

*****ATTACHMENTS*****



April 30, 2020

HONORABLE MEMBERS FOR THE COMMON COUNCIL:

Pursuant to Gen. Ord. 31-14-15 creating section 2-420 of the Sheboygan Municipal Code relating to the position of the Director of Human Resources and Labor Relations, we hereby recommend that Vicky Schneider be appointed as the Director of Human Resources and Labor Relations for the City of Sheboygan effective immediately.

Signed:

Michael Vandersteen
Mayor

Darrell Hofland
City Administrator

MAYOR'S OFFICE

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI
53081

920-459-3317
sheboyganwi.gov



The appointment of Vicky Schneider to the position of Director of Human Resources and Labor Relations is submitted for your consideration:

Professional Experience

Director of Senior Services <i>City of Sheboygan, Sheboygan, WI</i>	3/2019 – Present
Executive Director Operations Manager <i>Generations Intergenerational Center, Plymouth, WI</i>	4/2017 – 3/2019 2/2016 – 4/2017
Human Resources/Project Manager <i>Covey, Oshkosh, WI</i>	9/2015 – 2/2016
Executive Director <i>Enlivant at McKinley Place, Cedarburg, WI</i>	3/2015 – 8/2015
Director of Mission Integration/Human Resources/Compliance Officer <i>Felician Sponsored Ministries (parent organization)</i> <i>Villa St. Francis, Milwaukee, WI</i> <i>St. Joseph Academy, Milwaukee, WI</i>	2/2007 – 2015 2010 – 2015 2010 – 2011
Director of Mission Services/Spiritual Care <i>Felician Village Senior Living Community, Manitowoc, WI</i>	2/2007 – 2011

Education

Master of Science: Management & Organizational Behavior Silver Lake College, Manitowoc, WI	2013
Master of Arts in Pastoral Studies St. Francis Seminary, St. Francis, WI	2006
Bachelor of Arts: Psychology and History Franciscan University, Steubenville, OH	1987
Certificate: Foundations of Human Resources, MRA	October 2014

MAYOR'S OFFICE

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II

R. O. No. _____ - 20 - 21. By BOARD OF WATER COMMISSIONERS. May 4, 2020.

To the Honorable, the Mayor and Common Council:

We are, hereby, submitting a copy of the 2019 Annual Audited Financial Statements, including Independent Auditor's Report, on the Sheboygan Water Utility.

BOARD OF WATER COMMISSIONERS



Gerald R. Van De Kreeke, President



Mark J. Smith, Secretary



Thomas E. Howe, Member

Attachments

SHEBOYGAN WATER UTILITY

An Enterprise Fund of the
City of Sheboygan, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Years Ended December 31, 2019 and 2018

SHEBOYGAN WATER UTILITY

An Enterprise Fund of the City of Sheboygan, Wisconsin

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INDEPENDENT AUDITORS' REPORT

To the Utility Commission Utility Commission
Sheboygan Water Utility
Sheboygan, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of Sheboygan Water Utility, an enterprise fund of the City of Sheboygan, Wisconsin, as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Sheboygan Water Utility's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheboygan Water Utility's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sheboygan Water Utility as of December 31, 2019 and 2018, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the Sheboygan Water Utility enterprise fund and do not purport to, and do not, present fairly the financial position of the City of Sheboygan, Wisconsin, as of December 31, 2019 and 2018 and the respective changes in financial position, or cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
March 31, 2020

SHEBOYGAN WATER UTILITY

UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended December 31, 2019 and 2018

The purpose of this section is to provide users with an objective, easy to read overview of the financial activities of the Sheboygan Water Utility for the years ended December 31, 2019 and 2018. This section should be read in conjunction with the financial statements and the accompanying notes that follow.

FINANCIAL HIGHLIGHTS

- The utility's operating income decreased from \$3,596,370 in 2018 to \$2,275,479 in 2019.
- The utility's total cash position decreased from \$9,666,679 in 2018 to \$9,425,935 in 2019.
- The utility's unrestricted cash and investment position increased from \$7,991,388 in 2018 to \$8,183,173 in 2019.
- The utility's total net position increased by \$2,462,947 in 2019 to \$46,409,687 from \$43,946,740 in 2018.
- The utility's total assets increased by \$1,811,650 in 2019 to \$61,014,793 from \$59,203,143 in 2018. Liabilities remained relatively flat at \$15,215,888 in 2019 from \$15,219,481 in 2018.

FINANCIAL STATEMENTS

The financial statements report information of the utility using accounting methods similar to those used by private sector companies. The statements offer both short and long term information regarding the activities of the utility. The Statements of Net Position include the utility's assets (investments), deferred outflows of resources, liabilities (obligations to creditors) and deferred inflow of resources. These statements provide information to assess the liquidity and financial flexibility of the utility.

The Statements of Revenues, Expenses and Changes in Net Position will measure the success of the utility's operations for the past year. All of the current year's revenues and expenses are included in this statement and will show if the utility has recovered all of its costs through user fees.

Cash receipts, cash payments, net changes in cash resulting from investing and financing activities are shown in the Statements of Cash Flows. This will also answer questions regarding where the cash came from, what was the cash used for, and what was the change in cash balance.

SHEBOYGAN WATER UTILITY

UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended December 31, 2019 and 2018

FINANCIAL ANALYSIS OF THE UTILITY

The Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position will assist in answering the question of how the past year's activities have affected the financial position of the utility. The Statements of Net Position will show the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Over a period of time this can assist in determining if the financial position is improving or deteriorating.

During 2019, the Statement of Net Position showed that total net position increased \$2,462,947, an increase of 5.6%. The increase was due to an increase in plant assets. Total assets increased \$1,811,650 or 3.1%. The utility saw a 10.2% increase in net capital assets of \$4,557,760. Capital additions were financed with operating income and revenue bonds. Restricted net position decreased to \$481,598 due to the decrease in bond amount reserved for construction, and net pension asset.

During 2018, the Statement of Net Position showed that net position increased \$1,853,348, an increase of 4.4%, after the cumulative effect of a change in accounting principle. The increase was due to a rate increase which was effective on May 1, 2018. Total assets increased \$4,130,608 or 7.5%. The utility saw a 4.11% increase in net capital assets of \$1,853,679. Capital additions were financed with operating income, WDNR Safe Drinking Water Loans, and revenue bonds. Restricted net position increased to \$807,602 due to the increase in redemption and reserve accounts for the bonds, bond amount reserved for construction, and net pension asset.

STATEMENTS OF NET POSITION As of December 31, 2019, 2018 and 2017

	2019	2018	2017
Unrestricted current and other assets	\$ 10,142,482	\$ 10,153,487	\$ 8,991,558
Restricted assets	1,242,762	2,062,375	947,375
Capital assets	49,629,548	46,987,281	45,133,602
Total Assets	61,014,792	59,203,143	55,072,535
Deferred outflows related to pensions	1,262,190	729,101	815,185
Current liabilities payable			
from unrestricted assets	2,098,510	1,509,908	1,696,854
Liabilities payable from restricted assets	1,066,793	1,033,625	937,333
Non-current liabilities	12,050,584	12,675,948	10,822,448
Total Liabilities	15,215,887	15,219,481	13,456,635
Deferred inflows related to pensions	651,408	766,023	337,693
Net investment in capital assets	38,634,349	35,473,732	34,704,251
Restricted net position	481,598	807,602	365,973
Unrestricted net position	7,293,740	7,665,406	7,023,168
Total Net Position	\$ 46,409,687	\$ 43,946,740	\$ 42,093,392

SHEBOYGAN WATER UTILITY

UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended December 31, 2019 and 2018

FINANCIAL ANALYSIS OF THE UTILITY (cont.)

The following Statements of Revenues, Expenditures and Changes in Net Position helps to further explain the nature of the increase in net position during 2019 and 2018.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Year Ended December 31, 2019, 2018 and 2017

	2019	2018	2017
Operating revenues	\$ 8,902,438	\$ 9,308,950	\$ 8,645,887
Non-operating revenues	337,471	365,797	217,567
Total Revenues	9,239,909	9,674,747	8,863,454
Operating & maintenance expenses	6,626,959	5,712,580	5,485,832
Non-operating expenses	566,958	717,103	496,559
Total Expenses	7,193,917	6,429,683	5,982,391
Income before transfers	2,045,992	3,245,064	2,881,063
Capital contributions	1,541,118	-	250,000
Interfund transfers (tax equivalent)	(1,124,163)	(1,126,774)	(1,137,063)
Change in Net Position	2,462,947	2,118,290	1,994,000
Beginning Net Position	43,946,740	42,093,392	40,099,392
Cumulative effect of a change in accounting principle	-	(264,942)	-
Ending Total Net Position	\$ 46,409,687	\$ 43,946,740	\$ 42,093,392

2019

The Statement of Revenues, Expenses and Changes in Net Position shows operating revenues have decreased \$406,512 from 2018, to \$8,902,438 in 2019. Water usage decreased in 2019 due to unusual seasonal wet weather and customer conservation. Operating and maintenance expenses increased by \$914,379, mainly due to an increase in health care costs and painting of the EE water tower. In 2019, non-operating revenues and expenses decreased by \$165,789 and \$287,608, respectively, due to a decrease in funding for the Lead Water Service Lateral Replacement Program, as well as a decrease in interest expense and bond issue costs. The City of Sheboygan contributed capital assets of \$1,541,118 to the Sheboygan Water Utility, including water main, hydrants and valves at the SouthPointe Enterprise Campus.

2018

The Statement of Revenues, Expenses and Changes in Net Position shows operating revenues have increased \$663,063 from 2017, to \$9,308,950 in 2018. A rate increase was effective May 1, 2018 and water usage increased due to seasonally dry weather and industrial activity. Operating and maintenance expenses increased by \$226,748, mainly due to an increase in health care costs and an increase in water main breaks in early 2018. In 2018, non-operating revenues and expenses increased by \$148,230 and \$220,544, respectively, due to on-going work with the Lead Water Service Lateral Replacement Program, and costs associated with the issue of revenue bonds on March 1, 2018. The cumulative effect of a change in accounting principle is related to implementation of GASB 75 for other post-employment benefits.

SHEBOYGAN WATER UTILITY

UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended December 31, 2019 and 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS (See Note 4)

At the end of 2019 the water utility had \$72.35 million in invested property, plant and equipment in service, an increase of \$6,073,109 over 2018. Large projects included an elevated water tower at Horizon Drive; Georgia Avenue pump station upgrades and generator replacement; unit heater replacement in the plant; Wilgus Avenue booster station roof replacement; security system upgrades; and meter reading system upgrades. The utility also installed 71' of 4" water main at various locations; 113.4' of 6" water main at various locations; 314.8' of 8" water main at various locations; 3910.6' of 12" water main at various locations; and 2,902.6' of 16" water main at various locations. The largest water main projects in 2019 were located at North Avenue from N. 15th Street to N. 21st Street, and at Niagara Avenue. In addition, 21 hydrants were installed at these and other various locations in the City. The City of Sheboygan contributed capital assets of \$1,541,118 to the Sheboygan Water Utility, including water main, hydrants and valves at the SouthPointe Enterprise Campus.

At the end of 2018 the water utility had \$65.90 million in invested property, plant and equipment in service, an increase of \$1,218,550 over 2017. Large projects included filter #10 rehabilitation, including media removal and painting; SCADA upgrades with radio communications; low lift impeller replacement; GAPS #5 motor replacement; and filter hall unit heater replacements. The utility also installed 52' of 6" water main; 257.3' of 8" water main at various locations; 4' of 10" water main at Union Ave; 502' of 12" water main at various locations; and 2,902.6' of 16" water main at various locations. The largest water main projects in 2018 were located at Union Avenue from Henry Street to S. 12th Street; and S. 13th Street/Henry Street from Broadway Avenue to Mead Avenue. In addition, 35 hydrants were installed at these and other various locations in the City. The utility also purchased 2.17 acres of land at N. 36th Street for future development.

DEBT (See Note 5)

On December 31, 2019, the Sheboygan Water Utility had outstanding debt of \$11,437,252. This includes 2004 revenue bonds issued for a Safe Drinking Water Loan, balance of \$805,455, to be retired in 2023; on May 1, 2013, a \$3 million revenue bond was issued with a 3.5% interest rate, and a balance of \$2,290,000 to be retired on 2033; on May 1, 2015, a Safe Drinking Water Loan was issued with a balance of \$2,521,797 and interest rate of 1.65%, to be retired 2035; on April 20, 2016, refunding revenue bonds were issued with an interest rate of 2% and balance of \$1,400,000, to be retired 2025; and on March 1, 2018, refunding revenue bonds were issued with an interest rate of 3.5% and balance of \$4,420,000, to be retired 2033. These bond proceeds funded the construction of the two reservoirs at Erie Avenue and I-43, and the booster pump station completed in 2008. The 2013 revenue bond funded a backwash storage reservoir at Park Avenue, and funded various projects into 2015. The Safe Drinking Water Loan issued on May 1, 2015 funded a UV disinfection system at the treatment plant. The revenue bond issued on April 20, 2016 refunded the 2005 revenue bond issue. The revenue bond issued on March 1, 2018 refunded the 2007 revenue bond issue and funded the construction of an elevated storage tank at Horizon Drive. The remaining balance on the \$302,000 debt for the Unfunded Retirement obligation is \$169,252.

On December 31, 2018, the Sheboygan Water Utility had outstanding revenue bond debt of \$12,412,080. This includes 2004 revenue bonds issued for a Safe Drinking Water Loan, balance of \$993,528, to be retired in 2023; on May 1, 2013, a \$3 million revenue bond was issued with a 3.5% interest rate, and a balance of \$2,420,000 to be retired on 2033; on May 1, 2015, a Safe Drinking Water Loan was issued with a balance of \$2,658,552 and interest rate of 1.65%, to be retired 2035; on April 20, 2016, refunding revenue bonds were issued with an interest rate of 2% and balance of \$1,635,000, to be retired 2025; and on March 1, 2018, refunding revenue bonds were issued with an interest rate of 3.5% and balance of \$4,705,000, to be retired 2033. These bond proceeds funded the construction of the two reservoirs at Erie Avenue and I-43, and the booster pump station completed in 2008. The 2013 revenue bond funded a backwash storage reservoir at Park Avenue, and funded various projects into 2015. The Safe Drinking Water Loan issued on May 1, 2015 funded a UV disinfection system at the treatment plant. The revenue bond issued on April 20, 2016 refunded the 2005 revenue bond issue. The revenue bond issued on March 1, 2018 refunded the 2007 revenue bond issue and funded the construction of an elevated storage tank at Horizon Drive. The remaining balance on the \$302,000 debt for the Unfunded Retirement obligation is \$185,391.

SHEBOYGAN WATER UTILITY

UNAUDITED MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended December 31, 2019 and 2018

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Sheboygan Water Utility submitted a rate increase application to the Public Service Commission of Wisconsin on 11/12/19. The rate increase is designed to include necessary costs for required infrastructure improvements, decreasing residential sales due to conservation, and increasing operation and maintenance costs, and the percent increase is unknown at this time. The rate increase is expected to be implemented late summer to early fall 2020.

Sheboygan Water Utility submitted a Lead Service Lateral Replacement Program to the Public Service Commission on 10/30/2019. The Lead Service Lateral Replacement Program will enable the utility to provide 50% grant funds to property owners for replacement of lead service laterals if it is approved by the PSC, which may take place late summer 2020.

Sheboygan Water Utility has a budget of \$1,500,000 in 2020 for design and engineering of the raw water improvement project. Other large capital improvement or maintenance projects in 2020 include \$220,000 for filter #8 underdrain replacement; \$270,000 for treatment plant upgrades; \$700,000 for Georgia Avenue reservoir painting; \$1,160,000 for water main replacement; \$100,000 for hydrant and valve replacement; \$104,000 for construction equipment replacement; and \$155,400 for meter and radio read unit replacement.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the Utility. As discussed in Note ## we anticipate this situation could impact revenues of the utility in various ways. This is impossible to predict at this time.

The extent of the impact of COVID-19 on the Utility's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

The Sheboygan Water Utility intends to issue \$3,100,000 Bond Anticipation Notes in May 2020 to fund design and engineering costs related to the raw water improvement project. Due to the Covid-19 outbreak, markets have been volatile. Interest rates for bonds, including BANS, will fluctuate, and are currently higher than anticipated. The utility plans to move forward with this bond issue at the most favorable rate available.

CONTACTING THE UTILITY FINANCIAL MANAGEMENT

This financial report is designed to provide a general easy to read overview of the finances of the Sheboygan Water Utility and to provide an overview of plans for the future. If you have any questions about this report or would like to obtain additional information, please feel free to contact the Board of Water Commissioners at 72 Park Avenue Sheboygan, WI 53081-2958 or telephone (920) 459-3800, Opt. 2.

SHEBOYGAN WATER UTILITY

STATEMENTS OF NET POSITION As of December 31, 2019 and 2018

ASSETS	2019	2018
CURRENT ASSETS		
Cash and investments	\$ 8,183,173	\$ 7,991,388
Restricted Assets		
Redemption account	536,135	479,315
Customer accounts receivable	1,089,815	1,218,756
Other accounts receivable	16,897	25,114
Due from municipality	203,936	203,366
Materials and supplies	270,831	233,480
Prepayments	32,414	32,056
Total Current Assets	10,333,201	10,183,475
NONCURRENT ASSETS		
Restricted Assets		
Reserve account	706,627	715,248
Construction account	-	480,728
Net pension asset	-	387,084
Other Assets		
Special assessments receivable	345,416	449,327
Capital Assets		
Plant in service	72,346,003	66,272,894
Accumulated depreciation	(23,025,459)	(21,510,110)
Construction work in progress	309,005	2,224,497
Total Noncurrent Assets	50,681,592	49,019,668
Total Assets	61,014,793	59,203,143
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	1,229,866	699,746
Deferred outflows related to other post employment benefits	32,324	29,355
Total Deferred Outflows of Resources	1,262,190	729,101

LIABILITIES		<u>2019</u>	<u>2018</u>
CURRENT LIABILITIES			
Accounts payable	\$	788,431	\$ 185,797
Accrued wages		27,928	19,968
Accrued taxes		1,160,483	1,158,106
Accrued interest		5,695	6,017
Accrued vacation leave		98,895	123,882
Current Portion of accrued sick leave		22,073	11,197
Current portion of advance from municipality		17,079	16,138
Current Liabilities Payable from Restricted Assets			
Current portion of revenue bonds		1,012,256	974,828
Accrued interest		<u>54,537</u>	<u>58,797</u>
Total Current Liabilities		<u>3,187,377</u>	<u>2,554,730</u>
NONCURRENT LIABILITIES			
Advance from municipality		152,173	169,253
Revenue bonds		10,424,996	11,437,252
Unamortized debt premium		264,573	297,445
Accrued sick leave		459,054	461,413
Total other post employment benefits liability - health insurance		203,536	209,720
Net other post employment benefits liability - life insurance		71,889	89,668
Net pension liability		<u>452,290</u>	<u>-</u>
Total Noncurrent Liabilities		<u>12,028,511</u>	<u>12,664,751</u>
Total Liabilities		<u>15,215,888</u>	<u>15,219,481</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension		623,366	763,328
Deferred inflows related to other post employment benefits		<u>28,042</u>	<u>2,695</u>
Total Deferred Inflows of Resources		<u>651,408</u>	<u>766,023</u>
NET POSITION			
Net investment in capital assets		38,634,350	35,473,732
Restricted for:			
Debt service		481,598	420,518
Pension		-	387,084
Unrestricted		<u>7,293,739</u>	<u>7,665,406</u>
TOTAL NET POSITION		<u>\$ 46,409,687</u>	<u>\$ 43,946,740</u>

See accompanying notes to the financial statements.

SHEBOYGAN WATER UTILITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Sales of water	\$ 8,737,822	\$ 9,094,681
Other	164,616	214,269
Total Operating Revenues	<u>8,902,438</u>	<u>9,308,950</u>
OPERATING EXPENSES		
Operation and maintenance	5,093,790	4,185,575
Depreciation	<u>1,533,169</u>	<u>1,527,005</u>
Total Operating Expenses	<u>6,626,959</u>	<u>5,712,580</u>
OPERATING INCOME	<u>2,275,479</u>	<u>3,596,370</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	75,112	60,544
Grant Revenue	92,024	305,253
Grant Expense	(92,024)	(304,278)
Interest expense	(337,471)	(365,872)
Amortization of discount	32,872	29,134
Bond issuance costs	-	(76,087)
Total Nonoperating Revenues (Expenses)	<u>(229,487)</u>	<u>(351,306)</u>
Income Before Contributions and Transfers	2,045,992	3,245,064
CAPITAL CONTRIBUTIONS - Municipality	1,541,118	-
TRANSFERS - TAX EQUIVALENT	<u>(1,124,163)</u>	<u>(1,126,774)</u>
CHANGE IN NET POSITION	2,462,947	2,118,290
NET POSITION - Beginning of Year	<u>43,946,740</u>	<u>42,093,392</u>
Cumulative effect of a change in accounting principle	-	<u>(264,942)</u>
NET POSITION - END OF YEAR	<u>\$ 46,409,687</u>	<u>\$ 43,946,740</u>

See accompanying notes to the financial statements.

SHEBOYGAN WATER UTILITY

STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 9,267,027	\$ 9,507,716
Paid to suppliers for goods and services	(2,849,761)	(2,588,865)
Paid to employees for operating payroll	(1,640,509)	(1,619,331)
Net Cash Flows From Operating Activities	<u>4,776,757</u>	<u>5,299,520</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Paid to municipality for tax equivalent	(1,121,786)	(1,135,145)
Customer owned lateral financed by utility	-	(196,143)
Collections of assessments for customer owned laterals	103,911	109,999
Debt retired for pension liability	(16,138)	(15,225)
Interest paid for pension liability	(7,601)	(7,623)
Nonoperating grant revenue	92,024	305,253
Nonoperating grant expense	(92,024)	(304,278)
Net Cash Flows From Noncapital Financing Activities	<u>(1,041,614)</u>	<u>(1,243,162)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(2,741,718)	(3,541,523)
Premium net of debt issuance costs	-	209,153
Debt retired	(974,829)	(3,212,574)
Interest paid	(334,452)	(349,229)
Proceeds from debt issue	-	4,705,000
Net Cash Flows From Capital and Related Financing Activities	<u>(4,050,999)</u>	<u>(2,189,173)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>75,112</u>	<u>60,544</u>
Net Change in Cash and Cash Equivalents	(240,744)	1,927,729
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>9,666,679</u>	<u>7,738,950</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 9,425,935</u>	<u>\$ 9,666,679</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Amortization of premium	<u>\$ 32,872</u>	<u>\$ 29,134</u>
Construction related accounts payable	<u>\$ 205,869</u>	<u>\$ 76,391</u>
Capital contributions received by municipality	<u>\$ 1,541,118</u>	<u>\$ -</u>

	<u>2019</u>	<u>2018</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH		
FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 2,275,479	\$ 3,596,370
Noncash items in operating income		
Depreciation	1,533,169	1,527,005
Depreciation charged to clearing and other utilities	236,879	148,564
Customer accounts receivable	128,941	(137,173)
Other accounts receivable	8,217	(6,073)
Due from municipality	(570)	231,961
Materials and supplies	(37,351)	32,565
Prepayments	(358)	2,748
Pension related deferrals and liabilities	169,292	47,175
Deferred outflow of resources	(2,969)	-
Accounts payable	473,154	(193,110)
Accrued vacation and sick leave	(8,510)	41,702
Other postemployment retirement benefit deferrals and liabilities	<u>1,384</u>	<u>7,786</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 4,776,757</u>	<u>\$ 5,299,520</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO		
STATEMENTS OF NET POSITION ACCOUNTS		
Cash and investments	\$ 8,183,173	\$ 7,991,388
Redemption account	536,135	479,315
Reserve account	706,627	715,248
Construction account	<u>-</u>	<u>480,728</u>
CASH AND CASH EQUIVALENTS	<u>\$ 9,425,935</u>	<u>\$ 9,666,679</u>

See accompanying notes to the financial statements.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sheboygan Water Utility (utility) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the utility are described below.

REPORTING ENTITY

The utility is a separate enterprise fund of the City of Sheboygan (municipality). The utility is managed by a utility commission. The utility provides water service to properties within the municipality. The utility also provides wholesale service to the City of Sheboygan Falls and Village of Kohler.

The water utility operates under service rules and rates established by the Public Service Commission of Wisconsin (PSCW). The accounting records of the utility are maintained in accordance with Uniform System of Account prescribed by the PSCW.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The utility is presented as an enterprise fund of the municipality. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred, and net income is necessary for management accountability.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In March 2018, the GASB issued Statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. The utility adopted this statement effective January 1, 2019.

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Deposits and Investments

For purposes of the statement of cash flows, cash, and cash equivalents have original maturities of three months or less from the date of acquisition.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Deposits and Investments (cont.)

Investment of utility funds is restricted by state statutes. Investments are limited to:

- > Time deposits in any credit union, bank, savings bank or trust company.
- > Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district, local cultural arts district the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- > Bonds or securities issued or guaranteed by the federal government.
- > The local government investment pool.
- > Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- > Securities of an open end management investment company or investment trust, subject to various conditions and investment options.
- > Repurchase agreements with public depositories, with certain conditions.

The utility has adopted an investment policy. The utility, as part of the municipality, is covered under an investment policy adopted by the City of Sheboygan. Please refer to the City of Sheboygan's financial statements for information regarding the adopted investment policy. This policy does not address custodial credit risk associated with the City of Sheboygan's or the utility's deposits or investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Market values may have changed significantly after year end.

Receivables/Payables

Transactions between the utility and other funds of the municipality that are representative of lending/borrowing arrangements outstanding at year end are referred to as advances to/from other funds. All other outstanding balances between the utility and other funds of the municipality are reported as due to/from other funds.

The utility has the right under Wisconsin statutes to place delinquent electric, water, and sewer bills on the tax roll for collection. As such, no allowance for uncollectible customer accounts is considered necessary.

Materials and Supplies

Materials and supplies are generally used for construction, operation, and maintenance work, not for resale. They are valued at the lower of cost or market utilizing the average cost method and charged to construction or expense when used.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

Special Assessments Receivable

This account represents the balances of special assessments levied against property owners for infrastructure improvements. The balances are receivable over various time periods with interest accrued annually. Infrastructure improvements are primarily customer owned lateral that have been installed and financed by the utility.

Capital Assets

Capital assets are generally defined by the utility as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year.

Capital assets of the utility are recorded at cost or the estimated acquisition value at the time of contribution to the utility. Major outlays for utility plant are capitalized as projects are constructed. Capital assets in service are depreciated or amortized using the straight-line method over the following useful lives:

	<u>Years</u>
Water Plant	
Source of supply	50
Pumping	28 - 42
Water treatment	30 - 40
Transmission and distribution	45 - 100
General	4 - 45

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Postemployment Benefits Other Than Pensions (OPEB)

Health Insurance

For purposes of measuring the total OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by utility OPEB Plan. For this purpose, the utility OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Life Insurance

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflow of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

Accrued Vacation and Sick Leave

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Vested vacation and sick leave pay is accrued when earned in the financial statements. The liability is liquidated from general operating revenues of the utility.

Long-Term Obligations

Long-term debt and other obligations are reported as utility liabilities. Bond premiums and discounts, are amortized over the life of the bonds using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year end for premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for the loss on refunding is shown as a deferred outflow in the statement of net position.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

REVENUES AND EXPENSES

The utility distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the utility's principal ongoing operations. The principal operating revenues of the utility are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Charges for Services

Billings are rendered and recorded monthly based on metered usage. The utility does accrue revenues beyond billing dates.

Current water rates were approved by the PSCW effective May 1, 2018.

Capital Contributions

Cash and capital assets are contributed to the utility from customers, the municipality, or external parties. The value of property contributed to the utility is reported as revenue on the statements of revenues, expenses, and changes in net position.

Interfund Transfers

Transfers include the payment in lieu of taxes to the municipality.

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

GASB has approved GASB Statement No. 87, Leases, Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, and Statement No. 91, *Conduit Debt Obligations*. When they become effective, application of these standards may restate portions of these financial statements.

COMPARATIVE DATA

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 - DEPOSITS AND INVESTMENTS

	Carrying Value as of		Risks
	2019	2018	
Deposits	\$ 7,020,056	\$ 7,314,916	Custodial Credit
Certificates of Deposits	2,405,129	2,351,013	Custodial Credit
Petty Cash	750	750	
Totals	<u>\$ 9,425,935</u>	<u>\$ 9,666,679</u>	

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund (SDGF) in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities.

In addition, the utility has collateral or depository insurance agreements in the amount of \$9,676,847 and \$11,254,148 at December 31, 2019 and 2018 respectively.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the utility's deposits may not be returned to the utility.

The utility does not have any deposits exposed to custodial credit risk.

NOTE 3 - RESTRICTED ASSETS

Restricted Accounts

Certain proceeds of the utility's debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited. The following accounts are reported as restricted assets:

- Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.
- Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.
- Construction - Used to report debt proceeds restricted for use in construction.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 3 - RESTRICTED ASSETS (cont.)

Restricted Net Position

The following calculation supports the amount of water restricted net position:

	2019	2018
Restricted Assets		
Reserve account	\$ 706,627	\$ 715,248
Bond redemption account	536,135	479,315
Construction account	-	480,728
Net pension asset	-	387,084
Total Restricted Assets	1,242,762	2,062,375
Less: Restricted Assets Not Funded by Revenues		
Reserve from borrowing	(706,627)	(715,248)
Construction account	-	(480,728)
Total Restricted Assets Not Funded by Revenues	(706,627)	(1,195,976)
Current Liabilities Payable From Restricted Assets	(54,537)	(58,797)
Total Restricted Net Position as Calculated	\$ 481,598	\$ 807,602

The purpose of the restricted net position is as follows:

	2019	2018
Debt Service	\$ 481,598	\$ 420,518
Pension	-	387,084
Total Restricted Net Position	\$ 481,598	\$ 807,602

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 4 - CHANGES IN CAPITAL ASSETS

A summary of changes in water capital assets for 2019 follows:

	Balance 1/1/19	Increases	Decreases	Balance 12/31/19
Capital assets, not being depreciated				
Land and land rights	\$ 374,689	\$ 549	\$ -	\$ 375,238
Capital assets being depreciated				
Source of supply	627,615	-	-	627,615
Pumping	5,724,164	612,735	63,115	6,273,784
Water treatment	13,402,207	12,970	19,290	13,395,887
Transmission and distribution	43,490,109	5,421,685	54,076	48,857,718
General	2,654,110	279,867	118,217	2,815,760
Total Capital Assets Being Depreciated	65,898,205	6,327,257	254,698	71,970,764
Total Capital Assets	66,272,894	6,327,806	254,698	72,346,002
Less: Accumulated depreciation				
Source of supply	(443,227)	(10,669)	-	(453,896)
Pumping	(3,209,881)	(204,092)	63,115	(3,350,858)
Water treatment	(4,950,085)	(490,320)	19,290	(5,421,115)
Transmission and distribution	(11,019,119)	(851,376)	54,076	(11,816,419)
General	(1,887,798)	(213,590)	118,217	(1,983,171)
Total Accumulated Depreciation	(21,510,110)	(1,770,047)	254,698	(23,025,459)
Construction in progress	2,224,497	2,372,713	4,288,205	309,005
Net Capital Assets	\$ 46,987,281			\$ 49,629,548

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 4 - CHANGES IN CAPITAL ASSETS (cont.)

A summary of changes in water capital assets for 2018 follows:

	Balance 1/1/18	Increases	Decreases	Balance 12/31/18
Capital assets, not being depreciated				
Land and land rights	\$ 193,902	\$ 180,787	\$ -	\$ 374,689
Capital assets being depreciated				
Source of supply	627,615	-	-	627,615
Pumping	5,673,902	91,307	41,045	5,724,164
Water treatment	13,039,016	363,191	-	13,402,207
Transmission and distribution	42,817,016	710,950	37,857	43,490,109
General	2,522,106	219,818	87,814	2,654,110
Total Capital Assets Being Depreciated	64,679,655	1,385,266	166,716	65,898,205
Total Capital Assets	64,873,557	1,566,053	166,716	66,272,894
Less: Accumulated depreciation				
Source of supply	(432,558)	(10,669)	-	(443,227)
Pumping	(3,059,450)	(191,475)	41,044	(3,209,881)
Water treatment	(4,170,821)	(779,264)	-	(4,950,085)
Transmission and distribution	(10,460,267)	(596,709)	37,857	(11,019,119)
General	(1,878,161)	(97,451)	87,814	(1,887,798)
Total Accumulated Depreciation	(20,001,257)	(1,675,568)	166,715	(21,510,110)
Construction in progress	261,302	3,429,408	1,466,213	2,224,497
Net Capital Assets	\$ 45,133,602			\$ 46,987,281

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 5 - LONG-TERM OBLIGATIONS

Revenue Debt - Water

The following bonds have been issued:

Date	Purpose	Final Maturity	Interest Rate	Original Amount	Outstanding Amount 12/31/19
3/10/04	Plant Expansion	5/1/23	2.75%	\$ 3,152,000	\$ 805,456 *
4/3/13	Plant Expansion	5/1/33	2.00-3.5	3,000,000	2,290,000
5/13/15	UV Disinfecting Project	5/1/35	1.65	2,990,520	2,521,796 * (1)
4/20/16	Revenue Refunding	4/20/25	1.00-2.00	2,115,000	1,400,000
5/1/18	Revenue Refunding	5/1/33	3.00-4.00	4,705,000	4,420,000

* The debt noted is directly placed with a third party.

(1) - During 2015 the utility was authorized to issue \$3,122,030 of sewer system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2019. The repayment schedule is for the amount issued.

Revenue bonds debt service requirements to maturity follows:

Year Ending December 31	Bonds		Direct Placement		Total
	Principal	Interest	Principal	Interest	
2020	\$ 680,000	\$ 248,406	\$ 332,256	\$ 59,956	\$ 1,320,618
2021	695,000	228,594	339,864	52,256	1,315,714
2022	715,000	207,994	347,656	44,370	1,315,020
2023	735,000	185,969	355,637	36,292	1,312,898
2024	735,000	163,234	148,415	30,981	1,077,630
2025-2029	2,715,000	499,456	779,628	117,044	4,111,128
2030-2034	1,835,000	120,088	846,106	50,018	2,851,212
2035	-	-	177,690	1,466	179,156
Totals	<u>\$ 8,110,000</u>	<u>\$ 1,653,741</u>	<u>\$ 3,327,252</u>	<u>\$ 392,383</u>	<u>\$ 13,483,376</u>

All utility revenues net of specified operating expenses are pledged as security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2019 and 2018 were \$1,333,019 and \$3,584,651 including refunding, respectively. Total customer net revenues as defined for the same periods were \$3,883,760 and \$5,497,601. Annual principal and interest payments are expected to require 23% of net revenues on average.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 5 - LONG-TERM OBLIGATIONS (cont.)

Advances from Other Funds of the Municipality

Other funds of the municipality have advanced the following to the utility:

<u>Date</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Amount 12/31/19</u>
1/30/08	Unfunded retirement obligation	3/15/27	2%	\$ 302,304	\$ 169,252

Advances from other funds of the municipality debt service requirements to maturity follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 17,079	\$ 7,193	\$ 24,272
2021	18,131	6,696	24,827
2022	19,219	7,046	26,265
2023	20,372	7,152	27,524
2024	21,579	4,534	26,113
2025-2027	<u>72,872</u>	<u>7,558</u>	<u>80,430</u>
Totals	<u>\$ 169,252</u>	<u>\$ 40,179</u>	<u>\$ 209,431</u>

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 5 - LONG-TERM OBLIGATIONS (cont.)

Long-Term Obligations Summary - Water

Long-term obligation activity for the year ended December 31, 2019 is as follows:

	1/1/19 Balance	Additions	Reductions	12/31/19 Balance	Due Within One Year
Revenue bonds	\$ 12,412,080	\$ -	\$ 974,828	\$ 11,437,252	\$ 1,012,256
Advance from Municipality	185,391	-	16,139	169,252	17,079
Accrued sick leave	472,610	30,590	22,073	481,127	22,073
Unamortized premium	297,445	-	32,872	264,573	-
Net pension Liability	-	452,290	-	452,290	-
Total other post employment benefits liability - health insurance	209,720	-	6,184	203,536	-
Net other post employment benefits liability - life insurance	89,668	-	17,779	71,889	-
Totals	<u>\$ 13,666,914</u>	<u>\$ 482,880</u>	<u>\$ 1,069,875</u>	<u>\$ 13,079,919</u>	<u>\$ 1,051,408</u>

Long-term obligation activity for the year ended December 31, 2018 is as follows:

	1/1/18 Balance	Additions	Reductions	12/31/18 Balance	Due Within One Year
Revenue bonds	\$ 10,919,655	\$ 4,705,000	\$ 3,212,575	\$ 12,412,080	\$ 974,828
General obligation debt	200,615	-	15,224	185,391	16,138
Accrued sick leave	456,823	26,984	11,197	472,610	11,197
Unamortized premium	41,339	285,240	29,134	297,445	-
Net pension liability	106,815	-	106,815	-	-
Total OPEB liability - health insurance	207,998	1,722	-	209,720	-
Net OPEB liability - life insurance	74,010	15,658	-	89,668	-
Totals	<u>\$ 12,007,255</u>	<u>\$ 5,034,604</u>	<u>\$ 3,374,945</u>	<u>\$ 13,666,914</u>	<u>\$ 1,002,163</u>

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 5 - LONG-TERM OBLIGATIONS (cont.)

Bond Covenant Disclosures

The following information is provided in compliance with the resolution creating the water revenue bonds:

Insurance

The utility is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors and omissions, workers compensation, and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

The utility is covered under the following insurance policies at December 31, 2019:

<u>Type</u>	<u>Coverage</u>	<u>Expiration</u>
<i>Automotive Liability</i>		
General Liability	\$ 4,000,000	7/1/20
Automobile Liability	4,000,000	7/1/20
Contractors Equipment	604,510	7/1/20
<i>Crime - Theft/Forgery</i>		
Position Bond (Employee Dishonestly)	\$ 250,000	7/1/20
Forgery/Alteration	250,000	7/1/20
Extra Expense	10,000,000	7/1/20
Employee Benefits	4,000,000	7/1/20
Public Officials Liability	4,000,000	7/1/20
Theft of Money and Securities	25,000	7/1/20
<i>Property</i>		
Buildings	\$ 63,693,500	7/1/20
Flood	10,000,000	7/1/20
Earthquake	10,000,000	7/1/20

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 5 - LONG-TERM OBLIGATIONS (cont.)

Bond Covenant Disclosures (cont.)

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2019 and 2018 as follows:

	2019	2018
Operating revenues	\$ 8,902,438	\$ 9,308,950
Investment income	75,112	60,544
Miscellaneous nonoperating income	92,024	305,253
Less: Miscellaneous nonoperating expense	(92,024)	(304,278)
Less: Operation and maintenance expenses	(5,093,790)	(4,185,575)
Net Defined Earnings	\$ 3,883,760	\$ 5,184,894
Minimum Required Earnings per Resolution:		
Annual debt service - principal	\$ 974,828	\$ 887,575
Annual debt service - interest	334,452	349,228
Subtotal	1,309,280	1,236,803
Coverage factor	1.20	1.20
Minimum Required Earnings	\$ 1,571,136	\$ 1,484,164
Actual Debt Coverage	2.97	4.19

Number of Customers and Billed Volumes - Water

The utility has the following number of customers and billed volumes for 2019 and 2018:

	Customers		Sales (000 gals)	
	2019	2018	2019	2018
Residential	16,946	16,931	729,541	762,001
Multifamily residential	294	290	114,901	114,050
Commercial	1,310	1,299	238,290	261,463
Industrial	156	161	2,423,883	2,641,545
Public authority	122	116	48,443	50,042
Wholesale	2	2	613,334	654,071
Totals	18,830	18,799	4,168,392	4,483,172

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 6 - NET POSITION

GASB No. 34 requires the classification of net position into three components - net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This component of net position consists of net positions that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the utility's policy to use restricted resources first, then unrestricted resources as they are needed.

The following calculation supports the water net investment in capital assets:

	2019	2018
Construction work in progress	\$ 309,005	\$ 2,224,497
Plant in service	72,346,002	66,272,894
Accumulated Depreciation	(23,025,459)	(21,510,110)
Sub-Totals	49,629,548	46,987,281
Less: Capital related debt		
Current portion of capital related long-term debt funded with borrowing	1,012,256	974,828
Unamortized debt premium	10,424,996	11,437,252
Sub-Totals	264,573	297,445
Sub-Totals	11,701,825	12,709,525
Add: Unspent debt proceeds		
Construction funds	-	480,728
Reserve from borrowing	706,627	715,248
Sub-Totals	706,627	1,195,976
Total Net Investment in Capital Assets	\$ 38,634,350	\$ 35,473,732

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM

General Information About the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before 12/31/2016) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

Post-retirement adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1)%	(42)%
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4.0
2018	2.4	17.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

The WRS recognized \$129,368 and \$127,478 in contributions from the utility during the current and prior reporting periods, respectively.

Contribution rates as of December 31, 2019 and December 31, 2018 are:

	2019		2018	
	Employee	Employer	Employee	Employer
General (including Executives and Elected Officials)	6.7%	6.7%	6.8%	6.8%
Protective with Social Security	6.7%	10.7%	6.8%	10.6%
Protective without Social Security	6.7%	14.9%	6.8%	14.9%

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the utility reported a liability (asset) of \$452,290 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The utility's proportion of the net pension liability (asset) was based on the utility's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Utility's's proportion was .0001271304%, which was a decrease of .00000311% from its proportion measured as of December 31, 2017.

At December 31, 2018, the utility reported a liability (asset) of \$(387,084) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The utility's proportion of the net pension liability (asset) was based on the utility's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the Utility's's proportion was 0.0001302401%, which was an increase of 0.00000071% from its proportion measured as of December 31, 2016.

For the years ended December 31, 2019 and 2018, the utility recognized pension expense of \$169,292 and \$122,695, respectively.

At December 31, 2019, the utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 352,265	\$ (622,679)
Changes in assumption	76,240	-
Net differences between project and actual earnings on pension plan	660,538	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,700	(687)
Employer contributions subsequent to the measurement date	<u>138,123</u>	<u>-</u>
Total	<u>\$1,229,866</u>	<u>\$ (623,366)</u>

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

At December 31, 2018, the utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 491,800	\$ (230,048)
Changes in assumption	76,480	-
Net differences between project and actual earnings on pension plan	-	(532,011)
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,098	(1,269)
Employer contributions subsequent to the measurement date	<u>129,368</u>	<u>-</u>
Total	<u>\$ 699,746</u>	<u>\$ (763,328)</u>

Deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date reported in the tables above will be recognized as a reduction of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>2019</u>	<u>2018</u>
2019	\$ 169,268	\$ 42,827
2020	42,994	(3,383)
2021	74,616	(132,876)
2022	181,499	(100,447)
2023	-	929
Thereafter	<u>-</u>	<u>-</u>
Total	<u>\$ 468,377</u>	<u>\$ (192,950)</u>

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

Actuarial assumptions. The total pension liability in the actuarial valuation used in the current and prior year was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2019	2018
Actuarial valuation date	December 31, 2017	December 31, 2016
Measurement date of net pension liability (asset)	December 31, 2018	December 31, 2017
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	Fair Value	Fair Value
Long-term expected rate of return	7.0%	7.2%
Discount rate	7.0%	7.2%
Salary increases		
Inflation	3.0%	3.2%
Seniority/Merit	0.1% - 5.6%	0.2% - 5.6%
Mortality	Wisconsin 2018 Mortality Table	Wisconsin 2012 Mortality Table
Post-retirement adjustments *	1.9%	2.1%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. The percentages listed above are the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions used in the December 31, 2017 actuarial valuation is based upon an experience study conducted in 2018 using experience from 2015 – 2017. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Actuarial assumptions used in the December 31, 2016 actuarial valuation is based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 actuarial valuation.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

Long-term expected return on plan assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2019 are summarized in the following table:

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.45
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.47
 <u>Variable Fund Asset Class</u>			
U.S Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.5%.
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2018 are summarized in the following table:

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	50%	8.2%	5.3%
Fixed Income	24.5	4.2	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
<u>Variable Fund Asset Class</u>			
U.S Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.75%.
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

Single discount rate. A single discount rate of 7.00% and 7.20% was used to measure the total pension liability as of December 31, 2019 and December 31, 2018, respectively. As of December 31, 2019, the single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long term bond rate of 3.71%. As of December 31, 2018, the single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.31%. Because of the unique structure of WRS, the 7.00% (7.20% for 2018) expected rate of return implies that a dividend of approximately 1.9% (2.1% for 2018) will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 7 - EMPLOYEES RETIREMENT SYSTEM (cont.)

Sensitivity of the utility's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the utility's proportionate share of the net pension liability (asset) calculated using the current discount rate, as well as what the utility's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

The sensitivity analysis as of December 31, 2019 follows:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Utility's proportionate share of the net position liability (asset)	\$ 1,797,448	\$ 452,290	\$ (547,939)
's proportionate share of the net position liability (asset)	-	-	-

The sensitivity analysis as of December 31, 2018 follows:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
Utility's proportionate share of the net position liability (asset)	\$ 1,001,520	\$ (387,084)	\$ (1,442,466)
's proportionate share of the net position liability (asset)	-	-	-

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/Publications/cafr.htm>.

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS

GENERAL INFORMATION ABOUT THE OPEB PLAN

Plan description. The utility's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the utility. RBP is a single-employer defined benefit OPEB plan administered by the Utility. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Utility Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided. The RBP provides healthcare and life insurance benefits for retirees and their dependents. However, since the Utility has a self-insured health plan, it should determine its pay-as-you-go benefit based upon the actual retiree paid claims plus administration and stop-loss premiums minus the amount the retirees' paid for continued coverage and any stop-loss reimbursement.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Employees covered by benefit terms. At December 31, 2019 and 2018, the following employees were covered by the benefit terms:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefit payments	3	3
Active plan members	29	29
	32	32

TOTAL OPEB LIABILITY

At December 31, 2019, the utility's total OPEB liability of \$203,536 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date. At December 31, 2018, the utility's total OPEB liability of \$209,720 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2019	2018
Inflation	The assumed salary inflation of 3.0% per year is added to merit increases to get the total assumed increase in salary.	The assumed salary inflation of 3.0% per year is added to merit increases to get the total assumed increase in salary.
Salary increases	7.50% decreasing by 0.50% per year down to 6.50%, then by 0.10% per year down to 5.0%, and level thereafter	7.50% decreasing by 0.50% per year down to 6.50%, then by 0.10% per year down to 5.0%, and level thereafter

The discount rate was based on all years of projected payments discounted at a municipal bond rate of 4.00%. The discount rate used in 2018 was based on all years of projected payments discounted at a municipal bond rate of 3.50%

Mortality rates were based on the Wisconsin 2012 Mortality Table.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period 2012-14.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

CHANGES IN THE TOTAL OPEB LIABILITY

	Total OPEB Liability
Balances at December 31, 2017	\$ 207,998
Changes for the year:	
Service cost	10,894
Interest	7,184
Benefit payments	(16,356)
Net changes	1,722
Balances at December 31, 2018	209,720
Changes for the year:	
Service cost	10,894
Interest	7,203
Differences between expected and actual experience	(5,560)
Benefit payments	(18,721)
Net changes	(6,184)
Balances at December 31, 2019	\$ 203,536

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the utility, as well as what the utility's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

As of December 31, 2019:

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total OPEB liability	\$ 214,792	\$ 203,536	\$ 192,855

As of December 31, 2018:

	1% Decrease (2.5%)	Discount Rate (3.5%)	1% Increase (4.5%)
Total OPEB liability	\$ 221,055	\$ 209,720	\$ 198,879

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the utility, as well as what the utility's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

As of December 31, 2019:

	1% Decrease (6.5%) Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5%) Decreasing to 5.0%)	1% Increase (8.5%) Decreasing to 6.0%)
Total OPEB liability	\$ 188,721	\$ 203,536	\$ 223,178

As of December 31, 2018:

	1% Decrease (6.5%) Decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5%) Decreasing to 5.0%)	1% Increase (8.5%) Decreasing to 6.0%)
Total OPEB liability	\$ 194,274	\$ 209,720	\$ 227,672

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2019 and 2018, the utility recognized OPEB expense of \$(13,146) and \$18,078, respectively. At December 31, 2019 and 2018, the utility reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ -	\$ (5,004)	\$ -	\$ -
Employer contributions subsequent to the measurement date	22,805	-	18,721	-
Total	\$ 22,805	\$ (5,004)	\$ 18,721	\$ -

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Deferred outflows related to OPEB resulting from the employer's contributions subsequent to the measurement date reported in the table above will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:

2020	\$	(556)
2021		(556)
2022		(556)
2023		(556)
2024		(556)
Thereafter		(2,224)

Local Retiree Life Insurance Fund (LRLIF)

Plan description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Contribution rates for the plan year reported as of December 31, 2019 and 2018 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the plan year are as listed below:

Life Insurance Employee Contribution Rates For the Plan Year	
Attained Age	Basic
Under 30	\$0.05
30-34	0.06
34-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

The LRLIF recognized \$537 and \$566 in contributions from the employer during the current and prior reporting periods, respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2019, the utility reported a liability of \$71,889 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The utility's proportion of the net OPEB liability was based on the utility's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the utility's proportion was 0.00027860%, which was an decrease of 0.00001940% from its proportion measured as of December 31, 2017.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

At December 31, 2018, the utility reported a liability of \$89,668 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The utility's proportion of the net OPEB liability was based on the utility's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2017, the utility's proportion was 0.00029804%, which was an decrease of 0.00000680% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2019 and 2018, the utility recognized OPEB expense of \$4,711 and \$4,684, respectively.

At December 31, 2019 and 2018, the utility reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (3,647)	\$ -	\$ (1,263)
Net differences between projected and actual earnings on OPEB plan investments	1,718	-	1,032	-
Changes in assumptions	6,859	(15,583)	8,665	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(3,808)	-	(1,432)
Employer contributions subsequent to the measurement date	942	-	942	-
Total	\$ 9,519	\$ (23,038)	\$ 10,639	\$ (2,695)

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date reported in the table above will be recognized as a reduction of the net OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2020	\$ 2,055
2021	2,055
2022	2,055
2023	2,297
2024	2,545
Thereafter	3,454
Total	\$ 14,461

Actuarial assumptions. The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2019	2018
Actuarial Valuation Date:	January 1, 2018	January 1, 2017
Measurement Date of Net OPEB Liability	December 31, 2018	December 31, 2017
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	4.10%	3.44%
Long-Term Expected Rate of Return:	5.00%	5.00%
Discount Rate:	4.22%	3.63%
Salary Increases:		
Inflation	3.00%	3.20%
Seniority/Merit	0.1% - 5.6%	0.2% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table	Wisconsin 2012 Mortality Table

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Long-term expected return on plan assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2018

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40	2.69
US Long Credit Bonds	Barclays Long Credit	4	3.01
US Mortgages	Barclays MBS	54	2.25
US Municipal Bonds	Bloomberg Barclays Muni	1	1.68
Inflation			2.30
Long-Term Expected Rate of Return			5.00

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2017

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Government Bonds	Barclays Government	1%	1.13%
US Credit Bonds	Barclays Credit	65	2.61
US Long Credit Bonds	Barclays Long Credit	3	3.08
US Mortgages	Barclays MBS	31	2.19
Inflation			2.30
Long-Term Expected Rate of Return			5.00

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS (cont.)

Single discount rate. A single discount rate was used to measure the total OPEB liability (4.22% for 2019 and 3.63% for 2018). The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient.

Sensitivity of the Utility's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the utility's proportionate share of the net OPEB liability calculated using the discount rate, as well as what the utility's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

As of December 31, 2019:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
The utility's proportionate share of the net OPEB liability	\$ 102,267	\$ 71,889	\$ 48,460

As of December 31, 2018:

	1% Decrease to Discount Rate (2.63%)	Current Discount Rate (3.63%)	1% Increase to Discount Rate (4.63%)
The utility's proportionate share of the net OPEB liability	\$ 126,735	\$ 89,668	\$ 61,223

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Claims and Judgments

From time to time, the utility is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the utility's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the utility's financial position or results of operations.

Grants

The utility has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

SHEBOYGAN WATER UTILITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2019 and 2018

NOTE 10 - RISK MANAGEMENT

The utility is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors, and omissions; workers compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

NOTE 11 - SIGNIFICANT CUSTOMERS

Water Utility

The utility has one significant customer who was responsible for 23% and 26% of operating revenues in 2019 and 2018, respectively.

NOTE 12 - SUBSEQUENT EVENTS

The utility evaluated subsequent events through the date that the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements.

Anticipated Debt Issue

The Sheboygan Water Utility will be issuing \$3,100,000 Bond Anticipation Notes in May 2020 to fund design and engineering costs related to the raw water improvement project.

COVID-19

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the Utility. As of the date above, the Utility's evaluation of the effects of these events is ongoing; however, we anticipate this situation to impact revenues of the utility in various ways. The Public Service Commission has implemented changes that include elimination of water disconnection, elimination of due dates, and others that will have an effect on revenue streams during this event. Due to the health emergency, some customers might be unable to pay or pay on time, impacting delinquencies. It is unclear how many local industries will be affected and thus reduce water usage. The utility has one industrial customer that makes up 23% of revenues. It is not known at this time if that customer will reduce production during this emergency.

The extent of the impact of COVID-19 on the Utility's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

SHEBOYGAN WATER UTILITY

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

WRS Fiscal Year End Date	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.01092910%	\$ (268,255)	\$ 1,844,785	14.54%	102.74%
12/31/15	0.01233200%	200,307	1,974,984	10.14%	98.20%
12/31/16	0.01295300%	106,815	1,892,944	5.64%	99.12%
12/31/17	0.01303701%	(387,084)	1,874,682	20.65%	102.93%
12/31/18	0.01271302%	452,290	1,930,859	23.42%	96.45%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

Utility Fiscal Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 134,299	\$ 134,299	-	\$ 1,973,928	6.80%
12/31/16	124,934	124,934	-	1,892,944	6.60%
12/31/17	127,478	127,478	-	1,874,682	6.80%
12/31/18	129,368	129,368	-	1,930,859	6.70%
12/31/19	138,123	138,123	-	2,108,745	6.55%

See independent auditors' report and accompanying notes to the required supplementary information.

SHEBOYGAN WATER UTILITY

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - HEALTH INSURANCE As of December 31, 2019

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 10,894	\$ 10,894
Interest	7,203	7,184
Changes in assumptions	(5,560)	-
Benefit payments	<u>(18,721)</u>	<u>(16,356)</u>
Net Change in Total OPEB Liability	(6,184)	1,722
Total OPEB Liability - Beginning	<u>209,720</u>	<u>207,998</u>
Total OPEB Liability - Ending	<u>\$ 203,536</u>	<u>\$ 209,720</u>
Covered-employee payroll	\$ 1,874,682	\$ 1,877,409
Net OPEB liability as a percentage of covered-employee payroll	10.86%	11.17%

Notes to Schedule:

The Utility implemented GASB Statements No. 75 in 2018.

See independent auditors' report and accompanying notes to the required supplementary information.

SHEBOYGAN WATER UTILITY

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - WISCONSIN LIFE INSURANCE PLAN For the Year Ended December 31, 2019

ETF Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/17	0.02980410%	\$ 89,668	\$ 1,877,409	4.78%	44.81%
12/31/18	0.02878610%	71,889	\$ 1,874,682	3.83%	48.69%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN LIFE INSURANCE PALN For the Year Ended December 31, 2019

Utility Fiscal Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/18	\$ 937	\$ 937	-	\$ 1,930,859	0.05%
12/31/19	942	942	-	2,108,745	0.04%

See independent auditors' report and accompanying notes to the required supplementary information.

SHEBOYGAN WATER UTILITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2019

WISCONSIN RETIREMENT SYSTEM

Changes of benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions.

	<u>2015 - 2018</u>	<u>2019</u>
Long-term expected rate of return	7.2%	7.0%
Discount rate	7.2%	7.0%
Salary increases		
Inflation	3.2%	3.0%
Seniority/Merit	0.2% - 5.6%	0.1% - 5.6%
Mortality	Wisconsin 2012 Mortality Table	Wisconsin 2018 Mortality Table
Post-retirement adjustments	2.10%	1.90%

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

HEALTH INSURANCE

The data presented in the Schedule of Change in the Total OPEB Liability and Related Ratio was taken from the reports issued by the actuary.

Changes in benefit terms. There were no changes of benefit terms for the Utility.

Changes in Assumptions. There were no changes in assumptions.

LOCAL RETIREE LIFE INSURANCE FUND

Changes in benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes in Assumptions. There were no changes in assumptions.

See independent auditors' report.

II

R. O. No. _____ - 20 - 21. By CITY CLERK. May 4, 2020.

Submitting a Temporary Class "B" License application.

City Clerk

TEMPORARY CLASS "B" LICENSE

No. Name

Address

3000 Sheboygan Theatre Company

607 S. Water Street - One day
event to be held 07/04/20 at
Fountain Park to include beer
and wine.

VI

R. C. No. _____ - 20 - 21. By LICENSING, HEARINGS, AND PUBLIC SAFETY
COMMITTEE. May 4, 2020.

Your Committee to whom was referred R. O. No. 183-19-20 by Fire Chief
submitting the Annual Report for City of Sheboygan Fire Department for the
year 2019; recommends filing the document.

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted
and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the
_____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

3.2

R. O. No. 183 - 19 - 20. By FIRE CHIEF. April 20, 2020.

Submitting the Annual Report for City of Sheboygan Fire Department for the year 2019.

44PS
2020-2021
Council



FIRE CHIEF



2019

SHEBOYGAN
FIRE DEPARTMENT
ANNUAL REPORT

Message from the Chief

As I reach the halfway point of my first year with the City of Sheboygan and the members of the Fire Department, I am humbled and impressed by the level of service the men and women provide to all those who live, work, and recreate in this great city.

I am pleased to present the Sheboygan Fire Department's 2019 Annual Report, which provides a detailed review of our department's activities for the year.

Here are some quick highlights of the fire department's 2019 accomplishments:

- We installed over 160 smoke alarms to those in need within our community.
- Out of 5,735 calls for service that we responded to in 2019, 88 percent of the time we met the NFPA standard of arriving on scene within 380 seconds or less.
- The renovation of our historic 113-year-old downtown fire station was completed. This station was built in 1906 and remains in service with a minimum crew of four personnel responding with an engine and ambulance. It is currently our busiest station responding to over 1,550 calls for service throughout the year.
- We took receipt of a 100 foot Aerial Platform from Pierce Manufacturing. The ladder truck is housed at our headquarter station on 25th Street and responds to all structure fires throughout the city.
- We also received two pick-up trucks; one will be used as the shift commander's response vehicle and the other as a department utility vehicle.
- Our department was the recipient of a \$1,000 donation by Acuity Insurance on behalf of the second grade class from Jackson Elementary. The donation went toward the purchase of a new thermal imaging camera that can assist firefighters in locating trapped or lost individuals in low visibility conditions.

All the members of the Sheboygan Fire Department continue to dedicate themselves in providing the highest level of service to all those we serve. On behalf of the men and women of the Sheboygan Fire Department, I thank you for taking the time to review our annual report.

Respectfully submitted,



Eric Montellano
Fire Chief

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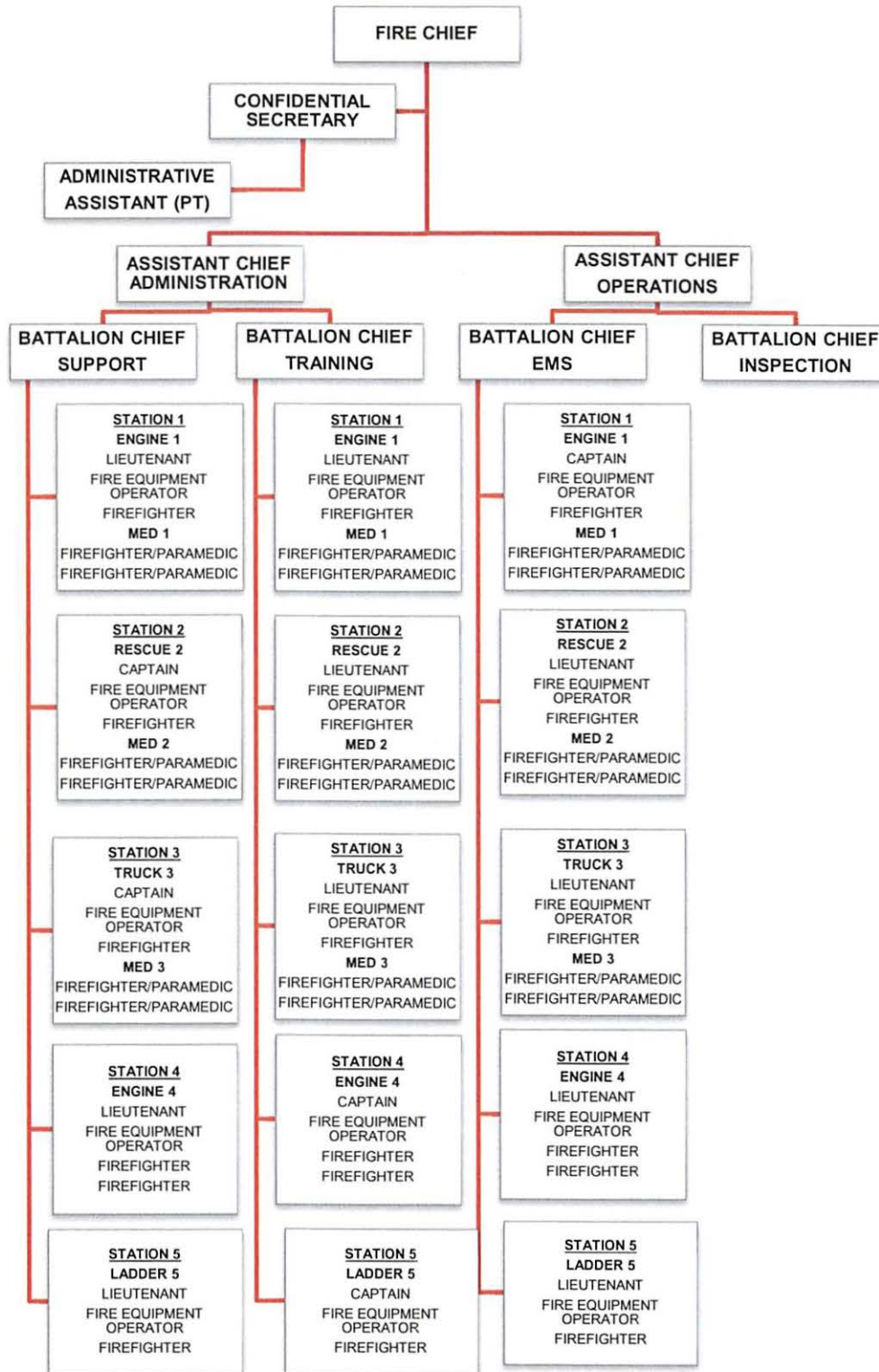
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Mission Statement

The Sheboygan Fire Department is dedicated to serving all who live, visit, work and invest in the City of Sheboygan through excellence in fire protection, rescue, emergency and non-emergency medical services, code enforcement, and education, and at the highest professional level in a compassionate, ethical, and cost effective manner.



Organizational Chart



Stations



Fire Station #1

- 833 New York Avenue
- Engine 1
- Med 1



Fire Station #2

- 2413 South 18th Street
- Rescue 2
- Med 2
- Trench Rescue Trailer



Fire Station #3 - Department Headquarters

- 1326 North 25th Street
- Truck 3
- Med 3
- Battalion Chief Vehicle



Fire Station #4

- 2622 North 15th Street
- Engine 4
- Engine 6 (Reserve)
- Med 6 (Reserve Ambulance)



Fire Station #5

- 4504 South 18th Street
- Engine 5
- Engine 7 (Reserve)

Management and Administrative Staff



FIRE CHIEF
Eric Montellano



ASSISTANT CHIEF
Dean Klein



ASSISTANT CHIEF
Charles Butler



BATTALION CHIEF
Michael Lubbert



BATTALION CHIEF
Pat Nicolaus



BATTALION CHIEF
Robert Kocmoud



BATTALION CHIEF
Jeffrey Salzman



**CONFIDENTIAL
SECRETARY**
Lisa Horn



**ADMINISTRATIVE
ASSISTANT**
Jennifer Albright

Services Provided

- Fire Suppression and Rescue
- Rope Rescue
- Excavation Rescue
- Confined Space Rescue
- Water/Ice Rescue
- Automobile and Industrial Extrication
- Emergency Management
- Advanced Life Support Response
- Fire Safety Building Inspections
- Smoke Alarm Installations
- Code Enforcement
- Building Plan Review
- Fire Safety Training for Businesses
- Medical Transports
- Public Service/Assistance
- Hazardous Materials Response
- School Fire Safety Education
- Special Event Standby
- Fall Prevention Referrals

Equipment, Apparatus and Buildings Update

Equipment

- Purchased 10 new sets of turnout gear.
- Purchased gas meters to help monitor air quality more effectively.
- Purchased \$4,000 worth of nozzles with a Federal Firefighters Grant.
- All ladders, hoses and pumps were tested according to NFPA Standards.

Apparatus

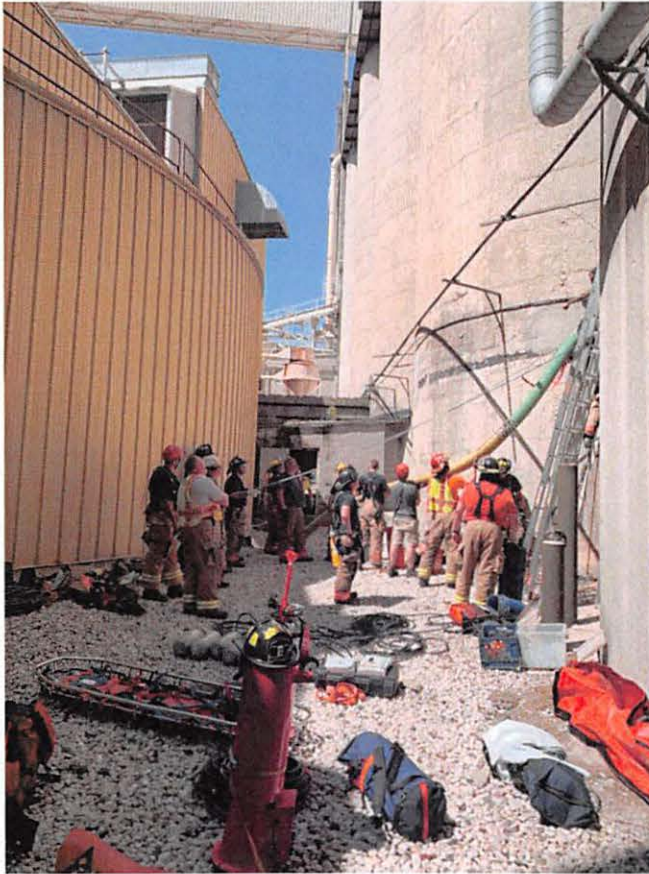
- Purchased 1 van for Inspector and School Programs.
- Purchased 1 pickup truck to be used for a Command Vehicle.
- Purchased 1 pickup truck to be used for plowing and hauling of equipment, dirty gear, personnel, and pulling the Survive Alive House.
- Purchased 100 foot aerial platform.

Buildings

- Purchased \$10,000 worth of physical fitness equipment with a Federal Firefighters Grant.
- Station 1
 - First floor apparatus bay had tile installed on the walls.
 - Sump pump was installed in the basement.
 - Replaced cast iron pipe with PVC piping.
 - Converted all lights to LED.
 - Installed new ceiling tiles.
- Station 2
 - New furnace installed.
 - Prepared for future improvements to roof.
- Station 5
 - Converted all outside lights to LED.



Significant Events



Cargill Malting Facility

On August 6, 2019, the Sheboygan Fire Department responded to a call of three individuals trapped in a grain silo. All three individuals were evacuated safely due to the swift action of Cargill employees, Fire Department personnel, Sheboygan Police and the Sheboygan County Technical Rescue Team (which includes 17 members of the Sheboygan Fire Department). The Sheboygan County Technical Rescue Team was named a recipient of the 2019-2020 Hometown Hero Award in recognition of their selfless dedication and service to our communities.

First Responder Award

Sheboygan Fire Department Assistant Chief Charles Butler has played a vital role in the Dementia Crisis Care Task Force. On October 10, 2019, Butler was recognized with a Hometown Hero Award—First Responder of the Year for the 27th Assembly District for his selfless dedication and service in our community.

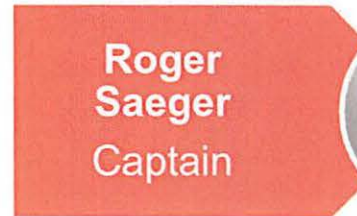


Personnel Changes

Retirements



Michael Romas
Fire Chief



Roger Saeger
Captain



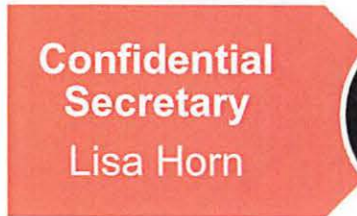
Robert Kocmoud
Battalion Chief



Patrick Toth
FEO



Keith Risse
Battalion Chief



Confidential Secretary
Lisa Horn



Ken Molitor
Captain



Promotions



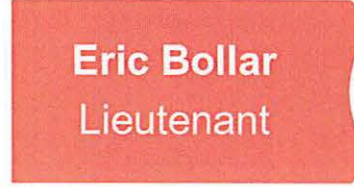
Dean Klein
Assistant Chief



Justin Langdon
Lieutenant



Michael Lubbert
Battalion Chief



Eric Bollar
Lieutenant



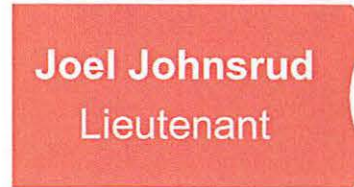
Jeffrey Salzman
Battalion Chief



Mark Landgraf
Lieutenant



Nicholas Noster
Captain



Joel Johnsrud
Lieutenant



Brent Adamson
Captain



Rodrick Terrazas
Lieutenant



Appointments



Eric Montellano
Fire Chief



Michael Burgard
Firefighter/Paramedic



Nicholas Kaat
Firefighter/Paramedic



Caleb Harmeling
Firefighter/Paramedic



Andrew Walter
Firefighter/Paramedic



Marcos Martinez
Firefighter/Paramedic



Michael Demcak
Firefighter/Paramedic



Allison Lindow
Firefighter/Paramedic



Louis Nett
Firefighter/Paramedic



Karley Campbell
Administrative Coordinator

New Hire Training

When newly hired personnel enter the Sheboygan Fire Department, it is important for the department to get them up to speed and into their day-to-day positions as soon as possible. It is also critical to their performance and safety that they are properly familiarized with their assignments and how to perform them according to the standards and expectations of the department.

The training division of the Fire Department works diligently to assure that these new firefighters have all of the tools necessary to perform their jobs. New firefighters are given intensive department familiarization through a year-long probationary period that begins with three weeks of direct instruction on eight hour days prior to moving on to the 24 hour duty rotation. They are issued gear, brought up to speed on pertinent policies and procedures, tested on their driving performance for ambulance vehicles, their medical care and their firefighting skills, and even tested on historical facts and background on the fire department. All of this helps to build a sense of team and family as a member of the Sheboygan Fire Department.

Everyone coming into the department has some education, various certifications, and licenses as a condition of hire.

Response Statistics

Detailed Breakdown by Incident Type

INCIDENT TYPE	# INCIDENTS	% of TOTAL
111 - Building fire	50	0.87%
112 - Fires in structure other than in a building	2	0.03%
113 - Cooking fire, confined to container	8	0.14%
114 - Chimney or flue fire, confined to chimney or flue	1	0.02%
117 - Commercial Compactor fire, confined to rubbish	1	0.02%
118 - Trash or rubbish fire, contained	4	0.07%
131 - Passenger vehicle fire	7	0.12%
138 - Off-road vehicle or heavy equipment fire	1	0.02%
142 - Brush or brush-and-grass mixture fire	1	0.02%
151 - Outside rubbish, trash or waste fire	8	0.14%
154 - Dumpster or other outside trash receptacle fire	3	0.05%
160 - Special outside fire, other	2	0.03%
162 - Outside equipment fire	1	0.02%
231 - Chemical reaction rupture of process vessel	1	0.02%
251 - Excessive heat, scorch burns with no ignition	31	0.54%
300 - Rescue, EMS incident, other	67	1.17%
311 - Medical assist, assist EMS crew	270	4.71%
320 - Emergency medical service, other	26	0.45%
321 - EMS call, excluding vehicle accident with injury	3965	69.14%
322 - Motor vehicle accident with injuries	92	1.60%
323 - Motor vehicle/pedestrian accident (MV Ped)	11	0.19%
324 - Motor vehicle accident with no injuries.	20	0.35%
331 - Lock-in (if lock out , use 511)	16	0.28%
341 - Search for person on land	1	0.02%
342 - Search for person in water	1	0.02%
350 - Extrication, rescue, other	6	0.10%
351 - Extrication of victim(s) from building/structure	2	0.03%
352 - Extrication of victim(s) from vehicle	5	0.09%
353 - Removal of victim(s) from stalled elevator	7	0.12%
354 - Trench/below-grade rescue	1	0.02%
355 - Confined space rescue	2	0.03%
357 - Extrication of victim(s) from machinery	1	0.02%
361 - Swimming/recreational water areas rescue	3	0.05%
362 - Ice rescue	1	0.02%
381 - Rescue or EMS standby	19	0.33%
400 - Hazardous condition, other	1	0.02%
410 - Combustible/flammable gas/liquid condition, other	4	0.07%
411 - Gasoline or other flammable liquid spill	9	0.16%
412 - Gas leak (natural gas or LPG)	33	0.58%
413 - Oil or other combustible liquid spill	13	0.23%
422 - Chemical spill or leak	25	0.44%
424 - Carbon monoxide incident	17	0.30%
440 - Electrical wiring/equipment problem, other	4	0.07%
442 - Overheated motor	6	0.10%
444 - Power line down	14	0.24%

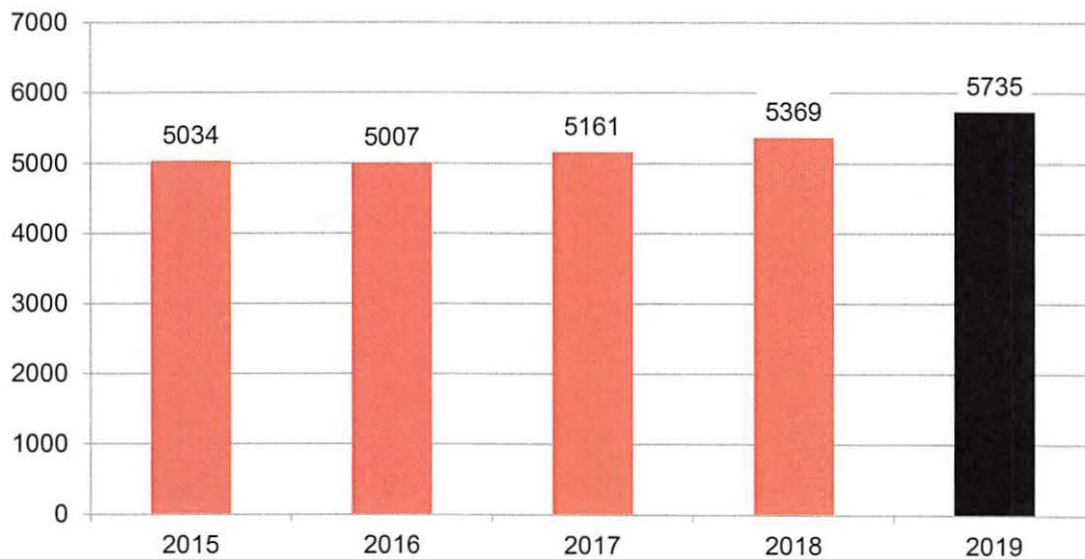
Detailed Breakdown by Incident Type (Continued)

INCIDENT TYPE	# INCIDENTS	% of TOTAL
445 - Arcing, shorted electrical equipment	8	0.14%
463 - Vehicle accident, general cleanup	3	0.05%
500 - Service Call, other	1	0.02%
511 - Lock-out	70	1.22%
512 - Ring or jewelry removal	2	0.03%
520 - Water problem, other	3	0.05%
521 - Water evacuation	5	0.09%
522 - Water or steam leak	13	0.23%
531 - Smoke or odor removal	13	0.23%
542 - Animal rescue	19	0.33%
550 - Public service assistance, other	1	0.02%
551 - Assist police or other governmental agency	32	0.56%
552 - Police matter	27	0.47%
553 - Public service	104	1.81%
554 - Assist invalid	115	2.01%
555 - Defective elevator, no occupants	2	0.03%
561 - Unauthorized burning	62	1.08%
600 - Good intent call, other	31	0.54%
611 - Dispatched & cancelled en route	71	1.24%
622 - No incident found on arrival at dispatch address	54	0.94%
631 - Authorized controlled burning	16	0.28%
651 - Smoke scare, odor of smoke	22	0.38%
652 - Steam, vapor, fog or dust thought to be smoke	8	0.14%
653 - Smoke from barbecue, tar kettle	2	0.03%
661 - EMS call, party transported by non-fire agency	7	0.12%
671 - HazMat release investigation w/no HazMat	29	0.51%
700 - False alarm or false call, other	1	0.02%
711 - Municipal alarm system, malicious false alarm	1	0.02%
714 - Central station, malicious false alarm	4	0.07%
715 - Local alarm system, malicious false alarm	6	0.10%
730 - System malfunction, other	1	0.02%
731 - Sprinkler activation due to malfunction	12	0.21%
733 - Smoke detector activation due to malfunction	35	0.61%
734 - Heat detector activation due to malfunction	2	0.03%
735 - Alarm system sounded due to malfunction	37	0.65%
736 - CO detector activation due to malfunction	22	0.38%
741 - Sprinkler activation, no fire - unintentional	11	0.19%
743 - Smoke detector activation, no fire - unintentional	51	0.89%
744 - Detector activation, no fire - unintentional	2	0.03%
745 - Alarm system activation, no fire - unintentional	45	0.78%
746 - Carbon monoxide detector activation, no CO	19	0.33%
900 - Special type of incident, other	2	0.03%
911 - Citizen complaint	1	0.02%
TOTAL INCIDENTS:	5735	100.00%

Major Incident Type Breakdown

MAJOR INCIDENT TYPE	2019 GOAL	2019 ACTUAL
Fires	< 90	89
Rescue and Emergency Medical Service	4300	4516
Non Fires	1000	1130

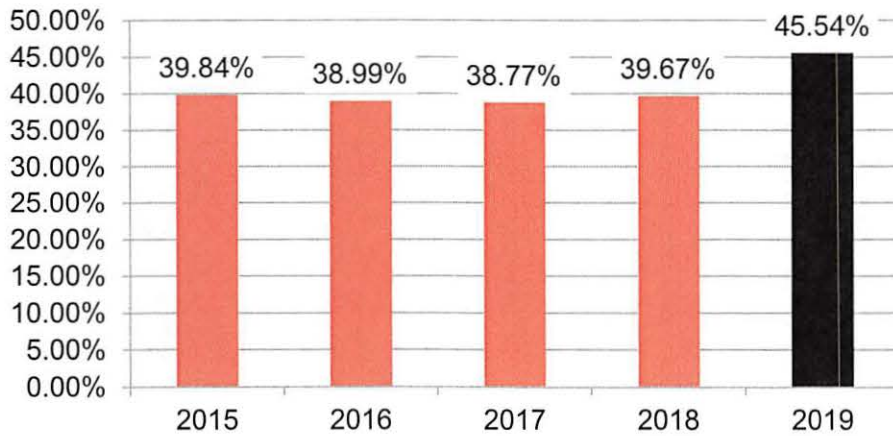
Total Responses



Formal Fire Investigations

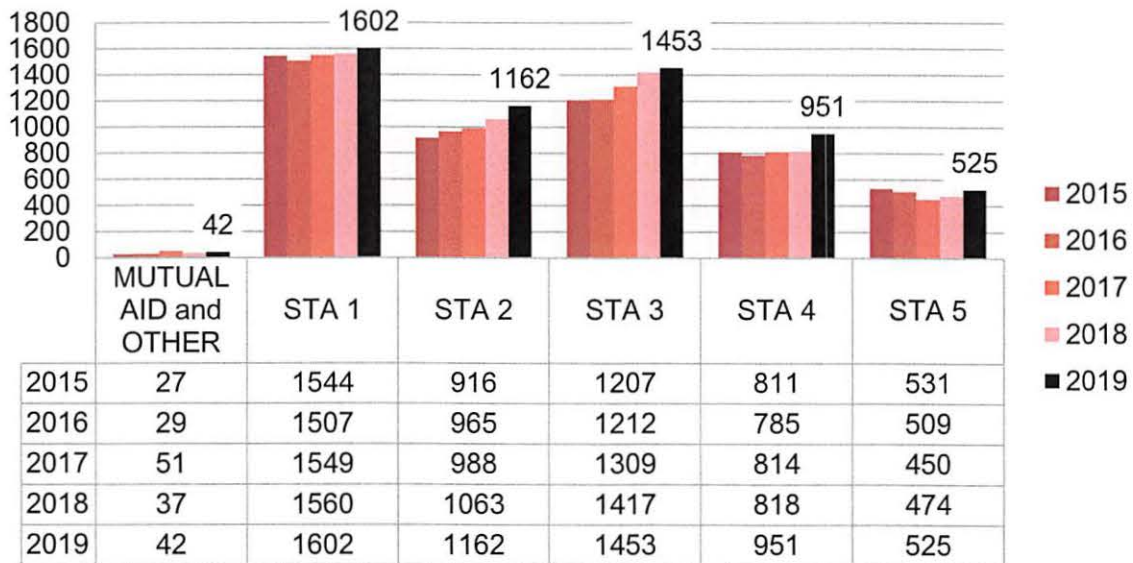
	2018	2019
Investigations	100	91

Average Percent of Overlapping Incidents



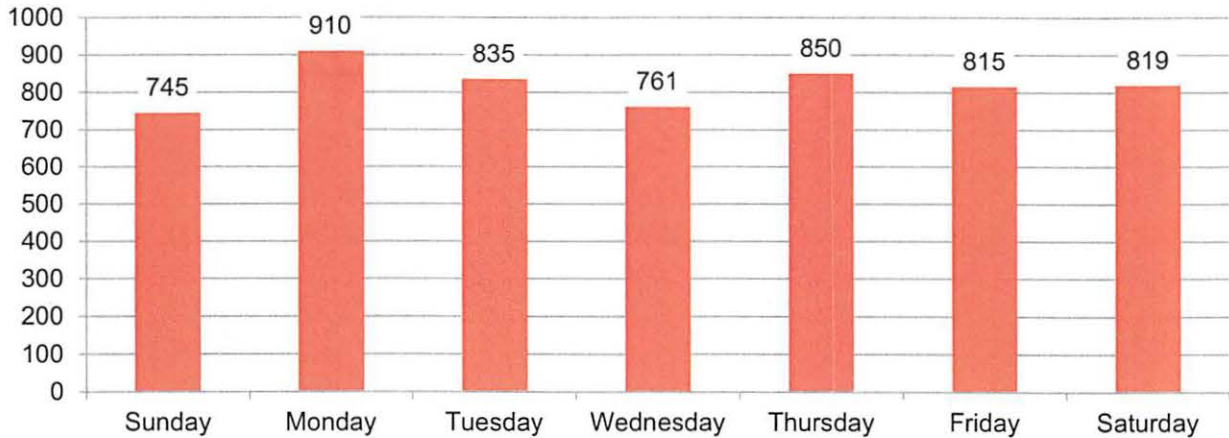
The measure of simultaneous calls represents the percentage of total call requests for the Fire Department while another call or multiple calls are already in progress. Generally speaking the call requests are random. However, in 2019 there was a slight increase in concurrent calls from the previous year,

Station Incident Count per Station

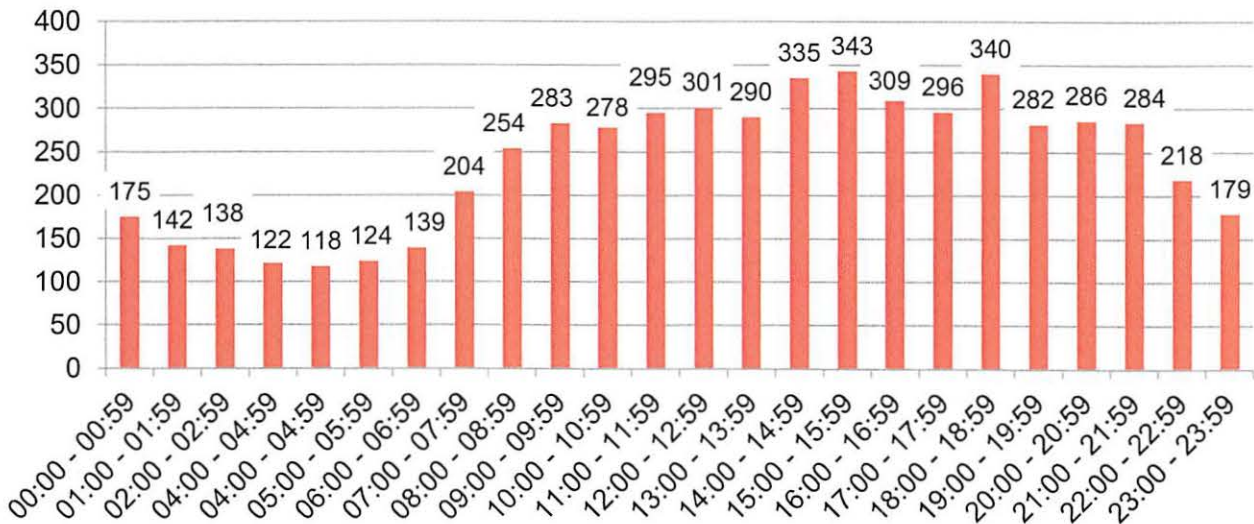


The *Response Requests by Station Area* graph is the total number of incidents as divided by Fire Station Single Alarm response area as designated by the Fire Department. These response areas are established to maintain appropriate response times as set forth by the National Fire Protection Association (NFPA).

Calls by Day of Week



Calls by Time of Day



The Calls by Day of Week and Calls by Time of Day graphs are indicators of when requests for the Fire Department occur in Sheboygan. While there are some patterns that are seen, these graphs match trends nationally overall and also indicate that requests happen at all times.

Emergency Medical Services

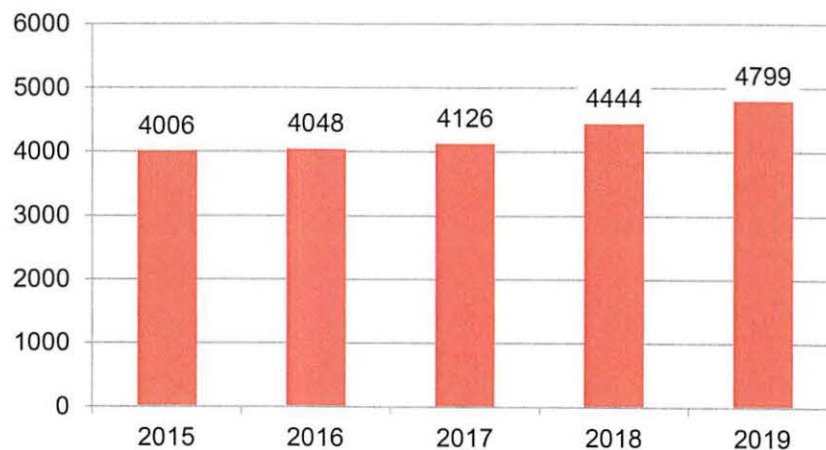
The Sheboygan Fire Department has provided paramedic level EMS transport services to the citizens of Sheboygan for 12 years, in addition to the fire and rescue services it has provided for well over 100 years.

The Sheboygan Fire Department maintains a fleet of four ambulances to provide care and transport to the sick and injured. During the past 10 years the department has continued to provide quality, consistent, and compassionate emergency medical service to the community well within current national standards.

As a value-added service of the Fire Department, the revenues generated through the provision of the ambulance service help to offset the cost of maintaining an effective and efficient Fire Department. This is done through the use of cross-trained personnel with a great deal of education and training and who are prepared to meet the emergency and non-emergency needs of those it serves, whether it be a medical emergency, a fire, or other service need. Each ambulance also carries firefighting equipment for the firefighter/paramedics that staff those vehicles. This allows those personnel to also be able to respond to fires should they occur.

As part of the department's injury prevention efforts, the Fire Department has partnered with the Aging and Disability Resource Center (ADRC) in assisting with a referral program that provides for education and support from the ADRC for those who may need assistance or education about preventing falls in the home. When it is recognized through the department's contact, that a person might be in need of assistance or support, crews will offer the referral and the department will make contact with the ADRC. ADRC will then make contact with the individual and offer assistance. The department's goal is to encourage every ambulance service in the county to provide this service and connection to the resources they need.

Total EMS Contacts



Fire Prevention and Public Education

In 2019, the Sheboygan Fire Department continued its Fire Prevention/Education program, which spans the months of September and October. During this time, the firefighters visit both the public and parochial schools in Sheboygan to provide fire safety education to children in grades Kindergarten through Fourth grade.

Topics include; Meeting Your Friendly Firefighters, Stop, Drop, and Roll, Plan Your Escape, House of Hazards, and Survive Alive House.



Once a year, smaller schools, have the opportunity to come to Fire Station 3 for the Fire Academy. The Fire Academy provides the same educational programming as listed, but in a single location. This past year, the Sheboygan Fire Department provided 149 programs educating approximately 3,049 students at schools throughout the City of Sheboygan and an additional 168 students at the Fire Academy.

While it is a core mission of the Sheboygan Fire Department to respond to and mitigate incidents within the City, it is also the department's mission to reduce the number and severity of those incidents by proper code development and enforcement, effective and efficient response, and ongoing public education. It is through this continuous and comprehensive program of education that the department maintains a culture of safety in the community.

This general program area of public education is vital to the success of the Fire Department's mission. The funding for the materials used for the school programs is largely generated through a program developed and operated by the National Fire Safety Council (NFSC). Each year, local businesses are solicited for donations toward the program by NFSC on the department's behalf and those funds are used by the department to purchase all of the fire prevention materials used in the public education programs delivered in the schools.

The Sheboygan Fire Department works closely with the Building Inspection Division in the city to assure that buildings are safe and up to NFPA 1 Fire Safety Code. In addition to safety compliance, annual fire inspections also serve as a way for firefighters to remain familiar with the buildings and business owners in their response areas, which aids in properly protecting the owners interest in property and also public safety. This past year, 1,987 inspections were conducted. The program also contains tools for developing pre-fire plans for a safer, more effective, and efficient response to a property should there ever be an emergency.

Training and Resource Development

The nature of the responsibilities of a Fire Department requires continuous training of its personnel to assure the best possible chance of a positive outcome when critical incidents occur. This is especially important when those events do not happen very often and staff gets one chance to get it right. Training and preparation is tailored to create effectiveness, efficiency, and safety when the Fire Department responds to incidents. The Sheboygan Fire Department provides for training of its employees through many different programs using a variety of methodologies that are designed to best meet the needs of the department both fiscally and operationally. Because of the inherent dangers present in the job, many of the training areas are statutorily mandated for the protection of both the employee and the citizens they serve.

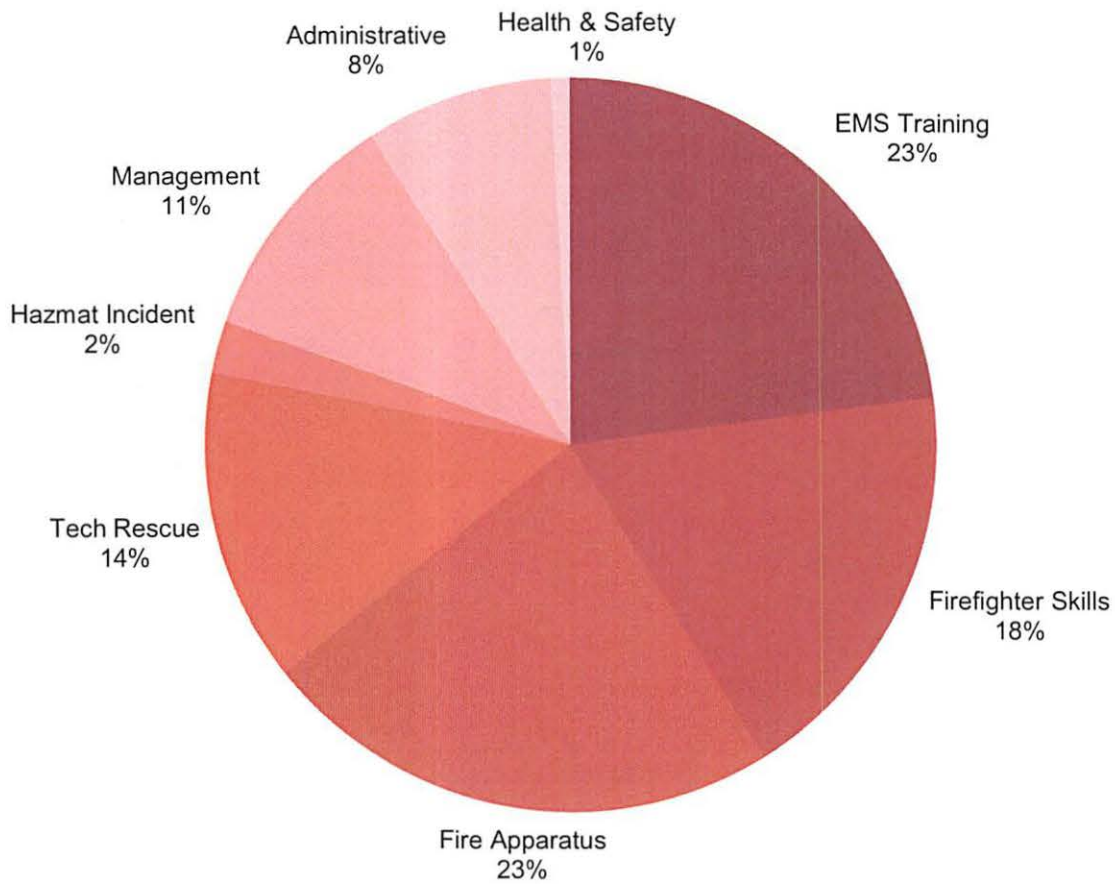


Extrication training during the summer of 2019.



Training with our Sister City from Esslingen, Germany.

Training Distribution



Training Category/Hours

Category	Total Hours
EMS Training	2826
Firefighter Skills	2248
Fire Apparatus	2851
Tech Rescue	1706
Hazmat Incident	280
Management	1286
Administrative	1026
Health & Safety	104
Total Training Hours	12327

In Memoriam



JOSEPH RAML

Born: 1960

Appointed: 1994

Retired as Fire Equipment Operator

Returned to Quarters: 2019



KENNETH CESAR

Born: 1936

Appointed: 1962

Retired as Fire Equipment Operator

Returned to Quarters: 2019



WILLIAM KRAUS

Born: 1936

Appointed: 1963

Retired as Fire Equipment Operator

Returned to Quarters: 2019



DAVID BERENZ

Born: 1941

Appointed: 1969

Retired as Lieutenant

Returned to Quarters: 2019



“What we do for ourselves dies with us. What we do for others and the world remains and is immortal.”

Albert Pine

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Personnel photos courtesy of Jean Zemke

Other photos provided by the Sheboygan Fire Department



VI

R. C. No. _____ - 20 - 21. By LICENSING, HEARINGS, AND PUBLIC SAFETY
COMMITTEE. May 4, 2020.

Your Committee to whom was referred R. O. No. 184-19-20 by Fire Chief pursuant to section 50-564 of the Municipal Code, submitting the quarterly report of Benchmark Measurements for the Fire Department for the period commencing January 1, 2020 and ending March 31, 2020; recommends filing the document.

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

3.3

R. O. No. 184 - 19 - 20. By FIRE CHIEF. April 20, 2020.

Pursuant to section 50-564 of the Municipal Code, I herewith submit my quarterly report of Benchmark Measurements for the Fire Department, for the period commencing January 1, 2020 and ending March 31, 2020.

Incident Types	2018	First Quarter	2019	First Quarter	2020	2020
	Actual	2019	YTD Figures	2020	YTD Figures	Goals
Fires	94	24	89	17	17	< 90
Rescue & Emergency Medical Service	4,220	1,098	4,516	1,084	1,084	4,300
Non Fires	1,055	244	1,130	245	245	1,000
TOTAL	5,369	1,366	5,735	1,346	1,346	5,300

Station Incident Count Per Station

Station 1	1,560	364	1,556	362	362	1,550
Station 2	1,063	275	1,130	259	259	1,100
Station 3	1,417	356	1,422	356	356	1,400
Station 4	818	242	1,043	222	222	1,000
Station 5	474	121	543	134	134	500
Out of City	37	8	43	13	13	10

Fire Loss

Number of Incidents	56	13	55	15	15	
Pre Incident Value				\$ 3,610,900	\$ 3,610,900	
Total Property Loss	\$ 630,000	\$ 93,150	\$ 373,100	\$ 175,000	\$ 175,000	
Total Content Loss	\$ 348,985	\$ 26,700	\$ 152,565	\$ 62,050	\$ 62,050	
Total Loss	\$ 978,985	\$ 119,850	\$ 525,665	\$ 237,050	\$ 237,050	
Average Loss	\$ 17,481	\$ 9,219	\$ 9,557	\$ 15,803	\$ 15,803	

Workload

Inspections	1,926	20	1,987	13	13	1,926
School Safety Programs/Students	173/3,246	0/0	149/3,330	0/0	0/0	
Public Events	51	6	46	9	9	45
Non-Compliance/Installed Smoke Alarms	N/A	N/A	128/161	22/20	22/20	
Fire Training Hours	8,514	1,610	8,437	1,198	1,198	8,000
EMS Training Hours	1,969	764	2,314	584	584	2,100
Investigations/Formal	100	23	91	18	18	

Efficiency

EMS Average Response Time (360 Seconds)				86%	86%	90%
Fire Average Response Time (380 Seconds)*	89%	91%	88%	86%	86%	90%

Effectiveness

Resident Satisfaction Rating	99%	99%	99%	99%	99%	80%
ISO Rating	2	2	2	2	2	1

* Fire response 380 seconds or less per NFPA standards

*APB
2020-2021
Council*



FIRE CHIEF

VI

R. C. No. _____ - 20 - 21. By LICENSING, HEARINGS, AND PUBLIC SAFETY
COMMITTEE. May 4, 2020.

Your Committee to whom was referred R. O. No. 185-19-20 by Police Chief pursuant to section 54-65 of the Municipal Code, submitting the quarterly report of Benchmark Measurements for the Police Department for the period commencing January 1, 2020 and ending March 31, 2020; recommends filing the document.

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

34

R. O. No. 185 - 19 - 20. By CHIEF OF POLICE CHRISTOPHER DOMAGALSKI.
April 20, 2020.

Pursuant to section 54-65 of the Municipal Code, I herewith submit my quarterly report showing the Benchmark Measurements for my department for the period commencing January 1, 2020 and ending March 31, 2020.

	2018 <u>Actual</u>	Y-T-D <u>3/31/19</u>	2019 <u>Actual</u>	Y-T-D <u>3/31/20</u>	2020 <u>Goals</u>
<u>Patrol and Investgations</u>					
Homicide	0	0	1	1	0
Rape	14	11	31	4	20
Robbery	10	0	10	0	15
Aggravated Assault	146	32	114	15	100
Violent Crime Total	170	43	156	20	125
Burglary	90	16	89	19	100
Theft	719	145	678	159	900
Motor Vehicle Theft	25	5	19	6	30
Arson	8	0	3	1	5
Property Crime Total	842	166	789	185	1050
Percent of Offenses Cleared	61%	72%	56%	62%	70%
Value of Property Stolen	\$485,282	\$35,965	\$1,170,450	\$117,453	\$500,000
Value of Property Recovered	\$179,946	\$74,084	\$678,222	\$62,905	\$200,000
Percent of Stolen Recovered	37%	206%	57%	54%	40%
Accident Investigations	1,677	467	1,592	360	1,500
Traffic Stops	5,270	1,175	4,937	1,082	No Goal
Traffic Arrests	4,509	931	3,924	732	No Goal
Other Arrests	3,406	891	3,204	739	No Goal
Speed Trailer Deployments	17	1	17	0	20
HVEE Deployments	14	3	31	0	12
Parking Tickets Issued	9,032	3,841	7,840	3,211	10,000
Bicycles Recovered	158	14	168	17	150
Involuntary Commitments	121	30	110	19	No Goal
<u>Administration</u>					
District Attorney Request for Digital Evidence	1,321	329	1,326	319	2,750
Open Records Requests	4,804	1,433	6,546	2,030	4,000
Nixle Messages Sent	283	74	239	36	250
Press Releases	41	3	28	3	50
Tweets	236	64	224	34	350
Facebook likes	10,042	10,800	12,164	12,512	11,500
Reported Crime Maps	89	17	85	26	104
Crime Comparison Reports	36	6	25	6	26

*Beginning 2020, crime numbers are derived from IBR (Incident-Based Reporting).

AHPS of 2020-2021 Council

CHIEF OF POLICE

III

Res. No. _____ - 20 - 21. By Alderpersons Sorenson and Dekker. May 4, 2020.

A RESOLUTION authorizing expenditure of funds received as part of the Criminal Justice, Law Enforcement Drug Trafficking Response (2020) Grant Solicitation.

WHEREAS, the City of Sheboygan Police Department has obtained a Law Enforcement Drug Trafficking Response Grant in the amount of \$25,000 from the State of Wisconsin, Department of Justice to support the Sheboygan County MEG Unit; and

WHEREAS, the rules are being suspended so that this Resolution may be approved immediately due to the limited time in which to accept the funds.

NOW, THEREFORE, BE IT RESOLVED: That the City of Sheboygan Common Council authorizes the appropriate city officials to sign all documents necessary for the administration and expenditure of the Law Enforcement Drug Trafficking Response Grant.

*Suspended
Adopt.*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue.
May 4, 2020.

A RESOLUTION to retain the Provider Relief Fund deposit made to the City of Sheboygan by the Department of Health and Human Services regarding COVID-19.

WHEREAS, the CARES Act created numerous funding sources to partially mitigate the economic impact of COVID-19; and

WHEREAS, one funding source created in the CARES Act was the Provider Relief Fund, which is administered by the U.S. Department of Health and Human Services; and

WHEREAS, on April 10, 2020, the City received a deposit from the Provider Relief Fund in the amount of \$26,931.57; and

WHEREAS, the City had not applied for this funding, instead, it was deposited automatically based on a formula tied to the Ambulance Service's Medicare billing; and

WHEREAS, in order to retain this deposit, the City must accept the Terms and Conditions, a copy of which is attached to this Resolution, within thirty (30) days of their deposit.

NOW, THEREFORE, BE IT RESOLVED: That the appropriate City officials are hereby authorized to accept the Terms and Conditions, to take the steps necessary to comply with the Terms and Conditions (including completing any necessary reporting requirements), and to expend the funds in a manner compliant with the Terms and Conditions.

*Suspend
Adopt*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



Acceptance of Terms and Conditions

If you receive a payment from funds appropriated in the Public Health and Social Services Emergency Fund for provider relief (“Relief Fund”) under Public Law 116-136 and retain that payment for at least 30 days without contacting HHS regarding remittance of those funds, you are deemed to have accepted the following Terms and Conditions. Please also indicate your acceptance below. This is not an exhaustive list and you must comply with any other relevant statutes and regulations, as applicable.

Your commitment to full compliance with all Terms and Conditions is material to the Secretary’s decision to disburse these funds to you. Non-compliance with any Term or Condition is grounds for the Secretary to recoup some or all of the payment made from the Relief Fund.

These Terms and Conditions apply directly to the recipient of payment from the Relief Fund. In general, the requirements that apply to the recipient also apply to subrecipients and contractors, unless an exception is specified.

Relief Fund Payment from Initial \$30 Billion General Distribution Terms and Conditions

- The “Payment” means the funds received from the Public Health and Social Services Emergency Fund (“Relief Fund”). The Recipient means the healthcare provider, whether an individual or an entity, receiving the Payment.
- The Recipient certifies that it billed Medicare in 2019; provides or provided after January 31, 2020 diagnoses, testing, or care for individuals with possible or actual cases of COVID-19; is not currently terminated from participation in Medicare or precluded from receiving payment through Medicare Advantage or Part D; is not currently excluded from participation in Medicare, Medicaid, and other Federal health care programs; and does not currently have Medicare billing privileges revoked.
- The Recipient certifies that the Payment will only be used to prevent, prepare for, and respond to coronavirus, and that the Payment shall reimburse the Recipient only for health care related expenses or lost revenues that are attributable to coronavirus.
- The Recipient certifies that it will not use the Payment to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse.
- The Recipient shall submit reports as the Secretary determines are needed to ensure compliance with conditions that are imposed on this Payment, and such reports shall be in such form, with such content, as specified by the Secretary in future program instructions directed to all Recipients.



DEPARTMENT OF HEALTH & HUMAN SERVICES

- The Recipient certifies that all information it provides as part of its application for the Payment, as well as all information and reports relating to the Payment that it provides in the future at the request of the Secretary or Inspector General, are true, accurate and complete, to the best of its knowledge. The Recipient acknowledges that any deliberate omission, misrepresentation, or falsification of any information contained in this Payment application or future reports may be punishable by criminal, civil, or administrative penalties, including but not limited to revocation of Medicare billing privileges, exclusion from federal health care programs, and/or the imposition of fines, civil damages, and/or imprisonment.
- Not later than 10 days after the end of each calendar quarter, any Recipient that is an entity receiving more than \$150,000 total in funds under the Coronavirus Aid, Relief, and Economics Security Act (P.L. 116-136), the Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123), the Families First Coronavirus Response Act (P.L. 116-127), or any other Act primarily making appropriations for the coronavirus response and related activities, shall submit to the Secretary and the Pandemic Response Accountability Committee a report. This report shall contain: the total amount of funds received from HHS under one of the foregoing enumerated Acts; the amount of funds received that were expended or obligated for reach project or activity; a detailed list of all projects or activities for which large covered funds were expended or obligated, including: the name and description of the project or activity, and the estimated number of jobs created or retained by the project or activity, where applicable; and detailed information on any level of sub-contracts or subgrants awarded by the covered recipient or its subcontractors or subgrantees, to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 allowing aggregate reporting on awards below \$50,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.
- The Recipient shall maintain appropriate records and cost documentation including, as applicable, documentation described in 45 CFR § 75.302 – Financial management and 45 CFR § 75.361 through 75.365 – Record Retention and Access, and other information required by future program instructions to substantiate the reimbursement of costs under this award. The Recipient shall promptly submit copies of such records and cost documentation upon the request of the Secretary, and Recipient agrees to fully cooperate in all audits the Secretary, Inspector General, or Pandemic Response Accountability Committee conducts to ensure compliance with these Terms and Conditions.
- The Secretary has concluded that the COVID-19 public health emergency has caused many healthcare providers to have capacity constraints. As a result, patients that would ordinarily be able to choose to receive all care from in-network healthcare providers may no longer be able to receive such care in-network. Accordingly, for all care for a presumptive or actual case of COVID-19, Recipient certifies that it will not seek to collect from the patient out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network Recipient.



DEPARTMENT OF HEALTH & HUMAN SERVICES

The following statutory provisions also apply:

General Provisions in FY 2020 Consolidated Appropriation

SEC. 202. Executive Pay. None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II:

SEC. 210. Funding Prohibition for Gun Control Advocacy. None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control.

SEC. 503. Lobbying

(a) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.

(b) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.

(c) The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

SEC. 506. Prohibits Use of Federal Funds for Abortions.



DEPARTMENT OF HEALTH & HUMAN SERVICES

(a) None of the funds appropriated in this Act, and none of the funds in any trust fund to which funds are appropriated in this Act, shall be expended for any abortion.

(b) None of the funds appropriated in this Act, and none of the funds in any trust fund to which funds are appropriated in this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term “health benefits coverage” means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 507 Limitations on Abortion Funding Prohibition

(a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State’s or locality’s contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State’s or locality’s contribution of Medicaid matching funds).

(d)(1) None of the funds made available in this Act may be made available to a Federal agency or program, or to a State or local government, if such agency, program, or government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

(2) In this subsection, the term “health care entity” includes an individual physician or other health care professional, a hospital, a provider-sponsored organization, a health maintenance organization, a health insurance plan, or any other kind of health care facility, organization, or plan.

Prohibits Use of Funds for Embryo Research

SEC. 508. Prohibits Use of Funds for Embryo Research



DEPARTMENT OF HEALTH & HUMAN SERVICES

(a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term “human embryo or embryos” includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 509. Prohibits Promotion of Legalization of Controlled Substances

(a) None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act except for normal and recognized executive-congressional communications.

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 515. (b) Prohibits Asking Candidates for Federal Scientific Advisory Committees Their Political Affiliations; Prohibits Distribution of Intentionally False Information

(b) None of the funds made available in this Act may be used to disseminate information that is deliberately false or misleading.

SEC. 520. Pornography.

(a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

(b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

SEC. 521. Prohibits Funding ACORN or Its Affiliates or Subsidiaries. None of the funds made available under this or any other Act, or any prior Appropriations Act, may be provided to



the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, allied organizations, or successors.

SEC. 527. Prohibits Federal Funding for Needle Exchange Except in Limited

Circumstances. Notwithstanding any other provision of this Act, no funds appropriated in this Act shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug: *Provided*, That such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with State and local law.

Government-wide General Provisions

SEC. 718. Propaganda. No part of any appropriation contained in this or any other Act shall be used directly or indirectly, including by private contractor, for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 732. Privacy Act. None of the funds made available in this Act may be used in contravention of section 552a of title 5, United States Code (popularly known as the Privacy Act), and regulations implementing that section.

SEC. 742. Confidentiality Agreements.

(a) None of the funds appropriated or otherwise made available by this or any other Act may be available for a contract, grant, or cooperative agreement with an entity that requires employees or contractors of such entity seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

(b) The limitation in subsection (a) shall not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information.

SEC. 743. Nondisclosure Agreements

(a) No funds appropriated in this or any other Act may be used to implement or enforce the agreements in Standard Forms 312 and 4414 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: "These provisions are consistent with and do not supersede, conflict with, or



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otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this SEC. 743. (a) No funds appropriated in this or any other Act may be used to implement or enforce the agreements in Standard Forms 312 and 4414 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: “These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling.”: *Provided*, That notwithstanding the preceding provision of this section, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress, or to an authorized official of an executive agency or the Department of Justice, that are essential to reporting a substantial violation of law.

(b) A nondisclosure agreement may continue to be implemented and enforced notwithstanding subsection (a) if it complies with the requirements for such agreement that were in effect when the agreement was entered into.

(c) No funds appropriated in this or any other Act may be used to implement or enforce any agreement entered into during fiscal year 2014 which does not contain substantially similar language to that required in subsection (a).

SEC. 744. Unpaid Federal Tax Liability. None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that has



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any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

SEC. 745. Criminal Felony Limitation. None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

Other Appropriations Provisions

42 U.S.C. 289d note No funds appropriated under this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts shall be used by the National Institutes of Health, or any other Federal agency, or recipient of Federal funds on any project that entails the capture or procurement of chimpanzees obtained from the wild. For purposes of this section, the term 'recipient of Federal funds' includes private citizens, corporations, or other research institutions located outside of the United States that are recipients of Federal funds.

Other Statutory Provisions

Trafficking in Persons

This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104)

a. Provisions applicable to a recipient that is a private entity.

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not
 - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - ii. Procure a commercial sex act during the period of time that the award is in effect; or
 - iii. Use forced labor in the performance of the award or subawards under the award.
2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –
 - i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or



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ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either-

- A. Associated with performance under this award; or
- B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 376.

b. Provision applicable to a recipient other than a private entity.

We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity-

- 1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
- 2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either
 - i. Associated with performance under this award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 376

c. Provisions applicable to any recipient.

- 1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term
- 2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
- 3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this award term:

- 1. "Employee" means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
- 2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the



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use of force, fraud, or coercion for the purpose of subsection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

B A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102)

Whistleblower Protections

You are hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled "Pilot

Program for Enhancement of Contractor Employee Whistleblower protections," of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2,

2013) applies to this award.

Human Subjects Protections

If any activities under this project will involve human subjects in any research activities, you must provide satisfactory assurance of compliance with the participant protection requirement of the HHS/OASH Office of Human Research Protection (OHRP) prior to implementation of those research components. This assurance should be submitted to the OHRP in accordance with the appropriate regulations.

Fraud, Abuse and Waste:

The HHS Inspector General accepts tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement in Department of Health and Human Services' programs. Your information will be reviewed promptly by a professional staff member. Due to the high volume of information that they receive, they are unable to reply to submissions. You may reach the OIG through various channels.

Internet: <https://forms.oig.hhs.gov/hotlineoperations/index.aspx>

Phone: 1-800-HHS-TIPS (1-800-447-8477)

Mail: US Department of Health and Human Services

Office of Inspector General

ATTN: OIG HOTLINE OPERATIONS

PO Box 23489

Washington, DC 20026

For additional information visit <https://oig.hhs.gov/fraud/report-fraud/index.asp>

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue.
May 4, 2020.

A RESOLUTION authorizing retaining outside legal counsel to represent the City regarding Claim 24-19 from Axley Brynelson, LLP on behalf of Audrey Brubaker, including any litigation related thereto, and authorizing payment for said services.

WHEREAS, the rules are being suspended so that counsel may begin working with the City Attorney's Office on this claim.

NOW, THEREFORE, BE IT RESOLVED: That the Common Council hereby authorizes the hiring of Attorney James O. Conway of Olsen, Kloet, Gunderson & Conway, Attorneys at Law as outside legal counsel to represent the City of Sheboygan in the defense of Claim 24-19 from Axley Brynelson, LLP on behalf of Audrey Brubaker, and any litigation related thereto.

BE IT FURTHER RESOLVED: That the Finance Director is hereby authorized and directed to draw on the Insurance Claims Administration Account No. 70511010-521900 in payment of same.

*Suspend
Adopt.*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue. May 4, 2020.

A RESOLUTION extending the deadline for payment of assessments to benefitted properties against which assessments were proposed for Parking Assessment Districts No. 1, 2, 4, and 5.

WHEREAS, via Res. No. 202-19-20, 203-19-20, 204-19-20, and 205-19-20 the Common Council confirmed the exercise of police power in making assessments for benefitted properties against which assessments were proposed for Parking Assessment Districts No. 1, 2, 4, and 5; and

WHEREAS, the Common Council approved an amendment whereby the deadline for payment of said assessments was extended to June 1, 2020; and

WHEREAS, in response to the COVID-19 (Coronavirus) emergency, the Common Council desires to further delay the deadline for payments of said assessments.

NOW, THEREFORE, BE IT RESOLVED: That the Common Council of the City of Sheboygan hereby delays the deadline for payments of assessments confirmed pursuant to Res. No. 202-19-20, 203-19-20, 204-19-20, and 205-19-20 to September 1, 2020.

*Auspiced
Adopt*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue. May 4, 2020.

A RESOLUTION authorizing an extension of the deadline for payment of quarterly room tax payments.

WHEREAS, pursuant to Sec. 114-38(a), Sheboygan Municipal Code, those who furnish at retail rooms, lodging, and accommodations shall file a room tax return and pay room tax by no later than the last day of the month next succeeding the calendar quarter for which imposed; and

WHEREAS, while the payment of room tax should not be a financial burden on providers of lodging and accommodations, as the tax is paid by the lodger and held in trust by the provider until payment, the Safer at Home order means many employees are working from home, making it more difficult for some lodgers to make timely payments; and

WHEREAS, the Sheboygan Area Room Tax Commission has authorized, on a case-by-case basis, hotels to delay their current room tax payments for thirty days; and

WHEREAS, the Common Council desires to permit such a delay, where appropriate.

NOW, THEREFORE, BE IT RESOLVED: That the Common Council of the City of Sheboygan hereby authorizes the Finance Director to accept quarterly payments of Room Tax for the first quarter of 2020 without penalty until May 31, 2020 if the room tax payer has done each of the following:

- 1) Filed the required room tax return by April 30, as required by ordinance;
- 2) Filed by May 11, 2020 with the Room Tax Commission (with a copy to the finance director/treasurer) a letter requesting a delay of payments until May 31, 2020, including the reason for the request.

Suspend
Adopt.

BE IT FURTHER RESOLVED: That the Finance Director is authorized to remit all late payments of Room Tax for the first quarter of 2020 with the second quarter remittance, due from the City on August 31, 2020.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue. May 4, 2020.

A RESOLUTION authorizing the appropriate City officials to execute the Intergovernmental Agreement for Law Enforcement Services for the 2020 Democratic National Convention in Milwaukee, Wisconsin between the City of Milwaukee and the City of Sheboygan.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Intergovernmental Agreement for Law Enforcement Services for the 2020 Democratic National Convention in Milwaukee, Wisconsin, in form substantially similar to the attached.

Amended
Adopt

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk
Approved _____ 20____. _____, Mayor

Intergovernmental Agreement for Law Enforcement Services for the 2020
Democratic National Convention in Milwaukee, Wisconsin

[Sheboygan Police Department]

This Intergovernmental Agreement for Law Enforcement Services for the 2020 Democratic National Convention in Milwaukee, Wisconsin is made as of May 5, 2020, (the “Effective Date”) by and between the City of Milwaukee, Wisconsin (“City”) and the City of Sheboygan, Wisconsin (the “Agency”) for the provision of law enforcement services to facilitate the safe and secure completion of scheduled Convention events and the protection of Convention delegates, dignitaries, media and the general public.

1. Definitions.

“Agreement” means this Intergovernmental Agreement for Law Enforcement Services for the 2020 Democratic National Convention in Milwaukee, Wisconsin, and all of its exhibits, attachments, and schedules.

“Agency” is defined in the introductory paragraph of this Agreement.

“Agency Commanding Officer” means the member of Agency Personnel designated by Agency to receive assignments from the City MPD Commanding Officer, to coordinate Agency Personnel in such a manner as to carry out those assignments, and to receive and respond to such administrative requests as City MPD deem necessary to fulfill the requirements of the Security Plan and fulfill the requirements of the federal security grant under which Agency will serve as a subrecipient. Agency Commanding Officer(s) shall be identified as such in Exhibit A.

“Agency Personnel” means all of the employees of Agency that Agency agrees to supply to City for the purposes of fulfilling Agency’s obligations under this Agreement. “Agency Personnel” includes, but is not limited to, Agency’s LEOs.

“Agency Emergency Event” means a court order preventing Agency from fulfilling its obligations under this Agreement or a public emergency in Agency’s jurisdiction of such magnitude that even after incurring reasonable overtime expenses, Agency cannot adequately provide for the safety of the public without the services of some or all of the Agency Personnel.

“City” is defined in the introductory paragraph of this Agreement. “City” includes City MPD.

“City MPD” means the City of Milwaukee Police Department, a department of the City.

“City MPD Commanding Officer” means any of the following City MPD chain of command: Chief of Police Alfonso Morales, Asst. Chief Michael Brunson, or their designees. The City may amend this list of individuals at any time by providing notice to the Agency In Writing.

“City MPD Policies” means City MPD’s Code of Conduct and standard operating procedures, along with those state and local laws regulating police services in the State of Wisconsin and the City of Milwaukee, as may be amended from time to time. City MPD’s Code of Conduct and standard operating procedures are available online at <https://city.milwaukee.gov/Directory/police/About-MPD/Code-of-Conduct.htm#.XMhwordKiUk>.

“Convention” means the 2020 Democratic National Convention scheduled to take place from August 17 to 20, 2020, for which the City has been selected as the host city.

“Convention Facilities” means any venue, hotel, office, event space, public space or any other location, indoors or outdoors, within the Metropolitan Area that is designated in the Security Plan as a location where Convention events are occurring, Convention attendees are staying or where Convention-related security services are required during the Convention Security Period pursuant to the Security Plan.

“Convention Security Period” means the time period set forth in the Security Plan during which Agency’s law enforcement services are required to supplement the City’s law enforcement services. The exact dates of the Convention Security Period will be mutually agreed upon by the Parties after completion of the Security Plan. For planning purposes at the time the Agreement is executed, the Convention Security Period may reasonably be expected to extend from approximately August 14, 2020 through August 21, 2020.

“DNC” means the DNC Services Corp., a District of Columbia nonprofit corporation, or an entity affiliated with DNC Services Corp.

“Effective Date” is defined in the introductory paragraph of this Agreement.

“Host Committee” means The Good Land Committee, Inc., a Wisconsin non-stock, nonprofit corporation.

“In Writing” means a written document signed by the City MPD Commanding Officer(s) utilizing forms attached hereto as Exhibit D. PDF signatures are acceptable. E-mail authorizations are “In Writing” only if the email originates from the official City email account (@milwaukee.gov) of one of the individuals specified in this paragraph. Text messages, Facebook messages, and similar social media messaging messages are not “In Writing” and should not be used for official purposes.

“LEO” means a law enforcement officer employed by the Agency who is licensed or certified as a law enforcement officer according to the state and local laws of the Agency.

“Metropolitan Area” means the City of Milwaukee metropolitan area, which encompasses those surrounding municipalities containing Convention Facilities and events and as may be further defined in the Security Plan. “Metropolitan Area” may include locations outside of what is traditionally thought of as metropolitan Milwaukee.

“Party” means either the City or Agency, individually.

“Parties” means the City and Agency, collectively.

“Security Plan” means the security plan developed by the City in cooperation with the USDHS and its subsidiary agencies and divisions, including, but not limited to, the USSS, and in cooperation with other appropriate federal, state and local law enforcement and emergency services agencies, and in consultation with the DNC and the Host Committee for the provision of police, fire, security, bomb disposal and emergency and rescue services in and around the Convention Facilities and at all official Convention-related meetings and activities in the Metropolitan Area.

“USDHS” means the United States Department of Homeland Security.

“USSS” means the United States Secret Service.

2. Authority.

2.1. Statutory Authority. Wisconsin Statutes § 66.0313 provides that any Wisconsin law enforcement agency may assist a requesting Wisconsin law enforcement agency with their law enforcement efforts within the requesting agency's jurisdiction. Such mutual assistance may include, but is not limited to, the use of specialized equipment, facilities and trained personnel. Wisconsin Statutes § 66.0303 allows a Wisconsin law enforcement agency to enter into a mutual aid agreement with a law enforcement agency of another state subject to certain statutory limitations, including the approval of the Attorney General of the State of Wisconsin. If Agency is located in a state other than Wisconsin, Agency Personnel may not act with any arrest or other police authority in Wisconsin, pursuant to Wis. Stat. 175.46.

2.2. Authority to Execute. Each Party represents that it, and the person(s) signing on its behalf, possesses the legal authority, pursuant to appropriate statute, ordinance, resolution, or other official action of the Party's governing body or code, to enter into this Agreement and to validly and legally bind the Party to all terms herein.

3. Background.

3.1. The City has been designated as the host city of the Convention by the DNC, to be held August 17 to 20, 2020 at the Fiserv Forum and many surrounding venues throughout the Metropolitan Area.

3.2. The Convention has been classified by the federal government as a National Special Security Event, for which the USSS is the authorized lead agency for the design and implementation of the Security Plan.

3.3. The City, through its City MPD, is responsible for coordinating local law enforcement efforts in compliance with the Security Plan. In this role, the City seeks to promote the safety and welfare of all Convention participants and members of the public, while enabling individuals to exercise their constitutional rights.

3.4. The City seeks to procure the assistance of additional law enforcement personnel to provide services required by the Security Plan during the Convention Security Period.

3.5. Agency provides law enforcement services to the City of Sheboygan, Wisconsin, under the police powers and law enforcement authority granted under applicable state law.

3.6. At the request of the City, Agency will provide the services of the Agency Personnel identified in Exhibit A of this Agreement to assist the City in meeting the requirements of the Security Plan for the duration of the Convention Security Period. Exhibit A may be amended from time to time upon mutual written consent of the Agency Commanding Officer and City MPD Commanding Officer.

4. Organizational Structure.

4.1. Unified Law Enforcement Command. At all times during any joint training session prior to the Convention, and at all times during the Convention Security Period, Agency Personnel shall be subject to the structure of supervision, command and control coordinated by the City MPD through a unified law enforcement command structure, irrespective of the rank or job title normally held by any member of Agency Personnel within the Agency.

4.2. City MPD is the Lead Local Law Enforcement Agency. City MPD is the lead local law enforcement agency for purposes of Convention security and law enforcement. City MPD Commanding Officer, or his/her designee, will communicate the specific assignments for Agency Personnel to the Agency Commanding Officer. Agency shall be provided with briefings from City MPD as necessary, or upon request of Agency.

4.3. City MPD Policies to Apply. Agency Personnel performing services under the Agreement will abide by applicable City MPD Policies. City MPD will identify the relevant City MPD Policies within the training materials City MPD will provide to Agency on or before June 1, 2020. Agency shall disseminate those City MPD Policies to Agency Personnel. City MPD shall train Agency Personnel on those City MPD Policies at the start of the Convention Security Period. In the event of a conflict between relevant Agency policies and City MPD Policies, Agency will instruct its Agency Personnel to follow City MPD Policies with respect to the services provided by Agency hereunder.

5. Agency Responsibilities.

5.1. Agency Personnel to Participate in Training. Upon reasonable advance written notification from City MPD, Agency Personnel shall participate in Convention training activities (whether in person or online) that are coordinated by City MPD, and in conformance with the deadlines specified by City MPD. City MPD shall make reasonable efforts to coordinate the training schedule with Agency, recognizing that City MPD will need to accommodate the schedules of many different agencies. At this time, it is anticipated that all training will occur during the Convention Security Period when Agency Personnel are in Milwaukee. Any training that occurs prior to the Convention Security Period shall be at Agency's cost unless specifically identified as required training by City MPD In Writing.

5.2. Services Limited. Services provided by Agency Personnel shall be limited to assignments in which Agency Personnel are already experienced or trained and for which they are licensed or certified to do in accordance with state and local laws of Agency. Assignment of duties to Agency Personnel shall be determined solely by City MPD and may comprise all aspects of law enforcement including, but not limited to traffic control, security detail and crowd control.

5.3. Agency to Provide Services. Agency shall assign Agency Personnel to complete those assignments provided to Agency by City MPD Commanding Officer in accordance with Section 4.2. Should Agency object to any specific assignment, Agency shall make such objection known immediately after receipt of the assignment to the City MPD Commanding Officer who shall reasonably attempt to accommodate Agency; provided that the decision of City MPD Commanding Officer and the requirements of the Security Plan shall control. Any refusal to accept an assignment may result in Agency not being reimbursed for personnel costs under Section 7 of this Agreement.

5.4. Agency Personnel "On Duty." If required by the assignments provided to Agency by the City MPD Commanding Officer, Agency Personnel shall be placed in an "on duty" status in which Agency Personnel are physically near specified Convention Facilities or a Convention-related event location within the Metropolitan Area, so as to be

able to physically report in a timely manner to his or her assigned duty post, and be prepared to undertake the specific assignment. City MPD presently expects to provide a tactical operating and briefing manual to Agency Personnel as they arrive in the City, which Agency Personnel shall comply with at all times while functioning under the terms of this Agreement.

5.5. Agency Personnel to Participate in After Action Activities. At the request of the City (including but not limited to City MPD, the City Comptroller, and the City Attorney), Agency shall reasonably provide information, participate in debriefings, complete surveys, respond to information requests required for insurance or audit purposes, and reasonably aid the City in the prosecution or defense of any civil or criminal proceedings related to Agency's performance under this Agreement or any matter in which Agency Personnel is identified by City MPD as a witness. Such assistance shall include the provision, by Agency, of personnel or other records in criminal and/or civil proceedings as reasonably requested by City.

5.6. [Intentionally left blank.]

5.7. Agency Personnel Names to be Sent to City MPD. Agency will provide to City MPD a list of all Agency Personnel that Agency intends to provide under this Agreement within 10 days of signing this Agreement or by June 1, 2020, whichever occurs later. The list shall be provided in the following format attached as Exhibit A. An electronic version of this spreadsheet will be made available upon request.

5.8. LEO Criteria. Each of the LEOs provided by Agency shall meet the following criteria:

5.8.1. Each LEO must be duly licensed or certified as a law enforcement officer or equivalent by the State of Wisconsin or by the authority of the state in which the Agency is located. Statutory certification requirements for Agency LEOs shall be forwarded to the City MPD with the list of all Agency Personnel required by Section 5.7.

5.8.2. Each LEO, by reason of experience, training and physical fitness must be qualified and capable of performing the duties required of an active duty licensed or certified police officer assigned to an event of the Convention's size and scope.

5.8.3. Each LEO participating in crowd control or management assignments as part of the Major Incident Response Team, as determined by City MPD, must have completed Mobile Field Force training or its equivalent and will complete other training as required by City MPD or USSS based upon the LEO's Convention assignment.

5.8.4. Each LEO must have been employed as a licensed or certified police officer for a minimum of two years by the Agency.

5.8.5. Each LEO must be an officer in good standing with the Agency. The Agency shall promptly notify the City MPD in the event that any LEO is no longer an officer in good standing with the Agency and the Agency shall remove that LEO from the list of Agency Personnel.

5.8.6. No LEO may have (i) been sued in an individual capacity in the last three years and adjudicated as liable for violations of the first amendment of the U.S. Constitution, or (ii) have any sustained complaints for the use of excessive, unreasonable or unnecessary force within the last five years.

5.9. Agency Personnel Equipment.

5.9.1. Each LEO shall be equipped by Agency at Agency's own expense, with a seasonally appropriate patrol uniform and equipment, including but not limited to: service belts, service weapon, radio, a device that contains oleoresin of capsicum, an electronic control device, and a personal soft ballistic body armor as required to be worn by the LEO while on duty for the Agency. Agency shall not bring to the Convention Facilities any other chemical or other non-lethal munitions except as provided by City MPD unless authorized by City MPD.

5.9.2. A complete, sanctioned, equipment list will be provided to Agency as part of the preparatory materials provided by City MPD no later than June 1, 2020. Any equipment, gear, service weapons or munitions that are not included on the equipment list may not be used by Agency Personnel during the Convention unless (a) Agency notifies City MPD in writing no later than July 1, 2020, and (b) City MPD consents In Writing to the use of the requested additional equipment.

5.9.3. Agency Personnel may not bring or utilize any demo equipment provided at low or no cost to Agency by a supplier seeking to demonstrate new equipment to the Agency or other agencies.

5.10. City MPD Can Decline Agency Personnel. At any time during the term of this Agreement, City MPD has the sole discretion to decline assignment or deployment of any Agency Personnel at any time without cause or explanation. In the event that City MPD declines assignment or deployment of Agency Personnel due to no fault of Agency or Agency Personnel, City MPD shall reimburse Agency for any costs already incurred pursuant to the terms and limitations of Section 7 of this Agreement.

5.11. Agency Judgment and Priority. Agency has entered this Agreement in good faith and intends to provide those Agency Personnel set forth herein to assist City

with implementation of the Security Plan during the Convention Security Period. However, the Parties recognize that resource availability requires Agency to exercise its best judgment in prioritizing and responding to the public safety needs of its own jurisdiction. That prioritization decision belongs solely to Agency and Agency may recall its Agency Personnel in accordance with the termination procedures set forth in Section 14 of this Agreement.

5.12. Agency Responsible for Costs. Agency shall be responsible for all costs associated with providing Agency Personnel that are not explicitly assumed by City in this Agreement and/or authorized In Writing. Nothing in this Section shall prohibit City MPD Commanding Officers from agreeing In Writing to the assignment of specific costs borne of unforeseen circumstances during the Convention Security Period.

6. City Responsibilities. In addition to its lead local law enforcement responsibilities for the Convention, the City will provide all of the following:

6.1. Event Training. City agrees that it will provide training for Agency Personnel as determined necessary by City MPD and USSS. Training will include the provision of preparatory materials and training according to the schedule described in Section 4.3.

6.2. Lodging and Food. City will provide lodging and food for Agency Personnel. City will also provide transportation between the lodging location and the Convention Facilities where Agency Personnel will be assigned. City MPD shall provide lodging and food location assignments to Agency prior to the Convention Security Period. This shall include a standard per diem for each Agency Personnel's one day travel to, and one day travel from, the City in accordance with the federal GSA Per Diem Rates then in effect for the City of Milwaukee which can be located here: <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

6.3. Procuring Insurance. City is in the process of procuring a law enforcement liability insurance policy to cover certain liabilities of the Parties associated with the Convention. Said insurance policy will include coverage for the Agency and the Agency Personnel supplied to City for the purpose of fulfilling Agency's obligations under this Agreement for the Convention. Certificates of insurance shall be provided to Agency prior to the Convention Security Period. In the event that the policy cannot be procured before the Convention Security Period, City will notify Agency in writing.

7. Payment Terms.

7.1. Costs Covered. City shall cover the following costs, provided such costs are, in City's sole discretion, (1) actual, necessary, and pre-approved by the City either through assignments, as set forth herein, or otherwise In Writing utilizing Exhibit D, and

(2) properly supported by itemized receipts to be and/or payroll records submitted along with the form attached hereto as Exhibit B, and supported by all of the documentation set forth in Exhibit C. Any costs incurred by Agency prior to receiving pre-approval pursuant to subsection (1) of this Section 7.1, are incurred at Agency's own risk.

7.1.1. *Payment for Agency Personnel Time.* Payment for actual time worked and, if authorized by the U.S. Department of Justice and approved In Writing, actual time in training for each Agency Personnel whose services are actually utilized (including "on duty status" set forth in Section 5.4, or an auxiliary status) by the City MPD during the Convention Security Period, at the rate(s) provided by Agency in the Agency Personnel list required by Section 5.7. Agency Personnel are considered to be working when they are physically located at the Convention Facility to which they are assigned between the time that they check in with a City MPD Commanding Officer or designee and the time that they check out with a City MPD Commanding Officer or designee at the end of their shift. Agency Personnel are also considered to be working when they are being transported to the Convention Facility to which they are assigned before and after their shift in a vehicle authorized by City MPD. Agency Personnel are not considered to be working while located at their place of lodging or home or while traveling to or from their place of lodging or home to the meeting place for City MPD transportation of Agency Personnel to the Convention Facilities to which they are assigned, unless Agency Personnel are covered by a collective bargaining agreement or employment contract that requires them to be paid for such time (Agency shall provide City with a copy of such agreement or contract). The rates of Agency Personnel shall not exceed the costs of the individual Agency Personnel's normal salary and benefits, and the hours worked shall not exceed the hours set forth in the relevant training materials or Convention Security Period assignment unless pre-approved In Writing.

7.1.2. *Approved Expenses.* City shall reimburse reasonable and documented transportation and various additional expenses of Agency Personnel during such time that they are actually providing services under this Agreement during the Convention Security Period. City will estimate and itemize allowable expenses and categories of expenses at least two months before the Convention Security Period, and provide that estimate to Agency. Transportation expenses will be estimated using the current federal GSA mileage reimbursement rates. Agency will have six weeks after receiving the estimate to contest the not-to-exceed. The City shall not unreasonably deny Agency's requests; however, the decision of the City MPD Commanding Officer shall control. Agency shall not be reimbursed in excess of the not-to-exceed amount, nor shall Agency be reimbursed for expenses from categories of spending that are not set forth on City's not-to-exceed estimate (i.e. personal entertainment, additional food or transportation beyond that provided or authorized In Writing by City.)

7.2. Withhold Payment. In the event Agency fails to comply with any terms or conditions of this Agreement or to provide in any manner the work or services as agreed to herein, City may withhold a reasonable amount of any due payment until corrective action has been taken or completed. City may withhold payment for any Agency Personnel refusing to perform the work assigned by City MPD pursuant to Section 5.3 of this Agreement. This right is in addition to and not in lieu of the City's right of termination.

7.3. [Intentionally Omitted]

7.4. Federal Grant Requirements. Agency shall be reimbursed for allowable expenses as a subrecipient of a federal grant expected to be awarded to the City. As such, Agency shall comply with all applicable requirements set forth in the DOJ Grants Financial Guide (https://ojp.gov/financialguide/doj/pdfs/DOJ_FinancialGuide.pdf), as set forth in 2 C.F.R. Part 200, and any additional requirements set forth in the grant agreement itself between the federal government and the City, a copy of which will be provided to Agency by June 1, 2020, and is incorporated into this Agreement by reference. Agency and City affirmatively acknowledge that the federal grant funds will not be used to supplant local and/or state funds. In order to provide adequate documentation of the costs of Agency Personnel expected to be reimbursed by City, Agency should create a separate rate code within its payroll system to be used to accurately track work of Agency Personnel under this Agreement.

8. Law Enforcement Procedures.

8.1. No Police Authority. Unless Agency is from a municipality located in the State of Wisconsin, Agency Personnel may not act with the arrest or other police authority of a law enforcement officer of any Wisconsin law enforcement agency pursuant to Wis. Stat. 175.46. Except as provided in this Section 8.1, the services to be provided by Agency Personnel shall be limited to security detail in accordance with the procedures and assignments that shall be provided by City MPD.

8.2. Activities. Law enforcement methods employed by the LEOs shall conform to the lawful commands of the City MPD Commanding Officer or his/her designee, City MPD Policies, City of Milwaukee Municipal Code of Ordinances, Wisconsin law, the United States Constitution, and other applicable law.

8.3. Conformance to Security Plan. All functions and duties to be performed by Agency Personnel under this Agreement shall conform to the Security Plan.

9. Term. The term of the Agreement shall begin on the Effective Date and shall end upon the completion of all obligations under this Agreement inclusive of participation in criminal and/or civil trials.

10. Consideration. Consideration for this Agreement shall be the exchange of monetary reimbursement for the services of Agency Personnel, the enhanced public safety and improved law enforcement activity in the Metropolitan Area for the Convention Security Period, and the professional growth and development of City MPD and Agency Personnel through the City and the Agency's training and cooperative efforts to provide a safe and secure Convention.

11. Independent Contractor.

11.1. Independent Relationship. This Agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between the Parties. The rights and obligations of the Parties under this Agreement will be only those expressly set forth in this Agreement. Agency will perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent, or partner of the City. Nothing in the paragraph shall be construed to invalidate a Business Associate Agreement executed between the City and Agency, if required by Section 13.3 of this Agreement.

11.2. Payment of Wages and Benefits for Agency Personnel. Except to the extent covered by reimbursement by City compensation for Agency Personnel specifically set forth in this Agreement, Agency acknowledges and affirms that Agency remains fully responsible for any and all obligations as the employer of its Agency Personnel, including among other things: responsibility for the payments of: (i) earnings; (ii) overtime earnings; (iii) withholdings; (iv) insurance coverage; (v) workers' compensation; (vi) death benefits; (vii) medical and legal indemnity where lawful and appropriate; and (viii) all other requirements by law, regulations, ordinance or contract. Agency shall be responsible for the payment of any compensation or death benefits to Agency Personnel who are injured or killed while providing services to City under the terms of this Agreement. City shall reimburse Agency for those expenses to the extent required by state law.

11.3. Discipline / Probable Cause Matters. City shall refer disciplinary matters involving Agency Personnel to Agency. Based on the judgment of City, if a particular matter represents probable cause for the issuance of a criminal complaint, then such matter shall be referred directly to the Milwaukee Police Department or an external law enforcement agency, as appropriate, for investigation with appropriate notice to Agency.

12. Liability.

12.1. Indemnification. The City shall indemnify Agency and Agency Personnel for liability to third parties incurred while Agency Personnel are acting within the scope

of their employment to fulfill the terms of this Agreement to the extent required by Wis. Stat. § 66.0313.

12.2. No Waiver. Irrespective of any term of this Agreement, nothing contained in this Agreement shall waive or amend, nor be construed to waive or amend any privilege, defense, limitation of liability, or immunity that either Party, their respective officials, agents, or employees may have under any applicable federal, state, local, or common law.

13. Records.

13.1. Agency to Comply. Agency shall comply with all applicable local, state, and federal laws and requirements pertaining to maintenance and disclosure of personal information (name, age, phone number, address, social security number, etc.) belonging to members of the public and criminal justice records.

13.2. Security Information. Agency shall comply with all privilege requirements and procedures set forth by the USDHS, USSS or other governmental entity. If Agency has custody of a record provided by City which contains details of security arrangements or investigations, Agency shall, as soon as practical and without delay, notify City of any request to disclose such record and shall follow the requirements of Section 13.5, below, prior to disclosure. For purposes of this Paragraph, the term “record” shall be broadly construed and shall include, but not be limited to, all documents, paper, electronic files, and other things containing information, irrespective of the form of that record or data, *i.e.* electronic, hard copy, voice recording, photograph, etc., unless such form is specified by law.

13.3. Protected Health Care Information. Agency will comply with all applicable state and federal medical privacy laws, including but not limited to HIPAA and Sections 51.30, 146.816 and 146.82 of the Wisconsin Statutes, when applicable.

13.4. Wisconsin Public Records Law. Both Parties understand that City is bound by the Wisconsin Public Records Law, and as such, all of the terms of this Agreement are subject to and conditioned on the provisions of Wis. Stat. sec. 19.21 *et. seq.* Agency acknowledges that it is obligated to assist the City in retaining and producing records that are subject to the Wisconsin Public Records Law, including but not limited to those records produced or collected by Agency under this Agreement pursuant to Wis. Stat. sec. 19.36(3) and that the failure to do so shall constitute a material breach of this Agreement. The Parties further agree and acknowledge that because of the federal grant described in Section 7.4 of this Agreement, 2 CFR 200.333 shall establish the minimum record retention requirements to be followed by Agency. Agency certifies that it will comply with the record retention requirements in 2 CFR § 200.333. Agency further certifies that it will retain all records as required by 2 CFR § 200.333 for a period

of three years after it receives City notice that the City has submitted final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed. Nothing in this Section 13.4 should be construed as prohibiting the Agency from retaining records for longer than 2 CFR § 200.333 requires.

13.5. Notice of Request for Disclosure. Agency will provide notice to City of any request for the disclosure of information associated with or generated as a result of the work performed under this Agreement at least ten business days before such information is disclosed and shall confer with the City and, if City deems appropriate, the USSS before deciding whether the Wisconsin Public Records Law requires Agency to release the requested records. Nothing in this paragraph shall supersede any other term of this Section 13, and in the event of a direct conflict between this paragraph and any other paragraph and of this Section, this paragraph shall not control.

13.6. City Access to Agency's Records. Agency agrees that any duly authorized representative of the City, including the City Attorney and the City Comptroller or other financial representative, or a federal grant auditor, will have access to, and the right to, examine any directly pertinent records, documents, paper, and data of the Agency, involving transactions related to this Agreement until the expiration of the records retention period described in Section 13.4, above.

14. Early Termination.

14.1. Termination by City. City may terminate this Agreement at any time and for any reason. Should City terminate this Agreement, City shall pay Agency for any costs actually and already incurred pursuant to Section 7. City may withhold payment of costs for any particular Agency Personnel if that Agency Personnel receives training from City MPD and fails to comply with or perform any material term, condition or obligation contained in this Agreement and either such breach cannot be cured, or, if such breach may be cured, Agency or Agency Personnel fails to cure such default within seven calendar days after the City or City MPD provides Agency with notice of such failure.

14.2. Termination by Agency.

14.2.1. Agency may terminate this Agreement prior to May 1, 2020, upon a determination that it must do so to meet its own staffing needs. Upon such termination, Agency shall fully refund to City all costs, funds, or other payments that the City may have paid to Agency pursuant to this Agreement.

14.2.2. Agency may terminate this Agreement on or after May 1, 2020, only upon the occurrence of an Agency Emergency Event, including continuation of emergency orders in Agency's jurisdiction related to the COVID-19, or coronavirus, pandemic. If Agency terminates prior to the Convention Security

Period, Agency shall fully refund to City all costs, funds, or other payments that the City may have paid to Agency pursuant to this Agreement. If Agency terminates during the Convention Security Period, City shall pay to Agency only those costs, funds, or other payments for work performed by Agency prior to the moment of termination.

14.2.3. Agency may terminate this Agreement without payment of costs described in subsec. 14.2.2 if City fails to comply with or perform any material term, condition or obligation contained in this Agreement and either such breach cannot be cured, or, if such breach may be cured, City fails to cure such default within 7 calendar days after the Agency provides City with notice of such failure.

14.2.4. Despite the language in this section about refunding of costs, funds or other payments made by City to Agency, it is not expected that there will be any costs, funds or other payments made to Agency prior to the Convention Security Period.

14.3. Parties Contract in Good Faith. The Parties shall act in good faith to provide as much advance written notice of termination under this Section to the other Party that is reasonable under the circumstances.

14.4. Consequential Damages. Neither Party shall be entitled to recover any penalties, consequential damages or attorneys' fees related to an event of termination hereunder.

15. Governing Law. This Agreement and all questions arising in connection herewith shall be governed by and construed in accordance with the internal laws of the State of Wisconsin. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in Milwaukee County for matters arising under state law and in federal district court in the Eastern District of Wisconsin for matters arising under federal jurisdiction.

16. Notices. All notices required under this Agreement shall be provided to:

To the City: Alfonso Morales
Chief of Police
749 West State Street
Milwaukee, WI 53233
MPDChief@milwaukee.gov
Via email and paper copy sent via U.S. Mail

With courtesy copies which shall not constitute notice to:

Deputy City Attorney Mary Schanning
City Hall, Room 800
200 East Wells Street
Milwaukee, WI 53202
mschan@milwaukee.gov

and

Nicholas DeSiato
Chief of Staff
Milwaukee Police Department
749 West State Street
Milwaukee, WI 53233
nidesi@milwaukee.gov

To Agency:

Christopher Domagalski
Chief of Police
1315 N 23rd Street
Sheboygan, WI 53081
christopher.domagalski@sheboyganwi.gov

With courtesy copies which shall not constitute notice to:

Captain James Veerer
Sheboygan Police Department
1315 N 23rd Street
Sheboygan, WI 53081
james.veerer@sheboyganwi.gov

and

Charles Adams
City Attorney
828 Center Avenue
Suite 210
Sheboygan, WI 53081
charles.adams@sheboyganwi.gov

17. Additional Provisions.

17.1. Further Assurances. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the terms of this Agreement.

17.2. No Waiver. Any failure of a Party to assert any right under this Agreement, including but not limited to acceptance of partial performance or continued performances after a breach, shall not constitute a waiver or a termination of that right, this Agreement, or any of this Agreement's provisions.

17.3. Subcontracting. Neither Party shall subcontract for any of the work contemplated under this Agreement without obtaining the prior written approval of the other Party.

17.4. No Third Party Beneficiary. No provision in this Agreement is intended to create, or shall create, any rights with respect to the subject matter of this Agreement in any third party, including but not limited to members of the general public.

17.5. Headings. The captions and headings of paragraphs and sections in this Agreement are for convenience of reference only, and shall not be construed as defining or limiting the terms and provisions in this Agreement.

17.6. Severability. If any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.

17.7. Survival. The terms of this Agreement and any exhibits and attachments that by reasonable implications contemplate continued performance, rights, or compliance beyond expiration or termination of the Agreement survive the Agreement and will continue to be enforceable.

17.8. Counterparts. This Agreement may be executed in multiple parts. Signatures to this Agreement transmitted by facsimile or by electronic mail shall be valid and effective to bind the Party so signing.

17.9. Nondiscrimination. It is the City's policy not to discriminate against any qualified employee or qualified applicant for employment because of an individual's sex, race, religion, color, national origin or ancestry, age, disability, lawful source of income, marital status, sexual orientation, gender identity or expression, victimhood of domestic abuse or sexual assault, past or present membership in the military service, HIV status, domestic partnership, genetic identity, homelessness, familial status, or an individual's affiliation or perceived affiliation with any of these categories, pursuant to Milwaukee Code of Ordinances Section 109-9. The Parties will comply with all requirements imposed by or pursuant to the regulations of the appropriate federal agency effectuating Title VI of the Civil Rights Act of 1964. The Parties agree to comply with all applicable requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. 12101, *et seq.*

SIGNATURES APPEAR ON THE FOLLOWING PAGE(S)

The Parties have executed this Agreement as on the dates set forth below.

CITY OF MILWAUKEE

Alfonso Morales, Chief of Police
Dated this ____ day of _____, 2020.

Aycha Sawa, City Comptroller
Dated this ____ day of _____, 2020

Authorizing Resolution: 191193 & 191826

Approved as to Form and Execution:

Office of the City Attorney
Dated this ____ day of _____, 2020.

CITY OF SHEBOYGAN

By: _____
Michael J. Vandersteen, Mayor
Dated this ____ day of _____, 2020.

Attest: _____
Meredith De Bruin, City Clerk
Dated this ____ day of _____, 2020.

This document authorized by and in accordance with Res. No. ____-20-21.

Exhibit B

(Electronic version available from Captain Derrick Harris, dharris@milwaukee.gov)



EXHIBIT C
2020 Democratic National Convention
DNC Reimbursement Request Form



Assisting Agency:		
Prepared By:	Contact Phone's #:	Signature:
Approved By:	Contact Phone's #:	Signature:

Personnel Costs						
	Number of Personnel	Total Regular Hours	Total Overtime Hours	Total Regular Cost	Total Overtime Cost	Total Regular and Overtime Cost
				\$ -	\$ -	\$ -
Three sets of documentation are required:						
a. Outside Agency Tracking Form. These forms were signed off on by the personnel during the event and in the possession of the City of Milwaukee (City). If you are in possession of any of these timesheets, please provide them to the City as soon as possible. b. Daily work records/work logs, time and attendance records, payroll registers. This includes whatever your typical system is to track payroll. This will be submitted as part of the reimbursement package. These records will be reconciled against the timesheets in order to approve final reimbursement. For this reason, these records should show information such as hourly rates, number of hours worked, total amount of personnel expense, etc. c. Final payroll costs submitted with reimbursement request (Reimbursement of Personnel Costs Worksheet – Outside Agencies and Reimbursement Request Form).					Pension Rate	0.00%
					FICA Rate	0.00%
					Medicare Rate	0.00%
					Other Benefits Rate	0.00%
					Total Fringe	\$ -
				Total Wages	\$ -	

Food Per Diem Costs (Travel Days only)				
Meals: Travel days will be paid at 75% as stipulated by federal regulations. https://www.gsa.gov/travel/plan-book/per-diem-rates	Number of Officers	Number of Days (Combine To and From - Prorated)	Federal Per Diem Food Rate (Travel Days)	Total Cost
Note: Travel day meal per diems will not be reimbursed for outside agencies that are within 100 miles of Milwaukee.			\$ 49.50	\$ -

Transportation Costs (Travel Days only)				
Airfare: Receipt from airline or travel agent indicating name of traveler, dates of travel and total cost of ticket; receipt from airline indicating name of traveler, dates and cost of any baggage fees assessed; and boarding passes.	Number of Officers	Number of Tickets	Average Airfare Price (Per Round Trip)	Total Cost
			\$ -	\$ -
Auto reimbursement: Google map showing vehicle route to and from Milwaukee. Mileage reimbursed at federally approved rates: https://www.gsa.gov/travel/plan-book/transportation-airfare-pov-etc/private-owned-vehicle-pov-mileage-reimbursement-rates a. Motorcycles – \$0.545/mile – This includes fuel. b. Private Vehicles - \$0.575/mile – This includes fuel. c. Gov't Owned Vehicles - \$0.17/mile – This includes fuel.	Number of Vehicles	Total Miles (Combine to and From)	Mileage Rate	Total Cost
			\$ -	\$ -
Bus/Vehicle Rentals: Contract cost of rental vehicles or buses; highway and bridge toll fees.	Number of Buses/Rented Vehicles	Cost Per Bus/Rented Vehicle	Total Cost	
		\$ -	\$ -	

Additional Requested Costs (Not Listed Above)		
Additional Expenses: Please provide a detailed description and total cost for any additional expenses not listed specifically on this form where reimbursement is being requested. Please be aware of any applicable federal per diem rates related to your request.	Description of Additional Cost	Amount of Total Cost
Please provide any supporting documentation and/or calculations that will help facilitate the review of your request. Example: If your trip to and from Milwaukee will require overnight lodging, please provide the number of officers who required this accommodation and the invoice for the total cost of the lodging.		\$ -
NOTE: Any reimbursement under this section must be preapproved in Writing by the City and such preapproval shall be attached to this form.		\$ -

Total Request for Reimbursement		
All expenses incurred as described in the Intergovernmental Agreement and Estimate Cost Forms (ECF) are eligible for reimbursement. The costs initially provided were estimates and require documentation for final approval and reimbursement. Note: Credit card statements are not considered a valid document for the purposes of reimbursement.	Salary	\$ -
	Per Diem	\$ -
	Transportation	\$ -
	Additional Expenses	\$ -
	Total Cost	\$ -

Please feel free to contact the following City of Milwaukee Personnel with any questions you may have:

Bryan Rynders 414-286-8524	Rhonda Kelsey 414-286-3639
Aaron Robinette 414-286-2340	Andrea Fowler 414-286-5563

Exhibit D

Additional Expenditure Authorization Form - "In Writing"

Directions for Use of This Form: Use this form to obtain approval for additional expenditures "In Writing," pursuant to your Agency's Intergovernmental Agreement for Law Enforcement Services for the 2020 Democratic National Convention in Milwaukee, Wisconsin "Agreement." Please note that your agency will not be reimbursed for any expenditures that were not expressly agreed to in the expense estimate provided pursuant to Section 7.1.2 of the Agreement unless you have both (1) obtained a valid signature on this form before making the expenditure, and (2) provide the City with the supporting documentation necessary for reimbursement described in Exhibit B of the Agreement.

Agency Information	
Agency:	
Agency Personnel Completing Form:	
Date:	
Additional Expenditure Information	
Expenditure Requested:	
Reimbursable Cost:	
Vendor:	
Description/Purpose:	
Additional Memo (optional):	
City of Milwaukee Commanding Officer Approval Information	
Name:	
Rank:	
Date:	
Signature:	
Memo (optional):	

~~11~~

Res. No. _____ - 20 - 21. By Alderpersons Donohue and Bohren.
May 4, 2020.

A RESOLUTION authorizing the City of Sheboygan to enter into a contract with Municipal Property Insurance Company (MPIC) for building and property insurance coverage.

WHEREAS, state law and the City's Procurement Policy allows the City to join with other purchasing associations in cooperative purchasing plans when the best interest of the City would be served; and

WHEREAS, the Municipal Property Insurance Company (MPIC) was formed by three municipal insurance companies - Wisconsin Municipal Mutual Insurance Company, Cities and Villages Mutual Insurance Company, and the League of Wisconsin Municipal Mutual Insurance Company - to provide a stable, long-term solution for property insurance for Wisconsin local government entities; and

WHEREAS, the City currently obtains its building and property insurance coverage from MPIC; and

WHEREAS, the City has obtained a quote from MPIC for building and property insurance coverage to renew that coverage for the period from June 1, 2020 through May 31, 2021; and

WHEREAS, Staff believes that this cost is reasonable in light of the buildings and properties being insured.

NOW, THEREFORE, BE IT RESOLVED: That the appropriate City Officials are hereby authorized to execute a contract with the Municipal Property Insurance Company (MPIC) to provide building and property insurance coverage to the City for the period from June 1, 2020 through May 31, 2021, pursuant to a contract substantially similar to the one attached, at a cost not to exceed One Hundred Sixty Thousand Dollars (\$160,000.00).

FAP

BE IT FURTHER RESOLVED: That the appropriate City officials are hereby authorized to draw orders on the Prepaid Insurance Account No. 705-155010, in payment of same.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



MUNICIPAL PROPERTY INSURANCE COMPANY

9701 Brader Way, Suite 301, Middleton, WI 53562 - (608) 821-6303

RENEWAL POLICY QUOTE

Policy # 5000130_Q-1

Agent Pallin Allen

Named Insured and Principal Address:

City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081-4497

Contact:

Marty Halverson
920-459-3882

Policy Period: 12:01 am 06/01/2020 to 06/01/2021

Coverage	Deductible	TIV	Rate	Annual Premium
Buildings, Personal Property & Property in the Open	5,000	209,845,400	0.065	136,408
Contractors Equipment - New Replacement Cost	1,000	8,541,656	0.192	16,400
Contractors Equipment valued under \$25,000	1,000	538,336	N/A	0
Monies & Securities Schedule Attached	1,000	17,000	0.50	85
Specific Limit Coverage Schedule Attached	5,000	100,000	0.0724	72
Vacancy Permit Schedule Attached	5,000	9,631,458	0.029	2,793
Pier and Wharf Limited Coverage Schedule Attached	1,000 / 10%	4,100	0.40	50
Total Annual Premium				\$155,808

Comments

This quote is your estimated renewal policy premium amount with coverages and coverage amounts as shown.

This quote becomes null and void within 30 days of transaction effective date.



MUNICIPAL PROPERTY INSURANCE COMPANY
 9701 Brader Way, Suite 301, Middleton, WI 53562 - (608) 821-6303

DECLARATIONS

Policy # 5000130_Q-1
 Replaces Policy # 240090
 Agent Pallin Allen

Item I. Named Insured and Principal Address: Contact:
 City of Sheboygan Marty Halverson
 828 Center Avenue 920-459-3882
 Sheboygan, WI 53081-4497

Item II. Policy Period:

This Policy takes effect at 12:01 A.M., 06/01/2020, and expires at 12:01 A.M., 06/01/2021.

These effective and expiration times are based upon the local times at the principal address of the first named insured stated in Item I. above.

Item III. Coverages:

Coverage	Deductible	TIV	Rate	Annual Premium
Buildings, Personal Property & Property in the Open	5,000	209,845,400	0.065	136,408
Contractors Equipment - New Replacement Cost	1,000	8,541,656	0.192	16,400
Contractors Equipment valued under \$25,000	1,000	538,336	N/A	0
Monies & Securities Schedule Attached	1,000	17,000	0.50	85
Specific Limit Coverage Schedule Attached	5,000	100,000	0.0724	72
Vacancy Permit Schedule Attached	5,000	9,631,458	0.029	2,793
Pier and Wharf Limited Coverage Schedule Attached	1,000 / 10%	4,100	0.40	50
Total Annual Premium		\$155,808	Billed to Insured	

Item IV. Forms and Endorsements made part of this policy at time of issue:

Form	Edition Date	Description
MPIC-001	04-2019	Municipal Property Insurance Company Policy
MPIC-002Q	01-2020	Municipal Property Insurance Company Policy Quote
MPIC-004	06-2016	Statement of Values
MPIC-004 CE	06-2016	Contractor's Equipment
MPIC-004 PITO	06-2016	Property in the Open

MPIC-006	04-2019	Joint Loss Agreement Endorsement
MPIC-008	04-2019	Cap Of Losses From Certified Acts Of Terrorism
MPIC-103	04-2019	Specific Limit Endorsement
MPIC-104	04-2019	Vacancy Permit
MPIC-201	04-2019	Monies And Securities Endorsement
MPIC-204	04-2019	Pier and Wharf Limited Coverage Endorsement
MPIC-300	01-2020	Contractors Equipment New Replacement Cost Coverage Endorsement
MPIC-506	06-2016	Coverage of Computer-Related Losses Endorsement
MPIC-510	01-2019	Tax Lien Property Coverage
MPIC-511	04-2019	Leased Property Coverage

Item V. Loss Payees:

Item VI. Variable Coverage Schedules:

Monies & Securities		
City Hall		17,000
		17,000
Pier and Wharf Limited Coverage		
HARBOR CENTRE MARINA - FLOATING DOCK		4,100
		4,100
Vacancy Permit		
Social Security Building - Vacancy Permit		285,000
Municipal Armory: 516 Broughton Drive - Vacancy Permit		9,346,458
		9,631,458
Specific Limit Coverage		
1920 Stahl Rd., Sheboygan, WI 53081 - Poth Farm		100,000
		100,000

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
1 CITY HALL							
	1	CITY HALL 828 CENTER AVENUE SHEBOYGAN WI 53081	1917	3	37,320	\$11,791,900	\$1,866,000
		Property in the open					\$13,500
		CITY HALL (1) Total				\$11,791,900	\$1,879,500
2 FIRE ENGINE HOUSE 1							
	1	FIRE ENGINE HOUSE 1 833 NEW YORK AVENUE SHEBOYGAN WI 53081	1907	2	13,002	\$2,886,100	\$283,200
		FIRE ENGINE HOUSE 1 (2) Total				\$2,886,100	\$283,200
3 FIRE ENGINE HOUSE 2							
	1	FIRE ENGINE HOUSE 2 2413 SOUTH 18TH STREET SHEBOYGAN WI 53081	1960	1	9,599	\$1,629,600	\$243,200
		FIRE ENGINE HOUSE 2 (3) Total				\$1,629,600	\$243,200
4 FIRE ENGINE HOUSE 3							
	1	FIRE ENGINE HOUSE 3 1326 N 25TH STREET SHEBOYGAN WI 53081	1971	2	27,936	\$5,237,700	\$993,100
	2	TRAINING FACILITY 1326 N 25TH STREET SHEBOYGAN WI 53081	2000	2	3,104	\$351,200	\$15,000
		Property in the open					\$1,200
		FIRE ENGINE HOUSE 3 (4) Total				\$5,588,900	\$1,009,300
5 FIRE STATION # 5							
	1	FIRE STATION # 5 4504 SOUTH 18TH STREET SHEBOYGAN WI 53081	2006	1	7,004	\$1,087,300	\$288,900
		FIRE STATION # 5 (5) Total				\$1,087,300	\$288,900
6 PLAZA 8 FOUNTAIN							
	1	PLAZA 8 FOUNTAIN 700 BLOCK OF 8TH SHEBOYGAN WI 53081	1975	1	540	\$75,400	\$0
		PLAZA 8 FOUNTAIN (6) Total				\$75,400	\$0
7 FOUNTAIN PARK							
	1	FOUNTAIN PARK BANDSHELL 930 N 8TH STREET SHEBOYGAN WI 53081	1915	1	1,624	\$326,900	\$15,000
	2	FOUNTAIN PARK FOUNTAIN ERIE AVENUE AND NORTH 9TH	1915	1	84	\$50,300	\$1,900

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		STREET SHEBOYGAN WI 53081					
		FOUNTAIN PARK (7) Total				\$377,200	\$16,900
8		END PARK					
	1	COMFORT STATION 13TH STREET AND LOS ANGELES AVENUE SHEBOYGAN WI 53081	2003	1	513	\$153,900	\$2,800
	2	SHELTER 13TH AND LOS ANGELES AVENUE SHEBOYGAN WI 53081	2005	1	1,140	\$148,200	\$1,900
		END PARK (8) Total				\$302,100	\$4,700
9		ROOSEVELT PARK					
	1	LIGHT CONTROL HOUSE SOUTH 12TH & MEAD AVENUE SHEBOYGAN WI 53081	1980	1	80	\$12,000	\$1,000
	2	SHELTER HOUSE SOUTH 12TH & MEAD AVENUE SHEBOYGAN WI 53081	1980	1	2,240	\$264,700	\$22,500
		Property in the open					\$900,000
		ROOSEVELT PARK (9) Total				\$276,700	\$923,500
10		COLE PARK					
	1	COMFORT STATION NORTH 4TH AND NORTH 3RD STREET SHEBOYGAN WI 53081	1980	1	408	\$61,200	\$2,300
		COLE PARK (10) Total				\$61,200	\$2,300
11		DELAND PARK					
	1	BEACH HOUSE 825 BROUGHTON DRIVE SHEBOYGAN WI 53081	1985	1	1,978	\$656,600	\$17,500
	2	FISH CLEANING STATION COMFORT 825 BROUGHTON DRIVE SHEBOYGAN WI 53081	1980	1	801	\$136,200	\$4,800
	3	GROUP PICNIC SHELTER 825 BROUGHTON DRIVE SHEBOYGAN WI 53081	1985	1	648	\$77,800	\$9,700
	4	SOUTH SHELTER DELAND HOME 825 BROUGHTON DRIVE SHEBOYGAN WI 53081	1920	1	1,320	\$198,000	\$23,600
		Property in the open					\$743,500
		DELAND PARK (11) Total				\$1,068,600	\$799,100

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
12		KING PARK					
	1	PARK PAVILION 1601 S 7TH ST SHEBOYGAN WI 53081	2009	1	2,560	\$748,700	\$0
	2	SHELTER LAKESHORE DR AND BROADWAY SHEBOYGAN WI 53081	1934	1	913	\$137,000	\$4,400
KING PARK (12) Total						\$885,700	\$4,400
13		VOLLRATH PARK					
	1	COMFORT STATION PARK AVENUE AND 2ND STREET SHEBOYGAN WI 53081	1980	1	1,485	\$222,800	\$2,500
	2	CONCESSION STAND PARK AVENUE AND NORTH 2ND STREET SHEBOYGAN WI 53081	1980	1	500	\$40,000	\$10,200
	3	ELECTRIC SWITCH HOUSE PARK AVENUE AND 2ND STREET SHEBOYGAN WI 53081	1980	1	100	\$15,000	\$1,400
Property in the open							\$1,231,500
VOLLRATH PARK (13) Total						\$277,800	\$1,245,600
14		LAKE VIEW PARK					
	1	COMFORT STATION LAKESHORE DR AND SHOOTING PARKRD SHEBOYGAN WI 53081	1980	1	560	\$84,000	\$3,200
	2	SHELTER HOUSE LAKESHORE DR AND SHOOTING PARKRD SHEBOYGAN WI 53081	1912	1	1,176	\$176,400	\$5,500
LAKE VIEW PARK (14) Total						\$260,400	\$8,700
15		EVERGREEN PARK					
	1	AREA #1 COMFORT STATION 2614 PINE GROVE AVENUE SHEBOYGAN WI 53081	2001	1	720	\$223,200	\$0
	2	BAR STAND AREA 1 HWY 42 SHEBOYGAN WI 53081	1917	1	668	\$53,500	\$15,400
	3	COMFORT STATION HWY 42 SHEBOYGAN WI 53081	1974	1	481	\$72,200	\$2,800
	4	COMFORT STATION AREA 2 HWY 42	1980	1	800	\$120,000	\$4,700

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		SHEBOYGAN WI 53081					
	5	COMFORT STATION AREA 4 & 5 HWY 42 SHEBOYGAN WI 53081	1980	1	656	\$98,400	\$3,000
	6	Shaw Shelter HWY 42 SHEBOYGAN WI 53081	2018	0	0	\$208,000	\$0
	7	SHELTER HOUSE AREA 5 HWY 42 SHEBOYGAN WI 53081	1917	1	846	\$126,900	\$4,000
	8	TOOL HOUSE AREA 1 HWY 42 SHEBOYGAN WI 53081	1950	1	192	\$9,600	\$2,800
		Property in the open					\$841,800
		EVERGREEN PARK (15) Total				\$911,800	\$874,500
16		JAYCEE PARK					
	1	QUARRY BATH HOUSE 3401 CALUMET DRIVE SHEBOYGAN WI 53081	1979	1	5,000	\$738,400	\$25,000
		Property in the open					\$839,800
		JAYCEE PARK (16) Total				\$738,400	\$864,800
17		KIWANIS PARK					
	1	AREA #8 COMFORT STATION SHELTER KIWANIS PARK DRIVE SHEBOYGAN WI 53081	2000	1	720	\$216,000	\$0
	2	COMFORT STATION KIWANIS PARK DRIVE SHEBOYGAN WI 53081	1980	1	1,350	\$202,500	\$6,400
	3	CONCESSION STAND KIWANIS PARK DRIVE SHEBOYGAN WI 53081	1980	1	558	\$83,700	\$12,400
	4	FIELD HOUSE 511 KIWANIS PARK DRIVE SHEBOYGAN WI 53081	1924	1	4,252	\$856,600	\$45,000
	5	SHELTER HOUSE UNION AVENUE AND SOUTH 22ND ST SHEBOYGAN WI 53081	1946	1	1,133	\$170,000	\$25,400
	6	Skatepark UNION AVENUE AND SOUTH 22ND ST SHEBOYGAN WI 53081	2019	1	12,000	\$470,600	\$0
		KIWANIS PARK (17) Total				\$1,999,400	\$89,200

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
18 MUNICIPAL SERVICE SITE							
	1	MUNICIPAL SERVICE BUILDING 2026 NEW JERSEY AVENUE SHEBOYGAN WI 53081	1965	1	121,198	\$19,070,100	\$3,872,000
	2	POLICE IMPOUND GARAGE 2026 NEW JERSEY AVENUE SHEBOYGAN WI 53081	1990	1	6,680	\$342,200	\$0
	3	SALT SHED (ADD01) 2026 NEW JERSEY AVENUE SHEBOYGAN WI 53081	2019	1	6,000	\$246,100	\$0
	MUNICIPAL SERVICE SITE (18) Total					\$19,658,400	\$3,872,000
19 CLEVELAND PARK							
	1	Park Open Pavilion 2321 Geele Ave SHEBOYGAN WI 53081	2013	1	864	\$73,500	\$11,400
	2	Restroom Facility 2321 Geele Ave SHEBOYGAN WI 53081	2013	1	420	\$84,000	\$6,400
	3	SHELTER HOUSE NORTH 25TH AND GEELE AVENUE SHEBOYGAN WI 53081	1956	1	1,128	\$169,200	\$6,700
		Property in the open					\$8,100
	CLEVELAND PARK (19) Total					\$326,700	\$32,600
20 WILDWOOD BASEBALL COMPLEX							
	1	COMFORT STATION 22ND & NEW JERSEY SHEBOYGAN WI 53081	1980	1	897	\$134,600	\$5,300
	2	Concessions Rest Room Building 2328 Wildwood Ave SHEBOYGAN WI 53081	1981	0	520	\$78,000	\$0
	3	Dugout 2328 Wildwood Ave SHEBOYGAN WI 53081	2011	1	250	\$35,000	\$0
	4	Dugout 2328 Wildwood Ave SHEBOYGAN WI 53081	2011	1	250	\$35,000	\$0
	5	GARAGE 2328 Wildwood Ave SHEBOYGAN WI 53081	1970	1	520	\$20,800	\$3,000
	6	Garage 2328 Wildwood Ave SHEBOYGAN WI 53081	2000	1	484	\$14,600	\$0
	7	Pavilion	1990	1	400	\$12,000	\$0

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		2328 Wildwood Ave SHEBOYGAN WI 53081					
	8	Press Box 2328 Wildwood Ave SHEBOYGAN WI 53081	1997	2	1,280	\$192,000	\$0
	9	Storage Shed 2328 Wildwood Ave SHEBOYGAN WI 53081	1998	1	96	\$2,900	\$0
		Property in the open					\$390,800
		WILDWOOD BASEBALL COMPLEX (20) Total				\$524,900	\$399,100
21		NELESENS FISH					
	1	NELESENS FISH 715 S FRANKLIN SHEBOYGAN WI 53081	1948	1	1,250	\$62,500	\$0
		NELESENS FISH (21) Total				\$62,500	\$0
22		ROTARY RIVERVIEW PARK					
	1	COMFORT STATION FRANKLIN STREET SHEBOYGAN WI 53081	1980	1	400	\$64,000	\$2,300
		Property in the open					\$222,800
		ROTARY RIVERVIEW PARK (22) Total				\$64,000	\$225,100
23		WILDWOOD CEMETERY					
	1	GARAGE WILDWOOD AVENUE SHEBOYGAN WI 53081	1920	1	1,920	\$105,600	\$64,500
	2	STORAGE BUILDING EVANS AVENUE SHEBOYGAN WI 53081	1980	1	1,071	\$64,300	\$15,400
		WILDWOOD CEMETERY (23) Total				\$169,900	\$79,900
24		MAYWOOD					
	1	BARN 3615 MUELLER ROAD SHEBOYGAN WI 53081	1950	1	1,500	\$112,500	\$21,600
	2	EQUIPMENT SHED 3615 MUELLER ROAD SHEBOYGAN WI 53081	1980	1	556	\$30,600	\$8,000
	3	EQUIPMENT SHED 3615 MUELLER ROAD SHEBOYGAN WI 53081	1980	1	945	\$52,000	\$13,700
	4	GARAGE 3615 MUELLER ROAD	1974	1	712	\$39,200	\$10,600

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		SHEBOYGAN WI 53081					
	5	GARAGE 3615 MUELLER ROAD SHEBOYGAN WI 53081	1974	1	1,200	\$66,000	\$39,900
	6	STORAGE BUILDING 3615 MUELLER ROAD SHEBOYGAN WI 53081	1980	1	3,360	\$184,800	\$49,100
		MAYWOOD (24) Total				\$485,100	\$142,900
25		MEAD PUBLIC LIBRARY					
	1	SHEBOYGAN PUBLIC LIBRARY 710 N 8TH STREET SHEBOYGAN WI 53081	1975	3	96,126	\$18,460,500	\$9,066,000
		Property in the open					\$42,700
		MEAD PUBLIC LIBRARY (25) Total				\$18,460,500	\$9,108,700
26		BUS TERMINAL					
	1	BUS SHELTER 608 SOUTH COMMERCE STREET SHEBOYGAN WI 53081	2005	1	1,600	\$816,900	\$0
	2	BUS TERMINAL 608 SOUTH COMMERCE STREET SHEBOYGAN WI 53081	1975	1	39,315	\$6,234,600	\$0
		Property in the open					\$152,800
		BUS TERMINAL (26) Total				\$7,051,500	\$152,800
27		ENVIRONMENTAL CENTER					
	1	MAYWOOD 3615 MUELLER ROAD SHEBOYGAN WI 53081	1974	1	22,360	\$2,710,000	\$74,000
	2	MAYWOOD WITH ADDITION 3615 MUELLER ROAD SHEBOYGAN WI 53081	2006	0	0	\$	\$0
		Property in the open					\$3,900
		ENVIRONMENTAL CENTER (27) Total				\$2,710,000	\$77,900
28		NORTH SIDE PUMP STATION					
	1	NORTHSIDE PUMP STATION 2645 BLACKSTOCK AVENUE SHEBOYGAN WI 53081	1980	1	1,905	\$842,700	\$0
		NORTH SIDE PUMP STATION (28) Total				\$842,700	\$0
29		SOUTH SIDE PUMP STATION					
	1	SOUTHSIDE PUMP STATION 1218 SOUTH 7TH STREET	1914	1	3,500	\$2,338,100	\$0

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		SHEBOYGAN WI 53081					
		SOUTH SIDE PUMP STATION (29)				\$2,338,100	\$0
		Total					
30		<i>FIRE DEPARTMENT</i>					
	1	FIRE DEPARTMENT #4 2622 N 15TH STREET SHEBOYGAN WI 53081	1988	1	11,198	\$2,126,200	\$313,600
		FIRE DEPARTMENT (30) Total				\$2,126,200	\$313,600
31		<i>WASTEWATER TREATMENT PLANT</i>					
	1	ADMINISTRATION BUILDING N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	33,802	\$5,587,400	\$565,000
	2	BLEACH BUILDING (ADD12) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	900	\$244,800	\$0
	3	BLOWER BUILDING (ADD11) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	3,674	\$1,638,900	\$0
	4	BLOWER BUILDING 2 (ADD25) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	3,674	\$1,515,500	\$0
	5	CHEMICAL STORAGE BUILDING N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	0	0	\$	\$0
	6	CHLORINE CONTACT CHAMBER (ADD17) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	5,250	\$1,147,400	\$0
	7	CHLORINE CONTACT CHAMBER 2 (ADD18) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	5,460	\$1,176,600	\$0
	8	CLARIFIER (ADD02) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	8,100	\$1,856,700	\$0
	9	CLARIFIER (ADD03) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	8,100	\$1,856,700	\$0
	10	CLARIFIER 3 (ADD04) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	8,100	\$1,856,700	\$0
	11	CLARIFIER 4 (ADD05) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	8,100	\$1,856,700	\$0

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
	12	DIGESTER BUILDING 1 (ADD22) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	18,939	\$5,723,100	\$0
	13	DIGESTER BUILDING 2 (ADD23) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	21,067	\$6,369,000	\$0
	14	DRYER BUILDING (ADD14) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	19,797	\$6,318,500	\$0
	15	FINISHED CLARIFIER (ADD06) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	11,025	\$2,353,700	\$0
	16	FINISHED CLARIFIER (ADD07) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	11,025	\$2,353,700	\$0
	17	FINISHED CLARIFIER (ADD09) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	11,025	\$2,353,700	\$0
	18	FINISHED CLARIFIER 3 (ADD08) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	11,025	\$2,353,700	\$0
	19	Galleries (ADD13) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	29,990	\$10,754,400	\$0
	20	HARVESTER BUILDING (ADD15) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	2002	1	960	\$1,044,200	\$0
	21	INFLUENT BUILDING (ADD01) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1997	1	2,500	\$1,903,900	\$0
	22	OXIDATION DITCH (ADD16) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	18,000	\$3,830,500	\$0
	23	OXIDATION DITCH 2 (ADD24) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	18,000	\$3,830,500	\$0
	24	PRESS BUILDING (ADD10) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	11,304	\$2,903,100	\$0
	25	PUMP STATION N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	1980	1	10,607	\$4,931,800	\$0
	26	SLUDGE STORAGE TANK (ADD20) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	2002	1	7,852	\$1,404,100	\$0
	27	SLUDGE STORAGE TANK 2 (ADD21)	2002	1	1,649	\$1,872,100	\$0

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081					
	28	SOLIDS HANDLING BUILDING N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	0	0	0	\$	\$0
	29	VERDESIS MICRO-TURBINES (TWO - 2) N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	0	0	0	\$	\$0
	30	WASTEWATER TREATMENT PROCESS N3333 LAKESHORE DRIVE SHEBOYGAN WI 53081	2006	0	0	\$	\$0
		Property in the open					\$291,400
		WASTEWATER TREATMENT PLANT (31) Total				\$79,037,400	\$856,400
32		YOUTH BOATING FACILITY					
	1	YOUTH BOATING FACILITY 619 BROUGHTON DRIVE SHEBOYGAN WI 53081	2004	1	2,000	\$289,100	\$10,000
		YOUTH BOATING FACILITY (32) Total				\$289,100	\$10,000
33		HARBOR CENTRE MARINA					
	1	ADMINISTRATION BUILDING 821 BROUGHTON DRIVE SHEBOYGAN WI 53081	2004	1	10,049	\$2,264,200	\$122,200
	2	FUEL ATTENDANTS BUILDING 821 BROUGHTON DRIVE SHEBOYGAN WI 53081	2004	1	780	\$124,800	\$57,900
		Property in the open					\$4,100
		HARBOR CENTRE MARINA (33) Total				\$2,389,000	\$184,200
34		DELAND PARK COMMUNITY CENTER					
	1	DELAND PARK COMMUNITY CENTER 901 BROUGHTON DRIVE SHEBOYGAN WI 53081	1994	1	2,336	\$518,600	\$20,000
		DELAND PARK COMMUNITY CENTER (34) Total				\$518,600	\$20,000
35		SENIOR CENTER					
	1	SENIOR CENTER 428 WISCONSIN AVE SHEBOYGAN WI 53081	1969	1	18,793	\$3,181,000	\$259,200

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		SENIOR CENTER (35) Total				\$3,181,000	\$259,200
36		LIFT STATION INDIANA AVE					
	1	INDIANA AVE LIFT STATION 2827 INDIANA AVENUE SHEBOYGAN WI 53081	1997	1	595	\$623,800	\$0
		LIFT STATION INDIANA AVE (36) Total				\$623,800	\$0
37		Lift Stations					
	1	INDIAN MEADOWS PKG LIFT STN 63 S HIAWATHA CIRCLE SHEBOYGAN WI 53081	1980	1	0	\$358,600	\$0
		Lift Stations (37) Total				\$358,600	\$0
38		POTH FARM					
	1	POTH FARM 1920 STAHL ROAD SHEBOYGAN WI 53081	1900	1	4,200	\$352,100	\$0
		POTH FARM (38) Total				\$352,100	\$0
39		FISH CLEANING STATION RESTROOMS					
	1	FISH CLEANING STATION RESTROOM 701 SOUTH PIER DRIVE SHEBOYGAN WI 53081	2005	1	1,248	\$395,600	\$0
		FISH CLEANING STATION RESTROOMS (39) Total				\$395,600	\$0
40		SHERIDAN PARK					
		Property in the open					\$87,500
		SHERIDAN PARK (40) Total				\$0	\$87,500
41		VETERANS PARK					
	1	Park Open Pavilion 2220 Union Ave SHEBOYGAN WI 53081	2013	1	864	\$56,200	\$11,400
	2	Rest Room facilities 2220 Union Ave SHEBOYGAN WI 53081	2013	1	480	\$96,000	\$6,400
		VETERANS PARK (41) Total				\$152,200	\$17,800
42		OPTIMIST PARK					
	1	Park Open Pavilion 2004 Carmen Ave SHEBOYGAN WI 53081	2013	1	864	\$56,200	\$11,400
	2	Restroom Facility	2013	1	420	\$84,000	\$6,400

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		2004 Carmen Ave SHEBOYGAN WI 53081					
		Property in the open					\$165,200
		OPTIMIST PARK (42) Total				\$140,200	\$183,000
43		<i>VOIGHT PARK</i>					
		Property in the open					\$28,200
		VOIGHT PARK (43) Total				\$0	\$28,200
44		<i>Sports Complex Butzen Estate</i>					
	1	Farmstead Garage 3936 S Business Dr SHEBOYGAN WI 53081	1890	1	548	\$16,500	\$0
	2	Garage [1B] 3936 S Business Dr SHEBOYGAN WI 53081	1960	1	507	\$15,300	\$0
	3	House 3936 S Business Dr SHEBOYGAN WI 53081	1960	1	1,194	\$113,500	\$6,200
	4	Original Farm Home 3936 S Business Dr SHEBOYGAN WI 53081	1890	2	1,131	\$107,500	\$0
	5	Pole Barn 3936 S Business Dr SHEBOYGAN WI 53081	1970	1	786	\$27,600	\$0
	6	Storage Shed 3936 S Business Dr SHEBOYGAN WI 53081	1900	1	726	\$18,200	\$0
	7	SUMMER KITCHEN 3936 S Business Dr SHEBOYGAN WI 53081	1920	1	250	\$6,300	\$0
		Sports Complex Butzen Estate (44) Total				\$304,900	\$6,200
45		<i>PITO THROUGHOUT / CE</i>					
		Property in the open					\$1,336,200
		PITO THROUGHOUT / CE (45) Total				\$0	\$1,336,200
46		<i>PARK PITO</i>					
		Property in the open					\$122,700
		PARK PITO (46) Total				\$0	\$122,700
47		<i>Social Security Building</i>					
	1	Social Security Building vacant 606 N 9TH ST SHEBOYGAN WI 53081	1973	1	4,593	\$524,600	\$0

STATEMENT OF VALUES

MUNICIPAL PROPERTY INSURANCE COMPANY

Coverage Amount - 209,845,400

Site	Bldg	Description	Year Built	Floors	Square Footage	Building CRN	Content CRN
		Social Security Building (47) Total				\$524,600	\$0
48		<i>PERSHING LIFT STATION [ADD01]</i>					
	1	Lift Station 3265 N 6TH STREET SHEBOYGAN WI 53081	1980	1	0	\$317,300	\$0
		PERSHING LIFT STATION [ADD01] (48) Total				\$317,300	\$0
49		<i>Former Craft Building</i>					
	1	Former Craft Building 1015 S. 10th Street Sheboygan WI 53081	0	0	1,600	\$96,000	\$15,000
		Former Craft Building (49) Total				\$96,000	\$15,000
50		<i>Police Station</i>					
	1	Police Station 1315 North 23rd Street Sheboygan WI 53081	2008	1	34,687	\$7,524,800	\$1,380,000
	2	Police Garage 1315 North 23rd Street Sheboygan WI 53081	2008	1	10,517	\$784,900	\$367,500
		Police Station (50) Total				\$8,309,700	\$1,747,500
		Building Subtotal					\$182,029,100
		Contents Subtotal					\$20,388,600
		Property in the Open Subtotal					\$7,427,700
		Building, Contents and PITO Total					\$209,845,400

PROPERTY IN THE OPEN

MUNICIPAL PROPERTY INSURANCE COMPANY

Site	Description	Quantity	New Cost of Replacement
1	CITY HALL		
	COMMUNICATIONS TOWER		\$13,500
	CITY HALL (1) TOTAL		\$13,500
4	FIRE ENGINE HOUSE 3		
	LADDER,HORIZONTAL		\$1,200
	FIRE ENGINE HOUSE 3 (4) TOTAL		\$1,200
9	ROOSEVELT PARK		
	PLAYSTRUCTURE,WOOD LRG		\$523,900
	TENNIS COURT,TWO		\$376,100
	ROOSEVELT PARK (9) TOTAL		\$900,000
11	DELAND PARK		
	BENCHES		\$13,000
	BOUNCER,ANIMAL		\$1,700
	CONTROL GATE		\$42,100
	OUTDOOR LIGHTING		\$440,400
	PICNIC TABLES		\$23,500
	PLAYSTRUCTURE		\$29,500
	PLAYSTRUCTURE		\$63,700
	STAGING		\$49,000
	TENNIS COURT,FOUR		\$80,600
	DELAND PARK (11) TOTAL		\$743,500
13	VOLLRATH PARK		
	GOAL,BASKETBALL DOUBLE		\$17,300
	Nucleus Play Structure		\$36,200
	OUTDOOR LIGHTING		\$1,178,000
	VOLLRATH PARK (13) TOTAL		\$1,231,500
15	EVERGREEN PARK		
	PLAYGROUND EQUIPMENT TRI ACTIVE		\$9,800
	Shaw Playground		\$832,000
	EVERGREEN PARK (15) TOTAL		\$841,800
16	JAYCEE PARK		
	RETAINING WALL		\$801,400
	RUNNING TRACKS - VITA COURSE		\$38,400
	JAYCEE PARK (16) TOTAL		\$839,800
19	CLEVELAND PARK		
	JUNGLE GYM(BAR CLIMBER)		\$8,100
	CLEVELAND PARK (19) TOTAL		\$8,100
20	WILDWOOD BASEBALL COMPLEX		

PROPERTY IN THE OPEN

MUNICIPAL PROPERTY INSURANCE COMPANY

Site	Description	Quantity	New Cost of Replacement
	BACKSTOP BASEBALL		\$78,000
	BENCH,PARK WOOD		\$117,500
	BLEACHER ALUMINUM		\$109,200
	BLEACHER ALUMINUM		\$8,800
	KOMPAN PLAYGROUND EQUIPMENT		\$10,100
	SCOREBOARD,LRG		\$67,200
	WILDWOOD BASEBALL COMPLEX (20) TOTAL		\$390,800
22	ROTARY RIVERVIEW PARK		
	PICNIC TABLE		\$157,000
	PLAYSTRUCTURE, LG WOOD		\$40,300
	PLAYVENTURE		\$16,500
	SEESAW		\$9,000
	ROTARY RIVERVIEW PARK (22) TOTAL		\$222,800
25	MEAD PUBLIC LIBRARY		
	LIBRARY SCULPTURES - FOUR		\$42,700
	MEAD PUBLIC LIBRARY (25) TOTAL		\$42,700
26	BUS TERMINAL		
	PARKING METER		\$152,800
	BUS TERMINAL (26) TOTAL		\$152,800
27	ENVIRONMENTAL CENTER		
	FIRE TOWER		\$3,900
	ENVIRONMENTAL CENTER (27) TOTAL		\$3,900
31	WASTEWATER TREATMENT PLANT		
	FENCE,CHAINLINK OVER 6FT.		\$291,400
	WASTEWATER TREATMENT PLANT (31) TOTAL		\$291,400
33	HARBOR CENTRE MARINA		
	FLOATING DOCK		\$4,100
	HARBOR CENTRE MARINA (33) TOTAL		\$4,100
40	SHERIDAN PARK		
	SWING,ANIMAL		\$27,200
	SWING,BELT		\$41,200
	WHIRL		\$19,100
	SHERIDAN PARK (40) TOTAL		\$87,500
42	OPTIMIST PARK		
	Splashpad		\$165,200
	OPTIMIST PARK (42) TOTAL		\$165,200
43	VOIGHT PARK		

**PROPERTY IN THE OPEN
MUNICIPAL PROPERTY INSURANCE COMPANY**

Site	Description	Quantity	New Cost of Replacement
	Nucleus Play Structure		\$28,200
	VOIGHT PARK (43) TOTAL		\$28,200
45	<i>PITO THROUGHOUT / CE</i>		
	STREET LIGHTING		\$1,336,200
	PITO THROUGHOUT / CE (45) TOTAL		\$1,336,200
46	<i>PARK PITO</i>		
	DINO CLIMBER		\$7,600
	PLAYGROUND EQUIPMENT		\$70,100
	PLAYGROUND EQUIPMENT		\$20,300
	PLAYSTRUCTURE, WD SMALL		\$10,000
	TRACK RIDE		\$14,700
	PARK PITO (46) TOTAL		\$122,700
PROPERTY IN THE OPEN TOTAL			\$7,427,700

CONTRACTOR'S EQUIPMENT

MUNICIPAL PROPERTY INSURANCE COMPANY

Description	RCN Subject
1975 KLAUER MP-30SNOGO BLOWER 180A	\$104,209
1976 KOHLER 7.5RMK62EMERGENCY GENERATOR	\$13,505
1978 KOHLER 100RHZ81GENERATOR	\$63,542
1981 FMC D050E0284 SPRAYER	\$51,495
1981 INGERSOLL-RAND P175WD0253 AIR COMPRESSOR	\$25,604
1986 CUSHMAN 22TRACTOR-FRONTLINE 3WHEEL	\$10,858
1987 DYNAPAC LR1000153 ROLLER/COMPACTOR	\$49,938
1988 GIANT VAC 6800281 LEAF MACHINE-TR20	\$30,115
1988 POWER BOSS SW88HDTRANSIT SWEEPER	\$46,178
1988 SCHMIDT HF-2M181A SNOW CUTTER	\$165,074
1990 EAGER BEEVER 290M286 CHIPPER	\$38,651
1990 EAGER BEEVER 290M287 CHIPPER	\$38,651
1990 JOHN DEERE M163 TRACTOR	\$29,926
1990 MFD M159 TRACTOR, CAB, LOADER	\$64,311
1991 KNOWLES 24FT.F018 TRAILER	\$43,144
1991 LONGYEAR 6500M233 CONCRETE SAW	\$40,625
1992 EXCEL HUSTLER 440STM342 MOWER/SNOW GROOMER	\$38,084
1992 JOHN DEERE 544EM183 WHEEL LOADER	\$225,882
1993 FORD M169 TRACTOR MOTT MOWER	\$91,347
1994 CASE 621B0186 LOADER	\$167,869
1994 CASE 821B0187 LOADER	\$282,303
1994 GIANT VAC 6800-TR0279 LEAF LOADER	\$30,115
1994 GPX 20E0130 FORKLIFT	\$34,440
1994 KUBOTA CEM1 TRACTOR	\$12,223
1994 SMITHCO 0176 SUPER RAKE	\$16,157
1995 CRAFTCO 200M227 ROUTER	\$10,802
1995 CRAFTCO EX100DM230 MELTER	\$43,517
1995 DEWEZE ATM70CM343 MOWER	\$34,544
1995 JOHN DEERE 2105M156 BACKHOE	\$119,898
1995 SIMON M123 TELELECT	\$141,191
1995 VERMEER 1102M285 STUMP GRINDER	\$65,992
1996 HOLDER MTC97000166 TRACTOR	\$93,434
1996 HOWARD-PRICE 727M345 MOWER	\$30,153
1996 SULLIVAN 1850PQJD0254 AIR COMPRESSOR	\$14,814
1997 DAEWOO M131 FORK TRUCK	\$39,707
1997 JOHN DEERE M154 BACKHOE	\$154,932
1997 LEACH M122 VAC-ALL	\$255,325
1997 NEW HOLLAND 1620A4M162 TRACTOR	\$14,266
1997 NEW HOLLAND 3430M161 TRACTOR	\$17,556
1998 M121 VERSALIFT	\$79,816
1998 TORO 3200UTILITY TRUCK WORKMAN	\$32,445
1998 Zodiac MK2Boat	\$12,947
1999 NEW HOLLAND TC33DTRACTOR	\$16,835
2001 BOMAG 120AD3M152 ROLLER	\$46,857
2001 COMP AIR FIRE COMPRESSOR	\$19,399
2001 EAST HT300M125A TRIAXLE TRAILER	\$32,090
2001 FELLING 420M420 TRAILER	\$7,948
2001 HYUNAI F42033M148 EXCAVATOR	\$245,728
2001 RAYCO RG50M282 GRINDER	\$53,417
2001 TARGET CH0267M234 CONCRETE SAW	\$32,763
2002 JACOBSEN 628D TURFCATM355 MOWER	\$61,358

CONTRACTOR'S EQUIPMENT MUNICIPAL PROPERTY INSURANCE COMPANY

Description	RCN Subject
2003 BOBCAT S185M137 SKIDSTEER	\$35,238
2003 HONDO BLITZSCREED	\$11,353
2003 JOHN DEERE X595M170 TRACTOR	\$12,989
2003 SHANDIC SKI-DOOSNOWMOBILE	\$13,375
2003 SKID 00-SKB700VACUUM	\$18,467
2004 JOHN DEERE 310SGM150 LOADER	\$119,898
2004 KOHLER 30RZGFIRE GENERATOR	\$40,508
2004 SEWER EQUIPMENT M239 VACUUM TRAILER	\$116,258
2005 BEACH TECH 3000M BEACH TECH	\$148,546
2005 BOBCAT 5600CM138 TOOLCAT	\$53,361
2005 BOBCAT 5600CM139 TOOLCAT	\$53,361
2005 CIMLINE 110DCM CRACK FILLING MELTER/APPLICATOR	\$88,510
2005 CONFLICT PCMT2600M248 MONITOR TESTER	\$13,478
2005 CUB CADET 4X2TRAILUTILITY VEHICLE 4 X 2	\$10,167
2005 HURST JLF RAM UNIT	\$14,405
2005 KAWASAKI M167 MULE	\$11,763
2005 KAWASAKI M339 MOWER, HUSTLER MINI SUPER Z	\$8,662
2005 SIMPLICITY STALLIONC MOWER AND MULCH KIT, 25HP	\$8,242
2006 BANDIT 250C53CHIPPER	\$37,215
2006 BANDIT 250C53CHIPPER	\$37,215
2006 BOBCAT 5600CTOOLCAT UTILITY WORK MACHINE	\$53,361
2006 BOBCAT DHAMDROP HAMMER	\$7,125
2006 BOBCAT s185SKIDSTEER LOADER	\$35,238
2006 COMMERCIAL SSM38-720SLOPE MOWER	\$67,535
2006 DEWEZE 05A59SLOPE MOWER	\$45,855
2006 HUSTLER SUPER Z 23KAWMOWER	\$7,378
2006 HUSTLER SUPER Z 23KAWMOWER	\$7,378
2006 JOHN DEERE 6420UTILITY TRACTOR	\$78,000
2006 KOHLER 30RZGF GENERATOR	\$40,508
2006 LEEBOY 8515PAVER	\$155,922
2006 PACE AMERICAN CS716TA3TRAILER	\$9,437
2006 TENNANT 8210SWEEPER/SCRUBBER	\$73,161
2006 VOLVO L110EWHEEL LOADER	\$272,563
2007 ARROW 1350ROAD EQUIPMENT(ROLLER)	\$123,203
2007 ASPHALT ZIPPER X00012-0 AZ500 48 HDASPHALT ZIPPER	\$141,158
2007 FALCON Hot PatcherPAVING EQUIPMENT(TAR KETTLE)	\$16,312
2007 LINELAZER IV5900PAINTING MACHINE	\$7,206
2007 SMITHCO SUPER RAKEMOWER	\$14,469
2008 AERWAY TURF M347AERATOR	\$10,593
2008 FERRIS M330MOWER	\$10,051
2008 FERRIS M331MOWER	\$10,051
2008 TURFCAT 628DMOWER	\$61,358
2008 WAUSAU MP 3-DSNOWBLOWER	\$117,932
2009 ARTICULATED M520TRACTOR	\$169,178
2009 ARTICULATED M521TRACTOR	\$169,178
2009 FERRIS M318MOWER	\$8,975
2009 HUSTLER Z4MOWER	\$8,092
2009 JOHN DEERE 624KLOADER	\$279,260
2009 JOHN DEERE 624KLOADER	\$279,260
2009 KAWASAKI 4010 MuleTRACTOR	\$11,267
2009 SCHWARZE A7000 ROAD EQUIPMENT(SWEEPER)	\$181,899

CONTRACTOR'S EQUIPMENT MUNICIPAL PROPERTY INSURANCE COMPANY

Description	RCN Subject
2010 DEWEZE ATM72LCMOWER	\$40,823
2010 EXCEL HUSTLER MODEL 796623MOWER	\$10,567
2010 FRUEHAUF Rock Tub 7 cu ydTRAILER	\$16,203
2010 HUSTLER 24 M322MOWER	\$7,742
2010 JOHN DEERE 2020A PRO GATORTRACTOR	\$12,853
2010 KUBOTA V3300TMOWER	\$74,289
2010 SCHWARZE A7000 SweeperSTREET SWEEPER	\$181,899
2010 SCHWARZE A7000 SweeperSTREET SWEEPER	\$181,899
2010 SPAULDING RMV-2PAVING EQUIPMENT(TAR KETTLE)	\$33,481
2010 SPAULDING RMV-2PAVING EQUIPMENT(TAR KETTLE)	\$33,481
2010 VOLVO EW180CEXCAVATOR	\$302,825
2011 Bay Verte REDML5435ETrailer	\$31,967
2011 BOBCAT 5600 Turbo Toolcat F-SeriesEARTH MOVING EQUIPMENT(RUBBER TIRED	\$53,361
2011 Bobcat 5600 TurboBobcat	\$53,361
2011 Bobcat 5600Bobcat Toolcat F-Series	\$53,361
2011 Doosan G309-5Forklift Truck	\$29,926
2011 DOOSAN G30P-5 6000# FortkliftFORK LIFT	\$33,335
2011 Doosan G30P-5Forklift Truck	\$33,773
2011 Ferris IS3100ZMower	\$14,147
2011 Ferris IS3100ZMower	\$14,147
2011 HYD ATSRX6Breaker	\$8,097
2011 JCB 2CX-12Backhoe	\$117,378
2012 BAY VERTE REDML5435ETRAILER	\$35,095
2012 Hustler Excel 929927Mower	\$13,360
2012 Hustler Excel 929927Mower	\$13,360
2012 ODB ODLCT650Leaf Collector	\$31,872
2012 ODB ODLCT650Leaf Collector	\$31,872
2012 ODB ODLCT650Leaf Collector	\$31,872
2012 ODB ODLCT650Leaf Collector	\$31,872
2012 Radar THL/SROTrailer W/Traffic Collector	\$9,315
2012 YES 2CX-12BACK HOE	\$90,731
2015 Case 821FWheel Loader	\$358,078
2017 Bomag CR352Bomag CR352 Paver	\$375,758

CONTRACTOR'S EQUIPMENT TOTAL

\$8,541,656

MUNICIPAL PROPERTY INSURANCE COMPANY

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MUNICIPAL PROPERTY INSURANCE COMPANY

9701 Brader Way, Suite 301, Middleton, WI 53562

Policy Provisions

Read the entire policy carefully to determine rights, duties, and what is and what is not "covered." Several provisions in this policy restrict coverage.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown on the Declarations page. The words "we", "us" and "our" refer to Municipal Property Insurance Company. Other words and phrases that appear in quotation marks have special meaning. Refer to Section IX, Definitions, and Section IV. Definition of "Contractors Equipment".

In consideration of the provisions of this policy, the payment of premium, receipt of a statement of values, "Property in the Open" schedule and/or contractors equipment detail, we insure those named on the Declaration page for the coverages defined in this policy, during the policy term stated on the Declarations Page.

SECTION I – PERILS "COVERED" Coverage: This policy insures against sudden and accidental direct physical loss or damage except as limited or excluded in the following sections.

SECTION II – DEDUCTIBLE

The amount shown as deductible on the Declarations page shall be deducted from the claim for each "occurrence".

If more than one coverage under this policy applies to the same "occurrence", then the deductible will be calculated as follows: we will determine which coverage accounts for the largest proportion of the loss, and only the deductible associated with the largest portion of the loss will apply, unless otherwise stated.

SECTION III – AMOUNT OF COVERAGE

With regard to "buildings", personal property regardless of its location, and "Property in the Open":

The amount of coverage shall be limited as stated in Sections IV, V and VII.

Unless limited by other provisions of this policy or by endorsement, "buildings", personal property, and "Property in the Open", are subject to an "occurrence" limit of 125% of the Total Insured Value shown on the Statement of Values.

SECTION IV – "COVERED" PROPERTY; LIMIT OF COVERAGE

Subject to the terms, conditions, limitations and exclusions in the policy, this policy covers:

- A. "Buildings" and structures listed on the Statement of Values.
- B. Non-Owned Property. "Buildings" and structures listed on the Statement of Values for which you may be contractually liable in the event of damage or destruction and which are in your care, custody or control and being used for a legitimate governmental purpose.
- C. Personal property you own or are legally responsible for insuring.
- D. "Property in the Open". The amount we will pay for "Property in the Open" is limited to \$10,000 per "occurrence". However, this \$10,000 limitation per "occurrence" does not apply to items listed separately on the Statement of Values "Property in the Open" detail list.
- E. Leased property improvements and betterments at locations listed on the Statement of Values. In the event improvements or betterments made by you are damaged or destroyed during the term of this policy by an insured peril, our liability will be determined as follows:

1. If you elect to repair or replace a damaged improvement or betterment, actual repair or replacement must be made as soon as reasonably possible after the loss or damage occurs, but not to exceed two (2) years unless the time is extended in writing by us.
 2. If the improvements or betterments are not repaired or replaced, we will pay a fraction of the original cost of the improvement. The fraction will be proportional to the remaining term of the lease as of the date of loss.
- F. The cost of removing debris when "covered" property is destroyed or damaged by an insured peril. However, unless otherwise provided for in this policy, debris removal does not apply to costs:
1. To extract "pollutants" or "contaminants" from land or water; or
 2. To remove, restore or replace land or water containing or affected by "pollutants" or "contaminants"; or
 3. For asbestos cleanup, removal or abatement.
- G. The cost to repair or replace foundations of "buildings", structures, machinery or boilers, provided that those foundations are beneath the basement level or underground.

The most we will pay for any "occurrence" under this section is \$100,000.

- H. The cost of excavation, grading or filling related to an "occurrence", the most we will pay under this coverage is \$50,000.
- I. Lawns, trees, shrubs, and plants if within 100 feet of an insured "building". The amount we will pay is limited to \$500 for any one tree, shrub, or plant and \$1,000 for lawn damage up to a maximum of \$5,000 per "occurrence"
- J. "Contractors Equipment", as defined in Section X., that you own or are legally responsible for insuring up to a limit of \$25,000 for each item including its attachment(s). Equipment not listed in Section X. is considered personal property and is "covered" the same way as your other personal property. See Section IV.C.

Coverage, in excess of the \$25,000 per item, is provided only if the equipment is scheduled and a premium for the coverage is shown on the Declarations page, unless the equipment is newly acquired during the current policy period, provided your interest is not covered under any other policy of insurance.

- K. "Valuable Records" that are your property or property of others in your care, custody, or control.

We will also pay for:

1. Expenses necessary to research and recreate lost "valuable records"; and
2. Expenses necessary for transcribing or copying lost "valuable records" from available secondary sources.

We will not pay for losses caused by errors, omissions, or negligence in processing or copying.

- L. Employees' Personal Property. We will cover personal property owned by your employees while on your premises if that employee's property is not covered by other insurance. The maximum coverage for property owned by any one employee is \$500. The coverage limit for each "occurrence" is \$10,000.
- M. Personal property owned by someone other than you or your employees, if the personal property is not covered by other insurance, while it is in your care, custody, or control and while it is on the premises described in the Statement of Values. The coverage limit per "occurrence" for all such property is \$10,000.
- N. "Extra Expense". Provided a loss or damage to "covered" property is caused by an insured peril we will pay up to a maximum of \$10,000,000 (unless a higher limit has been established by endorsement) under this "extra expense" coverage subject to the following:

We will pay "Extra Expense" to allow you to continue "operations" at:

1. Your insured premises; or
2. Replacement premises; or
3. Temporary premises you use while your insured premises are being restored.

Costs to relocate, or to equip and operate the premises in N.2 or N.3, are covered.

Adjustment of any loss under this coverage will reflect the salvage value of property that you obtained for use while your property was being restored and that you retain after the resumption of normal "operations".

- O. "Buildings" or structures acquired by you during the policy period at any location, provided your interest is not covered under any other policy of insurance.
- P. Remodeling and repairs to existing buildings listed on the Statement of Values, unless the work involves an increase in square footage or a change in the footprint of the building or foundation.
- Q. Underground fiber optic cable. We will pay for the repair or replacement of underground fiber optic cable within 1,000 feet of your "building" when loss of or damage to the cable is caused by a "covered" peril.
- R. Refrigerated Property. We will pay for loss or damage you sustain from spoilage of refrigerated or perishable property you own or are legally responsible to insure, if the spoilage is due to:
1. Contamination by a refrigerant; or
 2. Temperature change due to:
 - a. Mechanical breakdown or failure of refrigeration systems;
 - b. Burning out of electric motors;
 - c. Blowing of fuses or circuit breakers;
 - d. The breakdown or malfunction of the equipment or apparatus connecting or controlling refrigeration systems, electrical motors, or electrical power; or
 - e. Complete or partial lack of power to operate the refrigeration systems.
- S. Ordinance or Law Coverage.

Provided a loss or damage to "covered" property is caused by an insured peril we will pay up to a maximum of \$5,000,000 (unless a higher limit has been established by endorsement) for the increased cost to repair, rebuild or reconstruct "covered" property caused by enforcement of or compliance with a building, zoning or land use ordinance or law subject to the following:

1. We will also pay for loss or damage to the undamaged portion of a "covered" "building" or structure caused by enforcement of or compliance with any ordinance or law that:
 - a. Requires the demolition of parts of the same "building" or structure not damaged by an insured peril;
 - b. Regulates the construction or repair of "buildings" or structures, or establishes zoning or land use requirements at the described premises; and
 - c. Is in force at the time of loss or damage.
2. The following conditions apply to this coverage and must be met before we will make payment:
 - a. You must actually repair or replace the "covered" property; and

- b. You must repair or replace the property as soon as reasonably possible after the loss or damage. Unless we consent to writing, this time period may not exceed two years.
3. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.
4. The most we will pay under this coverage is the increased cost of construction at the same site, unless an ordinance or law requires relocation to another site, in which case the most we will pay is the increased cost of construction at the new site.
5. If the property is repaired or replaced on the same or another site, we will not pay more for loss or damage to "covered" property, including loss caused by enforcement of or compliance with an ordinance or law, than the amount you actually spend to repair or rebuild the "building" or structure to the minimum standards required by the ordinance or law. In no event will we pay more than the following:
 - a For a "historical building":
 - 1) The cost of repairing or replacing at the same site a "building" or structure of the same height, square footage and style with a less costly "building" or structure that is functionally equivalent to the damaged "building" or structure; or
 - 2) The cost of repairing or replacing the damaged portion of the "covered" "historical building" with less costly material consistent with its previous architectural style.
 - b For all other "covered" "buildings" or structures, the cost of repairing or rebuilding at the same site a "building" or structure of the same height, square footage, style and quality as the "covered" property at the time of the loss or damage.
6. If the property is not repaired or replaced, we will not pay more for loss or damage to "covered" property, including loss caused by enforcement of or compliance with an ordinance or law, than the "actual cash value" of the "covered" property at the time of the loss or damage.
7. We will not pay for the cost of compliance with any ordinance or law that requires:
 - a. Repairing, remediating, or tearing down property due to "contaminants" or "pollutants" or resulting from the presence or spread of "fungus", wet or dry rot, viruses, bacteria, or other microorganisms; or,
 - b. Testing for, monitoring, or cleaning up "pollutants", "contaminants", wet or dry rot, "fungus", viruses, bacteria, or other microorganisms.

T. Limited Coverage for Unscheduled "Buildings" and "Property in the Open".

For unscheduled "buildings" and "Property in the Open" not on the Statement of Values, coverage will be provided up to \$1,000,000 for a covered loss.

It is a condition of this coverage that the "buildings" and "Property in the Open" be scheduled when discovered. In addition, you must pay any unpaid premium on the unscheduled "building" or "Property in the Open" back to policy inception.

This coverage does not apply when:

1. The insured intentionally left the "buildings and "Property in the Open" unscheduled; or
2. The insured could have discovered with reasonable diligence that the "buildings and "Property in the Open" had unintentionally been left unscheduled.

This provision does not apply to "buildings" or structures acquired by you during the policy period as coverage for these items is provided in Section IV.O. in this policy.

U. Electronic data processing equipment, "electronic data" and "computer programs" consisting of the following:

1. Electronic data processing equipment owned by or leased to you, including its component parts and similar property of others for which you are legally liable;
2. Your "electronic data", "computer programs" and similar property of others for which you are legally liable.
3. Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents that were converted to "electronic data".
4. We will also pay for:
 - a. Expenses necessary to research and recreate lost "electronic data";
 - b. Expense for copying lost "electronic data" from available secondary sources.
5. We will not cover:
 - a. "Electronic data" or "computer programs" which cannot be replaced with others of the same kind or quality;
 - b. Losses caused by errors, omissions, or negligence in processing or copying; or,
 - c. Accounts that are your records of accounts receivables.

V. Fire Department Charges.

We will reimburse you up to \$25,000 at each premises for charges of each fire department involved in containing a fire or other "covered" loss to which this insurance applies. No deductible applies to this reimbursement.

W. Asbestos Cleanup, Abatement and Removal.

We will pay up to \$5,000,000 for your expense to clean up, abate, or remove from "covered" property asbestos particles that are discharged, dispersed, or released, subject to the following conditions:

1. The discharge, dispersal, or release must occur as a result of a covered peril.
2. Covered damages before the cost of the asbestos cleanup, removal, or abatement must exceed the policy deductible.
3. The discharge, dispersal, or release must occur accidentally and begin and end within 72 hours.
4. The discharge, dispersal, or release must not be the result of planned building renovation, remodeling or demolition activities.

X. Police Dogs and Horses.

Police dogs and horses are considered to be destroyed if, because of injury, the dog or horse is not able to perform the dog's or horse's normal functions and there is no reasonable prospect that the dog or horse will be able to do so.

1. For police dogs and horses that are destroyed, we will pay for the cost to replace the dog or horse and the cost of any necessary training.
2. We will pay the cost of necessary treatment and care to enable the dog or horse to resume performing the dog's or horse's normal functions. But we will not pay the cost of treatment and care to treat and prevent disease. It is not the intent to provide mortality or sickness coverage for causes outside the scope of duties of the police dog or horse.

The maximum amount we will pay per police dog or horse is the lesser of \$25,000 or the total of the expenses related to the replacement of the dog or horse plus expenses for the care or treatment of the police dog or horse. A deductible of \$1,000 will apply to this coverage on a per "occurrence" basis.

- Y. We will pay the reasonable and necessary expenses we require you to incur for the documentation of an "occurrence". The most we will pay for these expenses is \$50,000.

This coverage does not apply to any expenses incurred by "you" for any insurance adjusters, consultants, attorneys retained by you or any work performed by their subsidiary or affiliate.

- Z. We will pay for reasonable and necessary architectural design and engineering fees associated with an "occurrence". The most we will pay for this coverage is \$100,000.

AA. Limited Coverage For "Fungus", Wet Rot, Dry Rot, Virus, Bacterium And Other Microorganism.

1. The coverage described in Paragraph 2. below only applies when: a) the "fungus", wet or dry rot, virus, bacterium or other microorganism is the result of one or more of the "specified causes of loss", other than fire or lightning; b) the "specified causes of loss" occurs during the policy period; and c) you took all reasonable measures to protect the property from additional damage during and after the "occurrence".
2. We will pay for direct physical loss or damage caused by "fungus", wet or dry rot, virus, bacterium or other microorganism subject to the coverage limits specified in Paragraph 3 of this Limited Coverage. For purposes of this paragraph, the term "loss or damage" includes costs necessarily incurred to:
 - a. Eradicate the "fungus", wet or dry rot, virus, bacterium or other microorganism;
 - b. Access the part of the "building" or other property where the "fungus", wet or dry rot, virus, bacterium or other microorganism is located; and
 - c. Test to ensure that the "fungus", wet or dry rot, virus, bacterium or other microorganism has been successfully eliminated.
3. We will pay no more than \$25,000 for each "covered" loss under Paragraph 2. We will pay no more than \$50,000 for the total of all occurrences of "covered" losses under Paragraph 2. During any annual policy period, regardless of the number of claims made. We will pay no more than \$25,000 for a particular "specified causes of loss" which results in "fungus", wet rot, dry rot, virus, bacterium or other microorganism even if the "fungus", wet rot, dry rot, virus, bacterium or other microorganism remains present through multiple policy periods or reappears in subsequent policy periods.
4. This coverage does not increase the amount we will pay for loss or damage to "covered" property above the limits referenced in **Section III – Amount of Coverage**. We will not pay more than the limits set forth in **Section III – Amount of Coverage** even if loss or damage results from more than one cause, including "fungus", wet rot, dry rot, virus, bacterium or other microorganism.

If there is a "covered" loss or damage not caused by "fungus", wet rot, dry rot, virus, bacterium or other microorganism, payment for that loss will not be limited by this coverage unless "fungus", wet rot, dry rot, virus, bacterium or other microorganism increases the amount of the loss or damage. To the extent that "fungus", wet rot, dry rot, virus, bacterium or other microorganism increases the amount of the loss or damage, payment for that increase is limited by the terms of Paragraph 3.

5. The following additional condition applies to losses "covered" under **Limited Coverage For "Fungus", Wet Rot, Dry Rot, Virus, Bacterium And Other Microorganism** when the policy includes the Business Income Endorsement: The "specified causes of loss" definition will apply to any loss arising from "fungus", wet or dry rot, virus, bacterium or other microorganism that is "covered" under Paragraph **B. Limited Coverage For "Fungus", Wet Rot, Dry Rot, Virus, Bacterium And Other Microorganism** and under the Business Income Endorsement.

BB. "Fine Arts". We will only provide coverage for "Fine Arts" subject to the following:

1. We will not pay more than \$50,000 for any one "Fine Arts" unless you insure those items for specific amounts by purchasing an Agreed Value Fine Arts Endorsement.
2. The most we will pay for each item covered under this additional coverage shall not exceed the lesser of the following amounts:
 - a. \$50,000;
 - b. The cost of replacing the damaged property at the time of loss with property of like kind and quality to be used for the same purpose on the same site; or
 - c. The amount actually spent repairing your damaged property as soon as reasonably possible after the loss or damage, but within a time not to exceed two (2) years from the date of the loss or damage, unless the time is extended in writing by us.
3. **SECTION VII-Basis of Recovery** does not apply to this additional coverage.

CC. "Flood". We will provide coverage for loss due to "flood", subject to the following limitations:

1. This Additional Coverage does not apply to loss at any property located in a designated flood plain, special flood hazard area (SFHA) or 100 year flood plain with a prefix of "A" or "V" – as specified and defined by the National Flood Insurance Program (NFIP).

The most we will pay under this Coverage is \$5,000,000 per "occurrence".

DD. "Pollutants" or "Contaminants". We will pay no more than \$2,000,000 for reasonable and necessary expenses incurred for removal, disposal or clean-up of actual "pollutants" or "contaminants" from land or water at an insured location and due to "specified causes of loss". The release, emission, leakage or spreading of "pollutants" or "contaminants" must be caused by a loss not otherwise excluded.

The most we will pay in each annual policy period under this coverage is \$2,000,000 for all "specified causes of loss".

All expenses must be reported to us within 180 days after the date of the "specified causes of loss" to be eligible for this coverage. We will not pay for costs of testing for "pollutants" or "contaminants" unless such testing is performed while the "pollutants" or "contaminants" are being removed from the land or water. We will not pay for costs of monitoring "pollutants" or "contaminants" or determining the extent of pollution or contamination.

EE. Emergency Response Equipment

Emergency response equipment contained within or on an emergency response vehicle that is not affixed or attached is covered as personal property subject to a \$1,000 deductible per occurrence regardless of any other applicable deductible.

FF. "Buildings" and structures, including property contained within a "building" or structure, "vacant" for more than sixty (60) consecutive days before the loss or damage occurs. However, this paragraph only applies to the perils of: vandalism; sprinkler leakage or "water damage", unless you have used reasonable means to protect the sprinkler or plumbing system against freezing; building glass breakage; theft; or attempted theft. For all other perils "covered", loss adjustment shall be on an "actual cash value" basis for the "vacant" building, personal property and "Property in the Open" within 1,000 feet of the "vacant" building.

GG. We will pay not more than \$5,000,000 per occurrence of earth movement including, but not limited to, earthquake including tremors and aftershocks, landslide, mudslide, earth sinking, earth rising or shifting. We will also provide coverage for fire or explosion not excluded in this policy when resulting from a covered earth movement event.

SECTION V – PROPERTY NOT “COVERED”

The following are not “covered” property unless specifically added or endorsed to this policy:

- A. Land, water, crops, and standing or cut timber, wherever located.
- B. Cost of excavation, grading or filling not related to an “occurrence”.
- C. Underground and buried cables, pipes, flues or drains, including those that are part of your storm, water or sewer systems, located more than 1,000 feet, on the horizontal, from a “covered” “building” or structure, except underground and buried pipes, flues or drains that are:
 1. Part of the water treatment plant, wastewater treatment plant, lift station or gas reduction station premises; or
 2. Part of a geothermal heating and cooling system.
- D. Those portions of sidewalks, bridges (including roadway bridges and railroad bridges), roadways, culverts, paved surfaces, and associated guard rails located more than 100 feet from a “covered” “building” or structure, except for bridges that are:
 1. Bridges used exclusively for pedestrian traffic.
- E. Dams, pavements, swimming pools and related equipment, retaining walls, bulkheads, piers, bridges, wharves and docks for damage caused by any of the following: freezing; thawing; impact of watercraft; the pressure or weight of ice or water, whether driven by wind or not; and, erosion or deterioration, whether gradual or sudden.
- F. Railroads, meaning trackage, beds, ties and railroad bridges; however, amusement park rail systems are “covered”, and railroads, meaning trackage, beds, ties and railroad bridges, are “covered” if within 100 feet of a “covered” “building” or structure.
- G. Aircraft, except for drones, and vehicles licensed for road use.
- H. Animals and livestock, except for police dogs and horses.
- I. “Money” and “securities”, including postage stamps and food stamps, deeds, evidence of debt, or accounts receivable.

SECTION VI – LOSSES EXCLUDED

- A. We will not pay for loss or damage caused directly or indirectly by, based upon, or arising out of any of the following:
 1. Wear and tear; improper maintenance; extremes of temperatures unless you exercised due diligence with respect to maintaining the proper temperature for the property involved; dampness or dryness of atmosphere; deterioration; rust or corrosion; disease; inherent vice; inherent or latent defect; contamination; smog; smoke, vapor or gases from agricultural or industrial operations; error, omission, or deficiency in design, specifications, workmanship or materials; settling, cracking, shrinkage, bulging or expansion of pavements, sidewalks, foundations, walls, floors, roofs, or ceilings; insects, or birds; unless loss by a peril not excluded in this policy results, and then we will be liable for only such resulting loss.
 2. Unexplained or mysterious disappearance of any property or shortage disclosed upon taking inventory.
 3. Dishonest or criminal act committed by you or any “employee(s)” acting alone or in collusion with others whether or not occurring during the hours of employment. However, if a criminal act results in a “specified causes of loss”, we will pay for the loss or damage caused by that “specified causes of loss”.
 4. Release, emission, leakage or spreading of “pollutants” or “contaminants”, subject to the following:

- a. This exclusion does not apply:
 - 1) If the release, emission, leakage or spreading of "pollutants" or "contaminants" is caused by a "specified causes of loss"; or
 - 2) To chemical damage to glass;
 - b. When a release, emission, leakage or spreading of "pollutants" or "contaminants" results in a "specified causes of loss", the loss or damage caused by that "specified causes of loss" is a "covered" loss.
5. An "occurrence", condition, or explosion within any steam boiler, steam generator, steam turbine, steam engine, or steam piping that you own, lease, or operate. However, we will pay for loss or damage resulting from:
- a. Fire;
 - b. Combustion explosion; or
 - c. Explosion of fuels or gases within the furnace of a fired vessel or the adjoining flues or passages.
6. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment; except when such condition results from a fire or explosion. However, if a loss by a peril not otherwise excluded in this policy results, we will be liable for only such resulting loss.
7. Electrical or mechanical breakdown including rupture or bursting caused by centrifugal force. However, if a loss by a peril not otherwise excluded in this policy results, we will then be liable for only such resulting loss.
- EXCEPTION: If mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
8. Animal or insect nesting, infestation, or waste.
9. Any loss arising out of any act committed:
- a. By or at the direction of an insured; and
 - b. With the intent to cause a loss.
10. Interruption of utility services related to overhead transmission lines or satellites
- B. Loss or damage based upon or arising out of any of the following causes is excluded, whether such cause is direct or indirect. This exclusion applies even when another cause contributes concurrently or in any sequence to the loss or damage.
- 1. Nuclear reaction, nuclear radiation, or radioactive contamination. However, we will pay for loss or damage due to fire caused by nuclear reaction, nuclear radiation, or radioactive contamination.
 - 2. Wet rot, dry rot, or "fungus". But we will pay for loss or damage caused by:
 - a. "specified causes of loss" that resulted from wet rot, dry rot or "fungus";
 - b. fire; or
 - c. lightning.

For causes of loss other than fire or lightning, coverage is governed by **SECTION IV – “COVERED” PROPERTY; LIMIT OF COVERAGE** Item AA. **Limited Coverage For "Fungus", Wet Rot, Dry Rot, Virus, Bacterium and Other Microorganism.**

3. Virus, Bacterium, or other microorganism, except to the extent that coverage is provided in Item AA. **Limited Coverage For “Fungus”, Wet Rot, Dry Rot, Virus, Bacterium And Other Microorganism.**
4. “Flood”, including spray from any “flood”, whether driven by wind or not, unless otherwise provided under **SECTION IV – “COVERED” PROPERTY; LIMIT OF COVERAGE.**
5. Water below the surface of the ground including water which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basements, or other floors, or through doors, windows, or any other openings in such sidewalks, driveways, foundations, walls, or floors; unless loss by fire, sprinkler leakage or explosion (not excluded in this policy) results, then we will pay for only such resulting loss.

EXCEPTION: We will provide coverage for sewer, septic system or sump pump backup that is contained within a “building” or structure.

6. War, warlike action, insurrection, rebellion, and revolution, or action taken by governmental authority in hindering or defending against any of these.
7. Failure by you to take all reasonable measures to prevent further property damage during and after a loss.

SECTION VII – BASIS OF RECOVERY

Replacement of property “covered” by Section IV of this policy shall be based upon “replacement cost” (without deduction for depreciation) of those items to which this policy applies unless otherwise limited by other provisions of this policy, by endorsement or the following:

- A. The most we will pay for loss or damage to “covered property” other than a “historical building” shall not exceed the lesser of the following amounts:
 1. The policy limits of your coverage under this agreement.
 2. The amount incurred to repair or replace the damaged property at the time of loss with property of like kind and quality to be used for the same purpose on the same site.
 3. The amount incurred to repair or replace the damaged property as soon as reasonably possible after the loss or damage, but within a time not to exceed two (2) years unless the time is extended in writing by us.
 4. The “actual cash value” of the property at the time of loss or damage unless it is repaired or replaced subject to the following.
 - a. If you do not provide us with written notice of your intent to repair or replace the damaged “covered” property within 180 days of the date of loss, then you will receive “actual cash value”.
 - b. If you receive a settlement on an “actual cash value” basis, you may make a written request within 180 days of the date of loss to repair or replace the damaged “covered” property; or.
 - c. If there were plans for disposal or demolition of the property prior to the loss or damage, you will receive the “actual cash value” of the property at the time of loss or damage.
- B. With respect to a “historical building”, our liability for “covered” loss or damage shall not exceed the lesser of the following amounts:
 1. The policy limits of your coverage under this agreement.

2. If the "historical building" is a total loss:
 - a. The cost of repairing or replacing at the same site a "building" or structure of the same height, square footage and style with a less costly "building" or structure that is functionally equivalent to the damaged "building" or structure; or
 - b. If an ordinance or law requires relocation to a different site, the cost of repairing or replacing at the new site a "building" or structure of the same height, square footage and style with a less costly "building" or structure that is functionally equivalent to the damaged "building" or structure.
 3. The cost of repairing or replacing the damaged portion of the "covered" "historical building" with less costly material consistent with its previous architectural style. We will not pay for expenses incurred more than two (2) years after the loss unless the time is extended in writing by us.
 4. The "actual cash value" of the property at the time of the loss or damage unless it is repaired or replaced subject to the following:
 - a. If you do not provide us with written notice of your intent to repair or replace the damaged "covered" property within 180 days of the date of loss, then you will receive "actual cash value."
 - b. If "you" receive a settlement on an "actual cash value" basis, you may make a written request within 180 days of the date of loss to repair or replace the damaged "covered" property; or.
 - c. If there were plans for disposal or demolition of the property prior to the loss or damage, you will receive the "actual cash value" of the property at the time of loss or damage.
- C. The most we will pay for diminution of value to property caused by "cosmetic damage" from a "covered" peril, shall not be more than 5% of the "actual cash value" of the damage, subject to the following:
1. No payment shall be made under this provision if any other payment is made for any other damage associated with the insured property.
 2. Payments made under this provision shall only be paid one time per insured building, regardless of the number of occurrences during the policy period.
 3. Any payment for damages under this provision, in any prior policy period, precludes all future payments under this provision.

SECTION VIII – CONDITIONS

This policy is subject to the following conditions:

- A. **Other Insurance.** If there is other insurance covering loss to the property from any peril(s) insured against under this policy, we will not be liable under this policy until such other insurance has been exhausted. We shall not be liable for payment of deductibles under other policies.
- B. **Cancellation and Nonrenewal.** You may cancel this policy at any time by giving us written notice or returning the policy to us and stating at what future date coverage is to stop.

We may cancel or not renew this policy by written notice to you at the address shown on the declarations. If the notice is mailed, it will be by first class mail. Proof of delivery of mailing is sufficient proof of notice.

If this policy is in effect for less than 60 days, we may cancel you for any reason.

If this policy has been in effect 60 days or more or if it is a renewal of a policy issued by us, we may cancel or not renew only at the anniversary date unless:

1. The premium has not been paid when due;

2. We discover material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or presenting a claim under the policy,
3. There has been a substantial change in risk assumed that we could not have reasonably foreseen or contemplated in writing the policy; or
4. There have been substantial breaches of contractual duties, conditions or warranties.

If we cancel this policy, we will give you notice at least ten days before cancellation is effective.

If we cancel or non-renew this policy at the anniversary date, we will give you at least 60 days advance notice.

Your return premium, if any, will be calculated on a pro rata basis and refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

- C. **Renewal.** If we decide to renew or amend this policy at the anniversary date with terms less favorable to you or at a higher premium, we will give you notice of the altered terms at least 60 days prior to the renewal or anniversary date. Our notice will be delivered or mailed by first class mail.

A notice is not needed if it involves a premium increase and the premium increase:

1. Is less than 25% and is generally applicable to the class of business to which this policy belongs; or
2. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in classification or the units of exposure, or increased policy coverage.

- D. **Change in Use or Occupancy.** If your use or occupancy of any "building" or structure "covered" by this policy changes, you must notify "us" of such change in use or occupancy at renewal.

- E. **Appraisal.** In the event that you and we disagree as to the value or the amount of loss, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser within twenty days of such demand. These two appraisers will then select a competent and disinterested umpire; and failing for fifteen days to agree upon such umpire, then, on request of you or we, such umpire shall be selected by a judge of a court of record in the state in which the property covered is located.

The appraisers will appraise the loss, stating separately the value and damage. Failing to agree, they will submit their differences to the umpire. A decision agreed to, in writing and filed with us, by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of appraisal and umpire equally.

If there is an appraisal, we still retain our right to deny the claim.

- F. **Options.** In the event of a loss or damage to "covered" property we will, at our option, decide whether to:

1. Pay based on the cost to repair or replace the damaged "covered" property; and/or
2. Retain salvage rights to the damaged "covered" property.

- G. **Abandonment.** There may be no abandonment of any property to us.

- H. **When Losses Will Be Paid.** We will pay for covered loss or damage within 30 days after we receive the Sworn Statement in Proof of Loss, provided you have complied with all of the terms of this policy, and (1) we have reached agreement with you on the amount of loss; or (2) a valid Appraisal Award has been rendered.

- I. **Loss Payable.** Loss will be adjusted with and payable to you except with regard to loss of property in which others have an insurable interest identified in this policy as owner(s), mortgagee(s), or loss payee(s), at which time the loss will be adjusted with you and payable to you and such other owner(s), mortgagee(s), or loss payee(s) as designated.
- J. **Subrogation.** Upon payment to you by us, we acquire all rights of recovery you have or may have against any party, to the extent of such payment. We will not be entitled to recover until you have been made whole. Any waiver of subrogation made by you on or after the effective date of this policy to insure your property through us is not binding on us and will not affect our rights of recovery against any party to the extent of any payment by us to you.
- K. **Liberalization.** Any change we make to this coverage form during the policy period, or the 45 days preceding it, that expands the coverage provided by this policy and that does not require the payment of additional premiums will be included in the policy.
- L. **Suit Against Us.** No suit to recover any loss may be brought against us unless:
 - 1. The terms of the property coverage have been fully complied with; and
 - 2. The suit is commenced within one year after the loss.

If any applicable law makes this limitation invalid, then suit must begin with the shortest period permitted by the law.

- M. **Assignment.** Assignment of this policy will not be valid except with the written consent by us.
- N. **Premium Adjustment:**

Only endorsements adding or deleting a coverage components, during the policy period, resulting in a net premium adjustment will be charged or credited to the insured. These premium adjustments will be charged or credited on a pro-rata basis from the effective date of the endorsement.

- O. **No Benefit To Bailee:**

No one, other than the policyholder, who has custody of the "covered" property is entitled to the benefits of this policy.

- P. **Inspections and Surveys.** You grant us the right to have rating, advisory, rate services or similar organizations make insurance inspections and surveys and create reports or recommendations on our behalf. The decision to make any inspections and surveys or to issue reports or recommendations is at our sole discretion. The activities of these organizations are for our benefit in establishing premiums but may incidentally indicate possible improvements to your business activities.

These inspections and surveys are not intended to benefit you, your employees, or the public and should not be relied upon in lieu of conducting your own health and safety inspections. Neither we nor any organization performing an inspection or survey on our behalf warrants that conditions on your premises are safe or healthful or that they comply with applicable laws, regulations, or safety standards.

- Q. **Duties In The Event Of Loss or Damage**

You must see that the following are done in the event of loss or damage to "covered" property:

- 1. Notify the police if a law may have been broken.
- 2. Give us prompt notice of the loss or damage including a description of the property involved.
- 3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- 4. Take all reasonable steps to protect the "covered" property from further damage, and keep a record of your expenses necessary to protect the "covered" property, for consideration in the settlement of the

claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a "covered" peril. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
7. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
8. Cooperate with us in the investigation or settlement of the claim.
9. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

SECTION IX – DEFINITIONS

- A. "Actual cash value" means the cost (new) to replace the structure with one of like kind and quality less physical depreciation and obsolescence as determined by Wisconsin's Broad Evidence Rule.
- B. "Builders risk property" means:
 1. "Buildings", structures or "Property in the Open" in the course of construction;
 2. "Building materials";
 3. Foundation of a "building", structure or "Property in the Open" in the course of construction;
 4. Addition to an existing "building", structure or "Property in the Open";
 5. Temporary structures built or assembled on the premises", including cribbing, scaffolding, signs, fences, and construction forms used in the course of construction or alterations or repairs of the "builders risk property"; and
 6. Underground and buried pipes, flues or drains but not including those that are part of your storm, water or sewer systems.
- C. "Building" or "buildings" means:
 1. Any structure that exhibits two or more of the following characteristics;
 - a. Structural walls and roof covering
 - b. Some form of permanent foundation (post, block, slab or sub-grade)
 - c. Permanent utility services (electrical service, heating ventilation or air conditioning or plumbing)
 2. Completed additions;
 3. Permanently installed fixtures, machinery and equipment;
 4. Communication towers 100 feet or greater in height;
 5. Electrical substations, including control structures, transformers, distribution equipment and related structures located within the substation area;

6. Lift stations, wells or pumping locations;
 7. Permanent water storage tanks and towers;
 8. Wastewater lagoons, including: plastic, synthetic, clay or other lagoon liners, lagoon riprap and soil/subsoil embankments;
 9. Gas reduction or odorizing stations; or
 10. Underground and buried pipes, flues or drains that are part of a geothermal heating or cooling system, or part of the water treatment plant, wastewater treatment plant, lift station or gas reduction station, but not including those that are part of your storm, water or sewer systems.
- D. "Building materials" means unattached materials and supplies, fixtures and machinery, and equipment used to service the "buildings", structures or "Property in the Open" that are intended for use in the construction or occupancy of the "buildings", structures or "Property in the Open". "Building materials" also includes "building materials" in the custody of the contractor or subcontractor intended for use in the construction or occupancy of the "building", structure or "Property in the Open" if not covered by other insurance.
- E. "Computer program(s)" means a sequence of instructions that performs a specific task when executed by a computer or device connected to it.
- F. "Contaminants" means mixture or contact with an impure or a foreign substance which, when introduced to the property, injures the property's usefulness.
- G. "Cosmetic Damage" means the disfiguring, blemishing, tarnishing, denting or other outward damage that changes the appearance of insured property, but does not impair its ability to function as intended.
- H. "Covered" means insured by us under this policy.
- I. "Electronic data" means facts, information, documents, records or "computer programs" stored on, used on, or transmitted to or from electronic devices, equipment or media.
- J. "Employee(s)" means any partner, member, officer, manager, employee (including leased employees), director, trustee, or official.
- K. "Extra Expense" means the excess (if any) of the total cost incurred during a reasonable time period while the property is being restored, chargeable to your "operations", over and above the total cost that would normally have been incurred to conduct your "operations" during the same period had no damage or destruction occurred.
- L. "Fine Arts" means works of art, museum collections, limited production collectibles, historical value items, antiques or rare articles, including etchings, pictures, photographs (negatives and positives), lithographs, gallery proofs, original records, statues, sculptures, and similar property.
- M. "Flood" means a general and temporary condition of partial or complete inundation of 2 or more acres of normally dry land area or of 2 or more properties (at least 1 of which is the policyholder's property) from:
1. Overflow of inland or tidal waters; or
 2. Unusual and rapid accumulation or runoff of surface waters from any source; or
 3. Mudflow; or
 4. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

- N. "Fungus" means mold, mildew, or any other type of fungus, including mycotoxins, spores, odors or byproducts arising out of the current or past presence of a fungus.
- O. "Historical building" means any "building" or structure listed by the Wisconsin State Historical Society on the Wisconsin State and National register of historic places.
- P. "Money" means currency (electronic and government issued), coins, bank notes, bullion, travelers checks, registered checks and money orders (including those held for sale to the public).
- Q. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions within a 72-hour period, which results in property damage during the policy period.
- R. "Operations" means the performance of your functions and duties at the insured premises.
- S. "Property in the Open" means mobile or permanently affixed personal property designed to be left exposed to the elements and outside of a covered building.
- T. "Pollutants" means largely undesirable substances, irritants, "contaminants", chemicals or waste products that interfere with human comfort or health or that adversely affect the air, soil, water or other natural resources.
- U. "Replacement Cost" means the cost to repair or replace (new) the property with like kind and quality.
- V. "Securities" means all negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes revenue stamps, food stamps, and other stamps in current use; tokens and tickets.
- W. "Sinkhole collapse" means the abrupt settlement, systematic weakening or collapse of the land supporting a covered "building" that results from simultaneous movement of soil, sediment or rock into subterranean voids created by the effect of water on a limestone or similar rock formation. "Sinkhole collapse" does not include collapse of the land into manmade underground cavities or ordinary settling or cracking of the covered "building" or its foundation.
- X. "Specified causes of loss" means the following: aircraft; civil commotion; explosion; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; vandalism; vehicles; volcanic action; "water damage"; weight of snow, ice or sleet; windstorm. It also means falling objects, not including loss or damage to "Property in the Open" or to the interior of a "building" or its contents if the exterior of the "building" remains undamaged by the falling objects.
- Y. "Vacant" means:
1. If you are a tenant, a unit or suite leased to you that does not house sufficient personal property to allow you to conduct your normal business "operations".
 2. If you are an owner or general lessee of a "building", less than 31 % of the total square footage of your "building" is used by an owner, a lessee, or a sub-lessee to conduct its normal business "operations".
- "Buildings", units, suites or structures under construction or renovation are not considered "vacant".
- A suspension of "operations" or period of inactivity during part of each year which is usual and incidental to the described occupancy of the "building", unit, suite or structure shall not be deemed "vacant".
- Change of occupancy shall be recognized by us only if formal action changing the occupancy of the "building", unit, suite or structure was taken by your governing board prior to the loss.
- Z. "Valuable Records" means inscribed, printed, or written documents; manuscripts or records, including abstracts, books, deeds, drawings, films, maps, and mortgages. "Valuable Records" does not mean your accounts receivables, "money" or "securities".

AA. "Water damage" means the accidental escape of water or steam from a plumbing system, HVAC system, or appliance on your insured premises as a direct result of the breakdown or failure of that system or appliance. "Water damage" does not include accidental discharge or overflow of water from a sump system.

This policy is made and accepted subject to the foregoing provisions together with such other provisions and agreements as may be added by endorsement.

SECTION X. DEFINITION OF "CONTRACTORS EQUIPMENT"

The following items are "Contractors Equipment" and must be scheduled to have coverage in excess of the \$25,000 provided in **Section IV.J**:

Airport Equipment	Farm Equipment	Portable Equipment
Aircraft Servicing Equipment	Balers	Compactors Compressors
Fire Fighting Equipment	Combines	Excavators Generators
Snow Removal	Cultivators	Pumps Scales
Equipment	Harvesters	Stages Tanks
Asphalt/Concrete Plants	Haybines	Turbines Water Blaster
All-Terrain Vehicles	Planters	
Augerminer	Spreaders	Pulvi-Mixers
Back Hoes	Fork Lifts	Railroad Equipment
Boats/Motors	Golf Carts	Railroad Cars
Booster Heaters	Grinders	Railroad Engines
Boring Machines	Hauling Equipment (off Highway)	Track Service Vehicles
Brush Burners	End Dumps	Road Equipment
Cement Mixers	Hoisting Machines	Flushers Graders
Chippers	Honey Wagons	Oilers Scrapers
Choppers	Hydraulic Breaker	Rollers Sweepers
Compaction Equipment Pneumatic	Lake Treatment Equipment	Spreaders Shoulder Machines
Rollers	Barges	Robots
Steel Wheel Rollers	Lake Sprayers	Rock Pickers
Tamping Compactors	Weed Harvesting Equipment	Road Wideners
Vibratory Compactors	Leaf Suckers	Sand Blasters
Concrete Saws	Lifts	Seeders
Conveyors	Loaders	Sewer Jetters
Core Drill	Mowers	Sewer Rodders
Cranes	Mulchers	Shovels
Crack Melter	Painting Machines	Sludge Trucks
Crushing & Aggregate	Paving Equipment	Sludge Injectors
Discs	Base Plants Finishers	Snow Grooming Equipment
Ditchers	Distributors Mixers	Snow Blowers
Draglines	Profilers Plants	Snowmobiles
Drones	Rippers Screeners	Sprayers
Earth Moving Equipment	Spreaders Surge Bins	Street Sweepers
Crawler Loaders	Scarafiers Asphalt Heaters	Stump Cutters
Loader - Backhoes	Tar Kettles Tumblers	Stump Pullers
Motor Graders	Transit Mixers	Surge Bins
Motor Scrapers	Personal Watercraft	Tractors (including riding lawnmowers)
Rubber-Tired Loaders	Pile Driving Equipment	Trailers
Wheel Tractors	Pipeline Equipment	Tree Movers/Planters
End Loader Type	Plow Blades	Valve Operator
Equipment Derricks	Plow Wings	*Vehicles
Equipment Excavating		Water Wagons
Excavators		Welders
		Windrow Eliminators
		Windrower

Attachments related to the operation of the property listed above need not be scheduled. They are covered as part of the basic power unit.

*Vehicles designed for road use, but not licensed, because of specialized use. Attachments to vehicles licensed for road use such as wing blades, snowblades, and sanders are Contractors Equipment.

MUNICIPAL PROPERTY INSURANCE COMPANY

JOINT LOSS AGREEMENT ENDORSEMENT

This endorsement applies in the event of damage to or destruction of property at a location designated in this policy and also designated in a Boiler and Machinery Insurance Policy(ies) and there is a disagreement between the insurers with respect to:

1. Whether such damage or destruction was caused by a peril insured against by this policy or by a peril insured against by such Boiler and Machinery Insurance Policy(ies) or
2. The extent of participation of this policy and of such Boiler and Machinery Insurance Policy(ies) in a loss which is insured against, partially or wholly, by any or all of said policies.

We shall, upon written request of you, pay you one-half of the amount of the loss which is in disagreement, but in no event more than we would have paid if there had been Boiler and Machinery Insurance Policy(ies) in effect, subject to the following conditions:

The amount of the loss which is in disagreement, after making provisions for any undisputed claims payable under the said policies and after the amount of the loss is agreed upon by you and the insurers, is limited to the minimum amount remaining payable under either this or the Boiler and Machinery Policy(ies);

1. The Boiler and Machinery insurer(s) shall simultaneously pay to the insured one-half of said amount which is in disagreement;
2. The payments by the insurers hereunder and acceptance of the same by you signify the agreement of the insurers to submit to and proceed with arbitration within 90 days of such payments; the arbitrators shall be three in number, one shall be appointed by the Boiler and Machinery insurer, one shall be appointed by us, and the third appointed by consent of the other two. The decision by the arbitrators shall be binding on the insurers and judgement upon such award may be entered in any court of competent jurisdiction;
3. You agree to cooperate in connection with such arbitration but not to intervene therein;
4. The provisions of this endorsement shall not apply unless such other policy(ies) issued by the Boiler and Machinery insurance company(ies) is similarly endorsed; and
5. Acceptance by you of some payment pursuant to the provisions of this endorsement, including an arbitration award, shall not operate to alter, waive, surrender or in any way affect the rights of you against any of the insurers.

MUNICIPAL PROPERTY INSURANCE COMPANY

CAP OF LOSSES FROM CERTIFIED ACTS OF TERRORISM

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy, such as losses excluded for nuclear reaction, radiation or contamination; losses due to war, warlike action, insurrection, rebellion and revolution; or, action taken by governmental authority.

MUNICIPAL PROPERTY INSURANCE COMPANY

SPECIFIC LIMIT ENDORSEMENT

This endorsement supersedes the following coverage provisions of policy number 5000130 Q-1; **Section III – Amount of Coverage; Section IV – “Covered” Property; Limit of Coverage; Section VII – Basis of Recovery; and Section VIII - Conditions, Paragraph E.**

The most that we will pay in the event of loss for the property described in this endorsement is the amount of coverage designated by the insured, as identified in the declaration page of this policy. Coverage is limited to the items promulgated in the following schedule.

Description of property - include addresses, site and building numbers as noted on Statement of Values	Building Values	Contents Values	Miscellaneous Coverage Values
1920 Stahl Rd., Sheboygan, WI 53081 - Poth Farm	100,000	0	

Miscellaneous coverages include items such as valuable papers, extra expense, pollution clean up, etc., due to losses caused by "covered" perils to property described in this endorsement. In no event shall coverage be greater than that provided in the policy to which this endorsement is attached.

Coverage does apply to buildings and structures that are vacant beyond a period of 60 consecutive days providing those structures are heated or plumbing fixtures and apparatus drained of water or other liquids to prevent loss due to freezing.

MUNICIPAL PROPERTY INSURANCE COMPANY

VACANCY PERMIT

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001

SCHEDULE

Site.

No.

Per schedule on Declarations Page

A. We issue this Vacancy Permit subject to the following:

The following do not apply to a "covered" loss arising from "vacant" property at the locations shown on the declarations page under Vacancy Permit or in the Schedule above:

Item FF. **SECTION IV – "COVERED" PROPERTY; LIMIT OF COVERAGE** of the **MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001**.

B. Other Policy Provisions All exclusions, limitations and other provisions of the policy to which this endorsement is attached that does not conflict with the language in this endorsement apply to this endorsement.

Any liberalized terms of this endorsement supersede the policy to which this endorsement is attached.

MUNICIPAL PROPERTY INSURANCE COMPANY

MONIES AND SECURITIES ENDORSEMENT

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001

A. Coverage A - Loss Inside the Premises

This endorsement provides coverage to pay for loss of money, securities, and food stamps by the actual destruction, disappearance or wrongful abstraction thereof within your premises or within any banking premises or similar recognized places of safe deposit.

B. Coverage B - Loss Outside the Premises

This endorsement provides coverage to pay for loss of money, securities, and food stamps by the actual destruction, disappearance or wrongful abstraction thereof outside your premises while being conveyed by a "messenger" or any armored motor vehicle company, or while within the living quarters in the home of any "messenger".

C. Deductible See Section II-Deductible of primary policy.

D. Exclusions

This endorsement does not apply:

1. To loss due to any fraudulent, dishonest or criminal act by any insured, an officer, employee, director, trustee or authorized representative thereof, while working or otherwise and whether acting alone or in collusion with others; provided, this exclusion does not apply to "safe burglary" or "robbery" or attempt thereof by other than an insured;
2. To loss due to:
 - a. The giving or surrendering of money or securities in any exchange or purchase, or
 - b. Accounting or arithmetical errors or omissions;
3. To loss of manuscripts, books of account or records;
4. Under Coverage A, to loss of money contained in coin operated amusement devices or vending machines, unless the amount of money deposited within the device or machine is recorded by a continuous recording instrument therein;
5. To loss due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
6. To loss due to nuclear reaction, nuclear radioactive contamination, or to any act or condition incident to any of the foregoing.

E. Definitions. The following definitions apply to this endorsement:

1. "Messenger" means you or any employee of yours who is authorized by you to have the care and custody of the insured property outside the premises.
2. "Custodian" means you or any employee of yours who is authorized by you to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
3. "Robbery" means the taking of insured property (1) by violence inflicted upon a "messenger" or a "custodian"; (2) by putting him/her in fear of violence; (3) by any other overt felonious act committed in his/her presence and of which he/she was actually cognizant, provided such other act is not committed by your employee; (4) from the person or direct care and custody of a "messenger" or "custodian" who has been killed or rendered unconscious; or (5) under Coverage A. (a) from within the premises by means of compelling a "messenger" or "custodian" by violence or threat of violence while outside the premises to admit a person into the premises or to furnish him with means of ingress in the premises, or (b) from a showcase or show window within the premises while regularly open for business, by a person who has broken the glass thereof from outside the premises.

4. "Safe Burglary" means (1) the felonious abstraction of insured property from within a vault or safe, the door of which is equipped with a combination lock, located within the premises by a person making felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault of such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the felonious abstraction of such safe from within the premises.
5. "Loss" includes damage.

F. Ownership of Property; Interests Covered

The insured property may be owned by you, or held by you in any capacity whether or not you are liable for the loss thereof, or may be property as respects which you are legally liable; provided, the insurance applies only to your interest in such property, including your liability to others, and does not apply to the interest of any other person or organization in any property unless included in the insured's proof of loss.

G. Books and Records

You shall keep records of all the insured property in such manner that we can accurately determine the amount of loss.

H. Limits of Liability; Settlement Options

The limit of our liability for loss shall not exceed the applicable limit of insurance stated in the declarations, nor what it would cost at the time of loss to repair or replace the property with other of like kind and quality, nor as respects securities the "actual cash value" thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property the "actual cash value" thereof at the time of loss; provided, however, the "actual cash value" of such other property held by you as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by you when making the advance or loan, nor in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The applicable limit of insurance stated in the declarations is the total limit of our liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

We may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with you or the owner thereof. Any property so paid for or replaced shall become our property. Any property recovered after settlement of a loss shall be applied first to the expense of the parties in making such recovery, with any balance applied as if the recovery had been made prior to said settlement, and loss readjusted accordingly. You or we, upon recovery of any such property, shall give notice thereof as soon as practicable to the other.

I. Conditions See the section **VII-Conditions** in primary policy.

J. Additional Condition

Coverage Period, Territory, Discovery - This endorsement applies only to loss which occurs during the policy period within any of the States of the United States of America, the District of Columbia, or Canada, and is discovered not later than one year from the end of the policy period.

MUNICIPAL PROPERTY INSURANCE COMPANY

PIER AND WHARF LIMITED COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001

The following PROPERTY NOT COVERED policy provisions are replaced;

A. Item E. of **SECTION V – PROPERTY NOT COVERED, UNLESS SPECIFICALLY ENDORSED TO THIS POLICY**, of the **MUNICIPAL PROPERTY INSURANCE COMPANY MPIC-001**

by the following excluded causes of loss:

When covered under this policy:

1. Piers and wharves that are scheduled on the declarations page for loss or damage caused by:
 - a. Freezing or thawing; or,
 - b. Erosion or deterioration whether gradual or sudden.
2. Piers and wharves (not scheduled on the declarations page), bridges, dams, pavements, swimming pools and related equipment, retaining walls, bulkheads, and docks: for loss or damage caused by:
 - a. Freezing or thawing;
 - b. Impact of watercraft;
 - c. The pressure or weight of ice or water whether driven by wind or not; and,
 - d. Erosion or deterioration whether gradual or sudden.

Losses covered under this endorsement are subject to the following:

- a Coverage under this endorsement is not extended or amended by any other limit or sublimit of coverage provided under any other part of the policy or endorsements
- b A per occurrence coverage limit equal to not more than \$250,000
- a A per occurrence deductible equal to the greater of the deductible displayed on the Declarations Page or 10% of the total covered loss applies regardless of any other deductible, covered loss or damage provisions

MUNICIPAL PROPERTY INSURANCE COMPANY
CONTRACTORS EQUIPMENT
NEW REPLACEMENT COST COVERAGE ENDORSEMENT

Property "Covered"

This endorsement provides coverage only for the items which are shown on the attached schedule you provided. Coverage applies regardless of the location of the property.

Perils "Covered": This endorsement insures against all sudden and accidental direct physical loss or damage except as limited or excluded in the following sections.

Losses Excluded: See Section **VI** of the policy. Except exclusion **VI (B)** does not apply to "contractors Equipment".

Additional Exclusion: This endorsement does not insure against loss or damage to tires or tubes unless the loss is coincidental with other loss or damage insured by this policy.

Basis of Recovery:

- (1) Replacement Cost – See Section **VII** of basic policy. The recovery basis for property of others shall be "actual cash value" unless you have agreed to the "replacement cost" basis in a written contract.

For "contractors equipment" on the statement of value, we will pay the current "replacement cost" at the time of the loss even if the value shown was higher or lower than the current value at the time of loss.

MUNICIPAL PROPERTY INSURANCE COMPANY
COVERAGE OF COMPUTER-RELATED LOSSES ENDORSEMENT

This endorsement modifies coverage provided under:

Municipal Property Insurance Company Policy MPIC-001

We will pay up to \$25,000 for the cost to recover or replace your "electronic data" due to loss caused by the following:

- A. Impairment of computer services through inside attack. We will pay for the actual expenses you incur due to the impairment of your operations during the "period of recovery" caused by the loss of "electronic data" due to "malicious programming" by an employee, contractor, or other authorized person to whom you have granted permission to access your computer system.
- B. Impairment of computer services through outside attack. We will pay for the actual expenses you incur due to the impairment of your operations during the "period of recovery" caused by the loss of "electronic data" due to "malicious programming" by any person to whom you have not granted permission to access your computer system.
- C. Loss of communications services. We will pay for the actual expenses you incur due to the impairment of your operations during the "period of recovery" caused by the loss of "electronic data" due to an interruption in communications services to the described premises. The interruption must result from direct physical loss or damage caused by a "covered" peril to communications transmission lines, including fiber optic transmission lines, but excluding overhead transmission lines.

This coverage does not apply to losses caused by the following:

- A. Governmental action relating to, or seizure of, the affected property.
- B. War, warlike action, insurrection, rebellion, and revolution, or action taken by governmental authority in defending against any of these.
- C. Nuclear reaction, nuclear radiation, or radioactive contamination.

The following definitions apply to this coverage:

- A. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
- B. "Malicious programming" means an illegal or unauthorized entry into an "electronic data" or computer system that results in the distortion, corruption, manipulation, copying, deletion, destruction or slowing down of that "electronic data" or computer system. It does not mean physical loss or damage to computers or computer systems.

- C. "Period of recovery" means the period of time that:
- a. Begins at the time of direct loss of or damage to "electronic data" caused by or resulting from any peril "covered" by this endorsement; and
 - b. Ends on the earlier of:
 - i. The date when your operations are restored, with reasonable speed and diligence, to the condition that would have existed in the absence of the loss of "electronic data"; or
 - ii. Sixty days after the date when, with reasonable speed and diligence, your computer system is restored to the functionality that existed prior to the loss.
 - c. The expiration date of this policy will not cut short the "period of recovery."

MUNICIPAL PROPERTY INSURANCE COMPANY
Tax Lien Property Coverage

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001.

SECTION VII – BASIS OF RECOVERY is amended to include:

- E. The most we will pay for a loss of property acquired through foreclosure, tax lien, tax deed or any statutory taking process is "actual cash value". This coverage restriction eliminates all sub limits and other coverage provisions that may otherwise apply to a "covered loss".

MUNICIPAL PROPERTY INSURANCE COMPANY LEASED PROPERTY COVERAGE

This endorsement modifies insurance provided under:

MUNICIPAL PROPERTY INSURANCE COMPANY POLICY MPIC-001.

SECTION VII – BASIS OF RECOVERY is amended to include:

- D. The most we will pay for a loss of leased property is "actual cash value", unless the insured is contractually responsible for a different amount.

~~III~~

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Donohue.
May 4, 2020.

A RESOLUTION authorizing the appropriate City officials to execute the First Amendment of Redevelopment Agreement between Aurora Health Care, Inc. and the City of Sheboygan with regard to the property located at 2629 North 7th Street.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the First Amendment of Redevelopment Agreement between Aurora Health Care, Inc. and the City of Sheboygan, a copy of which is attached hereto and incorporated herein.

FAP

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

**FIRST AMENDMENT OF
REDEVELOPMENT AGREEMENT
BETWEEN
AURORA HEALTH CARE, INC.
AND CITY OF SHEBOYGAN**

THIS FIRST AMENDMENT OF REDEVELOPMENT AGREEMENT (the “First Amendment”), made this ____ day of _____, 2020, is by and between Aurora Health Care, Inc., a foreign non-stock corporation, with its principal Wisconsin office located at 750 W. Virginia Street, Milwaukee, WI 53204 (hereinafter “Aurora”), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter “the City”). To the extent that the terms and conditions of this First Amendment conflict with or contradict the terms and conditions of the Redevelopment Agreement, the terms of this First Amendment shall supersede and control.

WITNESSETH:

WHEREAS, Aurora and the City have entered into a Redevelopment Agreement dated as of April 30, 2019, hereinafter referred to as “the Redevelopment Agreement.”

WHEREAS, Aurora and the City, in light of the COVID-19 Pandemic and the various orders that would make it impossible and irresponsible to hold in-person community meetings as required in Section 3.3 of the Redevelopment Agreement, desire to further modify and amend the Redevelopment Agreement.

NOW, THEREFORE, in consideration of mutual covenants and agreements and good and valuable consideration, the delivery and receipt of which is hereby acknowledged by and between Landlord and Tenant, the parties do hereby agree to amend the Redevelopment Agreement as follows:

1. Section 3.3(a). As a matter of clarity, regular attendance at “all meetings of the Memorial Neighborhood Association” by a representative of Aurora includes virtual attendance at meetings for which virtual attendance is provided. Additionally, notwithstanding the terms of this Agreement, no representative of Aurora shall be required to attend a meeting of the Memorial Neighborhood Association if such attendance would violate any pandemic-related guideline from the Centers for Diseases Control then in effect or any provision of an emergency executive order or other order, regulation, rule, or law promulgated by a state, county, city, or other governmental entity (including agencies within said governmental entity) in the exercise of its authority.
2. Section 3.3(b). This section shall be deleted and replaced with the following provision:
 - b) Aurora shall do the following:
 - i) Implement a social engagement online platform to educate the public regarding the Redevelopment Agreement and garner public comments by June 30, 2020. Said platform shall include details about Aurora’s plans and

- timeline for demolition on the Property and address neighborhood concerns about said demolition.
- ii) Require Developer to use the platform to solicit and receive neighborhood input about the anticipated redevelopment of the Property and provide information about the general parameters of the redevelopment.
 - iii) Send postcards to each address in the Memorial Neighborhood and the neighborhoods bordering the Memorial Neighborhood (North Lake, Raider, End Park, Maple Heights, Historic Grant, and Vollrath/North Point neighborhoods) notifying the residents at each address of the platform by June 30, 2020.
 - iv) By September 30, hold three public meetings at which it shall share information, timeframes, and feedback. Such meetings shall be open to the general public, with written invitations mailed to each address in the Memorial Neighborhood and the neighborhoods bordering the Memorial Neighborhood (listed in subsection 2.b.iii., above.)
2. No Other Change. All other provisions of said Redevelopment Agreement shall remain the same and shall continue in full force and effect.
3. Incorporation Into Redevelopment Agreement. Aurora and the City agree that executed counterparts of this First Amendment shall be attached to, and become a part of, the respective copies of the Redevelopment Agreement now in the possession of each party hereto.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first above written.

CITY OF SHEBOYGAN, WISCONSIN

BY: _____
Michael J. Vandersteen, Mayor

ATTEST: _____
Meredith DeBruin, City Clerk

AURORA HEALTH CARE, INC.

BY: _____

ATTEST: _____

This document authorized by and in accordance with Res. No. ____ – 20 – 21.

III

Res. No. _____ - 20 - 21. By Alderpersons Donohue and Bohren. May 4, 2020.

A RESOLUTION authorizing an advance from the Capital Project Fund to the TID 16 Capital Fund.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following transfer of funds:

Establish a transfer of funds to TID 16 for the purposes of contracting for demolition of the Armory; said transfer to serve as an advance:

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
Capital Projects Fund	TID 16 Capital Fund	
Advance to TID 16 Capital Fund	Advance from Capital Project Fund	
400-133426	426-236400	\$400,000

F&P

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. - 20 - 21. By Alderpersons Sorenson and Dekker.
May 4, 2020.

A RESOLUTION authorizing the appropriate City officials to enter into a contract with Mike Koenig Construction, Inc. to replace the roof at Sheboygan Fire Department Station #2.

WHEREAS, the 2020 Capital Improvements Budget contemplates the replacement of the roof at Sheboygan Fire Department Station #2; and

WHEREAS, City Staff has obtained and reviewed competitive bids for the roof replacement, and has determined that the low bid, submitted by Mike Koenig Construction Co., Inc. of Sheboygan, Wisconsin, meets all of the requirements from the bid documents and is within the amount budgeted; and

WHEREAS, the Common Council of the City of Sheboygan believes that it is in the best interest of the City to award a contract to Mike Koenig Construction Co., Inc. for the roof replacement.

NOW, THEREFORE, BE IT RESOLVED: That the Mayor and City Clerk are hereby authorized and directed to enter into a contract with Mike Koenig Construction Co., Inc., a copy of which is attached hereto and incorporated herein, for the roof replacement at Sheboygan Fire Department Station #2.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw funds in the amount of \$315,500.00 from 2020 Capital Improvements Fund - Fire - Building Improvement Account No. 47822100-621200 for the roof replacement.

RHS

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20 . _____, City Clerk

Approved _____ 20 . _____, Mayor

**AGREEMENT
BETWEEN THE CITY OF SHEBOYGAN, WISCONSIN AND
MIKE KOENIG CONSTRUCTION CO., INC.**

**REGARDING ROOF RECONSTRUCTION
AT
SHEBOYGAN FIRE STATION NUMBER 2**

This Agreement (“Agreement”) is made and entered into effective this ____ day of _____, 2020 (the “Effective Date”), by and between the City of Sheboygan (the “City”), a municipal corporation, and Mike Koenig Construction Co., Inc. (“Mike Koenig Construction”).

WITNESSETH:

WHEREAS, the City is the owner of Fire Station Number 2, located at 2413 S. 18th Street in Sheboygan, Wisconsin (“Fire Station #2”); and

WHEREAS, the City wishes to have the roof at Fire Station #2 replaced; and

WHEREAS, the City issued Request for Bids # 1978-20-2 to obtain bids from qualified providers of the materials and services needed to complete the roof replacement at Fire Station #2 (“Services”); and

WHEREAS, the City has opened the bids, and determined that the bid from Mike Koenig Construction (“Bid”) is the lowest responsive and responsible bid for the Services; and

WHEREAS, a copy of the Bid is attached to this Agreement and incorporated herein by reference; and

WHEREAS, Mike Koenig Construction desires to provide the City with the necessary Services under the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Article 1. Scope of Services

Mike Koenig Construction shall provide everything necessary—including, but not limited to, materials, labor, equipment, licenses, permits¹, bonds, and travel expenses—to remove and properly dispose of the existing Flat Roof/Mansard Roof system (including its structural components) and related mechanical systems and to install a truss based pitched roof system and roofing materials and properly replace all related mechanical systems affected by the project at Fire Station #2.

The Alternate identified in Request for Bids # 1978-20-2 is not included in the Scope of Services.

All materials provided in order to complete the Services pursuant to this Agreement shall be new, newest model year, and free from defects.

The nature of the Services are described more fully in the Construction Plans prepared by Abacus Architects, which are attached to this Resolution as Exhibit 1.

As part of the Services, Mike Koenig Construction shall do the following:

Protection of Existing Facilities: Mike Koenig Construction shall be responsible for the protection of all facilities, equipment, and related portions of the structure that are not part of the project within the building which will or have the potential to be adversely impacted during the work.

Service Interruptions: Mike Koenig Construction is responsible for coordinating any needed interruptions in services at Fire Station #2. Any interruptions shall be planned in advance with Fire Department Staff and the City's designated project manager.

Special Considerations:

Rooftop HVAC Unit: The Construction Plans call for the rooftop HVAC Unit to be relocated to the ground. Due to a near failure of the unit in the fall of 2019, the unit required replacement. Instead of a one-for-one replacement, the City instead opted for a basement located HVAC system with outdoor condenser. The roof opening was properly capped to a weather-tight condition; however that relocation required a rooftop fresh air intake. This fresh air intake will need to be extended once the new roof is installed. To assure compliance with State of Wisconsin approvals for the system, the Installing Contractor—Schaus Roofing and Mechanical Inc.—will provide this extension under this Agreement as a subcontractor to Mike Koenig Construction.

Vehicle Exhaust Venting: The system used to vent vehicle exhaust, including automatic disconnection from the vehicle tailpipes during an emergency response is manufactured by a company called Plymovent. While the existing hardware is considered obsolete, there are still systems of similar vintage in use at other Fire Stations in the City. The City would like to retain several of the components for re-use. Care should be taken during the removal of

¹ Mike Koenig Construction shall be responsible for obtaining any and all applicable City permits and paying any and all applicable permit fees prior to beginning work.

these components, as specified in the Construction Plans. Hastings Air Energy Control, Inc. will install new vehicle exhaust venting under this Agreement as a subcontractor to Mike Koenig Construction.

Gas Fired Unit Heaters: The Construction Plans call for three gas fired unit heaters to be re-used. Since these units are quite old, the City would like to replace the units with new, sealed combustion units. The provision and installation of these units, including new concentric stacks and new thermostat controls, is to be done as part of this Agreement. The heaters will be a Sterling SF Series heater, a Modine PTS Series heater, a Lennox TUA Series heater, or another approved equivalent heater.

Planning of Work: Mike Koenig Construction shall plan all work in advance of mobilization.

Final Cleanup: Before leaving the work area, Mike Koenig Construction will assure that all materials created during the work have been removed and cleaned up, and that the area is left in a condition similar to when Mike Koenig Construction mobilized on-site. Mike Koenig Construction is expected to maintain the work area in a neat and safe manner at all times during the performance of the Services.

Final Inspection: Mike Koenig Construction shall arrange a final inspection with City Staff and address any and all defects to the satisfaction of the City prior to submission of a final invoice for payment.

Article 2. Standard of Care

Mike Koenig Construction shall be responsible for completion of the Services in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances (“Standard of Care”). The City shall be the sole judge of the adequacy of Mike Koenig Construction’s work in meeting the Standard of Care; however, the City shall not unreasonably withhold its approval as to the adequacy of Mike Koenig Construction’s performance. Upon notice to Mike Koenig Construction and by mutual agreement between the parties, Mike Koenig Construction will, without additional compensation, correct or replace any and all Services not meeting the Standard of Care.

Mike Koenig Construction shall be solely responsible for all construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under this Agreement.

Article 3. Responsibilities of the City

The City designates Bernie Ramer as its designated project manager for purposes of this Agreement. If the City’s designated project manager deems it appropriate, the City’s designated project manager may consult with other employees of the City, or may retain an appropriate outside expert to assist with the management of this Project.

Article 4. Compensation

The City shall pay Mike Koenig Construction for all fees and expenses an amount not to exceed \$315,500. Invoices shall be sent via first class mail postage prepaid. Payment will be remitted to Mike Koenig Construction within forty-five (45) days of receipt of invoice. Mike Koenig Construction shall submit an invoice to the City on a monthly basis and shall be based on the percentage of the Services described in Article 1 complete. The invoice shall be sent to:

Bernie Rammer
City of Sheboygan
828 Center Ave.
Sheboygan, Wisconsin 53081

Additional services not set forth in Article 1, or changes in the Services must be authorized in writing by the City or its designated project manager prior to such work being performed, or expenses incurred. The City shall not make payment for any unauthorized work or expenses.

The City may withhold payment, in whole or in part, to the extent necessary to protect itself from a loss on account of any of the following:

- Defective work.
- Evidence indicating the probable filing of claims by other parties against Mike Koenig Construction which may adversely affect the City.
- Failure of Mike Koenig Construction to make payments due to subcontractors, material suppliers, or employees.
- Damage to the City or a third party.

The submission of any request for payment shall be deemed a waiver and release by Mike Koenig Construction of all liens and claims with respect to the work and period to which such payment request pertains except as specifically reserved and noted on such request.

Partial payment made under this Agreement is not evidence of the proper performance by Mike Koenig Construction either in whole or in part, and no payment made by the City shall be construed to be an acceptance of defective or improper work. Acceptance of the work by the City shall occur only upon Final Payment by the City which will occur after Final Acceptance. The Parties recognize that more than 45 days may elapse between the submission of the last invoice and Final Acceptance or Final Payment. The City agrees to make reasonable efforts to schedule its Final Inspection in a timely manner and to process the Final Payment in a timely manner upon Final Acceptance. (For the avoidance of doubt, the warranties and guarantees in this Agreement shall continue to apply even after Final Payment by the City.)

Article 5. Appropriation of Funds

Notwithstanding any other provision of this Agreement, if funds for the continued fulfillment of this Agreement by the City are at any time not forthcoming or are insufficient, through failure of any entity, including the City itself, to appropriate funds or otherwise, then the City shall have the right

to terminate this Agreement without penalty. The City agrees that it will make its best effort to obtain sufficient funds for the Agreement to meet its obligations hereunder in full.

Article 6. Performance and Payment Bond

Mike Koenig Construction shall, within fifteen (15) days of the approval of this Agreement by the Common Council of the City of Sheboygan, provide the City with a Performance Bond and a Payment Bond in the amount of one hundred percent (100%) of the contract amount.

Failure by Mike Koenig Construction to perform the work in a timely or satisfactory fashion may result in forfeiture of Mike Koenig Construction's Performance Bond.

If the Surety on any bond furnished by Mike Koenig Construction becomes a party to supervision or liquidation, or its right to do business in the State of Wisconsin is terminated, Mike Koenig Construction shall, within thirty (30) calendar days thereafter, substitute another bond or surety, both of which must be acceptable to the City.

Article 7. Schedule

Mike Koenig Construction shall commence work pursuant to this Agreement within twenty-one (21) days of this Agreement being approved by the Common Council of the City of Sheboygan. Mike Koenig Construction shall continue the prosecution of the Services as quickly as is practicable until the Services are completed. Mike Koenig Construction shall complete the services by October 2, 2020, or within such extra time as may have been allowed by a mutually agreed extension (the "Deadline"). The City's designated project manager shall have the authority to consent to an extension of the Deadline.

Article 8. Liquidated Damages

In the event that Mike Koenig Construction does not complete the Services by the Deadline, there shall be deducted from any monies due or that may become due to Mike Koenig Construction, for each and every calendar day that the work remains uncompleted, a sum of One Hundred and 00/100 Dollars (\$100.00) per calendar day.

This sum shall be considered and treated not as a penalty but as fixed, agreed, and liquidated damages due the City from Mike Koenig Construction by reason of inconvenience to the public, added cost of supervision, and other items which have caused an expenditure of public funds resulting from his failure to complete the work.

Permitting Mike Koenig Construction to continue and finish the work or any part of same after the time fixed for its completion, or after the date to which the time for completion may have been extended, shall in no way be construed as a waiver on the part of the City of any of its rights under this Agreement.

Article 9. Workmanship and Quality of Materials

Mike Koenig Construction guarantees that the workmanship to complete the Services provided under this Agreement for a period of not less than three (3) years after final acceptance by the City. This guarantee shall cover the replacement of any and all parts and labor to replace any and all parts made necessary by normal usage and wear.

Whenever, in any document, an article, material, or equipment is defined by describing a proprietary product, or by using the name of a manufacturer or vendor, the term “or equal” or the term “the equivalent” if not inserted, shall be implied, and it is done for the express purpose of establishing a basis of durability and efficiency and not for the purpose of limiting competition. Whenever material or equipment is submitted for approval as being equal to that specified, the submittal shall include sufficient information and data to demonstrate that the material or equipment conforms to all contractual requirements. The decision as to whether or not such material or equipment is equal to that specified shall be made by the City. The approval by the City of alternate material or equipment as being equivalent to that specified shall not in any way relieve Mike Koenig Construction of responsibility for failure of the material or equipment due to faulty design, material, or workmanship, to perform the function required by the contract documents. The City shall be the sole and final judge of equivalency.

Article 10. Safety Requirements

All materials, equipment, and supplies provided to the City must comply fully with all safety requirements set forth under state and federal law.

Mike Koenig Construction shall be responsible for the safety of employees at all times and shall provide all equipment necessary to insure their safety. Mike Koenig Construction shall ensure the enforcement of all applicable safety rules, regulations, ordinances and laws, whether federal, state, or local. Mike Koenig Construction’s Superintendent of Safety shall make daily inspections upon the arrival and leaving of the site at the close of each workday.

Article 11. Open Records

Both parties understand that the City is bound by the Wisconsin Public Records Law and, as such, this contract is subject to that law. Mike Koenig Construction acknowledges that it is obligated to assist the City in retaining and producing records that are subject to Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of the contract, and that Mike Koenig Construction must defend and hold the City harmless from liability under that law. Except as otherwise authorized, those records shall be maintained for a period of seven (7) years after receipt of Final Payment under the Agreement.

Article 12. Termination

The City may terminate or suspend performance of this Agreement at the City’s prerogative at any time upon written notice to Mike Koenig Construction. Mike Koenig Construction shall terminate or suspend performance of the Services on a schedule acceptable to the City and the City shall pay Mike Koenig Construction for all the Services performed up to the date that written notice is received, plus reasonable termination or suspension expenses. Upon restart, an equitable

adjustment shall be made to Mike Koenig Construction's compensation and the schedule of services.

If Mike Koenig Construction defaults or fails to fulfill in a timely and proper manner its obligations pursuant to this Agreement, the City may, fifteen (15) days after written notice has been delivered to Mike Koenig Construction, and without prejudice to any other remedy it may have, make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due to Mike Koenig Construction. In the alternative the City may, at its option, terminate this Agreement and take possession of the site and of all materials, equipment, tools, and construction equipment and machinery thereon owned by Mike Koenig Construction, and may finish the project by whatever method it may deem expedient. In case the expenses incurred by the City (including payments previously made to Mike Koenig Construction) shall be less than the sum which would have been payable under the Agreement if it had been completed by Mike Koenig Construction, Mike Koenig Construction shall be entitled to receive the difference. However, in case such expense shall exceed the sum which would have been payable under the Agreement, Mike Koenig Construction will be liable and shall pay to the City the amount of said excess. By taking over prosecution of the work, the City does not forfeit the right to recover damages from Mike Koenig Construction or its surety for failure to complete the work in the time specified.

Article 13. Default

If Mike Koenig Construction breaches this Agreement or fails to perform the work in an acceptable manner, it shall be considered in default. Any one or more of the following will be considered a default:

- Failure to begin the work under this Agreement within the time specified.
- Failure to perform the work with sufficient supervision, workers, equipment and materials to insure prompt completion of said work within the time limits allowed.
- Unsuitable performance of the work as determined by City.
- Neglecting or refusing to remove defective materials or failure to perform anew such work as shall have been rejected.
- Discontinuing the prosecution of the work or any part of it.
- Inability to finance the work adequately.
- If, for any other reason, Mike Koenig Construction breaches this Agreement or fails to carry on the work in an acceptable manner.

The City shall send Mike Koenig Construction a written notice of default. If Mike Koenig Construction, within a period of fifteen (15) days after such notice, fails to remedy the default, then the City shall have full power and authority, without violation of the Agreement, to take the prosecution of the work out of the hands of Mike Koenig Construction, as set forth in this Agreement.

Article 14. Identity of Mike Koenig Construction

Mike Koenig Construction acknowledges that one of the primary reasons for its selection by the City to perform the Services is the qualifications and experience of Mike Koenig Construction. Mike Koenig Construction thus agrees that the Services to be performed pursuant to this Agreement

shall be performed by Mike Koenig Construction. Mike Koenig Construction shall not subcontract any part of the Services without the prior written permission of the City. The City's designated project manager shall have the ability to provide this written permission. The City reserves the right to reject any of the Mike Koenig Construction's personnel or proposed outside professional sub-consultants, and the City reserves the right to request that acceptable replacement personnel be assigned to the project.

Article 15. Independent Contractor Status

During the entire term of this Agreement, Mike Koenig Construction shall be an independent contractor, and in no event shall any of its personnel, agents or sub-contractors be construed to be, or represent themselves to be, employees of the City. Mike Koenig Construction shall be solely responsible for the payment and reporting of all employee and employer taxes, including social security, unemployment, and any other federal, state, or local taxes required to be withheld from employees or payable on behalf of its employees.

Article 16. Indemnification

Mike Koenig Construction is responsible to the City for the acts and omissions of its employees, subcontractors, and any other persons performing any of the work under a contract with Mike Koenig Construction.

As such, Mike Koenig Construction shall indemnify and defend the City—including its Officials, Agents, and Employees—from all liability, including, but not limited to, losses, damages, costs, attorney's fees, expenses, causes of action, claims, or judgments resulting from claimed injury, death, damage to property, or loss of use of property or any person or legal entity arising out of or in any way connected with the performance of work or work to be performed under this Agreement.

Mike Koenig Construction shall reimburse the City for any costs, expenses, judgments, and attorney's fees paid or incurred, by or on behalf of the City, its Officials, Agents, or Employees, or paid for on behalf of the City, its Officials, Agents, or Employees by insurance purchased or self-insurance provided by the City.

For the avoidance of doubt, Mike Koenig Construction shall further hold harmless the City, its Officials, Agents, and Employees from liability or claims for any injuries to or death of Mike Koenig Construction's employees (or the employees of any authorized subcontractor) arising out of or in any way connected with the work or work to be performed under this Agreement, including protection against any claim of the contractor or subcontractor for any payments under any worker's compensation law or any expenses of or any payments made by any worker's compensation insurance carrier on behalf of said contractor or sub-contractor and the contractor shall indemnify the City for any costs, expenses, judgments, and attorney's fees with respect to any above referenced workers' compensation claims incurred or paid by the City or paid on its behalf or on behalf of its Officials, Agents, or Employees by insurance purchased or self-insurance provided by the City.

Article 17. Insurance

Mike Koenig Construction shall not commence work under this Agreement until it has obtained all insurance required under this Article. Additionally, Mike Koenig Construction shall not allow any approved subcontractor to commence work on its subcontract until the subcontractor has obtained all insurance required under this Article.

During the performance of any and all Services under this Agreement, Mike Koenig Construction shall maintain the following insurance in full force and effect, and shall provide proof of insurance to the Purchasing Agent listing the City of Sheboygan as an additional insured:

- a. Workers' Compensation Insurance – Mike Koenig Construction shall acquire and maintain, for the duration of the Agreement, Workers' Compensation Insurance that meets all statutory requirements. In the event this Agreement authorizes any work to be sublet, Mike Koenig Construction shall require any subcontractor to similarly provide Workers' Compensation Insurance in accordance with all statutory requirements.
- b. Commercial General Liability Insurance – Mike Koenig Construction shall acquire and maintain, for the duration of this Agreement, Commercial General Liability Insurance with a policy limit of at least \$2,000,000 per occurrence and \$2,000,000 in the aggregate.

The proof of insurance referenced above shall require the insurance company to notify the City at least thirty (30) days prior to the expiration, cancellation, non-renewal, or material change in the coverage. The Certificate Holder on the proof of insurance should be listed as:

City of Sheboygan, Wisconsin
Bernard Rammer – Purchasing Agent
828 Center Ave., Suite 110
Sheboygan, Wisconsin 53081

The proof of insurance must contain an original signature.

Approval of the insurance by the City shall not relieve or decrease the extent to which Mike Koenig Construction may be held responsible for payment of damages resulting from Mike Koenig Construction's provision of the Services or its operations under this Agreement. If Mike Koenig Construction fails or refuses to procure or maintain the insurance required by these provisions, or fails or refuses to furnish the City the required proof that the insurance has been procured and is in force and paid for, the City shall have the right at its election to terminate the Agreement.

Article 18. Conflict of Interest

Mike Koenig Construction declares that it has no present interest, nor shall it acquire any interest, direct or indirect, which would conflict with the performance of Services under this Agreement. Mike Koenig Construction agrees that no person having any such interest shall be employed in the performance of this Agreement.

Article 19. Waiver

No failure of either party to enforce a term of this Agreement against the other shall be construed as a waiver of that term, nor shall it in any way affect the party's right to enforce that term. No waiver by any party of any term of this Agreement shall be considered to be a waiver of any other term or breach thereof.

Article 20. Severability

The invalidity, illegality or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement, and the balance of the Agreement shall be construed and enforced as if it did not contain the particular provision held to be void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire Agreement from being void should a provision which is of the essence of this Agreement be determined void.

Article 21. Assignment

Neither the City nor Mike Koenig Construction shall assign any rights or duties under this Agreement without the prior written consent of the other party.

Article 22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and Mike Koenig Construction.

Article 23. Governing Law and Venue

This Agreement shall be governed by the laws of the State of Wisconsin. Venue of any disputes arising under this Agreement shall be in the Sheboygan County Circuit Court, Wisconsin.

Article 24. Non-Discrimination

In connection with the performance of work under this Agreement, Mike Koenig Construction agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability (as defined in Wis. Stat. 51.01(5)), sexual orientation (as defined in Wis. Stat. 111.32(13m)), or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Mike Koenig Construction further agrees to take affirmative action to ensure equal employment opportunities.

Article 25. Compliance with Laws

In performing the Services under this Agreement, Mike Koenig Construction shall comply with any and all applicable federal, state and local statutes, ordinances, plans, and regulations.

The City reserves the right to cancel this Agreement if Mike Koenig Construction fails to follow the requirements of Wis. Stat. 77.66 and related statutes regarding certification for collection of sales

and use tax. The City also reserves the right to cancel this Agreement with any state or federally debarred contractor.

Mike Koenig Construction shall have any and all licenses and permits required to perform the work specified, and shall furnish proof of such licensing authorization and permits upon request.

Article 26. Notices

Any notice required by this Agreement shall be made in writing to the individuals/addresses specified below:

City: **Mike Koenig Construction:**

City Clerk	Michael R. Koenig
City of Sheboygan	Mike Koenig Construction Co., Inc.
828 Center Ave.	3502 Behrens Parkway
Sheboygan, Wisconsin 53083	Sheboygan, Wisconsin 53081

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of the City and Mike Koenig Construction.

Article 27. Intent to be Bound

The City and Mike Koenig Construction each binds itself and its successors, executors, administrators, permitted assigns, legal representatives and, in the case of a partnership, its partners to the other party to this Agreement, and to the successors, executors, administrators, permitted assigns, legal representatives and partners of such other party in respect to all provisions of this Agreement.

Article 28. Force Majeure

Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In every case, the failure to perform must be beyond the reasonable control and without the fault or negligence of the party.

Article 29. Integration and Modification

This Agreement may be modified only by a written amendment signed by both parties hereto.

This Agreement consists of the following parts, each of which is as fully a part of this Agreement as if fully set out herein:

1. This Agreement and its Attachments
2. Any Written Amendment to the Agreement which may be delivered or issued after the Effective Date of the Agreement (including Change Orders)
3. Notice of Award

4. The Request for Bids (including all attachments)
5. All Addenda to the Request for Bids
6. Mike Koenig Construction's Bid Response (including the Items to be Attached)
7. All Other Submittals by Mike Koenig Construction
8. The Performance and Payment Bonds

(collectively "the Contract").

This Contract is the entire and integrated agreement between the City and Mike Koenig Construction regarding the subject matter of this Contract. It supersedes all prior and contemporaneous communications, representations and agreements that are not part of this Contract.

In resolving conflicts, errors, discrepancies and disputes concerning the Scope of Work to be performed by Mike Koenig Construction, the document expressing the greater quantity, quality, or other scope of work in question, or imposing the greater obligation upon Mike Koenig Construction and affording the greater right or remedy to the City shall govern. Otherwise, the documents shall be given precedence in the order set forth above.

Article 30. Non-Collusion

Mike Koenig Construction is certifying, under penalty of perjury, that to the best of its knowledge and belief:

1. The prices in its bid were arrived at independently, without collusion, consultation, communication, or agreement, for the purpose of restricting competition as to any other matter relating to such prices with any other bidder, or with any other competitor.
2. The prices quoted in its bid were not knowingly disclosed—directly or indirectly—by the bidder prior to bid opening.
3. No attempt was made to induce any other person, partnership, or corporation to submit or not submit a bid for the purpose of restricting competition.

Article 31. Other Provisions

1. Material Safety Data Sheet. If any item(s) on an order(s) resulting from this Agreement is a hazardous chemical, as defined under 29 C.F.R. 1910.1200, Mike Koenig Construction shall provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy with the invoice(s).
2. Advertising and News Releases. Reference to or use of the City, or any of its departments, officials, or employees, for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the City. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the City.

3. **Foreign Corporation.** A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Wis. Stat. 180 relating to a foreign corporation, and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority.

4. **Authority.** Each person executing this Agreement on behalf of a party hereto represents and warrants to the other party: That the execution and delivery of this Agreement has been duly authorized, that the person or persons executing this Agreement have the full power, authority, and right to do so, and that such execution is sufficient and legally binding on such party to enable this Agreement to be enforceable in accordance with its terms.

5. **Definitions.**
 - a. **Final Acceptance:** The event that occurs when Mike Koenig Construction issues to the City or the City issues to Mike Koenig Construction a written statement that Mike Koenig Construction has completed all Punch List items, has made all necessary submittals to the City, and has satisfied all of its obligations under the Agreement.

 - b. **Final Inspection:** The inspection conducted by the City to determine what work must still be completed by Mike Koenig Construction in order for Completion of the Services to occur. After the Final Inspection, the City shall provide Mike Koenig Construction with a Punch List that Mike Koenig Construction must complete in order for Completion of the Services to occur.

 - c. **Final Payment:** Payment by the City to Mike Koenig Construction after Completion of the Services the result of which is Mike Koenig Construction receiving all payments due under the terms of the Agreement for performing and completing the Services.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first written above.

CITY OF SHEBOYGAN, WISCONSIN

MIKE KOENIG CONSTRUCTION

BY: _____
Michael J. Vandersteen, Mayor

BY: _____

ATTEST: _____
Meredith DeBruin, City Clerk

ATTEST: _____

DATE: _____

DATE: _____

RENOVATION TO SHEBOYGAN FIRE STATION #2

2413 S. 18th St. SHEBOYGAN, WISCONSIN



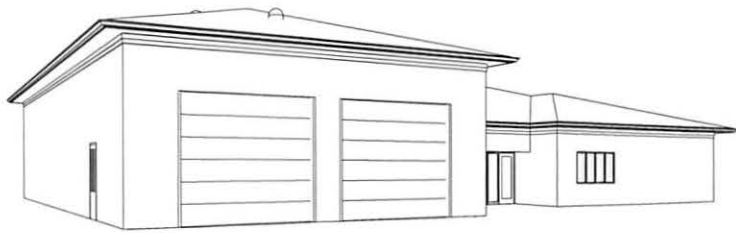
REVISIONS:
13-3-2017 Construction Set

DATE PLOTTED: 11/13/17 10:45 AM
PLOTTER: HP DesignJet T1100
SCALE: 1/8"=1'-0"

2017 ABACUS ARCHITECTS, P.C.



LOCATION MAP



AXON VIEW

REVISION DATE: November 1, 2017
RENOVATION TO
SHEBOYGAN FIRE STATION #2
2413 S. 18th St. SHEBOYGAN, WISCONSIN
1133A MICHIGAN AVE. SHEBOYGAN, WI 53081 | 228 EAST ST. PAUL AVE. MENAUAKE, WI 53151 | 2614 13th St. SHEBOYGAN, WI 53081

ARCHITECTURAL	STRUCTURAL	H.V.A.C.	ELECTRICAL	PROJECT INFORMATION	PROJECT NOTES
<p>ABACUS ARCHITECTS, INC. 1133A MICHIGAN AVENUE SHEBOYGAN, WI 53081 PHONE: 920-432-4444</p> <p>A.101 BUILT SHEET A.102 WALL TYPES, ABREVIATIONS, AND SYMBOLS A.103 SPECIAL BRACKETS A.104 SPECIAL BRACKETS A.105 SPECIAL BRACKETS A.201 FLOOR PLAN A.202 FLOOR PLAN A.301 EXTERIOR ELEVATIONS A.302 EXTERIOR ELEVATIONS A.303 EXTERIOR ELEVATIONS A.304 EXTERIOR ELEVATIONS A.401 BUILDING SECTIONS A.402 BUILDING SECTIONS A.403 WALL SECTIONS A.404 WALL SECTIONS A.700 FOUND PLAN</p>	<p>PERCE ENGINEERS, INC. 181 NORTH BROADWAY MILWAUKEE, WI 53233 PHONE: (414) 278-6060</p> <p>S.001 GENERAL NOTES S.200 FLOOR FRAMING PLAN S.400 DETAIL</p>	<p>GERVENES CONSULTING ENGINEERS, LLC 3740 W. SOUTHWIND DRIVE FRANKLIN, WI 53122 PHONE: (414) 741-8322</p> <p>M.101 LOWER LEVEL DEMOLITION PLAN M.102 LOWER LEVEL NEW WORK PLAN M.103 FURTHER LEVEL DEMOLITION PLAN M.104 FURTHER LEVEL NEW WORK PLAN M.105 FLOOR DEMOLITION PLAN M.106 REVISED NEW WORK PLAN</p>	<p>FORNACEI & ASSOCIATES, INC. 3420 S. WESTRODGE DRIVE NEW BERN, WI 53151 PHONE: (262) 784-3323</p> <p>E.001 SITE LOCATION MAP, NOTES & SYMBOLS E.101 LIGHTING PLAN E.201 POWER PLAN E.301 SCHEDULES E.401 SPECIAL BRACKETS E.402 SPECIAL BRACKETS</p>	<p>APPLICABLE BUILDING CODES 2015 WISCONSIN CONSTRUCTION CODE 2014 INTERNATIONAL RESIDENTIAL CODE 2014 INTERNATIONAL FIRE MARSHAL CODE</p> <p>RAVING AREA SHEBOYGAN FIRE STATION #2 PROJECT AREA: 11333A PROJECT AREA: 11333A</p> <p>CONSTRUCTION CLASSIFICATION TYPE III CONSTRUCTION (REPAIRS & ALTERATIONS) CONSTRUCTION CLASSIFICATION TYPE III CONSTRUCTION (REPAIRS & ALTERATIONS) CONSTRUCTION CLASSIFICATION TYPE III CONSTRUCTION (REPAIRS & ALTERATIONS)</p>	<p>SCOPE OF WORK THE SCOPE OF THE CONTRACT INCLUDES THE DESIGN AND CONSTRUCTION OF THE SHEBOYGAN FIRE STATION #2 RENOVATION PROJECT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL, STATE, AND FEDERAL AUTHORITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES ON THE SITE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES ON THE SITE.</p> <p>NOTES THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL, STATE, AND FEDERAL AUTHORITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES ON THE SITE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES ON THE SITE.</p> <p>DATE NOVEMBER 1, 2017</p>

DRAWN BY: PGM
CHECKED BY: PGM
A
101

PROJ. NO. 2017-30

- 1. GENERAL NOTES
- 2. EXISTING CONDITIONS
- 3. DEMOLITION
- 4. FOUNDATION
- 5. CONCRETE
- 6. MASONRY
- 7. METALS
- 8. ROOFING
- 9. INTERIORS
- 10. MECHANICAL
- 11. ELECTRICAL
- 12. TELECOMMUNICATIONS
- 13. FINISHES
- 14. SCHEDULE
- 15. LEGEND
- 16. NOTES
- 17. GENERAL NOTES
- 18. EXISTING CONDITIONS
- 19. DEMOLITION
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- 396. TELECOMMUNICATIONS
- 397. FINISHES
- 398. SCHEDULE
- 399. LEGEND
- 400. NOTES

ABACUS ARCHITECTS

REVISIONS:

DATE: 10/15/2017
PROJECT: SHEBOYGAN FIRE STATION #2
2413 S. 18TH ST. SHEBOYGAN, WISCONSIN
11334 MICHIGAN AVE. SHEBOYGAN, WISCONSIN 53081 | 262.457.4444 | 221 EAST ST. FAIRBANKS, ALASKA 99701

DRAWN BY: **ABACUS**

CHECKED BY: **CHERRY**

A
103

PROJ. NO. 2017-30



REVISIONS:

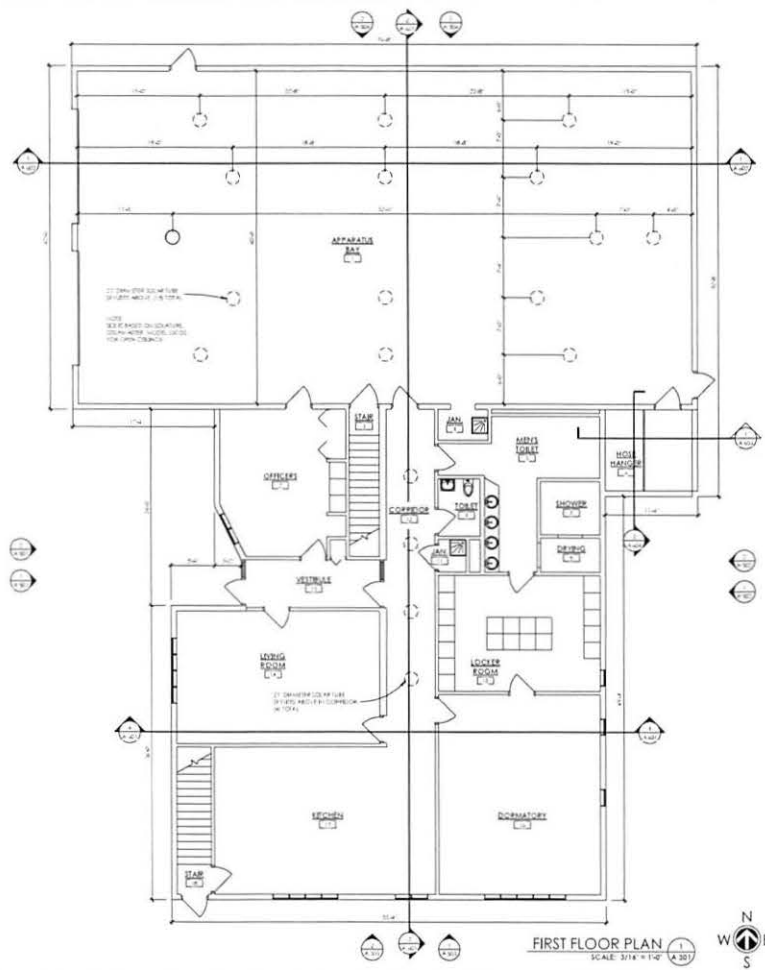
NO. DATE BY
1. 01/15/17 JMB

PROJECT: SHEBOYGAN FIRE STATION #2
2413 S. 1ST ST. SHEBOYGAN, WISCONSIN
11334 WISCONSIN AVE. SHEBOYGAN, WI 53081 P. 920.4444 | 221 EAST ST. PAUL, WI 53542 W. 920.4443

DESIGN BY: JMB
CHECKED BY: FM

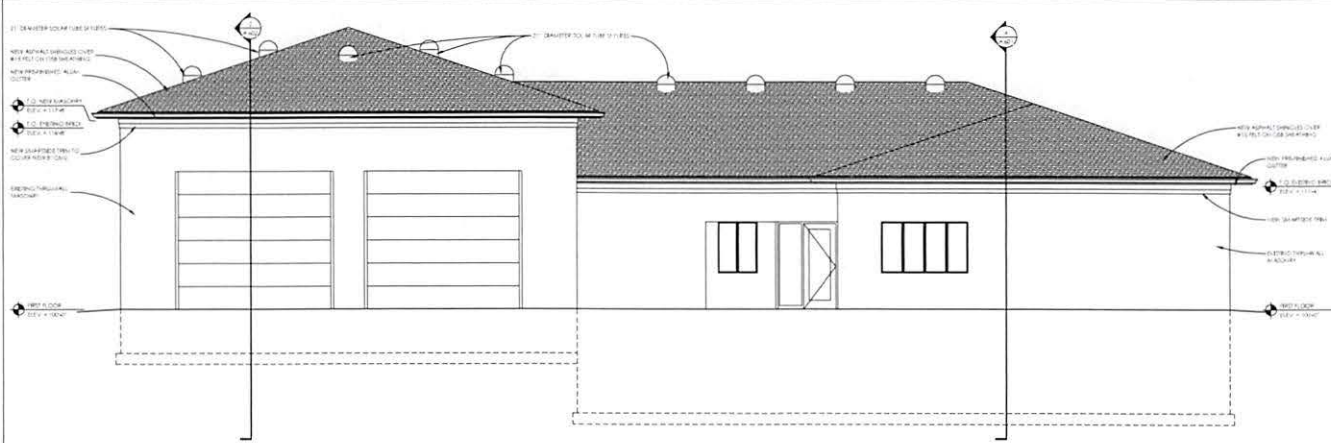
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PROJ. NO. 2017-30

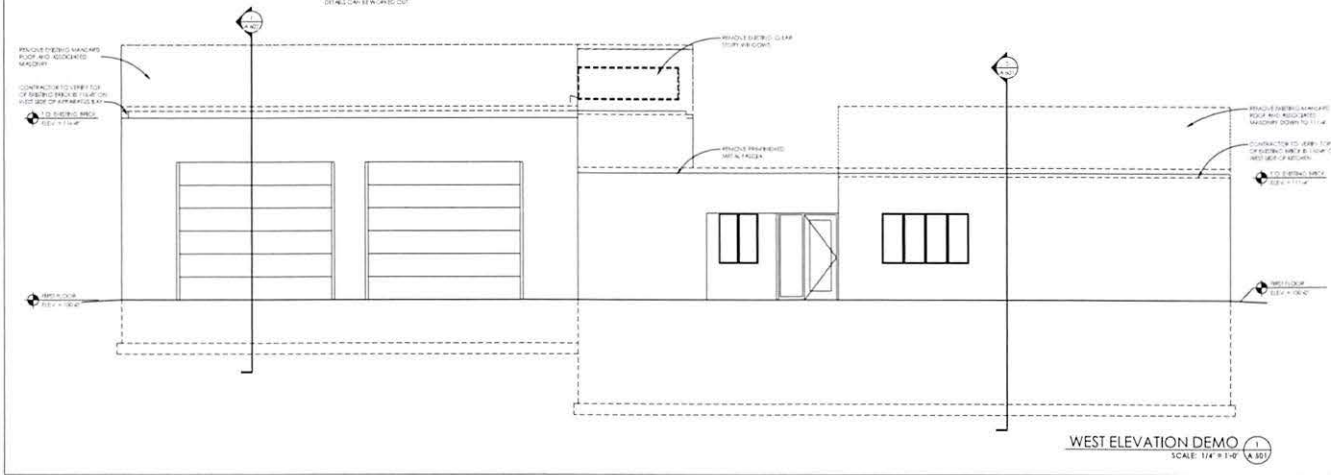


FIRST FLOOR PLAN
SCALE: 3/16" = 1'-0" (A-301)





WEST ELEVATION NEW 2
SCALE: 1/4" = 1'-0" (A 50)



WEST ELEVATION DEMO 1
SCALE: 1/4" = 1'-0" (A 50)

NOTE: IF CONTRACTOR WISHES TO REMOVE HEIGHTS DO NOT MATCH EXISTING FLOOR LEVELS (SEE ARCHITECT'S KNOWLEDGE THAT CONTRACTOR IS RESPONSIBLE)



ABACUS ARCHITECTS

REVISIONS:

PROJECT NO. 2017-30
SHEBOYGAN FIRE STATION #2
2413 S. 18TH ST. SHEBOYGAN, WISCONSIN
11334 ARCADIAN AVE. SHEBOYGAN, WI 53081 | P. 920.824.4444 | 225 EAST ST. PALM BEACH, FLORIDA 33411

DESIGNED BY: JMK
DRAWN BY: JMK
CHECKED BY: PM

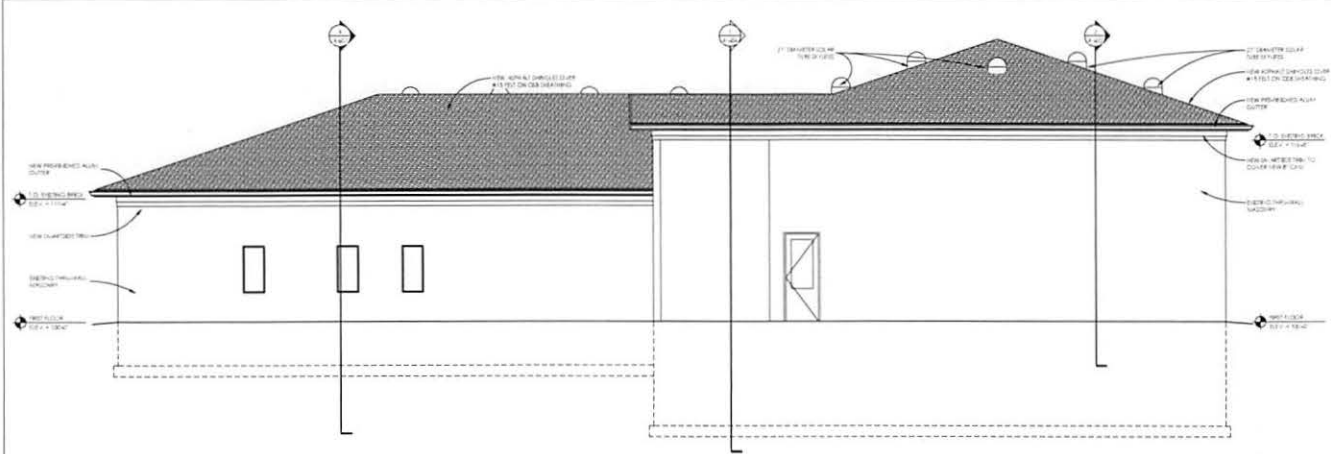
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PROJ. NO. 2017-30

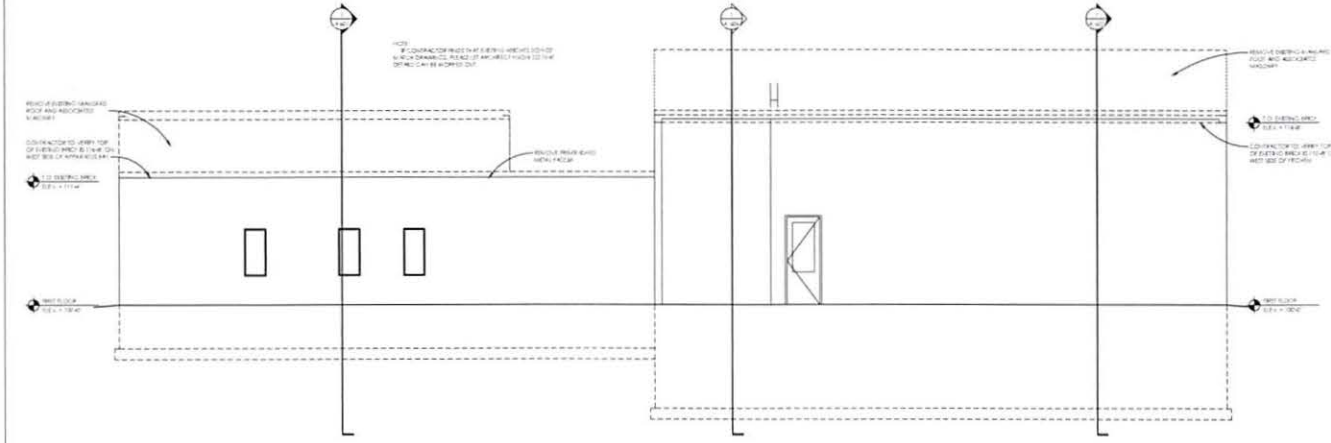


REVISIONS:

NO. 1
NO. 2
NO. 3
NO. 4
NO. 5
NO. 6
NO. 7
NO. 8
NO. 9
NO. 10



EAST ELEVATION NEW
SCALE: 1/4" = 1'-0"
A 502



EAST ELEVATION DEMO
SCALE: 1/4" = 1'-0"
A 502

RESIDENTIAL DESIGN AND CONSTRUCTION ARCHITECTS AND INTERIORS INC. 11314 UNIVERSITY AVE. SHEBOYGAN, WI 53089
 PROJECT NO. 2017-30
 SHEBOYGAN FIRE STATION #2
 2413 S. 18TH ST. SHEBOYGAN, WISCONSIN
 11314 UNIVERSITY AVE. SHEBOYGAN, WI 53089 P. 920.852.4444 E. 231.843.1111
 DRAWN BY: JAN

CHECKED BY: PM
A
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 PROJ. NO. 2017-30



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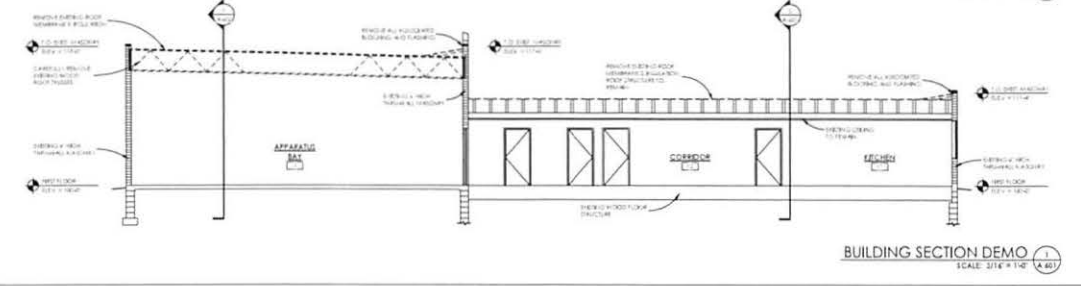
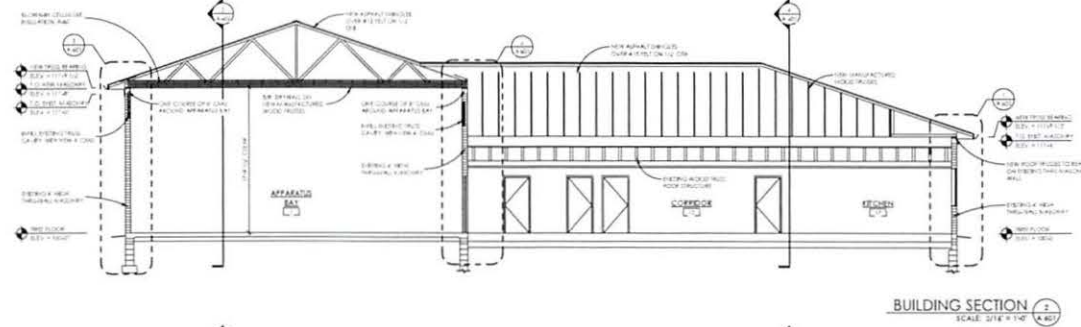
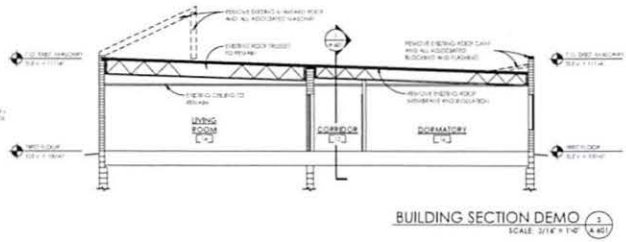
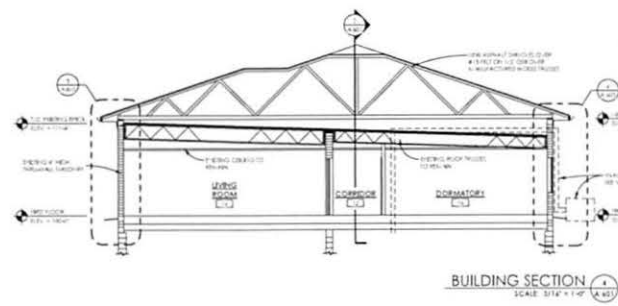
REVISION TO:
SHEBOYGAN FIRE STATION #2
2413 S. 18TH ST. SHEBOYGAN, WISCONSIN
1111A ARCHIBUS AVE. SHEBOYGAN, WI 53081 P.O. BOX 10000 SHEBOYGAN, WI 53081

DESIGNED BY: JMR

CHECKED BY: JMR

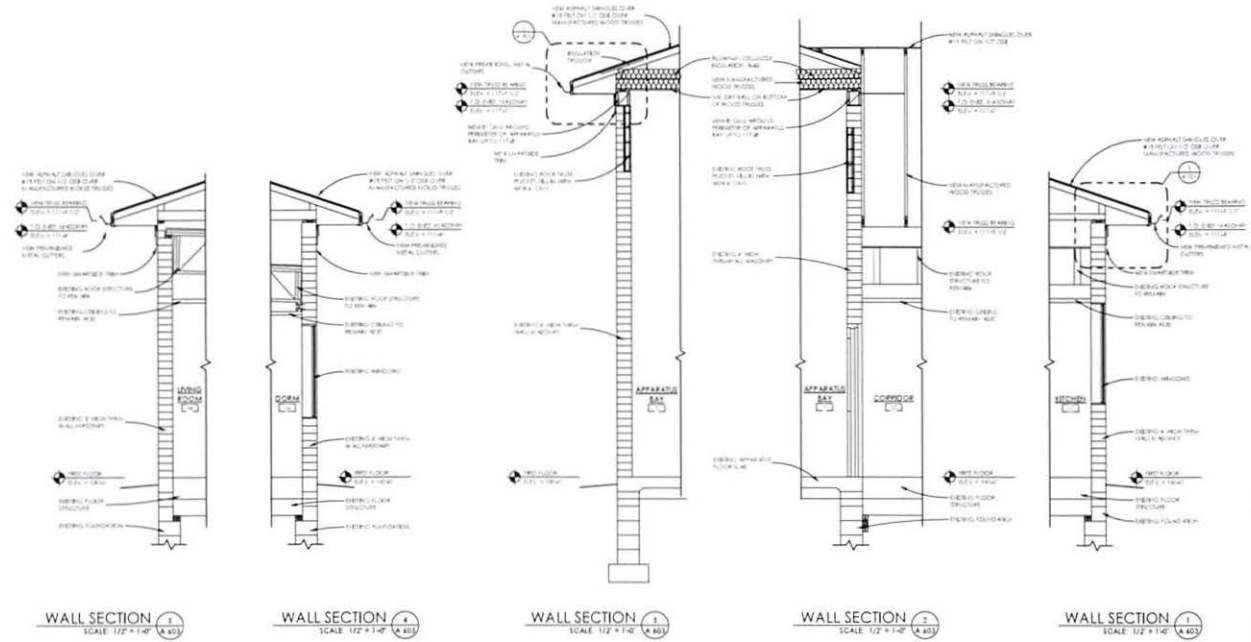
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601

PROJ. NO. 2017-30





REVISIONS:



SHEBOYGAN FIRE STATION #2
 2413 S. 18TH ST. SHEBOYGAN, WISCONSIN
 1133A UNIVERSITY AVE. SHEBOYGAN, WISCONSIN 53081-4544 | 224 EAST PAUL AVE. MANITOWISH WISCONSIN 53048
 DRAWN BY: JAH
 CHECKED BY: PM
A
603
 PROJ. NO. 2017-30



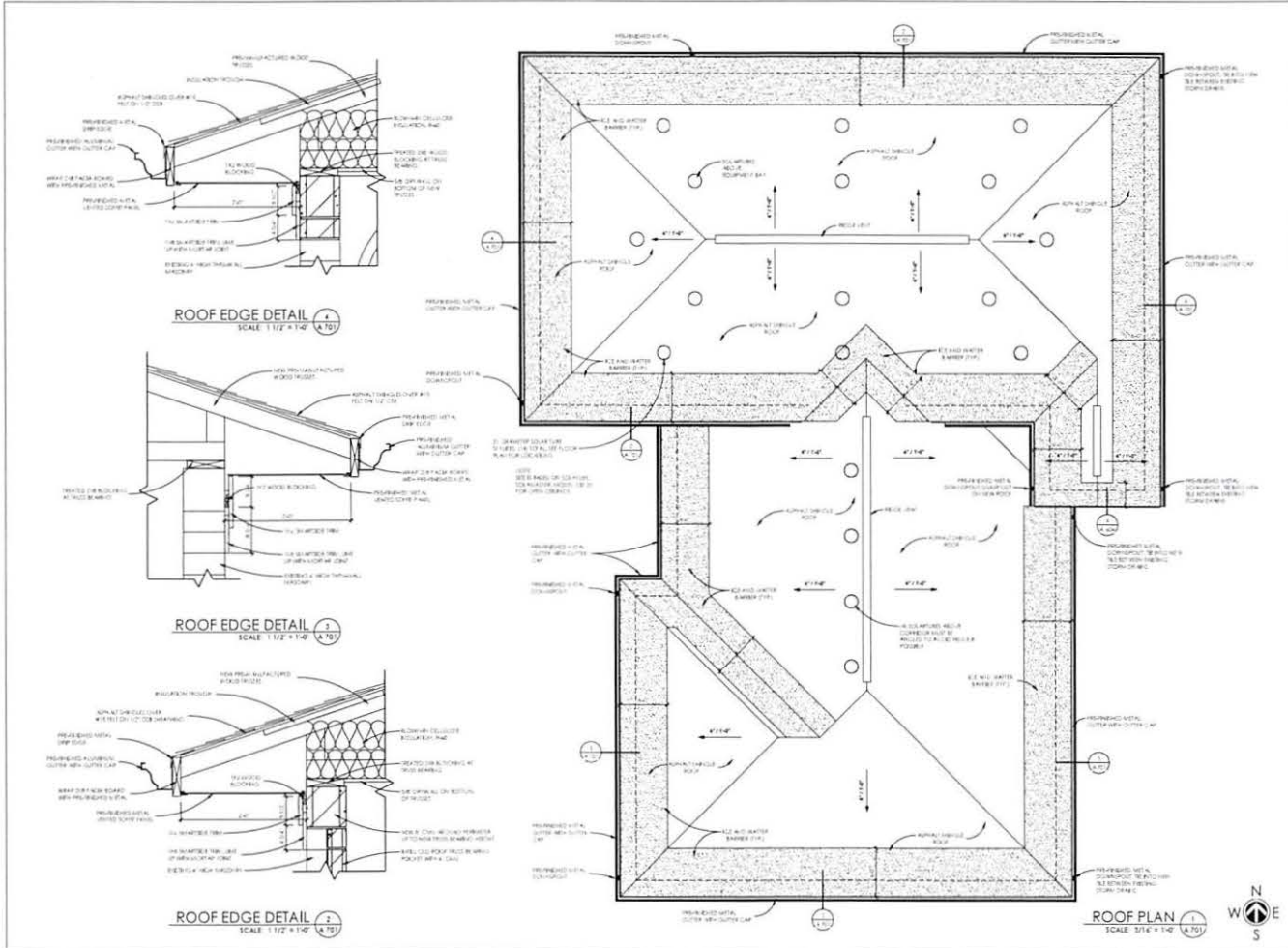
REVISIONS:

DATE: 10/15/2017
 DRAWN BY: JAH
 CHECKED BY: PM

SHEBOYGAN FIRE STATION #2
 241 S. 18TH ST. SHEBOYGAN, WISCONSIN
 133A WISCONSIN AVE. SHEBOYGAN, WI 53081 | 262.455.4444 | 221 EAST PAUL AVE. MENAKEE, WI 53252 | JAH@ABACUS.AE

DRAWN BY: JAH
 CHECKED BY: PM

A
 701
 PROJ. NO. 2017-30

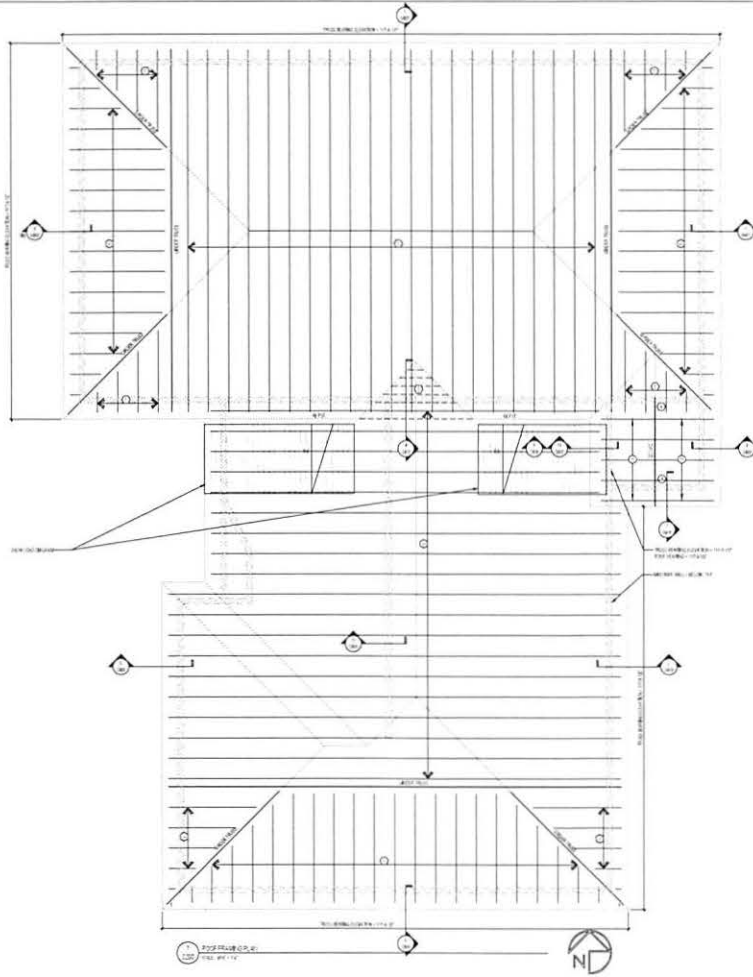


ROOF EDGE DETAIL A
 SCALE: 1/2" = 1'-0" (A 701)

ROOF EDGE DETAIL B
 SCALE: 1/2" = 1'-0" (A 701)

ROOF EDGE DETAIL C
 SCALE: 1/2" = 1'-0" (A 701)

ROOF PLAN 1
 SCALE: 3/16" = 1'-0" (A 701)



WOOD ROOF PLAN NOTES

1. SEE SHEET 201-100 FOR ROOF PLAN NOTES.
2. SEE SHEET 201-100 FOR ROOF PLAN NOTES.
3. SEE SHEET 201-100 FOR ROOF PLAN NOTES.
4. SEE SHEET 201-100 FOR ROOF PLAN NOTES.
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WOOD ROOF PLAN KEYED NOTES

1. SEE SHEET 201-100 FOR ROOF PLAN NOTES.
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10. SEE SHEET 201-100 FOR ROOF PLAN NOTES.

ABACUS ARCHITECTS

REVISIONS:

1334 AUSTIN AVENUE, SHEBOYGAN, WI 53081-4444 | 262.451.4444 | 262.451.4444 | 262.451.4444

SHEBOYGAN FIRE STATION #2

RENOVATION TO

1334 AUSTIN AVENUE, SHEBOYGAN, WI 53081-4444 | 262.451.4444 | 262.451.4444 | 262.451.4444

DRAWN BY: FE

CHECKED BY: FE

S200

PROJ. NO. 2017-30

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE. DATE OF DECLASSIFICATION IS INDEFINITE.



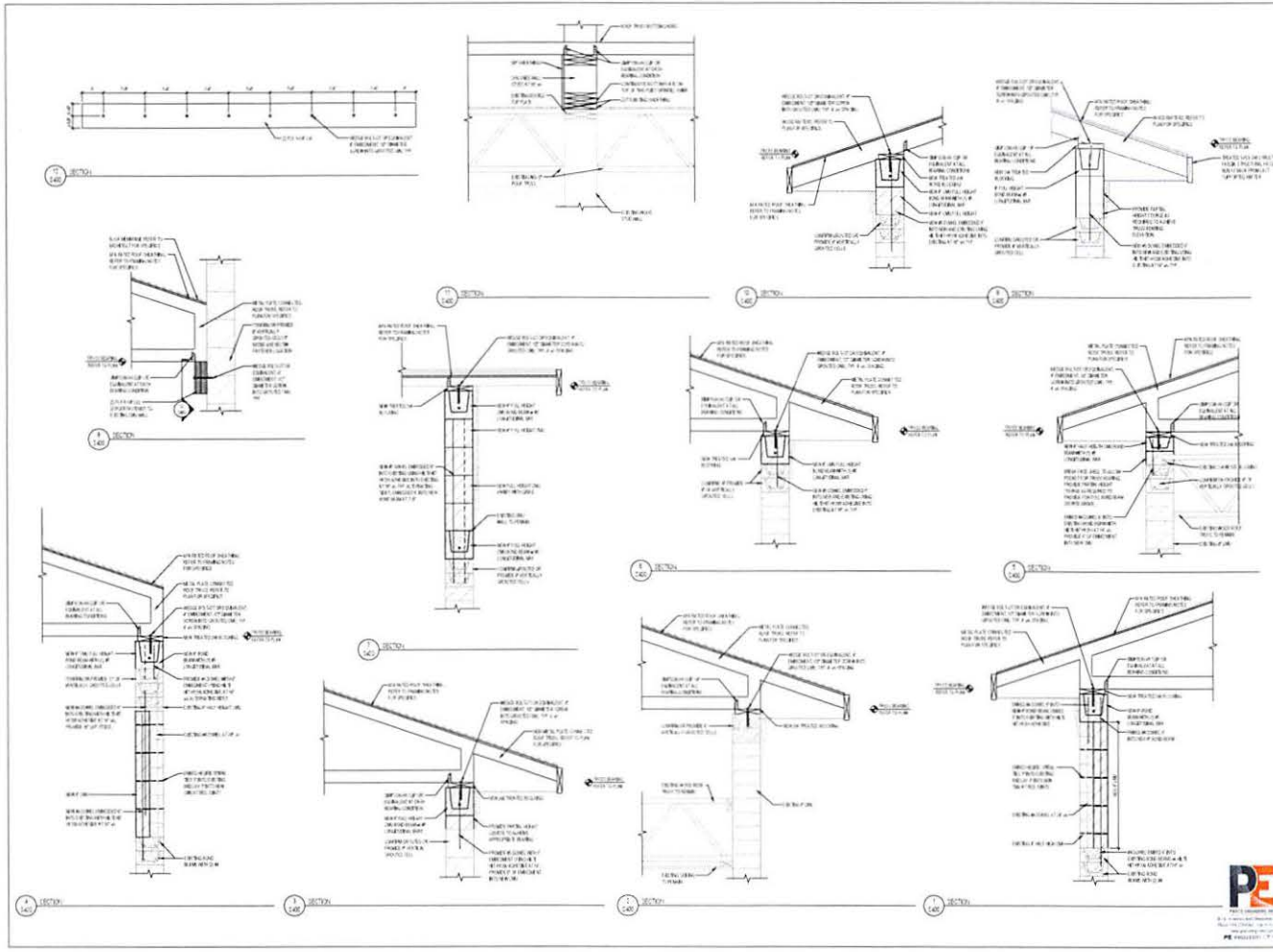


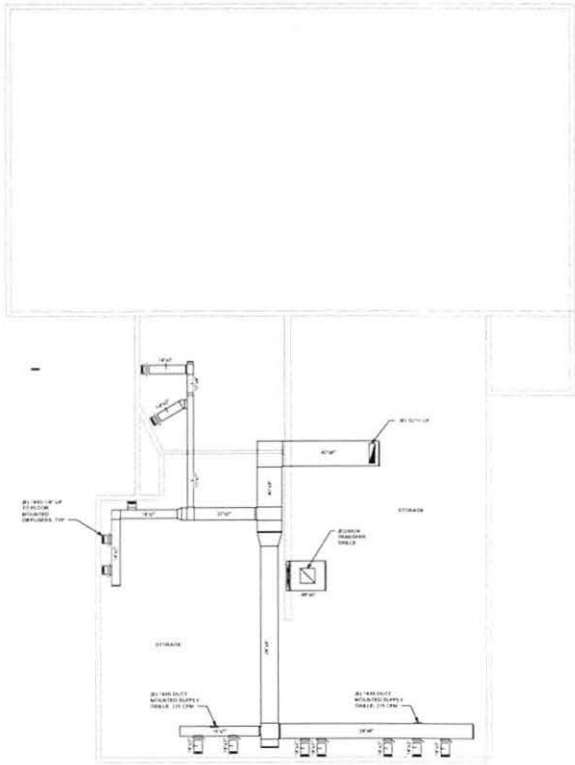
REVISIONS:

DATE: 03/14/2017
PROJECT: SHEBOYGAN FIRE STATION #2 RENOVATION
DRAWN BY: FE
CHECKED BY: FE

SHEBOYGAN FIRE STATION #2
SHEBOYGAN, WISCONSIN
1111A MICHIGAN AVE. SHEBOYGAN, WISCONSIN 53081-4344
TEL: 920.452.4444 FAX: 920.452.4444

PROJ. NO. 2017-30





① LOWER LEVEL NEW WORK

NEW WORK SHEET NOTES

1. EXISTING FACILITIES TO REMAIN, UNLESS NOTED.
2. DIMENSIONS TO CENTER LINE UNLESS OTHERWISE NOTED.
3. CONTRACTOR TO VERIFY ALL DIMENSIONS AND LOCATIONS OF EXISTING FACILITIES.



REVISIONS:

NO. DATE BY

1. 01/15/17 J.A.

2. 02/15/17 J.A.

3. 03/15/17 J.A.

4. 04/15/17 J.A.

5. 05/15/17 J.A.

6. 06/15/17 J.A.

7. 07/15/17 J.A.

8. 08/15/17 J.A.

9. 09/15/17 J.A.

10. 10/15/17 J.A.

11. 11/15/17 J.A.

12. 12/15/17 J.A.

13. 01/15/18 J.A.

14. 02/15/18 J.A.

15. 03/15/18 J.A.

Cervantes Consulting Engineers, LLC
 1700 W. Wisconsin Drive, Milwaukee WI 53122
 Phone No. 414.744.1102 Fax No. 414.744.1103
 www.cce.com

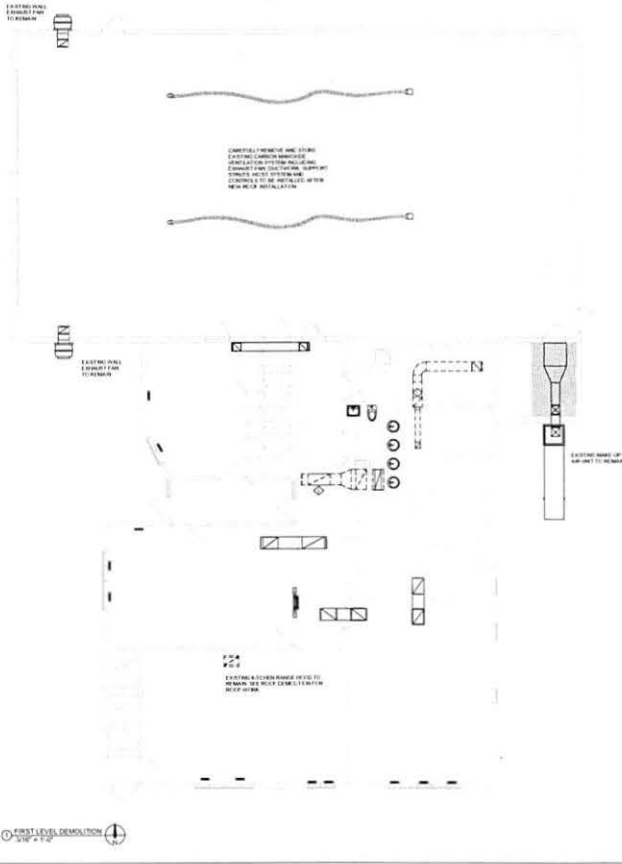
DESIGNED BY: J.A.

CHECKED BY: J.A.

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101

PROJ. NO. 2017-30



DEMOLITION SHEET NOTES

- GENERAL NOTES:**
 UNLESS SHOWN OTHERWISE TO BE DEMOLISHED IN ITS ENTIRETY
- ◆ DEMOLITION SHALL BE IN ACCORDANCE WITH THE SHEET NOTES AND THE SHEET NOTES. EXISTING SHALL BE DEMOLISHED AS SHOWN.
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REVISIONS:

NO.	DATE	DESCRIPTION

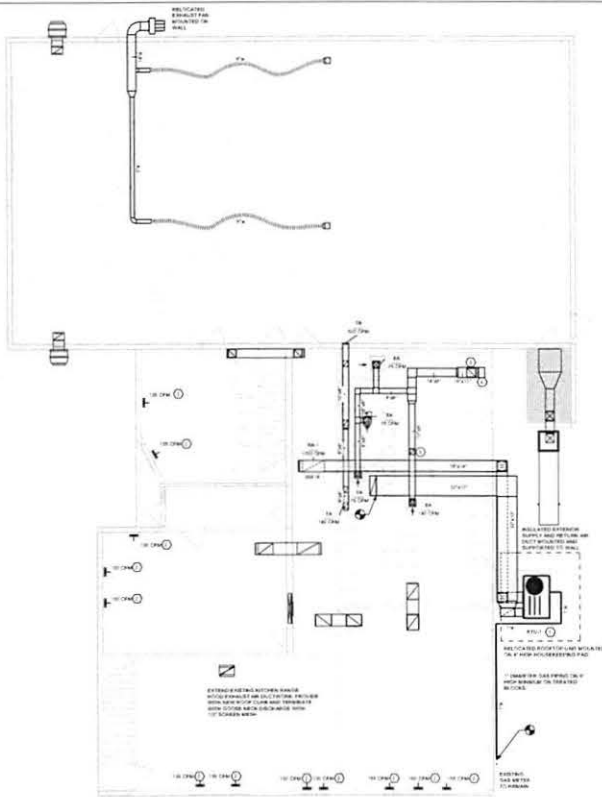
SCALE: AS SHOWN
 SHEET NO. 17-02130-01
 PROJECT NO. 17-02130

ABACUS ARCHITECTS, S.C.
 201 S. 18TH STREET, SHEBOYGAN, WISCONSIN 53081
 PHONE: 920.866.1234 FAX: 920.866.1235
 WWW.ABACUSARCHITECTS.COM

DESIGNED BY: *ACR*
 CHECKED BY: *CHK*

M
102
 PROJ. NO. 2017-30

Cervantes Consulting Engineers, LLC
 3700 N. Highland Drive, Milwaukee WI 53112
 Phone No. 414.768.1882 Project No. 17-02130
 www.cce.com



- NEW WORK SHEET NOTES**
- ① PROVIDE EXISTING AND NEW WORK BY THE LAST OTHER GENERAL CONTRACTOR TO BE INSTALLED TO THE END AND START OF THE OUTSIDE AIR TO THE SERVICE PROVIDED LAST WITH NEW SERVICE AND/OR TO BE REQUIRED TO MEET PANEL REQUIREMENT
 - ② MAKE ALL NEW WORK BE COMPLIANT TO APPLY THE SECTION OR PANEL TYPICAL
 - ③ ALL NEW EXISTING EXISTING PANELS AFTER A 100% CHECK FOR CORRECTION
 - ④ VERIFY ALL EXISTING AND NEW WORK TO BE CORRECT AND NOT TO BE TO THE OTHER



REVISIONS:

DATE: 06/15/2017

SHEBOYGAN FIRE STATION #2
 241 S. 18TH SHEBOYGAN, WISCONSIN
 PROJECT NO. 17-02381

DESIGNED BY: *Author*
 CHECKED BY: *Charles*

M
103

PROJ. NO. 2017-30

Gerantes Consulting Engineers, LLC
 2700 N. Southland Drive, Milwaukee WI 53112
 Phone No. 414-334-1382, Project No. 17-02381
 www.gerantes.com





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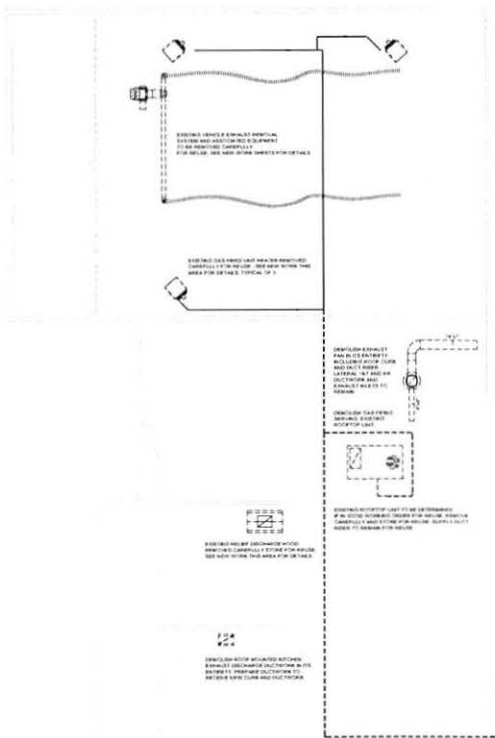
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DEMOLITION SHEET NOTES

GENERAL NOTES:
1. ALL DEMOLITION WORK SHALL BE ACCORDING TO THE REQUIREMENTS OF THE LOCAL, STATE AND FEDERAL REGULATIONS.



Cerrantes Consulting Engineers, LLC



2700 N. Vandland Drive, Milwaukee WI 53112
Phone No: 414-764-5162, Project No: 17-0183
www.cerrantes.com

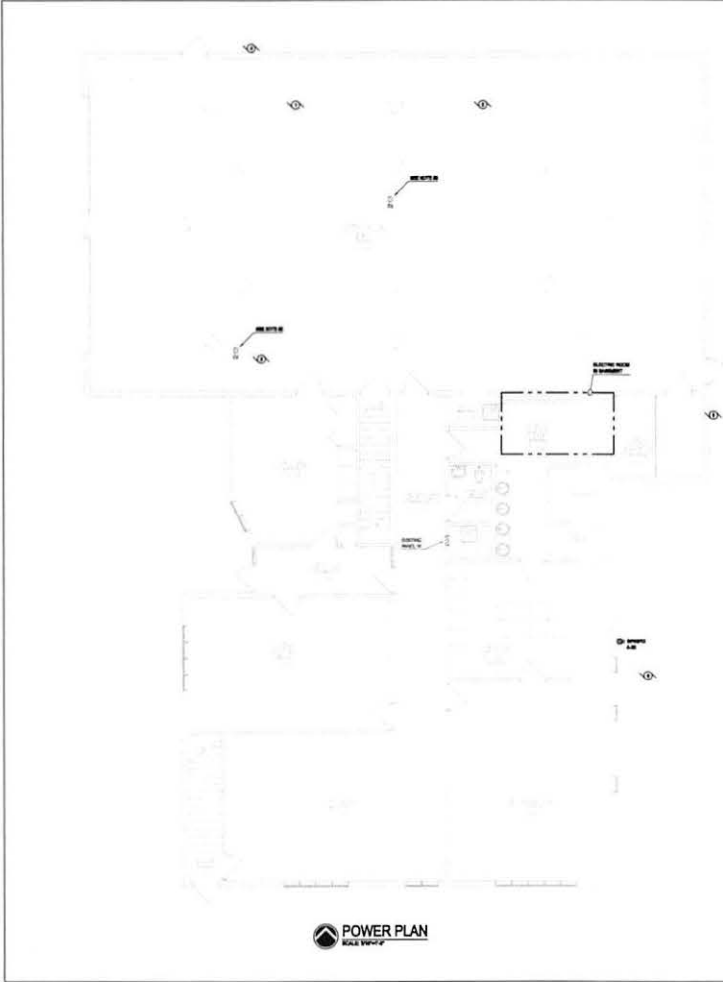
DESIGNED BY: AUSA

CHECKED BY: CHUCKER

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104

PROJ. NO. 2017-30





- NOTES**
1. GENERAL: ALL ELECTRICAL SERVICES ARE SUBJECT TO REVIEW AND APPROVAL BY THE LOCAL ELECTRICAL OFFICE.
 2. CONTRACTOR TO VERIFY ALL EXISTING CONDITIONS AND SHALL BE RESPONSIBLE FOR ANY DISCREPANCIES. ALL TO BE FIELD VERIFY EXISTING CONDITIONS AND ANY LOCATION WITH THIS DRAWING.
 3. CONTRACTOR TO VERIFY ALL EXISTING CONDITIONS AND SHALL BE RESPONSIBLE FOR ANY DISCREPANCIES. ALL TO BE FIELD VERIFY EXISTING CONDITIONS AND ANY LOCATION WITH THIS DRAWING.



REVISIONS

NO.	DESCRIPTION

SCALE TO BE DETERMINED BY THE CONTRACTOR AND APPROVED BY THE ARCHITECT. ALL DIMENSIONS TO FACE UNLESS OTHERWISE NOTED.

© 2017 ABACUS ARCHITECTS, INC.



BASEMENT POWER PLAN
SCALE: 1/8" = 1'-0"

PROJECT: SHEBOYGAN FIRE STATION #2
RENOVATION TO
SHEBOYGAN, WISCONSIN
11000 WESTWIND AVENUE, SHEBOYGAN, WI 53081-4344 | 231.541.3131, 3131 AVE. SHEBOYGAN, WI 53081-4344

DRAWN BY: S.M.B.
CHECKED BY: D.R.K.

E
201
PROJ. NO. 17045



ATTACHMENT 2

CITY OF SHEBOYGAN
Fire Station # 2
Bid # 1978-20-2
Roof Reconstruction and Replacement
REBID Submission Form

TO: City of Sheboygan

By signing below, we certify that we have read and understand all of the specifications and requirements associated with the complete replacement of the roof structure and related mechanical work at Sheboygan Fire Station # 2, 2413 South 18th Street, Sheboygan WI 53081 and as such wish to enter a lump sum, all-inclusive bid for the project as stated below:

BASE BID

\$ 315,500.00

As surety, we also are enclosing a bid bond or Cashier's check in the amount of \$ bid bond which represents not less than 5% of the total BASE BID to ensure that if awarded the project, we will proceed to execution of the contract for the work.

ALTERNATE # 1

At the sole discretion of the City of Sheboygan, we will furnish and install (19) light tubes into the structure as shown in the plans at a cost of:

\$ 23,500.00

In addition, prior to the start of any work, we will provide to the City of Sheboygan a Performance and Payment bond with a face value equal to 100% of the Total All Inclusive cost of the project.

SUBCONTRACTORS

It is our intent to sub- contract with the following firms for provision of goods and services as detailed Below

Company Name	City	Trade or Division of work
Dean's Electric	Sheboygan	Electrical
Manitowoc Heating	Manitowoc	HVAC
Showcase Painting	Sheboygan	Drywall/Paint
Custom Craft	Oostburg	Roofing
Badger Environmental	Green Bay	Asbestos Abatement

RECEIPT OF ADDENDA

We acknowledge receipt of

Addendum # 1 Dated April, 24, 2020

Addendum # 2 Dated _____, _____, 2020

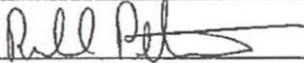
Finally, Should we be awarded the contract, we would mobilize within 21 Days of contract signing, work continuously once on site and expect to complete the project in its entirety no later than October 2, 2020

Company Name Mike Koenig Construction Co., Inc.

Address 3502 Behrens Parkway city Sheboygan State WI Zip 53081

Phone 920-457-0923 Fax 920-457-1024 Email richardp@mikekoenigconstruction.com

Name Richard Peterson Title Project Manager

Signed  Date April 28, 2020

Fidelity and Deposit Company of Maryland

BID BOND

KNOW ALL MEN BY THESE PRESENTS that we **Mike Koenig Construction Company, Inc.**
3502 Behrens Parkway
Sheboygan, WI 53081

as Principal, hereinafter called the Principal, and Fidelity and Deposit Company of Maryland, a corporation duly organized under the laws of the State of Maryland, as Surety, hereinafter called Surety, are held and firmly bound unto

City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081

as Obligeo, hereinafter called Obligeo, in the sum of **Five Percent (5%) of Principal's Bid** Dollars () or (**5** %) percent of the amount bid, whichever is less,

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

Sheboygan Fire Department #2 Roof Reconstruction & Replacement

NOW, THEREFORE, if the Obligeo shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligeo in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligeo the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligeo may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this **8th** day of **April**, 20**20**

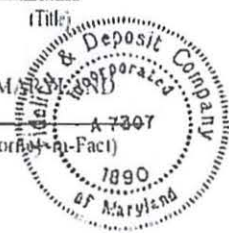
Sandra J. Welch
(Witness)

Kelly School
(Witness)

Mike Koenig Construction Company, Inc.

(Principal) (Seal)
By: PAES OR COZ

(Title)
THE FIDELITY AND DEPOSIT COMPANY OF MARYLAND
By: Jason A. Brantz
(Attorney-in-Fact)



**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by Robert D. Murray, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Randy L. BREHMER, Terence R. GESZVAIN, Jason A. BRAATZ, Chris BREHMER, Cynthia J. BREHMER, Linda A. PUPP and Melissa BABIAK, all of Butler, Wisconsin, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York, the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland, and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland, in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 18th day of March, A.D. 2020



ATTEST:
ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: Robert D. Murray
Vice President

By: Dawn E. Brown
Secretary

State of Maryland
County of Baltimore

On this 18th day of March, A.D. 2020, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, Robert D. Murray, Vice President and Dawn E. Brown, Secretary of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written



Constance A. Dunn, Notary Public
My Commission Expires: July 9, 2023

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 8th day of April, 2020.



Brian M. Hodges

By: Brian M. Hodges
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
www.zurichsuretyclaims@zurichna.com
800-626-4577

ATTACHMENT 2 NON-Collusion Certification

By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in case of a joint bidder, each party certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and behalf:

- 1) The prices in this bid have been arrived at independently without collusion, consultation, Communication or agreement, for the purpose of restricting competition as to any other matter relating to such prices with any other bidder, or with any other competitor.
- 2) Unless otherwise required by law, the prices quoted in this bid have not been knowingly disclosed by the bidder, and will not knowingly be disclosed by the bidder prior to opening, directly or indirectly, to any other bidder or competitor; and.
- 3) No attempt has been made or will be made by the bidder to induce any other person, partnership or corporation to submit or not submit a bid for the purpose of restricting competition.

Signature  _____

Name Richard Peterson

Title Project Manager

Date Signed April 28, 2020

III

Res. No. _____ - 20 - 21. By Alderpersons Wolf and Sorenson.
May 4, 2020.

A RESOLUTION authorizing the appropriate City officials to execute the Second Amendment to the Operating Agreement between the City of Sheboygan and Power Pubs, LLC regarding the Sheboygan Biergarten in Kiwanis Park.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Second Amendment to the Operating Agreement with Power Pubs, LLC, in form substantially similar to the attached.

Public works

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

SECOND AMENDMENT TO
OPERATING AGREEMENT BETWEEN
CITY OF SHEBOYGAN
AND
POWER PUBS, LLC

This Second Amendment amends the Operating Agreement between the City of Sheboygan (“City”) and Power Pubs, LLC, a Wisconsin Limited Liability Company (“Vendor”) (“Agreement”). The Agreement was originally executed on September 3, 2018 and was previously amended on November 22, 2019. Except as specified in this Second Amendment, the Agreement, as previously amended, remains unchanged and in full force and effect.

1. For 2020 and future years of the Agreement, Subsection 3(C) of the Agreement shall be amended to state, in full: “Season. Beginning in 2020, except as specifically provided in this Agreement, Vendor shall provide these services at least five hours per day between 10:00 a.m. and 10:00 p.m. (weather permitting) at least three days per week, beginning no later than June 1 and ending no earlier than September 30. The precise hours are to be determined by Vendor in Vendor’s sole discretion, but shall in no case include hours between 10:00 p.m. and 10:00 a.m. Vendor is not required to provide these services on Independence Day.”
2. The Parties note that this Second Amendment is being entered into during a State of Emergency, in which certain public gatherings have been limited. If the beginning of the 2020 Season is delayed by the State of Emergency, the Director of Public Works and Vendor may agree on an acceptable start date to the 2020 Season, which could include the decision for Vendor not to open for the 2020 Season.
3. Subsection 3(G) of the Agreement shall be amended to state, in full: “Utilities. The City shall supply water, electricity, sewer and trash removal/recycling services in the same manner as currently provided at the Premises, and will not reduce the scope or amount of said services. Vendor shall pay the sum of \$25 per day in which Vendor operates (not to exceed \$300 per month) for all such utilities and trash/recycling haul away. This amount shall be due to the City on a monthly basis, by the 15th day of the next month. Failure to pay this amount by the due date will result in a late penalty of \$50. Failure to pay this amount in full, plus any accrued penalties, within ten days of the due date will constitute a default under Section 27 of this Agreement. Vendor agrees that, on days in which it operates, it shall collect trash and recycling from separate garbage and recycling bins and take it to City dumpsters within Kiwanis Park. Vendor shall at no time commingle trash and recycling. The City shall haul trash and recycling from city dumpsters.”

R. C. No. _____ - 20 - 21. By FINANCE AND PERSONNEL COMMITTEE.
May 4, 2020.

Your Committee to whom was referred Res. No. 4-20-21 by Alderpersons Donohue and Bohren authorizing the appropriate City officials to execute two (2) engagement letters with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan;

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

3.4

Res. No. 4 - 20 - 21. By Alderpersons Donohue and Bohren.
April 21, 2020.

A RESOLUTION authorizing the appropriate City officials to execute two (2) engagement letters with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan.

RESOLVED: That the appropriate City officials are hereby authorized to enter into the two (2) attached engagement letters with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan regarding the issuance of \$3,100,000 in Taxable Water Utility Revenue Bond Anticipation Notes (Series 2020B) and \$4,985,000 in General Obligation Promissory Notes (Series 2020A).

FHP

By Lynne Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



411 East Wisconsin Avenue
Suite 2350
Milwaukee, Wisconsin 53202-4426
414.277.5000
Fax 414.271.3552
www.quarles.com

Attorneys at Law in
Chicago
Indianapolis
Madison
Milwaukee
Minneapolis
Naples
Phoenix
Scottsdale
Tampa
Tucson
Washington, D.C.

April 15, 2020

VIA EMAIL

Ms. Meredith DeBruin
City Clerk
City of Sheboygan
City Hall
828 Center Avenue
Sheboygan, WI 53081

Scope of Engagement Re: Proposed Issuance of \$3,100,000 City of Sheboygan (the "City") Taxable Water Utility Revenue Bond Anticipation Notes, Series 2020B (the "Securities")

Dear Ms. DeBruin:

We are pleased to be working with you again as the City's bond counsel. Thank you for your confidence in us.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of the above-referenced Securities. If you have any questions about this letter or the services we will provide, or if you would like to discuss modifications, please contact me.

Role of Bond Counsel

Our bond counsel engagement is a limited, special counsel engagement. Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of municipal obligations. If you desire additional information about the role of bond counsel, we would be happy to provide you with a copy of a brochure prepared by the National Association of Bond Lawyers.

As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the City's financial advisor or underwriter or placement agent, prior to the issuance of the Securities; review certified

Ms. Meredith DeBruin
April 15, 2020
Page 2

proceedings; and undertake such additional duties as we deem necessary to render the bond counsel opinion described below. As bond counsel, we do not advocate the interests of the City or any other party to the transaction. We assume that the parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the City has authority to issue the Securities for the purpose in question and has followed proper procedures in doing so;
- 2) the Securities are valid and binding obligations of the City according to their terms; and
- 3) the interest paid on the Securities will be included in gross income for federal income tax purposes.

The bond counsel opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date.

Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any post-closing compliance services including any assistance with the City's continuing disclosure commitment, ongoing advice to the City or any other party, or participating in a Securities Exchange Commission or other regulatory body survey or investigation regarding or audit of the Securities.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

The services we will provide under this engagement are strictly limited to legal services. We are neither qualified nor engaged to provide financial advice and we will make no representation about the desirability of the proposed plan of finance, the feasibility of the projects financed or refinanced by the Securities, or any related matters.

Diversity of Practice: Consent to Unrelated Engagements

Because of the diversity of practice of our firm, members of our firm other than those who serve you may be asked to represent other clients who have dealings with the City regarding such matters as zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel work. Ethical requirements sometimes dictate that we obtain the City's consent to such situations even though our service to you is limited to the specialized area of bond counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. We would like to have an understanding with you that the City consents to our firm undertaking representations of this type. Your approval of this letter will serve to confirm that the City has no objection to our representation of other clients who have dealings with the City, unrelated to the borrowing and finance area or any other area in which we have agreed to serve it. If you have any questions or would like to discuss this consent further, please call us.

We also want to advise you that from time to time we represent underwriters and purchasers of municipal obligations, as well as other bond market participants. In past transactions or matters that are not related to the issuance of the Securities and our role as bond counsel, we may have served as counsel to the financial institution that has or will underwrite, purchase or place the Securities or that is serving as the City's financial advisor. We may also be asked to represent financial institutions and other market participants, including the underwriter, purchaser or placement agent of the Securities or the City's financial advisor, in future transactions or matters that are not related to the issuance of the Securities or our role as bond counsel. By engaging our services under the terms of this letter, the City consents to our firm undertaking representations of this type.

A form of our opinion and a form of a Continuing Disclosure Certificate (which we may prepare) may be included in the Official Statement or other disclosure document for the Securities. However, as bond counsel, we will not assume or undertake responsibility for the preparation of an Official Statement or other disclosure document with respect to the Securities, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. If an Official Statement or other disclosure document is prepared and adopted or approved by the City, we will either prepare or review any description therein of: (i) Wisconsin and federal law pertinent to the validity of the Securities and the tax treatment of interest paid thereon and (ii) our opinion.

Fees

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee will be \$10,500. Such fee and expenses may vary: (i) if the principal amount of Securities actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time, expenses or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. It is our understanding that our fee will be paid out of proceeds of the Securities at Closing.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. Our fee is usually paid either at the Closing out of proceeds of the Securities or pursuant to a statement rendered shortly thereafter. We customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

Terms of Engagement

Either the City or Quarles & Brady may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. If the City terminates our services, the City is responsible for promptly paying us for all fees, charges, and expenses incurred before the date we receive termination. We reserve the right to withdraw from representing the City if, among other things, the City fails to honor the terms of this engagement letter – including the City's failing to pay our bills, the City's failing to cooperate or follow our advice on a material matter, or our becoming aware of any fact or circumstance that would, in our view, render our continuing representation unlawful or unethical.

Unless previously terminated, our representation will terminate when we send to the City (or its representative) our final bill for services rendered. If the City requests, we will promptly return the City's original papers and property to you, consistent with our need to ensure payment of any outstanding bills. We may retain copies of the documents. We will keep our own files, including attorney work product, pertaining to our representation of the City. For various reasons, including the minimization of unnecessary storage expenses, we may destroy or otherwise dispose of documents and materials a reasonable time after termination of the engagement.

Ms. Meredith DeBruin
April 15, 2020
Page 5

City Responsibilities

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Limited Liability Partnership

Our firm is a limited liability partnership ("LLP"). Because we are an LLP, no partner of the firm has personal liability for any debts or liabilities of the firm except as otherwise required by law, and except that each partner can be personally liable for his or her own malpractice and for the malpractice of persons acting under his or her actual supervision and control. As an LLP we are required by our code of professional conduct to carry at least \$10,000,000 of malpractice insurance; currently, we carry coverage with limits substantially in excess of that amount. Please call me if you have any questions about our status as a limited liability partnership.

Conclusion and Request for Signed Copy

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable to you, but we would prefer to receive a signed copy of this letter from you.

Ms. Meredith DeBruin
April 15, 2020
Page 6

We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP

/s/ Rebecca Speckhard

Rebecca A. Speckhard

RAS:SMW:bes
#850357.00063

cc: Mr. Darrell Hofland (via email)
Mr. Martin W. Halverson (via email)
Ms. Melissa Clevenger (via email)
Mr. Charles C. Adams (via email)
Mr. Thomas Cameron (via email)
Ms. Carol Ann Wirth (via email)
Ms. Gloria Herron (via email)

Accepted and Approved:

CITY OF SHEBOYGAN

By: _____

Its: _____
Title

Date: _____



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Milwaukee, Wisconsin 53202-4426
414.277.5000
Fax 414.271.3552
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Phoenix
Scottsdale
Tampa
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Washington, D.C.

April 15, 2020

VIA EMAIL

Ms. Meredith DeBruin
City Clerk
City of Sheboygan
City Hall
828 Center Avenue
Sheboygan, WI 53081

Scope of Engagement Re: Proposed Issuance of \$4,985,000 City of Sheboygan (the "City") General Obligation Promissory Notes, Series 2020A (the "Securities")

Dear Ms. DeBruin:

We are pleased to be working with you again as the City's bond counsel. Thank you for your confidence in us.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of the above-referenced Securities. If you have any questions about this letter or the services we will provide, or if you would like to discuss modifications, please contact me.

Role of Bond Counsel

Our bond counsel engagement is a limited, special counsel engagement. Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of municipal obligations. If you desire additional information about the role of bond counsel, we would be happy to provide you with a copy of a brochure prepared by the National Association of Bond Lawyers.

As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the City's financial advisor or underwriter or placement agent, prior to the issuance of the Securities; review certified proceedings; and undertake such additional duties as we deem necessary to render the bond

counsel opinion described below. As bond counsel, we do not advocate the interests of the City or any other party to the transaction. We assume that the parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the Securities are valid and binding general obligations of the City;
- 2) all taxable property in the territory of the City is subject to ad valorem taxation without limitation as to rate or amount to pay the Securities; and
- 3) the interest paid on the Securities will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The bond counsel opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date.

Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any post-closing compliance services including any assistance with the City's continuing disclosure commitment, ongoing advice to the City or any other party concerning any actions necessary to assure that interest paid on the Securities will continue to be excluded from gross income for federal income tax purposes, or participating in an Internal Revenue Service, Securities Exchange Commission or other regulatory body survey or investigation regarding or audit of the Securities.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

The services we will provide under this engagement are strictly limited to legal services. We are neither qualified nor engaged to provide financial advice and we will make no representation about the desirability of the proposed plan of finance, the feasibility of the projects financed or refinanced by the Securities, or any related matters.

Diversity of Practice; Consent to Unrelated Engagements

Because of the diversity of practice of our firm, members of our firm other than those who serve you may be asked to represent other clients who have dealings with the City regarding such matters as zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel work. Ethical requirements sometimes dictate that we obtain the City's consent to such situations even though our service to you is limited to the specialized area of bond counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. We would like to have an understanding with you that the City consents to our firm undertaking representations of this type. Your approval of this letter will serve to confirm that the City has no objection to our representation of other clients who have dealings with the City, unrelated to the borrowing and finance area or any other area in which we have agreed to serve it. If you have any questions or would like to discuss this consent further, please call us.

We also want to advise you that from time to time we represent underwriters and purchasers of municipal obligations, as well as other bond market participants. In past transactions or matters that are not related to the issuance of the Securities and our role as bond counsel, we may have served as counsel to the financial institution that has or will underwrite, purchase or place the Securities or that is serving as the City's financial advisor. We may also be asked to represent financial institutions and other market participants, including the underwriter, purchaser or placement agent of the Securities or the City's financial advisor, in future transactions or matters that are not related to the issuance of the Securities or our role as bond counsel. By engaging our services under the terms of this letter, the City consents to our firm undertaking representations of this type.

A form of our opinion and a form of a Continuing Disclosure Certificate (which we may prepare) may be included in the Official Statement or other disclosure document for the Securities. However, as bond counsel, we will not assume or undertake responsibility for the preparation of an Official Statement or other disclosure document with respect to the Securities, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. If an Official Statement or other disclosure document is prepared and adopted or approved by the City, we will either prepare or review any description therein of: (i) Wisconsin and federal law pertinent to the validity of the Securities and the tax treatment of interest paid thereon and (ii) our opinion.

Fees

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee will be \$14,000. Such fee and expenses may vary: (i) if the principal amount of Securities actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time, expenses or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. It is our understanding that our fee will be paid out of proceeds of the Securities at Closing.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. Our fee is usually paid either at the Closing out of proceeds of the Securities or pursuant to a statement rendered shortly thereafter. We customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

Terms of Engagement

Either the City or Quarles & Brady may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. If the City terminates our services, the City is responsible for promptly paying us for all fees, charges, and expenses incurred before the date we receive termination. We reserve the right to withdraw from representing the City if, among other things, the City fails to honor the terms of this engagement letter – including the City's failing to pay our bills, the City's failing to cooperate or follow our advice on a material matter, or our becoming aware of any fact or circumstance that would, in our view, render our continuing representation unlawful or unethical.

Unless previously terminated, our representation will terminate when we send to the City (or its representative) our final bill for services rendered. If the City requests, we will promptly return the City's original papers and property to you, consistent with our need to ensure payment of any outstanding bills. We may retain copies of the documents. We will keep our own files, including attorney work product, pertaining to our representation of the City. For various reasons, including the minimization of unnecessary storage expenses, we may destroy or otherwise dispose of documents and materials a reasonable time after termination of the engagement.

Ms. Meredith DeBruin
April 15, 2020
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Ms. Meredith DeBruin
April 15, 2020
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QUARLES & BRADY LLP

/s/ Rebecca Speckhard

Rebecca A. Speckhard

RAS:SMW:bes
#850357.00065

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Accepted and Approved:

CITY OF SHEBOYGAN

By: _____

Its: _____
Title

Date: _____



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Milwaukee
Minneapolis
Naples
Phoenix
Scottsdale
Tampa
Tucson
Washington, D.C.

April 15, 2020

VIA EMAIL

Ms. Meredith DeBruin
City Clerk
City of Sheboygan
City Hall
828 Center Avenue
Sheboygan, WI 53081

Scope of Engagement Re: Proposed Issuance of \$3,100,000 City of Sheboygan (the "City") Taxable Water Utility Revenue Bond Anticipation Notes, Series 2020B (the "Securities")

Dear Ms. DeBruin:

We are pleased to be working with you again as the City's bond counsel. Thank you for your confidence in us.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of the above-referenced Securities. If you have any questions about this letter or the services we will provide, or if you would like to discuss modifications, please contact me.

Role of Bond Counsel

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As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the City's financial advisor or underwriter or placement agent, prior to the issuance of the Securities; review certified

Ms. Meredith DeBruin
April 15, 2020
Page 2

proceedings; and undertake such additional duties as we deem necessary to render the bond counsel opinion described below. As bond counsel, we do not advocate the interests of the City or any other party to the transaction. We assume that the parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the City has authority to issue the Securities for the purpose in question and has followed proper procedures in doing so;
- 2) the Securities are valid and binding obligations of the City according to their terms; and
- 3) the interest paid on the Securities will be included in gross income for federal income tax purposes.

The bond counsel opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date.

Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any post-closing compliance services including any assistance with the City's continuing disclosure commitment, ongoing advice to the City or any other party, or participating in a Securities Exchange Commission or other regulatory body survey or investigation regarding or audit of the Securities.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

The services we will provide under this engagement are strictly limited to legal services. We are neither qualified nor engaged to provide financial advice and we will make no representation about the desirability of the proposed plan of finance, the feasibility of the projects financed or refinanced by the Securities, or any related matters.

Diversity of Practice; Consent to Unrelated Engagements

Because of the diversity of practice of our firm, members of our firm other than those who serve you may be asked to represent other clients who have dealings with the City regarding such matters as zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel work. Ethical requirements sometimes dictate that we obtain the City's consent to such situations even though our service to you is limited to the specialized area of bond counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. We would like to have an understanding with you that the City consents to our firm undertaking representations of this type. Your approval of this letter will serve to confirm that the City has no objection to our representation of other clients who have dealings with the City, unrelated to the borrowing and finance area or any other area in which we have agreed to serve it. If you have any questions or would like to discuss this consent further, please call us.

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A form of our opinion and a form of a Continuing Disclosure Certificate (which we may prepare) may be included in the Official Statement or other disclosure document for the Securities. However, as bond counsel, we will not assume or undertake responsibility for the preparation of an Official Statement or other disclosure document with respect to the Securities, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. If an Official Statement or other disclosure document is prepared and adopted or approved by the City, we will either prepare or review any description therein of: (i) Wisconsin and federal law pertinent to the validity of the Securities and the tax treatment of interest paid thereon and (ii) our opinion.

Fees

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Terms of Engagement

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Unless previously terminated, our representation will terminate when we send to the City (or its representative) our final bill for services rendered. If the City requests, we will promptly return the City's original papers and property to you, consistent with our need to ensure payment of any outstanding bills. We may retain copies of the documents. We will keep our own files, including attorney work product, pertaining to our representation of the City. For various reasons, including the minimization of unnecessary storage expenses, we may destroy or otherwise dispose of documents and materials a reasonable time after termination of the engagement.

Ms. Meredith DeBruin
April 15, 2020
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April 15, 2020
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Accepted and Approved:

CITY OF SHEBOYGAN

By: *Darrell Hofland*

Its: *City Administrator*
Title

Date: *5/6/20*



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April 15, 2020

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Ms. Meredith DeBruin
City Clerk
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Our firm is a limited liability partnership ("LLP"). Because we are an LLP, no partner of the firm has personal liability for any debts or liabilities of the firm except as otherwise required by law, and except that each partner can be personally liable for his or her own malpractice and for the malpractice of persons acting under his or her actual supervision and control. As an LLP we are required by our code of professional conduct to carry at least \$10,000,000 of malpractice insurance; currently, we carry coverage with limits substantially in excess of that amount. Please call me if you have any questions about our status as a limited liability partnership.

Ms. Meredith DeBruin
April 15, 2020
Page 6

Conclusion and Request for Signed Copy

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable to you, but we would prefer to receive a signed copy of this letter from you.

We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP

/s/ Rebecca Speckhard

Rebecca A. Speckhard

RAS:SMW:bes
#850357.00065

cc: Mr. Darrell Hofland (via email)
Mr. Martin W. Halverson (via email)
Ms. Melissa Clevenger (via email)
Mr. Charles C. Adams (via email)
Mr. Thomas Cameron (via email)
Ms. Carol Ann Wirth (via email)
Ms. Gloria Herron (via email)

Accepted and Approved:

CITY OF SHEBOYGAN

By: *Darrell Hofland*

Its: *City Administrator*
Title

Date: *5/6/20*

R. C. No. _____ - 20 - 21. By FINANCE AND PERSONNEL COMMITTEE.
May 4, 2020.

Your Committee to whom was referred Res. No. 5-20-21 by Alderpersons
Donohue and Bohren authorizing the issuance and establishing parameters for
the sale of not to exceed \$4,985,000 General Obligation Promissory Notes,
Series 2020A;

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted
and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the
_____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

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III

Res. No. 5 - 20 - 21. By Alderpersons Donohue and Bohren.
April 21, 2020.

RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED \$4,985,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A.

WHEREAS, on April 8, 2020, the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") adopted a resolution providing for the sale of General Obligation Promissory Notes, Series 2020A (the "Notes") for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2020 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts (collectively, the "Project");

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Wisconsin Public Finance Professionals, LLC ("WFPF"), to take the steps necessary for the City to offer and sell the Notes at public sale and to obtain bids for the purchase of the Notes; and

WHEREAS, in order to facilitate the sale of the Notes in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the Finance Director/Treasurer (each an "Authorized Officer") the authority to accept on behalf of the City the bid for the Notes that results in the lowest true interest cost for the Notes (the "Proposal") and meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization and Sale of the Notes; Parameters. For the purpose of paying costs of the Project, the City is authorized to borrow pursuant to Section 67.12(12) Wisconsin Statutes, the principal sum of not to exceed FOUR MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

FAP

(\$4,985,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 16 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser") for, on behalf of and in the name of the City, Notes aggregating the principal amount of not to exceed FOUR MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$4,985,000). The purchase price to be paid to the City for the Notes shall not be less than 100% nor more than 101% of the principal amount of the Notes.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2020A"; shall be issued in the aggregate principal amount of up to \$4,985,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity may be increased or decreased by up to \$100,000 per maturity and that the aggregate principal amount of the Notes shall not exceed \$4,985,000. The schedule below assumes the Notes are issued in the aggregate principal amount of \$4,985,000.

<u>Date</u>	<u>Principal Amount</u>
12-01-2021	\$330,000
12-01-2022	325,000
12-01-2023	320,000
12-01-2024	330,000
12-01-2025	265,000
12-01-2026	415,000
12-01-2027	520,000
12-01-2028	1,265,000
12-01-2029	1,215,000

Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2021. The true interest cost on the Notes (computed taking the compensation paid directly to the Purchaser into account) will not exceed 2.75%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 3. Redemption Provisions. The Notes maturing on 2028 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2027 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2020 through 2028 for the payments due in the years 2021 through 2029 in the amounts in such amounts as are sufficient to meet the principal and interest payments when due.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2020A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There

shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have

been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes,

interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services.

The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by a fiscal agent designated in the Approving Certificate (the "Fiscal Agent").

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name

of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 16. Condition on Issuance and Sale of the Notes. The issuance of the Notes and the sale of the Notes to the Purchaser are subject to approval by the Authorized Officer of the principal amount, definitive maturities, interest rates and purchase price for the Notes, which approval shall be evidenced by execution by the Authorized Officer of the Approving Certificate.

The Notes shall not be issued, sold or delivered until such condition is satisfied. Upon satisfaction of such condition, the Authorized Officer is authorized to execute a Proposal with the Purchaser providing for the sale of the Notes to the Purchaser.

Section 17. Official Statement. The Common Council hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Notes and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officer or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official

Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 20. Conflicting Resolutions; Severability; Effective Date.

All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

By Lynne Nowlin

DRAFT

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20_____.

Dated _____, 20_____. _____, City Clerk
Approved _____, 20_____. _____, Mayor

EXHIBIT A

Approving Certificate

(See Attached)

DRAFT

CERTIFICATE APPROVING THE DETAILS OF
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A

The undersigned [_____] of the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby certifies that:

1. Resolution. On May 4, 2020, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$4,985,000 General Obligation Promissory Notes, Series 2020A of the City (the "Notes") after a public sale and delegating to me the authority to approve the purchase proposal for the Notes, and to determine the details for the Notes within the parameters established by the Resolution.

2. Proposal; Terms of the Notes. On the date hereof, the Notes were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Notes in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Wisconsin Public Finance Professionals, LLC recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Notes shall be issued in the aggregate principal amount of \$_____, which is not more than the \$4,985,000 approved by the Resolution, and shall mature on December 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal due on the Notes is not more than \$100,000 more or less per than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
12-01-2021	\$ 330,000	\$ _____
12-01-2022	325,000	_____
12-01-2023	320,000	_____
12-01-2024	330,000	_____
12-01-2025	265,000	_____
12-01-2026	415,000	_____
12-01-2027	520,000	_____
12-01-2028	1,265,000	_____
12-01-2029	1,215,000	_____

The true interest cost on the Notes (computed taking the compensation paid directly to the Purchaser into account) is _____%, which is not in excess of 2.75%, as required by the Resolution.

3. Purchase Price of the Notes. The Notes shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if any, to the date of delivery of the Notes which is not less than 100% nor more than 101% of the principal amount of the Notes as required by the Resolution.

4. Payment of the Notes; Fiscal Agent. Pursuant to the Resolution, _____, _____, is named fiscal agent for the Notes.

5. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the Resolution, a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as Schedule IV.

6. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Notes and the direct annual irrepealable tax levy to repay the Notes, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2020 pursuant to the authority delegated to me in the Resolution.

[]
[]

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

DRAFT

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

DRAFT

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

DRAFT

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

DRAFT

EXHIBIT B

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R- _____ CITY OF SHEBOYGAN \$ _____
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2020A

MATURITY DATE: ORIGINAL DATE OF INTEREST RATE: CUSIP:
ISSUE:
December 1, _____, _____ %
_____ 20 _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2021 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by [_____, _____, _____] OR [the City Clerk or City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$4,985,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for the public purpose of paying the cost of various construction, improvement and acquisition projects set forth in the City's 2020 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts, as authorized by a resolution adopted on May 4, 2020 as supplemented by a Certificate Approving the Details of General Obligation Promissory Notes, Series 2020A. Said Resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on December 1, 2028 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2027 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have

existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

[This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.]

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Mayor

(SEAL)

By: _____
City Clerk

DRAFT

[Date of Authentication: _____, _____]

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned Resolution of the City of Sheboygan, Sheboygan County, Wisconsin.

_____, _____

By _____
[Authorized Signatory]

DRAFT

OFFICE OF THE CITY CLERK
Sheboygan, Wisconsin
City Hall

I hereby certify that this is a true copy of a document
from the Common Council
proceedings of the City of Sheboygan.

City Clerk

Res. No. _____. By Alderperson _____. May 4, 2020.

RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED \$4,985,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A

WHEREAS, on April 8, 2020, the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") adopted a resolution providing for the sale of General Obligation Promissory Notes, Series 2020A (the "Notes") for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2020 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts (collectively, the "Project");

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Wisconsin Public Finance Professionals, LLC ("WPFP"), to take the steps necessary for the City to offer and sell the Notes at public sale and to obtain bids for the purchase of the Notes; and

WHEREAS, in order to facilitate the sale of City has received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference;

WHEREAS, it has been determined that the proposal (the "Proposal") attached hereto as Exhibit C and incorporated herein by this reference complies with the bid requirements set forth in the Notice of Sale and the parameters set forth in a timely manner this resolution;

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the Finance Director/Treasurer (each an "Authorized Officer") the authority to ~~accept on behalf of the City the bid for the Notes that results in the lowest true interest cost for the Notes (the "Proposal") and certify that the Proposal~~ meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit AD and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1-A. Ratification of the Official Notice of Sale and Offering Materials. The Common Council hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 2B. Authorization and Sale of the Notes; Parameters. For the purpose of paying costs of the Project, the City is authorized to borrow pursuant to Section 67.12(12) Wisconsin Statutes, the principal sum of not to exceed FOUR MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$4,985,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 16 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser") for, on behalf of and in the name of the City, Notes aggregating the principal amount of not to exceed FOUR MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$4,985,000). The purchase price to be paid to the City for the Notes shall not be less than 100% nor more than 101% of the principal amount of the Notes.

Section 1C. Authorization of the Proposal. The Mayor and City Clerk are hereby authorized, empowered and directed to execute the Proposal.

Section 3. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2020A"; shall be issued

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in the aggregate principal amount of up to \$4,985,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity may be increased or decreased by up to \$100,000 per maturity and that the aggregate principal amount of the Notes shall not exceed \$4,985,000. The schedule below assumes the Notes are issued in the aggregate principal amount of \$4,985,000.

<u>Date</u>	<u>Principal Amount</u>
12-01-2021	\$330,000
12-01-2022	325,000
12-01-2023	320,000
12-01-2024	330,000
12-01-2025	265,000
12-01-2026	415,000
12-01-2027	520,000
12-01-2028	1,265,000
12-01-2029	1,215,000

Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2021. The true interest cost on the Notes (computed taking the compensation paid directly to the Purchaser into account) will not exceed 2.75%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Notes maturing on 2028 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2027 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit DE and incorporated herein by this reference.

Section 6. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of

the taxable property of the City a direct annual irrevocable tax in the years 2020 through 2028 for the payments due in the years 2021 through 2029 in the amounts in such amounts as are sufficient to meet the principal and interest payments when due.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 7. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2020A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and

interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2) (a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 8. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 9. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 10. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 11. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 12. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 13. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by a fiscal agent designated in the Approving Certificate (the "Fiscal Agent").

Section 14. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute

and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 15. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 16. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 17. Condition on Issuance and Sale of the Notes. The issuance of the Notes and the sale of the Notes to the Purchaser are subject to approval by the Authorized Officer of the principal amount, definitive maturities, interest rates and purchase price for the Notes, which approval shall be evidenced by execution by the Authorized Officer of the Approving Certificate.

The Notes shall not be issued, sold or delivered until such condition is satisfied. Upon satisfaction of such condition, the ~~Authorized Officer is~~ Mayor and City Clerk are authorized to execute a Proposal with the Purchaser providing for the sale of the Notes to the Purchaser.

Section 18. Official Statement. The Common Council hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Notes and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officer or other officers of the City in connection

with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 19. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 20. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

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Section 21. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

(SEAL)

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the 4th day of May, 2020.

Dated _____, 2020. _____, City Clerk

Approved _____, 2020. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Resolution.

(See Attached)

OFFICIAL NOTICE OF SALE

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

**\$4,985,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A ("NOTES")
(BANK QUALIFIED)**

Date and Time BIDS will be received in the office of the City's Municipal Advisor, Wisconsin Public Finance Professionals, LLC, ("WPFP"), 1025 South Moorland Road, Suite 504, Brookfield, Wisconsin 53005 until

11:00 A.M. (Central Time) on May 4, 2020

The bids should be directed to the City Clerk and plainly marked "Bid for Notes". Bids may be delivered to WPFP, at the address set forth above; telephoned to WPFP at (414) 434-9644; faxed to WPFP at (414) 226-2014; emailed to cawirth@wipublicfinance.com; or submitted electronically via PARITY. Bids must be submitted via one of these methods described herein and received prior to the time established for bid opening. The time as maintained by PARITY shall constitute the official time. Neither the City nor WPFP shall be responsible for any failure to receive a facsimile submission or email. A meeting of the Common Council will be held on said date for the purpose of taking action on such bids as may be received. Unless all bids are rejected, the award will be made to the bidder offering the lowest true interest cost ("TIC") to the City.

Terms The Notes will be dated May 18, 2020, issued as fully registered notes in denominations of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>December 1</u>	<u>Principal Amount*</u>	<u>December 1</u>	<u>Principal Amount*</u>
2021	\$330,000	2026	\$ 415,000
2022	325,000	2027	520,000
2023	320,000	2028	1,265,000
2024	330,000	2029	1,215,000
2025	265,000		

* The City reserves the right, after bids are opened and prior to award, to increase or decrease the amount of any individual maturity of the Notes in increments of \$5,000. In the event of any such modification, the aggregate purchase price proposed will be adjusted to maintain the same gross spread relating to underwriter compensation per \$1,000.

Interest is payable commencing on June 1, 2021 and semi-annually thereafter on December 1 and June 1 of each year calculated based on 360-day year of twelve 30-day months.

The Notes maturing on December 1, 2028 and December 1, 2029 shall be subject to redemption prior to maturity, at the option of the City, beginning December 1, 2027, or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Undertaking to Provide Continuing Disclosure In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the City will undertake, pursuant to the Award Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement. See the section entitled "Continuing Disclosure" in the Preliminary Official Statement for a description of the City's compliance with any undertaking previously entered into by it pursuant to the Rule.

Registration The Notes will be issued as fully-registered notes without coupons and, when issued, will be registered only in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Notes. A single note certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry form only pursuant to the rules and procedures established between DTC and its participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Notes purchased. The City will make payments of principal and interest on the Notes on the dates set forth above, to Associated Trust Company, National Association, Green Bay, Wisconsin, as registrar and fiscal agent for the Notes in same-day funds. Transfer of said payments to participants of DTC will be the responsibility of DTC; transfer of said payments to Beneficial Owners by DTC participants will be the responsibility of such participants and other nominees of Beneficial Owners all as required by DTC rules and procedures. No assurance can be given by the City that DTC, its participants and other nominees of Beneficial Owners will make prompt transfer of the payments as required by DTC rules and procedures. The City assumes no liability for failures of DTC, its participants or other nominees to promptly transfer said payments to Beneficial Owners of the Notes.

The City shall enter into a Fiscal Agency Agreement with Associated Trust Company, National Association, Green Bay, Wisconsin, with respect to the Notes.

In the event that the securities depository relationship with DTC for the Notes is terminated and the Common Council does not appoint a successor depository, the Common Council will prepare, authenticate and deliver, at its expense, fully-registered certificate notes in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of Notes of the same interest rate or rates then outstanding to the Beneficial Owners of the Notes.

Security and Purpose The Notes are general obligations of the City. The full faith, credit and taxing powers are pledged to the payment of the principal and interest on the Notes as the same becomes due. Under current law, taxes may be levied without limitation as to rate or amount. Proceeds of the Notes will be used for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2020 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts.

Tax Exemption In the opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, interest on the Notes is excludible from gross income for federal income tax purposes. Interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

"Qualified Tax-Exempt" Status The Notes shall be designated "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The City Clerk or other officer of the City charged with the responsibility for issuing the Notes shall provide an appropriate certificate of the City as of the date of delivery and payment for the Notes confirming the "qualified" status.

Rating The City applied for a rating on the Notes from Moody's Investors Service. Outstanding general obligation securities of the City are rated Moody's "Aa2".

Bidding Specifications Bids will be received on an interest rate basis in integral multiples of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). Any number of rates may be bid but the difference between the highest and lowest rate bid shall not exceed Two Percent (2%). All Notes of the same maturity shall bear the same interest rate. No bid for less than \$4,985,000 nor more than \$5,034,850 plus accrued interest to the date of delivery will be considered. The Notes shall be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the City (the "successful bidder").

City expenses incurred in connection with the offering and delivery of the Notes, including fees of Bond Counsel, Rating Agency, Municipal Advisor and the printing and distribution of Official Statements, shall be the obligation of the successful bidder. The total of these fees is \$48,500.

The successful bidder shall be responsible for paying expenses for printing and assignment of CUSIP numbers.

The issuance of any policy of municipal bond insurance on the Notes is not permitted.

The City reserves the right, after bids are opened and prior to award, to increase or decrease the amount of any individual maturity of the Notes in increments of \$5,000. In the event of any such modification, the aggregate purchase price proposed will be adjusted to maintain the same gross spread relating to underwriter compensation per \$1,000.

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to the Thomson Financial Municipal Group's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Notes on the terms provided in the Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of the Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Office Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from i-Deal, 1359 Broadway, New York, New York 10018; (212) 849-5021.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City, as described herein. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Bid Form.

Good Faith Deposit A good faith deposit in the amount of NINETY-NINE THOUSAND SEVEN HUNDRED DOLLARS (\$99,700), the ("Deposit") must be submitted in one of the following ways:

1. A bidder may submit a certified or cashier's check on a solvent bank or trust company, payable to City Treasurer, with the delivery of a bid to the office of WPPF, prior to the time established for bid opening; OR, alternatively,

2. Successful bidder shall submit a wire transfer to the City no later than 2 p.m. (Central Time) on the sale date. The City reserves the right to award the Notes to a successful bidder whose wire transfer is initiated, but not received by such time, provided that the federal wire reference number has been received by such time. In the event the Deposit is not received as provided herein, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit will be retained, and may be invested, by the City, pending delivery of the Notes, and will be applied to the purchase price of the Notes. No interest on the Deposit will accrue to the successful bidder. If the successful bidder fails to take up and pay for the Notes when tendered, the Deposit will be retained by the City as liquidated damages.

Delivery/Legality/CUSIP The Notes shall be delivered in typewritten form, one Note per maturity, to the Depository Trust Company, securities depository of the Notes for the establishment of book-entry accounts at the direction of the successful bidder, which is expected to occur on or about May 18, 2020. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within forty-five (45) days after the date of the sale of the Notes, the successful bidder may, prior to tender of the Notes, at its option, be relieved of its obligation under the contract to purchase the Notes and its Good Faith Deposit shall be returned, but no interest shall be allowed thereon.

The successful bidder will be furnished the unqualified approving legal opinion of Quarles & Brady LLP of Milwaukee, Wisconsin, Bond Counsel. A transcript of the proceedings relative to the issuance of the Notes (including a No-litigation Certificate and a Continuing Disclosure Certificate) shall be furnished to the successful bidder. CUSIP numbers will appear on the typewritten Notes. **The successful bidder will be responsible for the cost of obtaining CUSIP numbers.** Neither the failure to print such numbers on any Notes or any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the Notes.

Establishment of Issue Price

(a) The winning bidder shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at Closing an Underwriter's Certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Notes may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) the City shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the underwriter. In such event, any proposal submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the underwriter on its bid form to determine the issue price for the Notes. On its bid form, each underwriter must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity, or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule"). Appropriate changes will be made to the Underwriter's Certificate to reflect that the requirements of the rule selected by the Underwriter have been met.

(d) If all of the requirements of a "competitive sale" are not satisfied and the underwriter selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriter has offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriter participating in the purchase of the Notes, that the underwriter will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriter has sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the

hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule if applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the underwriter selects the 10% test, the underwriter agrees to promptly report to the City, Bond Counsel and WPPF, the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold, or (ii) the 10% test has been satisfied as to the Notes of that maturity, provided that the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Notes of each maturity allotted to, whether or not the closing date has occurred, until either all Notes of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Notes of that maturity provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder; and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires,

(B) to promptly notify the winning bidder of any sales of Notes, that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it, whether or not the closing date has occurred, until either all Notes of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),

(iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date that the Notes are awarded by the City to the winning bidder.

Official Statement Upon the sale of the Notes, the City will publish a Final Official Statement in substantially the same form as the Preliminary Official Statement prepared within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide the successful bidder (i.e., the sole underwriter or the senior managing underwriter of the syndicate to which the Notes are awarded) an electronic copy of the Final Official Statement in PDF format.

The City shall designate the successful bidder as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter, if any. Each underwriter executing and delivering an Official Bid Form with respect to the Notes agrees thereby that if its bid is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Notes, if any, for purposes of assuring the receipt by each such participating underwriter of the Final Official Statement.

The successful bidder agrees to supply to the City all necessary pricing information and any participating underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of Notes.

Irregularities The Common Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information Copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's Municipal Advisor: Wisconsin Public Finance Professionals, LLC, 1025 South Moorland Road, Suite 504, Brookfield, Wisconsin 53005; Attention: Carol A. Wirth, President, (414) 434-9644, FAX (414) 226-2014, email cawirth@wipublicfinance.com, or the undersigned.

Marty Halverson
Finance Director/Treasurer
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081
920/459-3304
marty.halverson@sheboyganwi.gov

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Resolution.

(See Attached)

SALE RESULTS - BID TABULATION
CITY OF SHEBOYGAN, WISCONSIN
\$4,985,000 General Obligation Promissory Notes, Series 2020A

Sale Date: May 4, 2020

Delivery Date: May 18, 2020

<u>Bidder</u>	<u>Net Interest Cost</u>	<u>True Interest Rate</u>
Bankers Bank, Madison, WI	\$546,311.73	1.5708389
Piper Sandler & Co, Minneapolis, MN	\$542,824.55	1.5718910
FHN Financial Capital Markets, Memphis , TN	\$568,899.78	1.6368320
Robert W. Baird & Co., Inc., Milwaukee, WI	\$610,530.57	1.7576730
BOK Financial Securities, Inc., Dallas , TX	\$615,211.82	1.7712640

EXHIBIT C

Proposal

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Resolution.

(See Attached)

DRAFT

BID FORM

City of Sheboygan, Common Council
 Attn: Marty Halverson, Finance Director/Treasurer
 c/o Wisconsin Public Finance Professionals, LLC, Municipal Advisor
 1025 South Moorland Road, Suite 504
 Brookfield, WI 53005
 (414) 434-9644 – Office (414) 226-2014 – Fax
 Email: cawirth@wipublicfinance.com

May 4, 2020

Re: \$4,985,000 General Obligation Promissory Notes Series 2020A ("Notes")
Dated May 18, 2020
 (Bank Qualified)

For all or none of the above Notes, in accordance with the Official Notice of Sale, we will pay you ~~\$5,032,219.70~~ (no less than \$4,985,000 nor more than \$5,034,850) plus accrued interest to date of delivery, for Notes bearing interest rates and maturing on December 1, in the stated years as follows:

<u>Maturity</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal*</u>	<u>Interest Rate</u>
12/01/21	\$330,000	<u>1.00</u> %	12/01/26	\$ 415,000	<u>1.25</u> %
12/01/22	325,000	<u>1.05</u> %	12/01/27	520,000	<u>1.30</u> %
12/01/23	320,000	<u>1.10</u> %	12/01/28	1,265,000	<u>2.00</u> %
12/01/24	330,000	<u>1.15</u> %	12/01/29	1,215,000	<u>2.00</u> %
12/01/25	265,000	<u>1.20</u> %			

* The City reserves the right, after bids are opened and prior to award, to increase or decrease the amount of any individual maturity of the Notes in increments of \$5,000. In the event of any such modification, the aggregate purchase price proposed will be adjusted to maintain the same gross spread relating to underwriter compensation per \$1,000.

The Notes maturing on December 1, 2028 and December 1, 2029 shall be subject to redemption prior to maturity, at the option of the City, beginning December 1, 2027, or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

This bid is a firm offer for the purchase of the Notes identified in the Official Notice of Sale, on the terms as set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. **By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal Notes.** (If the bidder cannot confirm an established industry reputation for underwriting new issuances of municipal Notes, the preceding sentence should be crossed out.)

If the competitive sale requirements are not met, to determine the issue price of the Notes, we elect to use the:

(select one) 10% test _____ / hold-the offering-price rule X

City expenses incurred in connection with the offering and delivery of the Notes, including fees of Bond Counsel, Rating Agency, Municipal Advisor and the printing and distribution of Official Statements, shall be the obligation of the successful bidder. The total of these fees is \$48,500.

The successful bidder shall be responsible for paying expenses for printing and assignment of CUSIP numbers.

Per the Official Notice of Sale, the winning bidder must submit a certified or cashier's check on a solvent bank or trust company, in the amount of \$99,700, payable to the City Treasurer, with the delivery of a bid to the office of WFPF, prior to the time established for bid opening; OR, alternatively, successful bidder shall submit a wire transfer to the City no later than 2 p.m. (Central Time) on the sale date.

The Notes are to be accompanied by the unqualified approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, and a certificate evidencing that no litigation is pending against the City, which will affect the validity or security of these Notes.

Respectively submitted,

BANKERS' BANK
Underwriter (Account Manager)

By Lucy P. L.

We, the duly authorized officials of the City of Sheboygan, do hereby accept and award the Notes pursuant to the foregoing offer, in legal meeting this 4th day of May, 2020 at _____ p.m. central time.

Mayor

City Clerk

NOT A PART OF BID			
Our calculation of total net interest cost using the above rates are:			
Gross Interest Cost	Less: Premium	Net Interest Cost	True Interest Rate
\$ 593,531.43	(\$ 47,219.70)	\$ 546,311.73	1.5708389 %

Account Members:

EXHIBIT D

Approving Certificate

(See Attached)

DATA

CERTIFICATE APPROVING THE DETAILS OF
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A

The undersigned [_____] of the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby certifies that:

1. Resolution. On May 4, 2020, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$4,985,000 General Obligation Promissory Notes, Series 2020A of the City (the "Notes") after a public sale and delegating to me the authority to approve the purchase proposal for the Notes, and to determine the details for the Notes within the parameters established by the Resolution.

2. Proposal; Terms of the Notes. On the date hereof, the Notes were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Notes in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Wisconsin Public Finance Professionals, LLC recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Notes shall be issued in the aggregate principal amount of \$_____, which is not more than the \$4,985,000 approved by the Resolution, and shall mature on December 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal due on the Notes is not more than \$100,000 more or less per than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
12-01-2021	\$ 330,000	\$ _____
12-01-2022	325,000	_____
12-01-2023	320,000	_____
12-01-2024	330,000	_____
12-01-2025	265,000	_____
12-01-2026	415,000	_____
12-01-2027	520,000	_____
12-01-2028	1,265,000	_____
12-01-2029	1,215,000	_____

The true interest cost on the Notes (computed taking the compensation paid directly to the Purchaser into account) is _____%, which is not in excess of 2.75%, as required by the Resolution.

3. Purchase Price of the Notes. The Notes shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if any, to the date of delivery of the Notes which is not less than 100% nor more than 101% of the principal amount of the Notes as required by the Resolution.

4. Payment of the Notes; Fiscal Agent. Pursuant to the Resolution, _____, _____, is named fiscal agent for the Notes.

5. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the Resolution, a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as Schedule IV.

6. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Notes and the direct annual irrepealable tax levy to repay the Notes, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2020 pursuant to the authority delegated to me in the Resolution.

[]
[]

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Certificate.

(See Attached)

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Certificate.

(See Attached)

EXHIBIT BE

(Form of Note)

REGISTERED UNITED STATES OF AMERICA
STATE OF WISCONSIN DOLLARS
SHEBOYGAN COUNTY
NO. R- CITY OF SHEBOYGAN \$
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2020A

MATURITY DATE: ORIGINAL DATE OF INTEREST RATE: CUSIP:
ISSUE:
December 1, _____, _____ %
_____ 20_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2021 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by [_____, _____, _____] OR [the City Clerk or City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$4,985,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for the public purpose of paying the cost of various construction, improvement and acquisition projects set forth in the City's 2020 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts, as authorized by a resolution adopted on May 4, 2020 as supplemented by a Certificate Approving the Details of General Obligation Promissory Notes, Series 2020A. Said Resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on December 1, 2028 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2027 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have

existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

[This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.]

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Mayor

(SEAL)

By: _____
City Clerk

COPY

[Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned Resolution of the City of Sheboygan, Sheboygan County, Wisconsin.

_____/_____

By _____
Authorized Signatory]

COPY

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company Name) (Depository or Nominee or Securities Firm)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

R. C. No. _____ - 20 - 21. By FINANCE AND PERSONNEL COMMITTEE.
May 4, 2020.

Your Committee to whom was referred Res. No. 6-20-21 by Alderpersons Donohue and Bohren authorizing the issuance and sale of \$3,100,000 Taxable Water Utility Revenue Bond Anticipation Notes, Series 2020B;

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

36

Res. No. 6 - 20 - 21. By Alderpersons Donohue and Bohren.
April 21, 2020.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$3,100,000 TAXABLE WATER UTILITY REVENUE BOND ANTICIPATION NOTES, SERIES 2020B.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality" or "City") owns and operates a municipal water utility which is operated for a public purpose as a public utility (within the meaning of Section 66.0621(1)(b) of the Wisconsin Statutes) by the Municipality (hereinafter, the Municipality's water utility shall be referred to as the "System");

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality in the State of Wisconsin may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, controlling, conducting, operating or managing a public utility such as the System from the proceeds of bonds, which bonds are to be payable only from all monies received from any source by such utility (the "Revenues");

WHEREAS, the Municipality has heretofore issued and has outstanding Water System Revenue Bonds, Series 2004, dated March 10, 2004 (the "2004 Safe Drinking Water Bonds") pursuant to Resolution No. 262-03-04 adopted by the Governing Body of the Municipality (the "Common Council") on February 16, 2004 (the "2004 Safe Drinking Water Bond Resolution"); Water Utility Revenue Bonds, Series 2013, dated May 1, 2013 (the "2013 Bonds") pursuant to Resolution No. 167-12-13 adopted by the Governing Body on April 3, 2013 (the "2013 Resolution"); Water Utility Revenue Bonds, Series 2015, dated May 13, 2015 (the "2015 Safe Drinking Water Bonds"), pursuant to Resolution No. 193-14-15 adopted by the Governing Body of the Municipality on April 20, 2015 (the "2015 Safe Drinking Water Bond Resolution"); Water Utility Revenue Refunding Bonds, Series 2016, dated April 20, 2016 (the "2016 Bonds") pursuant to Resolution No. 155-15-16 adopted by the Governing Body on March 21, 2016 (the "2016 Resolution"); and Water Utility Revenue Bonds, Series 2018, dated March 1, 2018 (the "2018 Bonds") pursuant to Resolution No. 124-17-18 adopted by the Governing Body on February 5, 2018 (the "2018 Resolution") (the 2004 Safe Drinking Water Bonds, 2013 Bonds, 2015 Safe Drinking Water Bonds, 2016 Bonds and the 2018 Bonds shall be collectively referred to herein as the "Prior Bonds", and the 2004 Safe Drinking Water Bond Resolution, 2013 Resolution, 2015 Safe Drinking Water Bond Resolution, 2016 Resolution and 2018 Resolution shall be collectively referred to herein as the "Prior Resolutions");

WHEREAS, to adequately meet the needs of the Municipality and the residents thereof, certain improvements, additions and extensions to the System are necessary, including paying the cost of improvements, additions

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and extensions to the water utility, including engineering and design costs of a water intake project(the "Project");

WHEREAS, for the purpose of paying the cost of the Project, including paying interest and legal, financing and other professional fees, the Municipality intends by subsequent resolution (the "Bond Resolution") of the Common Council to authorize the issuance and sale of water utility revenue bonds pursuant to the provisions of the Act (the "Bonds"), payable solely from Revenues of the System deposited in a special redemption fund referred to herein;

WHEREAS, the Bonds have not yet been issued or sold;

WHEREAS, municipalities are authorized by the provisions of Section 66.0621(4)(L) of the Act to issue bond anticipation notes in anticipation of receiving the proceeds from the issuance and sale of revenue bonds;

WHEREAS, contracts are to be let for the Project and the financial officer of the Municipality has heretofore certified to the Common Council that proceeds of bond anticipation notes shall be required for the payment of said contracts, as well as other costs including paying interest and legal, financing and other professional fees;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the Municipality to authorize the issuance and sale of water utility revenue bond anticipation notes pursuant to Section 66.0621(4)(L) of the Act (the "Notes") in anticipation of the issuance and sale of the Bonds, to pay the cost of the Project;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Notes on a taxable rather than tax-exempt basis;

WHEREAS, other than the Prior Bonds, no bonds or obligations payable from the Revenues of the System are now outstanding;

WHEREAS, the Municipality has directed Wisconsin Public Finance Professionals, LLC ("WFPF") to take the steps necessary to sell the Notes to pay the costs of the Project;

WHEREAS, WFPF, in consultation with the officials of the Municipality, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on May 4, 2020;

WHEREAS, the City Clerk (in consultation with WFPF) caused notice of the sale of the Notes to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Notes for public sale on May 4, 2020;

WHEREAS, the Municipality has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the Municipality. WFPF has recommended that the Municipality accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Municipality that:

Section 1. Ratification of the Official Notice of Sale and Offering Materials. The Common Council of the Municipality hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the Municipality and WFPF in connection with the preparation and distribution of the Official Notice of Sale and any other offering materials are hereby ratified and approved in all respects.

Section 1A. Water Utility Revenue Bonds. The Municipality hereby declares its intention and covenants to authorize the issuance of the Bonds pursuant to the provisions of the Act in an amount sufficient to retire the Notes. The Bonds will be authorized by the Bond Resolution.

Section 2. Authorization and Sale of the Notes. In anticipation of the sale of the Bonds, for the purpose of paying the cost of the Project including paying interest and legal, financing and other professional fees in connection therewith, there shall be borrowed pursuant to Section 66.0621(4)(L) of the Act, the principal sum of THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000) from the Purchaser in accordance with the terms of and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the Municipality are authorized and directed to execute an acceptance of the Proposal on behalf of the Municipality. To evidence the obligation of the Municipality, the

Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the Municipality, the Notes in the principal amount of THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000). The good faith deposit of the Purchaser shall be applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 3. Terms of the Notes. The Notes shall be designated "Taxable Water Utility Revenue Bond Anticipation Notes, Series 2020B"; shall be issued in the principal amount of \$3,100,000; shall be dated their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be initially numbered R-1; and shall bear interest at the rate of [%__] per annum and mature on May 1, 2024 as set forth on the schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule"). Interest is payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Notes shall be subject to redemption prior to maturity, at the option of the Municipality, on November 1, 2021 or any date thereafter. The Notes shall be redeemable as a whole or in part, and if in part by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the Municipality nor a charge against its general credit or taxing power. Pursuant to Section 66.0621(4)(L)1. of the Act, the Revenues of the System are hereby pledged to the payment of the interest on the Notes, subject to the application of the Revenues in accordance with the terms of this Resolution and the Prior Resolutions. No lien is created upon the System or any other property of the Municipality as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk and expended solely for the payment of the principal of and interest on the Notes; and, (c) Revenues of the System, on a basis junior and subordinate to the Prior Bonds and any bonds issued on a parity with the Prior Bonds (the "Parity Bonds").

As authorized and permitted by Section 66.0621(4)(L)6. of the Act, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the Municipality will pay such deficiency out of its annual general tax levy or other available funds of the Municipality; provided, however, that any such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation or any further payments.

Section 7. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the Revenues of the System, and to secure the payment of the principal of and interest on, first, the Prior Bonds and any Parity Bonds, and, second, the Notes, certain funds of the System which have been heretofore created and established by Resolution No. 100-05-06 adopted by the Common Council on August 15, 2005 (the "Bond Resolution"), continued by the Prior Resolutions, shall be continued and used solely for the purposes set forth in the Prior Resolutions. The Municipality shall apply the Revenues of the System to the respective funds and accounts described in the Prior Resolutions.

Section 8. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing services for public purposes, shall be charged against the Municipality and shall be paid by it in monthly installments as the service accrues, out of the current Revenues of the Municipality collected or in the process of collection, exclusive of the Revenues, and out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. However, such payment out of the tax levy shall be subject to (a) any necessary approval of the Public Service Commission, or successors to its function (b) annual appropriations therefor and (c) any applicable levy limitations; but neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of services rendered to the Municipality and its inhabitants or make any subsequent payment over and above such reasonable cost and value. Such compensation for such service rendered to the Municipality shall, in the manner hereinabove provided, be paid into the funds described in the Prior Resolutions.

Section 9. Covenants of the Municipality. The Municipality hereby covenants with the owners of the Notes that:

(a) It shall issue the Bonds as soon as practicable in an amount sufficient to retire the Notes;

(b) It shall segregate the proceeds derived from the sale of the Bonds into a special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of the principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said special trust fund may be used for such other purposes as the Common Council may direct in accordance with law;

(c) It shall faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including lawfully establishing reasonable and sufficient rates for services rendered by the System and collecting, depositing, applying and segregating the Revenues of the System to the respective funds and accounts described in the Prior Resolutions;

(d) It will cause the Project to be constructed as expeditiously as reasonably possible;

(e) It will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions or extensions that may be made part thereof, except that the Municipality shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund provided for in the Prior Resolutions or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into said Special Redemption Fund;

(f) It will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or the Revenues or could impair the security of the Notes or the Bonds;

(g) It will maintain the System in reasonably good condition, will operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that the amount of the Revenues of the System herein agreed to be set aside to provide for payment of the Prior Bonds, any Parity Bonds, and the Notes (exclusive of principal of the Notes to be paid from Proceeds of the Bonds) and the interest thereon as the same becomes due and payable will be sufficient for that purpose. It will make all good faith efforts so that the Net Revenues (as defined in the Bond Resolution) from the System for each year any Notes are outstanding will be one and one-quarter (1.25) times the amount required for payment of principal (exclusive of principal of the Notes to be paid from proceeds of the Bonds) and interest

on the Prior Bonds, any Parity Bonds, and the Notes for each corresponding year;

(h) It will prepare a budget not less than sixty (60) days prior to the end of each fiscal year and, in the event such budget (taking into account income, unencumbered surplus and expense) indicates that Net Revenues for each year will not exceed debt service for each corresponding year by the proportion stated above, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of earnings to debt service shall be accomplished as promptly as possible;

(i) The Notes are issued for the purposes for which the Municipality is authorized to issue the Bonds and for which the Bonds shall be issued;

(j) It will keep proper books and accounts relative to the System, separate from all other records of the Municipality and will cause such books and accounts to be audited annually not later than six months after the close of the fiscal year by a recognized independent firm of certified public accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants, shall include the following in accordance with generally accepted accounting practices: (1) a statement in detail of the income and expenditures of the System for the fiscal year; (2) a balance sheet as of the end of such fiscal year; (3) the accountants' comment regarding the manner in which the Municipality has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (4) the number and types of connections to the System at the end of the year; (5) a list of the insurance policies in force at the end of the fiscal year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (6) the volume of water used as the basis for computing the service charge. The owners of any of the Notes shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Municipality relating thereto; and

(k) It will carry for the benefit of the owners of the Notes insurance of the kinds and in the amounts normally carried by private companies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenues of the System payable into the separate funds and accounts established by the Prior Resolutions. All money received for losses under any casualty insurance policies shall be used in repairing the damage or in replacing the property destroyed, but in the event that the Municipality shall find it inadvisable to repair such damage or replace such property, and that the operation of the System shall not have been impaired thereby, such money shall be deposited in the Special Redemption Fund, but in that event shall not reduce the amount otherwise required to be paid into the Special Redemption Fund.

Section 10. Application of Proceeds; Improvement Fund. All accrued interest received from the sale of the Notes shall be deposited in the Special Redemption Fund. The remaining proceeds of the Notes shall be deposited in a special fund created hereby designated as "Water Utility Improvement Fund." Said Improvement Fund shall be adequately secured and shall be used solely for the purpose of paying the cost of the Project and the cost of interest and legal, financing and other professional fees. Any balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Notes.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the Municipality by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof and delivered to the Purchaser upon payment to the Municipality of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the Municipality has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Municipality hereby authorizes the officers and agents of the Municipality to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by the [City Treasurer] (the "Fiscal Agent").

Section 13. Persons Treated as Owners; Transfer of Notes. The Municipality shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such

payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The Municipality shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the Municipality at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Municipality agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Treasurer's office.

Section 16 Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the Municipality in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate Municipality official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The Municipality hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Municipality to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the Municipality charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Municipality's Undertaking.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the Municipality are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of proceeds of the Notes, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 20. Parity Bonds. Parity Bonds payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Notes; provided such Parity Bonds meet the conditions established in the Prior Resolutions.

Section 21. Conflicting Resolutions, Severability; Effective Date.

All prior resolutions (other than the Bond Resolution and the Prior Resolutions), rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In case of any conflict between the Bond Resolution, Prior Resolutions and this Resolution, the Bond Resolution and the Prior Resolutions shall control as long as any of the respective Prior Bonds are outstanding. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

By Eugene Nowlin

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of

_____, 20____.

Dated _____, 20____. _____, City Clerk

Approved _____, 20____. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

EXHIBIT D

Debt Service Schedule

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R-___ CITY OF SHEBOYGAN \$3,100,000
TAXABLE WATER UTILITY REVENUE
BOND ANTICIPATION NOTE, SERIES 2020B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
May 1, 2024 May 18, 2020 _____% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION ONE HUNDRED THOUSAND DOLLARS
(\$3,100,000)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality" or "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the Funds hereinafter specified, on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment day shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the [City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

This Note is one of an issue of Notes aggregating the principal amount of \$3,100,000, all of which are of like tenor,

except as to denomination, issued by the Municipality pursuant to the provisions of Section 66.0621(4)(L) of the Act, for the public purpose of paying the cost of improvements, additions and extensions to the water utility, including paying the cost of improvements, additions and extensions to the water utility, including engineering and design costs of a water intake project, all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on May 4, 2020 (the "Resolution"). The Resolution is recorded in the official minutes of the Common Council for said date.

In the Resolution, the Common Council declared its intention and covenanted to issue Water Utility Revenue Bonds (the "Bonds") in an amount sufficient to retire the Notes. The Notes are issued to anticipate the sale of the Bonds.

The Notes are payable only from:

- 1) any proceeds of the Notes set aside for payment of interest on the Notes as they become due;
- 2) proceeds to be derived from the issuance and sale of the Bonds, which proceeds have been declared by the Municipality to constitute a special trust fund to be expended solely for the payment of the principal of and interest on the Notes; and
- 3) revenues of the Municipality's Water Utility deposited in the Special Redemption Fund (as provided for in the Resolution), on a basis junior and subordinate to the Municipality's Prior Bonds (as defined in the Resolution) and any bonds issued on a parity therewith.

THE NOTES DO NOT CONSTITUTE AN INDEBTEDNESS OF THE MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION. NO LIEN IS CREATED UPON THE WATER UTILITY OR ANY OTHER PROPERTY OF THE MUNICIPALITY AS A RESULT OF THE ISSUANCE OF THE NOTES.

The Notes are subject to redemption prior to maturity, at the option of the Municipality, on November 1, 2021 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The Municipality has covenanted to issue and sell the Bonds, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Bonds into a special trust fund for the payment of the principal of and interest on this Note.

This Note is transferable only upon the books of the Municipality kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the Municipality appoints another depository, upon surrender of the Note to the Fiscal Agent, and thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the Municipality for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and

Municipality may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN,
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Mayor

(SEAL)

By: _____
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address
of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____,
Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
Nominee Name)
or Securities Firm) (Depository or

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

OFFICE OF THE CITY CLERK
Sheboygan, Wisconsin
City Hall

I hereby certify that this is a true copy of a document
from the Common Council
proceedings of the City of Sheboygan.

City Clerk

Res. No. _____. By Alderperson _____. May 4, 2020.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$3,100,000
TAXABLE WATER UTILITY REVENUE BOND ANTICIPATION NOTES, SERIES 2020B

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality" or "City") owns and operates a municipal water utility which is operated for a public purpose as a public utility (within the meaning of Section 66.0621(1)(b) of the Wisconsin Statutes) by the Municipality (hereinafter, the Municipality's water utility shall be referred to as the "System");

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality in the State of Wisconsin may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, controlling, conducting, operating or managing a public utility such as the System from the proceeds of bonds, which bonds are to be payable only from all monies received from any source by such utility (the "Revenues");

WHEREAS, the Municipality has heretofore issued and has outstanding Water System Revenue Bonds, Series 2004, dated March 10, 2004 (the "2004 Safe Drinking Water Bonds") pursuant to Resolution No. 262-03-04 adopted by the ~~Governing Body~~governing body of the Municipality (the "Common Council") on February 16, 2004 (the "2004 Safe Drinking Water Bond Resolution"); Water Utility Revenue Bonds, Series 2013, dated May 1, 2013 (the "2013 Bonds") pursuant to Resolution No. 167-12-13 adopted by the Governing Body on April 3, 2013 (the "2013 Resolution"); Water Utility Revenue Bonds, Series 2015, dated May 13, 2015 (the "2015 Safe Drinking Water Bonds"), pursuant to Resolution No. 193-14-15 adopted by the Governing Body of the Municipality on April 20, 2015 (the "2015 Safe Drinking Water Bond Resolution"); Water Utility Revenue Refunding Bonds, Series 2016, dated April 20, 2016 (the "2016 Bonds") pursuant to Resolution No. 155-15-16 adopted by the Governing Body on March 21, 2016 (the "2016 Resolution"); and Water Utility Revenue Bonds, Series 2018, dated March 1, 2018 (the "2018 Bonds") pursuant to Resolution

No. 124-17-18 adopted by the Governing Body on February 5, 2018 (the "2018 Resolution")~~);~~);

WHEREAS, the 2004 Safe Drinking Water Bonds, 2013 Bonds, 2015 Safe Drinking Water Bonds, 2016 Bonds and the 2018 Bonds shall be collectively referred to herein as the "Prior Bonds"~~), and~~);

WHEREAS, the 2004 Safe Drinking Water Bond Resolution, 2013 Resolution, 2015 Safe Drinking Water Bond Resolution, 2016 Resolution ~~and~~, 2018 Resolution and Resolution No. 100-05-06 adopted on August 15, 2005 shall be collectively referred to herein as the "Prior Resolutions"~~),~~);

WHEREAS, to adequately meet the needs of the Municipality and the residents thereof, certain improvements, additions and extensions to the System are necessary, including paying the cost of improvements, additions and extensions to the water utility, including engineering and design costs of a water intake project(the "Project");

WHEREAS, for the purpose of paying the cost of the Project, including paying interest and legal, financing and other professional fees, the Municipality intends by subsequent resolution (the "Bond Resolution") of the Common Council to authorize the issuance and sale of water utility revenue bonds pursuant to the provisions of the Act (the "Bonds"), payable solely from Revenues of the System deposited in a special redemption fund referred to herein;

WHEREAS, the Bonds have not yet been issued or sold;

WHEREAS, municipalities are authorized by the provisions of Section 66.0621(4)(L) of the Act to issue bond anticipation notes in anticipation of receiving the proceeds from the issuance and sale of revenue bonds;

WHEREAS, contracts are to be let for the Project and the financial officer of the Municipality has heretofore certified to the Common Council that proceeds of bond anticipation notes shall be required for the payment of said contracts, as well as other costs including paying interest and legal, financing and other professional fees;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the Municipality to authorize the issuance and sale of water utility revenue bond anticipation notes pursuant to Section 66.0621(4)(L) of the Act (the "Notes") in anticipation of the issuance and sale of the Bonds, to pay the cost of the Project;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Notes on a taxable rather than tax-exempt basis;

WHEREAS, other than the Prior Bonds, no bonds or obligations payable from the Revenues of the System are now outstanding;

WHEREAS, the Municipality has directed Wisconsin Public Finance Professionals, LLC ("WFPF") to take the steps necessary to sell the Notes to pay the costs of the Project;

WHEREAS, WFPF, in consultation with the officials of the Municipality, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on May 4, 2020;

WHEREAS, the City Clerk (in consultation with WFPF) caused notice of the sale of the Notes to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Notes for public sale on May 4, 2020;

WHEREAS, the Municipality has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the Municipality. WFPF has recommended that the Municipality accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Municipality that:

Section 1. Ratification of the Official Notice of Sale and Offering Materials. The Common Council of the Municipality hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the Municipality and WFPF in connection with the preparation and distribution of the Official

Notice of Sale and any other offering materials are hereby ratified and approved in all respects.

Section 1A. Water Utility Revenue Bonds. The Municipality hereby declares its intention and covenants to authorize the issuance of the Bonds pursuant to the provisions of the Act in an amount sufficient to retire the Notes. The Bonds will be authorized by the Bond Resolution.

Section 2. Authorization and Sale of the Notes. In anticipation of the sale of the Bonds, for the purpose of paying the cost of the Project including paying interest and legal, financing and other professional fees in connection therewith, there shall be borrowed pursuant to Section 66.0621(4)(L) of the Act, the principal sum of THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000) from the Purchaser in accordance with the terms of and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the Municipality are authorized and directed to execute an acceptance of the Proposal on behalf of the Municipality. To evidence the obligation of the Municipality, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the Municipality, the Notes in the principal amount of THREE MILLION ONE HUNDRED THOUSAND DOLLARS (\$3,100,000). The good faith deposit of the Purchaser shall be applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 3. Terms of the Notes. The Notes shall be designated "Taxable Water Utility Revenue Bond Anticipation Notes, Series 2020B"; shall be issued in the principal amount of \$3,100,000; shall be dated their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be initially numbered R-1; and shall bear interest at the rate of ~~1%~~ 1.25 per annum and mature on May 1, 2024 as set forth on the schedule attached hereto as Exhibit D and incorporated herein by this reference (the "Schedule"). Interest is payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Notes shall be subject to redemption prior to maturity, at the option of the Municipality, on November 1, 2021 or any date thereafter. The Notes shall be redeemable as a whole or in part, and if in part by lot, at the

principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the Municipality nor a charge against its general credit or taxing power. Pursuant to Section 66.0621(4)(L)1. of the Act, the Revenues of the System are hereby pledged to the payment of the interest on the Notes, subject to the application of the Revenues in accordance with the terms of this Resolution and the Prior Resolutions. No lien is created upon the System or any other property of the Municipality as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; (b) proceeds to be derived from the issuance and sale of the Bonds, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk and expended solely for the payment of the principal of and interest on the Notes; and, (c) Revenues of the System, on a basis junior and subordinate to the Prior Bonds and any bonds issued on a parity with the Prior Bonds (the "Parity Bonds").

At no time shall any amounts in the Reserve Account provided for in the Prior Resolutions be pledged to or used for the payment of the Notes.

As authorized and permitted by Section 66.0621(4)(L)6. of the Act, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the Municipality will pay such deficiency out of its annual general tax levy or other available funds of the Municipality; provided, however, that any such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation or any further payments.

Section 7. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the Revenues of the System, and to secure the payment of the principal of and interest on, first, the Prior Bonds and any Parity Bonds, and, second, the Notes, certain funds of the System which have been heretofore created ~~and, established by Resolution No. 100-05-06 adopted by the Common Council on August 15, 2005 (the "Bond~~

~~Resolution"), and~~ continued by the Prior Resolutions, shall be further continued by this Resolution and used solely for the purposes set forth in the Prior Resolutions. The Municipality shall apply the Revenues of the System to the ~~respective funds and accounts described~~ "Revenue Fund," the "Special Redemption Fund," which Special Redemption Fund includes the "Reserve Account," the "Depreciation Fund" and the "Surplus Fund" all as provided for in the Prior Resolutions.

Section 8. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing water services for public purposes, shall be charged against the Municipality and shall be paid by it in monthly/quarterly installments as the service accrues, out of the current Revenues of the Municipality collected or in the process of collection, exclusive of the Revenues, and out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the Municipality in each year shall be in an amount which, together with other Revenues of the System, will produce in each year "Net Revenues" equivalent to not less than the annual principal and interest requirements on the Prior Bonds, any Parity Bonds then outstanding and the Notes (exclusive of principal of the Notes to be paid from proceeds of the Bonds) times the greater of (i) 110%, or (ii) the highest debt service coverage ratio required with respect to any of the Prior Bonds or Parity Bonds then outstanding. "Net Revenues" means the all Revenues of the System less Current Expenses as defined further by the Prior Resolutions. However, such payment out of the tax levy shall be subject to (a) any necessary approval of the Public Service Commission, or successors to its function (b) annual appropriations therefor and (c) any applicable levy limitations; but neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of services rendered to the Municipality and its inhabitants or make any subsequent payment over and above such reasonable cost and value. Such compensation for such service rendered to the Municipality shall, in the manner hereinabove provided, be paid into the ~~funds described in the Prior Resolutions~~ Revenue Fund referred to in Section 7.

Section 9. Covenants of the Municipality. The Municipality hereby covenants with the owners of the Notes that:

(a) It shall issue the Bonds as soon as practicable in an amount sufficient to retire the Notes;

(b) It shall segregate the proceeds derived from the sale of the Bonds into a special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of the principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said special trust fund may be used for such other purposes as the Common Council may direct in accordance with law;

(c) It shall faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including lawfully establishing reasonable and sufficient rates for services rendered by the System and collecting, depositing, applying and segregating the Revenues of the System to the respective funds and accounts described in Section 7 and the Prior Resolutions;

(d) It will cause the Project to be constructed as expeditiously as reasonably possible;

(e) It will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions or extensions that may be made part thereof, except that the Municipality shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund provided for in the Prior Resolutions or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into said Special Redemption Fund;

~~(f) It will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or the Revenues or could impair the security of the Notes or the Bonds;~~

~~(g)~~ (f) It will maintain the System in reasonably good condition, will operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that the amount of the Revenues of the System herein agreed to be set aside to provide for payment of the Prior Bonds, any Parity Bonds, and the Notes (exclusive of principal of the Notes to be paid from ~~Proceeds~~ proceeds of the Bonds) and the interest thereon as the same becomes due and payable will be sufficient for that purpose. It will make all good faith efforts so that the Net Revenues ~~(as defined in the Bond Resolution)~~ from the System for each year any Notes are

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outstanding will be one and one-~~quarter~~^{fifth}, (1.~~25~~²⁰) times the amount required for payment of principal (exclusive of principal of the Notes to be paid from proceeds of the Bonds) and interest on the Prior Bonds, any Parity Bonds, and the Notes for each corresponding year;

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(~~h~~) It will prepare a budget not less than sixty (60) days prior to the end of each fiscal year and, in the event such budget ~~(taking into account income, unencumbered surplus and expense)~~ indicates that ~~Net Revenues~~^{earnings} for each year will not exceed debt service for each corresponding year by the proportion stated above, the Municipality will take any and all steps permitted by law to increase rates so that the aforementioned proportion of earnings to debt service shall be accomplished as promptly as possible;

(~~h~~) The Notes are issued for ~~the purposes~~^{a purpose} for which the Municipality is authorized to issue the Bonds and for which the Bonds shall be issued;

(~~i~~) It will keep proper books and accounts relative to the System, separate from all other records of the Municipality and will cause such books and accounts to be audited annually not later than six months after the close of the fiscal year by a recognized independent firm of certified public accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants, shall include the following in accordance with generally accepted accounting practices: (1) a statement in detail of the income and expenditures of the System for the fiscal year; (2) a statement of the Net Revenues of the System for such fiscal year; (3) a balance sheet as of the end of such fiscal year; (~~3~~) the accountants' comment regarding the manner in which the Municipality has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (~~4~~) the number and types of connections to the System at the end of the year; (~~5~~) a list of the insurance policies in force at the end of the fiscal year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (~~6~~) the volume of water used as the basis for computing the service charge. ~~The owners of any of the Notes shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Municipality relating thereto~~; and

(~~k~~) It will carry for the benefit of the owners of the Notes insurance of the kinds and in the amounts normally carried by private companies engaged in the operation of a similar systems. ~~All money received for loss of use and occupancy shall be considered Revenues of the Water System payable into the separate funds and accounts~~

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~~established by the Prior Resolutions.~~ All money received for losses under any ~~casualty insurance~~ such policies, except public liability, shall be used in repairing the damage or in replacing ~~the~~ property destroyed, but in the event that the ~~Municipality~~ Common Council shall find it inadvisable to repair such damage or replace such property, and that the operation of the System shall not have been impaired thereby, such money shall be deposited in the ~~Special Redemption Revenue~~ Fund, but in that event shall not reduce the amount otherwise required to be paid into the ~~Special Redemption Revenue~~ Fund.

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Section 10. Application of Proceeds; Improvement Fund. All accrued interest received from the sale of the Notes shall be deposited in the Special Redemption Fund. The remaining proceeds of the Notes shall be deposited in a special fund created hereby designated as "Water Utility Improvement Fund." Said Improvement Fund shall be adequately secured and shall be used solely for the purpose of paying the cost of the Project and the cost of interest and legal, financing and other professional fees. Any balance remaining in said Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Notes.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the Municipality by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof and delivered to the Purchaser upon payment to the Municipality of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the Municipality has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The Municipality hereby authorizes the officers and agents of the Municipality to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal

agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. ~~The principal of and interest on the Notes shall be paid by the [City Treasurer] (the "Fiscal Agent").~~ The principal of and interest on the Notes shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

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Section 13. Persons Treated as Owners; Transfer of Notes. The Municipality shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The Municipality shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the

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Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the Municipality at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Municipality agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Treasurer's office.

Section 16 Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the Municipality in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate Municipality official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The Municipality hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Municipality to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the Municipality charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Municipality's Undertaking.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the Municipality are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of proceeds of the Notes, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 20. Parity Bonds. Parity Bonds payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Notes; provided such Parity Bonds meet the conditions established in the Prior Resolutions.

Section 21. Conflicting Resolutions, Severability; Effective Date. All prior resolutions (other than ~~the Bond Resolution and~~ the Prior Resolutions), rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In case of any conflict between the ~~Bond Resolution,~~ Prior Resolutions and this Resolution, ~~the Bond Resolution and~~ the Prior Resolutions shall control as long as any of the respective Prior Bonds are outstanding. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

(SEAL)

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the 4th day of May, 2020.

Dated _____, 2020. _____, City Clerk

Approved _____, 2020. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

OFFICIAL NOTICE OF SALE

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

**\$3,100,000 TAXABLE WATER UTILITY REVENUE
BOND ANTICIPATION NOTE, SERIES 2020B ("BANS")**

Date and Time BIDS will be received in the office of the City's Municipal Advisor, Wisconsin Public Finance Professionals, LLC, ("WPFP"), 1025 South Moorland Road, Suite 504, Brookfield, Wisconsin 53005 until

10:30 A.M. (Central Time) on May 4, 2020

The bids should be directed to the City Clerk and plainly marked "Bid for BANS". Bids may be delivered to WPFP, at the address set forth above; telephoned to WPFP at (414) 434-9644; faxed to WPFP at (414) 226-2014; emailed to cawirth@wipublicfinance.com; or submitted electronically via PARITY. Bids must be submitted via one of these methods described herein and received prior to the time established for bid opening. The time as maintained by PARITY shall constitute the official time. Neither the City nor WPFP shall be responsible for any failure to receive a facsimile or email submission. A meeting of the Common Council will be held on said date for the purpose of taking action on such bids as may be received. Unless all bids are rejected, the award will be made to the bidder offering the lowest true interest cost ("TIC") to the City.

Terms The BANS will be dated May 18, 2020, issued as fully registered notes in denominations of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>May 1</u>	<u>Principal Amount</u>
2024	\$3,100,000

Interest is payable commencing on November 1, 2020 and semi-annually thereafter on May 1 and November 1 of each year, calculated based on a 360-day year of twelve 30-day months.

The BANS shall be subject to redemption prior to maturity, at the option of the City, beginning November 1, 2021 or on any date thereafter, as a whole or in part by lot, at par plus accrued interest to the date of redemption.

Undertaking to Provide Continuing Disclosure In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the City will undertake, pursuant to the BAN Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement. See the section entitled "Continuing Disclosure" in the Preliminary Official Statement for a description of the City's compliance with any undertaking previously entered into by it pursuant to the Rule.

Registration The BANs will be issued as fully registered notes without coupons and, when issued, will be registered only in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the BANs. A single note certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry form only pursuant to the rules and procedures established between DTC and its participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the BANs purchased. The City will make payments of principal and interest on the BANs on the dates set forth above, to Associated Trust Company, National Association, Green Bay, Wisconsin, as registrar and fiscal agent for the BANs in same-day funds. Transfer of said payments to participants of DTC will be the responsibility of DTC; transfer of said payments to Beneficial Owners by DTC participants will be the responsibility of such participants and other nominees of Beneficial Owners all as required by DTC rules and procedures. No assurance can be given by the City that DTC, its participants and other nominees of Beneficial Owners will make prompt transfer of the payments as required by DTC rules and procedures. The City assumes no liability for failures of DTC, its participants or other nominees to promptly transfer said payments to Beneficial Owners of the BANs.

The City shall enter into a Fiscal Agency Agreement with Associated Trust Company, National Association, Green Bay, Wisconsin, with respect to the BANs.

In the event that the securities depository relationship with DTC for the BANs is terminated and the Common Council does not appoint a successor depository, the Common Council will prepare, authenticate and deliver, at its expense, fully registered certificate bonds in the denomination of \$5,000 or any integral multiple thereof in the aggregate principal amount of BANs of the same interest rate or rates then outstanding to the Beneficial Owners of the BANs.

Security and Purpose The BANs are not a general obligation of the City and no lien is being created upon the Water System or any other property of the City as a result of the issuance thereof. The BANs are payable only from (a) any proceeds from the issuance and sale of the BANs set aside for payment of interest on the BANs; (b) proceeds derived from the issuance and sale of water revenue bonds, covenanted to be issued in the BAN Resolution, which proceeds constitute a special trust fund to be held by the City and expended solely for the payment of principal of and interest on the BANs; and (c) revenues of the Water System deposited in the Special Redemption Fund (as provided for in the BAN Resolution) on a basis junior and subordinate to the Prior Bonds (defined in the Preliminary Official Statement) and any bonds issued on a parity with the Prior Bonds (the "Parity Bonds"). The City may appropriate funds out of its general tax levy for such payments, but such payment or authority shall not constitute an obligation of the City to make such appropriation or any further payments. Proceeds of the BANs will be used for public purposes, including paying the cost of improvements, additions and extensions to the water utility, including engineering and design costs of a water intake project.

Tax Status Interest on the BANs is included in gross income for federal income tax purposes. Interest on the BANs is not exempt from present State of Wisconsin income or franchise taxes.

Rating The City has applied for a rating on the BANs from Moody's Investors Service. Outstanding water utility revenue bonds are rated "Aa2" by Moody's.

Bidding Specifications Bids will be received on an interest rate basis in integral multiples of One-Twentieth (1/20) or One-Eighth (1/8) of One Percent (1%). All BANs of the same maturity shall bear the same interest rate. No bid for less than \$3,084,500 nor more than \$3,100,000 plus accrued interest to the date of delivery will be considered. The BANs shall be awarded to a responsible bidder whose proposal results in the lowest true interest cost to the City (the "successful bidder").

The successful bidder shall be responsible for paying expenses for printing and assignment of CUSIP numbers.

Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to the Thomson Financial Municipal Group's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the BANs on the terms provided in the Official Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of the Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Office Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from i-Deal, 1359 Broadway, New York, New York 10018; (212) 849-5021.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City, as described herein. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Bid Form.

Good Faith Deposit A good faith deposit in the amount of SIXTY-TWO THOUSAND DOLLARS (\$62,000), the ("Deposit") must be submitted in one of the following ways:

1. A bidder may submit a certified or cashier's check on a solvent bank or trust company, payable to City Treasurer, with the delivery of a bid to the office of WFPF, prior to the time established for bid opening; OR, alternatively,
2. Successful bidder shall submit a wire transfer to the City no later than 2 p.m. (Central Time) on the sale date. The City reserves the right to award the BANs to a successful bidder whose wire transfer is initiated, but not received by such time, provided that the federal wire reference number has been received by such time. In the event the Deposit is not received as provided herein, the City may award the BANs to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit will be retained, and may be invested, by the City, pending delivery of the BANs, and will be applied to the purchase price of the BANs. No interest on the Deposit will accrue to the successful bidder. If the successful bidder fails to take up and pay for the BANs when tendered, the Deposit will be retained by the City as liquidated damages.

Delivery/Legality/CUSIP The BANs shall be delivered in typewritten form, one note per maturity, to the Depository Trust Company, securities depository of the BANs for the establishment of book-entry accounts at the direction of the successful bidder, which is expected to occur on or about May 18, 2020. Payment at the time of delivery must be made in federal or other immediately available funds. In the event delivery is not made within forty-five (45) days after the date of the sale of the BANs, the successful bidder may, prior to tender of the BANs, at its option, be relieved of its obligation under the contract to purchase the BANs and its Good Faith Deposit shall be returned, but no interest shall be allowed thereon.

The successful bidder will be furnished the unqualified approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel. A transcript of the proceedings relative to the issuance of the BANs (including a No-litigation Certificate and a Continuing Disclosure Certificate) shall be furnished to the successful bidder. CUSIP numbers will appear on the typewritten BANs. **The successful bidder will be responsible for paying expenses for printing and assignment of CUSIP numbers.** Neither the failure to print such numbers on any BANs or any error with respect thereto will constitute cause for failure or refusal by the original purchaser to accept delivery of the BANs.

Official Statement: Upon the sale of the BANs, the City will publish a Final Official Statement in substantially the same form as the Preliminary Official Statement prepared within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Promptly after the sale date, but in no event later than seven business days after such date, the City will provide the successful bidder (i.e., the sole underwriter or the senior managing underwriter of the syndicate to which the BANs are awarded) an electronic copy of the Final Official Statement in PDF format.

The City shall designate the successful bidder as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter, if any. Each underwriter executing and delivering an Official Bid Form with respect to the BANs agrees thereby that if its bid is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the BANs, if any, for purposes of assuring the receipt by each such participating underwriter of the Final Official Statement.

The successful bidder agrees to supply to the City all necessary pricing information and any participating underwriter identification necessary to complete the Final Official Statement within 24 hours after the award of BANs.

Irregularities The Common Council reserves the right to reject any and all bids and to waive any and all irregularities.

Information Copies of the Preliminary Official Statement and additional information may be obtained by addressing inquiries to the City's Municipal Advisor: Wisconsin Public Finance Professionals, LLC, 1025 South Moorland Road, Suite 504, Brookfield, Wisconsin 53005; Attention: Carol A. Wirth, President, (414) 434-9644, FAX (414) 226-2014, email cawirth@vipublicfinance.com, or the undersigned.

Marty Halverson
Finance Director/Treasurer
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081
920/459-3304
marty.halverson@sheboyganwi.gov

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

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SALE RESULTS - BID TABULATION

CITY OF SHEBOYGAN, WISCONSIN

\$3,100,000 Taxable Water Revenue Bond Anticipation Notes, Series 2020B

Sale Date: May 4, 2020

Delivery Date: May 18, 2020

<u>Bidder</u>	<u>Net Interest Cost</u>	<u>True Interest Rate</u>
Piper Sandler & Co, New York , NY	\$162,160.14	1.325594
BOK Financial Securities, Inc., Dallas , TX	\$196,886.17	1.610691
Bankers Bank, Madison, WI	\$224,513.19	1.835700
Northland Securities, Inc., Minneapolis , MN	\$234,999.81	1.920831

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EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

BID FORM

City of Sheboygan, Common Council
Attn: Marty Halverson, Finance Director/Treasurer
c/o Wisconsin Public Finance Professionals, LLC, Municipal Advisor
1025 South Moorland Road, Suite 504
Brookfield, WI 53005
(414) 434-9644 – Office (414) 226-2014 – Fax
Email: cawirth@wipublicfinance.com

May 4, 2020

**Re: \$3,100,000 Taxable Water Utility Revenue Bond Anticipation
Notes, Series 2020B ("BANs"), Dated May 18, 2020**

For all or none of the above BANs, in accordance with the Official Notice of Sale, we will pay you \$3,091,010.00 (no less than \$3,084,500 nor more than \$3,100,000) plus accrued interest to date of delivery, for BANs bearing the interest rate and maturing as follows:

<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>
May 1, 2024	3,100,000	1.25%

The BANs shall be subject to redemption prior to maturity, at the option of the City, beginning November 1, 2021 or on any date thereafter, as a whole or in part by lot, at par plus accrued interest to the date of redemption.

This bid is a firm offer for the purchase of the BANs identified in the Official Notice of Sale, on the terms as set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale.

The successful bidder shall be responsible for paying expenses for printing and assignment of CUSIP number.

Per the Official Notice of Sale, the winning bidder must submit a certified or cashier's check on a solvent bank or trust company, in the amount of **\$62,000**, payable to the City Treasurer, with the delivery of a bid to the office of WPPF, prior to the time established for bid opening; OR, alternatively, successful bidder shall submit a wire transfer to the City no later than 2 p.m. (Central Time) on the sale date.

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The BANS are to be accompanied by the unqualified approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, and a certificate evidencing that no litigation is pending against the City, which will affect the validity or security of these BANS.

Respectively submitted,

Piper Sandler & Co
Underwriter (Account Manager)

By Christopher DiCarbo

We, the duly authorized officials of the City of Sheboygan, do hereby accept and award the BANS pursuant to the foregoing offer, in legal meeting this 4th day of May, 2020 at _____ p.m. central time.

Mayor

City Clerk

NOT A PART OF BID			
Our calculation of total net interest cost using the above rates are:			
<u>Gross Interest Cost</u>	<u>Plus: Discount</u>	<u>Net Interest Cost</u>	<u>True Interest Rate</u>
\$153,170.14	\$8,990.00	\$162,160.14	1.325594%

Account Members:

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EXHIBIT D

Debt Service Schedule

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

City of Sheboygan, WI

\$3,100,000 Taxable Water Utility Revenue BAN, 2020B

Final Pricing

City of Sheboygan

\$3,100,000 Taxable Water Utility Revenue BAN Series 2020B Final Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/18/2020	-	-	-	-	-
11/01/2020	-	-	17,545.14	17,545.14	17,545.14
05/01/2021	-	-	19,375.00	19,375.00	-
11/01/2021	-	-	19,375.00	19,375.00	38,750.00
05/01/2022	-	-	19,375.00	19,375.00	-
11/01/2022	-	-	19,375.00	19,375.00	38,750.00
05/01/2023	-	-	19,375.00	19,375.00	-
11/01/2023	-	-	19,375.00	19,375.00	38,750.00
05/01/2024	3,100,000.00	1.250%	19,375.00	3,119,375.00	-
11/01/2024	-	-	-	-	3,119,375.00
Total	\$3,100,000.00	-	\$153,170.14	\$3,253,170.14	-

Yield Statistics

Bond Year Dollars	\$12,253.61
Average Life	3.953 Years
Average Coupon	1.250000%
Net Interest Cost (NIC)	1.3233661%
True Interest Cost (TIC)	1.3255936%
Bond Yield for Arbitrage Purposes	1.2128810%
All Inclusive Cost (AIC)	1.6148905%

IRS Form 8038

Net Interest Cost	1.2120896%
Weighted Average Maturity	3.953 Years

BAN Piper Final | SINGLE PURPOSE | 5/4/2020 | 11:37 AM

Wisconsin Public Finance Professionals, LLC

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EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R-__ CITY OF SHEBOYGAN \$3,100,000
TAXABLE WATER UTILITY REVENUE
BOND ANTICIPATION NOTE, SERIES 2020B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
May 1, 2024 May 18, 2020 1.25% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION ONE HUNDRED THOUSAND DOLLARS
(\$3,100,000)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality" or "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the Funds hereinafter specified, on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment day shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by ~~the [City Treasurer]~~ Associated Trust Company, National Association (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

This Note is one of an issue of Notes aggregating the principal amount of \$3,100,000, all of which are of like tenor, except as to denomination, issued by the Municipality pursuant to the provisions of Section 66.0621(4)(L) of the Act, for the public purpose of paying the cost of improvements, additions and extensions to the water utility, including paying the cost of improvements, additions and extensions to the water utility, including engineering and design costs of a water intake project, all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on May 4, 2020 (the "Resolution"). The Resolution is recorded in the official minutes of the Common Council for said date.

In the Resolution, the Common Council declared its intention and covenanted to issue Water Utility Revenue Bonds (the "Bonds") in an amount sufficient to retire the Notes. The Notes are issued to anticipate the sale of the Bonds.

The Notes are payable only from:

- 1) any proceeds of the Notes set aside for payment of interest on the Notes as they become due;
- 2) proceeds to be derived from the issuance and sale of the Bonds, which proceeds have been declared by the Municipality to constitute a special trust fund to be expended solely for the payment of the principal of and interest on the Notes; and
- 3) revenues of the Municipality's Water Utility deposited in the Special Redemption Fund (as provided for in the Resolution), on a basis junior and subordinate to the Municipality's Prior Bonds (as defined in the Resolution) and any bonds issued on a parity therewith.

THE NOTES DO NOT CONSTITUTE AN INDEBTEDNESS OF THE MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION. NO LIEN IS CREATED UPON THE WATER UTILITY OR ANY OTHER PROPERTY OF THE MUNICIPALITY AS A RESULT OF THE ISSUANCE OF THE NOTES.

The Notes are subject to redemption prior to maturity, at the option of the Municipality, on November 1, 2021 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

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In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The Municipality has covenanted to issue and sell the Bonds, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Bonds into a special trust fund for the payment of the principal of and interest on this Note.

This Note is transferable only upon the books of the Municipality kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the Municipality appoints another depository, upon surrender of the Note to the Fiscal Agent, and thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the Municipality for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and

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Municipality may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

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IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN,
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Mayor

(SEAL)

By: _____
City Clerk

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
Nominee Name) (Depository or
or Securities Firm)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

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~~X~~

Gen. Ord. No. _____ - 20 - 21. By Alderpersons Wolf and Sorenson.
May 4, 2020.

AN ORDINANCE authorizing placement of a stop sign at the southeast corner of North Point Drive and Broughton Drive.

WHEREAS, upon completion of construction resulting in a realignment of the intersection of North Point Drive, Broughton Drive, Lincoln Avenue, and Barrett Street, North Point Drive will now intersect with Broughton Drive just east of the intersections of Broughton Drive, Lincoln Avenue, and Barrett Street; and

WHEREAS, completion of said construction will occur prior to final approval of this ordinance, but a temporary stop sign will be installed at the intersection pursuant to police powers; and

WHEREAS, given the realignment, it seems appropriate to control the intersection with a stop sign.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-51 of the Municipal Code entitled "Erection of Official Signs," stop signs shall be posted requiring northbound traffic on North Point Drive to stop at the intersection of North Point Drive and Broughton Drive.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to add the signs to give notification of the aforementioned change.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

AW

I HEREBY CERTIFY that the foregoing Ordinance was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

~~X~~

Gen. Ord. No. _____ - 20 - 21. By Alderpersons Wolf and Sorenson.
May 4, 2020.

AN ORDINANCE creating a no parking zone Wednesday and Thursday from 7:00 a.m. to 5:00 p.m. on the west side of North 9th Street between Ontario Avenue and Erie Avenue.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-126 of the Municipal Code entitled "Prohibitions and Restrictions Authorized," the west side of North 9th Street from 35 feet north of the north curb line of Ontario Avenue to 220 feet north of the north curb line of Ontario Avenue is hereby added to the list of locations where parking is not permitted between 7:00 a.m. and 5:00 p.m. on Wednesdays and Thursdays.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to install the signs to give notification of the aforementioned parking restriction.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

PW

I HEREBY CERTIFY that the foregoing Ordinance was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk
Approved _____ 20____. _____, Mayor

II

Other Matters

R. O. No. 4 - 20 - 21. By CITY CLERK. May 4, 2020.

Submitting various license applications for the period ending June 30, 2021.

City Clerk

CLASS "A" LIQUOR LICENSE (June 30, 2021) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3245	Festival Foods	595 S. Taylor Drive
2532	Fischer's Food & Liquor	4554 S. 12 th Street
1193	Kwik Trip #361	1618 Calumet Drive
1998	Kwik Trip #780	2622 S. Business Drive
2920	Kwik Trip #873	625 S. Taylor Drive
2763	Kwik Trip #897	2033 North Avenue
3382	Meijer Gas Station #305	902 N. Taylor Drive
3287	Sheboygan BP	1030 S. 14 th Street

"CLASS A" LIQUOR LICENSE (June 30, 2021) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3381	Meijer Store #305	924 N. Taylor Drive
2820	Superior Discount Liquors	823 S. 8 th Street
2702	Tietz's Piggly Wiggly #331	2905 N. 15 th Street
3214	Tietz's Piggly Wiggly #332	3124 S. Business Drive

"CLASS B" LIQUOR LICENSE (June 30, 2021) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3423	Applebees	526 S. Taylor Drive
3146	Bumps Grill Tavern	1902 S. 12 th Street
1833	Champs Sports Bar & Grill	1501 Indiana Avenue
1511	Denny's Bar	2140 Calumet Drive
1516	Emmer's	906 S. 15 th Street
1525	Fountain Park Lounge	922 N. 8 th Street
2192	Harry's Diner	2504 Calumet Drive
2949	Harry's Prohibition Bistro	668 S. Pier Drive
1926	Il Ritrovo	515 S. 8 th Street
1795	Luigi's Italian Restaurant	2910 Kohler Memorial Drive
1699	On the House	1153 High Avenue

CHIPS

3427 Pacifico Bar and Grill
3217 Parker Johns BBQ & Pizza
3355 Sharpies on Broadway
2373 The Duke of Devon
1752 The End Zone
1412 Trattoria Stefano
2100 Whats Up Bar & Grill
3250 Work Zone Bar and Grill

820 Indiana Avenue
705 Riverfront Drive
1645 S. 12th Street
739 Riverfront Drive
904 Indiana Avenue
522 S. 8th Street
1635 Michigan Avenue
4604 S. Business Drive

CLASS "B" BEER LICENSE (June 30, 2021) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
1328	Sheboygan Athletic Club	2338 New Jersey Avenue
2445	La Conquistadora	1218 Indiana Avenue
3018	Pho Vn	2209 S. Business Drive
3407	Taqueria Sheboygan	1410 Indiana Avenue
3358	The Greek Corner	1402 S. 8 th Street
2604	Z Spot Espresso & Coffee, Inc.	1024 Indiana Avenue

"CLASS C" LICENSE (June 30, 2021) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3018	Pho Vn	2209 S. Business Drive
3407	Taqueria Sheboygan	1410 Indiana Avenue
3358	The Greek Corner	1402 S. 8 th Street
2604	Z Spot Espresso & Coffee, Inc.	1024 Indiana Avenue

II

Other Matters

R. O. No. 5 - 20 - 21. By CITY CLERK. May 4, 2020.

Submitting various license applications for the period ending June 30, 2021 and June 30, 2022.

City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3158	Elliot, Kathleen A.	152 14 th Street, Fond du Lac
3163	Elliot, David A.	152 14 th Street, Fond du Lac
6169	Jeske, Amanda A.	2109 N. 12 th Street
3172	Jeske, Shelley A.	2807 S. 22 nd Street
9267	Kline, Kevin C.	1418 S. 24 th Street
3173	Licari, Isabella R.	2225 N. 10 th Street
3164	Maurer-Pfister, Angela M.	2332 Carmen Avenue Apt. 4K
7580	Willis, Rita A.	126 Lake Court
3176	Willis, Thomas J.	126 Lake Court

BEVERAGE OPERATOR'S LICENSE (RENEW) (June 30, 2022)

<u>No.</u>	<u>Name</u>	<u>Address</u>
7407	Baird, Jerry E. *Club*	557 Upper Road, Kohler
6748	Bresser, Matt J.	W2385 County Line Rd, Cleveland
4552	Daun, Duane R. *Club*	928 Wisconsin Avenue #317
1250	Dewane, Elaine M.	2839 N. Apache Road
7112	Gutschow, Tyson R. *Club*	4881 Dennwood Drive
8692	Jensen, Kurt R.	627 Saint Clair Avenue
1314	Johnston, Kristen D.	1608A N. 11 th Street
1245	Little, Elizabeth M.	914 Logan Avenue
7941	Mauer, Dale L.	2917 S. 15 th Street
1515	McMurray, Scott J. *Club*	1120 Aspen Court Unit C, Kohler
2650	Munnik, Bryan A.	W2672 Cty Road PPP, Sheboygan Falls
3359	Petermann, Richard J.	4408 White Oak Lane
2614	Raml, Jennifer L.	1020 Covington Dr., Sheboygan Falls
9583	Roehrborn, Becky J.	2027 N. 7 th Street
4552	Sauer, Andrew D. *Club*	1006 N. 17 th Street
6368	Schmidt, Tiffany L.	1622 N. 25 th Street
6444	Schmidtke, James B.	N6137 Center Ave., Sheboygan Falls
2411	Sharp, Christa A.	502 N. 28 th Street
2136	Severance, Harold W. *Club*	2503 N. 26 th Street
2736	Teetzen, Bradley R.	307 Riverhills Dr., Sheboygan Falls

AHS

2405 Timm, Sarah E.
1485 Wendland, Todd EJ *Club*
9627 Wilke, Glenn J. *Club*
3502 Wolff Sr., Richard A.

2732 Geele Avenue
3106 N. 27th Street
4022 Hazelnut Court
1622 N. 25th Street

Strategic Plan Engagement

Proposed Engagement Timeline for new 5-year Strategic Plan, 2022-2026

STAGE 1 – Focus Areas and Goals	
Interview Common Council and management team regarding vision, goals, and priorities	Beginning of May 2020
Gather community and employee feedback	June - July 2020
Complete Environmental Scan document	May - August 2020
STAGE 2 – Priorities and Action Steps	
Conduct community and employee survey	September 2020
Conduct two community workshops	October 2020
Management Team and Common Council Strategic Plan Workshop	November 2020
STAGE 3 – Draft Review and Plan Adoption	
Management Team and Common Council review draft of Strategic Plan	Beginning of December 2020
Revised draft of Strategic Plan released to public for comment	Middle of December 2020
Common Council review and adoption of Strategic Plan	February 2021
Implementation of Strategic Plan, 2022-2026	2022-2026

Community Engagement and Involvement

Community Involvement

- Two community workshops
- Survey
- Online Social Pinpoint engagement
- Community overview of draft

Focused Outreach

- Employee/community survey
- Common Council interviews
- engagement with non-profit groups

Methods for providing feedback

- Surveys (mobile engagement van?)
- Strategic Plan webpage
- Social Pinpoint
- Comment cards

Notification Methods

- Advertising in local publications
- Flyer distribution
- Social media blasts
- Direct email to resource networks
- Direct contact with stakeholder groups

*Translation of presentations, documents, and surveys should be provided, as well as translation services made available at all community outreach events.

Stage 1 – Focus Areas and Goals

Interview Common Council and management team

- Purpose: Gather information to determine effectiveness of breakdown of focus areas from previous strategic plan and recommend focus areas for the 2022-2026 plan, and to identify major goals and priorities.
- Method: survey administered online, followed by a brief Zoom interview to gain insight on survey responses.
- Timeline: Survey prepared at the end of April, administered to Common Council and Management Team in the first two weeks of May. Follow up interviews will be scheduled for the following two weeks. Each interview should take approximately 10-15 minutes. This process should be completed by the end of May 2020.
- Follow up-tasks: Identify recommended focus areas, organize information received accordingly. Identify goals and action items from current strategic plan that will roll into the new plan. Prepare a summary document to be available for participants.

Gather Community and Employee feedback

- Purpose: Gather input from residents, employees, and other stakeholders about Sheboygan's strengths, opportunities, limitations and threats as well as key priorities that the Common Council should consider. These efforts are intended to enable broad participation from residents and stakeholders. The information gathered will be used to develop the community survey, the Common Council along with the City Administrator and the management team will then be presented with the input and will work to set priorities.
- Method: online engagement tool such as Social Pinpoint (May need to organize an in-person engagement session to reach populations less likely to respond online). Involve non-profits to encourage their contacts and members to participate.
- Timeline: Social engagement online tool prepared during the month of June, engagement period begins in July 2020, runs for three weeks.
- Follow-up tasks – Organize information received to inform focus areas, goals, priorities. Prepare a follow up campaign including a one-page summary document that can be shared via social media channels for the community and via newsletters for employees. A page on the website should be developed and updated regularly to include strategic plan information and upcoming engagement opportunities.

Complete Environmental Scan Document

- Purpose: Gain an understanding of the current demographics of our community
- Method: Utilize available data from census bureau, including American Community Survey Data, and engage non-profit community to access data available to them.
- Timeline: Begin to gather information in May, gathering complete by middle of July, with presentation prepared by first week in August 2020.
- Follow-up tasks: Use data gathered to create presentation available to the public and presented to Common Council and Management Team

Stage 2 – Priorities and Action Steps

Conduct community and employee survey

- Purpose: The survey will be an opportunity for all Sheboyganites to participate in the engagement process. The survey results, together with all the other community input, will be presented to the Common Council at a public workshop. With this input, the Council will shape the five-year strategic plan.
- Method: Online survey tool such as Google or Survey Monkey
- Timeline: Survey developed in August, goes live in September, and is open for the public to complete for the month of September. Results are analyzed at the beginning of October 2020.
- Follow-up tasks: Compile and analyze results. Create a summary sheet to be released to the public via the Strategic Plan page on the city's website. Create a comprehensive deliverable of the results to deliver to Common Council and management team.

Conduct community workshops

- Purpose: Opportunity for the public to share their ideas about actions the city can take to make the priorities for the five-year strategic plan a reality.
- Method: Two in-person workshops organized at public places, with stations for each focus area set up and staffed, ready to engage with participants and gather ideas about priorities and action steps.
- Timeline: events are planned and prepped in the beginning of October, and they take place in the second half of October 2020
- Follow-up tasks: Compile suggestions received and make available for the management team and Common Council. Information gathered could be made available to the public via the Strategic Plan webpage.

Management team and Common Council workshop

- Purpose: Using all information gathered to this point, Common Council and management team members come together to develop priorities and action items that will form the plan.

- Method: Similar to the community workshop, the management Team and Common Council will be asked to use the information they have access to, and their own professional experience to create and prioritize actions steps in each of the focus areas for the plan.
- Timeline: November 2020
- Follow-up tasks: Use the information created here to form the draft of the Strategic Plan

Stage 3 – Draft Review and Plan Adoption

Management team and Common Council review draft of plan

- Purpose: Give the management team and Common Council the opportunity to review and suggest revisions to the draft of the Strategic Plan before it is released for public comment
- Method: Deliver electronically and collect responses.
- Timeline: Beginning of December 2020.
- Follow-up tasks: Make revisions and create updated draft of the plan.

Revised draft released to public for comment

- Purpose: Allow the public the opportunity to suggest revisions to the updated draft of the Strategic Plan before a draft is submitted for adoption
- Method: Make the draft available on the webpage; advertise to the public via social media channels to provide feedback. Engage with the nonprofit groups to encourage their feedback.
- Timeline: Available for comment in the last two weeks of December 2020 through the first week of January 2021.
- Follow-up tasks: Make appropriate revisions to the draft of the plan.

Common Council review and adoption of Strategic Plan

- Plan adopted by February 2021

CITY OF SHEBOYGAN
Monday, May 4, 2020
ALDERPERSON ORIENTATION

Facilitators: Alderperson Todd Wolf and Mary Lynne Donohue, Mayor Mike Vandersteen, City Administrator Darrell Hofland, City Attorney Chuck Adams, Director of Finance Marty Halverson, City Clerk Meredith DeBruin, Acting Director of Human Resources and Labor Relations Vicky Schneider, Assistant to the City Administrator Claudia Stanskas

I. Common Council

- a. **How business is transacted** – Commonly used documents, referral process, types of actions in Council, common parliamentary procedures – Meredith and Chuck
- b. **Reviewing an agenda** – Mary Lynne, Todd, Mike, Chuck
- c. **Basic protocol, general rules of conduct** – Proper dress, using the microphone, etc. – Mary Lynne, Todd, Mike
- d. **Basic open records / open meetings primer** – Chuck
- e. **Constituent interactions** – responding to constituent calls and email, etc. – Mary Lynne, Todd, Mike, Chuck

Materials provided: Handbook for Wisconsin Municipal Officials, Generally Used Rules of Order*, and Job of a Councilmember*

II. City Operations

- a. **Fiscal impacts due to COVID-19** – City revenue and expenditure impacts and CARES Act supplemental allocation to Sheboygan - Darrell
- b. **Debt Management Policy** - Marty
- c. **Personnel policies for elected officials** - Vicky
- d. **2017-2021 Strategic Plan** – 2021 Action Items - Darrell
- e. **2022-2026 Strategic Plan** – Strategic Plan Engagement and Council Survey – Chad
- f. **Constituent Claims** - Chuck
- g. **Neighborhood Resources Packet** – Chad

Materials provided: COVID-19 Fiscal Impacts, Debt Management Policy, and Strategic Plan Engagement

**Denotes document previously provided to Alderpersons.*

2021 Strategic Plan: Action Items & Critical Measurements

Quality of Life

2021 Action Items

- Continued enhancement of Firefighter training.
- Continued enhancement of and Emergency Medical Services (EMS) training.
- Complete adequacy study of SAC building
- Maintain replacement park equipment schedule
- Increase community volunteer partnerships to improve city beautification projects
- Continue to hold Tree City USA designation
- Continue replacement of trees lost to emerald ash borer infestation
- Maintain neighborhood beat officer positions
- Maintain neighborhood policing program

2021 Critical Measurements

- Meet department goal of 8,000 hours of firefighter training.
- Meet department goal of 2,100 hours of EMS training.
- Fire response compliance percentage (NFRIS standard 380 seconds)
- EMS response compliance percentage (NFRIS standard 360 seconds)
- Continue to work toward achieving an Insurance Services Office (ISO) rating from 2 to 1.
- Number of joint projects with the Sheboygan Area School District
- Additional trails created annually
- Number of community partnership participants(Adopt-A-Park/Adopt-A-Trail)
- Number of curb miles of streets swept
- Percent of graffiti removed from city facilities within 3 days of notification
- Number of years holding Tree City USA designation
- Part 1 crime rate - violent crimes/ per 1,000
- Part 1 crime rate - property crimes / per 1,000
- Number of HVEE traffic safety deployments
- Pounds of prescription drugs collected
- Number of Neighborhood Meetings

Infrastructure and Public Facilities

2021 Action Items

- Begin Phase One mechanical/maintenance work at Fire Station 3
- Refurbish alley between N. 8th Street and the parking lot east of the Shoreline Metro Transfer Station
- South Lakeshore Interceptor Sewer Rehabilitation Project
- Continue sanitary sewer lining rehabilitation program

- Complete resurfacing of 3 city streets per year leveraging local, state, federal funding
- Implement city-wide long term storm water management program
- Begin construction of Butzen Sports Complex-Phase 0
- Continue funding emerald ash borer tree replacement program
- City Wide ADA Infrastructure Improvements
- Consolidate crime analysis to ESRI platform
- Replace and Update in-squad computer systems
- Remain current with public safety vehicle replacement plan

2021 Critical Measurements

- Fire Station 3 – Percentage completion of maintenance/mechanical repair of Phase One
- South Lakeshore Interceptor Sewer Rehabilitation Project
- Linear feet of sanitary sewer relining complete
- Linear miles of street resurfaced
- Pavement rating
- Number of street trees treated
- City Wide ADA Infrastructure Improvements

Economic Development

2021 Action Items

- Continue programming calendar for City Green plaza
- Transforming former Koepsell property and surrounding vacant properties into Innovation District
- Market infill development sites along Indiana Avenue
- Leverage arts/culture streetscape to connect downtown to JMKAC Art Preserve development
- Start design of the Union Pacific railroad pedestrian trail
- Redevelopment of the former Mayline property and surrounding infrastructure
- Market and develop up to 10 acres in SouthPointe Enterprise Campus
- Coordinate new development on city-owned redevelopment sites
- Purchase real estate to extend recreational trail parallel to Indiana Avenue
- Continue work with existing businesses promoting future expansion
- Continue annual developer's summit and bi-annual virtual tours
- Issue request for proposals to redevelop the former Sheboygan Armory property

Neighborhood Revitalization

2021 Action Items

- Continue development of baseline data in targeted neighborhoods and revisit year one neighborhoods
- Continue spring cleanup events in neighborhoods with associations and continue promotion of the adopt a park program
- Develop analysis / management plan for blighted properties within key business corridors
- Continue north / south side neighborhood events in partnership with city employee wellness program
- Maintain Neighborhood Beat Officer positions
- Continue monthly interdepartmental staff meetings to coordinate neighborhood issues
- Continue to expand the number of neighborhood associations
- Create neighborhood development plans for one official neighborhood association
- Make necessary public infrastructure improvements in at-risk neighborhoods
- Promote the city's housing funding programs to qualified homeowners for improvements
- Advance relationship with Lakeshore Landlord Association
- Advance relationship with community partners (Habitat for Humanity)
- Continue to address street lighting issues in neighborhoods (Light the Night events)
- Complete an affordable housing market study
- Continue the neighborhood grant program and neighborhood leaders engagement events
- Organize annual spring clean-up event in partnership with Public Works
- Continue north/south side neighborhood revitalization events
- Support existing neighborhood associations
- Support the expansion of neighborhood associations

2021 Critical Measures

- Number of new neighborhood associations formed
- Number of abandoned vehicles towed
- Number of Nuisance properties

Governing and Fiscal Management

2021 Action Items

- Execute succession plan for Police Department

Communication

2021 Action Items

- Continuation of Fire Department community events
- Continuation of home fire safety programs for students in grades K-4
- Maintain Police outreach activities
- Maintain Chief's advisory committee

2021 Critical Measures

- Number of public/community events
- Number of home fire safety programs for students in grades K-4
- Number of students participating in fire safety programs
- Number of Police Department outreach activities
- Number of Press releases

Chapter 6

The job of a councilmember

The principal job of a city or town council is to set policy. A policy is a course of action for a community. Policymaking often takes the form of passing ordinances or resolutions. After policy decisions are made by the legislative body, others perform the administrative task of implementing the policies. The distinction between formulation and implementation may not always be clear, necessitating open communication between legislators and administrators.

Adopting policy

The council does not make policy in a vacuum. Councils rely on ideas from many sources, including the council staff, community groups, advisory committees, chambers of commerce, and others. It is the council's responsibility to consider the merits of each idea and then approve, modify, or reject them. In doing so, councilmembers analyze community needs, program alternatives, and available resources. The decision often takes the form of an ordinance or resolution, although it may take the form of a rule, regulation, motion, or order. The budget and comprehensive plan are powerful policy tools that are adopted by ordinance.

So, who actually runs the city?

It is important to recognize that it is not the role of the councilmember to administer city affairs. The council sets policy, but it is either the mayor (in mayor-council cities), or the city manager (in council-manager cities), who actually implements the policies. This means that it is not the role of the councilmember to supervise city employees on-the-job or become involved in the day-to-day administration of city affairs. This can be a source of conflict between the executive and legislative branches of city government.

Responding to constituent complaints

Residents often contact a councilmember when they have a problem, whether it involves a land use matter, a barking dog, or a pothole. Don't hesitate to send them to the appropriate city staff person for resolution of their problems. Keep in mind that you lack the authority to take action in administrative matters.

Relationship with the city attorney

In most cities, the mayor appoints the city attorney, whether that position is full-time or part-time. In some cities the council takes an active role to arrange for the provision of legal services through a contract. Regardless of how the position is established, remember that although the mayor or city manager typically has more contact with the city attorney than the councilmembers or city staff, the city attorney's job is to advise all city officials. Sometimes councilmembers feel that the city attorney is the mayor's or manager's attorney, particularly if the city attorney generally supports the mayor's or manager's position in situations where the answer is unclear.

Question & answers

Q. What is the role of the city council regarding employee discipline, and what input can the council have concerning performance appraisals of employees?

A. Though the council may be concerned about employee discipline and how certain employees are performing their duties, the council should not be involved in any individual situations. While the council can establish personnel policies and voice their concerns to the mayor, it is solely the mayor's job to discipline and supervise city employees, including conducting performance evaluations.

Q. Is the mayor or city manager required to inform councilmembers prior to terminating or disciplining a city employee?

A. No. However, when a particular termination or discipline is likely to be controversial, the mayor may want to notify the council and explain the decision in an executive session. Disciplinary and termination decisions should be reviewed with the city attorney first. The mayor and councilmembers should be careful to not discuss specific cases outside of an executive session.

Neither the mayor nor the city manager can prohibit the council from accessing the city attorney for advice. For financial reasons, the mayor or manager may feel that questions to the city attorney should be channeled through the executive's office, to avoid possible duplication and to make sure that the questions are presented clearly. Ultimately, it is up to the council to establish procedures on how to provide city attorney services.

Some smaller cities try to minimize legal service fees by having the city attorney skip regular council meetings. That can be thrifty, but shortsighted, particularly when the council is dealing with controversial matters such as land development, or complex procedural issues such as LIDs.

Personnel management

The statutes generally give the mayor or city manager, as chief executive, the broad authority to hire and fire employees.

The city council, however, determines the number of employees that can be hired and those employees' duties. The council establishes salaries and other forms of compensation paid to city workers. The council may also establish job qualifications.

One piece of advice is to have good, consistent personnel policies. Up-to-date, clearly written policies help avoid lawsuits, promote consistency, and contribute to employee morale.

Labor relations

Unions have a significant presence in Washington cities. Most city employees have the right to organize under state law and have joined statewide unions or formed local associations. The city must negotiate labor contracts with these unions over wages, hours and working conditions.

In particular, most police and fire departments are unionized. Except for very small cities, police and fire unions have access to interest arbitration when an impasse in bargaining occurs. This can create a unique dynamic in police and fire negotiations, given the potential for an outside arbitrator to make decisions regarding wages, benefits and contract language.

Open government laws

Compliance with public disclosure and open meetings builds trust with your community. The Open Government Trainings Act requires elected officials to receive training on public disclosure, the Open Public Meetings Act (OPMA), and records retention within 90-days of taking office and every four years thereafter.

In partnership with MRSC, AWC provides the courses for free online. The eLearnings are available to watch anytime, and meet the Open Government Trainings Act requirement.

Local laws – ordinances and resolutions

How does the council adopt policy? Typically, a council will adopt policy by passing ordinances and resolutions at council meetings.

Difference between ordinances and resolutions

An ordinance is a local law of a municipal corporation, prescribing general rules of conduct. Ordinances are used for a variety of purposes, including administrative actions such as establishing offices and setting salaries, or they may be used for actions that control the conduct of the public. An ordinance is a legislative enactment, within its sphere, as much as an act of the state Legislature.

A resolution, on the other hand, is typically an act that is less solemn or formal than an ordinance. Consider it the official body's expression of opinion. Legislation must be enacted via ordinance. Deciding what constitutes legislation may require reference to case law, but the general guiding principle is that "[a]ctions relating to subjects of a permanent and general character are usually regarded as legislative, and those providing for subjects of a temporary and special character are regarded as administrative..." (*Durocher v. King County*, 80 Wn.2d 139, 153, 492 P.2d 547, 1972).

When deciding whether to use an ordinance or a resolution, first refer to the city charter and state law (RCW). Some state statutes clearly define which action is needed, others leave it to the discretion of the legislative body. If the charter and the code are silent as to the mode of decision-making, and the action is not "legislation," then either a resolution or an ordinance may be used.

Rules for adopting ordinances

The state statutes for each class of municipality do contain some procedural requirements which govern the ordinance adoption. However, these procedural requirements are generally not complicated and do not require an elaborate adoption procedure. For a comprehensive discussion of adoption procedures, including information on requirements for signatures on ordinances and publication of ordinances, see MRSC Report No. 50, which is entitled *Local Ordinances - The Drafting, Compilation, Codification and Revision of Ordinances*.

Many cities and towns have adopted local rules of procedure that relate to the adoption of ordinances, and these, of course, must be followed. For example, although the state statutes do not require that an ordinance be read more than once (in most circumstances) prior to adoption, many local rules of procedure do contain such a requirement. Therefore, it is important that councilmembers familiarize themselves with the local rules of procedure, as well as the state statutory requirements in regard to adoption requirements for ordinances.

An ordinance is a local law of the city.

A resolution is typically an act that is less formal than an ordinance.

Practical advice

Helpful pointers from other elected officials.

Leadership ...

- **Lead by example.** Be honest, consistent, flexible. Don't play games.
- **Use common sense.**
- **Don't be stampeded.** You may receive strong demands from special interest groups. Your job is to find the long-term public interest of the entire community.
- **Be clear on what you stand for.** List 10 things you believe in.
- **A new councilmember should have goals.** These are things you want to accomplish. But don't act rashly and assume that only you know the best way to accomplish things. Every issue will benefit from additional discussion. Your perceptions may change.
- **Use your role as a leader.** The dignity of your office can help the community get past contentious issues.
- **It can be uncomfortable to make very public decisions.** Sometimes the decisions feel like the end of the earth. It's easy to fear the political consequences. But it is important to look a little more long-term in perspective, weigh everything, and reach good decisions.
- **Know that you can't satisfy everyone.** Listen fairly and thoughtfully, and then do what's right.

Working with staff ...

- **Get to know staff and what they do.**
- **Say thank you!** Let folks know how much you appreciate them and give credit where credit is due.
- **Treat staff with respect** – they are a very valuable asset.
- **Be consistent.** Treat everyone the same.
- **Budget money for and encourage your staff to attend professional meetings and seminars.** These learning opportunities and the personal contacts can be invaluable to your city.

COVID-related Changes to 2020 Budget

FUND	ACTIVITY	REVENUE CHANGE	EXPENSE CHANGE	COVID GRANT REIMBURSEMENT ELIGIBLE
General Fund				
Police Operations	BJA Emergency Supplemental Funding	\$ 47,266		
Police Operations	Parking Violations	\$ (50,000)		
Police Operations	Court Penalty Fines	\$ (5,000)		
Police Operations	Contributions	\$ (5,000)		
Parks and Forestry	Seasonal Staff (reduced)		\$ 24,000	
Parks and Forestry	Park Rentals	\$ (24,000)		
Garbage	Transfer Station Tipping (tonnage increase)		\$ (18,000)	
Miscellaneous Rev	Interest Income	\$ (51,485)		
Other Financing Sources	Transfer from Municipal Court	\$ (50,000)		
Elections	Spring Election - office supplies, postage		\$ (22,045)	Yes
Clerk	Miscellaneous Licensing	\$ (2,578)		
Clerk	Miscellaneous Revenue	\$ (8,509)		
	Total	\$ (149,306)	\$ (16,045)	
	Net Total		<u><u>\$ (165,351)</u></u>	
Debt Service Fund				
Other Financing Sources	Transfer from Tourism Fund (reduced room tax)	\$ (220,071)		
	Total	\$ (220,071)		
Transit Utility Fund				
Federal Subsidy	CARES Act	\$ 3,497,562		
Charges for Services	Fares/Passes/Advertisement	\$ (50,000)		
Capital Expense	Capital Items (Buses, Vans, Renovations)		<u>\$ (2,680,000)</u>	
	Total	\$ 3,447,562	\$ (2,680,000)	
	Net Total		<u><u>\$ 767,562</u></u>	

Block Grant Fund

Community Grant	CARES Act	\$	539,956	
MicroLoan Program	Grant Program			\$ (420,000)
Improvements	Public Service Allocation			\$ (38,963)
Administration	Administer CARES Act new programs			\$ (80,993)
		Total	\$ 539,956	\$ (539,956)
		Net Total		<u><u>\$ -</u></u>

Library Fund

Misc Revenue	Penalties, Late Fees, Copy Fees	\$	(10,000)
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Capital Project Fund

Intergovernmental	County Sales Taxes	\$	(82,200)
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Wastewater Utility Fund

Charges for Service	Sewer Service Collection Fees	\$	(270,000)
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Open Meetings Law: What you need to know as an alderperson in the City of Sheboygan

Presentation by the Sheboygan City Attorney's Office
May 4, 2020

- I. Purpose
 - a. To allow public access to information
 - b. Limit the use of closed session (so that there is more access to information)
- II. Legal Requirements
 - a. What bodies qualify?
 - i. local governing bodies of general and special purpose units of government,
 - ii. their committees, commissions and boards,
 - iii. special study and advisory committees, and other bodies or subunits created by a governmental body or an officer, and
 - iv. governmental and quasi-governmental corporations
 - b. Numbers Test & Purpose Test
 - i. Is there one half or more of the members present? If so there is a presumption of a meeting having occurred.
 1. Walking Quorum
 2. Phone conferences
 3. E-mail Chains
 - ii. What is the purpose for the gathering? Is it a "meeting" under Chap. 19 Wis. Stat.
 1. "Meeting" means the convening of members of a governmental body for the purpose of exercising the responsibilities, authority, power or duties delegated to or vested in the body. If one-half or more of the members of a governmental body are present, the meeting is rebuttably presumed to be for the purpose of exercising the responsibilities, authority, power or duties delegated to or vested in the body. The term does not include any social or chance gathering or conference which is not intended to avoid this subchapter, any gathering of the members of a town board for the purpose specified in s. [60.50 \(6\)](#), any gathering of the commissioners of a town sanitary district for the purpose specified in s. [60.77 \(5\) \(k\)](#), or any gathering of the members of a drainage board created under s. [88.16](#), 1991 stats., or under s. [88.17](#), for a purpose specified in s. [88.065 \(5\) \(a\)](#).

c. Notice Requirement

- i. Timing
- ii. Agenda
- iii. Posting

d. Closed Session

- i. Appropriate reasons under Wis. Stat. 19.85
- ii.

(a) Deliberating concerning a case which was the subject of any judicial or quasi-judicial trial or hearing before that governmental body.

(b) Considering dismissal, demotion, licensing or discipline of any public employee or person licensed by a board or commission or the investigation of charges against such person, or considering the grant or denial of tenure for a university faculty member, and the taking of formal action on any such matter; provided that the faculty member or other public employee or person licensed is given actual notice of any evidentiary hearing which may be held prior to final action being taken and of any meeting at which final action may be taken. The notice shall contain a statement that the person has the right to demand that the evidentiary hearing or meeting be held in open session. This paragraph and par. (f) do not apply to any such evidentiary hearing or meeting where the employee or person licensed requests that an open session be held.

(c) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.

(d) Except as provided in s. [304.06 \(1\) \(eg\)](#) and by rule promulgated under s. [304.06 \(1\) \(em\)](#), considering specific applications of probation, extended supervision or parole, or considering strategy for crime detection or prevention.

(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

(ee) Deliberating by the council on unemployment insurance in a meeting at which all employer members of the council or all employee members of the council are excluded.

(eg) Deliberating by the council on worker's compensation in a meeting at which all employer members of the council or all employee members of the council are excluded.

(em) Deliberating under s. [157.70](#) if the location of a burial site, as defined in s. [157.70 \(1\) \(b\)](#), is a subject of the deliberation and if discussing the location in public would be likely to result in disturbance of the burial site.

(f) Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. [\(b\)](#) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.

(g) Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved.

(h) Consideration of requests for confidential written advice from the government accountability board under s. [5.05 \(6a\)](#), or from any county or municipal ethics board under s. [19.59 \(5\)](#).

- iii. Convene in Open Session- announce the purpose of the proposed closed session AND close session by a majority vote w/roll call vote.
- iv. Limit closed session to announced items
- v. Reconvene in open session ONLY if it was included in the public notice
- vi. Vote in open session unless the vote would compromise the need for the closed session.
- vii. Preserve the record of closed session

III. Penalties

- a. A court may void a decision made at an illegal meeting of the public interest in enforcing the open meeting law outweighs public interests in sustaining the decision.
- b. Forfeiture of \$25.00-\$300.00 (personal liability)
- c. Payment of attorney fees

IV. Scenarios

- a. You are at the 4th of July festivities on the lakefront and you see a few members of a committee that you chair. Four of the five members gather and talk about their children and the weather. Is this a violation?
 - i. One of the four people begins to talk about some items on the next month's agenda. Is this a violation?
 - ii. Two of the five members of committee walk over to the some picnic tables out of ear shot and begin to talk about past and future agenda items. Is this a violation?
- b. An e-mail chain includes the entire Council and members are discussing substantive items, is this a meeting?
 - i. The emails are only discussing setting a date for next month's meeting- is this a meeting?
- c. Your committee meets and individuals regularly request to go into closed session because they are embarrassed by the content of the discussions. The content of the discussions is readily available to the public through other means. Should your committee consider going into closed session?

CITY OF SHEBOYGAN, WISCONSIN DEBT MANAGEMENT POLICY

The City of Sheboygan recognizes the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy provides the financial management tools to guide the Council with the City's overall debt financing structure. Primary objectives of the policy are to:

- Establish the appropriate use of debt.
- Find alternative methods to pay debt service costs other than property tax.
- Minimize the City's debt service and issuance costs.
- Retain the highest practical credit rating.
- Provide complete financial reporting and disclosure.
- Maintain level and affordable annual debt service payments.

The Common Council has adopted this policy, by resolution, to provide general guidelines for the debt management structure of the City. Situations and conditions may occur requiring a variation from the policy. These variations must be clearly communicated to the Council and citizens prior to deliberation on such debt policy changes. In addition, these policies should be reviewed every five years to ensure the policy continues to meet the long term debt objectives.

POLICY GUIDELINES

CAPITAL IMPROVEMENTS PROGRAM

The City's long term capital and financing plan will be documented in a five year Capital Improvements Program. The plan will be submitted to the Common Council for consideration and adoption prior to the annual budget process. Individual departments will prepare an annual five year plan, and assist in the coordination of the overall city wide plan. The Capital Improvements Program will represent a one year, capital improvement budget and a five year, long term capital plan. The capital plan will contain a comprehensive description of the sources and uses of funds, and a forecast of future debt issuance. The plan will examine the long range implications of future debt issues on debt outstanding, annual principal and interest requirements and the general property tax levy required for debt service payments.

USES OF DEBT AND OTHER FORMS OF BORROWING

The City may use long term financing for the acquisition, maintenance, replacement, or expansion of capital assets and infrastructure. The City will not issue long term debt to fund current operations. Financing options allowed under State of Wisconsin Statutes, including but not limited to: general obligation bonds and notes, State Trust Fund Loans, revenue bonds, capital or secured equipment leases, tax incremental bonds, special obligation bonds and bond anticipation notes may be considered.

DEBT CAPACITIES

Utilizing the City's debt capacity will be used only after other financing options have been reviewed. Such debt issuance must comply with all other requirements of the debt policy. The planned use of debt will be reviewed for impact on the City's credit rating.

LENGTH OF DEBT AND TIMING OF BOND ISSUES

Debt will be structured to provide for the shortest repayment period, while minimizing large fluctuations in property tax or other revenue requirements for debt retirement. The amortization period will be based upon a fair allocation of costs to current and future beneficiaries of the capital and infrastructure assets, and to revenue streams used to finance the annual debt service payments. Generally, the City issues promissory notes with a ten year amortization for capital improvement projects. Tax increment financing projects, and significant facility projects may warrant a longer term debt schedule, but in most cases not to exceed a 20 year repayment schedule. Call features may be included if appropriate and financially feasible. Under no situations will the financing term exceed the useful life or average useful lives of the assets to be financed. To help protect the City's bond rating, bond sales will be scheduled in an orderly schedule to assure the markets of the stability of the City's financial decisions.

CAPITALIZED INTEREST

The City will generally not capitalize interest on its general fixed assets and infrastructure assets. Capitalized interest will be considered an increased cost of the project for proprietary fund assets for which borrowing is used as a financing mechanism. Bond issues for Tax Increment District projects may utilize capitalized interest dependent upon the project plan.

CONDUIT FINANCING

Conduit financing is debt issued by the City of Sheboygan to finance a project of a non-City third party. The City may sponsor conduit financing for those activities (economic and industrial development, housing, health facilities, etc) that have a general public purpose and are consistent with the City's overall goals. Unless a compelling public policy rationale exists, such conduit financing will not in any way pledge the City's faith and credit. Information regarding the financial feasibility of the project and financial capacity of the company may be reviewed by the City prior to the approval of such financing.

CREDIT RATING

The City of Sheboygan seeks to maintain the highest possible credit rating for all categories of debt that can be achieved without compromising the City's operational

objectives. The City recognizes that its credit rating can be impacted by conditions of the economy which are out of its control.

FINANCIAL DISCLOSURE

Every financial report and bond prospectus will follow the City's commitment to complete and full disclosure in conformance with industry requirements. The City's intent is to provide necessary information to constituents, council members, investors, departments, financial institutions, rating agencies, grantors, governmental agencies, and other interested parties. This includes, but is not limited to, meeting the Securities and Exchange Commission Rule 15c12-12 Secondary Disclosure Requirements.

DEBT LIMITS

The City will maintain outstanding debt in an amount not exceeding 60 percent of the City's aggregate statutory borrowing limit prescribed by State Statute 67.03(1)(a), in order to maintain a borrowing appropriate with our credit rating objectives, and the City's desire to preserve its financial flexibility by maintaining an adequate unused margin to be available for extreme emergencies.

INDEPENDENCE, METHOD AND AWARD OF SALE

The City will select a method of sale that is most appropriate in light of the City's financial position, the market environment, project specific needs and other related conditions. Unless specific situations exist, the City will issue its debt obligations through a competitive sale. Award of the sale will be based on the True Interest Cost Method (TIC). Under certain situations, it may be appropriate to seek financing through other methods such as negotiated sale or private placement. All such alternative methods of sale will receive prior approval from the Finance Committee and Common Council. The financial advisor shall maintain complete independence from the underwriting process.

REFUNDING PRACTICES

Periodic reviews of all outstanding debt will be performed to determine refunding opportunities. Refunding will be considered when there is a net economic benefit of the refunding (as measured in "present value"), to improve restrictive debt covenants or to improve debt structure.

ARBITRAGE

The City's bond counsel will prepare a no arbitrage certificate with tax-exempt issue. It is the responsibility of the Finance Department to assure compliance with the most current arbitrage regulations. The City will segregate bond fund investments or, at a minimum, maintain monthly allocations of commingled bond investments. The City will plan projects carefully in advance to determine the applicability of the rebate exceptions

and, if necessary, will have rebate calculations performed annually during the construction period, and no less often than on a five year basis thereafter, until the bonds mature.

City of Sheboygan

Common Council Handbook

“I think local government is the hardest job in the country because it is one thing to be at the federal level where you can talk grand thoughts, talk about things in policy terms, and encourage legislation that channels your decision making into certain goals; it is another thing to pick up the garbage, to plow the snow, to sweep the street, to make sure your signal lights are working. Local government is really hard. That is where the rubber meets the road, and it is much harder than federal government.” -- Pauline A. Schneider

Preface

This manual is intended to provide alderpersons, committee and board members, city employees, and members of the public with general rules of procedure and decorum during all formal meetings. These rules are intended for easy reference only and do not supersede current city ordinances or resolutions. The City of Sheboygan follows the rules of parliamentary procedure set forth in Robert’s Rules of Order, Newly Revised, in all cases in which they are applicable and not inconsistent with the ordinances and regulations of the City.

The mayor (who chairs council meetings) and committee chairpersons set the tone and structure of the meetings over which they preside. That tone and structure may vary from individual to individual. The mayor and chairperson are responsible for ensuring that debate and discussion is conducted appropriately, professionally and within the rules of order. They enforce the observance of order and proper decorum between the entire membership and those present during any meeting. The mayor and chairpersons have discretionary authority to excuse non-members from the meeting whenever any disturbance or disorderly conduct occurs.

All alderpersons, commissioners, committee members, board members, officers and those in attendance at all meetings shall conform their conduct to the rules and expectations of this manual.

I. COMMON COUNCIL PROCEEDINGS

A. Generally Used Rules of Order and Procedure

Alderspersons may only act on items posted on the agenda. Alderspersons may not act on items posted for discussion only. Certain items not posted on the agenda may be introduced as “Other Matters Authorized by Law,” but no action may be taken on such matters other than to lie over to the next meeting or be referred to a committee.

The consent agenda deals with matters generally regarded as routine. However, any alderperson may call a specific document for separate action after the motion is made to approve the agenda. If an alderperson simply requires clarification about a document in the consent agenda, he or she may simply inquire without calling for separate action.

Any alderperson may request to pull forward any document out of the order of the agenda.

1. Most Commonly Used Documents

The following are the types of documents upon which the common council generally acts:

Ordinances: Ordinances are the laws of the city. An ordinance may enact new legislation or amend or repeal an existing ordinance.

The proper motion for the passage of an ordinance is: “I move to adopt the ordinance.”

This motion requires a second, is debatable, amendable and generally requires a majority vote, unless otherwise required by law or ordinance. For example, charter ordinances require a two-thirds vote of all members.

Resolutions: The common council conducts general business through resolutions. They are generally less permanent enactments than ordinances. Resolutions may direct or authorize the appropriate city officials to act on matters approved by the common council. Resolutions also may be used to create committees, commissions or boards to assist the common council in conducting its business.

The proper motion for the passage of a resolution is: “I move to adopt the resolution.”

This motion requires a second, is debatable, amendable and generally requires a majority vote, unless otherwise required by law or ordinance. For example, resolutions altering the adopted budget require a two-thirds vote of the entire membership of the common council.

Report of Committees: These documents, generally known as R.C.s, are reports created by committees and then referred to the common council to give recommendations on matters initially referred to them. They often include a recommendation for action or to adopt an ordinance/resolution.

When an R.C. comes to common council, the report should simply be received. However, additional action will generally be needed on the matters referred to the committee. Proper motions related to an R.C. include the following: “I move to receive the R.C. and adopt the ordinance.” “I move to receive the R.C. and file the ordinance.” “I move to receive the R.C. and approve the licenses.” “I move to receive the R.C. and deny the license.” Filing an item is to reject it.

These motions require a second, are debatable but not amendable, and require a majority vote.

Report of Officers: These documents, generally known as R.O.s, are reports or recommendations submitted by boards, commissions, or department heads.

The proper motion for acting on an R.O. is: “I move to receive the R.O. and adopt the recommendation” or “I move to receive the R.O. and file the recommendation.”

These motions require a second, are debatable but not amendable, and require a majority vote.

Communications: Communications are letters received by the mayor, alderpersons or the city clerk that are submitted to the common council for consideration and placed on an agenda. Not all letters and petitions are placed on an agenda. In fact, most such letters should first be directed to staff members before being submitted to common council, as action can often be taken more quickly and efficiently that way. The mayor, in consultation with the city clerk, determines which matters to place on an agenda.

Once submitted to common council, communications may be referred to a committee, commission, or board. Often, they may also be immediately acted upon during a common council meeting. All communications must be submitted to the city clerk before the deadline for the common council agenda.

A proper motion for acting on a communication is: “I move that the communication be received and filed,” or “I move that the communication be referred to committee.”

This motion requires a second, is debatable, but not amendable, and requires a majority vote.

Other documents: Often, staff members will prepare attachments, exhibits, or other documents to assist alderpersons in preparing for committee or common council meetings. These are for information only, and not meant for action.

The most common such document is called an “IFC” (Item for Consideration). This standardized document includes information about the fiscal impact of a proposed document, gives some background on the proposal, provides staff input and recommendations, references current law that may impact the proposal, and gives a recommended action.

IFCs are available with the other documents on the agenda item in “BoardDocs” (the city’s online system for organizing meeting agendas, minutes, and documents.) While an IFC is not something that is approved, received, filed, or debated, it generally contains important information that will assist the common council in making policy decisions.

All documents, whether those being acted upon, or documents attached for information, must be provided to the city clerk by noon on the Wednesday prior to a council meeting so they can be attached in BoardDocs and tracked for open records compliance purposes. All documents being acted upon must also be sent to the City Attorney’s office at least 48 hours prior to the clerk’s Wednesday deadline so that they can be reviewed for legal compliance and form. Similarly, any documents referred to in a resolution or report must also be provided to the city clerk so they can be attached in BoardDocs and tracked. Normally, these documents must be provided prior to the agenda deadline.

2. Most Common Types of Action

The following are the four most common types of actions the common council takes during a meeting:

Passage - this is favorable action taken by the common council.

Referral - this action sends a document to a committee, commission or board for deliberation and a recommendation.

Filing - this action dispenses of a document immediately or refers out of committee.

Lying Over - this results when certain documents cannot be passed on the first reading without suspension.

3. Suspending the Rules

The common council operates by a set of operating rules. Some rules are codified by ordinance; such rules must be followed unless the council passes an ordinance changing those rules. (Note, however, that rules codified in this fashion may contain special provisions to allow those rules to be temporarily lifted. Most rules, however, including those in this handbook and those in Robert’s Rules of Order, may be suspended.

Suspension of the rules can happen in any number of circumstances. The most common reason for suspension is to allow the common council to act immediately on a resolution, report, or communication, rather than sending it to a committee or requiring it to lay over to the next meeting.

A common council member may make a motion to suspend the rules. An appropriate motion is: “Your Honor/Mayor, I request suspension of the rules to allow the resolution to be approved immediately.”

The motion to suspend the rules, per Sec. 2-168, Sheboygan Municipal Code, requires a $\frac{3}{4}$ vote of the members-elect. In addition, “unless unanimous consent is given, the vote on suspension shall be by call of the roll.” The Mayor may determine unanimous consent by asking if any member of the common council has an objection to suspension, and declaring the rule suspended if there is no objection.

4. Calling the Vote

Voice Vote - all actions other than those requiring a roll call vote may be adopted or passed by voice vote.

Roll Call Vote - a roll call vote is required on the adoption of all ordinances, resolutions, report of committees, report of officers and other documents assessing or levying taxes, appropriating or disbursing funds, actions creating a liability or charge against the city or discharging or commuting a claim or demand against the city. A roll call vote is required on confirmation of appointments. It is also required whenever the common council or a committee votes to go into and come out of closed sessions.

A roll call vote may be called for by the mayor at his discretion or upon the request of any member of the common council.

An appropriate request for a roll call by a member of the common council is: “Your Honor/Mayor, I request a roll call vote.”

This is not a motion and therefore does not require a second, debate or vote.

5. Most Commonly Used Motions

MOTION	REQUIRES SECOND	DEBATABLE	AMENDABLE	VOTE REQUIRED
Main Motion	Yes	Yes	Yes	Majority
Motion to Reconsider	Yes	Yes	No	Majority
Motion to Rescind	Yes	Yes	Yes	Majority (with notice)
Motion to Amend	Yes	Yes	No	Majority
Motion to Substitute	Yes	Yes	Yes	Majority
Motion to Amend the Amendment	Yes	Yes	No	Majority
Motion to Refer to Committee	Yes	Yes	Yes	Majority
Motion to Hold	Yes	Yes	Yes	Majority
Motion to Call the Question	Yes	No	No	2/3
Motion to Suspend the Rules	Yes	No	No	* 3/4
Motion to Divide the Question	Yes	No	No	Majority
Motion to Open the Floor	Yes	Yes	Yes	Majority
Point of Order	No	No	No	None
Motion to Recess	Yes	No	Yes	Majority
Motion to Adjourn	Yes	No	Yes	Majority

6. Other Common Rules

An alderman may appear and vote at a common council meeting remotely (i.e., by telephone, video conference, etc.), if notice of remote attendance appears on the agenda. A member who is not physically present counts towards a quorum. However, a member may not participate or vote on any matter that requires the visual assessment of a witness's demeanor if the member is unable to make such a visual assessment, nor may a member vote on any matter that requires the visual assessment of physical evidence or exhibits that have not been previously reviewed by the member. (Sec. 2-138, Sheboygan Municipal Code.) Because ensuring security is difficult with remote attendance, remote attendance has typically not been permitted during closed sessions. However, in cases where remote attendance may be necessary due to pandemic or other health situations and where the use of particularized guidelines help ensure security, such permission may be granted by the mayor, in consultation with the City Clerk, City Attorney, and other necessary staff

Alders shall speak only twice on matters being debated or discussed during a common council meeting except upon leave of the common council. (See Sec. 2-184, Sheboygan Municipal Code.)

Privilege of the floor during common council meetings is extended to the mayor, the city clerk, the city attorney, the city administrator, the chief of police or such other police officer in attendance, the finance director/treasurer, members of the department of engineering and public works, the director of planning and development, and members of the media who are confining themselves to their professional duty. No other person is allowed on the council floor except upon the invitation of the mayor or common council.

Only those persons who have privilege of the floor may address the common council. All others may address the common council pursuant to a motion to open the floor.

An appropriate request to allow a person who has privilege of the floor to address the common council is: "Your Honor/Mayor, I request that Mr./Mrs. (state name) address the council." Only the mayor may call the person forward.

An appropriate motion to allow persons who do not have privilege of the floor is: "Your Honor/Mayor, I move to open the floor to (state name)."

Alderspersons may address those persons who have privilege of the floor or to whom the floor has been open with the consent of the mayor. Otherwise, alderspersons may only address the mayor. Thus, when speaking, they should refrain from addressing other alderspersons, staff members, or the audience, and should face the mayor.

An appropriate request to address those persons is: "Your Honor/Mayor, may I address Mr./Ms. (state name)?"

An alderperson may not engage in debate or become confrontational with persons who have privilege of the floor or to whom the floor has been open. At all other times, alderspersons must address the mayor or other presiding officer, not each other or the public.

A motion to amend or a motion to amend the amendment that will totally alter the nature of the original ordinance or resolution is considered out of order as not being "germane." To be germane, an amendment must in some way involve the same question that is raised by the motion to which it is applied. The mayor or presiding officer of the common council shall rule in the first instance as to the admissibility of the amendment in question.

No alderperson may cross the floor or leave the council chamber while the mayor or presiding officer is addressing the common council or submitting a question. (See Sec. 2-180, Sheboygan Municipal Code.)

When an alderperson is called to order, he or she shall not speak except in explanation until it shall have been determined that the alderperson is in order. (See Sec. 2-183, Sheboygan Municipal Code.)

Any action under consideration by the common council, at the request of three alderpersons, shall be deferred to the next common council meeting to be held no sooner than one week following. The same action may not be deferred a second time or laid over. (See Sec. 2-81, Sheboygan Municipal Code.)

Whenever any disturbance or disorderly conduct occurs in the council chambers, or rooms or halls adjacent to the council chambers, the mayor or presiding officer has the power, with the aid of the chief of police or police officers in attendance, to cause the chambers, rooms or halls to be cleared of all persons except the alderpersons or officers of the common council. (See Sec. 2-39(a), Sheboygan Municipal Code.)

B. General Rules of Conduct

Alderpersons and members of committees, commissions, and boards shall conduct themselves in a professional and respectful manner while representing the city.

Alderpersons and members of committees, commissions, and boards should wait to be recognized by the mayor or the chairperson before speaking. Upon being recognized, an appropriate preface to your comments is: "Thank you your Honor/Mayor" or "Thank you Mr. Chairman" or "Thank you Madam Chair."

Alderpersons shall not make disparaging statements during common council meetings about each other, elected officials, or others belonging to a different committee, commission, board, or staff.

All personal electronic devices that make noise, including but not limited to smart phones, tablets, etc., or anything else that makes noise, should be turned off while Council is in session so as not to cause a disturbance or distraction.

II. COMMISSIONS, COMMITTEES, AND BOARD PROCEEDINGS

The Common Council has three standing committees: the Finance and Personnel Committee; the Public Works Committee; and the Licensing, Hearings, and Public Safety Committee. All committee members are appointed by the mayor and confirmed by the common council.

The Committee of the Whole is comprised of all the alderpersons. The mayor is not a member of the committee. The meetings are called as needed and serve the purpose of deliberation. The Committee of the Whole does not approve or disapprove of any matter before it; it simply makes a recommendation to the common council.

The common council has the power to create special committees on motion or by resolution as the common council deems appropriate.

Any standing committee or special committee may appoint a subcommittee from its membership.

A member of the City Attorney's office will generally be at all standing committee meetings. Members of any special committees, including the Committee of the Whole, should contact the City Attorney if they believe the presence of legal counsel at such meetings would be helpful.

A. Generally Used Rules of Order and Procedure

Only the items posted on the agenda may be acted on or discussed. Any items posted for discussion only may not be acted on.

Chairpersons of committees are responsible for preparing the agenda for all meetings and arranging for minutes to be taken and forwarded to the city clerk. Members may make a request for an item to be placed on the agenda. All documents for committee meetings should be provided to the clerk at least 24 hours prior to the deadline for the agenda (72 hours in the case of direct referrals.)

A quorum must be present in order for the meeting to proceed and the chairperson set the tone for the meeting. A quorum for committees, commissions, and boards is a majority of the full membership. Remote attendance is permitted under the same rules as for the common council (see Item I. A. 5, above.)

Members may speak only when recognized by the chairperson. There is no limitation on how many times a member may speak unless the chairperson sets one. Members may not interrupt the chairperson, other members, or the public who are speaking.

Items on the agenda may be pulled forward at the request of a member with the consent of the chairperson.

B. Most Commonly Used Documents

Every committee, commission, and board is unique. Many of them handle documents that are pertinent to them or have been referred to them by the common council.

The following documents are received or acted upon by committees, commissions, and boards, and need to be included with the agenda:

Matters referred from common council – matters referred from common council, directly or otherwise, (for example, R.O.s, resolutions, or ordinances) are sent to committee for recommendation and referral back to the common council on the committee's recommendation. The proper motion for matters referred from common council is to recommend that the common council receive and file reports or communications and recommend that the common council adopt resolutions and ordinances.

A majority vote against a recommendation to adopt a resolution or an ordinance is deemed to be a recommendation not to so adopt. In case of a tie vote (or a vote with no clear majority due to abstentions), a committee vote fails, but a separate motion would be needed to refer the item back to the common council. An appropriate motion in such a situation would be to refer the document back to council with no recommendation.

Reports – reports by department heads or other officials are generally informative. The proper motion for reports not being referred back to the common council is to receive and file the report. Reports may also be referred.

Requests – requests are generally made by the public and in some instances city employees. Requests may be granted, denied, held or referred.

Communications – communications vary and they generally are filed. In some instances they may be referred, held or acted upon.

Presentations – presentations are generally for information only; though action may be requested.

IFCs – staff members often prepare an “IFC” (Item for Consideration) for items on a committee agenda. This document includes information about the fiscal impact of a proposed ordinance, resolution, or other document for action; gives some background on the proposal; provides staff input and recommendations; references any current law that impacts the proposal; and gives a recommended action. It is for information, not action, although action may be requested.

III. RULES FOR THE PUBLIC

All personal electronic devices that make noise, including but not limited to smart phones, tablets, etc., or anything else that makes noise, should be turned off while the common council is in session so as not to cause a disturbance or distraction.

A. Public Forum

The common council welcomes community input during its meetings.

The public present at the meeting is required to remain silent during the common council meeting. The mayor sets the tone for the common council meetings and enforces all the rules. The mayor may call anyone out of order. In order to preserve order, the mayor may also have anyone who is out of order escorted out of the council chambers.

In order to speak before the common council at the public forum, the public must first make a request to the city clerk. Such request shall be made no later than noon on the day of the common council meeting. Up to five persons are allowed to speak for up to five minutes during the public forum. If more than five people sign up, preference shall be given to city residents and persons who pay property taxes to the City on real or personal property. Comments shall be limited to discussion of items on the agenda. Any alderman may move to open the floor for one minute additional time. The common council has a full agenda to follow but may grant a person additional time to speak by a majority vote.

Basic Rules

1. Before speaking, clearly state your name and address.
2. Speak clearly, do not swear or use foul language.
3. Address comments to alderpersons, committee, etc.
4. Limit comments to matters on the meeting agenda.
5. No advertising, self-promotion, or electioneering.
6. Do not be argumentative with presenters or department heads or representatives.
7. Do not personally attack or criticize the mayor, alderpersons, city officials, department heads, elected officials or staff.
8. Do not personally attack or criticize members of the public present at the meeting.
9. Do not personally attack any member of the public (whether or not present), board/committee members, employees, and the mayor.
10. Maintain your composure and show respect to the chairperson and respective committee members.

The common council receives citizen input and generally does not respond or debate issues with the public during the meeting. However, during a period of public comment, the open meeting law allows a governmental body to discuss any matter raised by the public. (See Sec. 19.83(2), Wis. Stats.) If there is a need for a response or answer to a question or concern, please make a request during your statement and the appropriate city official or employee will get back to you within a reasonable time.

B. Committees, Commissions and Boards

The various city committees, commissions and boards welcome community input. When communications are received by the city and referred to a committee, commission or board, the respective chairperson may invite individuals to attend the meeting. The opportunity to speak is strictly up to the discretion of the chairperson.

Persons wishing to speak during these meetings should raise their hand and be recognized by the chairperson before speaking. There is no limitation on the amount of time an individual has to speak but the chairperson may limit the time.

Everyone is required to remain quiet during the meeting. The chairperson may rule one out of order and may have one escorted out if necessary.

Basic Rules

1. Before speaking, clearly state your name and address.
2. Speak clearly, do not swear or use foul language.
3. Address comments to alderpersons, committee, etc.
4. Limit comments to matters on the meeting agenda.
5. No advertising, self-promotion, or electioneering.
6. Do not be argumentative with presenters or department heads or representatives.
7. Do not personally attack or criticize the mayor, alderpersons, city officials, department heads, elected officials or staff.
8. Do not personally attack or criticize members of the public present at the meeting.
9. Do not personally attack any member of the public (whether or not present), board/committee members, employees, and the mayor.
10. Maintain your composure and show respect to the mayor and alderpersons.

Open Records Law: What you need to know as an alderperson in the City of Sheboygan

- I. Purpose
 - a. Transparency in government
 - b. Assist the public to be an informed electorate
- II. Legal Requirements
 - a. **19.32 Definitions.** As used in ss. [19.32](#) to [19.39](#):
 - (1) "Authority" means any of the following having custody of a record: a state or local office, elective official, agency, board, commission, committee, council, department or public body corporate and politic created by the constitution or by any law, ordinance, rule or order; a governmental or quasi-governmental corporation except for the Bradley center sports and entertainment corporation; a special purpose district; any court of law; the assembly or senate; a nonprofit corporation which receives more than 50% of its funds from a county or a municipality, as defined in s. [59.001 \(3\)](#), and which provides services related to public health or safety to the county or municipality; a university police department under s. [175.42](#); or a formally constituted subunit of any of the foregoing.
...
(2) "Record" means any material on which written, drawn, printed, spoken, visual, or electromagnetic information or electronically generated or stored data is recorded or preserved, regardless of physical form or characteristics, which has been created or is being kept by an authority. "Record" includes, but is not limited to, handwritten, typed or printed pages, maps, charts, photographs, films, recordings, tapes, optical disks, and any other medium on which electronically generated or stored data is recorded or preserved. "Record" does not include drafts, notes, preliminary computations and like materials prepared for the originator's personal use or prepared by the originator in the name of a person for whom the originator is working; materials which are purely the personal property of the custodian and have no relation to his or her office; materials to which access is limited by copyright, patent or bequest; and published materials in the possession of an authority other than a public library which are available for sale, or which are available for inspection at a public library.
...
(3) "Requester" means any person who requests inspection or copies of a record, except a committed or incarcerated person, unless the person requests inspection or copies of a record that contains specific references to that person or his or her minor children for whom he or she has not been denied physical placement under ch. [767](#), and the record is otherwise accessible to the person by law.
 - b. Legal custodians (19.33)
 - i. Rested by an authority with full legal power to render decision and carry out public records responsibilities
 - ii. Elective official, chairperson or a committee or elevated officials or designee

- iii. Other authorities to designate one or more positions
 - iv. Defaults are the highest ranking officer and chief administrative officer, if any
 - v. City has designated department heads as custodians of their departmental records and individuals as custodian of their individual records.
 - c. How do you know if a request is sufficiently described or if the scope of the request is too broad?
 - i. Request written clarification
 - ii. Inform the requester of the potential costs and suggest alternatives (if possible)
 - iii. Useful Analysis (According to the DOJ):
 - 1. Does a responsive record exist?
 - 2. Is there an absolute right of access?
 - 3. Is access absolutely denied?
 - 4. Apply the balancing test.
 - d. Remember- An open records request does not require you to answer questions!
 - e. Exceptions to Open Records Law:
 - i. Patient health care records
 - ii. Student records
 - iii. Financial identification records
 - iv. State building plans
 - v. Employee Personnel Records
 - vi. Ongoing police investigation
 - vii. Other Exceptions
- III. Penalties
 - a. Mandamus action in circuit court
 - i. Ordered to release the records
 - ii. Attorney fees/costs awarded
- IV. Scenarios
 - a. Is this a record?
 - i. An email to your wife talking about dinner plans tonight
 - ii. An email to your wife stating how much you hate your job and your department head
 - iii. A text to your fellow council person inviting the council member and his/her spouse for dinner next Friday
 - iv. A text to your fellow council person encouraging them to ignore the City Attorney's advice about an upcoming agenda item
 - v. A facebook status update stating your support of an candidate running for Common Council.
 - 1. On the City FB Page?
 - 2. On your own personal page?

- b. Someone walks up to you in the grocery store and starts telling you about all the corruption in government and they are going to prove it. They asked you verbally for requests of certain documents so they can prove it.
 - i. Is this a request?
 - ii. Does this person have a right to ask for these documents?
 - iii. Do you have to provide the person copies?