

OFFICIAL NOTICE AND AGENDA FOR A MEETING OF THE **WATER UTILITY COMMISSION** OF THE CITY OF CUDAHY, WI TO BE HELD AT THE CUDAHY MUNICIPAL BUILDING, 5050 SOUTH LAKE DRIVE, CUDAHY, WI ON
THURSDAY May 22, 2025 @ 4:00 PM

Reading of the proper open meeting statement
Roll Call

Approval of the minutes of the December 12, 2024 meeting.

***PUBLIC COMMENT** (agenda items only).

NEW BUSINESS

1. Election of Commission Officers.
2. Review and possible action on a Proposal for Raw Water Improvement Design Services from City Water LLC.
3. Review and possible action on a proposal from APX 10 for a water main assessment pilot project.
4. Discussion and possible action on a Needs Assessment RFP for the Water Treatment Plant
5. Discussion and Possible action on a Lead Service Line Replacement Ordinance.
6. Review and discussion of the 2024 WI Public Service Commission annual report.
7. City Administrator discussion regarding future Utility staffing.

Adjourn.

cc: Aldermen, Mayor, Clerk, City Attorney, Board Members, Director of Public Works, Press and Posting
NOTE: Please contact the Utility Billing Office (769-2237) if you cannot attend the meeting.

PUBLIC NOTICE

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public meetings, who have a qualifying disability under the Americans with Disabilities Act. Requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information, or to request this service, contact the Cudahy City Clerk at 414-769-2204 (FAX 769-2257). The meeting room is wheelchair accessible from the west entrance on S. Lake Drive.

Note: There is a possibility that a quorum of the City of Cudahy Common Council may be present at this meeting. Non-agenda items relating to the Common Council and/or other Committees, Commissions or Boards shall not be discussed to remain in compliance with Wisconsin Open Meeting Laws.

CITY OF CUDAHY MEETING POLICY

Agenda

This meeting is a meeting of a City of Cudahy WATER UTILITY Commission for the purpose of conducting City of Cudahy business and is not to be considered a public community meeting. There is a time for public participation during the meeting as indicated in the agenda.

Public Participation at Meetings

All citizens are welcome to observe Meetings of the City of Cudahy. The City of Cudahy recognizes the value of public comment on Municipal issues and the importance of allowing members of the public to express themselves on Municipal matters.

The presiding chair of each meeting at which public participation is permitted, shall administer Roberts Rules of Order. Roberts Rules of Order as Revised will be followed at all times.

1. Public comment parameters:

- City of Cudahy citizens will be allowed to comment as noted on the agenda regarding agenda items only or any subject other than personnel matters.
- All statements shall be directed to the presiding chair of the Board, Committee, Commission or Council and not to staff or other participants.
- No person may address or question the Board, Committee, Commission or Council members individually.
- Comments will be limited to one 3 minute comment at the beginning and/or end of each meeting where public comment is noted on the agenda.
- Comments should be concerning the substance of the item being commented on and not an attack on an individual, institution or organization.
- Disagreement as to the substance of the item is acceptable.
- If the public comment concerns a matter of public policy, response from the Board, Committee, Commission or Council will be limited to seeking information or acknowledging that the participant has been understood.
- The Board, Committee, Commission or Council may not debate with a participant who is addressing the members and the Board, Committee, Commission or Council may not take action on an item raised during public comment that is not on the duly posted meeting notice/agenda.
- Personnel matters or concerns regarding specific City personnel are not appropriate topics to be addressed during an open meeting and will be handled in accordance with City policy and procedures.
- Comments regarding an individual employee's performance and/or comments that are derogatory and/or inflammatory are not appropriate and will not be tolerated.

2. All meeting attendees should honor the need for a respectful and safe environment.

- Anyone addressing the Board, Committee, Commission or Council should be treated respectfully and not be interrupted by participants attending the meeting during their presentation.
- Side bar conversations among meeting attendees should be avoided.
- No comments that are a personal or professional attack on an individual will be permitted.

3. The presiding Chair may:

- The Chair may interrupt, warn, or terminate a participant's statement when the statement is too lengthy, personally directed, abusive, obscene or irrelevant; order a person to stop speaking if the person's comments do not meet these norms.
- Request an individual to leave the meeting when that person does not observe reasonable decorum.
- Request the assistance of Law Enforcement Officers in the removal of a disorderly person when that person's conduct interferes with orderly progress of the meeting.
- Call a recess or an adjournment to another time when the lack of public decorum so interferes with the orderly conduct of the meeting as to warrant such action.

Thank you for your participation and courtesy.

**MINUTES OF A MEETING OF THE WATER UTILITY COMMISSION OF THE
CITY OF CUDAHY, WISCONSIN HELD AT CITY HALL 5050 S. LAKE DRIVE ON
THURSDAY DECEMBER 12, 2024**

ROLL CALL

The Water Utility was called to order at 4:00 P.M. by Mr. Wasikowski with the following answering “present” to roll call: Mr. Gennrich, Mr. Wasikowski, Mr. Kober, Mr. Okalanwa absent and excused.
Director of PW Miller and Administrator Larson also present.

Approval of the minutes of the November 21, 2024 meeting.

Moved by Mr. Kober, second by Mr. Gennrich to approve the minutes of the November 21, 2024 Commission meeting.
All voting in favor, motion passed.

***PUBLIC COMMENT** (agenda items only).
None

NEW BUSINESS

1. Review and Possible Action on the Strand Engineering Proposal for a Reservoir modification project.

Moved by Mr. Kober to accept the proposal as written, second by Mr. Wasikowski.
Motion Passed

2. Director Updates
 - A. Lead Service Line update.
 - B. 2025 Management update.

ADJOURN

Moved by Mr. Kober, second Mr. Gennrich, to adjourn.

Motion passed, meeting adjourned at 4:22 PM.



May 15, 2025

JJ Larson
City of Cudahy
City Administrator
5050 S. Lake Drive
Cudahy, WI 53110

RE: Proposal Raw Water Main Design

Dear JJ:

Thank you for the opportunity to assist the Cudahy Water Utility (CWU) in developing plans and specifications for improvements to the raw water supply line that supplies process water to two major industrial customers in the city. The existing cast iron raw water main was installed 1940's and has recently experienced several water main breaks. The water main breaks have caused significant damage and affected industry operations due to extended time the main has been out of service. In 2021 City Water was contracted to review the raw water line operation and develop alternatives to replace a portion of the raw water line on S. Packard Ave from E. Pulaski St. to south of Whitnall Ave. The alternative recommended included installing isolation valves at the intersection of Packard Ave and Swift Ave and to replace the deteriorating portion of main south of E. Pulaski St. that provides service to ATI. Installation of the isolation valves will allow the Utility to replace the main that services ATI without shutting down raw water service to Smithfield.

City Water has developed a Scope of Service (listed below) for design, bidding, and construction management for improvements to the raw water main. The project must be coordinated with ATI and Smithfield as service will be interrupted while the work is on-going. The project timeline is to complete design in 2025 with construction beginning in 2026. This will allow enough time to coordinate service interruption with ATI and Smithfield.

Scope of Services

Task 1: Project Management

City Water's project manager will facilitate the design process including anticipated meetings with City staff and coordination with ATI and Smithfield:

- A. Project kick-off meeting and data compilation with project stakeholders
- B. Two (2) project status meetings
- C. Final design/plan and data delivery meeting

Task 2: Engineering and Design Activities

Conduct all design activities related to the rehabilitation of the raw water line, including field work, preliminary and final engineering. Raw water design is not governed by NR 811 but must meet the City's design standards.

- A. Topographical survey of the area on Wisconsin State Plane Coordinates, South Zone, North American Datum 1983, to capture all necessary and relevant data within the City right-of-way including, but not limited to the following:
 - Relevant locations of all utility features
 - Trees, roadway and street light locations
- B. Preliminary design including but not limited to:
 - Preparation of conceptual design of the raw water main improvements showing the construction limits, work zone and any proposed temporary limited easements if needed.
 - Review conceptual design layout with the City prior to starting preliminary design.
 - Prepare a draft preliminary design (60% complete plans) to the City for review. The preliminary design will include the schematic layout, description of improvement work in the intersection, removal of the existing meter vault, vehicle and pedestrian traffic potential impacts during construction. Preliminary design will include proposed connections to the existing service connections for ATI.
 - Prepare draft project specifications following the City of Cudahy's requirements and WI Standard Specifications. Specification documents shall be prepared in Microsoft Word format. Draft specifications are to be incorporated into the final specification document for public bidding.
 - Prepare a preliminary Project Cost Estimate based on the proposed design
 - Send copy of preliminary design of raw water main improvement to ATI and Smithfield for review comments.
 - Meet with project stakeholders to review and discuss the preliminary design, identify potential modifications, and agree on the preliminary design and construction schedule.
- C. Final design
 - Revise plans and contract documents as necessary to incorporate comments from project stakeholders
 - Submit 95% complete design drawings and contract documents to the City for review and comment.
 - Meet with City staff, ATI and Smithfield to obtain comments regarding the 95% complete plans, contract documents, and project timeline.
 - Prepare final bid set of plans and specification documents incorporating the City comments.
 - Submit to the City copies of contract drawings in PDF format and specifications in Microsoft Word format to the City for their records

Task 3: Public Service Commission (PSC) Submittal

PSC - The proposed raw water improvements will require a Construction Authorization (CA) from the PSC prior to the start of construction. A General Application for the construction project will be completed and submitted to the PSC for review and approval. CA application will include the following items:

- Maps and Supporting Documentation
- Design alternatives
- Environmental Impact Report (Type III)
- Design cost, plans and specifications

The CA application will be filed on the PSC electronic records filing website.

Task includes the responsibility for answering follow-up questions regarding the project submittals to PSC for CA approval

Task 4: Construction Documents and Project Bidding

Prepare all necessary construction documents, including but not limited to:

- Prepare bidding notice to submit to City 's official paper
- Upload notice of bid to Quest Bidding platform for electronic bid submission
- Review questions from potential bidders and prepare addenda as may be necessary to clarify the construction documents
- Preparation of a final construction cost estimate
- Electronic bid submission on-line
- Review bid tabulation and develop a letter of recommendation for contract award

Task 5: Construction Management (Additional Service)

Using EJCDC bidding documents we will assist the Village in preparing and issuing Contract Documents for execution. Provide necessary construction administration activities.

- Assist the Village in preparation of Construction Documents and issue notice to proceed after contract documents are executed.
- Attend and conduct pre-construction conference with Village, MWW and Contractor. Prepare agenda and issue meeting minutes.
- Review and approve submittals from Contractor, including but not limited to schedule of values, work schedule and technical submittals.
- Review and respond to all requests for information, review proposed field changes and prepare recommendations for change orders.
- Attend progress meetings as needed during construction to discuss ongoing project status. Prepare agendas and distribute meeting minutes for each meeting. Progress meetings will be as needed during construction.
- Review and approve contractor applications for payments, quantities and updated construction schedules.
- Generate Substantial and Final Completion documents (punch list).

- Prepare final acceptance.
- Prepare drawings of record within 60 days after completion of project. submit three (3) sets of hard copies of drawings of record to the Village and complete sets electronically in AutoCAD, ESRI Shapefile and PDF. These drawings should show the changes made during the construction process based on marked-up prints, drawings and other data furnished by the Contractor to the Consultant and which the Consultant considers significant.
- Manage scope, schedule and budget of work associated with the construction project and perform administrative tasks needed for its successful completion.
- A 72-hour notice will be required prior to construction stake-out

Task 6 – Construction Inspection Activities (Additional Service)

- A. Provide necessary construction inspection activities to include:
- B. Create pre-construction condition photo/video log
- C. Construction staking to be completed by contractor
- D. Provide inspection services including, but not limited to:
 1. Provide full-time lead project inspector and supplemental inspection staff as required
 2. Maintain daily work logs
 3. Schedule construction material testing if necessary
 4. Measure and record daily bid item quantities
 5. Act as project contact for residents
 6. Distribute construction notices to area residents

COMPENSATION

City Water LLC will complete the tasks outline in the scope of services for a lump sum fee of \$35,000 (not including reimbursable expenses estimated to be \$500). Construction Management and Inspections is shown as an additional service if the City elects to use CW for those services. Construction services would be billed as an hourly, not to exceed fee. A breakdown of the estimated level of effort is shown in the table below.

Task \ Personnel	Cost
1 - Project Management	\$ 8,000.00
2- Engineering Design Activities	
Raw water main design	\$ 50,000.00
3- PSC Submittal and Response	\$ 8,000.00
4- Construction Documents and Project Bidding	\$ 2,000.00
Lump Sum Fee	\$ 68,000.00
Additional Services - Hourly Fee	Estimated Fee
5- Construcion Management	\$30,000
6- Project Inspection	\$90,000
Estimated Hourly Fee Total	\$120,000

SCHEDULE

Listed below is a tentative project schedule after approval of the design proposal:

2025

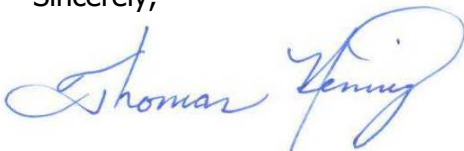
- Project Design - 12-14 weeks
- PSC application –2 weeks
- PSC Review – 45 days to review and deem application is complete, then 90 days for CA approval

2026

- Bidding and Contract Award – 6 weeks
- Construction timeline - 12 weeks

We appreciate the opportunity to assist the Utility in delivering reliable raw water to the industrial customers in the City of Cudahy. Please contact me if you have any questions 414.559.6883.

Sincerely,



Thomas Nennig, P.E.
President

Cloud Subscription Agreement

APX[®]



(this “Agreement”)
IS BY AND BETWEEN

APX10 INC.,
a Wisconsin corporation whose principal place of business is
247 W. Freshwater Way, Milwaukee, Wisconsin 53204
 (“Provider”)

And

City Water LLC
Milwaukee, WI 53201
 (“Customer.”)

This Agreement includes Appendix 1-5 hereto, as well as any applicable the AUP and/or SLA, and any current or future Order or SoW (all as defined below in Article 1), and all such documents are incorporated by this reference. This Agreement is effective as of June 1, 2025 (the “Effective Date.”)

Provider provides a water data analytics software platform, including models and algorithms, system that may incorporate third-party software, auxiliary tools, including open-source software/freeware, operating environments, hosting online services, platforms, hardware, data, documentation, or other services (the “System”) which consists of technology hosted on Provider’s or Provider’s contractor computers and accessed remotely, via web interface via the Internet. Provider also provides professional services in the form of implementation, installation, and customization of the System. The parties have agreed that Provider will provide the System to Customer and Customer’s Users, as well as such professional services as the parties may agree, now and pursuant to future statements of work. The customer manages and operates water utility distribution systems, and provides consulting services to municipal utilities which together with Customer are considered to be Users of the data analytics software platform. Therefore, in consideration of the commitments set forth below, the adequacy of which consideration the parties hereby acknowledge, the parties agree as follows.

1 **DEFINITIONS**

The following capitalized terms will have the following meanings whenever used in this Agreement.

- 1.1 **“AUP”** means Provider’s acceptable use policy currently posted at www.apx10.com.
- 1.2 **“Cloud Components”** means such elements of the System as Provider hosts on its computers or its contractor computers (e.g., Microsoft Azure.)

- 1.3 **“Customer Data”** means all information processed or stored through the SaaS by Customer or on Customer’s behalf. Customer data does not include payment records, credit cards or other information Customer uses to pay Provider, or other information and records related to Customer’s account, including without limitation identifying information related to Customer staff involved in payment or other management of such account.
- 1.4 **“Deliverables”** means any software or other deliverable created pursuant to Professional Services.
- 1.5 **“Documentation”** means Provider’s standard manual related to use of the System, as well as any modules or surveys.
- 1.6 **“Order”** means an order for access to the System.
- 1.7 **“Privacy/Security Law”** means privacy and security laws governing Provider’s handling of Customer Data (if any). For the avoidance of doubt, Privacy/Security Laws do not include laws applicable to Customer or its data to the extent not described in the preceding sentence.
- 1.8 **“Professional Services”** means such Provider services as are set forth in an Appendix or SoW.
- 1.9 **“SoW”** means a statement of work on the form attached hereto as Appendix 4 executed by each party.
- 1.10 **“SLA”** means Provider’s standard service level agreement, currently as set forth in Appendix 3.
- 1.11 **“Term”** is defined in Section 12.1 below.
- 1.12 **“User”** means any company or individual who uses the System on Customer’s behalf or through Customer’s account or passwords, whether authorized or not.

2 **CLOUD COMPONENTS & USE OF THE SYSTEM IN GENERAL**

- 2.1 Use of the System. During the Term, Customer may access and use the Cloud Components pursuant to the terms of any outstanding Order, including such features and functions as the Order requires.

2.2 Service Levels. Provider shall provide the remedies listed in the SLA for any failure of the System listed in the SLA. Such remedies are Customer's sole remedy for any failure of the System except as specifically listed in this Agreement, and Customer recognizes and agrees that if the SLA and the other provisions of this Agreement do not list a remedy for a given failure, it has no remedy. Credits, if any, issued pursuant to the SLA apply to outstanding or future invoices only and are forfeit upon termination of this Agreement. Provider is not required to issue refunds or to make payments against such credits under any circumstances, including without limitation after termination of this Agreement.

2.3 Documentation: Customer may reproduce and use the Documentation solely as necessary to support Users' use of the System.

2.4 System Revisions. Provider may revise the SLA or the features and functions of the System at any time, provided no such revision materially reduces features or functionality provided pursuant to an outstanding Order.

3 PROFESSIONAL SERVICES

3.1 Provision of Professional Services. Provider shall provide the Professional Services, and Customer shall provide any assistance and cooperation necessary or convenient to facilitate the Professional Services, or called for in an Appendix or SoW.

3.2 Deliverables

a. *Acceptance & Rejection*. Deliverables will be considered accepted ("Acceptance") (a) when Customer provides Provider written notice of acceptance or (b) 10 days after delivery if Customer has not first provided Provider with written notice of rejection. Customer may reject a Deliverable only if it materially deviates from its specifications and requirements listed in the applicable Appendix or SoW and only via written notice setting forth the nature of such deviation. In case of such rejection, Provider shall correct the deviation and redeliver the Deliverable within 10 days. After redelivery pursuant to the previous sentence, the parties shall again follow the acceptance procedures set forth in this Subsection 3. This Subsection 3.2, in conjunction with Customer's right to terminate for material breach where applicable, sets forth Customer's only remedy and Provider's only liability for failure of Deliverables.

b. *Incorporation of Deliverables*. Upon Acceptance, each Deliverable will constitute an element of the Cloud Components as specified in the applicable SoW, and will thereafter be subject to this Agreement's terms regarding Cloud Components, including, without limitation indemnity terms. Provider retains ownership of all Deliverables, and Customer receives no right, title, or interest in or to Deliverables except as specifically set forth in this Agreement.

4 FEES & REIMBURSEMENT

4.1 Types of Fees. Customer shall: (a) pay Provider the fee set forth in each Order and or **Appendix 1** (the "Subscription Fee") for each Term, as well as such fees as are set forth in each **Appendix** (specifically **Appendix 1** Consultancy for Professional Services) or SoW as indicated in **Appendix 4** ("Professional Service Fees"); and (b) reimburse such expenses as Provider reasonably incurs in provision of Professional Services. Amounts listed in and Appendix or SoW's are estimates of Professional Services fees and will not be binding, except to the extent that the Appendix or SoW specifically provides to the contrary.

4.2 Invoices, No Refunds. Provider's invoices are due within 30 days of issuance or as otherwise mutually agreed to in writing by the parties. For late payment, Customer shall pay interest charges from the time the payment was due at the rate that is the lower of 1.50% per month or the highest rate permissible under applicable law. Provider will not be required to refund Subscription Fees or Professional Service Fees under any circumstances.

4.3 Taxes. Amounts due under this Agreement are payable to Provider without deduction and are net of any tax, tariff, duty, or assessment imposed by any government authority (national, state, provincial, or local), including without limitation any sales, use, excise, ad valorem, property, withholding, or value-added tax, whether or not withheld at the source (collectively, "Sales Tax"). Except as forbidden by applicable law, Provider may require that Customer submit applicable Sales Taxes to Provider. However, the preceding sentence does not apply to the extent that Customer is tax exempt, provided it gives Provider a valid tax exemption certificate within 30 days of the Effective Date. Provider's failure to include any applicable tax in an invoice will not waive or dismiss the parties' rights or obligations pursuant to this Section 4.3. If applicable law requires withholding or deduction of Sales Taxes or any other tax or duty, Customer shall separately pay Provider the withheld or deducted amount, over and above fees due. For the avoidance of doubt, this Section 4.3 does not govern taxes based on Provider's net income.

5 CUSTOMER DATA

5.1 Use of Customer Data. Provider shall not: (a) access, process, or otherwise use Customer Data other than as necessary to facilitate the SaaS; or (b) give Customer Data access to any third party, except Provider's subcontractors (e.g. the System is hosted by Microsoft Azure) that have a need for such access to facilitate the SaaS and are subject to a reasonable written agreement governing the use and security of Customer Data. Further, Provider: (c) shall exercise reasonable efforts to prevent unauthorized disclosure or exposure of Customer Data; and (d) shall comply with all Privacy/Security Laws that are applicable both specifically to Provider or its contractors and generally to

data processors in the jurisdictions in which Provider does business and operates physical facilities.

- 5.2 **Additional Fees.** Customer recognizes and agrees that Provider may charge additional fees (without limitation) (a) for activities (if any) required by Privacy/Security Laws and (b) for activities Customer requests to help it comply with Privacy/Security Laws.
- 5.3 **Privacy Notice.** Customer acknowledges Provider's privacy notice at www.apx10.com (only applicable if not blank and the link is provided), and Customer recognizes and agrees that nothing in this Agreement restricts Provider's right to alter such privacy policy.
- 5.4 **De-Identified Data.** Notwithstanding the provisions above of this Article 5, Provider may use, reproduce, sell, publicize, or otherwise exploit De-Identified Data (as defined below) in any way, in its sole discretion, including without limitation aggregated with data from other customers. ("De-Identified Data" refers to Customer Data with the following removed: information that identifies or could reasonably be used to identify an individual person, a household or Customer.)
- 5.5 **Erasure.** Provider may permanently erase Customer Data if Customer's account is delinquent, suspended, or terminated for 30 days or more, without limiting Provider's other rights or remedies.
- 5.6 **Required Disclosure.** Notwithstanding the provisions above of this Article 5, Provider may disclose Customer Data as required by applicable law or by proper legal or governmental authority. Provider shall give Customer prompt notice of any such legal or governmental demand and reasonably cooperate with Customer in any effort to seek a protective order or otherwise to contest such required disclosure, at Customer's expense.
- 5.7 **Risk of Exposure.** Customer recognizes and agrees that hosting data online involves risks of unauthorized disclosure or exposure and that, in accessing and using the SaaS, Customer assumes such risks. Provider offers no representation, warranty, or guarantee that Customer Data will not be exposed or disclosed through errors or the actions of third parties.
- 5.8 **Data Accuracy.** Provider shall have no responsibility or liability for the accuracy of data uploaded to the SaaS by Customer, including without limitation, Customer Data and any other data uploaded by Users as indicated in any applicable Appendix.
- 5.9 **Personal Data.** To the extent that Provider or its contractors process personal data on behalf of Customer as part of the performance of this Agreement, the Customer shall inform Provider accordingly in writing. The processing of personal data shall be regulated and governed by a separate data processing agreement or

addendum that will observe the applicable laws regarding the collection and use of personal data in force at that time.

- 5.10 **Import of Customer Data.** The terms, conditions and requirements associated with import of data, including Customer Data, and more specifically, the IMPORT OF PIPELINE REGISTRATION & INCIDENTS and SRO/SCADA/IOT data into the System are set forth in Appendix 5A and 5B.

6 CUSTOMER'S RESPONSIBILITIES & RESTRICTIONS

- 6.1 **Acceptable Use.** Customer shall comply with the AUP and the additional Customer Obligations indicated in **Appendix 2**. Customer shall not: (a) use the System for service bureau or time-sharing purposes or in any other way allow third parties to exploit the System except if explicitly described in appendix 1; (b) provide System passwords or other log-in information to any third party; (c) share non-public System features or content with any third party; (d) access the System in order to build a competitive product or service, to build a product using similar ideas, features, functions or graphics of the System, or to copy any ideas, features, functions or graphics of the System; or (e) engage in web scraping or data scraping on or related to the System, including, without limitation, collection of information through any software that simulates human activity or any bot or web crawler. If it suspects any breach of the requirements of this Section 6.1, including, without limitation by Users, Provider may suspend Customer's access to the System without advanced notice, in addition to such other remedies as Provider may have. Neither this Agreement nor the AUP requires that Provider take any action against Customer or any User or other third party for violating the AUP, this Section 6.1, or this Agreement, but Provider is free to take any such action it sees fit.
- 6.2 **Unauthorized Access.** Customer shall take reasonable steps to prevent unauthorized access to the System, including without limitation by protecting its passwords and other log-in information. Customer shall notify Provider immediately of any known or suspected unauthorized use of the System or breach of its security and shall use best efforts to stop said breach.
- 6.3 **Compliance with Laws.** In its use of the System, Customer shall comply with all applicable laws, including without limitation Privacy/Security Laws.
- 7 IP & FEEDBACK**
- 7.1 **IP Rights in the System.** Provider retains all right, title, and interest in and to the System, including, without limitation, all software used to provide the System and all graphics, user interfaces, surveys, modules, logos, and trademarks reproduced through the System. This Agreement does not grant Customer any intellectual property license or rights in or to the System or any of its components, except to the limited extent that this

Agreement specifically sets forth Customer rights to Documentation. Customer recognizes that the System and its components are protected by copyright and other laws.

7.2 Feedback. Provider has not agreed to and does not agree to treat as confidential any Feedback (as defined below) that Customer or other Users provide to Provider, and nothing in this Agreement or in the parties' dealings arising out of or related to this Agreement will restrict Provider's right to use, profit from, disclose, publish, keep secret, or otherwise exploit Feedback, without compensating or crediting Customer or other User in question. Customer hereby grants Provider a perpetual, irrevocable right and license to exploit Feedback in any and every way. Feedback will not constitute Customer's trade secret. ("Feedback") refers to any suggestion or idea for improving or otherwise modifying any of Provider's System or other products or services.)

8 CONFIDENTIAL INFORMATION

"Confidential Information" refers to the following items either party discloses to the other: (a) any document either party marks "confidential"; (b) any information either party orally designates as "confidential" at the time of disclosure, provided the disclosing party confirms such designation in writing within 10 business days; (c) Documentation, whether or not marked or designated confidential; and (d) any other nonpublic, sensitive information either party should reasonably consider a trade secret or otherwise confidential. Notwithstanding the foregoing, Confidential Information does not include information that: (i) is in the non-disclosing party's possession at the time of disclosure; (ii) is independently developed by either party without use of or reference to Confidential Information; (iii) becomes known publicly, before or after disclosure, other than as a result of the other party's improper action or inaction; or (iv) is approved for release in writing by the applicable party.

8.1 Nondisclosure. Neither party shall use Confidential Information for any purpose other than as required to use the System (the "Purpose"). Neither party: (a) shall disclose Confidential Information to any employee or contractor of the other party unless such person needs access in order to facilitate the Purpose; and (b) shall not disclose Confidential Information to any other third party (other than contractors used to provide the System) without the other party's prior written consent. Without limiting the generality of the foregoing, the parties shall protect Confidential Information with the same degree of care it uses to protect its own confidential information of similar nature and importance, but with no less than reasonable care. A party shall promptly notify the other party of any misuse or misappropriation of Confidential Information that comes to that party's attention. Notwithstanding the foregoing, both parties may disclose Confidential Information as required by applicable law or by proper legal or governmental

authority. The applicable party shall give the other party prompt notice of any such legal or governmental demand and reasonably cooperate with the other party in any effort to seek a protective order or otherwise to contest such required disclosure, at that party's expense.

8.2 Injunction. The parties agree that: (a) no adequate remedy exists at law if it breaches any of its obligations in this Article 8; (b) it would be difficult to determine the damages resulting from its breach of this Article 8, and such breach would cause irreparable harm to the other party; and (c) a grant of injunctive relief provides the best remedy for any such breach, without any requirement that the other party prove actual damage or post a bond or other security. The parties waive any opposition to such injunctive relief or any right to such proof, bond, or other security. (This Section 8.2 does not limit either party's right to injunctive relief for breaches not listed.)

8.3 Termination & Return. Upon termination of this Agreement, the parties shall return all copies of Confidential Information to the other party or certify, in writing, the destruction thereof. The parties' obligations pursuant to Section 8.1 above (*Nondisclosure*) will survive termination and such return, destruction, and certification.

8.4 Retention of Rights. This Agreement does not transfer ownership of Confidential Information or grant a license thereto. The applicable party will retain all right, title, and interest in and to all Confidential Information.

8.5 Exception & Immunity. Pursuant to the Defend Trade Secrets Act of 2016, 18 USC Section 1833(b) (the "DTSA"), each party is on notice and acknowledges that, notwithstanding the foregoing or any other provision of this Agreement:

a. *IMMUNITY*. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

b. *USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT*. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

9 REPRESENTATIONS & WARRANTIES

9.1 Provider's Warranties.

- a. *IP Rights in the System.* Subject to the next sentence, Provider represents and warrants that it is the owner of the System and of each and every component thereof, or the recipient of a valid license thereto, and that it has and will maintain the full power and authority to grant the rights to use the System set forth in this Agreement without the further consent of any third party. Provider's representations and warranties in the preceding sentence do not apply to the extent that the infringement arises out of any of the conditions listed in Subsections 10.1(a) through 10.1 (e) below. In case of a breach of the warranty in this Subsection 1.1.a, Provider, at its own expense, shall promptly take the following actions: (i) secure for Customer the right to continue using the System; (ii) replace or modify the System to make it non infringing; or if such remedies are not commercially practical in Provider's reasonable opinion (iii) terminate the infringing features of the System, and refund to Customer any prepaid fees for such features, in proportion to the portion of the Term left after such termination. If Provider exercises its rights pursuant to Subsection 1.1.a(iii) above, Customer shall cease all use of affected System components and Documentation and erase any copies thereof. In conjunction with Customer's right to terminate for breach where applicable, the preceding sentence states Provider's sole obligation and liability, and Customer's sole remedy, for breach of the warranty in this Subsection 1.1.a and for potential or actual intellectual property infringement by the System.
- b. *Professional Services.* Provider represents and warrants that the Deliverables will conform to their specifications set forth in the applicable Appendix or SoW for a period of six months, or as otherwise mutually agreed to in writing by the parties, following Acceptance (as defined in Subsection 3.2(a) above).

9.2 Customer's Warranties.

- a. *Re Customer Itself.* Customer represents and warrants that: (i) it has the full right and authority to enter into, execute, and perform its obligations under this Agreement and that no pending or threatened claim or litigation known to it would have a material adverse impact on its ability to perform as required by this Agreement; (ii) it has accurately identified itself and it has not provided any inaccurate information about itself to Provider or through the System; and (iii) it is a corporation, the sole proprietorship of an individual 18 years or older, or another entity authorized to do business pursuant to applicable law.
- b. *Re Customer's Clients.* Customer represents and warrants that, to the best of its knowledge: (i) Customer shall accurately identify each Customer's Client and shall not provide any inaccurate information about a Customer's Client or other User to or through the System; and (ii) each Customer's Client will be a corporation, the sole proprietorship of an individual 18 years or older, governmental unit or agency, or another

entity authorized to do business pursuant to applicable law.

9.3

Warranty Disclaimers. Except to the extent set forth in the SLA and in Section 9.1 above, CUSTOMER ACCEPTS THE SYSTEM "AS IS" AND AS AVAILABLE. And except as set forth above in this Article 9, PROVIDER PROVIDES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, OR ANY IMPLIED WARRANTY ARISING FROM STATUTE, COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PROVIDER HAS NO OBLIGATION TO INDEMNIFY, DEFEND, OR HOLD HARMLESS CUSTOMER, INCLUDING WITHOUT LIMITATION AGAINST CLAIMS RELATED TO PRODUCT LIABILITY OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, EXCEPT IN THE LATTER CASE AS SET FORTH IN SECTION 10.1 (*Indemnity from Provider*) BELOW. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING: (a) PROVIDER DOES NOT REPRESENT OR WARRANT THAT THE SYSTEM WILL PERFORM WITHOUT INTERRUPTION OR ERROR; (b) PROVIDER DOES NOT REPRESENT OR WARRANT THAT THE SYSTEM IS SECURE FROM HACKING OR OTHER UNAUTHORIZED INTRUSION OR THAT CUSTOMER DATA WILL REMAIN PRIVATE OR SECURE; (c) PROVIDER DOES NOT REPRESENT OR WARRANT COMPATIBILITY WITH THE COMPUTERS, SYSTEMS, AND/OR APPLICATIONS THAT THE CUSTOMER MAY USE; AND (d) SHALL NOT BE LIABLE FOR ANY CONCLUSIONS OR DECISIONS MADE BY THE CUSTOMER OF, OR FROM, THE SYSTEM.

10

INDEMNIFICATION

10.1

Indemnity From Provider. Provider shall defend and indemnify Customer and Customer's Associates (as defined below in Subsection 10.1.1(a)) against any "Indemnified Claim," meaning any third party claim, suit, or proceeding arising out of or alleging direct infringement of any patent, copyright, trade secret, or other intellectual property right as a result of Customer's authorized use of the System. However, Indemnified Claims do not include, and Provider's obligations set forth in this Section 10.1 do not apply to, any claim, suit, or proceeding arising out of: (a) Customer's breach of this Agreement, including without limitation its failure to cease use of the System after Provider's direction pursuant to Section (*Re IP Rights in the System*); (b) revisions to System components made without Provider's written consent; (c) Provider's modification of any Deliverables to the extent created based on such Customer specifications; (d) any Deliverable, if the applicable Appendix, SoW or a disclosure provided at or before delivery states that such Deliverable incorporates third party software or other assets; or (e) use of the System in combination with hardware or software not

provided by Provider. In case of an Indemnified Claim, Provider may exercise any of the remedies in Subsections 9.1 (i) through 9.1 (iii) above, including without limitation, its right therein to terminate licenses and require return of the Software.

10.2 Indemnity From Customer. Customer shall indemnify and defend Provider and Provider's Associates (as defined below in Subsection 10.1.1) against any "Indemnified Claim," meaning any third party claim, suit, or proceeding arising out of or related to Customer's alleged or actual use of, misuse of, or failure to use the System, including without limitation: (a) Users or by Customers' employees; (b) claims related to Data Incidents (as defined below); (c) claims related to infringement or violation of a copyright, trademark, trade secret, or privacy or confidentiality right by written material, images, logos or other content uploaded to the System through Customer's account, including, without limitation, Customer Data; (d) claims that use of the System through Customer's account, or other Users, harasses, defames, or defrauds a third party or violates the CAN-Spam Act of 2003 or any other law or restriction on electronic advertising; and (e) infringement claims arising out of or related to the conditions listed in Subsections 10.1 (a) through (e) above. Indemnified Claims pursuant to the preceding sentence also include claims related to the injury to or death of any individual, or any loss of or damage to real or tangible personal property, caused by the act or omission of Customer or of any of its agents, subcontractors, or employees. Indemnified Claims listed above in this Section include, without limitation, claims arising out of or related to Provider's negligence, but they exclude any claim that would constitute an Indemnified Claims pursuant to Section 10.1 above. (A "Data Incident" is any (i) unauthorized disclosure of, access to, or use of Customer Data, or (ii) violation of Privacy/Security Law through Customer's account. Data Incidents include, without limitation, such events caused by Customer, by Provider, or other Users, by hackers, and by any other third party).

10.1.1 Litigation & Additional Terms.

- a. Associates. As used in this Article 10, a party's "Associates" are its officers, directors, shareholders, parents, subsidiaries, agents, successors, and assigns.
- b. Indemnity Obligations. The obligations of the indemnifying party ("Indemnitor") pursuant to Section 10.1 or 10.2 above include, without limitation: (i) settlement at Indemnitor's expense and payment of judgments finally awarded by a court of competent jurisdiction, as well as payment of court costs and other reasonable expenses; and (ii) reimbursement of reasonable attorneys' fees incurred by the other party to this Agreement ("Indemnified Party") before Indemnitor's assumption of the defense (but not attorneys' fees incurred thereafter).

- c. Litigation and Additional Procedures. Indemnified Party shall provide prompt notice of any Indemnified Claim and reasonably cooperate with Indemnitor's defense. Indemnitor will control the defense of any Indemnified Claim, including appeals, negotiations, and any settlement or compromise thereof; provided: (i) if Indemnitor fails to assume the defense on time to avoid prejudicing the defense, Indemnified Party may defend the Indemnified Claim, without loss of rights pursuant to this Article 10 until Indemnitor assumes the defense; and (ii) Indemnified Party will have the right, not to be exercised unreasonably, to reject any settlement or compromise that requires that it or an Indemnified Associate admit wrongdoing or liability or subjects either of them to any ongoing affirmative obligation. Indemnitor's obligations in Section 10.1 or 10.2 above will be excused if either of the following materially prejudices the defense: (A) Indemnified Party's failure to provide prompt notice of the Indemnified Claim; or (B) Indemnified Party's or an Indemnified Associate's failure reasonably to cooperate in the defense.

11 LIMITATION OF LIABILITY.

11.1 Dollar Cap. PROVIDER'S LIABILITY WILL NOT EXCEED THE FEES PAID PURSUANT TO THE APPLICABLE ORDER OR SOW DURING THE YEAR PRECEDING THE INJURY IN QUESTION, FOR ALL CLAIMS ARISING OUT OF OR RELATED TO SUCH ORDER OR SOW. THE LIMITS OF LIABILITY IN THE PRECEDING SENTENCE ARE CUMULATIVE AND NOT PER-INCIDENT.

11.2 Excluded Damages. Except with regard to breaches of Article 8 (Confidential Information), IN NO EVENT WILL PROVIDER BE LIABLE FOR LOST PROFITS OR LOSS OF BUSINESS OR FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

11.3 Clarifications & Disclaimers. THE LIABILITIES LIMITED BY THIS ARTICLE 11.1 APPLY TO THE BENEFIT OF PROVIDER'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND THIRD PARTY CONTRACTORS, AS WELL AS: (a) TO LIABILITY FOR NEGLIGENCE; (b) REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE; (c) EVEN IF PROVIDER IS ADVISED IN ADVANCE OF THE POSSIBILITY OF THE DAMAGES IN QUESTION AND EVEN IF SUCH DAMAGES WERE FORESEEABLE; AND (d) EVEN IF CUSTOMER'S REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE. Customer acknowledges and agrees that Provider has based its pricing on and entered into this Agreement in reliance upon the limitations of liability and disclaimers of warranties and damages in this Article 11.1 and in Section 9.3 and that such terms form an essential basis of the bargain between the parties. If applicable law limits the application of the provisions of this Article 11.1, Provider's liability will be limited to the maximum extent permissible. For the avoidance of doubt, Provider's liability limits and other rights set forth

in this Article 11.1 apply likewise to Provider's affiliates, licensors, suppliers, advertisers, agents, sponsors, directors, officers, employees, consultants, and other representatives.

12 TERM & TERMINATION

12.1 Term. The term of this Agreement (the "Term") will commence on the Effective Date and continue for the period set forth in the Order or, if none, for 36 months. Thereafter, the Term will renew for successive 12-month periods unless provided otherwise in the Order, unless either party refuses such renewal by written notice 30 or more days before the renewal date. If the governing board of the Customer does not approve funding for the Agreement in any subsequent fiscal year, Customer may terminate this agreement at the beginning of said fiscal year without penalty of any nature.

12.2 Termination for Cause. Either party may terminate this Agreement for the other's material breach by written notice specifying in detail the nature of the breach, effective in 30 days unless the other party first cures such breach, or effective immediately if the breach is not subject to cure. Without limiting Provider's other rights and remedies, Provider may suspend or terminate a Customer's Client's or other User's access to the System at any time, without advanced notice, if Provider reasonably concludes such Customer's Client or other User has conducted itself in a way that is not consistent with the requirements of the AUP or the other requirements of this Agreement or in a way that subjects Provider to potential liability.

12.3 Effects of Termination. Upon termination of this Agreement, Customer shall cease all use of the System and delete, destroy, or return all copies of the Documentation in its possession or control. The following provisions will survive termination or expiration of this Agreement: (a) any obligation of Customer to pay fees incurred before termination; (b) Articles 7 (*IP & Feedback*), 8 (*Confidential Information*), 9.3 (*Warranty Disclaimers*), 10 (*Indemnification*), and 11.1 (*Limitation of Liability*); and (c) any other provision of this Agreement that must survive to fulfill its essential purpose.

13 MISCELLANEOUS.

13.1 Independent Contractors. The parties are independent contractors and shall so represent themselves in all regards. Neither party is the agent of the other, and neither may make commitments on the other's behalf.

13.2 Notices. Provider may send notices pursuant to this Agreement to Customer's email address provided by Customer, and such notices will be deemed received 24 hours after they are sent. Customer may send notices pursuant to this Agreement to info@apx10.com, and such notices will be deemed received 72 hours after they are sent. In addition, Customer is on notice and agrees

that: (a) for claims of copyright infringement, the complaining party may contact info@apx10.com; and (b) Provider will terminate the accounts of subscribers who are repeat copyright infringers.

13.3 Force Majeure. No delay, failure, or default, other than a failure to pay fees when due, will constitute a breach of this Agreement to the extent caused by epidemics, acts of war, terrorism, hurricanes, earthquakes, other acts of God or of nature, strikes or other labor disputes, riots or other acts of civil disorder, embargoes, government orders responding to any of the foregoing, or other causes beyond the performing party's reasonable control.

13.4 Assignment & Successors. Customer may not assign this Agreement or any of its rights or obligations hereunder without Provider's express written consent. Except to the extent forbidden in this Section 13.4, this Agreement will be binding upon and inure to the benefit of the parties' respective successors and assigns.

13.5 Severability. To the extent permitted by applicable law, the parties hereby waive any provision of law that would render any clause of this Agreement invalid or otherwise unenforceable in any respect. If a provision of this Agreement is held to be invalid or otherwise unenforceable, such provision will be interpreted to fulfill its intended purpose to the maximum extent permitted by applicable law, and the remaining provisions of this Agreement will continue in full force and effect.

13.6 No Waiver. Neither party will be deemed to have waived any of its rights under this Agreement by lapse of time or by any statement or representation other than by an authorized representative in an explicit written waiver. No waiver of a breach of this Agreement will constitute a waiver of any other breach of this Agreement.

13.7 Choice of Law & Jurisdiction: This Agreement will be governed solely by the internal laws of the State of Wisconsin, including without limitation applicable federal law, without reference to: (a) any conflicts of law principle that would apply the substantive laws of another jurisdiction to the parties' rights or duties; (b) the 1980 United Nations Convention on Contracts for the International Sale of Goods; or (c) other international laws. The parties consent to the personal and exclusive jurisdiction of the federal and state courts of Milwaukee, Wisconsin. This Section 13.6 governs all claims arising out of or related to this Agreement, including without limitation tort claims. If Customer is a federal, state, or local government entity in the United States using the System in its official capacity and legally unable to accept the indemnification, controlling law, jurisdiction, or venue clauses above, then those clauses do not apply to the Customer. For such U.S. federal government entities, this Agreement and any action related thereto will be

governed by the laws of the United States of America (without reference to conflict of laws) and, in the absence of federal law and to the extent permitted under federal law, the laws of the State of Wisconsin (excluding choice of law).

13.8 Conflicts. In case of a conflict among the Appendixes to this Agreement and this main body, the following order of precedence will govern, with lower numbers governing over higher ones: (1) this main body of this Agreement; (2) any Appendix 1-5, SoW, with more recent Statements of Work taking precedence over later ones; and (3) any Provider policy posted online, including, without limitation the AUP. No SoW or other attachment incorporated into this Agreement after execution of this main body will be construed to amend this main body or any earlier attachment unless it specifically states its intent to do so and cites the section or sections amended.

13.9 Construction. The parties agree that the terms of this Agreement result from negotiations between them. This Agreement will not be construed in favor of or against either party by reason of authorship.

13.10 Technology Export. Customer shall not: (a) permit any third party to access or use the System in violation of any U.S. law or regulation; or (b) export any software provided by Provider, if any, or otherwise remove it from the United States except in compliance with all applicable U.S. laws and regulations. Without limiting the generality of the foregoing, Customer shall not permit any third party to access or use the System in, or export such software, if any, to, a country subject to a United States embargo (as of the Effective Date, the Crimea Region of Ukraine, Cuba, Iran, North Korea, and Syria).

13.11 Entire Agreement. This Agreement sets forth the entire agreement of the parties and supersedes all prior or contemporaneous writings, negotiations, and discussions with respect to its subject matter. Neither party has relied upon any such prior or contemporaneous communications.

13.12 Execution in Counterparts. This Agreement may be executed in one or more counterparts. Each counterpart will be an original, but all such counterparts will constitute a single instrument.

13.13 Amendment. This Agreement may not be amended except through a written agreement by authorized representatives of each party. Notwithstanding the foregoing provisions of this Section 13.13, Provider may revise the AUP at any time by posting a new version of either at the Website, and such new version will become effective on the date it is posted; provided if such amendment materially reduces Customer's rights or protections, notice and consent will be subject to the requirements above in this Section 13.13.

13.14

Third Party Acknowledgement and Terms. The System provided under the terms and conditions of this Agreement may use or include third party components, software, auxiliary tools, including opensource software/freeware (which may be subject to certain "open source" or "free software" licenses) operating environments, hosting online services, platforms, hardware, data, documentation or other services or other copyrighted material that may be subject to certain "open source" or "free software" licenses or there party licenses, terms and conditions. Acknowledgments, licensing terms, or terms of service, and additional disclaimers for such third party components are contained in the "online" electronic documentation for the System, including without limitation, a AllUsedSoftwareLicenses.xlsx file or may otherwise accompany the same, or are contained in Appendix, or Addendums to this Agreement, and Customer's use of such components is governed by their respective terms and conditions and nothing in this Agreement limits any such third party terms or conditions or grants Customer rights that supersede the terms and conditions of any such applicable third party terms and conditions for such third party components, or materials.

IN WITNESS THEREOF, the parties have executed this Agreement as of the Effective Date

Milwaukee, WI, 1 May 2025
for APX10 INC:

Ulrich Borup Hansen
President & CEO

Wisconsin, 1 May 2025
for City Water LLC, WI

Tom Nennig
President

APPENDIX 1

DESCRIPTION OF APX® PLATFORM TIME SCHEDULE AND PRICES

This Appendix describes the services to be delivered from APX10 to the Customer and the agreed pricing for the services.

Customer is acting both as User and administrative organization for its Municipal Utility Users, and Customer will act as single interface to Provider.

The services include:

- Subscription to the APX® platform Including current operation, follow-up workshops, and service according to the terms in force in the Agreement.
- Implementation, training and development of specific features as described on Appendix 4 SoW.

1 DESCRIPTION OF APX® PLATFORM

The following contains modules and prices per municipal utility included in the agreement and a brief description of the modules:

Subscription Agreement

Article	Description	Annual Subscription Fee per municipal utility	One-Time Deployment Fee per municipal utility	Total 1st Year Cost
35001	APX® Platform-Wastewater Municipal Utility -Data Quality Module -Dashboard -APX Module -Economy Module -Condition Module -Consequence Module	\$15,000	\$5,000	\$20,000
35002	APX® Platform-Drinking Water Municipal Utility -Data Quality Module -Dashboard -APX Module -Economy Module -Condition Module -Consequence Module	\$15,000	\$5,000	\$20,000

All prices are in U.S. Dollar (USD) and are exclusive of VAT, taxes, and import and export fees if applicable.

The above prices are based on a MINIMUM of 5 municipal utilities subscribing to APX® platform with either wastewater or drinking water, or a total of both adding up to 5. Meaning the minimum can be for example 2 drinking water and 3 wastewater subscriptions.

Additional subscriptions can be added on an individual basis.

Above prices only apply to municipal utilities with a population < 25,000. Municipal Utilities outside this range are individually priced.

Subscription agreement effective date: June 1, 2025
 Subscription agreement earliest termination date: May 31, 2028

Upon completion of the first three (3) years' subscription, the Agreement will be extended one (1) year at a time.

**Minimum 3-year commitment period.*

APX10 will invoice Customer annually in advance of the Effective Date for SaaS subscription(s) ordered by the Customer as detailed in Appendix 1. If Customer orders additional subscriptions during the Term of this Agreement, the first-year Term for additional subscriptions will be prorated to cover the remaining portion of the current year. Invoices are payable net 30 days.

Invoice for the first-year Term of this Agreement to be issued in advance of June 1, 2025, in the method specified by the Customer.

2 TIME SCHEDULE

2.1 Conditions for implementation

The price for implementation is fixed provided that the data sources are available in the requested formats and conditions.

Standard set-up includes the following:

- Registration of the Customer and users (unlimited number of users.)
- Initial review of data to ensure that data and layers seem correct.
- Replication of pipeline data (GIS) from the Customer's server so that the solution uses dynamic data.
- Integration of the Customer's data to the APX® solution, so that APX® predictions will improve on an ongoing basis – to the benefit of the entire industry.

2.2 The following shows expected implementation periods and distribution of responsibility:

APX10's responsibility:

- Technical implementation process.
 - o Initial workshop(s) with focus on validation of data and set-up
 - o Workshop with focus on calculation basis and use of the individual modules
 - o Workshop defining potential City Water dashboard
- Work with internal/external data suppliers to obtain data that are up to the guidelines established in the subscription agreement.

Customer responsibility:

- Identify and provide access to data owners, data and ensuring that data can be obtained.
- Validation of data in solution on an ongoing basis.
- Coordinate and administer input from Customer Users

Project implementation timeline is individual. All project implementation timelines are highly dependent on the quantity and quality of underlying data in use on the platform. Full platform implementation may be unavailable if a utility lacks significant portions of data necessary for adequate platform development. Please reference Section I and II of Appendix 4 for additional information regarding Provider and Customer responsibility with respect to platform implementation.

Each timeline is individual and starts when data is received according to appendix 5A and 5B.

Customer's platform access is dependent on data being made available for module buildout. Base platform expected to be accessible 6-8 weeks upon receipt of basic data.

3 CONSULTANCY SERVICES

3.1 Consultancy services are provided on a time and material (T&M) basis. The hourly rate per consultant amounts to \$200.00 (USD) for each hour or fraction thereof.

3.2 In addition to the hourly rate, other costs incurred shall be covered, including possible tools, transport, board, and accommodation. Such costs shall be covered without allowance and transport in own car shall be covered according to the official rates.

3.3 For time spent in transport half the hourly rate will be charged.

3.4 APX10 shall be entitled to overtime premium if consultant services are ordered or carried out according to a specific agreement on public holidays, on 24 December, 31 December, Danish Constitution Day (5 June), during weekends or outside normal working hours (weekdays from 9:00 AM-4:00 PM local time.) For such consultancy services, the Customer shall pay an additional amount of 100% compared with the prices used based on the actual time consumption.

Module Description- Wastewater Platform

Dashboard:

- Management tool providing a survey of results from underlying analyses.
- Interactive maps and graphs.
- Overall consequence modulation of reinvestment budget.

APX:

- Prioritizing module for reinvestment needs.
- When in operation, an extract will be possible with a proposal for prioritizing the pipes/areas which are optimal for reinvestment based on the Customer's parameter weighting.

Economy:

- Financial survey of residual value and reinvestment costs in the customer's network. All values are relative and, as a starting point, based on Danish pricing standards.
- BI display of pipe age, pipe lengths, distribution of material, etc.

Data Quality:

- Full survey of the quality of GIS data for all types of supply.
- Foundation for data cleansing (which areas and which types of information.)
- Network is shown where incorrect couplings, if any, can be found.

Consequence of Failure—Wastewater:

- Survey of consumers affected (and volume) in connection with the shutdown of pipe.
- Pipeline replacement accessibility criticality visualization.

Likelihood of Failure—Wastewater:

- Observed condition: survey of physical index of pipe assets based on Customer's CCTV observations.
- Estimated condition: prediction of CCTV inspection scoring based on APX10 algorithm.
- Degrading profiles: experience-based pipeline degradation curves.
- Ability to adjust weighting of individual condition assessment parameters (observed condition, estimated condition, degrading profiles.)

Module Description- Drinking Water Platform

Dashboard:

- Management tool providing a survey of results from underlying analyses.
- Interactive maps and graphs.
- Overall consequence modulation of reinvestment budget.

APX:

- Prioritizing module for reinvestment needs.
- When in operation, an extract will be possible with a proposal for prioritizing the pipes/areas which are optimal for reinvestment based on the Customer's parameter weighting.

Economy:

- Financial survey of residual value and reinvestment costs in the customer's network. All values are relative and, as a starting point, based on Danish pricing standards.
- BI display of pipe age, pipe lengths, distribution of material, etc.

Data Quality:

- Full survey of the quality of GIS data for all types of supply.
- Foundation for data cleansing (which areas and which types of information.)
- Network is shown where incorrect couplings, if any, can be found.

Consequence of Failure—Drinking Water:

- Overview of consumer criticality in connection with the shutdown of pipe.
- Pipeline replacement accessibility criticality visualization.

Likelihood of Failure—Drinking Water:

- Degrading profiles: experience-based pipeline degradation curves.
- BI display of degradation curve by pipe material & degradation over time.

APPENDIX 2 – THE CUSTOMER’S OBLIGATIONS**1 THE CUSTOMER’S OBLIGATIONS**

- 1.1 The Customer shall at all times ensure that the necessary technical capacity and network capacity will be available for the operation of APX®. This obligation shall also apply to new versions of APX®.
- 1.2 If the use of new versions of APX® requires upgrading of the Customer’s software and/or replacement of parts or equipment, the costs shall be covered by the Customer. APX® has been developed for use in Google Chrome web browser.
- 1.3 Customer shall provide APX10 with a written list of users which shall be continuously updated.
- 1.4 Backup files of pipe registration data shall be forwarded to APX10. The backup files are used to start set-up quickly. The backup file contains pipe registration data.
- 1.5 Pipe registration data and IoT unit data shall be provided as described in Appendix 5A and 5B.

2 CONDITIONS AND REQUIREMENTS FOR CUSTOMER IT ENVIRONMENT

For the services to function in accordance with the Agreement on the Customer’s server, the following technical requirements must be met:

- 2.1 Data must be spatial.
- 2.2 A permanent user with administrator rights must have been created on the Customer’s server.
- 2.3 During set-up, APX10 must be able to log onto the Customer’s server with a temporary user, also with administrator rights.
- 2.4 Transactional replication must be installed and configured.
- 2.5 The Customer’s firewall must be configured to allow replication of data to APX10’s servers.
- 2.6 Setup of daily replication to be agreed in individual terms.
- 2.7 Special requirements may occur in connection with data from the Customer’s third-party supplier.

3 KEY EMPLOYEES

- 3.1 Key employees at the Customer and APX10 shall be agreed prior to the set-up of APX®.

3.2

Customer shall maintain list of Users granted access to the APX® platform and communicate any changes directly to Provider

APPENDIX 3 – SERVICE LEVEL AGREEMENT

1 BACKGROUND AND OBJECTIVE

1.1 The service and maintenance terms form part of the Agreement concluded between the Parties.

1.2 The objective of the service and maintenance terms is to establish the framework and conditions for APX10's delivery of support and maintenance services (collectively referred to as "Services") including a Helpdesk and general guidelines for error reporting and categorization.

2 HELPDESK

2.1 APX10 shall strive to answer all questions from the Customer about the use of APX® which may occur in the day-to-day work when the Customer contacts the APX10 Helpdesk. If a question cannot be answered, or if a defect cannot immediately be remedied, it will be referred to support.

2.1 APX10 will do its best to answer the Customer within 45 minutes within the normal opening hours of APX10, i.e., Monday to Friday from 9:00-4:00. The following days are not business days and are therefore outside normal opening hours:

Public holidays, 24 December, 31 December, Danish Constitution Day (5 June.)

In addition, APX10 reserves the right to arrange events for its employees; the Helpdesk may not be available on such days. Customer will be notified in advance of the planned unavailability of the Helpdesk.

2.2 The APX10 Helpdesk can be contacted by telephone: 1 (224) 461-3139 or by e-mail: support@apx10.com. Updated contact information will always be available in the APX® solution.

3 SUPPORT

3.1 APX10 shall as much as possible begin remedying defects reported by the Customer in accordance with the time interval for the defect category to which APX10 has allocated to the reported defect. APX10 shall in its discretion categorize defects reported by the Customer.

3.2 APX10 shall categorize defects reported and shall start the correction of defects during normal opening hours, i.e., Monday to Friday from 9:00-4:00. The following days are not business days and are therefore outside normal opening hours:

Public holidays, 24 December, 31 December, Danish Constitution Day (5 June.)

4 REPORTING OF DEFECTS

4.1 If the Customer discovers problems with the use of APX®, such problems shall be reported to APX10. When reporting, the Customer must complete a defect report, which at a minimum must include the following information:

- description of the defect
- the action which triggered the defect
- Customer contact information

4.2 Defects shall be reported to APX10 by telephone at 1 (224) 461-3139 or by e-mail: support@apx10.com. Possible changes to contact possibilities shall be announced on the APX® platform.

5 CATEGORIZATION OF DEFECTS

5.1 Defects are categorized by APX10 immediately upon receipt of the Customer's report to Support, or when the defect has been registered by the APX10 Helpdesk. APX10 shall initiate the correction of the defect in accordance with the relevant deadlines within normal opening hours as stated above in section 3.2.

5.2 Defects are categorized as follows:

Category A:

Defects that are critical for the use of APX®, and where a reasonable workaround is not possible.

Time interval for initiated correction: 14 hours.

Category B:

Defects that are critical for the use of APX®, but where a reasonable workaround based on instruction from APX10 is possible or defects which are not critical for the use of APX®, and a reasonable workaround is not possible.

Time interval for initiated correction: 35 hours.

Category C:

Defects which are not critical for the use of APX®, and where reasonable workaround based on instruction from APX10 is possible, and defects which are of no or only cosmetic importance to the use of APX®.

Time interval for initiated correction: 14 days.

5.3 The time intervals which are stated in section 5.2 are calculated from the time when APX10 receives the report about a defect from the Customer to the time when APX10 has initiated the correction of the defect.

The time intervals are only calculated within the normal APX10 opening hours, which means that the time interval for initiated defect correction may cover several days if the report is forwarded just before closing on the day on which the defect is reported.

- 5.4 The Customer's report must meet the conditions in section 4.1. If the report does not meet these conditions, the time intervals are only calculated from the time when the conditions have been met.

6 NEW VERSIONS

- 6.1 APX10 shall deliver new versions of APX® to the extent that it is necessary to ensure that functionality is maintained and updated.
- 6.2 New versions may contain both materially changed functionality and minor updates to the software, including corrections of defects. APX10 shall inform the Customer of new versions when they are available.
- 6.3 New versions of APX® shall be planned and carried out while taking the Customer's business activities into account.
- 6.4 In the event that a roll-out of new versions will affect the Customer's use of APX®, the Customer shall be given a written notice.
- 6.5 If a roll-out necessitates full or partial interruption of APX®, such work shall only be carried out according to prior agreement with the Customer. The Customer shall be entitled to demand that such rollouts shall be carried out outside the Customer's normal working hours. In that case, the Customer shall pay an additional fee regardless of the reason for the work.
- 6.6 If the Customer refuses to allow a full or partial interruption of APX® after a request from APX10, this shall be considered a postponement of the work in question requested by the Customer. If the postponed work is the reason for a reduction of the functionality or any other requirements agreed, APX10 shall not be liable for this during the period of postponement of the work.
- 6.7 APX10 may choose to carry out remedying of defects in connection with delivery and installation of new versions or as individual remedying towards the Customer.

7 SERVICE TARGET FOR APX®

APX® is a cloud solution hosted by Microsoft Azure. This means that the service targets for APX® reflect the service targets and the uptime in force at any time for Microsoft Azure as agreed in the relation between APX10 and Microsoft. Microsoft Azure is considered a Third-Party Service within the meaning of the Agreement.

APPENDIX 4 SoW

Appendix 4

Statement of Work Form

STATEMENT OF WORK NUMBER 251

For APX® Cloud Subscription Agreement

Project Title: APX® – City Water USA

This Statement of Work Number 251 (this “SoW”) is entered into pursuant to the June 1, 2025, APX® Cloud Subscription Agreement (the “Agreement”) by and between APX10 INC (“Provider”) and City Water LLC, Wisconsin (“Customer.”)

This SoW is incorporated into the Agreement. In case of a conflict with this SoW, the main body of the Agreement will govern. This SoW governs only the subject matter hereof and not any other subject matter covered by the Agreement. Capitalized terms not otherwise defined in this SoW will have the meanings given in the main body of the Agreement.

I. Professional Services & Deliverables. Provider shall provide the following services:

PHASE 1:

- Integration of static Customer network data to the APX® platform for buildout of base modules (i.e., Article 35001, APX® Platform-Wastewater and Article 35002, APX® Platform-Drinking Water)
- In-person or virtual onboarding and training of initial users, focusing on data verification and platform validation (Degradation profiles, reinvestment cost localization, etc.)
- Setup of dynamic data replication to ensure up-to-date overview of network — recommended replication once every 24-hour period.

PHASE 2:

- Development of City Water dashboard.
- Virtual or on-site workshop, continuing focus on training, data validation, and platform localization—Customer specifies participants of workshop.
- Provider creates personalized onboarding video for ongoing Customer training purposes.

PHASE 3:

- Ongoing training, validation, and potential module development as needed (see note on module development in Section IV.)

II. Customer Cooperation. Customer shall reasonably cooperate with Provider in the provision of services and shall provide the following assistance as outlined in Appendix 2 and 5. Customer acknowledges that APX® solution is heavily dependent on comprehensive GIS pipe registration dataset. To deliver a functional base platform, underlying pipeline data (e.g., material, dimension, established date, location, etc.) must meet certain minimum thresholds depending on the network type, location, etc.

III. Payment. Customer shall pay Provider as outlined in Appendix 1.

IV. Additional Provisions. In addition, the parties agree as follows:

- a. This represents an agreement between Provider and Customer for a subscription to the APX® solution. Full development of the solution, including but not limited to, data integration, onboarding & training, and platform validation & localization—is expected to last at least the first 12-month duration of the agreement. Please note that any timeline for platform development is approximate and variable. However, Provider agrees to deliverables outlined in Section I provided Customer can meet obligations outlined in Section II.
- b. Provider regularly solicits feedback from Customer(s) on ways to improve software offerings, including recommendations for new module development. Additional charges may apply if the Customer requests Provider develop a specific module or feature for integration onto the platform.

This SoW is effective as of the latest date of execution set forth below.

Milwaukee, WI 1 May 2025

For APX10 Inc:

Ulrich Borup Hansen, President & CEO

Milwaukee, WI 1 May 2025

For City Water LLC, WI

Tom Nennig, President

APPENDIX 5A

APX® IMPORT OF PIPELINE REGISTRATION & INCIDENTS

Description of APX10's requirements relating to import of data to the APX® platform

INTRODUCTION

The APX® platform is based on data from the pipeline registration of the utility company (GIS). To this must be added additional registrations, such as incidents in the system (network events.) This includes, but it not limited to, leaks, consumer contacts, repair work, etc.

Display and use of GIS and event data on the APX® platform requires the transfer of data to APX®. Data may be transferred either by SQL server replication, by availability of data via *internet APIs*, or by the transfer of data to an *SFTP server* at APX10.

The pipeline registration must have been carried out in a system that meets industry equivalent standards. For wastewater, CCTV inspections must also be provided (registration, not video.)

Furthermore, incident data must refer to pipeline registration, geographical location, and/or address.

To illustrate how pipeline registration and incidents are used in APX10, the following two screens show the general display of finances and display of incidents, respectively.

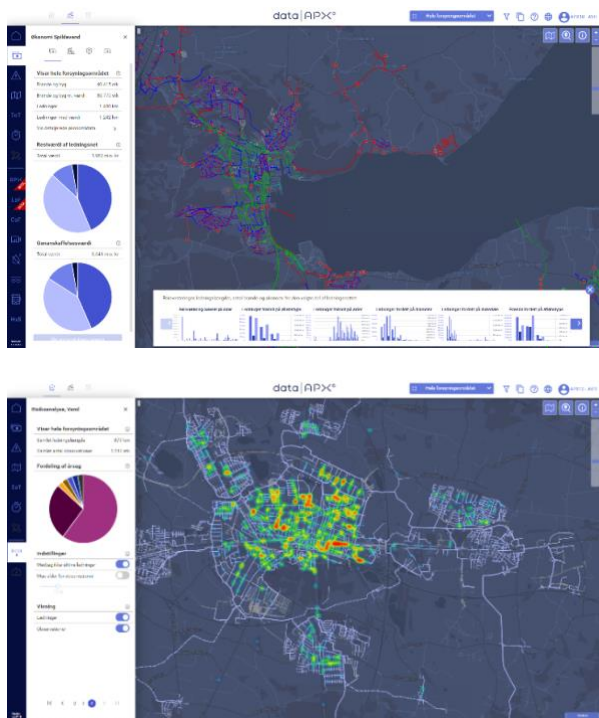


Figure 1 – APX® Finance and incident module

At present, APX® receives pipeline registration from a wide range of industry GIS solutions via replication from SQL Server to Azure and via web API. Furthermore, network event data is received from various customized GIS and CMMS solutions.

APX10 continuously expands APX® to integrate new systems used by the industry.

Requirements regarding new systems are that APX10 must be able to access them or that they can be delivered in a pre-approved and accepted digital consistent form. If the format is accepted APX10 undertakes the responsibility for conversion from the approved format to APX®.

TRANSFER OF PIPELINE REGISTRATION

Transfer of data

Data can be transferred in the following ways:

- 1) Microsoft SQL Server replication
- 2) Online availability by Web API
- 3) Database backup transfer to APX® SFTP server
- 4) Georeferenced file transfer to APX® SFTP server
 - a. GeoPackage format
 - b. shapefile format
 - c. CSV with WKT geodata
- 5) Online available ESRI Feature Service
- 6) Online available WFS service or similar feature services

If a Web API exists, then access to all data is preferred.

If the client uses ESRI-based solutions, access to online available ESRI Feature services is preferred.

If the client solution is based on data in Microsoft SQL Server, then Microsoft SQL Server replication is preferred.

MS SQL Server transactional

Please note that for MS SQL Server replication, the following version requirements must be met.

Customers SQL server must be at the following or later versions:

SQL Server 2014 Service Pack 1 Cumulative Update 3

SQL Server 2014 RTM Cumulative Update 10

SQL Server 2012 Service Pack 2 Cumulative Update 8

APX10 has documentation which describes how set-up is carried out so that the customer's IT department may carry out the task themselves and maintain the transfer. APX10 can assist and support with set-up of the replication for the customer if APX10 receives access to the databases.

Day-to-day operation

In the day-to-day operation, APX10 requests data at least once per day.

TRANSFER OF INCIDENT DATA

Transfer of data

Data is obtained via web API. Alternatively, transfer is made via an MS SQL Server (transactional) replication or a batch replication. Furthermore, data can also be transferred daily to the APX10 SFTP.

Day-to-day operation

In the day-to-day operation, APX10 request data at least once per day.

APPENDIX 5B

DATA|APX IMPORT OF SRO/SCADA/IOT

Description of the requests of APX10 regarding import of SCADA, sensor and IoT data to the APX® platform.

INTRODUCTION

The APX® platform uses, among other things, data from pump flow, level meters, rainfall, consumer consumption meters, and a number of other metering data.

These time-based meter data may originate from the client's *SCADA-systems*, from *consumption meters* or *IoT sensors* placed by the clients in their network, and from *weather data* from other service providers.

To enable visualization and use of meter data in analyses on the APX® platform, data must be transferred to APX®. Data may be transferred either by data being available via *internet API's* or by transfer of data to an *SFTP server* with APX10.

In APX®, meter data are connected to a geographical location; this is achieved either by matching meter data names and names in the pipeline registration or via a manual connection between meter data and an element in the pipeline registration.

To illustrate the use of meter data in APX10, two screens are shown below with the general visualization of meter data and visualization used in an analysis of I&I – rainfall-derived inflow & infiltration, respectively.



Figure 1 – APX® IoT Hub module and I&I module

At present, APX® accepts time series data from industry recognized consumption meters, SCADA vendors and local *weather data services*. etc., and is on an ongoing basis expanding with new systems.

Requirements regarding new systems are that APX10 must be able to access them or that they can be delivered in a pre-approved and accepted digital consistent form. If the format is accepted APX10 undertakes the responsibility for conversion from the approved format to APX®.

TRANSFER OF SCADA DATA

The following is based on data for wastewater and water.

Sensor / meter data

The individual sensor/meter series must have the following information:

- **Name**
- **Type of meter**
- **Physical unit**
- **Precision**
- **Logging type** (minimum, maximum, average, current value, total, sum, etc.)
- **Meter interval** (how often metering is carried out)
- **Metered/Calculated** (is it an actual meter value, or has it been derived/calculated)

It must be stated which meters are placed together / in the same structure / pump station / overflow construction / pressure increaser, etc.

Data for the individual sensors are required **as far back in time as available**, as some analyses require multiple years as a minimum baseline.

APX® is a decision-support system and not an operating system. Consequently, the system does not require real-time transfer, but rather **daily updates**.

It is preferred to receive all data as the system is continuously developed and data will improve analyses on an ongoing basis.

At a **minimum**, the system needs the following types of meter results for all meter points:

- Volume (for example m³)
- Flow (for example m³/t)
- Level (for example cm)
- Overflow meters (for example number/time)
- Current intensity (for example A)
- Effect (for example kW)
- Start/stop counters (for example number/time)
- Rain gauge (for example mm/t)
- Pressure (for example bar)
- Water quality (for example COD, BOD, TSS)
- Temperature (for example °C)

Transfer of data

Data is transferred daily to the APX10 SFTP. A login for each SCADA system and utility type is created.

Start-up

At start-up, all data are to be forwarded for a period which is as long as possible back in time, preferably on a day-to-day basis, alternatively on a weekly or monthly basis.

Day-to-day operation

During the day-to-day operation, daily data is required.

IGSS example

APX® receives data from IGSS SCADA system. This is executed in the following way:

At a specific time (e.g., 2:00 AM) each day, the following files are transferred from the customer's IGSS system (in the example below data transferred at 2:00 AM on 18 August 2020):

- Metadata file
- G2200817.BCL, G3200817.BCL, G4200817.BCL, G5200817.BCL
- G2200818.BCL, G3200818.BCL, G4200818.BCL, G5200818.BCL

The .BCL files are binary files that the IGSS system uses internally to save and read data and contain the sensor measurements in various resolutions. Besides these, a metadata file is required to provide extra information for each sensor (unit of measure etc.) along with information about which sensors are logically grouped together. The metadata comes in the form of an exported database query, APX10 will provide the necessary SQL statement.

In APX® these binary files are translated, output the relevant time series and place them in the internal time series database of APX®.

CITY OF CUDAHY, WISCONSIN



CITY OF CUDAHY WATER UTILITY CUDAHY, WISCONSIN

REQUEST FOR PROPOSAL For Water Treatment Plant Needs Assessment

BACKGROUND INFORMATION

Location: The City of Cudahy is a suburban city in Milwaukee County. It covers just over 4.8 square miles, and is located about 10 minutes south of downtown Milwaukee. It is situated between Mitchell International Airport on the west side and Lake Michigan on the east side. The City is accessible from major freeways and highways including I-94/I-894 and state highway Lake Parkway (794). Major arterial roadways are Layton Avenue on the north, College Avenue on the South, Pennsylvania Avenue/794 on the west and Lake Drive on the east.

Current Operations: The Water Utility serves a population of 18,600 through 5612 customer connections supplying an average of 2.7 MGD of potable water and .70 MGD of non-potable water used for industrial purposes. The Utility owns and operates a raw water pumping station on Lake Michigan with a capacity of 14 MGD and a Surface Water Treatment Plant with a capacity of 6.0 MGD. The Treatment Plant is conventional filtration with GAC filter caps and UV Disinfection installed post filtration. Finished water is stored in a 2 MG below grade reservoir and the system has one 500,000 elevated storage tank. The Treatment Plant was built in 1954 with several upgrades during its life span. The Treatment Plant is staffed by four Certified Operators and operates 16 hours per day 7 days per week.

Project Goal: The needs assessment report aims to identify and prioritize upgrades required for the water treatment plant to meet water quality standards, regulatory codes, and operational requirements. It evaluates the condition of infrastructure, facilities, equipment, and processes to pinpoint necessary improvements to sustain the plant's operation for the next 20 years.

Project Requirements:

1. Water Treatment Evaluation

Provide a comprehensive evaluation of the existing water treatment system.

- a. Review any previous Operations Audits or Needs Studies conducted for the Utility.
- b. Review the 2021 Risk and Resiliency Assessment conducted by the Utility

- c. Provide a detailed evaluation of the Raw Water Pumping station including but not limited to: current operation, energy efficiency, electrical components and switch gear, pumps, valves and the physical/structural condition of the facility.
- d. Provide a detailed description of the treatment process and process equipment. The treatment process must be characterized in sufficient detail to include capacity, chemical addition, sedimentation process, filtration process (filter characteristics, media, support gravel, , under drain system) backwash operation, contact storage, treated storage, backwash storage, pumping equipment, electrical components, emergency back up power and SCADA system.
- e. Provide an evaluation of the treatment plants ability to meet current WIDNR/USEPA regulations and the ability to meet anticipated changes in regulations.
- f. Provide an evaluation of the physical/structural condition of the existing Water Treatment Plant.
- g. Provide an evaluation of the current use of space for work spaces, vehicle storage and parts storage.
- h. Interview existing staff (management, plant operations) to determine their concerns and opinions regarding Utility operations and known plant deficiencies.
- i. Develop recommendations that relate to process performance, known deficiencies or condition assessment that include:
 - 1. Priority ranking
 - 2. Estimated cost.
 - 3. Timeframe – 5 yr, 10 yr 20 yr.
 - 4. Alternatives to each recommendation
- j. Develop final report of Needs Assessment Project including a presentation of the final report to the Water Utility Commission and City Council.

2. Proposal Contents:

- a. Project Understanding
- b. Project Approach
- c. Identification of deliverables
- d. City/Utility responsibilities
- e. Project teams with resumes of key individuals
- f. Qualifications and experience with projects of a similar nature
- g. Proposed work plan that identifies tasks to be completed
- h. Compensation including estimated hours from project staff and hourly billing rates
- i. Project schedule showing progress meetings and key milestones

3. Proposal Evaluation

Evaluation of the proposals the Utility will consider numerous factors including:

- j. Understanding of project objectives
- k. Proposed work plan
- l. Proposed schedule
- m. Qualifications of principal personnel working on the project
- n. Project experience
- o. References
- p. Previous experience with the City of Cudahy
- q. Cost

4. Schedule:

Publication of the RFP – June 30, 2025
Questions regarding RFP Due – July 14, 2025
Responses – July 21, 2025
Proposals Due – August 3, 2025
Project Awarded – August 20, 2025
Draft Report Due – December 22, 2025

Any questions or to schedule a plant tour please contact:

Frank Miller

Water Utility Manager

PO Box 100510

Cudahy WI 53110

414-405-5573

Millerf@cudahy-wi.gov

Proposals should be emailed to:

Millerf@cudahy-wi.gov

City of Cudahy Water Utility

Subject line: **Water Treatment Plant Needs Assessment Proposals**

DUE: August 11, 2025 10:00am CDT. Proposals received after 10am will not be accepted.

CITY OF CUDAHY

ORDINANCE NO. XXXX

AN ORDINANCE TO CREATE CHAPTER 40-7 OF THE MUNICIPAL CODE OF THE
CITY OF CUDAHY RELATING TO REPLACEMENT OF CUSTOMER-SIDE WATER
SERVICE LINES CONTAINING LEAD

WHEREAS, Wisconsin Statute Section 62.04 declares to be the intention of the revision of the city charter law, to grant all the privileges, rights and powers, to cities which they heretofore had unless the contrary is patent from the revision. For the purpose of giving to cities the largest measure of self-government compatible with the constitution and general law, it is hereby declared that ss. 62.01 to 62.26 shall be liberally construed in favor of the rights, powers and privileges of cities to promote the general welfare, peace, good order and prosperity of such cities and the inhabitants thereof, and;

WHEREAS, under the City's statutory home rule powers, except as otherwise provided by law, the Common Council shall have the power to act for the government and good order of the City, specifically the health, safety, welfare, and convenience of the public, and may carry its powers into effect by license, regulation, fine, and other necessary or convenient means, and;

WHEREAS, Wisconsin Statute Section 66.0627(8)(ag) states a political subdivision may make a loan, or enter into an agreement regarding loan repayments to a 3rd party for owner-arranged financing, to an owner of a premises located in the political subdivision for the purpose of replacing customer-side water service lines, as defined in s. 196.372 (1) (a), containing lead. If a political subdivision makes a loan under subd. 1, the political subdivision shall require each owner of a premises located in the political subdivisions that is serviced by a customer-side water serve line, as defined in 196.372 (1) (a), contain lead to replace that customer-side water service line, and;

WHEREAS, Wisconsin Statute Section 196.372 provides a water public utility may provide financial assistance to the owner of a property to which water utility service is provided for the purpose of assisting the owner in replacing customer-side water service lines containing lead. The city in which the water public utility provides utility service to the property has enacted an ordinance that permits the water public utility to provide the financial assistance and requires each owner of a premise located in the city that is serviced by a customer-side water service line containing lead to replace the customer-side water service line, and;

WHEREAS, the Common Council has previously enacted Chapter 40 of the Municipal Code, which addresses water utility within the municipal boundaries, and;

WHEREAS, comparable communities throughout the State of Wisconsin have elected to adopt ordinances regulating lead service line replacement programs, including South Milwaukee and West Allis, and;

WHEREAS, the city of Cudahy Common Council has determined it is in the best interest of the city's health, safety, welfare, and morals to provide financial assistance to property owners to which the water public utility provides utility service, provided for the purpose of assisting owners in the replacement of customer- side water service lines containing lead, and;

NOW THEREFORE, at a regular meeting of the city of Cudahy Common Council, held on the xxst day of XXXXX, 2025, a quorum of the members of the Common Council being present and a majority voting in favor thereof, the Common Council does hereby ordain as follows:

SECTION 1. Chapter 40-7 of the Municipal Code is hereby created to read:

PRIVATE LEAD WATER SERVICE REPLACEMENT

Purpose.

Lead service lines have the potential to leach lead into drinking water. Disturbing or reconnecting to an existing lead service line may increase lead levels in drinking water. Elevated lead levels in drinking water have been determined to cause health problems in young children, pregnant women and their unborn children, and are also potentially harmful to adults. The Common Council therefore finds it is in the best interest of the public to establish a comprehensive program for removing and replacing all lead service lines within and connected to the Cudahy Water Utility distribution system.

(a) Authority.

This section is enacted pursuant to Sections 62.11(5) and 196.372, Wisconsin Statutes.

Lead service line replacement requirement.

As provided in this ordinance, all existing lead service lines connected to the distribution system shall be replaced with water service lines constructed of materials approved by the city. Where both the customer-side and utility-side service lines are constructed of lead, the replacement of both sides of the service line shall be completed under a schedule established by the utility.

Where only the customer-side service line is constructed of lead, the replacement of the customer-side LSL shall be completed under a schedule established by the utility.

As of the effective date of this ordinance, no person, other than an utility employee or agent, may connect a customer-side LSL to a non-lead utility-side service line, except as a temporary emergency repair.

(b) Identification of Lead Service Lines.

Upon notice from the utility, any person or entity who owns, manages or otherwise exercises control over a property connected to the distribution system shall allow the utility to inspect the customer-side service line to determine the material of construction.

The utility shall create and maintain a record of the location of all identified lead service lines in the city.

(c) Replacement of customer-side lead service lines in conjunction with replacement of the utility-side lead service lines or planned city street reconstruction projects.

Utility-side service lines will be replaced as part of a City street reconstruction project if possible. If a customer-side service line is constructed of lead, the utility will notify the property owner of that fact in writing. The utility will also notify the property owner that the property owner must replace the customer-side LSL in conjunction with the Utility's scheduled replacement of the utility-side service lines.

At least 45 days prior to the date of the scheduled replacement of the utility-side service line, the utility will notify the property owner with a customer-side LSL in writing of the scheduled date of replacement of the utility-side LSL or other utility service lines or planned city street reconstruction project.

Within 30 days of receipt of the replacement notice, the property owner must either:

- (1) Allow the utility to replace the customer-side service line, or;
- (2) Schedule the replacement of the customer-side LSL to coincide with the scheduled replacement of the utility-side service line, in which case the property owner shall promptly notify the utility that the replacement of the customer-side LSL has been scheduled. The property owner must provide the name of the plumbing contractor who will complete the replacement work;
- (3) Customer-side LSL replacement work must be completed at the same time as the utility-side service line is replaced unless an extension is allowed. Failure to commence customer-side LSL replacement work as required by this chapter or to complete such work within a reasonable time after commencement of the work may result in the issuance of noncompliance penalties.

(d) Replacement of customer-side lead service line where only the customer-side portion of the service line is lead.

For any property in which a customer-side service line is constructed of lead and the utility notifies the property owner of that fact in writing, the property owner must:

- (1) Allow the utility to replace the customer-side service line, or;
- (2) Arrange for the replacement of the customer-side LSL to be completed within 12 months of notification. Failure to complete the replacement of the customer-side LSL within that time period may result in the issuance of noncompliance penalties.

(e) Timing of replacement.

Property owners who are required to replace a customer side portion of a lead service line due to a leak or emergency replacement will replace their lead service line as soon as reasonably practical but no later than 30 days of receiving written notice.

Under this chapter, the Utility Manager or designee may extend the time for replacement up to 36 months if the property owner requests and demonstrates a compelling need for deferment unless the extension would create an imminent threat to the health, safety or welfare of the public. Financial assistance may be impacted by any extension granted under this section per DNR determinations.

(f) Financial assistance for customer-side LSL replacements.

The city of Cudahy may provide eligible property owners with financial assistance to replace a customer-side LSL. Grant funding that is awarded to the city of Cudahy through the Wisconsin DNR Safe Drinking Water Loan Program in the form of Principal Forgiveness, will be passed along to the property owner. The Wisconsin DNR Safe Drinking Water Loan Program determines Principal Forgiveness amounts based on Priority Scoring on an annual basis. This program allows for the utility on the behalf of the city of Cudahy to apply for LSL replacement funding utilizing individual or a combination of census tracts. There are five census tracts in the city of Cudahy. Each census tract may qualify for different amounts of principal forgiveness. The amount of principal forgiveness each census tract qualifies for will be determined by the Department of Natural Resources on an annual basis. Should grant funds become depleted, the program will not continue. Additional financial assistance through the city will be made available at the discretion of the Common Council.

The utility will administer the lead service line financial assistance program on behalf of the city of Cudahy.

Financial assistance may be granted to eligible property owners in accordance with the following priority:

- (1) Properties with leaking or failed service lines, customer or utility side, or;
- (2) Properties where the utility is replacing the utility-side service line, on either a planned or emergency basis, or;
- (3) Properties whom are licensed child care facilities or schools, or;
- (4) Properties where children under the age of seven (7) or pregnant people reside, or;
- (5) Properties with customer-side LSLs remaining.

Financial assistance may be granted to property owners for the purpose of replacing the customer-side LSL, if the property owner satisfies all of the following criteria:

- (1) Property owner alone, or collectively with others, owns the entire fee simple title to the property served by a customer-side LSL, and;
- (2) Property owner's customer-side LSL is either attached to a utility-side service line that is not an LSL, or a utility-side LSL scheduled for replacement; for which the property owner has been notified by the utility of such scheduled replacement, and;
- (3) Property owner of subparagraph (a), above, agrees to have work done by the utility-approved plumbing contractor and in compliance with this Chapter, and;
- (4) Property owner of subparagraph (a), above, executes a temporary right of entry and construction easement authorizing the utility access to the dwelling as needed.

Written applications for financial assistance shall include the following:

- (1) A completed application on a form furnished by the utility, signed by the property owner of subparagraph 4(a), above. The completed application form shall include a certification by the property owner that attests that all eligibility criteria are met.
- (2) The executed documentation giving the Utility permission to replace the customer-side lateral pursuant to Sections E.
- (3) Unless the replacement is part of the utility LSL replacement project, the property owner shall provide copies of written quotes from at least two (2) pre-qualified plumbing contractors for the replacement of the customer-side LSL. A pre-qualified plumbing contractor is one (1) that either is on the utility's prequalified plumbing contractor list, or is a plumbing contractor that is properly licensed to work in the State of Wisconsin, has filled out a prequalification form at the utility office, and has been accepted by the utility.
- (4) Disputes regarding eligibility for financing may be appealed to the Water Utility Commission.

(g) Severability.

If any subsection or portion of this chapter is for any reason determined to be invalid or unconstitutional by the decision of a court of competent jurisdiction, that subsection or portion shall be deemed severable and shall not affect the validity of the remaining subsections or portions of this chapter.

(h) Authority to discontinue service.

If a property owner fails to replace a customer-side LSL as required by this chapter, the utility may, in accordance with its water utility tariffs, discontinue water service to such property until the customer-side LSL is replaced.

SECTION 2. Except as specifically added by this ordinance, the Municipal Code of the City shall remain in force and in effect exactly as originally adopted and previously amended. All ordinances or parts of ordinances inconsistent with or in contravention of the provisions of this ordinance are hereby repealed.

SECTION 3. If a court of competent jurisdiction adjudges any section, clause, provision, or portion of this ordinance unconstitutional or invalid, the remainder of this ordinance shall not be affected thereby.

Passed and Adopted by the Common Council of the City of CUDAHY on the _____ day of _____, 2025.

This ordinance shall take effect and be in full force from and after its passage.

APPROVED:

Cudahy Water Utility Commission

WI PSC Annual Report Summary

Revenue	2024	2023	2024 Budget
Residential	1,070,101	1,089,433	1,122,000
Commercial	307,443	291,326	265,200
Industrial	838,473	860,113	714,000
Public Authority	51,924	59,237	55,000
Multi-Family	248,480	249,236	265,000
Private Fire Protection	47,731	47,728	47,000
Public Fire Protection	589,473	589,134	580,000
Other Revenue	20,532	7,619	15,000
Total Operating Revenue	3,174,157	3,193,826	3,063,200
Total Volume sold (1000 gallons)	1,025,509	957,102	
Expenses	2024	2023	2024 Budget
Source of Supply	15,663	7,618	4,000
Pumping Expenses	442,195	416,420	427,997
Water Treatment Expenses	573,066	537,625	709,819
Transmission and Distribution Expenses	335,646	383,404	615,383
Customer Account Expenses	219,174	191,669	268,630
Administrative and General Expenses	391,471	584,267	425,066
Total Operational Expenses	1,977,215	2,111,003	2,450,895
Interest Expense	89,992	4,575	281,429
Depreciation Expense	498,650	504,861	485,000
PILOT (Payment to the City)	296,673	293,216	310,000
Capital Additions	1,661,804	642,158	1,840,000
Net Operating Income	481,442	412,655	229,006
Cash on Hand	2,218,847	1,395,786	1,200,000
Rate Of Return	5.68%	5.21%	4.14