee may establish a schedule for meetings for the purpose of review, explanation and discussion of said technical data and the status of the Landfill construction, operation and closure. Special meetings of the Monitoring Committee may be called by any member of the Monitoring Committee upon 3 days written notice for the purpose of addressing any issue of concern involving the Landfill construction, operation or closure. Upon the occurrence of an event deemed by any Monitoring Committee member to constitute an emergency condition, a special meeting may be called with less than 3 days notice; provided each Monitoring Committee member is personally notified. To the extent required by law, the public may attend any Monitoring Committee meeting. Any written notice called for in this Agreement, except for emergency notice, shall be deemed effectively provided when either personally delivered or sent by U.S. mail to all members to the addresses listed by them with the

Monitoring Committee. Wisconsin Electric shall be similarly provided with at least three (3) days written notice of all Monitoring Committee meetings, except that in the event of any meeting called with less than three (3) days notice, Wisconsin Electric shall be provided with the same notice as Monitoring Committee members.

Individual Monitoring Committee members with proper identification shall have the right to escorted on-site inspections of the Landfill. Said inspections shall be conducted during operating hours, but only after giving reasonable notice to Wisconsin Electric's Shift Superintendent at the Oak Creek Power Plant. Upon receipt of such notification Wisconsin Electric shall arrange for an appropriate escort as soon as practical for the Monitoring Committee members desiring to make such inspection. In case of an "emergency", Wisconsin Electric shall use all practical means to provide members of the Monitoring Committee with an escort within 30 minutes. If such escort is not provided within such time period, the Monitoring Committee members requesting such emergency access shall have a license as hereinafter provided for unescorted access, both during operating and nonoperating hours. Only current members of the Monitoring Committee whose names have previously been provided to Wisconsin Electric and who have provided Wisconsin Electric with a valid written acknowledgment that their presence on Wisconsin Electric Property shall be as a licensee only shall have the license to enter the property. Such entry shall be made only after the qualified Monitoring Committee member advises the guard at

the plant security office of the time and place where such entry will be made, only if such Monitoring Committee Member agrees to proceed with extreme caution while on the site, immediately announces his or her presence to the Wisconsin Electric Employee or agent apparently in charge at the site, and obeys all safety related instructions provided.

The Monitoring Committee shall be empowered to collect dust, leachate and sedimentation pond samples. Such sampling shall be performed pursuant to accepted techniques by competent personnel of a sampling and testing laboratory acceptable to both the Monitoring Committee and Wisconsin Electric. All samples taken shall be split with Wisconsin Electric receiving one-half of the sample. Wisconsin Electric shall furnish the Monitoring Committee with copies of all reports furnished to or by the DNR and other State agencies regarding the operation of the Landfill, including, but not limited to, technical reports and monitoring data.

If in the judgment of the majority of the Monitoring Committee members, the Landfill is not being constructed or operated in compliance with the approved plan of operation, with any applicable State statute or regulation, or with any other provision of law, whether it be in law or equity, the Monitoring Committee may serve written notice of such perceived noncompliance upon and may make recommendations to Wisconsin Electric. Similarly, if any aspect of the construction, operation or closure of the Landfill causes or is likely to cause, in the judgment of the majority of the Monitoring

Committee, a problem due to noise, dust, debris, odor, maintenance of access road, litter, traffic flow, traffic patterns or inadequate screening or fencing or any other problem, the Committee shall serve upon Wisconsin Electric, the Town Board, and the DNR written notice of the Monitoring Committee's concerns and make recommendations to remedy or address such concerns. Wisconsin Electric shall file any objections to any of the recommendations of the Monitoring Committee, with the Monitoring Committee and the Town Board. In the event the parties are unable to resolve their differences, any party or parties shall have the right to pursue any legal action otherwise allowed or provided by law.

Nothing herein shall be construed to limit the right or duty of the Town or County officials to make such on-site inspections as deemed necessary under their duties to protect the public health and safety and to take action pursuant to law. Similarly, nothing herein shall be construed to limit any legal or equitable right of any neighboring property owner with respect to individual legal rights pursuant to law. Furthermore, the existence of the Monitoring Committee shall not constitute a waiver of any County, Town or local property owner's public duties, rights or privileges pursuant to law.

Wisconsin Electric shall supply the Monitoring Committee with a telephone number at which its Shift Superintendent can be reached at all times, including weekends, holidays and nighttime hours.

Wisconsin Electric shall reimburse the Monitoring Committee for administrative expenses up to \$1,000.00 per year. Administrative expenses shall include, but are not limited by enumeration to the following: postage, copies, phone expenses, and travel expenses for Committee Members. The \$1,000.00 cap provided for administrative expense payments by Wisconsin Electric shall be subject to adjustment annually for changes in the Consumer Price Index (CPI) after 1989. The CPI for 1989 shall be used as the base in such annual adjustments.

5. In addition, Wisconsin Electric shall, upon execution of this Agreement, provided such execution is accomplished on or before December 19, 1988, pay the Town of Caledonia the sum of \$20,000.00 which shall be deposited by the Town of Caledonia in an escrow account. The terms of the escrow account shall be that such money shall be invested at interest by the escrow until such time Wisconsin Electric first deposits ash in the Landfill. Upon the first placement of ash in the landfill by Wisconsin Electric the escrow shall pay the account, together with all interest accrued thereon to the Monitoring Committee. The escrow agreement shall further provide that such fund, together with all accrued interest thereon, be returned to Wisconsin Electric if it does not place the Landfill in operation under this Agreement. It is the intent of the parties that the Monitoring Committee will use such fund after it is paid over to it to pay for any testing it desires to perform.

Wisconsin Electric shall provide the Monitoring Committee with copies of any reports filed with DNR pursuant to Section 144.443, Wis. Stats., as well as any Form 10-K and 10-Q reports filed with the Securities and Exchange Commission and Wisconsin Energy Corporation's Annual Report to Stockholders.

6. The height, fill area and capacity (in cubic yards), of the Landfill shall be no greater than that described in the Feasibility Report approved by DNR on February 11, 1986.

7. The Landfill shall be fenced as shown on Exhibit 4, attached hereto and made a part hereof.

8. The normal hours during which flyash may be deposited at the site shall be from 7:00 a.m. until 5:00 p.m., Monday through Friday, and from 7:00 a.m. until 12:00 noon on Saturday. The site shall not normally be operated on Sundays. If electrical generation at the Oak Creek Power Plant is increased significantly over the level prevailing at the time of execution of this Agreement, the hours of normal Monday through Friday operation may be extended from 5:00 p.m. to 6:00 p.m. with the approval of the Monitoring Committee.

From time-to-time, emergencies may require Wisconsin Electric to deposit flyash in the Landfill outside of the normal operating hours specified above. Such emergencies include, but are not limited to, unexpected occurrences at the Oak Creek Power Plant or the Landfill which significantly impact the storage, loading, transportation or unloading of flyash.

In the event that Wisconsin Electric deposits flyash in the Landfill outside the above specified normal hours, Wisconsin Electric shall immediately notify the Caledonia Police Department. Within 5 working days after the onset of such extra-normal operation, Wisconsin Electric shall provide a written explanation to the Monitoring Committee of the reasons for such operation.

9. Wisconsin Electric shall operate the Landfill in such a manner that the maximum size of the uncovered active fill area within an operating cell shall be approximately 1 acre. Water shall be placed on the uncovered active fill area for dust suppression purposes, weather permitting and consistent with DNR land disposal facility requirements. Within an operating "cell", flyash which is located in areas that are inactive shall be covered with bottom ash or other appropriate dust suppressing cover material. An inactive area is one in which material has not been deposited for 7 days.

To prevent flyash particles from becoming airborne, Wisconsin Electric (a) shall provide for storage of ash at the power plant for a period of up to thirty (30) hours, (b) shall not deposit flyash when the winds and temperature in the vicinity of the landfill are over 20 m.p.h. and under 0 degrees F, respectively, (c) shall confine flyash disposal to the lowest active areas of the cell that is then open when in the vicinity of the Landfill the winds are in excess of 20 m.p.h. or the temperature is less than 0 degrees F, and (d) shall install, operate, and maintain at its expense three coefficient of haze ("COH") monitors to the northwest, southwest and

southeast of the Landfill site. Notwithstanding the above, Wisconsin Electric can, upon prior notice to the Town of Caledonia Police Department, deposit flyash at any time as necessary to maintain operation of the plant to fulfill its public utility obligations. The exact locations of such monitors shall be agreed to by Wisconsin Electric and the Monitoring Committee. Data from the COH monitors shall be provided to the Monitoring Committee on a monthly basis, unless reasonably required more often by the Monitoring Committee.

Wisconsin Electric shall install special dust control fencing as previously proposed by Wisconsin Electric at the Landfill to prevent the escape of airborne flyash if the Monitoring Committee reasonably determines the operation of the site without such fencing has created a substantial airborne flyash problem on neighboring properties. Wisconsin Electric shall investigate the feasibility of using materials other than bottom ash from its Oak Creek Power Plant as cover material for flyash.

10. Wisconsin Electric agrees to use nonpublic roadways as the primary route over which flyash will be transported from the Oak Creek Power Plant to the Landfill. Should Wisconsin Electric use public roadways over which to transport flyash to the Landfill, the vehicles used in such movement shall be equipped with and use a tarpaulin or other suitable means to cover the flyash.

11. Wisconsin Electric will leave the rows of trees, etc., after the berm (shown on Exhibit 4) has been removed. Wisconsin



Electric further agrees to maintain the rows of trees for as long as it is the owner of the site. Such maintenance activities by Wisconsin Electric will involve replacing dead trees with similar trees of a sapling size. It is not the intent that Wisconsin Electric should replace mature trees which may have died with trees of a like size.

Wisconsin Electric agrees to include a restrictive covenant in any deed transferring ownership of the parcel of property containing the rows of screening trees. Such restrictive covenant shall require any future owner to obtain approval of the Racine County Board of Zoning and Appeals prior to removing or modifying the rows of screening trees.

Wisconsin Electric further agrees that during the time the site remains open the site shall be maintained as open space and that areas not included in the active fill area and berm, shall remain, except for the trees and shrubs required to be planted thereon, vegetated with shrubs and grasses.

In addition, Wisconsin Electric further agrees that during the time the site remains open Wisconsin Electric shall maintain the natural growth of trees which lies to the south of Rifle Range Road and to the west of the landfill.

12. At its expense, Wisconsin Electric shall test all active drinking water wells within a 0.5 mile distance from the outer perimeter of the fill area as designated in the Plan of Operation. Exhibit 5 lists the sampling frequency and parameters that shall be

followed in this testing program. Wisconsin Electric shall be responsible for all sampling and testing and shall provide test results to the well owners and the Monitoring Committee. Wisconsin Electric will not be responsible for sampling wells for which access has not been granted or for analyzing samples collected by persons other than Wisconsin Electric's employees, contractors or agents. If, after the Landfill commences operation, the results of testing a well indicate that primary or secondary water standards as identified in Sections NR 109.11 and NR 109.60, Wis. Admin. Code are being exceeded, [determined by the method described in Section NR 140.14(2)], Wisconsin Electric shall provide an alternative supply of drinking water if the property owner signs an agreement with Wisconsin Electric acknowledging Wisconsin Electric's right to reimbursement if it is later determined the Landfill was not the cause of the contamination. If the background concentration for a parameter (determined by the method described in NR 140.20(1)) is near or above the NR 109 standard, an alternate standard will be calculated using the statistical procedure employed by the DNR to calculate alternate groundwater quality standards. Any provision of an alternate supply of drinking water shall be conditioned upon Wisconsin Electric being granted access to the property to conduct additional water sampling. Any such provision of water shall not be considered as an admission by Wisconsin Electric that it was or is responsible for the materials in the well water.

If it is later determined by the DNR or a court that the Landfill is not the cause of damage to a private drinking water supply, Wisconsin Electric shall have no further responsibility to furnish an alternative supply of drinking water under this provision, as a result of such incident. Provided, however, that Wisconsin Electric shall not thereby be relieved of liability as to any other or future incidents within the scope of this section.

13. The parties agree that no preexisting local approvals, as defined in Section 144.445(3), Wis. Stats., are applicable to Wisconsin Electric, the property on which the Landfill will be located or the construction, operation or existence of the Landfill except for the following: In the event any building or structure (except those shown on Exhibit 4) is to be constructed, Wisconsin Electric shall obtain any building, plumbing and electrical permits required and issued pursuant to the Caledonia Building Code and shall obtain any zoning permit (but not including any conditional use permit) required and issued pursuant to the Racine County Zoning Ordinance. Notwithstanding the above Wisconsin Electric agrees to obtain the required building, plumbing and electrical permits for the service building shown on Exhibit 4. Any such permit requirements shall not reopen negotiations under this Agreement.

14. The Town of Caledonia reserves the right to object to any proposal to modify the sewer service area of the Milwaukee Metropolitan Sewerage District by expansion of such service area

into the Town of Caledonia, including the landfill site within the Town of Caledonia.

Wisconsin Electric agrees that when a municipal body installs a sanitary sewer and/or water in or along Douglas Avenue to provide sanitary sewer and/or water service to the area, Wisconsin Electric shall not protest or otherwise object to such sanitary sewer and/or water service or to being assessed therefore; provided that such sanitary sewer or water main is sized to provide capacity to serve Wisconsin Electric's property and, second, that any assessment levied or other charge therefore is at the same rate and/or under the same formulae as applicable to other properties in the area.

15. Wisconsin Electric shall pay the sum of \$345,000.00 to the Town of Caledonia and County of Racine to be divided among them as they see fit provided this Agreement is fully executed and approved by the Local Committee and the respective governing bodies of the Town of Caledonia and Racine County by December 10, 1988. Payment of this amount shall be made prior to December 31, 1988.

16. Except as provided in paragraph 4, hereof, Wisconsin Electric agrees to indemnify the Town of Caledonia, County of Racine, their officers and employees and the members of the Local Committee and the Monitoring Committee from any and all cost, expenses, liability due to or arising out of the engineering design,

construction, maintenance, operation, closure or reuse of the Landfill or this Agreement.

17. The parties agree that notwithstanding anything contained herein to the contrary:

a. Should Wisconsin Electric for any reason not open and deposit flyash in the Landfill, Wisconsin Electric shall comply with paragraph 1 and, if the portions of Rifle Range Road lane have been vacated as provided in paragraph 3, shall make the payments provided in paragraph 3. The Town of Caledonia and Racine County shall return the payment made to them under paragraph 15 herein. Except for such obligations, this Agreement shall be deemed void and of no effect. The Town of Caledonia and Racine County shall not be required to return any other payments made hereunder.

b. Should Wisconsin Electric for any reason after placing the Landfill in service, but prior to the filling of cell one to its design capacity, close the Landfill or be prohibited by a court or other governmental body having jurisdiction from continuing the operation of the Landfill or from continuing such operation except on terms unacceptable to Wisconsin Electric, then Wisconsin Electric shall have the right to remove the flyash and restore the site. In such event its only obligations will be those under sub-paragraph a above and all other monies paid by it shall be refunded. Should Wisconsin Electric not remove such ash then the Town of Caledonia and Racine County shall refund \$295,000.00 to Wisconsin Electric and, except for Wisconsin Electric's obligations under paragraphs 1,

3, 5, 11, 12, and 16 hereof, which shall continue in full force and effect, this agreement shall be deemed void and of no effect.

c. Except as noted above this Agreement shall become effective upon execution by all parties and shall thereafter remain in effect according to its terms and conditions until the twentieth anniversary of the closure of the landfill.

18. This Agreement may be amended by the mutual consent of all of the parties hereto.

TOWN OF CALEDONIA

DATED: November 28, 1988

By: Patrick F. Motley  
Chairman

ATTEST:

By: Lenne Smith  
Clerk

COUNTY OF RACINE

DATED: \_\_\_\_\_

By: Dennis Kennedy  
County Executive

ATTEST: Helen W. Brown  
County Board Clerk

By: Joan C. Lemmet  
Clerk

WISCONSIN ELECTRIC POWER COMPANY

DATED: December 9, 1988

By: R. E. Skogg  
Vice President

ATTEST:

By: J. W. Fleissner  
Assistant Secretary

Date 12/1/88  
Certified to be correct as to form.  
By William Beck  
Racine County Corporation Counsel

Wayne Johnson  
-22  
12/1/88

CALEDONIA LANDFILL LOCAL  
NEGOTIATING COMMITTEE

DATED: Dec 8, 1988 By: Norman Bauernfeind  
Norman Bauernfeind

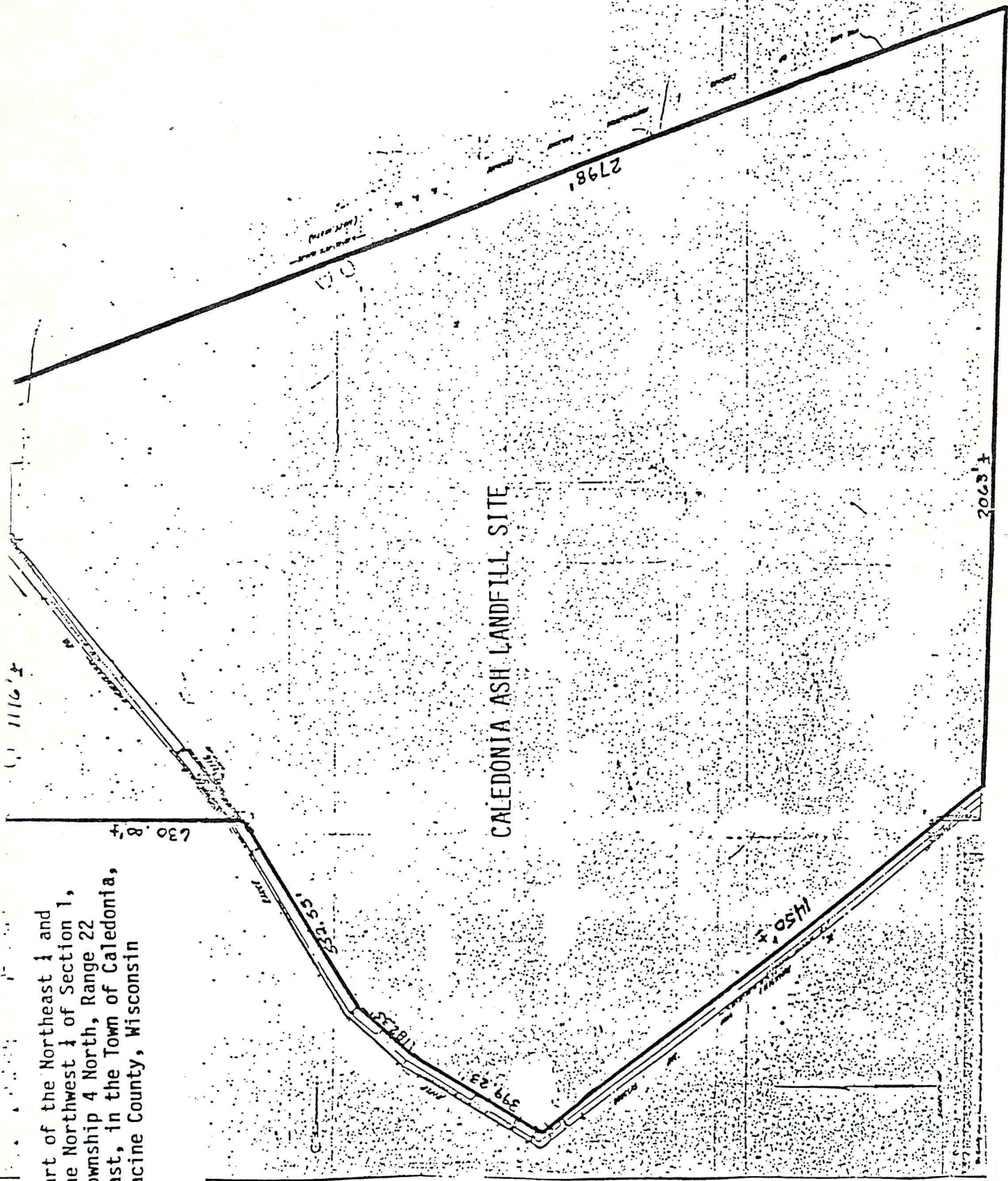
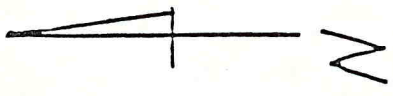
DATED: November 28, 1988 By: Arnold L. Clement  
Arnold L. Clement

DATED: \_\_\_\_\_ By: Gerard G. Griswold  
Gerard G. Griswold

DATED: November 28, 1988 By: Penny Hansen  
Penny Hansen

DATED: November 28, 1988 By: Frank Pascarella  
Frank Pascarella

DATED: November 28, 1988 By: Robert Stedman  
Robert Stedman



Part of the Northeast 1/4 and the Northwest 1/4 of Section 1, Township 4 North, Range 22 East, in the Town of Caledonia, Racine County, Wisconsin



EXHIBIT "2"

<u>Tract #</u>	<u>Present Owner (October 1, 1988)</u>	<u>Comments</u>
C-1-9	Sands, Allen & Mary	Economic protection under this agreement shall be applicable to only that portion of the property lying east of the west line of the east one-half of the NW 1/4 Sec. 1, Town 4 North, Range 22 East.
C-1-9-1	Weigld, Wilfred L. & Susan L.	
C-1-9-2	Multhauf, Michael F. & Corinne	
C-1-9-3	Williams, Frank J. & Angelita	
C-1-9-4	Harrison, David R. & Rose M.	
C-1-9-8	Zawacki, Bardley F. & Nancy A.	
C-1-9-9	Brossman, Leroy & Ruth J.	
C-1-9-10	Jones, William D. & Prochnow, Sloane J.	
C-1-9-11	Kermendy, Christine & Lochinski, Robert	
C-1-9-12	Harrison, David & Rose M.	
C-1-9-14	Polster, Gordon J. & Julie	
C-1-10	Oakes, Joyce, Cain, M. J. & Canfield, Joanne	
C-1-10-1A	Livingston, Richard A. & Caruso, Rosanne M.	
C-1-10-3	Baker, Joseph R. & Ester L.	
C-1-10-4	Harrison, David & Rose M.	
C-1-10-6	Trepozyk, Henry A. & Geraldine	
C-1-10-7	Wendt, Emmi O.	
C-1-10-8	Baker, Joseph R. & Ester L.	

EXHIBIT "2"

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<u>Tract #</u>	<u>Present Owner (October 1, 1988)</u>	<u>Comments</u>
C-1-10-9	Palivoda, Roland J. & Patricia G.	
C-1-10-9A	Kissee, Robert D. & Patricia L.	
C-1-10-10	Buresh, George & Ann Czerniak, Barbara	
C-1-10-11	Peterson, Hilda R.	
C-1-10-12	Lochinski, Robert	
C-1-11-1	Ugowski, Patricia	
C-1-13	Brossman, Leroy & Ruth J.	Economic protection under this agreement shall be applicable to only that portion of the property lying east of the west line of the east one-half of the SW1/4 of Sec. 1, Town 4 North, Range 22 East.
C-1-17	Masare, Dorteia	Economic protection under this agreement shall be applicable to only that part lying north of a line drawn from the south-east corner of C-1-15 to the northwest corner of C-1-18-1.
C-1-18-7	Buisse, Charles & Helen	
C-1-19	Eiche, Paul, et al	
C-1-20	Ruemler, Anne & Natalie	
C-6-2	Ruemler, Anne & Natalie	
C-1-19-1	Smith, Thomas & Cerny, Sharon	
C-1-19-5	Smith, Thomas & Cerny, Sharon	

IMPORTANT NOTICE

THIS NOTICE AFFECTS YOU DIRECTLY. PLEASE READ IT CAREFULLY.

As part of the settlement agreement reached between Wisconsin Electric Power Company and the Local Negotiating Committee for the siting of Wisconsin Electric's Caledonia ash landfill in the town of Caledonia, Wisconsin Electric agreed to provide "economic protection" to the owners of described property on \_\_\_\_\_, 199\_\_ (the election date).

The owners of the described property on the election date have the right to elect to receive a "CASH PAYMENT" equal to 5 per cent of the equalized value of the property, included within the coverage of the economic protection agreement.

To be eligible the owner on the election date must meet several conditions and MUST make a written demand for such payment to Director, Real Estate, Wisconsin Electric Power Company, 231 West Michigan Street, Milwaukee, Wisconsin 53203, within one year after the election date.

The owner of the described property can, alternatively, demand "FAIR MARKET VALUE PROTECTION" (FMVP). If an owner does not demand a CASH PAYMENT or is otherwise not eligible for a cash payment that owner is automatically eligible for FMVP. There is no time limit for FMVP but such protection is available only after the election date, only once for each property, and, ONLY on the first sale of the property after the election date.

The method of determining FMVP is complex but the program basically provides, with a number of qualifications, a method through which any adverse economic impacts the landfill has on the described properties can be recovered at the time of the first sale of the property after the election date. A PROPERTY OWNER CAN LOSE ALL RIGHTS UNDER THE AGREEMENT BY FAILING TO DEMAND A CASH PAYMENT AND FAILING TO DEMAND FMVP ON THE FIRST SALE OF AN ELIGIBLE PROPERTY AFTER THE ELECTION DATE.

A copy of the exact language of economic protection package included in the settlement agreement and a list of eligible properties are included with this notice. If you have questions about the Agreement or program you or your representatives can call Wisconsin Electric Power Company at \_\_\_\_\_ during business hours.

WISCONSIN ELECTRIC POWER COMPANY



PRIVATE DRINKING WATER WELL SAMPLING SCHEDULE  
CALEDONIA SITE

Drinking Water Well Location	Parameter* List	Sampling Frequency	
		Before Operation	During Operation & for 20 Years After Operation
Within 0.25 mi.	1	6 quarterly samples	Every year
	2	4 quarterly samples	Every other year
Within 0.50 mi.	1	6 quarterly samples	Every other year
	2	4 quarterly samples	Every fourth year

\*Parameter List

<u>1</u>	<u>2</u>
Field temperature	Arsenic
Field conductivity	Barium
Field specific conductance	Cadmium
Field pH	Chromium
Alkalinity	Lead
Hardness	Mercury
Dissolved iron	Silver
Chemical oxygen demand	Nitrate & Nitrite
Selenium	Fluoride
Sulfate	Copper
Boron	Manganese
	Zinc
	Total dissolved solids