

WATER SERVICE AGREEMENT

THIS AGREEMENT is made this 15th of May, 2024,
BY:

Saddle Ridge Estates Association, Ltd. ("SREA")
599 Saddle Ridge
Portage, WI 53901
(also called the "Administrator")

AND AMONG:

Saddle Ridge Association, Ltd. ("SRA")
Forest Condominium Association, Ltd ("FCA")
The Saddle Ridge Corporation ("SRC")
Swan Lake Village Condominium Association, LTD ("SLV")
Rusty's Saddle Ridge, LLC ("RSR")
Bella Island, LLC ("BI")
(also collectively called the "Participants")

(collectively the Administrator and Participants are called the "Parties")

WHEREAS:

- A. On September 27, 1979, SREA, SRA, Wajbac and Wadwil, Limited, and Columbia Corporation entered into a "Water Supply Agreement" (recorded as doc. No. 405060 in the office of the Columbia County Register of Deeds in Vol 211 Records Page 403) by which SREA agreed to supply potable water to SRA and others pursuant to the terms and conditions described therein; and
- B. On September 30, 1999, SREA, SRA, FCA (misabeled "The Forest at Swan Lake Association, Ltd"), SLV, SRC (previously known as "Wajbac and Wadwil, Limited" and the successor-in-interest to Columbia Corporation), entered into a "First Amendment to Water Supply Agreement" (recorded as doc. No. 612332 in the office of the Columbia County Register of Deeds) by which SREA agreed to supply potable water to SRA, FCA, SLV and SRC pursuant to the terms and conditions described therein; and
- C. On September 1, 2015, SREA, SRA, FCA, SRC, SLV and Pine Trail Golf Course, LLC ("PTG") entered into a "Second Amendment to Water Supply Agreement" (recorded as doc. No. 873708 in the office of the Columbia County Register of Deeds) by which SREA agreed to supply potable water to SRA, FCA, SRC, SLV and PTG pursuant to the terms and conditions described therein; and
- D. Since the execution of the "Second Amendment to Water Supply Agreement," the interests of PTG have been acquired by Rusty's Saddle Ridge, LLC ("RSR"); and
- E. Since the execution of the "Second Amendment to Water Supply Agreement," Bella

- Island, LLC ("BI") has begun to receive water from the Water system; and
- F. The Parties wish to replace the aforesaid Agreements regarding the ownership, operation, management and control of the Water System with this new, improved and updated document; and
 - G. The Administrator wishes to continue to provide the aforesaid water services to the Parties and the Parties wish to continue to receive potable water through the Water System pursuant to the terms and conditions of this new Agreement; and
 - H. The Parties deem it in their mutual interests to enter into this new Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

1. **DEFINITIONS:** In this Agreement, the following definitions shall apply:

Agreement: This document, including the recitals and schedules hereto, as amended and supplemented from time to time.

Committee: The Committee created and described in paragraph 22 below.

Cross Connection: Any physical connection or arrangement between two otherwise separate systems, one of which contains potable water from the Water System, and the other which contains water from a private source, water of unknown or questionable safety, or steam, gases or chemicals, whereby there may be a flow from one system to the other, the direction of flow depending on the pressure differential between the two systems.

Curb Stop: The valve and fittings, owned by the Administrator, which form the connection between the Water Lateral, owned by the Administrator, and the Private Water Lateral, owned by a Customer.

Customer: A person who owns a home or structure which is connected to the Water System, including the guest, invitee, tenant or family member of said person.

Noncomplying: A well or pump installation which does not comply with the provisions of Ch. NR 812 Wis. Admin. Code, and which has not been granted a variance thereunder.

Normal Residential Use: Shall include and be limited to cooking, cleaning, washing, bathing, hot tubs, drinking, lavatory and similar interior household uses and lawn watering, in-ground residential lawn watering systems, and low-volume recreational outside uses. Normal Residential Purposes do not include pools (other than hot tubs), or decorative fountains or similar uses. No Customer or occupant shall use the Water System for other than Normal Residential Purposes.

Parties: The collective name given to the Administrator and the Participants.

Person: Any and all persons or entities, including any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, partnership, limited liability company, church or other religious institution, school, government agency or other entity.

Point of Connection: The point where a private water lateral connects to the Curb Stop.

Private On-site System: All privately owned facilities for pumping, storing, and delivering water from a source other than the Water System.

Private Water Lateral: A water pipe, owned by a Customer, which carries water from the Curb Stop to the customer's home or structure.

Pump Installation: The pump and related equipment used for withdrawing water from a well, including the discharge piping, the underground connections, pitless adaptors, pressure tanks, pits, sampling faucets and well seals or caps.

Residential Equivalent Unit ("REU"): The average quantity of water used by a single-family residence.

Standard Methods: The examination and analytical procedures set forth in the most recent edition of "Standard Methods for the Examination of Water, Sewage, and Industrial Wastes" published jointly by the American Public Health Association, the American Water Works Association, and the Water Pollution Control Federation.

Unsafe: A well or pump installation which produces water which is bacteriologically contaminated or exceeds the drinking water standards of Chs. NR 812.06, Wis. Admin. Code, or for which a Health Advisory has been issued by the DNR.

Unused: A well or pump installation which is not in use or does not have a functional pumping system.

Water Lateral: A water pipe, owned by the Administrator, which carries water from a Water Main to the Curb Stop.

Water Main: A pipe owned by the Administrator, usually located in the road right-of-way, which carries potable water throughout the territory serviced by the Water System.

Water Service: The services of the Administrator that are described in section 2.

Water System: The Administrator's Water System infrastructure, including (but not limited to) a well, well house, pump house, water reservoir, water mains, water laterals, curb stops, and other associated appurtenances for the delivery of potable water to the

Parties.

Well: An excavation or opening into the ground made by digging, boring, drilling, driving, or other methods for the purpose of obtaining ground water for consumption or other use.

Well Abandonment: The filling and sealing of a well according to the provisions of Ch. NR 812 Wis. Admin. Code.

2. **TERMINATION OF OLD AGREEMENTS:** The "Water Supply Agreement," the "First Amendment to Water Supply Agreement," and the "Second Amendment to Water Supply Agreement," described above, are hereby terminated and replaced by this Agreement.
3. **COMPLIANCE:** All Parties now receiving water from the Water System, or who may hereafter make application therefor and receive water from the Water System, shall comply with the terms and conditions of this Agreement, and shall be considered as having agreed to be bound by the terms and conditions of this Agreement, including any amendments, revisions, or modifications hereto.
4. **WATER SERVICE PROVIDED BY ADMINISTRATOR:** During the Term of this Agreement, the Administrator will provide the following Water Service to the Participants:
 - (a) the Administrator will own, operate, maintain, and repair the Water System; and
 - (b) the Administrator will permit Customers located within the jurisdictions of the Parties to construct a Private Water Lateral from the Curb Stop to the Customer's structure pursuant to the terms and requirements of this Agreement; and
 - (c) the Administrator will allow Customers to receive water from the Water System pursuant to the terms and requirements of this Agreement; and
 - (d) the Administrator will establish, in consultation with the Committee as defined herein, on or before each August 1st an annual budget for the operation, maintenance, repair, and upgrade of the Water System. Said Budget will include, among other things, maintenance, repair and upgrade costs, operating costs, contingency fees, reserve account fees, engineering and planning costs, legal costs, accounting costs, and administrative costs. Said budget will be presented to the Participants on or before each August 15 for their review and input. The Administrator shall finalize the budget on or before each September 15th and send the final budget to all Participants. Failure to comply strictly with this timetable shall not void a budget or excuse the obligation of all Parties to ; and
 - (e) the Administrator will establish monthly fees for each REU and will establish

the number of REUs applicable to Customers who impose special demands on the Water System. This monthly fee will be based upon the budget and will not change from October 1 to September 30, unless there is a significant emergency repair which requires, in the opinion of the Administrator, in consultation with the Committee, an interim monthly fee increase. The Administrator will bill monthly fees to each Party based upon the number of REUs within the jurisdiction of each Party; and

- (f) in addition to the aforesaid monthly fee, the Administrator may establish special assessments for REUs and/or Parties when, in the opinion of the Administrator, in consultation with the Committee, special circumstances require it (e.g., replacement of a Water Main; repair of damage to the well; or other expensive repairs or upgrades to the Water System); and
- (g) the Administrator shall administer and manage the operation of the Water System; and
- (h) the Administrator shall retain such consultants as the Administrator, in consultation with the Committee, deems necessary and prudent to operate, manage, repair, maintain and upgrade the Water System effectively, safely, efficiently, and legally, and the cost thereof shall be included in the budget or in a special assessment; and
- (i) the Administrator shall perform the duties imposed on the Administrator by this Agreement.

5. EASEMENTS

- (a) **Grant:** The Participants hereby grant to the Administrator an easement for the design, construction, maintenance, operation, repair, and replacement of Water Mains, Water Laterals, Cub Stops and associated appurtenances over, under, through and across the streets and common areas located within the jurisdiction of each Participant.
- (b) **Documentation:** The Participants shall execute and deliver to the Administrator such legal documentation as the Administrator deems necessary to legally secure and record the aforesaid easements in the Office of the Register of Deeds.

6. MANDATORY USE OF WATER SYSTEM

- (a) **Required Connection:** All structures using water located within the jurisdiction of a Party shall be connected to the Water System, except as provided in subsection (c) below.
- (b) **Normal Residential Use:** All Parties and Customers shall only use the Water

System for Normal Residential Use as defined herein. All other uses are prohibited.

- (c) **Private on-site systems:** No Party shall allow or permit the construction or operation of a Private On-site System, except as follows:
 - 1) A Participant and/or the owner of a structure located beyond the reach of the existing Water System, may petition the Administrator for approval of a Private On-site System, and such approval may be granted, in the sole discretion of the Administrator, where the extension of the Water System would place a financial burden upon the petitioner, the Parties, or the Water System. Such Private On-site System, if approved, shall meet all other state codes and local ordinances.
 - 2) A Participant and/or the owner of a structure located within the reach of the Water System may continue to use a Private On-site System, if the Private On-site System was constructed prior to September 27, 1979 (the date of the first "Water Supply Agreement") or was constructed pursuant to subparagraph (1) above. Such Private On-site System must meet all other state codes and local ordinances. However, once the Private On-site System "fails," it cannot be repaired, rebuilt or replaced with another Private On-Site System, and the structure served by the "failed" Private On-site System must be connected to the Water System, unless a petition for a new Private On-site System is granted.
- (d) **Non-Compliance:** All Private On-site Systems not complying with subparagraphs (a) or (b) above shall be abandoned. An application may be made to connect the property previously served by the Private On-site System to the Water System.

7. CROSS CONNECTION CONTROLS

- (a) **Purpose:** The purpose of this Subsection is to comply with the Wis. Admin. Code, which requires the protection of any public water system from contamination due to back flow of contaminants through a water service connection.
- (b) **Prohibition:** No person, Party or Customer shall establish or maintain, or permit to be established or maintained, any cross connection, unless such person, Party or Customer first obtains written approval of the cross connection from the Administrator in accordance with the Wis. Admin. Code and any other applicable rules and regulations, now in effect or hereinafter adopted.
- (c) **Inspections:** The Administrator, acting through its authorized agents, is hereby authorized to enter and inspect all property served by the Water System where a cross connection with the Water System is deemed possible. The

frequency of inspections and re-inspections shall be established by the Administrator based upon his/her determination of the potential health hazards involved.

- 1) **Right-of-Entry:** Upon presentation of credentials, one or more representatives of the Administrator shall have the right to request entry at any reasonable time to examine any property served by a connection to the Water System for cross connections. If entry is refused, such representative may obtain a special inspection warrant therefor, and/or may terminate Water Service to that property by shutting off the water supply at the Curb Stop.
 - 2) **Release of Information:** Upon request by the Administrator, the Customer or owner, lessee and/or occupant of any property served by the Water System shall furnish to the Administrator such pertinent information as the Administrator may reasonably request regarding the plumbing systems on such property.
- (d) **DISCONTINUATION OF SERVICE:** The Administrator is hereby authorized and directed to discontinue Water Service to any property wherein any connection in violation of these provisions exists, and to take such other precautionary measures deemed necessary to eliminate any danger of contamination of the Water System.
- 1) **By Notice:** Water Service shall be discontinued only after reasonable notice and opportunity for hearing, except as provided below. Water service to such property shall not be restored until each cross connection has been eliminated in compliance with the provisions of this Agreement.
 - 2) **Emergency Discontinuance:** If it is determined that a cross connection or an emergency endangers public health, safety or welfare and requires immediate action, and a written finding to that effect is delivered to the customer's premises, service may be immediately discontinued. The customer shall have an opportunity for hearing as promptly as possible, but in no less than 10 days of such emergency discontinuance.
- (e) **STATE PLUMBING CODE:** For purposes of this Subsection, the Parties hereby adopt by reference the State Plumbing Code of Wisconsin, and all future amendments thereto.

8. PRIVATE WELL PERMIT AND ABANDONMENT

- (a) **Purpose:** The purpose of this Subsection 7 is to prevent contamination of ground water and to protect public health, safety and welfare by assuring that

unused, unsafe or non-complying wells, or wells which may serve as conduits for contamination, or wells which may be illegally cross-connected to the Water System, are properly abandoned.

- (b) **Applicability:** This Subsection 7 applies to all wells located within the jurisdiction of the Parties.
- (c) **Abandonment Required:** All wells located on premises located within the jurisdiction of the Parties shall be abandoned in accordance with the terms of this Agreement and the Wis. Admin. Code, by 06/01/2024, unless a well operation permit has been obtained by the well owner from the Administrator.
- (d) **Well Operation Permit::** Owners of wells subject to this Section shall make application to the Administrator for a Well Operation Permit. The Administrator may grant a permit to a private well owner to operate a well for a period not to exceed 2 years provided the conditions of this section are met. An owner may request renewal of a well operation permit by reapplying for a permit and by submitting information verifying that the conditions of this section are met. The Administrator, or its agent, may conduct inspections or have water quality tests conducted, at the applicant's expense, to obtain or verify information necessary for the consideration of a permit application or renewal. The following conditions must be met for issuance or renewal of a well operation permit:
 - 1) The well and pump installation must meet or must be upgraded to meet the requirements of the Wis. Admin. Code;
 - 2) The well construction and pump installation must have a history of producing bacteriologically safe water as evidenced by one sampling taken prior to the issuance of each permit and each renewal thereof. In areas where the DNR has determined that groundwater aquifers are contaminated with substances other than bacteria, additional chemical tests may be required to establish the safety of the water. Laboratory analysis by a certified laboratory shall be completed every year and submitted with the permit application. No exception to this condition may be made for unsafe wells, unless the DNR approves, in writing, the continued use of the well;
 - 3) There are no cross-connections between the Water System and the private well, pump installation or distribution pipes; and
 - 4) The proposed use of the private well and pump installation can be justified as being necessary in addition to water provided by the Water System.
 - 5) The well shall have a functioning pumping system.

- 6) Payment of the permit fee or renewal fee established by the Administrator in consultation with the Committee.

(e) **Abandonment Procedures::**

- 1) All wells abandoned hereunder shall be abandoned according to the procedures and methods of the Wis. Admin. Code. All debris, pumps, piping, unsealed liners and any other obstructions which may interfere with sealing operations shall be removed prior to abandonment.
- 2) The owner of the well, or the owner's agent, shall notify the Administrator at least 8 hours prior to commencement of any well abandonment activities. The abandonment of the well shall be observed by the Administrator, or his designee.
- 3) An abandonment report form, supplied by the DNR, shall be submitted by the well owner to the Administrator and to the DNR within 30 days after completion of the well abandonment.

- (f) **Penalties:** If any person fails to comply with this Agreement for more than 10 days after receiving written notice of violation, the Administrator may impose a penalty against the Party where the violation occurs, and may cause the well abandonment to be properly performed and the expense thereof to be assessed as a special assessment against the Party where the violation occurred.

9. **MONITORING WELLS AND BOREHOLE REQUIREMENTS**

- (a) **Purpose:** The purpose of this Subsection 8 is to prevent contamination of groundwater and to protect public health, safety and welfare by assuring that unused, unsafe or non-complying groundwater monitoring wells or boreholes are properly designed, located, constructed, used and abandoned.
- (b) **Applicability:** This Subsection 8 applies to all groundwater monitoring wells and boreholes located within the jurisdiction of the Parties, regardless of whether the premises upon which such well is located is served by the Water System.
- (c) **Definitions:** The definitions set forth in the applicable sections of the Wis. Admin. Code, including all modifications and amendments thereto, are adopted and incorporated herein by reference.
- (d) **Code Adopted:** The requirements of the applicable sections of the Wis. Admin. Code, including all modifications and amendments thereto, are adopted and incorporated herein by reference.

(e) **Records:** Copies of all documents filed with or received from the DNR pursuant to the requirements of the Wis. Admin. Code shall be provided to the Administrator within 10 days of filing with or receipt from the DNR.

(f) **Wells And Boreholes in rights-of-way:**

- 1) No groundwater monitoring well or borehole may be installed, used or maintained on or within any street right-of-way or common area without the express written permission of the Administrator and the Party in whose jurisdiction it is located, in addition to any permit required by the DNR or other state or federal laws.
- 2) With respect to all wells or boreholes constructed, used or maintained pursuant to sub (1) above:
 - a. To require immediate closure and repair of the well or borehole should the well or borehole pose a threat, in the sole discretion of the Administrator, to the Water System.
 - b. To require all wells and boreholes installed in the right-of-way to be flush mounted.
 - c. To impose a charge for use of rights-of-way or common areas, such charge to be established by separate agreement.
 - d. To receive results of all tests, including the sampling and analysis of soil or groundwater, generated from such wells or boreholes.
 - e. To use such test wells or boreholes for the purpose of obtaining independent samples for testing by the Administrator.
 - f. To abandon and close such wells or boreholes if the owner thereof fails to do so upon request by the Administrator, and to assess the expense thereof against the Person who installed the wells or borehole.
 - g. To impose such other conditions as the Administrator may deem appropriate and necessary.
 - h. To require the owner and the contractor to indemnify the Administrator from liability for claims and damages arising out of the installation, use or maintenance of the wells or boreholes.
 - i. To require the owner and the contractor to supply such performance bonds and insurance as the Administrator may

deem appropriate to ensure compliance with this Section 8.

- 3) Applicant shall comply with Wisconsin Administrative Code regarding monitoring well or borehole abandonment.
- 4) Applicant shall perform surface restoration as follows:
 - a. Existing Hard Surface. All abandoned wells or boreholes within the street right-of-way where a hard surface such as asphalt or concrete pavement exists shall be sealed to match the existing surrounding surface. The well opening must be re-drilled at the original borehole diameter to a minimum depth of two (2') feet below finish surface. The re-drilled borehole (or uppermost 2 feet of new borehole) shall be filled with filter pack sand or No. 2 crushed base course and compacted in six-inch lifts to a minimum of ninety-eight percent (98%) Standard Proctor (ASTM D698) up to pavement subgrade elevation. Pavement shall be installed in accordance with industry standards to match the thickness and type of the surrounding finish surface.
 - b. Existing Soft Surface. All abandoned wells or boreholes within the street right-of-way or common areas where a soft surface such as turf, gravel, or sand exists shall be sealed to match the existing surrounding surface. The well opening must be re-drilled at the original borehole diameter to a minimum depth of two feet (2') below finish surface. The re-drilled borehole (or uppermost 2 feet of new borehole) shall be filled with suitable fill material compacted to ninety-five percent (95%) Standard Proctor to subgrade elevation. Finish material of the same type and consistency as the surrounding soft surface shall be installed in accordance with industry standards.

10. METERING AND MONITORING OF USE OF WATER SYSTEM

- (a) **Metering:** At this time, the Administrator does not engage in the metering of the volume of water consumed by each Party or each Customer. However, the Administrator may require such metering in the future if the Administrator deems it necessary. The cost of such metering shall be determined by the Administrator in consultation with the Committee, and may be charged to the Parties and/or each Customer. If the Administrator deems it necessary, the Administrator may engage in the metering of consumption by any Party or Customer
- (b) **Monitoring:** All measurements, tests, analyses, and monitoring of the characteristics of the water produced by the Water System shall be performed

in accordance with the latest edition of "Standard Methods." Sampling methods, locations, times, durations, and frequencies shall be determined by the Administrator. The cost thereof shall be determined by the Administrator and may be included as a budget item.

11. WATER CONNECTIONS

- (a) **Permit Required:** No person, Party or Customer shall uncover, use, alter, disturb, make connection with or make opening into the Water System without first obtaining a written permit therefor from the Administrator, who shall determine what information and investigation is needed to evaluate the request and issue a permit. Applications shall be submitted by the affected Customer and the affected Party.
- (b) **State Code:** All work performed on the Water System and on connections to the Water System shall comply with the State Plumbing Code and all other applicable codes.
- (c) **Participant Property Only:** Only property and structures located within the jurisdiction of one of the Parties may be connected to the Water System.
- (d) **Water System Connection Fees:**
 - 1) **Connection Charge:** The applicant for a new connection shall pay a water connection fee established by the Administrator in consultation with the Committee. These fees shall be paid when the application for a permit is filed with the Administrator. These fees shall be retained in the "reserve account" of the Water System until such time as the reserve account is used for maintenance, repair or upgrading of the Water System.
 - 2) **Administrative Fee:** In addition to the aforesaid connection fees, the applicant shall also pay an administrative fee when the application is filed, in an amount established by the Administrator in consultation with the Committee.
 - 3) **Diagram Deposit:** In addition to the aforesaid fees, the applicant shall also pay a diagram deposit when the application is filed in an amount established by the Administrator in consultation with the Committee. This deposit shall be refunded after (i) final inspection, (ii) approval of the water connection, and (iii) submission by the applicant of an engineer's diagram of the location and depth of the completed connection and Private Water Lateral. If the applicant fails to comply with these requirements, or if the applicant fails to submit the required engineer's diagram within 30 days following the final inspection of the water connection, said deposit shall be forfeited. The forfeiture of this

deposit shall not limit or prevent the Administrator from terminating the new water connection or pursuing any other penalties authorized herein or recovering any expenses incurred by the Administrator due to the applicant's failure to comply herewith.

- (e) **Design:** The design, construction, maintenance and repair of Private Water Laterals and their connection to the Water System shall be performed by and under the direction of a licensed plumber authorized and paid by the Customer who owns the lateral. Such plumber shall keep accurate records of the location, depth and length of the Private Water Lateral as built and all appurtenances thereto. All costs of such plumbing and record keeping shall be the responsibility of the Customer. After final inspection and approval of the **water** connection, said plumber shall submit a detailed diagram of the location, depth and length of the Private Water Lateral and all other appurtenances as built.
- (f) **Construction Specifications:** The size, alignment, materials of construction of the Private Water Lateral and all connections and appurtenances thereto, and the methods to be used in excavating and backfilling the trench, and placing, joining, and testing the pipe and all other appurtenances, shall all conform to the requirements of applicable State building and plumbing codes and other applicable rules and regulations of the Administrator. All Private Water Laterals shall always be connected to a Curb Stop provided by the Administrator.
- (g) **Licensed Plumbers:** No plumber will be permitted to perform any plumbing work in connection with the Water System without first receiving a license from the State of Wisconsin.
- (h) **Old Laterals:** Old Private Water Laterals may be used to service new buildings only when such laterals are found to meet all requirements of this subchapter and the Wis. Admin Code.
- (i) **Independent Laterals:** A separate and independent Private Water Lateral shall be provided for every structure, unless otherwise permitted in writing by the Administrator.
- (j) **Inspections:** The applicant shall notify the Administrator when the Private Water Lateral and/or all appurtenances thereto are ready for inspection and connection to the Curb Stop. The connection shall be made under the supervision of the Administrator or its designee.
- (k) **Construction Costs:** All costs and expenses incident to the construction, installation, connection, maintenance, repair, and inspection of a Private Water Lateral shall be borne by the applicant. The affected Party shall indemnify the Administrator from any loss or damage that may directly or indirectly be occasioned by an applicant's connection to the Water system.

12. EXTENSIONS

- (a) **Requests:** Any Party seeking an extension of the Water System may apply to the Administrator for such extension. The regulations applicable to Water System connections shall be followed to the extent applicable.
- (b) **Decision:** The Administrator, in consultation with the Committee, shall decide, on a case-by-case basis, whether to grant the request for an extension, giving appropriate consideration to location, costs, budgets, work schedules, need, etc. Prior practices shall not establish any precedent.
- (c) **Assessments:** The costs of an extension shall be paid by the Party requesting the extension. Such costs shall include the engineering, administrative and construction costs incurred by the Administrator.

13. IN-GROUND WATERING SYSTEMS: In-ground watering systems may be installed and used on the limited common areas and/or common areas within the jurisdiction of each Party, pursuant to the following regulations:

- (a) **Permit Required:** No new in-ground watering systems may be installed or operated without a Permit issued by the Administrator. No existing in-ground watering system may be expanded or altered without a Permit issued by the Administrator. Existing in-ground systems shall be grandfathered and allowed to continue in their current condition, subject to the requirements of subparagraph (g) below.
- (b) **Application:** Each customer wishing to install and/or operate an in-ground watering system shall submit an application to the Administrator, along with a copy to the Party in whose jurisdiction the Customer is located. An application fee shall also be paid to the Administrator in an amount established by the Administrator in consultation with the Committee.
- (c) The Application is Addendum B of this Agreement.
- (d) **Rules and Regulations:** The Administrator, in consultation with the Committee, may adopt such rules and regulations as the Administrator deems necessary, regarding the design, installation, connection, inspection, maintenance and operation of the systems, including regulations regarding the hours of operation, the volume of water used, and the metering of water used.
- (e) **Revocation:** Any Permit issued hereunder may be revoked if, in the sole discretion of the Administrator, the in-ground watering system is not being operated in a fashion or maintained in a condition that conforms to the applicable rules and regulations.

- (f) **Fees:** The Administrator, in consultation with the Committee, may impose fees for the operation of in-ground watering systems.
- (g) **Installation and Inspections:** All in-ground watering systems shall only be connected to the Customer's in-house plumbing system by a licensed plumber. The system shall not be activated and used until it is inspected by the Administrator, or its designee. Each system may be re-inspected by the Administrator, upon 24-hour notice.
- (h) **Suspension of Use:** The operation of all in-ground watering systems may be temporarily suspended or limited by the Administrator if the Administrator determines, in its sole discretion, that such inground watering systems are consuming a quantity of water that (i) jeopardizes the sufficiency of the Water System for other "normal residential purposes" or (ii) jeopardizes the safety of the Water System.

14. OWNERSHIP AND CONTROL

- (a) Customers shall at all times retain ownership and control of (i) all plumbing internal to their structures, (ii) their Private Water Laterals, and (iii) their in-ground watering systems (if any). No interest, right or title to these items shall be conveyed to the Administrator under this Agreement. Customers shall be solely responsible for the operation, maintenance, and repair of these items.
- (b) The Administrator shall at all times retain ownership and control of the Water System.

15. REPAIRS AND MAINTENANCE

- (a) The Administrator will be responsible for all necessary repairs and maintenance of the Water System, including any preventative maintenance that the Administrator considers to be necessary. For newly constructed portions of the Water System, the Administrator's obligation hereunder will commence following completion of the work performed under the contract for the construction of that portion of the Water System.
- (b) Each Party shall be liable for all costs incurred by the Administrator as a result of problems or damages caused by a Customer's use of the Water System or by the condition of a Customer's Private Water Lateral or a Customer's plumbing. A Party may seek indemnification for such liability from each Customer responsible for such costs or from the Party where the Customer is located.
- (c) Customers and Parties will promptly notify the Administrator of any breakdown in the Water System that requires any repair or maintenance work.
- (d) The Administrator will use reasonable efforts to carry out the repair and

maintenance of the Water System in a timely manner and in accordance with sound engineering practices.

- (e) If the Administrator discovers that a breakdown in the Water System was caused (i) by the acts or omissions of a Customer or by a guest or invitee of a Customer, or (ii) by the condition of a Private Water Lateral or the plumbing of a Customer, then the Customer and the applicable Party shall be jointly and severally liable for the costs (including costs for labor, materials, equipment and administrative time) incurred by the Administrator in responding to, investigating and repairing the breakdown.
- (f) In the course of performing maintenance or repairs on the Water System, the Administrator may determine that a Curb Stop should be relocated. In such case, the Administrator shall be responsible for the costs associated with the relocation of the Water lateral and Curb Stop, and the Customer shall be responsible for the costs associated with the relocation or extension of the Private Water Lateral.

16. **RIGHTS OF ACCESS AND INSPECTIONS:** The Administrator, or its agents, may enter upon the property of a Customer or Party, at reasonable times and upon at least twenty-four (24) hours notice, or in the case of emergency, upon notice as soon as is practical, for the purposes of (i) providing any of the services required by this Agreement, (ii) inspecting the Water System, and/or (iii) investigating and ensuring compliance with the terms of this Agreement. It is understood that when there is a breakdown of the Water System, reasonable notice may be very short due to the urgent need to resolve the breakdown, and if a Customer cannot be promptly located and contacted, notice may be waived if the circumstances require prompt action to avoid or minimize the threat of damage to property or to the Water System.

17. **WATER SERVICE CHARGES**

- (a) The Table found in Addendum A identifies the current REUs allocated to each Party and is subject to change by the Administrator in consultation with the Committee.
- (b) Each Party will pay to the Administrator, on or before the 15th day of each month, a monthly fee per REU for the total REUs of each Party, as shown in Addendum A, for the Water System services described herein, pursuant to the monthly fee schedule established by the Administrator through the budgetary process.
- (c) Each Party will pay to the Administrator each special assessment imposed by the Administrator pursuant to the terms and conditions of the assessment.
- (d) A late charge of 1.5% per month shall be imposed for late payment of monthly

fees, or special assessments.

18. REMEDIES AND PENALTIES

- (a) **Liability for Damage To System:** No person or Party shall cause damage to any structure, appurtenance, facility, or equipment which is a part of the Water System. Any person or Party who causes such damage shall be liable to the Administrator for the damages caused, including damages caused by the interruption of Water Service. Nothing herein shall limit the Administrator's or another Party's right to seek compensation for the damages otherwise caused through any means authorized by law.
- (b) **Penalties and Remedies:** Whenever any of the terms or conditions of this Agreement are violated by the acts or omissions of a Party, a Customer or a Customer's agents, invitees or guests, the Administrator may, in the Administrator's sole discretion and in addition to all other remedies authorized herein or by law, impose one or more of the following penalties and remedies:
 - (a) the Administrator may shut off, block, and discontinue the violator's use of and access to the Water System, until such time as the Administrator determines that such violation has been terminated and corrected, and the violator has paid all costs, expenses and damages caused by said violation; and
 - (b) the Administrator may require payment of all costs and expenses incurred by the Administrator (including administrative expenses) caused by the violation; and
 - (c) the Administrator may require future monitoring, inspections and/or testing, at the violator's cost, to ensure that such violations will not be repeated.
 - (d) the Administrator may impose liquidated damages, in an amount established by the Administrator in consultation with the Committee, for each day a violation exists after the violator has been given a 5 day notice to cease said violation; and
 - (e) the Administrator may impose such other terms and conditions as the Administrator deems necessary to ensure that such violations will not be repeated.
- (c) **Disconnection And Refusal of Service**
 - (a) **When Permitted:** The Administrator may disconnect or refuse Water Service for any of the following reasons:

1. Failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement.
2. Refusal or failure to permit authorized personnel to conduct an inspection.
3. Violation of any provision of this Agreement.
4. Whenever a dangerous condition exists.

(b) **Notice:** The Administrator shall give to the affected Party and affected Customer a written disconnect notice at least ten (10) calendar days prior to disconnection, except the Administrator may disconnect service without notice where a dangerous condition exists for as long as the condition exists. Notice shall be personally served upon the Party and Customer or mailed to the Customer's last known address by first class mail. If the billing address is different from the service address, notice shall be posted on structure at the service address not less than five (5) days before disconnection, and if access is not possible to a structure, such notice shall be posted at the main entrance to the property. In each case, the Administrator shall make a reasonable effort to have a personal or telephone contact with the Party and Customer prior to disconnection.

(c) **Costs:** All costs and expenses incurred by the Administrator in disconnecting Water Service shall be assessed to the Party and the Customer, and if not paid, shall be collected as a special charge.

19. FEES

- (a) The Administrator, in consultation with the Committee, is hereby authorized to establish, and from time-to-time revise and reestablish, the fees, deposits, penalties and liquidated damages authorized by this Agreement.
- (b) The amounts established pursuant to subparagraph (a) above shall be effective 30 days after written notice thereof is mailed to all Participants and to the Customers.

20. LIABILITY

- (a) The Administrator does not warrant or guarantee the continuance or quality of any of the services provided under this Agreement. The Administrator shall take reasonable steps to test, maintain, protect, repair, or replace the Water System without cutting off Water Service to one or more Parties or Customers. The Administrator reserves the right to cut off Water Service to one or more Parties or Customers, at any time and for any length of time, for the purpose of inspecting, testing, maintaining, protecting, repairing, or replacing the Water System upon at least ten (10) days' notice, unless it is an emergency for which the Administrator will provide notice as soon as is practical.

- (b) The Administrator shall not be liable to any Customer, Party or third person for any damages, expenses, or losses incurred by them by reason of suspension, disturbance or discontinuance of Water Service for any reason which is beyond the reasonable control of the Administrator, specifically including (without limitation) the suspension, disturbance or discontinuance of Water Service caused by acts of God, forces of nature, soil erosion, landslides, lightning, washouts, floods, storms, blockages, snow, ice or freezing temperatures, accidental damage, strikes or lockouts, vandalism, negligence in the design or construction of the Water System, the failure of any materials or equipment installed in the Water Systems, the failure of the Well, pump, pump house, reservoir, water mains, cub stops, and other similar circumstances.
 - (c) In the event the Administrator is found liable for any damages arising out of the Administrator's performance of the obligations imposed by this Agreement, said damages shall be limited to the cost of clean-up and repair of the property affected. The administrator shall not be liable for any other damages, such as damages for loss of use of the property, for temporary housing, for discomfort or inconvenience, for pain and suffering, for loss of past or future earnings, for loss of income, for emotional distress, for punitive or exemplary damages, or for loss of enjoyment of life.
 - (d) Any damages for which the Administrator is found liable and for which the Administrator does not have insurance coverage, may be added to the next budget for the Water System and reimbursed to the Administrator, over a period of not more than five years, from the fees charged above.
- 21. **COMMUNICATIONS AND CONTRACT PROTOCOL:** All Parties to this Agreement will appoint one or more representatives, with notice to the other Parties of such appointment, as the principal contact(s) for official communications about this Agreement, and as the principal contact(s) for operational matters pursuant to this Agreement. The Parties further agree to work to establish a communications protocol to manage issues arising under this Agreement.
- 22. **COMMITTEE:** There is hereby created a Committee consisting of the Administrator and a representative of each Participant. Each Participant may (but is not required to) appoint a representative to serve on the Committee which shall meet no less than once every 6 months to review and advise the Administrator regarding all aspects of the management, repair, maintenance, budgeting, planning, and operation of the Water System and this Agreement. The Committee may establish such internal rules for the conduct of its business as the Committee deems necessary.
- 23. **DISPUTE RESOLUTION**
 - (a) In the interest of cooperative and harmonious co-existence, the Parties agree to use their best efforts to avoid conflict and to settle any disputes arising from or in relation to this Agreement through dialogue and negotiation.

- (b) In the event that the Parties fail to resolve matters pursuant to sub (a) above, the Parties shall seek a settlement of the conflict by utilizing non-binding Mediation before recourse to the Courts.

24. TERM AND TERMINATION

- (a) This Agreement shall commence with respect to each Participant on the date each Participant executes this Agreement, and it will continue until terminated as provided below.
- (b) This Agreement shall continue until one of the following events:
 - (a) Until a Party decides to exit this Agreement in which case said Party (i) shall give written Notice of said decision 12 months prior to the date of exit and (ii) shall remain liable for all costs and fees required by said Party under this Agreement until the date of exit; or
 - (b) Until a Party (or a customer located within a Party) commits such acts or omissions that termination of Water Service to that Party is authorized by this Agreement, in which case only the affected Party shall be terminated as a party to this Agreement; or
 - (c) All Parties agree in writing to terminate this Agreement.

25. HEADINGS: Headings that precede sections are provided for the convenience of the reader only and shall not be used in constructing or interpreting the terms of this Agreement.

26. ENTIRE AGREEMENT: This Agreement constitutes the entire Agreement between the Parties regarding the Water System and there are no undertakings, representations or promises express or implied, other than those expressly set out in this Agreement. This Agreement supersedes, merges, and cancels any and all pre-existing agreements and understandings between the Parties.

27. NOTICE: The address for delivery of any notice or other written communication required or permitted to be given in accordance with this Agreement, including any notice advising the other Party of any change of address, shall be as follows:

- (a) to Administrator:

Saddle Ridge Estates Association, Ltd.
c/o Winnifred Schumann
599 Saddle Ridge
Portage, WI 53901

- (b) to Participants:

Saddle Ridge Association, Ltd
c/o Dennis Allen

937 Saddle Ridge
Portage, WI 53901

Forest Condominium Association, Ltd.
c/o Rick Lang
P O Box 73
Portage, WI 53901

The Saddle Ridge Corporation
c/o Mahlon Kirk V
100 Saddle Ridge
Portage, WI 53901

Swan Lake Village Condominium Association, LTD
c/o Jerome Hutzler
1100 Saddle Ridge
Portage, WI 53901

Rusty's Saddle Ridge, LLC
c/o Elver Grimm, III
100A Saddle Ridge
Portage, WI 53901

Bella Island LLC
c/o Thomas W. Anderson
825 Saddle Ridge
Portage, WI 53901

Any notice mailed shall be deemed to have been received on the fifth (5th) business day following the date of mailing. Any notice faxed or emailed will be deemed to have been received on the first (1st) business day following the date of transmission. The term "business day" shall mean Monday to Friday, excluding days which are National holidays.

28. **SEVERANCE:** In the event that any provision of the Agreement should be found to be invalid, the invalid provision shall be severed, and the Agreement read without reference to that provision. Where any provision of the Agreement has been severed and that severance materially affects the implementation of this Agreement, the parties shall meet to resolve any issues that may arise as a result of that severance and to amend this Agreement accordingly.
29. **AMENDMENT:** This Agreement shall not be varied or amended except by written agreement of all Parties. No waiver of the terms, conditions, warranties, covenants, and agreements set out herein shall be of any force and effect unless the same is reduced to writing and executed by all Parties hereto and no waiver of any of the provisions of this

Agreement will constitute a waiver of any other provision (whether or not similar) and no waiver will constitute a continuing waiver unless otherwise expressly provided.

30. **ASSIGNMENT:** The rights and obligations of the Parties may not be assigned or otherwise transferred except by written agreement of all Parties.
31. **AUTHORITY:** The Parties hereto each warrant and represent that they have the authority to enter into this Agreement and have been authorized to execute this Agreement on behalf of their corporation or LLC and on behalf of the Customers in their corporation or LLC.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the dates set opposite their signatures.

Saddle Ridge Estates Association, Ltd.

By: Winnifred Schumann
Winnifred Schumann, President

Dated: 5/15/2024

Saddle Ridge Association, Ltd.

By: Dennis Allen
Dennis Allen, President

Dated: 5-16-2024

Forest Condominium Association, Ltd.

By: Rick Lang
Rick Lang, President

Dated: 5/17/2024

The Saddle Ridge Corporation

By: Mahlon Kirk V
Mahlon Kirk V, President

Dated: 7/17/2024

Swan Lake Village Association, LTD

By: Jerome Hutzler
Jerome Hutzler, President

Dated: 5/16/2024

Rusty's Saddle Ridge, LLC

By: Elver Grimm, III
Elver Grimm, III, Member-Owner

Dated: 8/1/24

Bella Island LLC

By: Thomas W. Anderson
Thomas W. Anderson, Member-Owner

Dated: 7/29/2024

ADDENDUM A

SCHEDULE OF REUs PER PARTICIPANT

- (a) The following table identifies the current REUs allocated to each Party, and is subject to change in consultation with the Utilities Committee.

ASSOCIATION	REUs
SREA	142
SRA	127
FCA	49
RSR	10
SRC	1
SLV	12
BI	1
TOTAL	

ADDENDUM B

RULES, REGULATIONS & STANDARDS UNDER THE WATER SERVICE AGREEMENT

STANDARDS:

- A. The inground watering system must meet all applicable governmental regulations And be installed in compliance with all applicable plumbing codes and other applicable regulations.
- B. The irrigation system installation shall include cross-connection control. An atomospheric vacuum breaker or a reduced pressure backflow preventer may be used.
 - 1. If reduced pressure backflow preventer (RPBP) is used, the RPBP shall be installed on the irrigation supply line, after the main control valve. The RPBP shall require annual testing, including written verification by a qualified technician.
 - 2. The atmospheric vacuum preventer (AVP) shall be installed at least six inches above the highest sprinkler head. Two methods of installation will be allowed.
 - a. The first method includes an AVP on each branch of the irrigation system. No valves will be allowed after the AVP.
 - b. The second method includes an AVP on the main supply line after the main control valve and a wild head. This method allows valves after the AVP.
- C. The inground watering system shall be installed by a firm experienced in the installation of such systems and connections requiring the services of a licensed plumber must be made by a licensed plumber.

APPROVAL:

Prior to submitting an application to the Town Building Inspector for a permit for the plumbing work associated with the inground watering system, the applicant shall submit to the Utilities Committee to gain approval.

The submission shall include:

- Site plan and riser diagram covering the system being proposed.
- Description of the specific system that is being proposed.
- Name and address of the company that is being hired to install the inground system.
- Name and address of the licensed plumber who will make the connections to the water system.

The applicant shall provide the Utilities Committee with any additional information requested of the applicant relating to the installation of the proposed inground watering system.

The applicant shall also execute the "Acceptance, Waiver and Indemnification Agreement", set forth below, as a condition of receiving approval to install such system.

The Utilities Committee reserves the right, at any time, to withdraw its approval for such inground water system if it is determined, by the engineer who is hired to handle matters for the Utilities Committee relating to Water System, that such inground watering system is consuming a quantity of water the jeopardizes the sufficiency of the Water System for the "normal residential purposes" or jeopardizes the safety of the Water System.

The Utilities Committee approval may also be withdrawn if a unit owner's system is not being appropriately maintained and repaired. The unit owner served by such system shall be responsible for all expenses, injuries, losses and other damages of any kind that may be incurred or sustained as a result of any deficiency in the installation, maintenance or repair of such unit owner's inground watering system.

INSPECTIONS:

Once installed, the applicant or current owner, shall arrange for those inspections of the inground watering system that may be required by law. Further, the Utilities Committee may require further periodic inspections of the inground watering system, or if it feels any special inspections of the systems should be performed to address or prevent an issue with the inground watering system, the Utilities Committee may require a special inspection of the system.

The owner of the unit served by such inground watering system shall be responsible for the costs incurred by the Utilities Committee in conducting such periodic or special inspections of the system that serves the his/her unit.

If any inspection finds a defect in this inground watering system, the owner of the unit served by such system shall promptly and fully cure that defect.

OPERATIONS:

The inground watering system may be operated no more than three times in any week and for no longer than three hours on any occasion. Such watering may occur during the evening or early morning hours.

AMENDMENTS:

The Utilities Committee, at any time, may amend any of these rules, regulations and standards.

ACCEPTANCE, WAIVER, AND INDEMNIFICATION AGREEMENT

The undersigned, proposing to install an inground watering system to the unit at the following address:

_____ as a

Condition to receiving approval to install said system, accepts the foregoing rules, regulations and standards and agrees to be bound by these rules, regulations, and standards.

Further the undersigned unit owner(s) proposing to install an inground watering system, as a condition for receiving approval to do so, agrees that the Association in which said unit is located and the Utilities Committee and their agents, officers, employees, officers and representatives shall have no liability for any damage to the inground water system installed within any limited common area or common area. Such unit owner shall indemnify the Utilities Committee, the Association and their agents, employees, officers and representatives against, and hold them harmless from any liability for injury, damage or loss arising out of the installation, maintenance, or use of his/her inground watering system located on any limited common or common areas.

Dated _____

(Signature)

(Print Name)

Dated _____

(Signature)

(Print Name)

APPLICATION FOR INGROUND WATERING SYSTEM

(Revised 04/06/2024)

The undersigned, _____
(thereafter "unit owner")

owning Unit _____ hereby applies for approval of an inground watering system within the common area and limited common area located adjacent to such unit.

The undersigned attaches with this application the following:

- a. Site plan and riser diagram covering the system being proposed.
- b. Description of the specific system that is being proposed.
- c. Name and address of the company that is being hired to install the inground system.
- d. Name and address of the licensed plumber who will make the connections to the water system.
- e. Any required fees as determined by the Utilities Committee.

As a condition of approval, the unit owner(s) confirm that he/she has read the attached Rules, Regulations, and Standards and accepts them and agrees to be bound by them.

Further the undersigned unit owner(s) proposing to install an inground watering system, as a condition for receiving approval to do so, agrees that the Association in which said unit is located and the Utilities Committee and their agents, officers, employees, officers and representatives shall have no liability for any damage to the inground water system installed within any limited common area or common area. Such unit owner shall indemnify the Utilities Committee, the Association and their agents, employees, officers and representatives against, and hold them harmless from any liability for injury, damage or loss arising out of the installation, maintenance, or use of his/her inground watering system located on any limited common or common areas

The unit owner's covenants and representation set forth above shall be binding upon his/her successors in title.

Signatures

Dated _____

(Signature – Unit Owner)

(Print Name)

Dated _____

(Signature – Unit Owner)

(Print Name)

Approval

The undersigned hereby approve the foregoing Application.

Dated _____

(Signature, Association President)

(Print Name)

Dated _____

(Utilities Committee, President SREA)

(Print Name)

CC: Current Engineering Firm Representative

Utilities@saddleridgeestates.net

President@saddleridgeestates.net