

AGREEMENT

This agreement is entered by and between Sawyer County and the Round Lake Property Owner's Ass'n, Inc. ("RLPO") for the purposes described below.

Recitals:

A. Sawyer County is the recipient of a 1941 Order from the Public Service Commission of Wisconsin (as predecessor to the Wisconsin Department of Natural Resources) ("DNR"), directing it to maintain certain water levels on Round Lake in Sawyer County.

B. Sawyer County maintains a County Trunk Highway designated as CTH NN. A segment of CTH NN within Sawyer County crosses Osprey Creek, southwest of Osprey Lake, and within the exterior boundaries of the reservation of the Lac Court Oreilles Band of the Lake Superior Chippewa ("LCO").

C. In 2010, Sawyer County proposed to transfer jurisdiction of the portion of CTH NN that crosses Osprey Creek to the LCO. This proposed transfer, among other things, was challenged by RLPO before the Circuit Court for Sawyer County, in a case entitled *Round Lake Property Owners Ass'n. v. Sawyer County*, Case No. 2010 CV 224 ("the RLPO Case").

D. On or about July 30, 2010, the Court in the RLPO Case entered an injunction against the proposed transfer of the portion of CTH NN at Osprey Creek until further order of the Court.

E. The technical issues arising out of maintaining certain water levels in Round Lake are related to issues concerning the CTH NN crossing of Osprey Creek.

F. The RLPO and Sawyer County believe that it would be in the best interest of the public to facilitate discussion of the technical issues without litigation pending between them. Sawyer County is willing to preserve the *status quo* in order to pursue such discussions with the RLPO and other interested persons in the area.

NOW THEREFORE, the parties by their undersigned representatives hereby agree to the following:

1. Sawyer County will undertake technical discussions involving its engineering consultants and responsible County officials with representatives of the Round Lake Property Owners Association, DNR, the LCO and other interested stakeholders in the region. The goal of such discussions will be to obtain consensus with among the interested parties on water management procedures, control structures and related technical issues involving Round Lake and downstream water bodies through the CTH NN crossing of Osprey Creek. If consensus can be reached, it is the intention of Sawyer County to apply to DNR for modification of the order issued in 1941 by the Public Service Commission (as predecessor to the DNR) concerning Round Lake management issues and related downstream technical issues.

2. The parties agree to undertake the process described in paragraph 1 above in good faith, without delay and as expeditiously as possible. The parties recognize that the complexity of the issues and number of people involved make it difficult to predict the amount of time needed to complete any remaining needed technical investigations and discussions. The parties also recognize that these issues have already been the subject of several years of investigation, discussion and debate and that a prompt resolution to these issues is of the utmost importance.

3. If the process described in paragraph 1 above does not result in a consensus agreement, Sawyer County retains the right to petition the DNR for modification or replacement of the 1941 PSC Order, and all other persons retain the right to participate in any such proceedings and express their own points of view.

4. In order to facilitate the process described above, RLPO and Sawyer County agree to direct their respective legal counsel to file a Stipulation of Dismissal under Wis. Stat. § 805.04(1) on or before October 29 , 2010 agreeing to the dismissal of the RLPO Case without prejudice.

5. Sawyer County agrees that it will not transfer ownership, jurisdiction or control of the segment of CTH NN at Osprey Creek to the LCO during the time this agreement remains in effect, except as otherwise agreed among the parties or at the expiration of the notice period provided in paragraph 7 below.

6. Sawyer County will comply with its commitment in paragraph 5 above even if the injunction entered in the RLPO Case is lifted, rescinded or otherwise becomes moot.

7. Either Sawyer County or RLPO may terminate this Agreement by giving written notice to the other party's counsel. In the event either party gives such notice Sawyer County agrees to continue to be bound by paragraphs 5 and 6 above for 30 days following the date of such notice.

8. Entry of this Agreement does not constitute evidence or an admission of any disputed issue of fact or law by either party, and each party retains all claims or defenses that it may have had in the absence of this Agreement.

9. Each party has had adequate opportunity to consult with its respective legal counsel and to understand the meaning and consequences of the terms of this agreement.

10. Each party represents and warrants that undersigned has authority to enter into this Agreement on behalf the designated party.

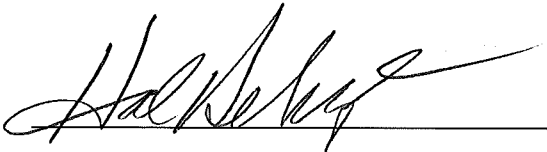
11. This Agreement may be signed in counterparts and a facsimile or electronic copy is as good as the original.

Dated: October 29, 2010

Dated: October _____, 2010

SAWYER COUNTY

ROUND LAKE PROPERTY OWNER'S
ASS'N, INC.




Hal Helwig Sawyer County Board of
(name)

Robert Strachota
(name)

Chairman

Title: Sawyer County Board of Supervisors Title: President


Kris Mayberry
Sawyer County Clerk

