ATTACHMENTS

1.4

City of Sheboygan
spirit on the lake

December 2, 2019

Pursuant to the requirements of Section 7.30 of the Wisconsin Statutes, I herewith submit for your approval the list of nominations for Election Inspectors for all elections in 2020 and 2021.

The aforementioned section of the law stipulates the manner in which Election Officials shall be chosen, and I tender my appointments as follows, to retain as much seniority and experience as is possible, while complying with the State law.

Respectfully submitted,

Michael J. Vandersteen, Mayor

MAYOR'S OFFICE

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI
53081

920-459-3317
sheboyganwi.gov

ADAMS, BARBARA	GRAF, JAMES	LOVER, JOHN	SCHWEBEL, DORIS
ALESSIO, CHRISTINE	GRAPENTINE, MARY	LUBACH, MARY MARGARET	SCRIBNER, JOANNE
ANDERSON, CARLENE	GRUBE, MARY	LUESCHOW, PATRICIA	SHER, REBECCA
BECKER, SHERRY	GRUBER, BARBARA	LUTZKE, MARY	SHOEMAKER, JANE
BENIGER, MARY JO	GRUBER, FAITH	MADDEN, PETER	SMITH, CHERY
BENNIN, DEBORAH	GRUENKE, BERNICE	MAFFONGELLI, RALPH	SMITH, JERRY
BICHLER, JAMES	GRUENKE, GERMAINE	MAHLER, DEBBI	SMITH, LINDA
BINDER, ANN	GUSTKE, SUSAN	MANDEL, JANE	SMITH, MARY
BOGENSCHUETZ, DEAN	HARBACH, INGEBORG	MANDEL, PAUL	SOERENS, AGNES
BRADY, KAREN	HEINEN, CASSANDRA	MARTIN, KAREN	STAPEL, NINA
BRANDT, JANICE	HEMENWAY, KENNETH	MARTIN, MARY BETH	STEFFEN, WILLIAM
BRAUN, JOANNE	HEMMER, CHRISTINE	MASSART, CLAIRE	STEINFORT, HENRY
BRICKNER, SANDRA	HENNING, DAVID	MAURER, MAXINE	STEINFORT, LINDA
BRUGGINK, JANELLE	HENNING, ROSALIE	MC CORMICK, SHARON	STEPHENS, KIM
BRUGGINK, JEFFREY	HESS, JAMES	MCNAMARA, CINDY	STROHSCHOEN, DAVID
BRULLA, LEANNE	HESS, JULIE	MEINEL, SUSAN	STRYSICK, SUSAN
BUESING, SUSAN	HESSLINK, BONNIE	MERTENS, JANET	SUREK, EDWARD
BUNZEL, KRISTINE	HINKELMAN, PAULETTE	MEYER, PATRICIA	TAUSCHECK, KIMBERLY
BURG, FRANCES	HODGES, CRISTEL	MEYER, SUE	TAUSCHEK, BARBARA
BURGARD, DEBORAH	HOFFMANN, KATHLEEN	MEYER, SUSAN	TEIG, HELEN
BURKARD, KATHLEEN	HOFSCHILD, KAREN	MILLER, MARILYN	TESELLE, NANCY
CAMPBELL, JACQUELINE	HOLGATE, JANITA	MOELLER, CELENE	THIEL, LINDA
CASEY-BOOTH, KRISTIN	HOLZHAEUSER, BEVERLY	MOUDRY, NANCY	THOMAS, ARLENE
CAWTHON, RICHARD	HOLZWART, JOHN	MUELLER, LAVERNE	TOUTENHOOFD, ROCHELLE
CLAERBOUT, TERESA	HOLZWART, NAOMI	NELSON, HENRY	TOWNE, WILSON
COLSON, JUDITH	HUELLER, ELIZABETH	NOVAK, KATHLEEN	TURK, MARY
CORTEZ, EUNICE	IGNATOWSKI, ERIK	NOVAK, WILLIAM	TUSZYNSKI, THOMAS
COUGHLIN, LUCILLE	ISAKSON-SCHONEMAN, SHAROL	NOWACKI, MARY	UBBELOHDE, SUSAN
CRAMLET, DARLYN	JENSEMA, MARTHA	OETZEL, LORAINE	VAN AKKEREN, JAMES
CRAMLET, JEROME	JOHNSEN, RICHARD	O'NEIL, PATRICIA	VANDENBERG, SHERRIL
DAEHNERT, KAREN	JOHNSON, CHARLEEN	PASTOOR, DANIEL	VAN DER PUY, MARY
DALHAIMER, KIM	JOHNSON, JOELLYN	PFEIFFER, JEANNE	VAN DER WEELE, GERALDINE
DALHAIMER, MARY	JOHNSTON, SCOTT	PHEBUS, WILLIAM	VICKMAN, LISA
DANFORTH, SUSAN	JORGENSON, SIGNE	PIERSON, JANICE	VINCENT-SAMET, MARY
DANKWARDT, JANET	JUSTUS, JEFFREY	PITTENGER, RITA	VOJTA, ELLEN
DAUN, SHARON	JUSTUS, JORDAN	PITTS, CANDACE	WAGNER, SUSAN
DEJONG, ARTHUR	KARLS, KATHLEEN	POSTMA, DARRELL	WAKEFIELD, RONALD
DEJONG, CYNTHIA	KAUTZER, JANE	PRANGE, KATHLEEN	WALLACE, BILL
DERUS, DAVID	KLEIN, MICHAEL	PRATER, SUSAN	WALLACE, GAIL
DERUS, MARY	KNOP, CONNIE	PREVENAS, EVELYN	WANEZEK, JANE
DEVER, DANIEL	KOBUSZEWSKI, JEANNE	RECHTFERTIG, JILL	WASMER, EDWARD
DONOVAN, JEANNE	KOCH, TERRI	RECHTFERTIG, PETER	WEEDEN, RICHARD
DULMES, SHARON	KOLAR, ANTON	REMY, DIANE	WEINA, CYNTHIA
DUNTON, LEO	KROLL, NANCY	RILEY, CHRISTINE	WEINA, STEVEN
ENGSTROM, DALE	KROLL, THOMAS	ROENITZ, CHRISTINE	WEINAND, KEITH
ENGSTROM, LAURA	KRUECK, MARYJO	ROENITZ, LAURA	WEISROCK, PATRICIA
ERHARDT, KAY	KRUEGER, LA VERNE	ROETHEL, THOMAS	WIECK, CHRISTINE

ERTEL, ROXANNE	KRUEGER, ROSEANNE	ROMAN, LUANN	WILLIAMS, KRISTINE
ESLER, JANET	KUESTER, CYNTHIA	ROSE, DOROTHY	WILSING, LOUANN
FECHT, SUSAN	KUHLMAN, KAREN	RUPPEL, DOLORES	WILSON, DANIE
FELDE, JACQUELINE	LACROIX, JAMES	SAATKAMP, MICHELLE	WISSBROECKER, LORETTA
FIELDS, KATHLEEN	LACROIX, MILDRED	SAGAL, JOSEPH	WISSE, SUE
FOY, BONNIE	LAFAVE, BRIAN	SALAS, JOANNE	WORTH, DANIEL
GEBHARD, JANET	LANGHOFF, CINDA	SANDVEN, JILL	ZABEL, PRISCILLA
GIESEN, MARJORIE	LEANNAH, GERALYN	SCHMELTER, JANE	ZAJKOWSKI, LINDA
GILLIS, TIMOTHY	LEONHARDT, VICKI	SCHMIDT, JUDITH	ZWITTER, SHARON
GOES, JEANNE	LEPPANEN, MARTHA	SCHMOLZE, MARGARETTE	VAN WATTINGEN, JUDY
GOES, JOHN	LILYQUIST, EARL	SCHNEIDER, LEE	LIMBERG, MERLIN
GOLDBECK, MARY	LOEWEN, KATHLEEN	SCHOUTEN, JESSICA	MEYER REINBOLD, CLAUDIA
GOSSE, JOSEPHINE	LOOSE, BARBARA	SCHULTZ, WAYNE	LUTZKE, JULIE
KUTIFUSS, MARY	BERNARD, ANN	PETHAN, JEANNE	WEAVER, MARY
ROESCH, RICK	ROESCH, RHONDA	MIOSKOWSKI, BEVERLY	BOLDT, PETRA
PHILLIPS, KEVIN			

November 19, 2019

City Clerk Meredith DeBruin
828 Center Ave.
Sheboygan, Wi 53081

Dear Clerk DeBruin:

Pursuant of Wis. Stat. #7.30, and for the purpose of nominating Republican Election Inspectors in Sheboygan County,

I, Dennis A. Gasper, Chairman, Republican Party of Sheboygan County, hereby nominate the named individuals in the attached list. An electronic spreadsheet is available upon request by contacting me at dennisgasper@excel.net or call or text 920-980-6670.

Certification

I, hereby, certify that I have contacted each nominee whose name appears on this list and each nominee on this list has agreed to serve as an election inspector.

County Party Chair — Date 11/19/2019

County Party Secretary — Date 11/19/2019

Cc: Mayor Michael Vandersteen

Last Name	First Name	Address	City		Zip	Phone	Alt. Phone
Reinbold	Claudia Meyer	9 Willowwood Dr.	Sheboygan	WI	53081	920-254-1835	
Davis	Dominick	2227 S. 10th St.	Sheboygan	WI	53081	920-627-7009	
Beyer	Kathryn	3127 South 11th St	Sheboygan	WI	53081	920-254-4230	
Conwell	Jan	4909 Evergreen Dr	Sheboygan	WI	53081	812-614-1126	920-452-1115
Wadel	Terry	N6723 State Rd. 67	Plymouth	WI	53073	920-946-1080	
Marotz	Lorraine	217 Giddings Ave	Sheboygan Falls	WI	53085	920-287-3326	
Claerbout	Teresa	N5612 Meadowlark Rd.	Sheboygan Falls	WI	53085	920-918-0466	
Limberg	Merlin	N6042 Deer Path	Plymouth	WI	53073	920-946-8643	
Lutzke	Julie	W3143 Miley Rd	Sheboygan Falls	WI	53085	920-207-7851	
O'Brien	Kevin	3232 Limerick Ln	Sheboygan	WI	53083	920-207-5924	
Van Wattingen	Judy	2843 N Taylor Dr	Sheboygan	WI	53083	920-980-2074	
Bernard	Ann	1722 Pleasant Ln.	Sheboygan	WI	53081	920-452-1889	920-912-6709
Bichler	James	1636 Sunnyside Avenue	Sheboygan	WI	53081	458-7720 or 627-9999	
DeJong	Arthur	1510 N. 5th Street	Sheboygan	WI	53081	452-3578	
Davis	Dominick	2227 S 10th St	Sheboygan	WI	53081	920-627-7009	
Giesen	Marjorie	920 Sommer Dr.	Sheboygan	WI	53081	458-0544	
Gruber	Barbara	508 Vollrath Blvd.	Sheboygan	WI	53081	457-9015	
Heinen	Cassandra (Sandy)	W2792 Wilson Lima Road	Oostburg	WI	53070	(920) 564-2289	
Jensema	Martha	W2492 Cty Rd V	Sheboygan Falls	WI	53085	920-627-4846	
Kautzer	Jane	2730 Mill Rd	Sheboygan	WI	53083	920-946-9007	
Knop	Connie	1016 Mead Ave.	Sheboygan	WI	53081	458-2790	
Kobuszewski	Jeanne	2027 N. 6th Street	Sheboygan	WI	53081	913-426-4244	920-783-6340
Phebus	William	2301 W. Koning Drive	Sheboygan	WI	53083	459-9626 or 912-5568	
Schmelter	Jane	2858 N. Apache Rd.	Sheboygan	WI	53083	(920) 452-5323	
Vojta	Ellen	2934 Ashby Court	Sheboygan	WI	53081	216-9394 or 457-9394	
Wakefield	Ron	1210 Wilson Ave.	Sheboygan	WI	53081	980-7584	
Wallace	Bill	4315 Sommer Dr.	Sheboygan	WI	53081	254-5048	
Wallace	Gail	4315 Sommer Dr.	Sheboygan	WI	53081	254-5048	

email
dominick1102@gmail.com
kathiandben@protonmail.com
jani28724@gmail.com
groovin513@gmail.com
rainecic@gmail.com
tclaerbout@icolud.com
auntijuju@gmail.com
kjobrien2381@yahoo.com
judyvanwattingen@gmail.com
annbernard39@gmail.com
artdejong@hotmail.com
dominick1102@gmail.com
giesen@att.net
dheinen3@wi.rr.com
randmjensema@aol.com
suejing3@yahoo.com
kobuszej@sbcglobal.net
b.phebus@alt-terra.com
tjschmelter@icloud.com
jvojta@gmail.com
rwakefield1210@yahoo.com
bill@wallaceit.com
gail@wallaceit.com

City of Sheboygan
spirit on the lake

November 26, 2019

HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following appointment for your consideration:

Robert Heimerl to be considered for appointment to the Architectural Review Board to fill the unexpired term of Scott Matula who term expires 4/20/2020.

MICHAEL J. VANDERSTEEN, MAYOR

MAYOR'S OFFICE

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI
53081

920-459-3317
sheboyganwi.gov

City of Sheboygan
spirit on the lake

Robert Heimerl has worked at Abacus Architects since 2003. He is currently the president of the company and provides strategic planning for Abacus Architects, along with Programming, Design, and Cost Estimating. Prior to that, he worked as an architect a The Stubenrauch Architects Inc. from 1987 to 2003. Robert graduated from the University of Wisconsin-Milwaukee in 1987 with a bachelor's degree in architecture.

MAYOR'S OFFICE

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI
53081

920-459-3317
sheboyganwi.gov

1.6

City of Sheboygan
spirit on the lake

November 14, 2019

HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following appointment for your consideration:

Cole Phillips to be considered for appointment to the Mayor's International Committee.

MICHAEL J. VANDERSTEEN, MAYOR

Laid over

MAYOR'S OFFICE

CITY HALL
828 CENTER AVE.
SHEBOYGAN, WI
53081

920-459-3317
sheboyganwi.gov

II

R. O. No. _____ - 19 - 20. By CITY CLERK. December 2, 2019.

Submitting various license applications.

_____
City Clerk

COMMERCIAL OPERATOR LICENSE (RENEWAL)

No.	Name	Address
3039	Brians Lawn Service	1720 Marvin Court
2797	DJ Theisen Landscape Services	81 Center Avenue, Oostburg
2110	Four Seasons Property Services	N6425 Sherry Lane
1798	Greenscape Lawn-Landscape, LLC	4837 Stonefield Road
1173	Jerry's Lawn & Grounds Service	2913 S. 17th Street
1202	Landmark Landscape Inc.	W3923 CTH O, Sheboygan Falls
1999	Professional Landscaping LLC	1145 Park Avenue Apt. A, Oostburg
1985	Otter Creek Landscape Co.	N6625 Hwy 57, Plymouth
3105	Schultz Landscape LLC	3639 Koehler Drive
1951	Scotty Landscape Supply, LLC	3823 Enterprise Drive
2610	Superior Lawn & Garden LLC	6510 Superior Avenue, Kohler
2169	T & L Services	15854 Center Road, Cleveland

SECONDHAND DEALER LICENSE (RENEWAL)

No.	Name	Address
2622	Danny's Multiservices	925 Indiana Avenue
3227	Gaming Generations	1122 N. 8th Street
2297	Music Boxx LLC	1119 N. 8th Street
2785	Victory Games	1310 Union Avenue

Consent

II

R. O. No. _____ - 19 - 20. By TRANSIT COMMISSION. December 2, 2019.

Your commission to whom was referred Res. No. 107-19-20 by Alderperson Wolf authorizing the filing of an application with the United States of America Department of Transportation and authorizing the executing of the contract pertaining to grants for calendar year 2020, under former Section 9 (USC 5307) of the Federal Transit Act of 1964, as amended; recommends adopting the Resolution.

_____

TRANSIT COMMISSION

III

4.6

Res. No. 107 - 19 - 20. By Alderperson Wolf. November 4, 2019.

A RESOLUTION authorizing the filing of an application with the United States of America Department of Transportation and authorizing the executing of the contract pertaining to grants for calendar year 2020, under former Section 9 (USC 5307) of the Federal Transit Act of 1964, as amended.

WHEREAS, the Secretary of Transportation is authorized to make grants for a mass transportation program of projects; and

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision by it of the local share of the projects costs in the program; and

WHEREAS, it is required by the United States Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964 that in connection with the filing of an application for assistance under the Federal Transit Act of 1964, as amended, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the United States Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that disadvantaged business enterprises be utilized to the fullest extent possible in connection with these projects, and definite procedures shall be established and administered to ensure that disadvantaged businesses shall have the opportunity to participate in construction contracts, supplies, equipment contracts, or consultants and other services.

NOW, THEREFORE, BE IT RESOLVED: That the Director of Parking and Transit is authorized to execute and file an application on behalf of the City of Sheboygan with the United States Department of Transportation to aid in financing of capital and operating assistance projects for calendar year 2020, pursuant to former Section 9 (USC 5307) of the Federal Transit Act of 1964, as amended.

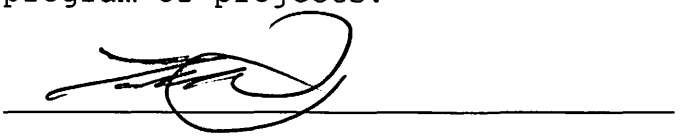
BE IT FURTHER RESOLVED: That the Director of Parking and Transit of the City of Sheboygan is authorized to execute the contract pertaining to the City of Sheboygan's application for 2020 operating and capital assistance grants under former Section 9 (USC 5307) of the Federal Transit Act of 1964, as amended.

BE IT FURTHER RESOLVED: That the Director of Parking and Transit is authorized to execute and file with such applications all assurances or any other documents required by the United States Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964 and other legally mandated requirements of the United States Department of Transportation.

Transit adopt

BE IT FURTHER RESOLVED: That the Director of Parking and Transit is authorized to furnish such additional information as the United States Department of Transportation may require in connection with the application for the program of projects.

BE IT FURTHER RESOLVED: That the Director of Parking and Transit is authorized to execute grant agreements on behalf of the City of Sheboygan with the United States Department of Transportation for aid in the financing of the capital and operating assistance program of projects.



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

II

R. O. No. _____ - 19 - 20. By SENIOR ACTIVITY CENTER COMMISSION.
December 2, 2019.

Your commission to whom was referred Res. No. 110-19-20 by Alderperson Felde expressing the sense of the Council that they would support staff beginning the process for a request for proposal related to the future facility needs of Sheboygan's growing active senior community; recommends adopting the Resolution.

_____
SENIOR ACTIVITY CENTER COMMISSION

III

4.5

Res. No. 110 - 19 - 20. By Alderperson Felde. November 4, 2019.

A RESOLUTION expressing the sense of the Council that they would support staff beginning the process for a request for proposal related to the future facility needs of Sheboygan's growing active senior community.

RESOLVED: That City staff are authorized to draft a Request for Proposal regarding the review of the current and future programming and related facility needs of a senior activity center.

Barbara Felde

Senior activity center Commission 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

V

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred Com. No. 5-19-20, presented to the Common Council by Alderperson Savaglio, submitting a communication from Hardik Khatri regarding Personal Property Tax for the Super 8; recommends filing the document.

Consent

_____ _____

_____ _____

_____ _____

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

I

3.2

Com. No. 5 - 19 - 20. October 21, 2019.

Submitting a communication from Hardik Khatri regarding Personal Property Tax for the Super 8.

Presented to the Common Council by Alderperson Savaglio.

Finance Personnel
10-28 hold.
11-11 hold
11-25 file

DeBruin, Meredith

From: Alderperson Markus Savaglio
Sent: Monday, October 7, 2019 6:17 PM
To: DeBruin, Meredith
Subject: Fwd: Personal Property Tax Issue

can you put this through council as an agenda item for finance?
Also, please give me the timeline of when this would be on the agenda for council, for finance, and back to council for a final vote so i can update the property owner.

Thank you!
Markus

Sent from my iPad

Begin forwarded message:

> **From:** Sheboygan's Pride <sheboygansuper8@gmail.com>
> **Date:** October 2, 2019 at 1:37:11 PM CDT
> **To:** <markus.savaglio@sheboyganwi.gov>
> **Subject: Fwd: Personal Property Tax Issue**
>
> ---------- Forwarded message ---------
> From: **Sheboygan's Pride** <sheboygansuper8@gmail.com>
> Date: Wed, Oct 2, 2019 at 1:12 PM
> Subject: Personal Property Tax Issue
> To: <marcus.savaglio@sheboyganwi.gov>
>
> Mr. Savaglio,
>
> Thank you for talking to me in regards to the Personal Property Tax matter for Super8. I have tried everything from my side to talk to the Title company and the realtor but came out empty handed.
>
> As we discussed, I would like you to present my matter to the city and hopefully I will get some resolution from them. Below are the detail information in regards to my case. Please let me know if you need any further information.
>
> Purchased property on March 31st, 2010.
> Paid $1087.44 for 276 days of 2010 personal property tax.
> Always paid personal property tax on time since 2011 till today.
> City never sent any type of bill or notice and said a word in regards to unpaid 2010 personal property taxes.
> Now there is a lien on property for unpaid taxes with total over $3,733.35 till 09/2019.

I went back to the title company and they basically put their hands up and said it was the previous owner who was supposed to disburse the money we paid. Title company never cut any checks and therefore I need to go to the previous owner with this matter.
I contacted the seller's realtor and she informed me that the previous owner had died years ago and his company has been dissolved.

Thank you for helping me in this matter and hopefully the city will understand my dilemma.

Thanks,

Hardik Khatri
785-787-0374.

VIII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred Res. No. 99-19-20 by Alderpersons Donohue and Bohren authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to Sewerage System Revenue Bonds; recommends adopting the Resolution.

Consent

_____ _____

_____ _____

_____ _____

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

6.1

Res. No. 99 - 19 - 20. By Alderpersons Donohue and Bohren.
October 7, 2019.

A RESOLUTION authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to Sewerage System Revenue Bonds.

RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached engagement letter with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan regarding the issuance of $2,323,791 in Sewerage System Revenue Bonds, Series 2019D (Clear Water Fund Loan).

Finance/Personnel
10-14 hold
10-28 hold
11-11 hold
11-25 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

Quarles & Brady LLP

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.

September 30, 2019

VIA EMAIL

Ms. Meredith DeBruin
City Clerk
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081

Scope of Engagement Re: Proposed Issuance of $2,323,791 City of Sheboygan (the "City") Sewerage System Revenue Bonds, Series 2019D (Clean Water Fund Loan)

Dear Ms. DeBruin:

We are pleased to be working with you again as the City's bond counsel.

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 bonds (the "Bonds") by the City.

Role of Bond Counsel

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. 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 (if any), prior to the issuance of the Bonds; review certified proceedings; and undertake such additional duties as we deem necessary to render the opinion. 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 Bonds for the purpose in question and has followed proper procedures in doing so;

2) the Bonds are valid and binding obligations of the City according to their terms; and,

3) the interest paid on the Bonds will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The opinion will be executed and delivered by us in written form on the date the Bonds 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 Bonds will continue to be excluded from gross income for federal income tax purposes, or participating in an Internal Revenue Service, Securities and Exchange Commission or other regulatory body survey or investigation regarding or audit of the Bonds.

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. By engaging our services under the terms of this letter, 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 the purchaser of the Bonds, the State of Wisconsin, and various departments and agencies of the State (collectively, the "State") or other bond market participants such as the City's financial advisor, if any. In past and current transactions that are not related to the issuance of the Bonds and our role as bond counsel to the City, we may have served or be serving as bond counsel or other counsel to the State or the City's financial advisor. We may also be asked to represent the State or the City's financial advisor in future transactions that are not related to the issuance of the Bonds or our role as bond counsel to the City. We would like to have an understanding with you that the City consents to our firm undertaking representations of this type.

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 Bonds, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. However, if a 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 Bonds 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 as bond counsel would be approximately $8,500, including all expenses. Such fee and expenses may vary: (i) if the principal amount of Bonds 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 the City is responsible for our fee.

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 Bonds 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.

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.

We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP

Rebecca A. Speckhard

RAS:TAB
#850357.00059
cc: Mr. Darrell Hofland (via email)
Mr. Martin W. Halverson (via email)
Charles C. Adams, Esq. (via email)
Thomas Cameron, Esq. (via email)
Mr. Philip Severson (via email)
Ms. Tracy A. Berrones (via email)

Accepted and Approved:

CITY OF SHEBOYGAN

By:_____

Its:_____
Title

Date:_____

VII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred Res. No. 100-19-20 by Alderpersons Donohue and Bohren authorizing the issuance and sale of up to $2,323,791 Sewerage System Revenue Bonds, Series 2019D, and providing for other details and covenants with respect thereto; recommends filing the Resolution.

Consent

_____ _____

_____ _____

_____ _____

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

6.2

Res. No. 100- 19 - 20. By Alderpersons Donohue and Bohren. October 7, 2019.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $2,323,791 SEWERAGE SYSTEM REVENUE BONDS, SERIES 2019D, AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT THERETO

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality") owns and operates a sewerage system (the "System") which is operated for a public purpose as a public utility by the Municipality; and

WHEREAS, pursuant to a resolution adopted on May 17, 2010 (the "2010 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010 (the "2010 Bonds"), which 2010 Bonds are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted on October 7, 2013 (the "2013 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013 (the "2013 Bonds"), which 2013 Bonds are payable from the income and revenues of the System; and

WHEREAS, the 2010 Bonds and the 2013 Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2010 Resolution and the 2013 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project") assigned Clean Water Fund Program Project No. 4019-19 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans and specifications of the Project, or portions thereof, issued under Section 281.41, Wisconsin Statutes, assigned No. S-2017-0804 and dated January 10, 2018 by the DNR; and

WHEREAS, under the provisions of Chapter 66, Wisconsin Statutes any municipality may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, operating and managing a public utility from the proceeds of bonds, which bonds are to be payable only from the revenues received from any source by such utility, including all rentals and fees; and

WHEREAS, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell sewerage system revenue bonds of the Municipality payable solely from the revenues of the System, pursuant

Finance + Personnel
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10-28 hold.
11-11 hold 11-25 file

to the provisions of Section 66.0621, Wisconsin Statutes, to pay the cost of the Project; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds on a parity with the Prior Bonds upon certain conditions, and those conditions have been met; and

WHEREAS, other than the Prior Bonds, no bonds or obligations payable from the revenues of the System are now outstanding.

NOW, THEREFORE, be it resolved by the Governing Body of the Municipality that:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by implication requires otherwise:

(a) "Act" means Section 66.0621, Wisconsin Statutes;

(b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;

(c) "Bonds" means the $2,323,791 Sewerage System Revenue Bonds, Series 2019D, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;

(d) "Bond Year" means the twelve-month period ending on each May 1;

(e) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;

(f) "Debt Service Fund" means the Sewerage System Special Redemption Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;

(g) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department of Administration and the Municipality pursuant to which the Bonds are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;

(h) "Fiscal Year" means the twelve-month period ending on each December 31;

(i) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;

(j) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from sewerage charges imposed by the Municipality, all payments to the Municipality under any wastewater treatment service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees and any special assessments levied and collected in connection with the Project;

(k) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;

(l) "Municipality" means the City of Sheboygan, Sheboygan County, Wisconsin;

(m) "Net Revenues" means the Gross Earnings of the System after deduction of Current Expenses;

(n) "Parity Bonds" means bonds payable from the revenues of the System other than the Bonds but issued on a parity and equality with the Bonds pursuant to the restrictive provisions of Section 11 of this Resolution;

(o) "Prior Bonds" means the 2010 Bonds and the 2013 Bonds collectively;

(p) "Prior Resolutions" means the 2010 Resolution and the 2013 Resolution collectively;

(q) "Project" means the Project described in the preamble to this Resolution. All elements of the Project are to be owned and operated by the Municipality as part of the System as described in the preamble hereto;

(r) "Record Date" means the close of business on the fifteenth day of the calendar month next preceding any principal or interest payment date;

(s) "System" means the entire sewerage system of the Municipality specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the collection, transmission, treatment and disposal of domestic and industrial sewerage and waste, including all improvements and extensions thereto made by the Municipality while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in

connection with such sewerage system and including all appurtenances, contracts, leases, franchises, and other intangibles;

(t) "2010 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010;

(u) "2010 Resolution" means a resolution adopted by the Common Council on May 17, 2010 authorizing the issuance of the 2010 Bonds;

(v) "2013 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013; and

(w) "2013 Resolution" means a resolution adopted by the Common Council on October 7, 2013 authorizing the issuance of the 2013 Bonds.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of $2,323,791; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Clean Water Fund Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Sewerage System Revenue Bonds, Series 2019D" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 1.650% per annum; shall be issued in denominations of $0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on May 1, 2020 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

The schedule of maturities of the Bonds is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

Section 4. Form, Execution, Registration and Payment of the Bonds. The Bonds shall be issued as registered obligations in substantially the

form attached hereto as Exhibit A and incorporated herein by this reference.

The Bonds shall be executed in the name of the Municipality by the manual signatures of the Mayor and City Clerk, and shall be sealed with its official or corporate seal, if any.

The principal of, premium, if any, and interest on the Bonds shall be paid by the Municipal Treasurer, who is hereby appointed as the Municipality's Bond Registrar.

Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America by the Bond Registrar. Payment of principal of the final maturity on the Bond will be payable upon presentation and surrender of the Bond to the Bond Registrar. Payment of principal on the Bond (except the final maturity) and each installment of interest shall be made to the registered owner of each Bond who shall appear on the registration books of the Municipality, maintained by the Bond Registrar, on the Record Date and shall be paid by check or draft of the Municipality and mailed to such registered owner at his or its address as it appears on such registration books or at such other address may be furnished in writing by such registered owner to the Bond Registrar.

Section 5. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the Municipality nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Debt Service Fund hereinafter created and established, and shall be a valid claim of the registered owner or owners thereof only against such Debt Service Fund and the revenues of the System pledged to such fund, on a parity with the pledge granted to the holders of the Prior Bonds. Sufficient revenues are hereby pledged to said Debt Service Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due.

Section 6. 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 the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created and established by a resolution adopted on October 18, 1993, as amended, are hereby continued and shall be used solely for the following respective purposes:

(a) Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund,

the Depreciation Fund and the Surplus Fund in the amounts and in the manner set forth in Section 7 hereof and used for the purposes described below.

(b) Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.

(c) Sewerage System Special Redemption Fund (the "Debt Service Fund"), which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due, and which may contain a Reserve Account established by a future resolution authorizing the issuance of Parity Bonds to secure such Parity Bonds.

(d) Depreciation Fund, which shall be used to provide a proper and adequate depreciation account for the System.

(e) Surplus Fund, which shall first be used whenever necessary to pay principal of, premium, if any, or interest on the Prior Bonds, the Bonds and Parity Bonds when the Debt Service Fund shall be insufficient for such purpose, and thereafter shall be disbursed as follows: (i) at any time, to remedy any deficiency in any of the Funds provided in this Section 6 hereof; and (ii) money thereafter remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts created herein or to reimburse the general fund of the Municipality for advances made by the Municipality to the System.

Section 7. Application of Revenues. After the delivery of the Bonds, the Gross Earnings of the System shall be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed below in the following order of priority and in the manner set forth below:

(a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and for the following month (after giving effect to available amounts in said Fund from prior deposits);

(b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source), and any amount required by a future resolution

authorizing the issuance of Parity Bonds to fund a Reserve Account established therein;

(c) to the Depreciation Fund, an amount determined by the Governing Body to be sufficient to provide a proper and adequate depreciation account for the System; and

(d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

Transfers from the Revenue Fund to the Operation and Maintenance Fund, the Debt Service Fund, the Depreciation Fund and the Surplus Fund shall be made monthly not later than the tenth day of each month, and such transfer shall be applicable to monies on deposit in the Revenue Fund as of the last day of the month preceding. Any other transfers and deposits to any fund required or permitted by subsection (a) through (d) of this Section, except transfers or deposits which are required to be made immediately or annually, shall be made on or before the tenth day of the month. Any transfer or deposit required to be made at the end of any Fiscal Year shall be made within sixty (60) days after the close of such Fiscal Year. If the tenth day of any month shall fall on a day other than a business day, such transfer or deposit shall be made on the next succeeding business day.

It is the express intent and determination of the Governing Body that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures, and to fund the Reserve Account as required in connection with future Parity Bonds.

Section 8. Deposits and Investments. The Debt Service Fund shall be kept apart from monies in the other funds and accounts of the Municipality and the same shall be used for no purpose other than the prompt payment of principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due and payable. All monies therein shall be deposited in special and segregated accounts in a public depository selected under Chapter 34, Wisconsin Statutes and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes. The other funds herein created (except the Sewerage System CWFP Project Fund) may be combined in a single account in a public depository selected in the manner set forth above and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Section 9. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing sewerage services for public purposes shall be charged against the

Municipality and shall be paid 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 derived from the System; that is to say, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the Municipality in each year shall be equal to an amount which, together with other revenues of the System, will produce in each Fiscal Year Net Revenues equivalent to not less than the annual principal and interest requirements on the Prior Bonds, the Bonds, any Parity Bonds and any other obligations payable from the revenues of the System then outstanding, times the greater of (i) 110% or (ii) the highest debt service coverage ratio required with respect to any obligations payable from revenues of the System then outstanding. However, such payment out of the tax levy shall be subject to (a) approval of the Public Service Commission, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any; and 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 the services rendered to the Municipality and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 10. Operation of System; Municipality Covenants. It is covenanted and agreed by the Municipality with the owner or owners of the Bonds, and each of them, that the Municipality will perform all of the obligations of the Municipality as set forth in the Financial Assistance Agreement.

Section 11. Additional Bonds. The Bonds are issued on a parity with the Prior Bonds as to the pledge of revenues of the System. No bonds or obligations payable out of the revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if the lien and pledge is junior and subordinate to that of the Bonds. Parity Bonds may be issued only under the following circumstances:

(a) Additional Parity Bonds may be issued for the purpose of completing the Project and for the purpose of financing costs of the Project which are ineligible for payment under the State of Wisconsin Clean Water Fund Program. However, such additional Parity Bonds shall be in an aggregate amount not to exceed 20% of the face amount of the Bonds; or

(b) Additional Parity Bonds may also be issued if all of the following conditions are met:

(1) The Net Revenues of the System for the Fiscal Year immediately preceding the issuance of such additional bonds must

have been in an amount at least equal to the maximum annual interest and principal requirements on all bonds outstanding payable from the revenues of the System, and on the bonds then to be issued, times the greater of (i) 1.10 or (ii) the highest debt service coverage ratio to be required with respect to the Additional Parity Bonds to be issued or any other obligations payable from the revenues of the System then outstanding. Should an increase in permanent rates and charges, including those made to the Municipality, be properly ordered and made effective during the Fiscal Year immediately prior to the issuance of such additional bonds or during that part of the Fiscal Year of issuance prior to such issuance, then Net Revenues for purposes of such computation shall include such additional revenues as an independent certified public accountant, consulting professional engineer or the Wisconsin Public Service Commission may certify would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

(2) The payments required to be made into the funds enumerated in Section 6 of this Resolution must have been made in full.

(3) The additional bonds must have principal maturing on May 1 of each year and interest falling due on May 1 and November 1 of each year.

(4) The proceeds of the additional bonds must be used only for the purpose of providing extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Clean Water Fund Program for the purchase price of up to $2,323,791 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

Section 13. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited by the Municipality into a special fund designated as "Sewerage System CWFP Project Fund." The Sewerage System CWFP Project Fund shall be used solely for the purpose of paying the costs

of the Project as more fully described in the preamble hereof and in the Financial Assistance Agreement. Moneys in the Sewerage System CWFP Project Fund shall be disbursed within three (3) business days of their receipt from the State of Wisconsin and shall not be invested in any interest-bearing account.

Section 14. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except: (a) the Municipality may, from to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and (b) this Resolution may be amended, in any respect, with a written consent of the owners of not less than two-thirds (2/3) of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the Municipality; provided, however, that no amendment shall permit any change in the pledge of revenues derived from the System or the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 15. Defeasance. When all Bonds have been discharged, all pledges, covenants and other rights granted to the owners thereof by this Resolution shall cease. The Municipality may discharge all Bonds due on any date by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the Municipality's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the Municipality's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for.

Section 16. Rebate Fund. Unless the Bonds are exempt from the rebate requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Municipality shall establish and maintain, so long as the Bonds and any Parity Bonds are outstanding, a separate account to be known as the "Rebate Fund." The sole purpose of the Rebate Fund is to provide

for the payment of any rebate liability with respect to the Bonds under the relevant provisions of the Code and the Treasury Regulations promulgated thereunder (the "Regulations"). The Rebate Fund shall be maintained by the Municipality until all required rebate payments with respect to the Bonds have been made in accordance with the relevant provisions of the Code and the Regulations.

The Municipality hereby covenants and agrees that it shall pay to the United States from the Rebate Fund, at the times and in the amounts and manner required by the Code and the Regulations, the portion of the "rebate amount" (as defined in Section 1.148-3(b) of the Regulations) that is due as of each "computation date" (within the meaning of Section 1.148-3(e) of the Regulations). As of the date of this Resolution, the provisions of the Regulations specifying the required amounts of rebate installment payments and the time and manner of such payments are contained in Sections 1.148-3(f) and (g) of the Regulations, respectively. Amounts held in the Rebate Fund and the investment income therefrom are not pledged as security for the Bonds or any Parity Bonds and may only be used for the payment of any rebate liability with respect to the Bonds.

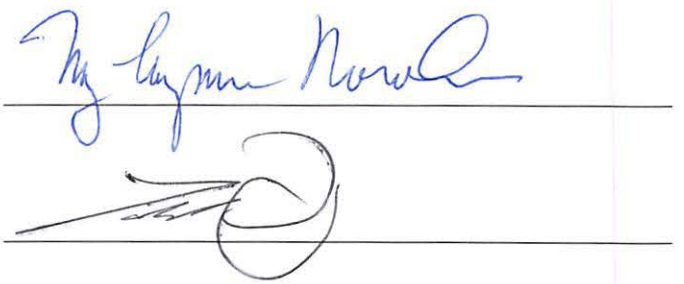
The Municipality may engage the services of accountants, attorneys or other consultants necessary to assist it in determining the rebate payments, if any, owed to the United States with respect to the Bonds. The Municipality shall maintain or cause to be maintained records of determinations of rebate liability with respect to the Bonds for each computation date until six (6) years after the retirement of the last of the Bonds. The Municipality shall make such records available to the State of Wisconsin upon reasonable request therefor.

Section 17. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 14, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Municipality, the Governing Body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Municipality, its Governing Body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 18. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Clean Water Fund Program and to such other persons or entities as directed by the State of

Wisconsin such ongoing disclosure regarding the Municipality's financial condition and other matters, at such times and in such manner as the Clean Water Fund Program may require, in order that securities issued by the Municipality and the State of Wisconsin satisfy rules and regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and as it may be amended from time to time, imposed on brokers and dealers of municipal securities before the brokers and dealers may buy, sell, or recommend the purchase of such securities.

Section 19. Conflicting Resolutions. All ordinances, resolutions (other than the Prior Resolutions), or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control as long as any of the respective Prior Bonds are outstanding.



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

(Form of Municipal Obligation)

REGISTERED NO. _____	UNITED STATES OF AMERICA STATE OF WISCONSIN SHEBOYGAN COUNTY CITY OF SHEBOYGAN	REGISTERED $_____

SEWERAGE SYSTEM REVENUE BOND, SERIES 2019D

Final Maturity Date	Date of Original Issue
May 1, 2039	_____, 20__

REGISTERED OWNER: STATE OF WISCONSIN CLEAN WATER FUND PROGRAM

FOR VALUE RECEIVED the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed _____ DOLLARS ($_____) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2020 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 1.650% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on May 1, 2020.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2020 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at One and 650/1000ths percent (1.650%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

Both principal and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. On the final maturity date, principal of this Bond shall be payable only upon presentation and surrender of this Bond at the office of the Municipal Treasurer. Principal hereof (except the final maturity) and interest hereon shall be payable by electronic transfer or by check or draft dated on or before the applicable payment date and mailed from the office of the Municipal Treasurer to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month next preceding such interest payment date.

The Bonds shall not be redeemable prior to their maturity, except with the consent of the registered owner.

This Bond is transferable only upon the books of the Municipality kept for that purpose at the office of the Municipal Treasurer, by the registered owner in person or its duly authorized attorney, upon surrender of this Bond, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Municipal Treasurer, duly executed by the registered owner or its duly authorized attorney. Thereupon a replacement Bond shall be issued to the transferee in exchange therefor. The Municipality may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest hereof and for all other purposes. This Bond is issuable solely as a negotiable, fully-registered bond, without coupons, and in denominations of $0.01 or any integral multiple thereof.

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Sewerage System of the Municipality, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted October 21, 2019, and entitled: "Resolution Authorizing the Issuance and Sale of Up to $2,323,791 Sewerage System Revenue Bonds, Series 2019D, and Providing for Other Details and Covenants With Respect Thereto" and is payable only from the income and revenues of the Sewerage System of the Municipality (the "Utility"). The Bonds are issued on a parity with the Municipality's Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010 and Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said Municipality from the operation of its Utility has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by the signatures of its Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF SHEBOYGAN,
WISCONSIN

(SEAL)

By: _____
Michael J. Vandersteen
Mayor

By: _____
Meredith DeBruin
City Clerk

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Please print or typewrite name and address, including zip code, of Assignee)

Please insert Social Security or other identifying number of Assignee

_____

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____

Attorney to transfer said Bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature of this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature(s) guaranteed by

_____

SCHEDULE A

$2,323,791

CITY OF SHEBOYGAN, WISCONSIN
SEWERAGE SYSTEM REVENUE BONDS, SERIES 2019D

Amount of Disbursement	Date of Disbursement	Series of Bonds	Principal Repaid	Principal Balance

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

Date	Principal Amount
May 1, 2020	$99,018.18
May 1, 2021	100,651.98
May 1, 2022	102,312.73
May 1, 2023	104,000.89
May 1, 2024	105,716.91
May 1, 2025	107,461.24
May 1, 2026	109,234.35
May 1, 2027	111,036.72
May 1, 2028	112,868.82
May 1, 2029	114,731.16
May 1, 2030	116,624.22
May 1, 2031	118,548.52
May 1, 2032	120,504.57
May 1, 2033	122,492.90
May 1, 2034	124,514.03
May 1, 2035	126,568.51
May 1, 2036	128,656.89
May 1, 2037	130,779.73
May 1, 2038	132,937.59
May 1, 2039	135,131.06

State of Wisconsin
Department of Natural Resources
Bureau of Community Financial Assistance
101 South Webster Street, 2nd Floor
PO Box 7921
Madison, Wisconsin 53707-7921

STATE OF WISCONSIN CLEAN WATER FUND PROGRAM
FINANCIAL ASSISTANCE AGREEMENT WITH PRINCIPAL FORGIVENESS

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF ADMINISTRATION

and

CITY OF SHEBOYGAN

$3,073,791 With up to $750,000 PRINCIPAL FORGIVENESS

FINANCIAL ASSISTANCE AGREEMENT

Dated as of August 28, 2019

This constitutes a **Financial Assistance Agreement** under the State of Wisconsin's Clean Water Fund Program. This agreement is awarded pursuant to ss. 281.58 and 281.59, Wis. Stats. The purpose of this agreement is to award financial assistance from the Clean Water Fund Program. This agreement also discloses the terms and conditions of this award.

This agreement is only effective when signed by authorized officers of the municipality and an authorized officer of the State of Wisconsin Department of Natural Resources and of the State of Wisconsin Department of Administration.

The Department of Natural Resources and the Department of Administration may rescind or terminate this agreement if the municipality fails to comply with the terms and conditions contained within. Any determination or certification made in this agreement by the Department of Natural Resources or the Department of Administration is made solely for the purpose of providing financial assistance under the Clean Water Fund Program.

Municipal Identification No. 59281
Clean Water Fund Program Project No. 4019-19

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EXHIBIT F	PROJECT MANAGER SUMMARY PAGE
EXHIBIT G	FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated November 13, 2019, between the STATE OF WISCONSIN Clean Water Fund Program (the "CWFP"), by the Department of Natural Resources (the "DNR") and the Department of Administration (the "DOA"), acting under authority of ss. 281.58 and 281.59, Wis. Stats., as amended (the "Statute"), and the City of Sheboygan, a municipality within the meaning of the Statute, duly organized and existing under the laws of the State of Wisconsin (the "Municipality"); and

WHEREAS, the United States, pursuant to the Federal Water Quality Act of 1987 (the "Water Quality Act"), requires each state to establish a water pollution control revolving fund to be administered by an instrumentality of the state before the state may receive capitalization grants for eligible projects from the United States Environmental Protection Agency (the "EPA"), or any successor which may succeed to the administration of the program established by Title VI of the Water Quality Act; and

WHEREAS, the State of Wisconsin, pursuant to ss. 281.58 and 281.59, Wis. Stats., established the CWFP to be used in part for purposes of the Water Quality Act; and

WHEREAS, the State of Wisconsin, pursuant to s. 25.43, Wis. Stats., established a State of Wisconsin Environmental Improvement Fund which includes the CWFP; and

WHEREAS, DNR and DOA have the joint responsibility to provide CWFP financial assistance to municipalities for the construction of eligible wastewater pollution abatement projects, all as set forth in the Statute; and

WHEREAS, the Municipality submitted to DNR an application for financial assistance (the "Application") for a project (the "Project"), DNR has approved the Application and determined the Application meets the criteria for Project eligibility based on water quality and public health requirements established in applicable state statutes and regulations; and

WHEREAS, DNR determined that the Municipality and the Project are eligible for financial assistance pursuant to s. 281.58(7)(b), Wis. Stats.; and

WHEREAS, DOA determined the CWFP will provide financial assistance to the Municipality by making a loan (the "Loan") under s. 281.59(9), Wis. Stats., for the purposes of that subsection, and providing principal forgiveness; and

WHEREAS, the Municipality pledged the security, if any, required by DOA, and the Municipality demonstrated to the satisfaction of DOA the financial capacity to ensure sufficient revenues to operate and maintain the Project for its useful life and to pay debt service on the obligations it issues for the Project; and

WHEREAS, the Municipality certifies to the CWFP that it has created a dedicated source of revenue, which may constitute taxes levied by the Municipality for repayment of the Municipal Obligations; and

WHEREAS, the Municipality obtained DNR approval of facility plans or engineering reports and plans and specifications for the Project, subject to the provisions of applicable State environmental standards set forth in law, rules, and regulations;

NOW, THEREFORE, in consideration of the promises and of the mutual representations, covenants, and agreements herein set forth, the CWFP and the Municipality, each binding itself, its successors, and its assigns, do mutually promise, covenant, and agree as follows:

ARTICLE I
DEFINITIONS; RULES OF INTERPRETATION

Section 1.01. Definitions The following capitalized terms as used in this FAA shall have the following meanings:

"Act" means the Federal Water Pollution Control Act, 33 U.S. Code §§1250 et seq., as amended.

"Application" means the written application of the Municipality dated September 18, 2018, for financial assistance under the Statute.

"Bonds" means bonds or notes issued by the State pursuant to the General Resolution, all or a portion of the proceeds of which shall be applied to make the Loan.

"Business Day" means any day on which State offices are open to conduct business.

"CWFP" means the State of Wisconsin Clean Water Fund Program, established pursuant to ss. 281.58 and 281.59, Wis. Stats., and managed and administered by DNR and DOA.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor provisions.

"DNR" means the State of Wisconsin Department of Natural Resources and any successor entity.

"DOA" means the State of Wisconsin Department of Administration and any successor entity.

"EPA" means the United States Environmental Protection Agency or any successor entity that may succeed to the administration of the program established by Title VI of the Water Quality Act.

"FAA" means this Financial Assistance Agreement.

"Fees and Charges" means the costs and expenses of DNR and DOA in administering the CWFP.

"Final Completion" means the Project construction is complete, DNR or agents thereof have certified that the Project was constructed according to DNR approved Plans and Specifications and that the facilities are operating according to design, and DNR has completed all necessary Project closeout procedures.

"Financial Assistance" means any proceeds provided under this Financial Assistance Agreement in the form of a Loan of which part of the Loan principal will be forgiven.

"Financial Assistance Agreement" means this Financial Assistance Agreement between the CWFP by DNR, DOA, and the Municipality, as the same may be amended from time to time in accordance with Section 6.04 hereof.

"Fiscal Sustainability Plan" means a plan meeting the minimum requirements of section 603(d)(1)(E) of the Act.

"General Resolution" means the Clean Water Revenue Bond General Resolution adopted by the State of Wisconsin Building Commission, as such may from time to time be amended or supplemented by Series Resolutions or Supplemental Resolutions in accordance with the terms and provisions of the General Resolution.

"Loan" means the loan or loans made by the CWFP to the Municipality of which a portion of the principal will be forgiven pursuant to this FAA.

"Loan Disbursement Table" means the table, the form of which is included as Exhibit C hereto, with columns for inserting the following information for the portion of the Loan which is to be repaid with interest:

(a) amount of each disbursement,
(b) date of each disbursement,
(c) the series of Bonds from which each disbursement is made,
(d) principal amounts repaid, and
(e) outstanding principal balance.

"Municipal Obligation Counsel Opinion" means the opinion of counsel satisfactory to DOA, issued in conjunction with the Municipal Obligations, stating that:

(a) the FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary actions by the governing body of the Municipality, and the FAA has been duly executed and delivered by the Municipality;

(b) the Municipal Obligations have been duly authorized, executed, and delivered by the Municipality and sold to the CWFP;

(c) each of the FAA and the Municipal Obligations constitutes a legal, valid, and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);

(d) the Municipal Obligations constitute special obligations of the Municipality secured as to payment of principal, interest, and redemption price by the pledged revenues as set forth therein;

(e) interest on the Municipal Obligations is not included in gross income of the owners thereof for federal income taxation purposes under existing laws, regulations, rulings, and judicial decisions;

(f) the Municipal Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code and the arbitrage regulations; and

(g) the Municipal Obligations are not "private activity bonds" as defined in Section 141(a) of the Code.

"Municipal Obligation Resolution" means that action taken by the governing body of the Municipality authorizing the issuance of the Municipal Obligations.

"Municipal Obligations" means the bonds or notes issued and delivered by the Municipality to the CWFP, a specimen copy of which is included in the Municipal Obligations transcript in exchange for the portion of the Loan which is not subject to Principal Forgiveness.

"Municipality" means City of Sheboygan, a "municipality" within the meaning of the Statute, duly organized and existing under the laws of the State, and any successor entity.

"Parallel Cost Percentage" means the proportion of Project Costs eligible for below-market-rate financing relative to the total Project Costs eligible for CWFP financing.

"Parity Obligations" means the Municipality's $2,947,632 Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010; its $8,974,081 Sewerage System Revenue Bonds, Series 2013A, dated October 23,

2013; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.

"Plans and Specifications" means the Project design plans and specifications assigned No. S-2017-0804, approved by DNR on January 10, 2018, as the same may be amended or modified from time to time in accordance with this FAA.

"Principal Forgiveness" means Financial Assistance received in the form of forgiveness of Loan principal pursuant to the Act, Regulations, and this FAA of which no repayment thereof shall be required except as may be required per the Act, Statutes, Regulations, or this FAA. The amount of principal forgiveness available for this Project as of the date of this FAA is $750,000. The applicable percentage of principal forgiveness for this Project, as shown on the Final Funding List, is 25%.

"Progress payments" means payments for work in place and materials or equipment that have been delivered or are stockpiled in the vicinity of the construction site. This includes payments for undelivered, specifically manufactured equipment if: (1) designated in the specifications, (2) could not be readily utilized or diverted to another job, and (3) a fabrication period of more than 6 months is anticipated.

"Project" means the project assigned CWFP Project No. 4019-19 by DNR, described in the Project Manager Summary Page (Exhibit F), and further described in the DNR approval letter for the Plans and Specifications, or portions thereof, issued under s. 281.41, Wis. Stats.

"Project Costs" means the costs of the Project that are eligible for financial assistance from the CWFP under the Statute, which are allowable costs under the Regulations, which have been incurred by the Municipality, an estimate of which is set forth in Exhibit A hereto and made a part hereof.

"Regulations" means the Act, and chs. NR 108, NR 110, NR 150, NR 151, NR 162, and NR 216, Wis. Adm. Code, the regulations of DNR, and ch. Adm. 35, Wis. Adm. Code, the regulations of DOA, adopted pursuant to and in furtherance of the Act, as such may be adopted or amended from time to time.

"Series Resolution" or "Supplemental Resolution" shall have the meaning set forth in the General Resolution.

"Servicing Fee" means any servicing fee that may be imposed by DNR and DOA pursuant to s. 281.58(9)(d), Wis. Stats., which shall cover the estimated costs of reviewing and acting upon the Application and servicing this FAA, and which the Municipality is obligated to pay as set forth in Section 3.04 hereof.

"Sewer Use Ordinance" means the ordinance (or other legislative enactments) meeting the requirements of the Regulations and enacted and enforced in each jurisdiction served by the Project.

"Sewerage System" means the entire sewerage system of the Municipality, specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the collection, transmission, treatment, and disposal of domestic and industrial sewerage and waste.

"State" means the State of Wisconsin.

"Statute" means ss. 281.58 and 281.59, Wis. Stats., as amended.

"Substantial Completion" means the date on which construction of the Project is sufficiently complete in accordance with the contract documents so that the owner can occupy and utilize the Project for its intended use.

"Trustee" means the trustee appointed by the State pursuant to the General Resolution and any successor trustee.

"Use of American Iron and Steel" means the requirements contained in section 608 of the Act.

"User Charge System" means a system of charges meeting the requirements of s. NR 162.08, Wis. Adm. Code.

"User Fees" means fees charged or to be charged to users of the Project or the Sewerage System of which the Project is a part pursuant to a User Charge System or otherwise.

"Water Quality Act" means the federal Water Quality Act of 1987, as amended.

"WPDES Permit" means a Wisconsin Pollutant Discharge Elimination System permit issued under ch. 283, Wis. Stats.

Section 1.02. Rules of Interpretation Unless the context clearly indicates to the contrary, the following rules shall apply to the context of this FAA:

(a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.

(b) All references herein to particular articles or sections are references to articles or sections of this FAA.

(c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA, nor shall they affect its meaning, construction, or effect.

(d) The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms as used in this FAA refer to the FAA in its entirety and not the particular article or section of this FAA in which they appear. The term "hereafter" means after and the term "heretofore" means before the date of delivery of this FAA.

(e) All accounting terms not otherwise defined in this FAA have the meanings assigned to them in accordance with generally accepted accounting principles, and all computations provided for herein shall be made in accordance with generally accepted accounting principles.

ARTICLE II
REPRESENTATIONS

Section 2.01. Representations of the CWFP The CWFP represents and warrants as follows:

(a) The State is authorized to issue the Bonds in accordance with the Statute and the General Resolution and to use the proceeds thereof to provide funds for the Financial Assistance provided to the Municipality to undertake and complete the Project.

(b) The CWFP has complied with the provisions of the Statute and has full power and authority to execute and deliver this FAA, consummate the transactions contemplated hereby, and perform its obligations hereunder.

(c) The CWFP is not in violation of any of the provisions of the Constitution or laws of the State which would affect its powers referred to in the preceding paragraph (b).

(d) Pursuant to the Statute, the CWFP is authorized to execute and deliver the FAA and to take actions and make determinations that are required of the CWFP under the terms and conditions of the FAA.

(e) The execution and delivery by the CWFP of this FAA and the consummation of the transactions contemplated by this FAA shall not violate any indenture, mortgage, deed of trust, note, agreement, or other contract or instrument to which the State is a party, or by which it is bound, or, to the best of the CWFP's knowledge, any judgment, decree, order, statute, rule, or regulation applicable to the CWFP; all consents, approvals, authorizations, and orders of governmental or regulatory authorities that are required for the consummation of the transactions contemplated thereby have been obtained.

(f) To the knowledge of the CWFP, there is no action, suit, proceeding, or investigation at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the CWFP, or, to the knowledge of the CWFP, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or which, in any way, could adversely affect the validity of this FAA or any agreement or instrument to which the State is a party and which is used or contemplated for use in consummation of the transactions contemplated by each of the foregoing.

Section 2.02. Representations of the Municipality The Municipality represents, covenants, and warrants as follows:

(a) The Municipality possesses the legal municipal form of a city under ch. 62, Wis. Stats. The Municipality is located within the State and is a "municipality" within the meaning of the Statute, duly organized and existing under the laws of the State, and has full legal right, power, and authority to:

(1) conduct its business and own its properties,
(2) enter into this FAA,
(3) adopt the Municipal Obligation Resolution,
(4) issue and deliver the Municipal Obligations to the CWFP as provided herein, and
(5) carry out and consummate all transactions contemplated by each of the aforesaid documents.

(b) The Municipality's Project is a project that is necessary to prevent the applicant from significantly exceeding an effluent limitation contained in its WPDES Permit (compliance maintenance).

(c) With respect to the issuance of the Municipal Obligations, the Municipality has complied with the Municipal Obligation Resolution and with all applicable laws of the State.

(d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of $2,323,791 and authorized the taking of any and all action as may be required on the part of the Municipality and its authorized officers to carry out, give effect to, and consummate the transactions contemplated by each of the foregoing.

(e) This FAA and the Municipal Obligations have each been duly authorized, executed, and delivered, and constitute legal, valid, and binding obligations of the Municipality, enforceable in accordance with their respective terms.

(f) To the knowledge of the Municipality, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the Municipality, or, to the knowledge of the Municipality, any basis therefor:

(1) affecting the creation, organization, or existence of the Municipality or the title of its officers to their respective offices;

(2) seeking to prohibit, restrain, or enjoin the execution of this FAA or the issuance or delivery of the Municipal Obligations;

(3) in any way contesting or affecting the validity or enforceability of the Municipal Obligation Resolution, the Municipal Obligations, this FAA, or any agreement or instrument relating to any of the foregoing or used or contemplated for use in the consummation of the transactions contemplated by this FAA; or

(4) wherein an unfavorable decision, ruling, or finding could adversely affect the transactions contemplated hereby or by the Municipal Obligation Resolution or the Municipal Obligations.

(g) The Municipality is not in any material respect in breach of or in default under any applicable law or administrative regulation of the State or the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its properties is bound, and no event has occurred that, with the passage of time, the giving of notice, or both, could constitute such a breach or default. The execution and delivery of this FAA, the issuance and delivery of the Municipal Obligations, the adoption of the Municipal Obligation Resolution, and compliance with the respective provisions thereof shall not conflict with, or constitute a breach of or default under, any applicable law or administrative regulation of the State or of the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its property is bound.

(h) The Municipal Obligations constitute validly-issued, legally-binding special obligations of the Municipality secured as set forth therein.

(i) The resolutions of the Municipality accepting the Financial Assistance and the Municipal Obligation Resolution have been duly adopted by the Municipality and remain in full force and effect as of the date hereof.

(j) The Municipality has full legal right and authority, and all necessary permits, licenses, and approvals (other than such permits, licenses, easements, or approvals that are not by their nature obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the

Project, carry on its activities relating thereto, undertake and complete the Project, and carry out and consummate all transactions contemplated by this FAA.

(k) The Municipality represents that it has not made any commitment or taken any action that shall result in a valid claim for any finders' or similar fees or commitments in respect to the issuance and sale of the Municipal Obligations and the making of the Loan under this FAA.

(l) The Project is eligible under s. 281.58(7), Wis. Stats., for financing from the CWFP and the Project Costs are equal to or in excess of the principal amount of the Municipal Obligations. The Project has satisfied the requirements of the State Environmental Review Procedures (SERP) contained in the Regulations. Portions of the Project that are ineligible for financing from the CWFP are listed within the Project Manager Summary Page attached hereto as Exhibit F. The Municipality intends the Project to be eligible under the Statute throughout the term of this FAA.

(m) All amounts shown in Exhibit A of this FAA are costs of a Project eligible for financial assistance from the CWFP under the Statute. All proceeds of any borrowing of the Municipality that have been spent and are being refinanced with the proceeds of the Financial Assistance made hereunder have been spent on eligible Project Costs. All Project Costs are reasonable, necessary, and allocable by the Municipality to the Project under generally accepted accounting principles. None of the proceeds of the Financial Assistance shall be used directly or indirectly by the Municipality as working capital or to finance inventory, as opposed to capital improvements.

(n) The Project is in compliance with all applicable federal, state, and local laws and ordinances (including rules and regulations) relating to zoning, building, safety, and environmental quality. The Municipality has complied with and completed all requirements of DNR necessary to commence construction of the Project prior to the date hereof. The Municipality intends to proceed with due diligence to complete the Project pursuant to Section 4.04 hereof.

(o) The Municipality does not intend to lease the Project or enter into a long-term contract for operation of the Project except as set forth in Exhibit D.

(p) The Municipality shall not take or omit to take any action which action or omission shall in any way cause the proceeds of the Bonds to be applied in a manner contrary to that provided in the General Resolution.

(q) The Municipality has not taken and shall not take any action, and presently knows of no action that any other person, firm, or corporation has taken or intends to take, that would cause interest on the Municipal Obligations to be includable in the gross income of the owners of the Municipal Obligations for federal income tax purposes. The representations, certifications, and statements of reasonable expectation made by the Municipality as referenced in the Municipal Obligation Counsel Opinion and No Arbitrage Certificate are hereby incorporated by this reference as though fully set forth herein.

(r) Other than (1) "preliminary expenditures" as defined in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding 20% of the principal amount of the Municipal Obligations, or (2) a "de minimis" amount as defined in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding the lesser of $100,000 or 5% of the principal amount of the Municipal Obligations, all of the proceeds of the Bonds loaned to the Municipality (other than refunding proceeds, if any) shall be used for Project Costs paid by the Municipality subsequent to a date which is 60 days prior to the date on which the Municipality adopted a reimbursement resolution pursuant to Treas. Regs. 26 CFR 1.150-2 stating its intent to reimburse other funds of the Municipality used to finance the Project, or subsequent to the issuance date of the Municipal Obligations.

(s) The Municipality represents that it has satisfied all the applicable requirements in s. 281.58, Wis. Stats., and ch. NR 162, Wis. Adm. Code.

(t) The Municipality has adopted a rate, charge, or assessment schedule that will generate annually sufficient revenue to pay the principal of and interest on the Municipal Obligations.

(u) The Municipality is in substantial compliance with all conditions, requirements, and terms of financial assistance previously awarded through the federal construction grants program, the Wisconsin Fund construction grants program, and the CWFP.

(v) The Municipality has met all terms and conditions contained within and received DNR approval for the Municipality's Plans and Specifications for the Project described in the definitions hereof.

(w) The Municipality represents that it submitted to DNR a bid tabulation for the Project with a recommendation to DNR for review and concurrence. The actual Substantial Completion date of the Project was May 17, 2019.

(x) The Municipality acknowledges that s. 281.59(11)(b), Wis. Stats., and the General Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the CWFP by deducting those amounts from any State payments due the Municipality.

This means that the following State payments would have been subject to this deduction:

	Transportation	State-Shared	Total
2017	$1,545,327.86	$11,111,393.75	$12,656,721.61
2018	$1,745,669.54	$11,070,318.82	$12,815,988.36

The amount of State payments anticipated for this year, among others, and as changed or modified from time to time, that are subject to this deduction are:

2019	$1,830,104.68	$11,062,747.51	$12,892,852.19

These are not the entire amounts of State aid distributed to the Municipality. Other State aid is subject to intercept on failure of the Municipality to make full Loan payments due the CWFP.

The Municipality acknowledges that s. 70.60, Wis. Stats., and the General Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the CWFP by adding a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located.

(y) The Municipality acknowledges that the State reserves the right upon default by the Municipality hereunder to have a receiver appointed to collect User Fees from the operation of the Municipality's Sewerage System or, in the case of a joint utility system, to bill the users of the Municipality's Sewerage System directly.

(z) The representations of the Municipality in the Application are true and correct as of the date of this FAA and are incorporated herein by reference as if fully set forth in this place.

(aa) There has been no material adverse change in the financial condition or operation of the Municipality or the Project since the submission date of the Application.

(bb) The Municipality acknowledges that it is eligible to receive Financial Assistance in the form of a Loan of $3,073,791 with Principal Forgiveness of $750,000 for payment of Project Costs.

ARTICLE III
LOAN PROVISIONS

Section 3.01. Loan Clauses

(a) Subject to the conditions and in accordance with the terms of this FAA, the CWFP hereby agrees to make the Loan and the Municipality agrees to accept the Loan. As evidence of the portion of the Loan made to the Municipality remaining subsequent to the Principal Forgiveness, the Municipality hereby agrees to sell to the CWFP Municipal Obligations in the aggregate principal amount of $2,323,791. The CWFP shall pay for the Municipal Obligations in lawful money of the United States, which shall be disbursed as provided in this FAA.

(b) Prior to disbursement, Loan proceeds shall be held by the CWFP or by the Trustee for the account of the CWFP. Earnings on undisbursed Loan proceeds shall be for the account of the CWFP. Loan proceeds shall be disbursed only upon submission by the Municipality of disbursement requests and approval thereof as set forth in Section 3.06 hereof.

(c) The Loan shall bear interest at the rate of one and 650/1000ths percent (1.65%) per annum, and interest shall accrue and be payable only on Loan principal amounts actually disbursed on the Municipal Obligations, from the date of disbursement until the date such amounts are repaid or forgiven.

(d) Disbursements of Financial Assistance shall generally be made: first, in the form of a Loan disbursement on the Municipal Obligations, which must be at least 5% of the Municipal Obligation amount or $50,000, whichever is less; second, in the form of Loan disbursements that include the applicable percentage of Principal Forgiveness up to $750,000; and third, if the Principal Forgiveness cap has been reached, in the form of Loan disbursements on the Municipal Obligations. Principal Forgiveness will be applied at the time of Loan disbursement.

(e) The Municipal Obligations shall include the Loan Disbursement Table (Exhibit C). The actual dates of disbursements shall be reflected as part of the Municipal Obligations. DOA shall make entries as each disbursement is made and as each principal amount is repaid; the CWFP and the Municipality agree that such entries shall be mutually binding.

(f) Upon Final Completion of the Project, DOA may request that the Municipality issue substitute Municipal Obligations in the aggregate principal amount equal to the outstanding principal balance of the Municipal Obligations.

(g) The Municipality shall deliver, or cause to be delivered, a Municipal Obligation Counsel Opinion to the CWFP concurrently with the delivery of the Municipal Obligations.

Section 3.02. Municipal Obligations Amortization Principal and interest payments on the Municipal Obligations shall be due on the dates set forth in Exhibit B of this FAA. The payment amounts shown on Exhibit B are for informational purposes only and assume the full amount of the Municipal Obligations is disbursed and that the full amount of Principal Forgiveness available is applied to the Loan on November 13, 2019. It is understood that the actual amount of the Municipality's Municipal Obligations payments shall be based on the actual date and amount of disbursements on the Municipal Obligations. Notwithstanding the foregoing or anything in the Municipal Obligations, the Municipal Obligations shall be for no longer than twenty (20) years from the date of this FAA and shall mature and be fully amortized not later than twenty (20) years after the original issue date of the Municipal Obligations. Repayment of principal on the Municipal Obligations shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

Section 3.03. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements on the Municipal Obligations shall be a revenue obligation evidenced by issuance of revenue bonds pursuant to s. 66.0621, Wis. Stats. The security for the Municipality's obligation shall be a pledge of revenues to be derived from the Municipality's Sewerage System, and the Municipality shall agree that, if revenues from the Sewerage System are insufficient to meet annual debt service requirements, the Municipality shall purchase sewerage services in amounts sufficient to meet annual debt service requirements as provided in and set forth in Section 9 of the Municipal Obligation Resolution. The annual revenues net of all current expenses shall be equal to not less than the annual principal and interest requirements on the Municipal Obligations, any Parity Obligations, and any other debt obligations payable from the revenues of the Sewerage System then outstanding, times the greater of (i) 110 percent or (ii) the highest debt service coverage ratio required with respect to any Parity Obligations or any other debt obligations payable from the revenues of the Sewerage System then outstanding. As of the date of this FAA, the required debt service coverage ratio is 110 percent; however, this percentage is subject to change as outlined in the prior sentence. The Municipal Obligations are also secured as provided in Section 3.08 hereof.

Section 3.04. Other Amounts Payable The Municipality hereby expressly agrees to pay to the CWFP:

(a) such Servicing Fee as the CWFP may impose pursuant to s. 281.58(9)(d), Wis. Stats., which shall be payable in semiannual installments on each interest payment date; such a Servicing Fee shall be imposed upon the Municipality after approval of a future Biennial Finance Plan by the State of Wisconsin Building Commission which contains a Servicing Fee requirement, schedule, and amount; and

(b) the Municipality's allocable share of the Fees and Charges as such costs are incurred. Allocable share shall mean the proportionate share of the Fees and Charges based on the outstanding principal of the Loan.

Amounts paid by the Municipality pursuant to this Section 3.04 shall be deposited in the Expense Fund established pursuant to the General Resolution.

Section 3.05. Sale and Redemption of Municipal Obligations

(a) Municipal Obligations may not be prepaid without the prior written consent of the CWFP. The CWFP has sole discretion to withhold such consent.

(b) The Municipality shall pay all costs and expenses of the CWFP in effecting the redemption of the Bonds to be redeemed with the proceeds of the prepayment of the Municipal Obligations. Such costs and expenses may include any prepayment premium applicable to the CWFP and any investment losses incurred or sustained by the CWFP resulting directly or indirectly from any such prepayment.

(c) Subject to subsection (a), the Municipality may prepay the Municipal Obligations with any settlements received from any third party relating to the design or construction of the Project.

(d) Prepayments of the Municipal Obligations shall be applied pro rata to all maturities of the Municipal Obligations.

Section 3.06. Disbursement of Financial Assistance

(a) Under this FAA, Financial Assistance shall be drawn in the order specified in Section 3.01(d) of this document.

(b) Each disbursement request shall be delivered to DNR. Each request must contain invoices or other evidence acceptable to DNR and DOA that Project Costs for which disbursement is requested have been incurred by the Municipality.

(c) The CWFP, through its agents or Trustee, plans to make disbursements of Financial Assistance on a semimonthly basis upon approval of each disbursement request by DNR and DOA. Such approval by DNR and DOA may require adjustment and corrections to the disbursement request submitted by the Municipality. The Municipality shall be notified whenever such an adjustment or correction is made by DNR or DOA.

(d) Disbursements made to the Municipality are subject to pre- and post-payment adjustments by DNR or DOA.

(1) If the Financial Assistance is not yet fully disbursed, and CWFP funds were previously disbursed for costs not eligible for CWFP funding or not eligible under this FAA, the CWFP shall make necessary adjustments to future disbursements.

(2) If the Financial Assistance is fully disbursed, including disbursements for any costs not eligible for CWFP funding or not eligible under this FAA, the Municipality agrees to repay to the CWFP an amount equal to the non-eligible costs within 60 days of notification by DNR or DOA. The CWFP shall then apply the amount it receives as a Loan prepayment or as a recovery of a Loan disbursement with Principal Forgiveness (if there is no outstanding Loan principal balance available to which the recovery may be applied).

(e) The CWFP or its agent shall disburse Financial Assistance only to the Municipality's account by electronic transfer of funds. The Municipality hereby covenants that it shall take actions and provide information necessary to facilitate these transfers.

(f) Disbursement beyond ninety-five percent (95%) of the Financial Assistance, unless otherwise agreed to by DNR and DOA pursuant to a written request from the Municipality, may be withheld until:

(1) DNR is satisfied that the Project has been completed in accordance with the Plans and Specifications, DNR has approved all change orders relating to the Project, and DNR has determined that the Project is in compliance with the Municipality's WPDES Permit;

(2) the Municipality certifies to DNR its acceptance of the Project from its contractors;

(3) the Municipality certifies in writing to DNR its compliance with applicable federal requirements (certification must be as prescribed on Exhibit G); and

(4) DNR certifies in writing to DOA the Municipality's compliance with all applicable requirements of this FAA.

(g) IRS Regulation 1.148-6(d)(1)(iii) applies to project expenditures. It states, in part, "An issuer must account for the allocation of proceeds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service".

Section 3.07. Remedies

(a) If the Municipality:

(1) or any authorized representative is not complying with federal or state laws, regulations, or requirements relating to the Project, and following due notice by DNR the Project is not brought into compliance within a reasonable period of time; or

(2) is not complying with or is in violation of any provision set forth in this FAA; or

(3) is not in compliance with the Statute or the Regulations;

then DNR may, until the Project is brought into compliance or the FAA non-compliance is cured to the satisfaction of DNR or DOA, impose one (1) or more of the following sanctions:

(i) Progress payments or disbursements otherwise due the Municipality of up to 20% may be withheld.

(ii) Project work may be suspended.

(iii) DNR may request a court of appropriate jurisdiction to enter an injunction or afford other equitable or judicial relief as the court finds appropriate.

(iv) Other administrative remedies may be pursued.

(b) If the Municipality fails to make any payment when due on the Municipal Obligations or fails to observe or perform any other covenant, condition, or agreement on its part under this FAA for a period of thirty (30) days after written notice is given to the Municipality by DNR, specifying the default and requesting that it be remedied, the CWFP is provided remedies by law and this FAA. These remedies include, but are not limited to, the following rights:

(1) Pursuant to s. 281.59(11)(b), Wis. Stats., DOA shall place on file a certified statement of all amounts due the CWFP under this FAA. DOA may collect all amounts due the CWFP by deducting those amounts from any State payments due the Municipality, or add a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located under s. 70.60, Wis. Stats.

(2) Pursuant to s. NR 162.18(1), Wis. Adm. Code, DNR may: declare the unpaid Loan balance due and immediately payable; increase the interest rate on the unpaid balance of the Loan to the market interest rate in effect on the date the FAA was executed; or immediately terminate the FAA and disburse no additional funds, if the Loan has not been fully disbursed.

(3) The CWFP may, without giving bond to the Municipality or anyone claiming under it, have a receiver appointed for the CWFP's benefit of the Project and the Municipality's Sewerage System and of the earnings, income, rents, issues, and profits thereof, with such powers as the court making such appointment shall confer. The Municipality hereby irrevocably consents to such appointment.

(4) In the case of a joint utility system, the CWFP may bill the users of the Municipality's system directly.

(5) The CWFP may enforce any right or obligation under this FAA, including the right to seek specific performance or mandamus, whether such action is at law or in equity.

Section 3.08. Security for the Municipal Obligations In accordance with the terms of the Municipal Obligation Resolution:

(a) as security for the Municipal Obligations, the Municipality hereby pledges the revenue to be derived from the Municipality's Sewerage System (which is a dedicated source of revenue); and

(b) other than as already pledged to the outstanding Parity Obligations, the Municipality shall not pledge the revenues, except as provided in Section 11 of the Municipal Obligation Resolution, to be derived from the Municipality's User Charge System or other revenues pledged under Section 3.08(a) above, to any person other than the CWFP, unless the revenues pledged to such other person meet the highest debt coverage ratio then applicable to the Municipality.

Section 3.09. Effective Date and Term This FAA shall become effective upon its execution and delivery by the parties hereto, shall remain in full force and effect from such date, and shall expire on such date as the Municipal Obligations shall be discharged and satisfied in accordance with the provisions thereof.

ARTICLE IV
CONSTRUCTION OF THE PROJECT

Section 4.01. Insurance The Municipality agrees to maintain property and liability insurance for the Sewerage System and Project that is reasonable in amount and coverage and that is consistent with prudent municipal insurance practices for the term of this FAA. The Municipality agrees to provide written evidence of insurance coverage to the CWFP upon request at any time during the term of this FAA.

In the event that the Sewerage System or Project is damaged or destroyed, the Municipality agrees to use the proceeds from its insurance coverage either to repay the Financial Assistance or to repair or replace the Sewerage System.

Section 4.02. Construction of the Project The Municipality shall construct the Project, or cause it to be constructed, to Final Completion in accordance with the Application and the Plans and Specifications. The Municipality shall proceed with the acquisition and construction of the Project in conformity with law and with all applicable requirements of governmental authorities having jurisdiction with respect thereto, subject to such modifications of Plans and Specifications that alter the cost of the Project, use of space, scope, or functional layout, as may be previously approved by DNR.

Section 4.03. Performance Bonds The Municipality shall provide, or cause to be provided, performance bonds assuring the performance of the work to be performed under all construction contracts entered into with respect to the Project. All performance bonds required hereunder shall be issued by independent surety companies authorized to transact business in the State.

Section 4.04. Completion of the Project

(a) The Municipality agrees that it shall undertake and complete the Project for the purposes and in the manner set forth in this FAA and in accordance with all federal, state, and local laws, ordinances, and regulations applicable thereto. The Municipality shall, with all practical dispatch and in a sound and economical manner, complete or cause to be completed the acquisition and construction of the Project, and do all other acts necessary and possible to entitle it to receive User Fees with respect to the Project at the earliest practicable time. The Municipality shall obtain all necessary approvals from any and all governmental agencies prior to construction which are requisite to the Final Completion of the Project.

(b) The Municipality shall notify DNR of the Substantial Completion of the Project. The Municipality shall cause to be prepared as-built plans for the Project at or prior to completion thereof.

(c) The Municipality shall take and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers to complete their contracts diligently and in accordance with the terms of the contracts including, without limitation, the correcting of defective work.

(d) Upon Final Completion of the Project in accordance with the Plans and Specifications, the Municipality shall:

(1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;

(2) complete and deliver to DNR the completed Contract Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;

(3) prepare and deliver to DNR the completed Federal Requirements Compliance Certification attached hereto as Exhibit G of this FAA;

(4) obtain all required permits and authorizations from appropriate authorities for operation and use of the Project; and

(5) submit to DNR an Operation and Maintenance Manual Certification Checklist.

Section 4.05. Payment of Additional Project Costs

(a) In the event of revised eligibility determinations, cost overruns, and amendments exceeding the Financial Assistance amount, the CWFP may allocate additional financial assistance to the Project. The allocation of additional financial assistance may be in the form of a loan at less than the market interest rate, which is established pursuant to the Statute and Regulations. The allocation of additional financial assistance shall depend upon availability of funds, pursuant to the Statute and the Regulations.

(b) In the event that this Financial Assistance is not sufficient to pay the costs of the Project in full, the Municipality shall nonetheless complete the Project and pay that portion of the Project Costs as may be in excess of available Financial Assistance and shall not be entitled to any reimbursement therefore from the CWFP, or the owners of any bonds, except from the proceeds of additional financing which may be provided by the CWFP pursuant to an amendment of this FAA or through a separate FAA.

Section 4.06. No Warranty Regarding Condition, Suitability, or Cost of Project Neither the CWFP, DOA, DNR, nor the Trustee makes any warranty, either express or implied, as to the Project or its condition, or that it shall be suitable for the Municipality's purposes or needs, or that the Financial Assistance shall be sufficient to pay the costs of the Project. Review or approval of engineering reports, facilities plans, Plans and Specifications, or other documents, or the inspection of Project construction by DNR, does not relieve the Municipality of its responsibility to properly plan, design, build, and effectively operate and maintain the Project as required by laws, regulations, permits, and good management practices. DNR or its representatives are not responsible for increased costs resulting from defects in the Plans and Specifications or other Project documents. Nothing in this section prohibits a Municipality from requiring more assurances, guarantees, or indemnity or other contractual requirements from any party performing Project work.

ARTICLE V
COVENANTS

Section 5.01. Application of Financial Assistance The Municipality shall apply the proceeds of the Financial Assistance solely to Project Costs.

Section 5.02. Operation and Maintenance; Equipment Replacement Fund

(a) After completion of the Project, the Municipality shall:

(1) at all times operate the Project or otherwise cause the Project to be operated properly and in a sound and economical manner, including proper training of personnel;

(2) maintain, preserve, and keep the Project or cause the Project to be maintained, preserved, and kept in good repair, working order, and condition; and

(3) periodically make, or cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of the Project may be properly conducted in a manner that is consistent with the requirements of the WPDES Permit. The Municipality shall not, without the approval of DNR, discontinue operation of, sell, or otherwise dispose of the Sewerage System, except for portions of the Sewerage System sold or otherwise disposed of in the course of ordinary repair and replacement of parts so long as this FAA is outstanding.

(b) The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. All User Fees or other revenues specifically collected for the equipment replacement fund shall be deposited into the equipment replacement fund and used for replacement and major repair of equipment necessary for the operation of the Sewerage System, or for unexpected, unbudgeted costs incurred for continuing effective operations of the Sewerage System. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement itemized schedule developed by the Municipality or the percentage schedule option. The Project Manager Summary Page (Exhibit F) shall specify the required annual deposit or required minimum balance/percentage.

Section 5.03. Compliance with Law At all times during construction of the Project and operation of the Sewerage System, the Municipality shall comply with all applicable federal, state, and local laws, ordinances, rules, regulations, permits, and approvals, and with this FAA, including, without limitation, the Statute, the Regulations, and the WPDES Permit.

Section 5.04. Public Ownership The Municipality shall at all times retain ownership of the Project and the Sewerage System of which it is a part.

Section 5.05. Establishment of Project Accounts; Audits

(a) The Municipality shall maintain Project accounts in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets and directions issued by the CWFP. Without any request the Municipality shall furnish to DOA as soon as available, and in any event within one hundred eighty (180) days after the close of each fiscal year, a copy of the audit report for such year and accompanying GAAP-based financial statements for such period, as examined and reported by such independent certified public accountants of recognized standing selected by the Municipality and reasonably satisfactory to DOA, whose reports shall indicate that the accompanying financial statements have been prepared in conformity with GAAP and include standards relating to the reporting of infrastructure assets.

(b) The Municipality shall maintain a separate account that reflects the receipt and expenditure of all CWFP funds for the Project. All Financial Assistance shall be credited promptly upon receipt thereof and shall be reimbursement for or expended only for Project Costs. The Municipality shall: permit any authorized representative of DNR or DOA, or agents thereof, the right to review or audit all records relating to the Project or the Financial Assistance; produce, or cause to be produced, all records relating to any work performed under the terms of this FAA for examination at such times as may be designated by any of them or their authorized representatives; permit extracts and copies of the Project records to be made by them or their authorized representatives; and fulfill information requests by them or their authorized representatives.

Section 5.06. Records The Municipality shall retain all files, books, documents, and records relating to construction of the Project for at least three years following the date of Final Completion of the Project, or for longer periods if necessary due to any appeal, dispute, or litigation. All other files and records relating to the Project shall be retained so long as this FAA remains in effect. As-built plans for the Project shall be retained for the useful life of the Project.

Section 5.07. Project Areas The Municipality shall permit representatives of DNR access to the Project and related records at all reasonable times, include provisions in all contracts permitting such access during construction and operation of the Sewerage System, and allow extracts and copies of Project records to be made by DNR representatives.

Section 5.08. Engineering Inspection The Municipality shall provide competent and adequate inspection of all Project construction under the direction of a professional engineer licensed by the State. The Municipality shall direct such engineer to inspect work necessary for the construction of the Project and to determine whether such work has been performed in accordance with the Plans and Specifications. Any such work not in accordance with the Plans and Specifications shall be remedied, unless such noncompliance is waived by DNR.

Section 5.09. Tax Covenants

(a) The Municipality covenants and agrees that it shall not take any action, or omit to take any action, which action or omission would result in the loss of the exclusion of the interest on any Municipal Obligations now or hereafter issued from gross income for purposes of federal income taxation as that status is governed by Section 103(a) of the Code or any successor provision.

(b) The Municipality shall not take any action, or omit to take any action, which action or omission would cause its Municipal Obligations to be "private activity bonds" within the meaning of Section 141(a) of the Code or any successor provision.

(c) The Municipality shall not directly or indirectly use, or permit the use of, any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds, or take any action, or omit to take any action, which use or action or omission would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or any successor provision. The Municipality hereby further covenants to ensure that all amounts actually received by such Municipality from the CWFP are advanced within three Business Days to the entity submitting the invoice (or to reimburse the Municipality) to which each amount relates, and that all amounts actually received by such Municipality from the CWFP shall not be invested in any interest-bearing account.

(d) The Municipality shall not use (directly or indirectly) the proceeds of the Bonds in any manner that would constitute an "advance refunding" within the meaning of Section 149(d)(5) of the Code or any successor provision.

Section 5.10. User Fee Covenant

(a) The Municipality hereby certifies that it has adopted and shall charge User Fees with respect to the Project in accordance with applicable laws and the Statute and in amounts such that revenues of the Municipality with respect to the Project shall be sufficient, together with other funds available to the Municipality for such purposes, to pay all costs of operating and maintaining the Project in accordance with this FAA, and to pay all amounts due under this FAA and the Municipal Obligations.

(b) The Municipality covenants that it shall adopt and shall adequately maintain for the design life of the Project a system of User Fees with respect to the Project in accordance with s. NR 162.08, Wis. Adm. Code. The Municipality covenants that it shall review the User Charge System at least every two years and shall revise and charge User Fees with respect to the Project such that the revenues and funds described in paragraph (a) shall be sufficient to pay the costs described in paragraph (a).

Section 5.11. Notice of Impaired System The Municipality shall promptly notify DNR and DOA in the case of: any material damage to or destruction of the Project or any part thereof; any actual or threatened proceedings for the purpose of taking or otherwise affecting by condemnation, eminent domain, or otherwise, all or a part of the Sewerage System; any action, suit, or proceeding at law or in equity, or by or before any governmental instrumentality or agency, or any other event which may impair the ability of the Municipality to construct the Project or operate the Sewerage System or set and collect User Fees as set forth in Section 5.10.

Section 5.12. Hold Harmless The Municipality shall save, keep harmless, and defend DNR, DOA, and all their officers, employees, and agents, against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons, and for loss or damage to any property occurring in connection with or in any way incident to or arising out of the construction, occupancy, use, service, operation, or performance of work in connection with the Project or acts or omissions of the Municipality's employees, agents, or representatives.

Section 5.13. Nondiscrimination Covenant

(a) In connection with the Project, the Municipality agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but is not 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. The Municipality agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provision of the nondiscrimination clause.

(b) The Municipality shall incorporate the following provision into all Project contracts which have yet to be executed: "In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical condition, developmental disability, or national origin. The contractor further agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. 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. The contractor further agrees to take affirmative action to ensure equal employment opportunities for persons with disabilities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause."

Section 5.14. Employees The Municipality or its employees or agents are not employees or agents of the DNR or DOA for any purpose, including worker's compensation.

Section 5.15. Adequate Funds The Municipality shall have sufficient funds available to repay the Municipal Obligations. The Municipality shall have sufficient funds available when construction of the Project is completed to ensure effective operation and maintenance of the Project for purposes constructed.

Section 5.16. Management The Municipality shall provide and maintain competent and adequate management, supervision, and inspection at the construction site to ensure that the completed work conforms with the Plans and Specifications. The Municipality shall furnish progress reports and such other information as DNR may require.

Section 5.17. Reimbursement Any payment of Financial Assistance to the Municipality in excess of the amount determined by final audit to be due the Municipality shall be reimbursed to DOA within 60 days after DNR or DOA provides a notice of overpayment.

Section 5.18. Unpaid User Fees The Municipality shall, to the fullest extent permitted by law, take all actions necessary to certify any unpaid User Fees to the county treasurer in order that such unpaid User Fees will be added as a special charge to the property tax bill of the user.

Section 5.19. Sewer Use Ordinance The Municipality shall comply with the provisions of the Sewer Use Ordinance, as certified in the Application. The Municipality covenants that it shall comply with and enforce all provisions of the Sewer Use Ordinance, as established pursuant to the Statute and Regulations.

Section 5.20. Rebates The Municipality agrees to pay to the CWFP any refunds, rebates, credits, or other amounts received for Project Costs that have already been funded by the CWFP. The CWFP shall then apply the amount it receives as a Loan prepayment or as a recovery of a Loan disbursement with Principal Forgiveness (if there is no outstanding Loan principal balance for the Project).

Section 5.21. Maintenance of Legal Existence

(a) Except as provided in par. (b), the Municipality shall maintain its legal existence and shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another legal entity.

(b) A Municipality may consolidate with or merge into any other legal entity, dissolve or otherwise dispose of all of its assets or substantially all of its assets, transfer all or substantially all of its assets to another legal entity (and thereafter be released of all further obligation under this FAA and the Municipal Obligations) if:

(1) the resulting, surviving, or transferee legal entity is a legal entity established and duly existing under the laws of Wisconsin;

(2) such resulting, surviving, or transferee legal entity is eligible to receive financial assistance under the Statute;

(3) such resulting, surviving, or transferee legal entity expressly assumes in writing all of the obligations of the Municipality contained in this FAA and the Municipal Obligations and any other documents the CWFP deems reasonably necessary to protect its environmental and credit interests; and

(4) the CWFP shall have consented in writing to such transaction, which consent may be withheld in the absolute discretion of the CWFP.

Section 5.22. Wage Rate Requirements The Municipality represents that it shall comply with Section 513 of the Federal Water Pollution Control Act (33 USC 1372), which requires that all laborers and mechanics employed by contractors and subcontractors funded directly by or assisted in whole or in part with funding under this Loan shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Section 5.23. Fiscal Sustainability Plan The Municipality has completed all required components of a Fiscal Sustainability Plan and shall maintain the plan at least for the life of the Loan.

Section 5.24. Use of American Iron and Steel The Municipality agrees to comply with requirements for Use of American Iron and Steel contained in section 608 of the Act for products used in the Project which are made primarily of iron and/or steel.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Notices All notices, certificates, or other communications hereunder shall be sufficiently given, and shall be deemed given, when hand delivered or mailed by registered or certified mail, postage prepaid, return receipt requested to the addresses set forth below:

(a) DEPARTMENT OF ADMINISTRATION
OFFICE OF CAPITAL FINANCE
CLEAN WATER FUND PROGRAM
101 EAST WILSON STREET 10TH FLOOR
MADISON WI 53702-0004
OR
PO BOX 7864
MADISON WI 53707-7864

(b) DEPARTMENT OF NATURAL RESOURCES
BUREAU OF COMMUNITY FINANCIAL ASSISTANCE
101 SOUTH WEBSTER STREET 2ND FLOOR
MADISON WI 53702-0005
OR
PO BOX 7921
MADISON WI 53707-7921

(c) US BANK CORP TRUST
MATTHEW HAMILTON EP-MN-WS3T
60 LIVINGSTON AVENUE
ST PAUL MN 55101-2292

(d) CITY OF SHEBOYGAN
828 CENTER AVENUE
SHEBOYGAN WI 53081

Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent, by notice in writing given to the others. Any notice herein shall be delivered simultaneously to DNR and DOA.

Section 6.02. Binding Effect This FAA shall be for the benefit of, and shall be binding upon, the CWFP and the Municipality and their respective successors and assigns.

Section 6.03. Severability In the event any provision of this FAA shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable, or otherwise affect any other provision hereof.

Section 6.04. Amendments, Supplements, and Modifications This FAA may be amended, supplemented, or modified to provide for additional financial assistance for the Project by the CWFP to the Municipality or for other purposes. All amendments, supplements, and modifications shall be in writing between the CWFP (by DNR and DOA acting under authority of the Statute) and the Municipality.

Section 6.05. Execution in Counterparts This FAA may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

Section 6.06. Applicable Law This FAA shall be governed by and construed in accordance with the laws of the State, including the Statute.

Section 6.07. Benefit of Financial Assistance Agreement This FAA is executed, among other reasons, to induce the purchase of the Municipal Obligations. Accordingly, all duties, covenants, obligations, and agreements of the Municipality herein contained are hereby declared to be for the benefit of, and are enforceable by, the CWFP, its Trustee, or its authorized agent.

Section 6.08. Further Assurances The Municipality shall, at the request of DNR and DOA, authorize, execute, acknowledge, and deliver such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments as may be necessary or desirable for: better assuring, conveying, and providing Principal Forgiveness; and assigning, and confirming the rights, security interests, and agreements concerning Principal Forgiveness or intended to be Principal Forgiveness provided by this FAA and relating to the Municipal Obligations.

Section 6.09. Assignment of Municipal Obligations The Municipality hereby agrees that the Municipal Obligations may be sold, transferred, pledged, or hypothecated to any third party without the consent of the Municipality.

Section 6.10. Covenant by Municipality as to Compliance with General Resolution The Municipality covenants and agrees that it shall comply with the provisions of the General Resolution with respect to the Municipality and that the Trustee and the owners of the Bonds shall have the power and authority provided in the General Resolution. The Municipality further agrees to aid in the furnishing to DNR, DOA, or the Trustee of opinions that may be required under the General Resolution.

Section 6.11. Termination This FAA may be terminated in whole or in part pursuant to one or more of the following:

(a) The CWFP and the Municipality may enter into an agreement to terminate this FAA at any time. The termination agreement shall establish the effective date of termination of this FAA, the basis for settlement of termination costs, and the amount and date of payment of any sums due either party.

(b) If the Municipality wishes to unilaterally terminate all or any part of the Project work for which Financial Assistance has been awarded, the Municipality shall promptly give written notice to DNR. If the CWFP determines that there is a reasonable basis for the requested termination, the CWFP may enter into a termination agreement, including provisions for FAA termination costs, effective with the date of cessation of the Project work by the Municipality. If the CWFP determines that the Municipality has ceased work on the Project without reasonable basis, the CWFP may unilaterally terminate Financial Assistance or rescind this FAA.

Section 6.12. Rescission The CWFP may rescind this FAA prior to the first disbursement of any funds hereunder if it determines that:

(a) there has been substantial non-performance of the Project work by the recipient without justification under the circumstances;

(b) there is substantial evidence this FAA was obtained by fraud;

(c) there is substantial evidence of gross abuse or corrupt practices in the administration of the Project;

(d) the Municipality has failed to comply with the covenants contained in this FAA; or

(e) any of the representations of the Municipality contained in this FAA were false in any material respect.

IN WITNESS WHEREOF, the CWFP and the Municipality have caused this FAA to be executed and delivered, as of the date and year first written above.

CITY OF SHEBOYGAN

By: _____
Michael J. Vandersteen
Mayor

Attest: _____
Meredith DeBruin
City Clerk

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

By: _____
Authorized Officer

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Officer

EXHIBIT A

PROJECT BUDGET SHEET

CITY OF SHEBOYGAN
CWFP Project No. 4019-19

	Total Project Costs	Ineligible SDWLP Costs	SDWLP Total Award Amount for this Project
Force Account	$0	$0	$0
Interim Financing Costs	$0	$0	$0
Preliminary Engineering	$100,000	$0	$100,000
Land or Easement Acquisition	$0	$0	$0
Engineering/Construction Mgmt.	$55,000	$0	$55,000
Construction/Equipment	$2,780,828	$0	$2,780,828
Contingency	$123,893	$0	$123,893
Miscellaneous Costs	$6,070	$0	$6,070
SDWLP Closing Costs	$8,000	$0	$8,000
Total	**$3,073,791**	**$0**	**$3,073,791**
Principal Forgiveness Amount (A)			$750,000
Net SDWLP Loan Amount			$2,323,791

A = Principal Forgiveness is calculated and awarded up to 25% of the eligible CWFP Total Award Amount for this Project, with a principal forgiveness cap of $750,000.

EXHIBIT B

LOAN AMORTIZATION SCHEDULE

INTEREST RATES AND PRINCIPAL REPAYMENT SCHEDULE

EXHIBIT C

FORM OF LOAN DISBURSEMENT TABLE

Amount of Disbursement	Date of Disbursement	Series of Bonds	Principal Repaid	Principal Balance
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____

EXHIBIT D

OPERATING CONTRACTS

As of the date of this FAA, the Municipality does not have any contracts with private entities or other governmental units to operate its Sewerage System.

EXHIBIT E

ENVIRONMENTAL IMPROVEMENT FUND
CONTRACT UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE)

MANDATORY PROJECT CLOSEOUT DOCUMENT

Note: This form is authorized by s. NR 162.14(4)(b)4, Wis. Adm. Code. Receipt of this completed form by the Department is mandatory prior to receiving a final disbursement. The information printed on this form is taken from the completed DBE Subcontractor Utilization Form (EPA Form 6100-4). Any changes or additions made to the list of prime contractors and DBE subcontractors during the construction must be reflected on this form at closeout. Personal information collected on this form will be used for program administration and must be made available to requesters as required by Wisconsin Open Records Law (s. 19.31 – 19.39, Wis. Stats.).

Municipality Name: City of Sheboygan Project Number: 4019-19 Loan/Grant Amount: $ 3,073,791
Project Description: Replace medium voltage switchgear at WWTP
Did the municipality satisfy the DBE requirements? X Yes ☐ No (If no, refer to Project Manager Summary Page of the FAA.)

Construction/Equipment/Supplies Contracts	Indicate DBE Type	Type of Product or Service *	Contract Estimate $	Actual Amount Paid to DBE Firm Municipality Completes at Project Closeout
Prime: Altmeyer Electric, Inc.	☐ MBE ☐ WBE ☐ Other X N/A	Electrical	$2,780,828	
Sub: Price & Sons	X MBE ☐ WBE ☐ Other	Electrical	$90,000	
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
				Total MBE $_____ Total WBE $_____ Total Other $_____

Professional/Technical Services Contracts	Indicate DBE Type	Type of Product or Service *	Contract Estimate $	Actual Amount Paid to DBE Firm **Municipality Completes at Project Closeout**
Prime: Strand Associates	☐ MBE ☐ WBE ☐ Other X N/A	Engineering	$132,000	
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
				Total MBE $_____ Total WBE $_____ Total Other $_____

*Type of Product or Service examples: landscaping, trucking, supplies, equipment, paving, concrete, plumbing, electrical, excavating, testing, design, etc.

Name of Person Completing This Form	Email Address	Phone Number

Certification		
I certify that, to the best of my knowledge and belief, the information provided on this form is complete and correct.		
Name/Title of Municipal Official	Signature	Date Signed

EXHIBIT F

PROJECT MANAGER SUMMARY PAGE

CITY OF SHEBOYGAN
CWFP Project No. 4019-19

1. Project Description: This Project will replace aging electrical switch gear at the wastewater treatment plant. New gear that is designed to modern electrical standards will be installed.

2. Ineligible Costs: No ineligible costs were identified in the review of this Project. If the Department identifies ineligible costs as the Project progresses, the Department will notify the Municipality.

3. Contingency Allowance: The Contingency allowance of $123,893 is five percent of the amount of uncompleted construction work adjusted for CME reviewed change orders. The Municipality must obtain CME approval of change orders prior to requesting reimbursement.

Base contingency (Uncompleted construction work x 5%)			$139,042
Contractor	Contract No.	CO No.	
Altmeyer Electric, Inc.	1-2017	1	$(15,149)
Total Contingency Allowance			$123,893

4. Equipment Replacement Fund: The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement schedule developed by the Municipality. Based on review of the equipment replacement fund information in the CWFP application, the annual deposit is estimated at $896,050.

5. DBE Good Faith Efforts: The Municipality and their prime contractor made good faith efforts to obtain DBE participation in the Project. The prime contractor is subcontracting with one MBE, Price & Sons Inc., for approximately $90,000 of work.

6. Use of American Iron and Steel: This Project is subject to the Use of American Iron and Steel (UAIS) requirements of section 608 of the Act.

7. Fiscal Sustainability Plan: The Municipality certified to DNR that a Fiscal Sustainability Plan (FSP) that meets the requirements of section 603(d)(1)(E) of the Act has been developed and that the plan will be maintained at least for the life of the Loan.

8. Miscellaneous Costs: $6,070 of Project Costs are included on the Miscellaneous line of the budget (Exhibit A) for geotechnical services.

EXHIBIT G

FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

[Prepare on Municipal Letterhead at Project Completion and Closeout]

The undersigned officials of the City of Sheboygan (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 4019-19 (the "Project"), the Municipality has met the prevailing wage rate requirements of the Davis-Bacon Act.

The Municipality further certifies that, after taking into account any national or project-specific waivers approved by the U.S. Environmental Protection Agency, DNR Project No. 4019-19 has met the requirements for the Use of American Iron and Steel contained in section 608 of the Federal Water Pollution Control Act, as amended.

The Municipality further certifies that a Fiscal Sustainability Plan meeting the requirements of section 603(d)(1)(E) of the Federal Water Pollution Control Act, as amended, has been completed for the treatment works and that the plan will be maintained at least for the life of the CWFP Loan for the Project.

The above certification is determined, after due and diligent investigation, to be true and accurate to the best of my knowledge.

By: _____ Dated as of: _____
[Name of Municipal Official or
Authorized Representative]
[Title]

Attest: _____ Dated as of: _____
[Name of Clerk or Secretary]
[Title]

III

Res. No. ____ - 19 - 20. By Alderpersons Wolf and Donohue.
December 2, 2019.

A RESOLUTION adopting the final River Bend Neighborhood Master Plan.

RESOLVED: That the Common Council hereby adopts the final River Bend Neighborhood Master Plan, a copy of which is attached hereto and incorporated herein.

_____

_____

Flip over

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



RIVER BEND NEIGHBORHOOD PLAN

CITY OF SHEBOYGAN

Source: Google

November 20, 2019



GRĀEF

Executive Summary 4

Neighborhood Goals 5

Introduction and Context 7

Community Feedback 19

Recommendations 23

Infrastructure Investments 23

Redevelopment Opportunities 33

Housing and Community Resources 47

EXECUTIVE SUMMARY

The River Bend Neighborhood Plan compiles an action plan of 12 recommendations related to the future growth and stability of the mixed-use neighborhood as the land use of several key sites transitions from industrial uses to commercial and residential. Upon approval by the Common Council, these recommendations may be used by the Council, city staff and departments or key community organizations to guide redevelopment opportunities in the neighborhood.

INFRASTRUCTURE

1. Provide streetscape amenities along N. 14th Street.
2. Improve pedestrian crossings on N. 14th Street.
3. Reconstruct N. Commerce Street.
4. Secure public access to and alongside Sheboygan River.
5. Support river activities inclusive of soft boat launches, non-motorized recreation, and cross-river connections.

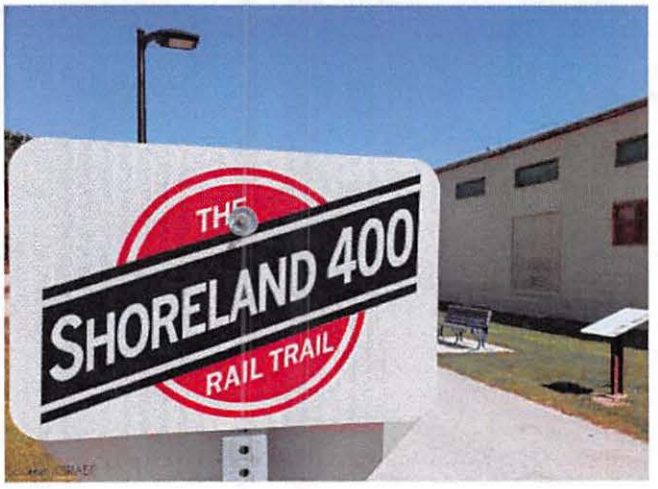
REDEVELOPMENT

1. As opportunities present themselves, consider amending zoning and future land use maps for River Bend neighborhood.
2. Support development opportunities at catalytic sites within neighborhood.



HOUSING POLICY & PROGRAMS

1. Encourage rehabilitation of River Bend's one- and two-family housing stock to boost curb appeal, property values, property maintenance, and neighborhood confidence.
2. Support the ongoing rehabilitation of the commercial properties in River Bend.
3. Facilitate historic rehabilitation and adaptive retrofits of the existing structures - residential and commercial in River Bend.
4. Identify and capitalize on opportunities to create coworking, start-up incubator and/or live-work spaces.





▲ Historic aerial image of the neighborhood.

NEIGHBORHOOD GOALS

1 SUPPORT REDEVELOPMENT OPPORTUNITIES

A. Invest in infrastructure to support catalytic projects

B. Establish appropriate areas for mixed-use and higher density land uses

2 CREATE SAFE AND ATTRACTIVE NEIGHBORHOOD CONNECTIVITY

A. Provide streetscape amenities

B. Implement traffic calming measures

C. Expand existing pedestrian and bicycle network with connections across Sheboygan River

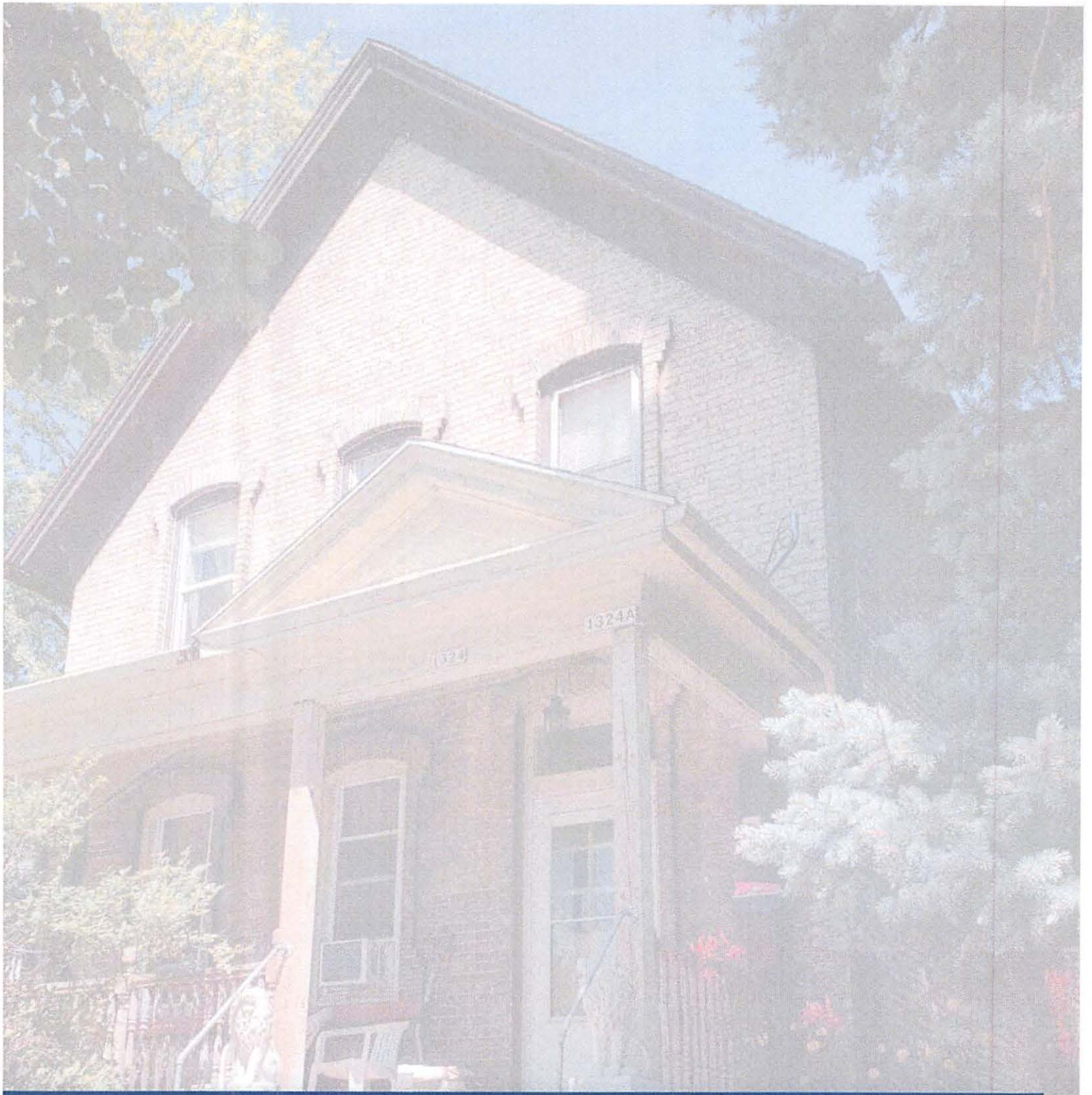
3 ATTRACT INVESTMENT AND SENSE OF PRIDE IN THE NEIGHBORHOOD

A. Provide programs and resources for property owners

B. Promote homeownership

4 ESTABLISH A NEIGHBORHOOD IDENTITY

A. Combine the existing natural and built environment character with future redevelopment and infrastructure improvements to create a unique neighborhood look and feel



CHAPTER 1

INTRODUCTION AND CONTEXT

Source: GRAEF

INTRODUCTION

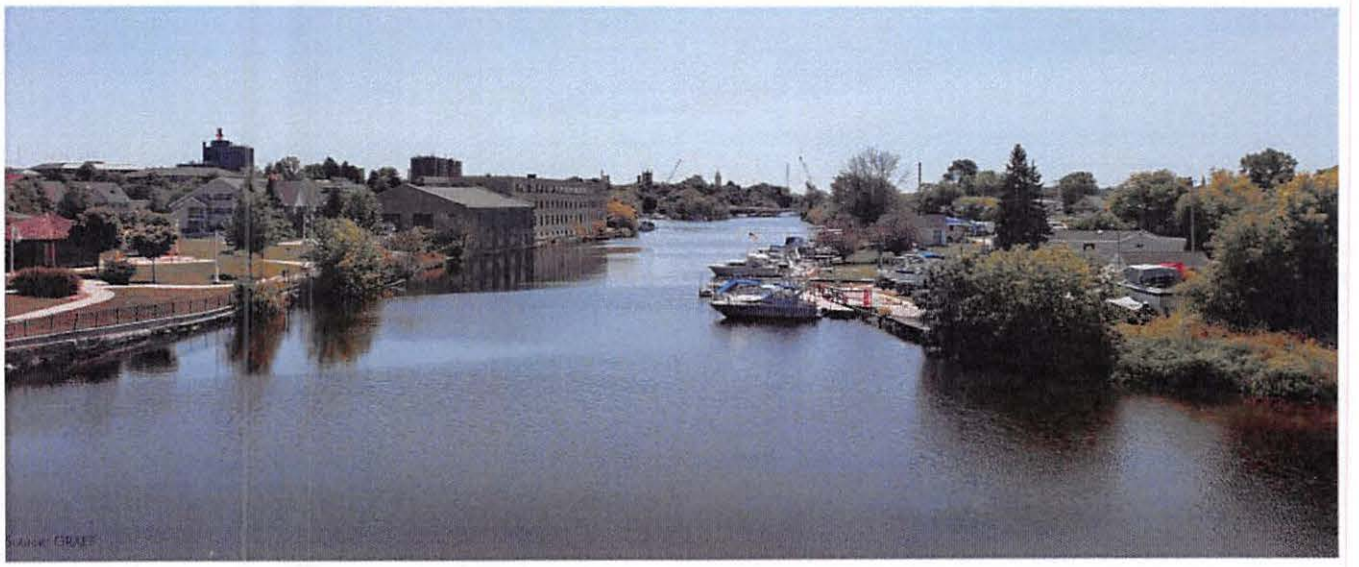
The River Bend neighborhood has undergone changes of late, seeing the decline of industrial uses along the Sheboygan River and an interest in redevelopment. The City of Sheboygan commissioned this master plan to provide a tool to guide the changes underway, provide support for the residential neighborhood, provide guidance on regulations to support the future vision, unlock riverfront opportunities, and re-imagine the riverfront.

The River Bend neighborhood is defined as the area south of the Sheboygan River and north of Pennsylvania Avenue for the purposes of this report. N. 14th Street runs north-south and carries over 16,000 vehicles per day on average, and is one of the most highly-trafficked corridors in the city. This gives the area high visibility but also creates a condition where a major four-lane arterial bisects a single-family residential neighborhood. From a multi-modal standpoint this neighborhood is one of the most connected in the city, boasting a multi-purpose trail that connects to the regional Interurban Trail just across the river, connected by a trestle bridge. The Shoreline Metro bus system provides bus service to amenities with Route 10 North, and it is a short 5-minute walk across the Pennsylvania Avenue bridge to be in the heart of downtown.

The area that is undergoing significant change is the industrial edge of the river along N. Commerce Street. The former Mayline plant recently ceased operations. This facility creates a major impression as it dominates almost 800 feet of river frontage. The City of Sheboygan Redevelopment Authority recently acquired three parcels along the river adjacent to the plant, creating a redevelopment opportunity site of 4.5 acres. In addition, there are several vacant or underutilized properties in proximity to this site. The N. Commerce Street corridor has a turn-of-the century industrial feel, with its brick roadway, industrial brick buildings, arch-topped windows, and faded painted signs on the sides of buildings.

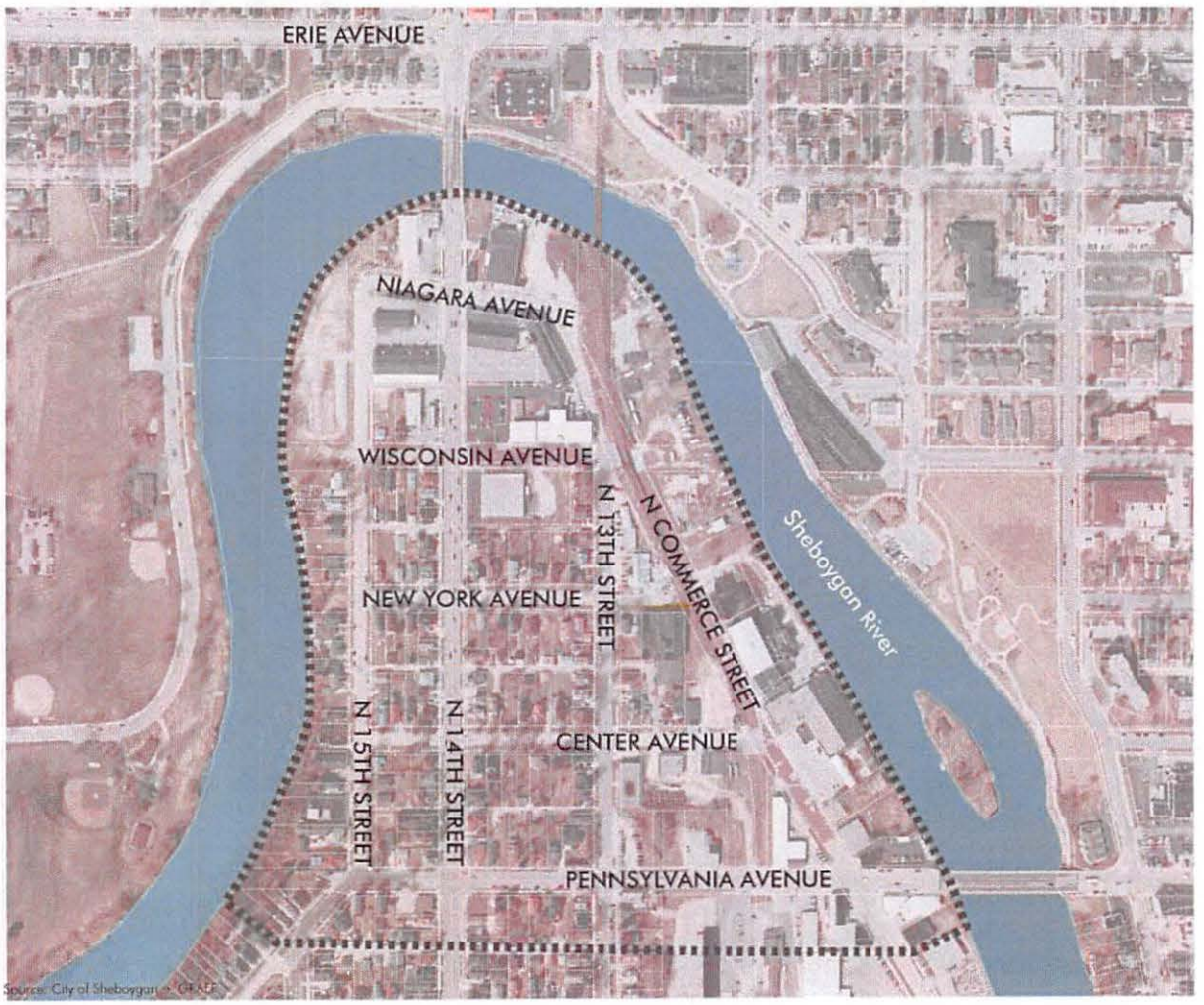
The process involved two public meetings to listen and share ideas with the neighborhood residents, property owners and business owners. The information generated at the meetings are contained within the Community Feedback section and have been integrated into the vision and goals of this plan. Additional data collection and technical support came from the City of Sheboygan.

Following a brief discussion of the context, this plan includes background and details on each of the 12 recommendations in infrastructure, redevelopment and housing. Together, it creates a new vision for a dynamic riverfront community with a neighborhood commercial mix and a variety of housing types to welcome home a diversity of residents.

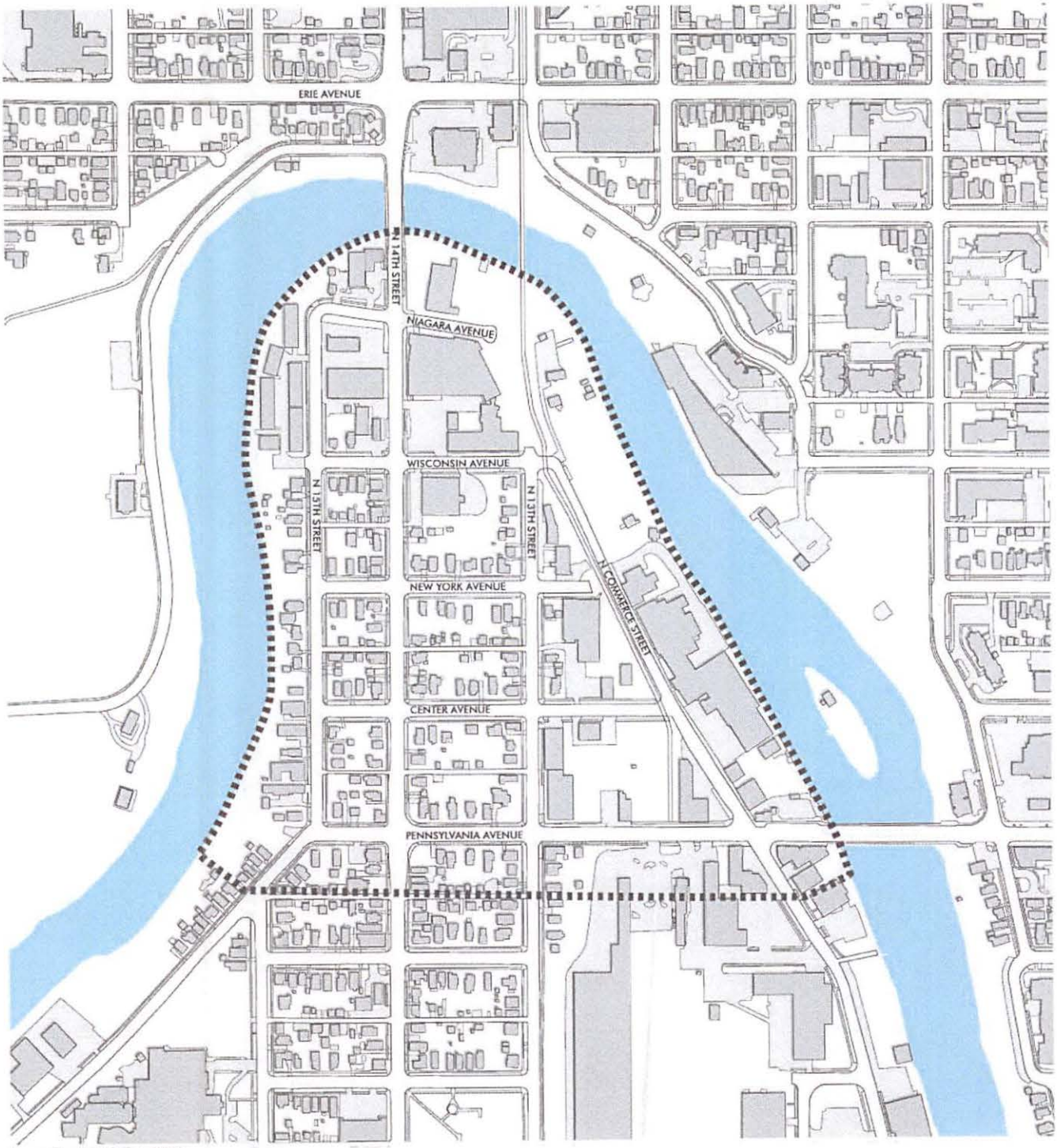


Neighborhood Map





Neighborhood Map: Existing Streets, Buildings, and Parking



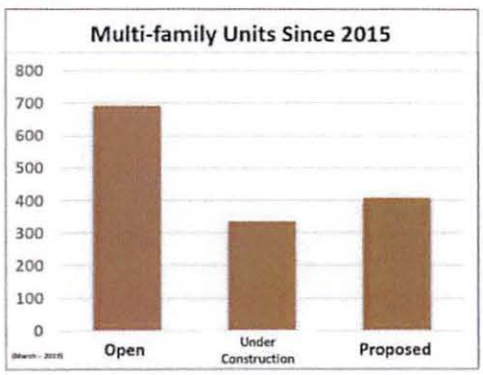
Source: City of Sheboygan + GRAEF

Sheboygan and Surrounding Community Amenities



LEGEND

- Housing
- Retail / Commercial
- Medical
- Employment



Source: Sheboygan County Economic Development Corporation

Demographic Trends

River Bend Neighborhood

Key Facts

325
Population

30.4
Median Age

2.7
Average Household Size

$31,807
Median Household Income

Business



24
Total Businesses



268
Total Employees

Income



$31,807
Median Household Income



$14,203
Per Capita Income



$13,545
Median Net Worth

City of Sheboygan

Key Facts

49,550
Population

38.0
Median Age

2.4
Average Household Size

$47,950
Median Household Income

Business



2,016
Total Businesses



32,476
Total Employees

Income



$47,950
Median Household Income



$24,737
Per Capita Income



$63,077
Median Net Worth

River Bend Neighborhood / City of Sheboygan

Race & Ethnicity

River Bend Neighborhood					City of Sheboygan			
Census 2010		2019			Census 2010		2019	
Number	Percent	Number	Percent	Race and Ethnicity	Number	Percent	Number	Percent
220	65.9%	190	58.6%	White Alone	40,897	82.6%	38,490	77.7%
12	3.6%	16	4.9%	Black Alone	887	1.8%	1,335	2.7%
7	2.1%	9	2.8%	American Indian Alone	246	0.5%	295	0.6%
58	17.4%	66	20.4%	Asian Alone	4,447	9.0%	5,493	11.1%
0	0.0%	0	0.0%	Pacific Islander Alone	12	0.0%	17	0.0%
28	8.4%	32	9.9%	Some Other Race Alone	1,770	3.6%	2,197	4.4%
9	2.7%	11	3.4%	Two or More Races	1,259	2.5%	1,724	3.5%
64	19.2%	73	22.5%	Hispanic Origin (Any Race)	4,870	9.8%	5,978	12.1%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019

Education

River Bend Neighborhood



City of Sheboygan



Employment





Households by Income

Households By Income

The largest group: $25,000 - $34,999 (35.0%)
The smallest group: $150,000 - $199,999 (0.0%)

Indicator	Value	Difference
<$15,000	14.2%	+7.3%
$15,000 - $24,999	9.2%	+0.2%
$25,000 - $34,999	35.0%	+23.2%
$35,000 - $49,999	22.5%	+8.9%
$50,000 - $74,999	13.3%	-8.5%
$75,000 - $99,999	4.2%	-11.9%
$100,000 - $149,999	2.5%	-10.8%
$150,000 - $199,999	0.0%	-4.4%
$200,000+	0.0%	-3.1%

Bars show deviation from Sheboygan County

Households By Income

The largest group: $50,000 - $74,999 (22.3%)
The smallest group: $200,000+ (1.3%)

Indicator	Value	Difference
<$15,000	9.5%	+2.6%
$15,000 - $24,999	11.9%	+2.9%
$25,000 - $34,999	14.3%	+2.5%
$35,000 - $49,999	15.9%	+2.3%
$50,000 - $74,999	22.3%	+0.5%
$75,000 - $99,999	13.2%	-2.9%
$100,000 - $149,999	9.5%	-3.8%
$150,000 - $199,999	2.1%	-2.3%
$200,000+	1.3%	-1.8%

Bars show deviation from Sheboygan County

Source: This infographic contains data provided by Esri, Esri and Infogroup. The vintage of the data is 2019.

Housing Tenure & Status

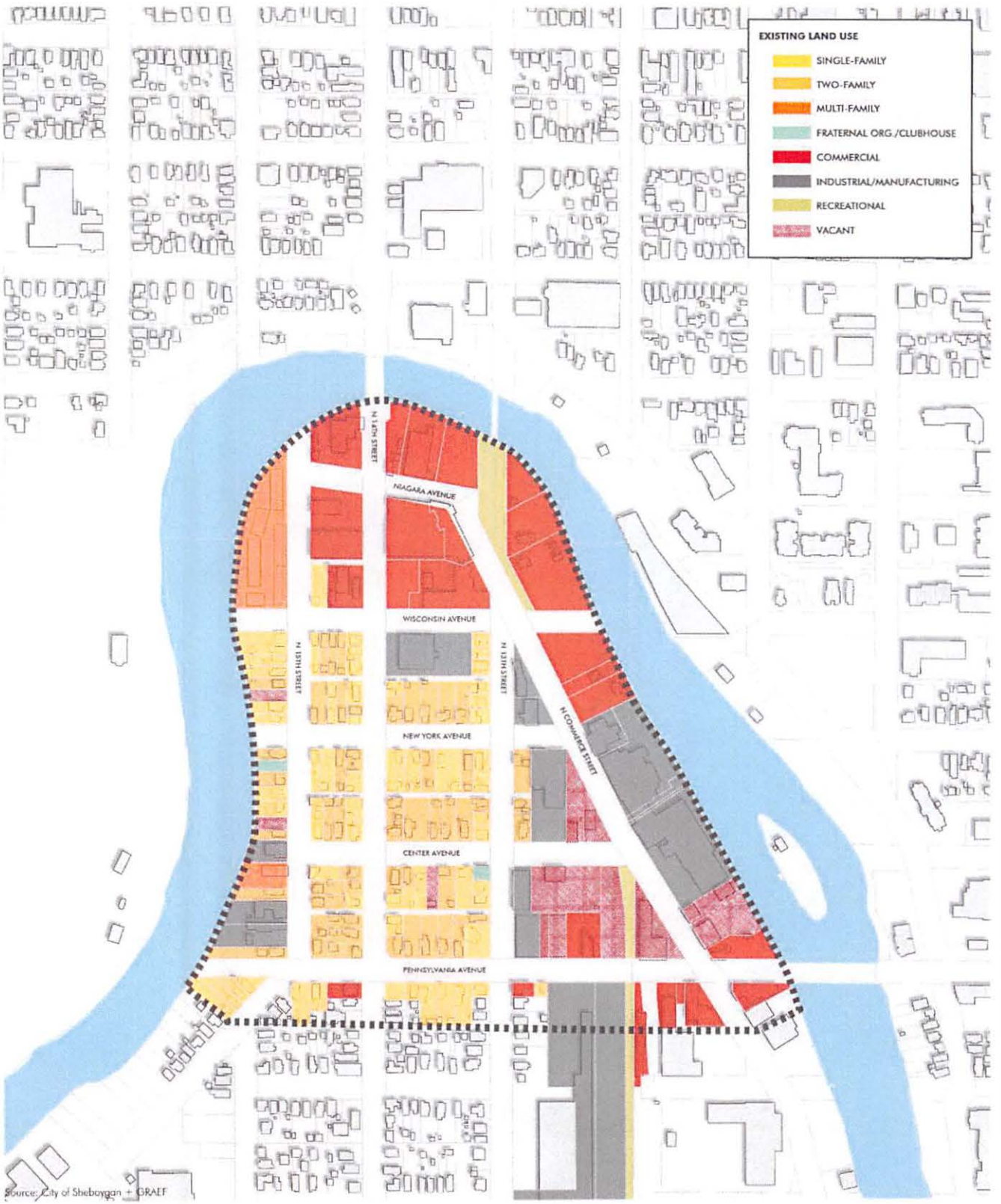
River Bend Neighborhood

Census 2010		2019			Census 2010		2019	
Number	Percent	Number	Percent	Housing Units by Occupancy	Number	Percent	Number	Percent
142	100.0%	142	100.0%	Total Housing Units	142	100.0%	142	100.0%
122	85.9%	120	84.5%	Occupied	122	85.9%	120	84.5%
50	35.2%	45	31.7%	Owner	50	35.2%	45	31.7%
72	50.7%	75	52.8%	Renter	72	50.7%	75	52.8%
20	14.1%	22	15.5%	Vacant	20	14.1%	22	15.5%

City of Sheboygan

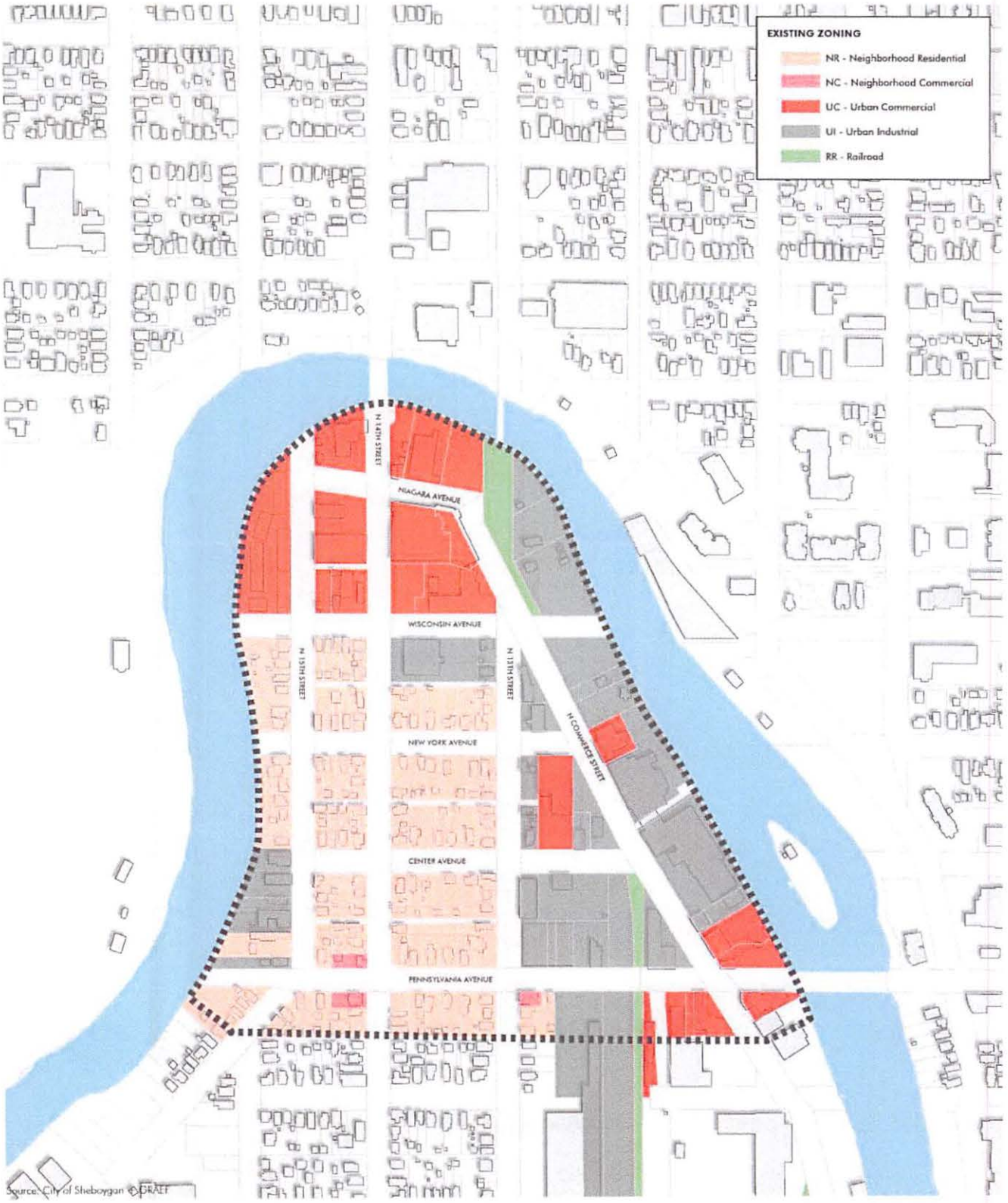
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019

Neighborhood Existing Land Use



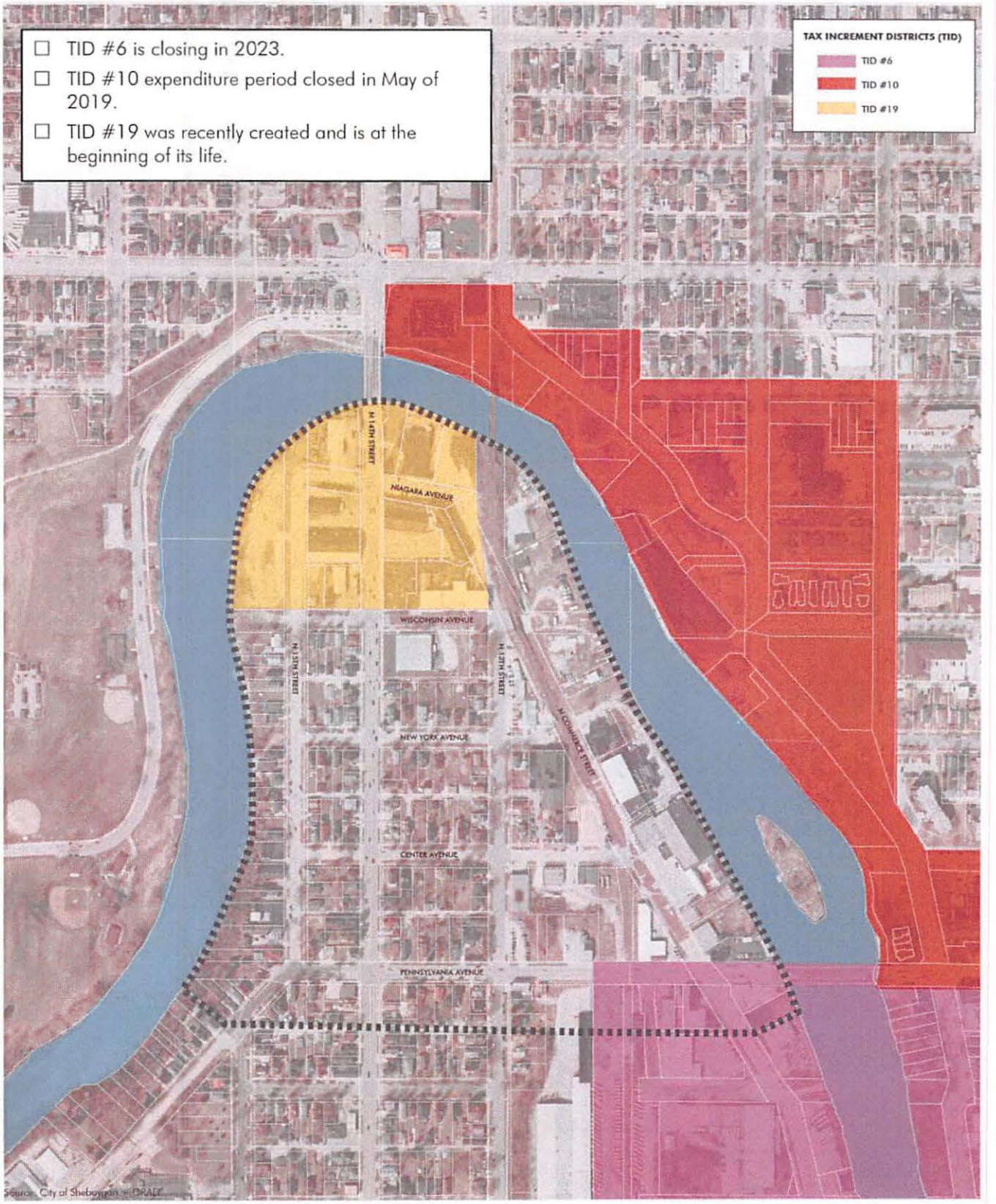
Source: City of Sheboygan + GRAEF

Neighborhood Existing Zoning

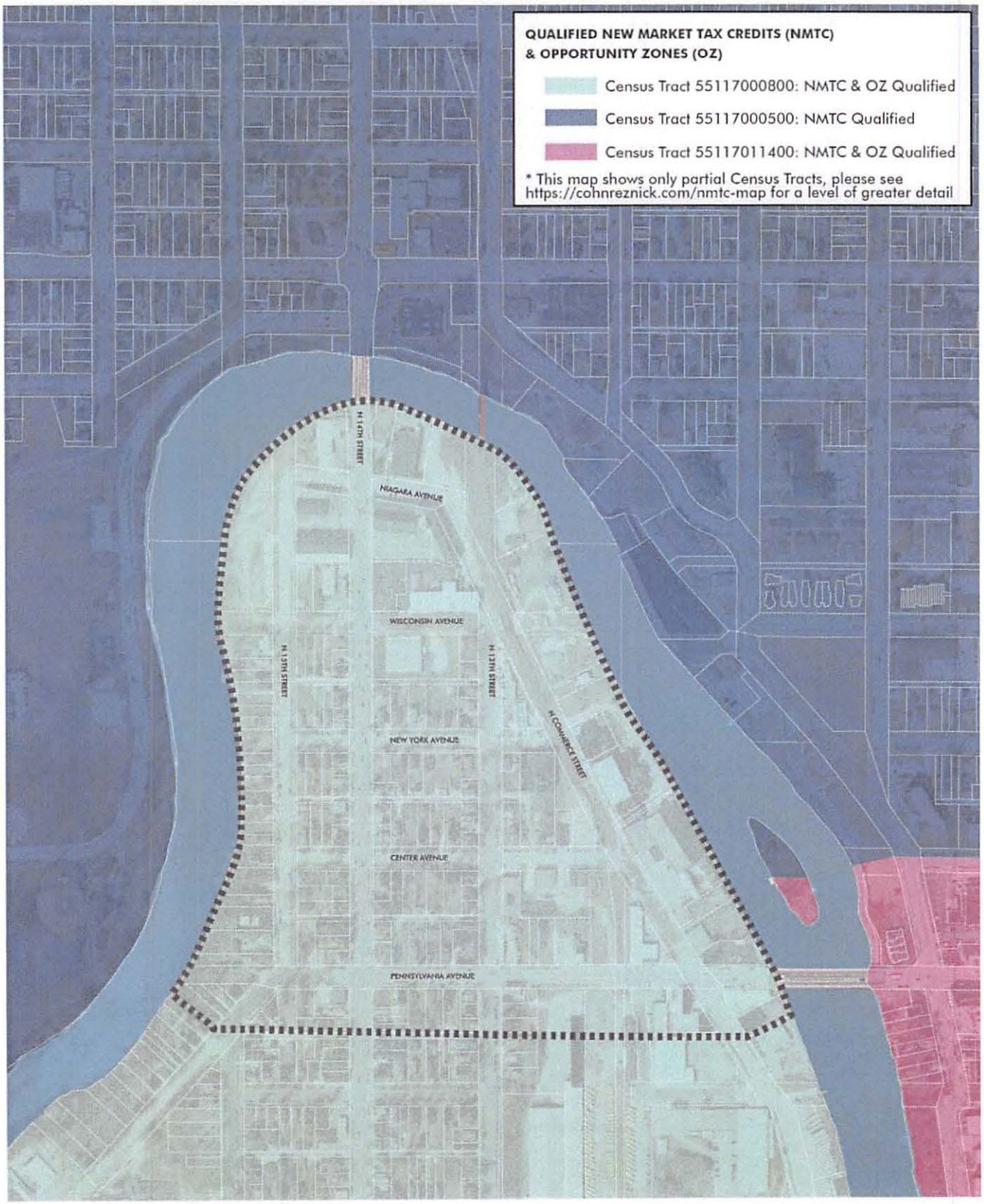


Source: City of Sheboygan © DRAFT

Current Tax Increment Districts



New Market Tax Credit & Opportunity Zone Qualified Census Tracts

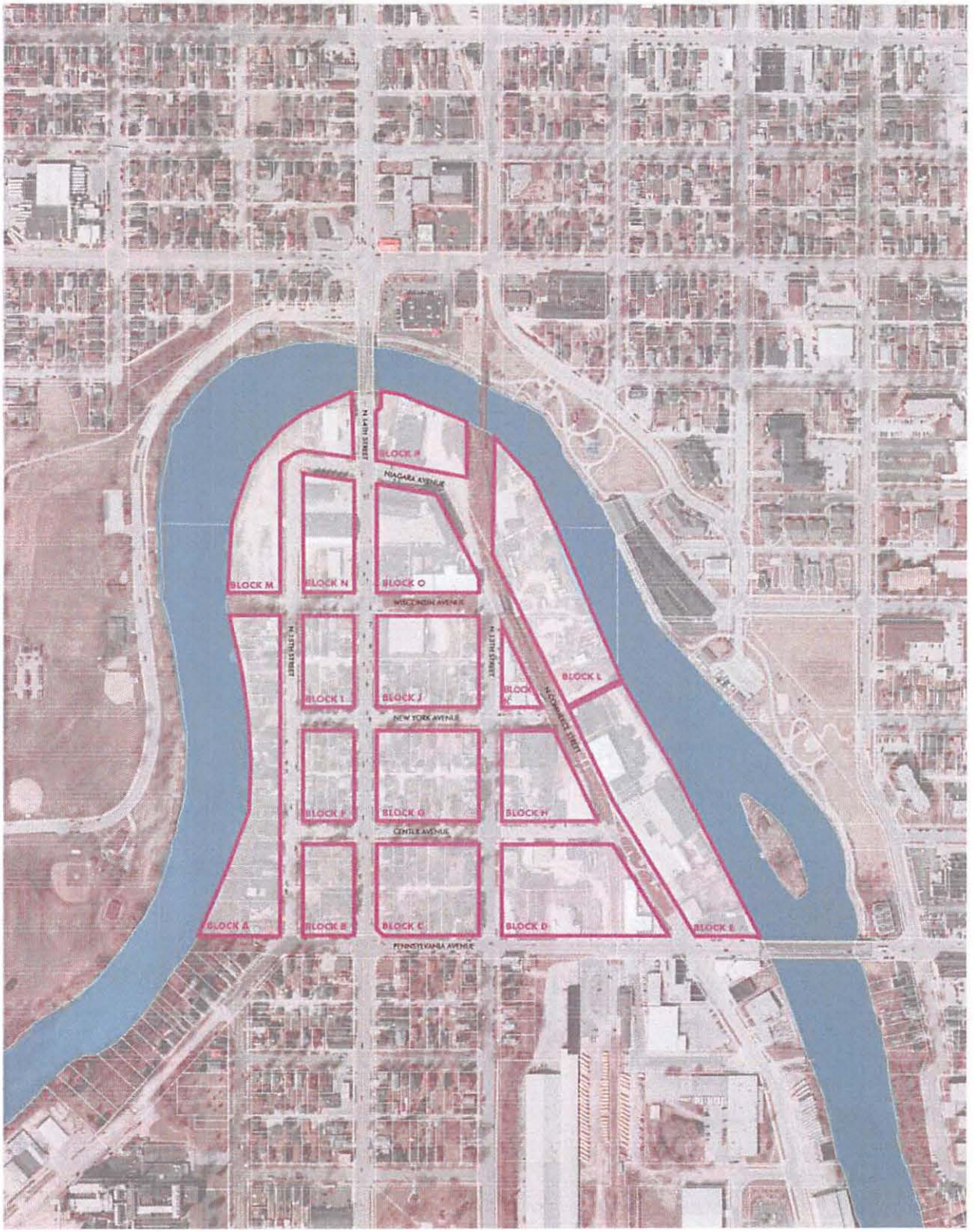




CHAPTER 2

COMMUNITY FEEDBACK

Source: GRAEF



BLOCK IDENTIFICATION

RIVER BEND NEIGHBORHOOD REDEVELOPMENT PLAN

0 50 100 200

05.29.2019

GRĒEF

COMMUNITY FEEDBACK

The planning process for the River Bend Neighborhood Plan included a public process to receive feedback and share potential ideas for the future of the River Bend neighborhood. This included two community meetings on June 20, 2019 where 22 local residents and property owners attended. The final draft plan was shared with the community on August 22, 2019 where 12 neighborhood stakeholders attended. The following pages include a summary of comments received from neighborhood stakeholders. This feedback has been integrated into the recommendations for the River Bend neighborhood in this Plan.



▲ Community members gather in Kiwanis Park on August 22, 2019 to review the draft Plan and share feedback

General

- ☐ Invest in infrastructure first
- ☐ Provide rowing and kayaking infrastructure (soft launch and river trail amenities)
- ☐ Provide residential units for working class, low income families/individuals (meet growing needs for rental housing)
- ☐ Provide streetscaping amenities and traffic calming measures to bring more identity to N. 14th Street and improve connectivity and walkability
- ☐ Slow traffic through the neighborhood in general
- ☐ Consider dedicating a percentage of affordable units
- ☐ Small pocket park needed (perhaps a riverwalk / linear park on the east side could serve this role)

North End (Blocks M, N, O, P)

- ☐ Pedestrian crosswalk enhancements at Niagara Avenue and N. 14th Street – issues with the intersection at peak times (and with the technical campus moving in, there will be increased interest in crossing N. 14th Street to get to the coffee shop)
- ☐ Niagara Avenue is narrow with parked cars – sometimes congested when trying to travel eastbound and turn left
- ☐ Shared parking between coffee shop and property south of Niagara Avenue – eliminate street parking on Niagara Avenue?
- ☐ Enhance artist and small business space in underutilized buildings

East Side / N. Commerce Street (Blocks K, L, H, D, E)

- ☐ Opportunity for higher density multifamily housing along the river (all sites) with some experiential retail / commercial if appropriate. (Note: experiential retail is a retail space that offers amenities beyond a typical shopping experience such as a cafe, music, or demonstrations.)
- ☐ Make the east side walkable to open access to the river and connect to the pedestrian bridge off of N. Commerce Street and further south to continue to Riverwalk
- ☐ Consider the historical value in block E (suitable for redevelopment or floors forgone and ceilings too low?)
- ☐ Contamination on Block D
- ☐ Island off of Block E – what can be done here in coordination with the existing club that manages the island
- ☐ Housing accessible to all communities – poor, working-class, undocumented, youth
- ☐ Create a riverwalk/linear park area

Center Core of River Bend (Blocks I, J, F, G, B, C)

- ☐ Physical improvements desired for houses and yards
- ☐ Market existing resources to property owners to make improvements
- ☐ Code enforcement to bring up quality of housing stock
- ☐ Consider an exterior home improvement program for the neighborhood
- ☐ Center Avenue needs improvement
- ☐ Traffic calming on N. 14th Street to aid with street crossing and slow traffic for commercial

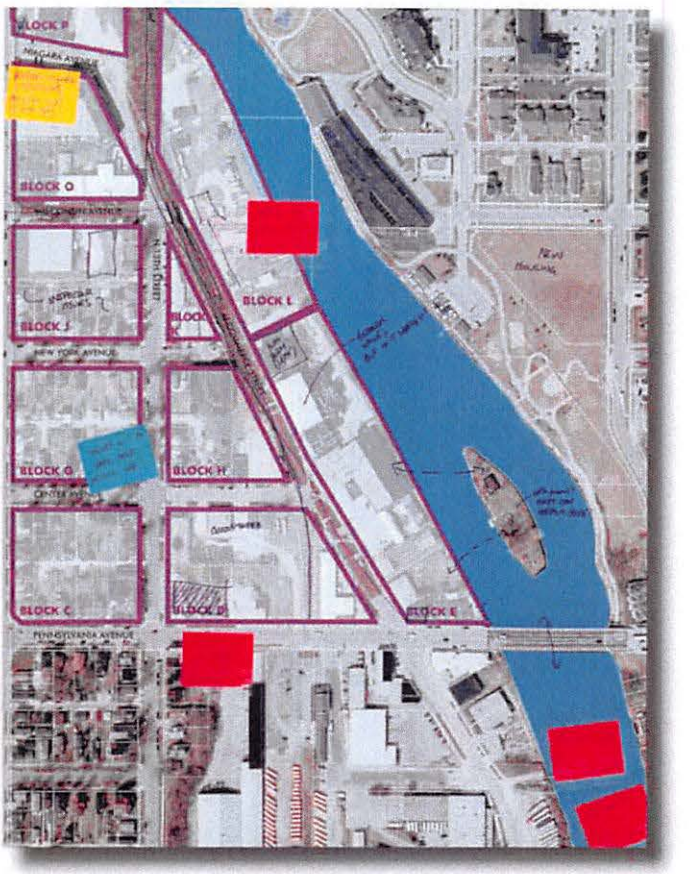
West Side / N. 15th Street (Blocks M & A)

- ☐ Traffic calming on N. 15th Street to slow traffic
- ☐ Enhance intersection of N. 15th Street and Pennsylvania Avenue to improve safety
- ☐ Create a raised intersection along N. 15th Street to calm traffic that cuts through the neighborhood here



▼ Feedback by community stakeholders are detailed in the summary of this section.







CHAPTER 3

INFRASTRUCTURE INVESTMENTS

Source: GRAEF

CHAPTER 3: INFRASTRUCTURE INVESTMENTS

RECOMMENDATIONS

3.1 Streetscaping

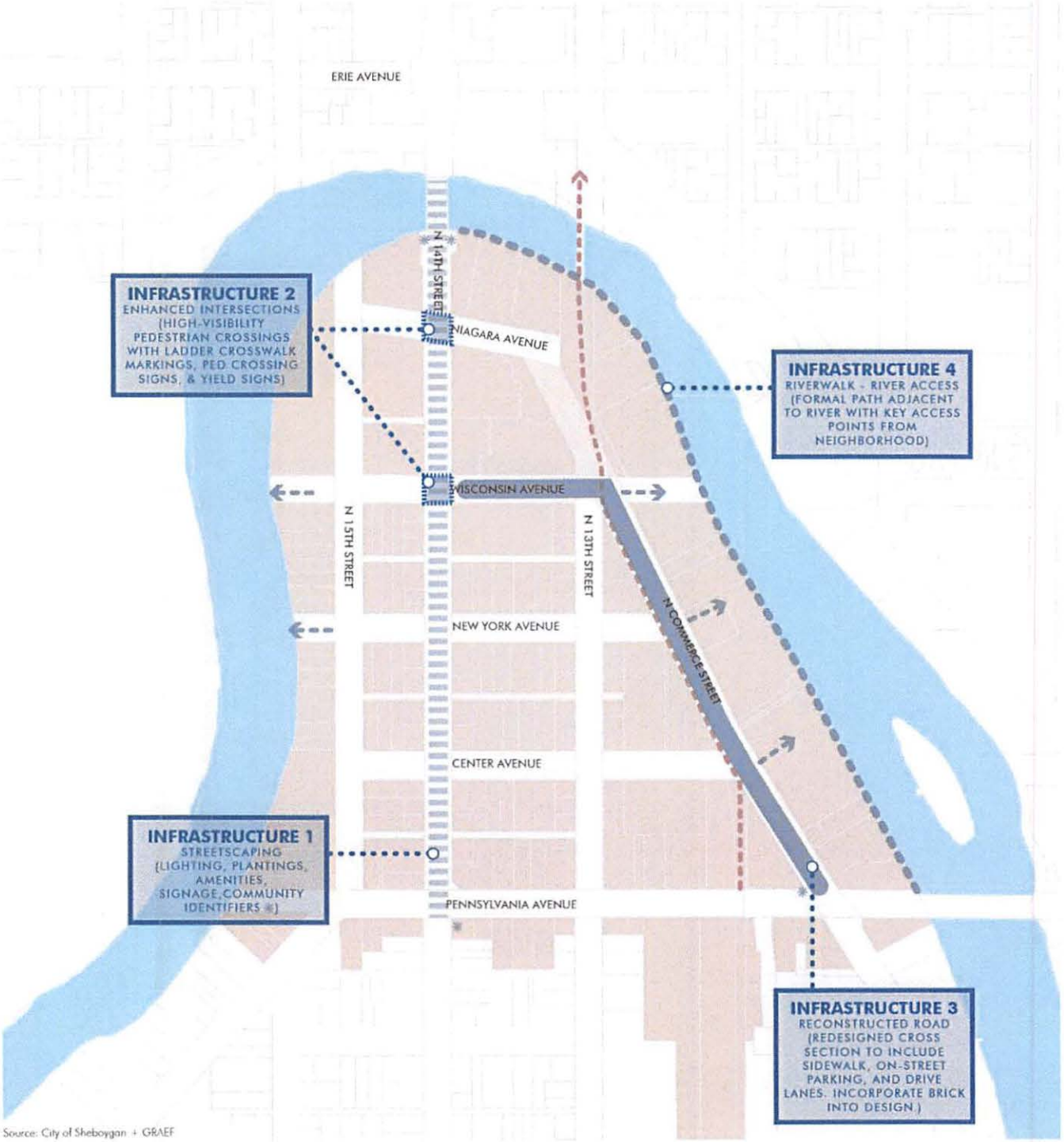
3.2 Crossing Enhancements on N. 14th Street

3.3 N. Commerce Street

3.4 River Access & Riverwalk on East Side

3.5 River Activities

INFRASTRUCTURE INVESTMENTS



Source: City of Sheboygan + GRAEF

Project 3.1
Streetscaping

Streetscape design is a critical tool that can be used to improve the overall appearance of a neighborhood. Implementation of streetscape elements along N. 14th Street would create the largest impact because of its high visibility. Streetscape elements such as decorative LED lighting and poles, banners, planters, seating, kiosks, litter receptacles, and other amenities should be explored for possible placement along N. 14th Street.

Additionally, community identifiers should be explored for the neighborhood. These are sculptural elements within a streetscape that seek to bring a unique identity to an area or corridor. Community identifiers can come in a variety of scales from large, gateway markers to smaller elements such as pole banners. In an effort to mark the key entrances into the River Bend Neighborhood, gateway markers could be located at the north and south ends of N. 14th Street. Gateway markers may also serve as gathering places for pedestrians. An example of this could be at the southeast corner of N. 14th Street and Pennsylvania Avenue. A small, city-owned space exists that could house a gateway marker, seating elements, and plantings.







- Community identifier examples that combine gateway signage with landscape and seating elements (top two images); Streetscape amenities can be focused at each intersection along N. 14th Street that could include plantings, specialty paving, benches, and litter receptacles (bottom image example).

Project 3.2

Crossing Enhancements on N. 14th Street

N. 14th Street is the prominent infrastructure element within the River Bend neighborhood. The roadway is a principal arterial, a designated state highway (STH 28), and sees an average daily traffic count of over 16,000 vehicles (2017 AADT). The roadway runs north-south through the entire neighborhood and acts as a physical barrier between the east and west sides. The highway is a 4-lane configuration with no on-street parking. While the posted speed limit is 25 MPH, community feedback identified speeding as a commonality along the roadway.

The state highway designation makes physical traffic calming interventions such as curb bump outs, raised intersections, or intersection medians unlikely. The city should implement high-visibility pedestrian crossings at the intersections of Niagara Avenue and Wisconsin Avenue. The images included on this page identify ladder crosswalk markings combined with Manual on Uniform Traffic Control Devices (MUTCD) recommended signage for pedestrian crossings.





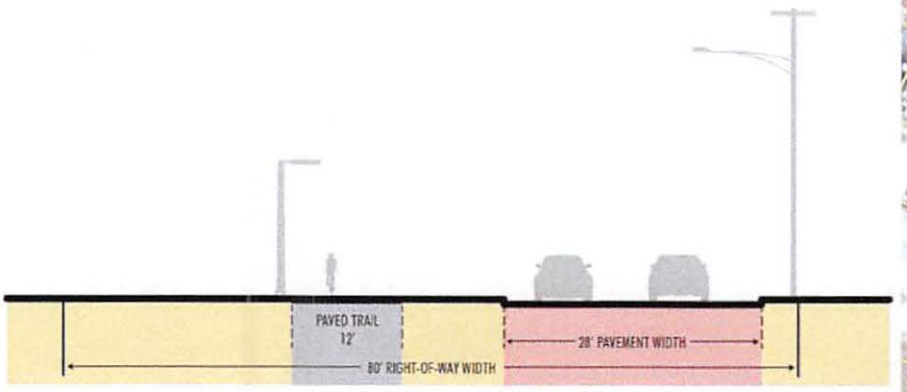


▲ Signage to locate at Wisconsin Avenue and Niagara Avenue along with ladder crosswalk markings as shown in the aerial map to the right.

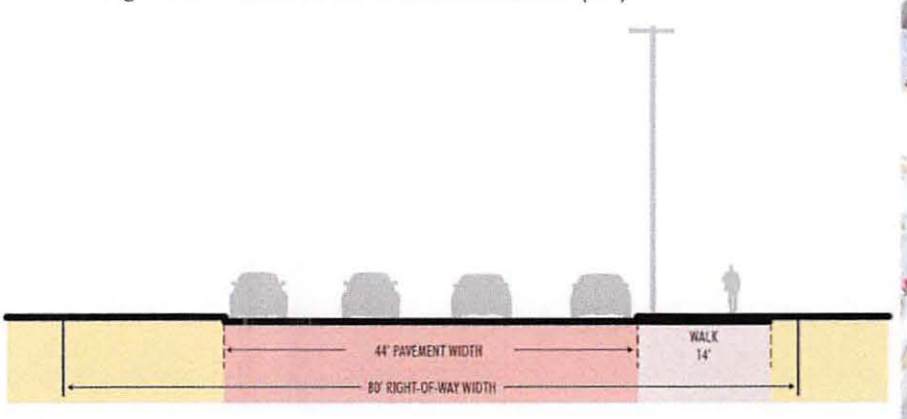
Project 3.3

N. Commerce Street

The images included on this page show the existing configuration of N. Commerce Street. The existing cross section varies along the entire stretch of the roadway, with portions of the paved area wider than others, sidewalks/walking paths in some areas and not others, and sporadic lighting placement. The road itself includes remnants of brick pavers, but the entire roadway surface is in dire need for a complete reconstruction. With the proposed land use changes identified in this plan surrounding N. Commerce Street, investment should be made to reconstruct the roadway as a complete street with clear delineation of pedestrian, bicycle, and vehicular elements. The city should explore the existing overhead utility lines and the possibility of burying the lines as part of the roadway reconstruction. The following pages show proposed cross-sections and possible brick paver solutions for the redesigned roadway.

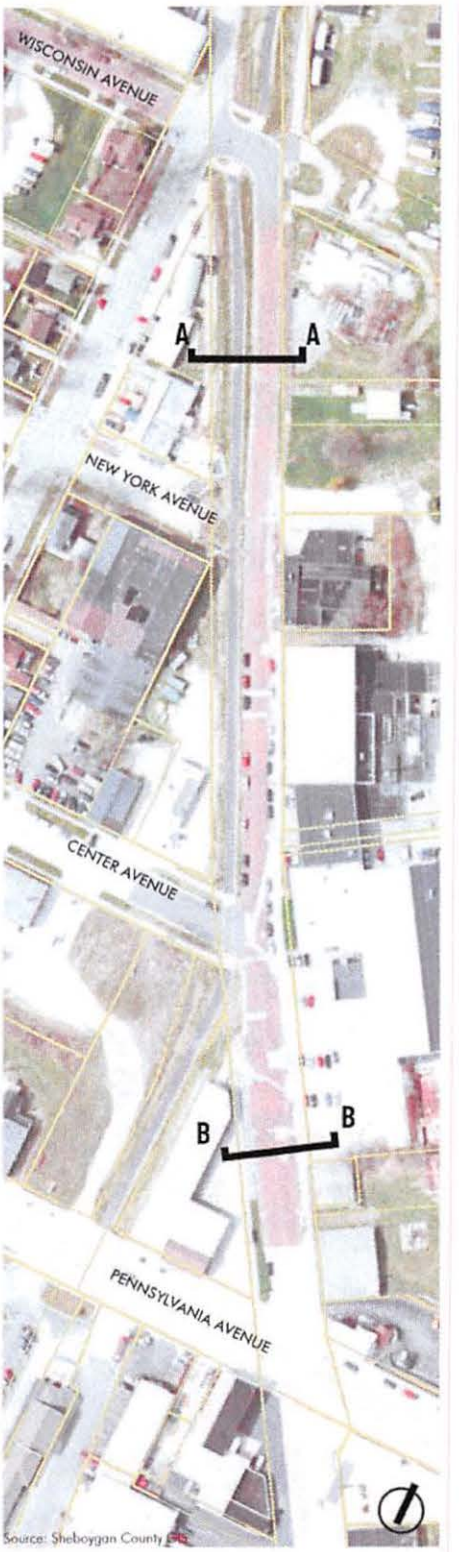


▲ Existing cross section of N. Commerce Street (AA)

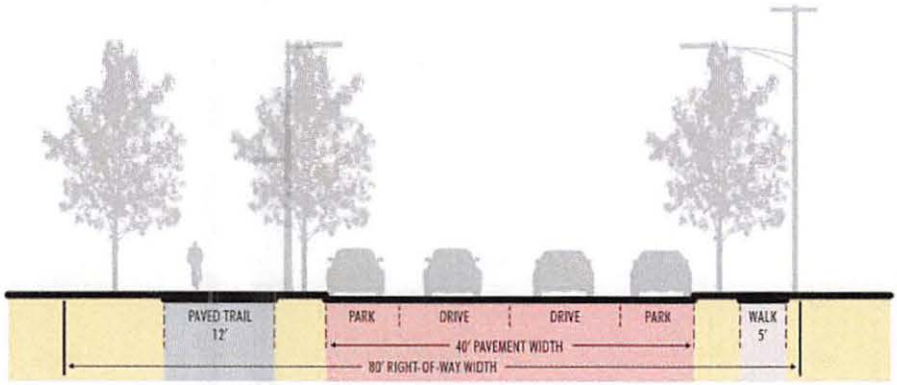


▲ Existing cross section of N. Commerce Street (BB)

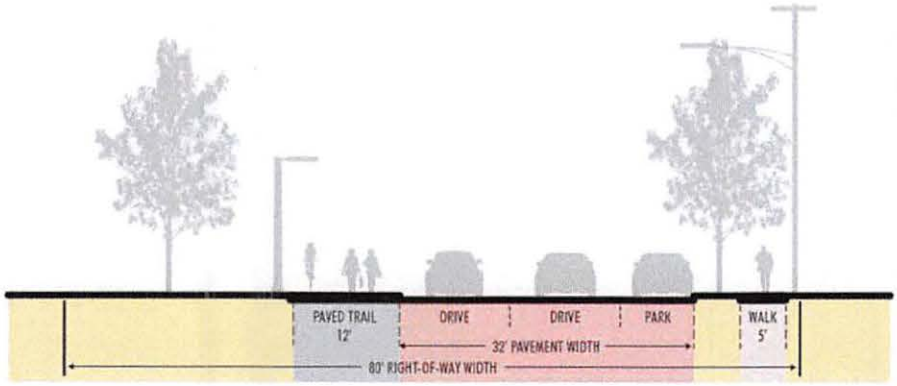
Source: GRAEF



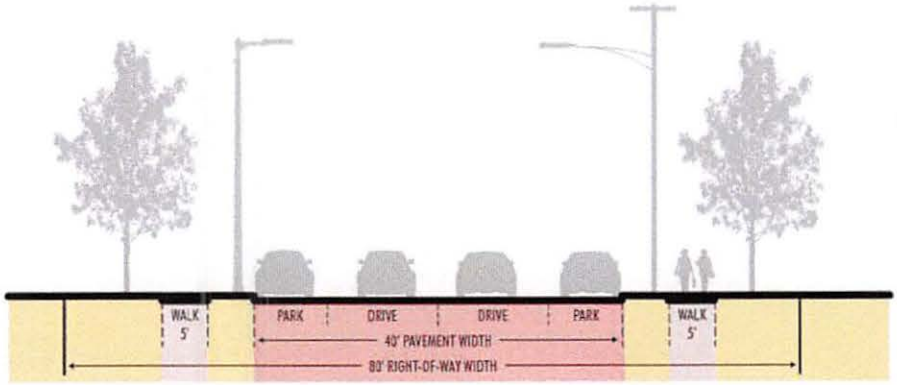
Source: Sheboygan County



▲ Proposed cross section of N. Commerce Street (AA)
Alternate 1: Shift trail west to accommodate on-street parking lane



▲ Proposed cross section of N. Commerce Street (AA)
Alternate 2: Retain trail in existing location



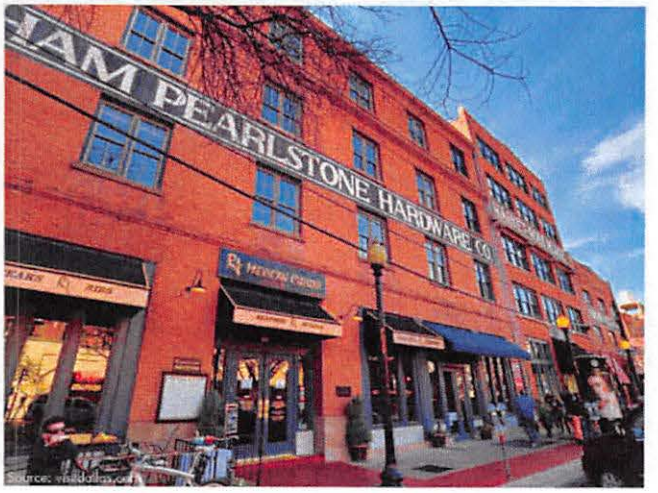
▲ Proposed cross section of N. Commerce Street (BB)

Source: ORAEF



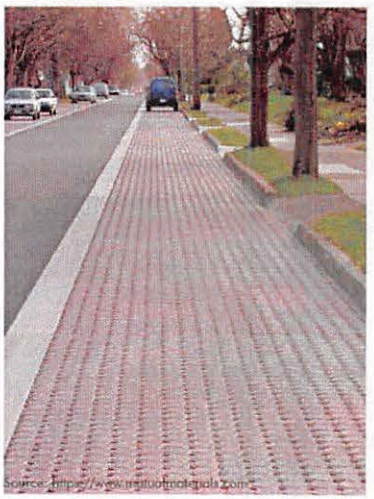
▲ Proposed design of
N. Commerce Street

- Brick paver sidewalk solution. Existing brick from N. Commerce Street could be re-used for new sidewalks.







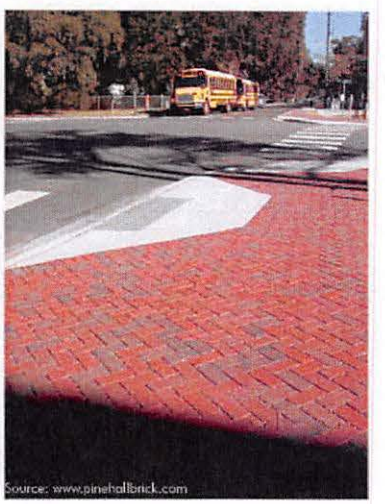




- Brick paver on-street parking lane solution. Existing brick from N. Commerce Street could be re-used within the roadway parking areas.

- Brick paver intersection solution. Existing brick from N. Commerce Street could be re-used for new intersections including crosswalks or pedestrian landings.





Project 3.4

River Access & Riverwalk on East Side

The River Bend neighborhood is positioned with ample riverfront opportunities along the Sheboygan River. Connections within the city, and along a larger multi-jurisdictional trail, exist with the Shoreland 400 Rail Trail and the Interurban Trail, both former rail corridors. In addition, the riverfront along the catalytic sites provides an opportunity to create a riverfront loop from Pennsylvania Avenue to the trestle bridge. This new riverwalk would have a more urbanized design language creating a more formal experience. This is in contrast to other more park-like riverfront experiences in other parts of the city. This new riverwalk would create an amenity space, connect the new residential neighborhood into the downtown, and have a unique design aesthetic in keeping with this new, vibrant neighborhood.

The Shoreland 400 Rail Trail runs through the River Bend neighborhood along N. Commerce Street. The trail is a 12' wide multi-purpose trail constructed on a former rail corridor that runs from Pennsylvania Avenue and crosses the Sheboygan River on a rail trestle bridge. From there it continues as far north as North Avenue. This link connects neighborhoods, employers and entertainment destinations, and a southern expansion is planned.

The Sheboygan Interurban Trail lies across the Sheboygan River from the neighborhood. The trail runs along the lakefront, through downtown, and along the river across from River Bend in segments of on-road and off-road facilities. The trail spans from the Ozaukee-Sheboygan County line, and connects Kohler, Sheboygan Falls, and Plymouth.







Project 3.5
River Activities

Non-motorized river recreation is a growing activity in urban environments. Residents and tourists are interested in exploring cities via river transportation. Outdoor companies are capitalizing on this demand through kayak, canoe, paddleboard, and paddle boat rental opportunities in different cities. The River Bend neighborhood should look to support non-motorized river activities at multiple public access points in the neighborhood. This should include the provision of a soft boat launch on the east side of the neighborhood, possibly within the Wisconsin Avenue publicly-owned right-of-way (ROW) east of N. Commerce Street.

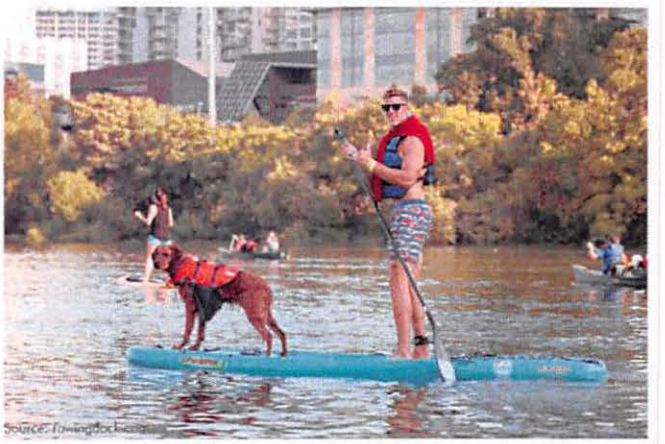
Additionally, the River Bend neighborhood is in close proximity to city parks, but is physically separated from them by the Sheboygan River. Non-motorized boats such as kayaks and paddleboards could serve as a way for residents to access parks from the neighborhood. Another solution to explore is a chain ferry.







▲ Non-motorized chain ferry example



▲ Non-motorized recreation activities including soft boat launch, kayaking, and paddleboarding.



CHAPTER 4

REDEVELOPMENT OPPORTUNITIES

Source: GRAEF

CHAPTER 4: REDEVELOPMENT OPPORTUNITIES

RECOMMENDATIONS

4.1 Zoning & Future Land Use Map

4.2 Catalytic Project: Riverfront Residential

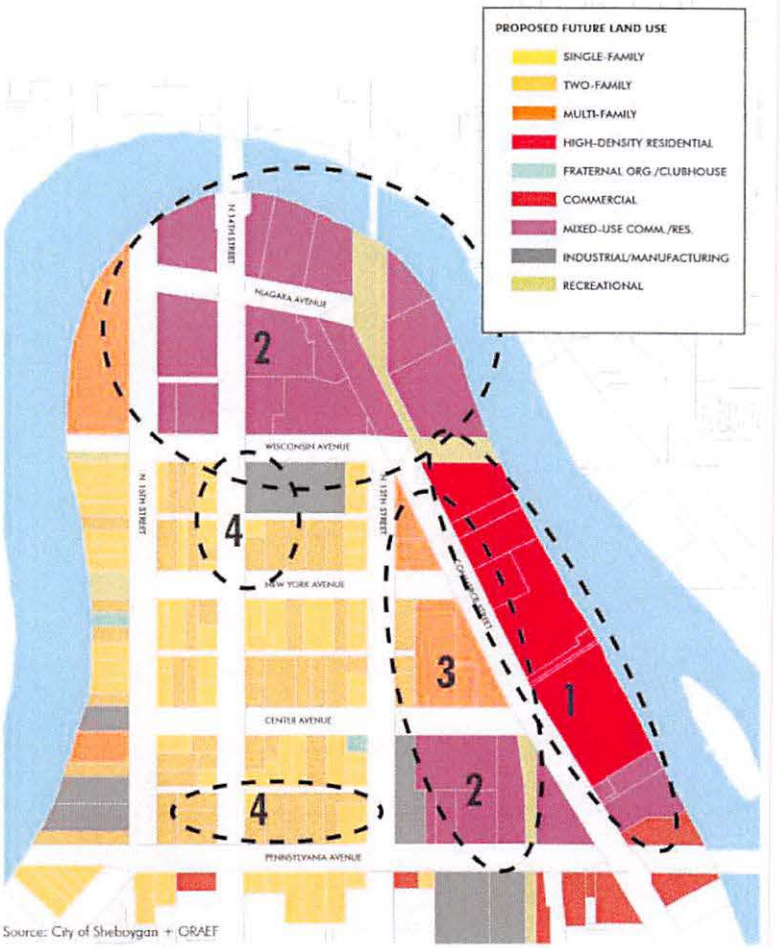
4.3 Catalytic Project: Mixed-Use Infill

Recommendation 4.1

Possible Land Use and Zoning Amendments

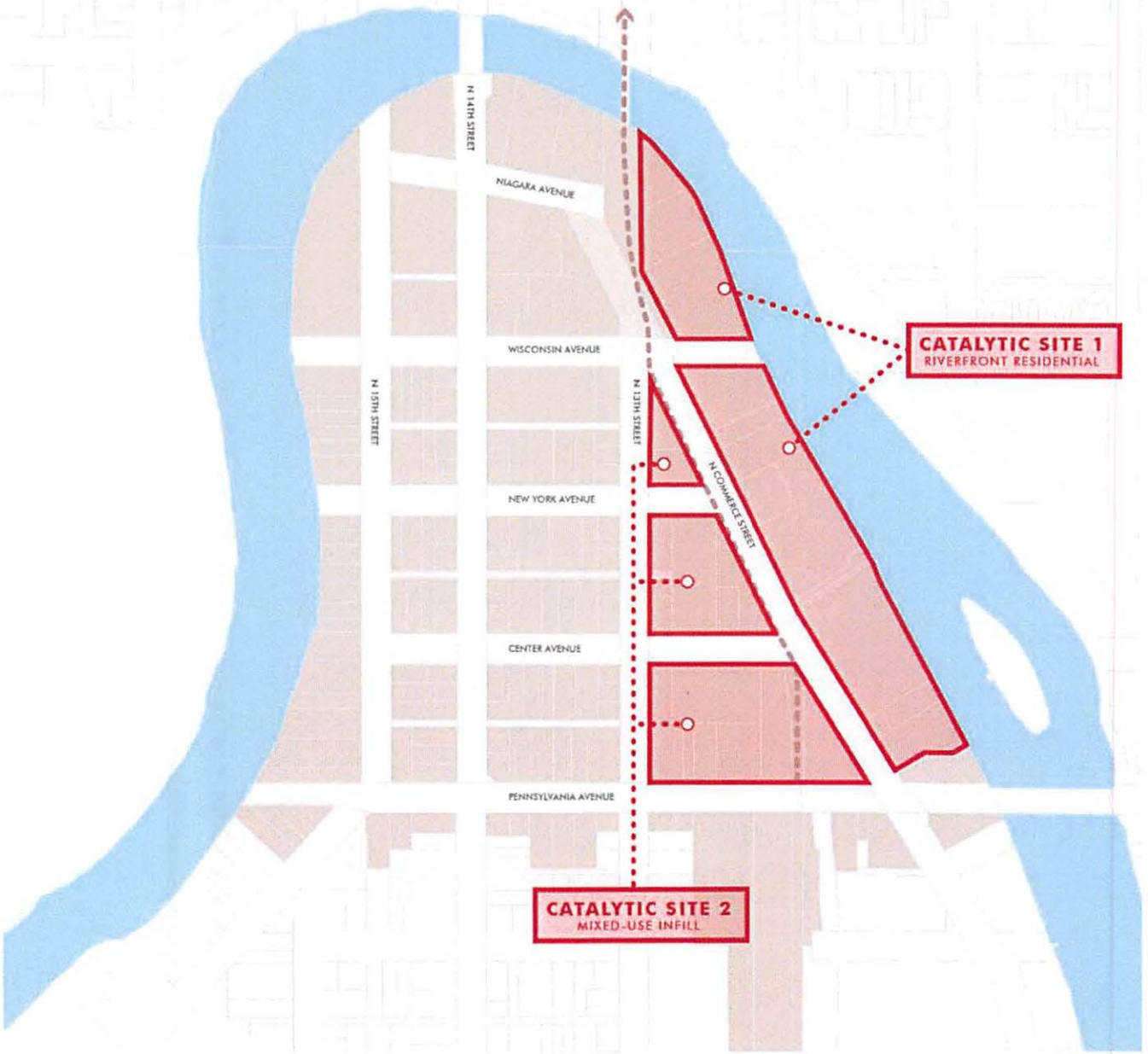
The map below should serve as the guiding tool to justify future land use and possible zoning amendments within the neighborhood. Possible revisions to the future land use map include the following:

1. High Density Residential along the river east of N. Commerce Street.
2. Mixed-use Commercial/Residential north of Wisconsin Avenue and along Pennsylvania Avenue.
3. Multi-Family Residential between N. 13th Street and N. Commerce Street.
4. Commercial uses along Pennsylvania Avenue and N. 14th Street.



Source: City of Sheboygan + GRAEF

CATALYTIC PROJECTS



Source: City of Sheboygan + GRAEF

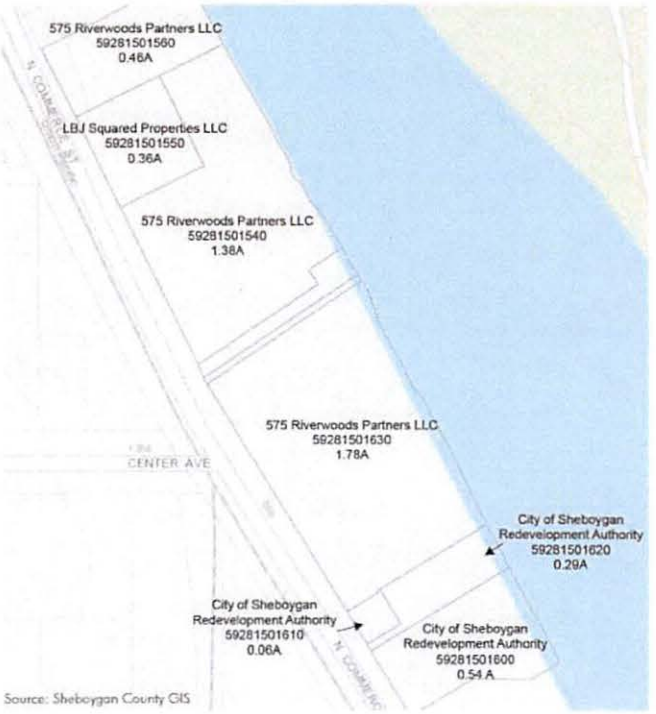
Recommendation 4.2
Riverfront Residential

Over 1,800 linear feet of riverfront development opportunity exists within the River Bend Neighborhood.

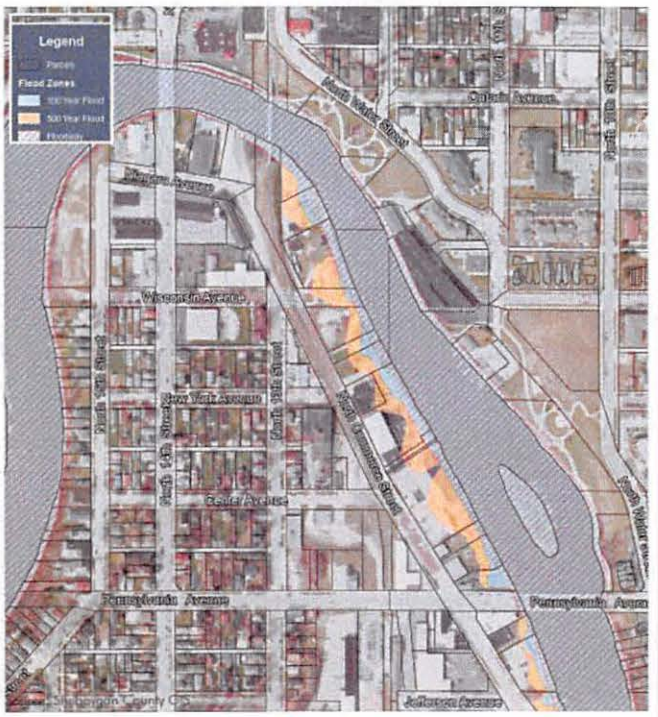
This area has great development opportunity (river access, market attractability, planned infrastructure improvements, publicly-owned parcels, economic incentives, etc.)

The Sheboygan River does create some limitations in regards to floodways along the east side of the neighborhood. Buildings will require a minimum of 30' setback from the river edge.

The following pages include two site designs inclusive of different development scenarios for the former Mayline building and adjacent properties along the river.



▲ River front property ownership (Aug. 2019)



▲ Floodway and floodplain locations within neighborhood.

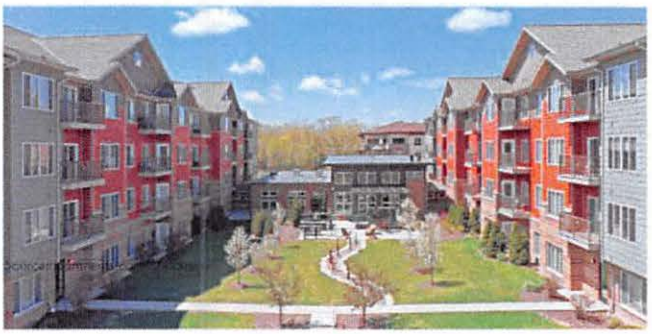
Riverfront Residential

HOUSING STOCK

A variety of residential building types are not only possible for the riverfront area, but a mix of densities should be pursued. Diverse residential densities will create visual interest and blend in with existing neighborhood mixture of large commercial/industrial buildings and smaller house structures. The following includes different residential densities possible for the River Bend Neighborhood.

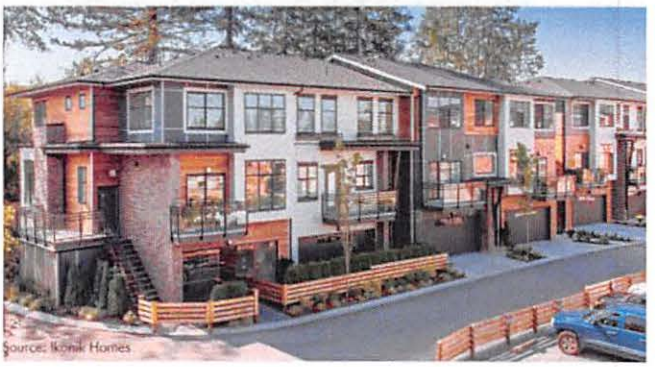


- Multi-Family Walk-Up
  Similar to the rowhouse, walk-ups have individual entrances for each unit. Walk-ups units however are typically 1-level, meaning that half the building residents have ground level units, and half have an individual stair to their second level unit. Combination of in-unit garages and detached garages are typical along with shared outdoor space and a clubhouse.



- Senior Independent Living (Apartment)
  Buildings are similar to traditional apartments. Often include weather-protected drop-off area, underground parking, and visitor parking. Outdoor space is shared.

- Rowhouse
  Housing units that are joined by common sidewalls. Typically, rowhouses will be 2-3 stories in height, with each unit occupying all levels. Each unit has an individual entry. In-unit garages are typical along with individual front and back yard areas.



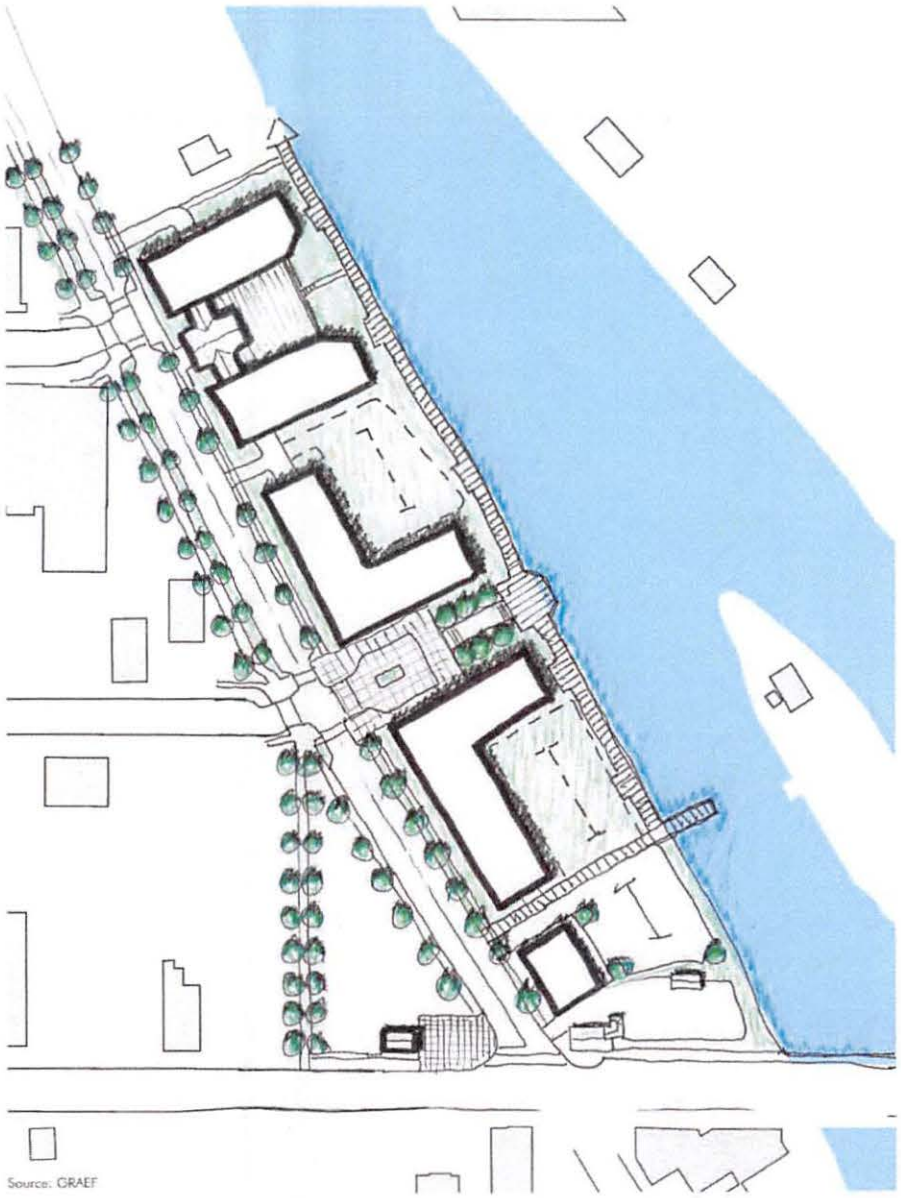
- Traditional Multi-Family Apartment
  Buildings typically contain a double-loaded corridor with a shared, single entrance with elevators. Underground parking is typical along with shared outdoor space and indoor common amenities.



Riverfront Residential: Mayline Site

Preferred Site Design: Urban Riverfront Apartments

- ☐ 68 UNITS PER FLOOR (3-STORY=204 UNITS; 4-STORY=272 UNITS)
- ☐ 4.89 ACRES (41-55 UNITS/ACRE)
- ☐ 210 UNDERGROUND PARKING (HALF-LEVEL DOWN)
- ☐ 135 SURFACE PARKING STALLS
- ☐ ADAPTIVE REUSE OF EXISTING CITY-OWNED BUILDING



Source: GRAEF

Riverfront Residential: Mayline Site









▲ Project examples showing how building design and orientation maximizes river views.





▲ city-owned building that could be a candidate for adaptive re-use into either a clubhouse for new residential development, or retail space.

Riverfront Residential: Mayline Site

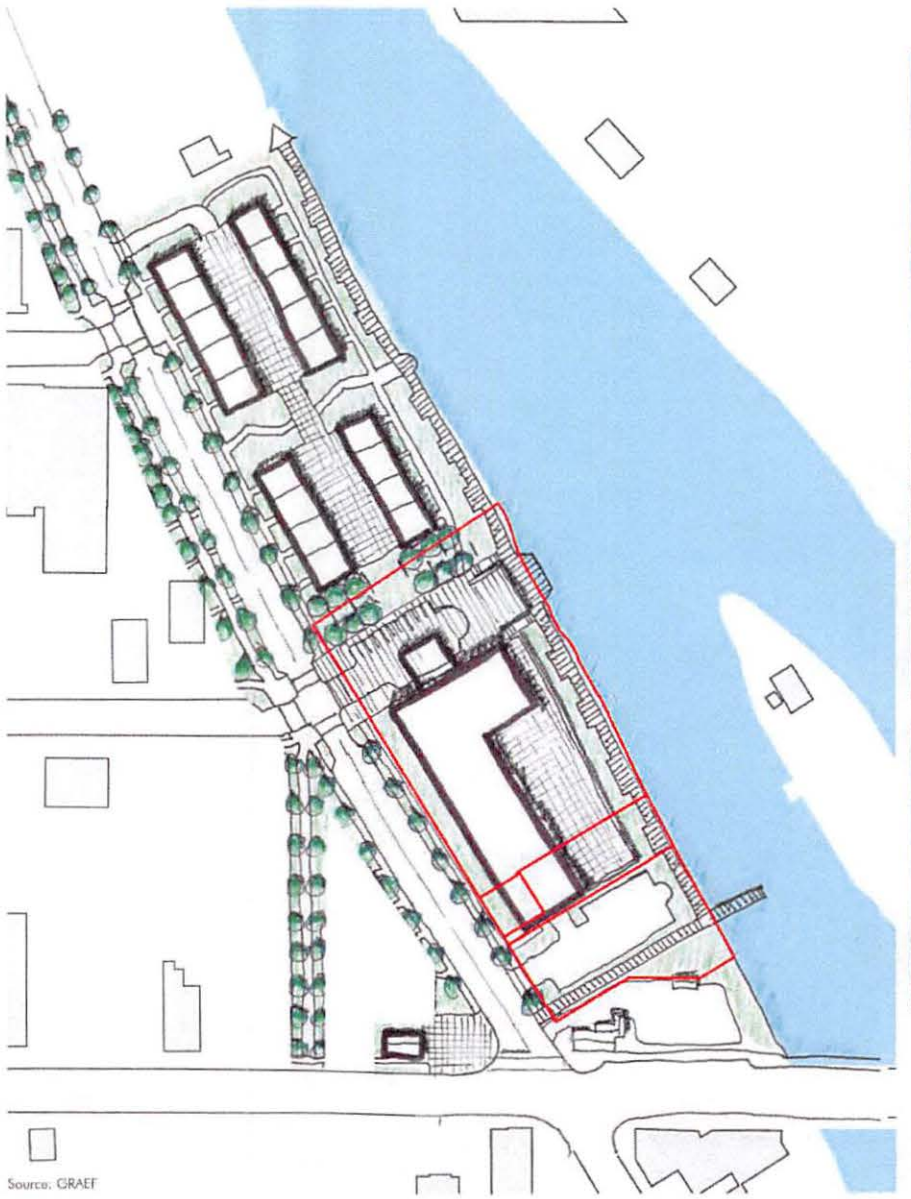
Alternate Site Design: Independent Senior Apartments and Townhomes

SITE 1: Senior Apartments

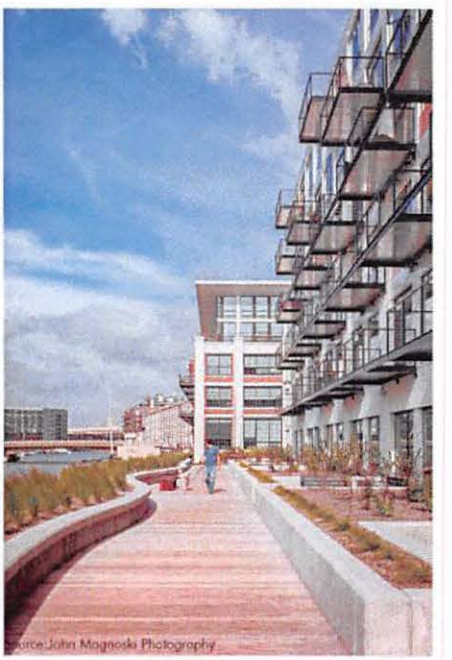
- ☐ 25 UNITS PER FLOOR (4-STORY=100 UNITS)
- ☐ 2.64 ACRES (37 UNITS/ACRE)
- ☐ 120 UNDERGROUND PARKING (HALF-LEVEL DOWN)
- ☐ 35 SURFACE PARKING STALLS
- ☐ ELEVATED PRIVATE TERRACE OVERLOOKING RIVER

SITE 2: Townhomes

- ☐ 2-3 STORY TOWNHOMES
- ☐ 18-36 UNITS
- ☐ 2.25 ACRES (8-16 UNITS/ACRE)
- ☐ 2-CAR GARAGE PARKING WITHIN EACH UNIT



Source: GRAEF

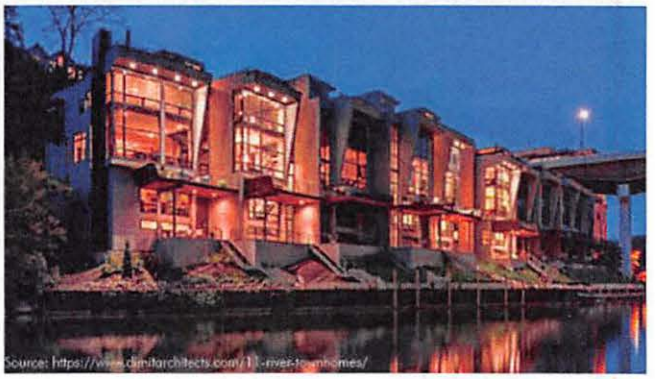


Source: John Magnoski Photography



Riverfront Residential: Mayline Site











▲ Townhouse project examples.



◀ Project examples showing senior and traditional apartments with shared green space and riverwalks along rivers.

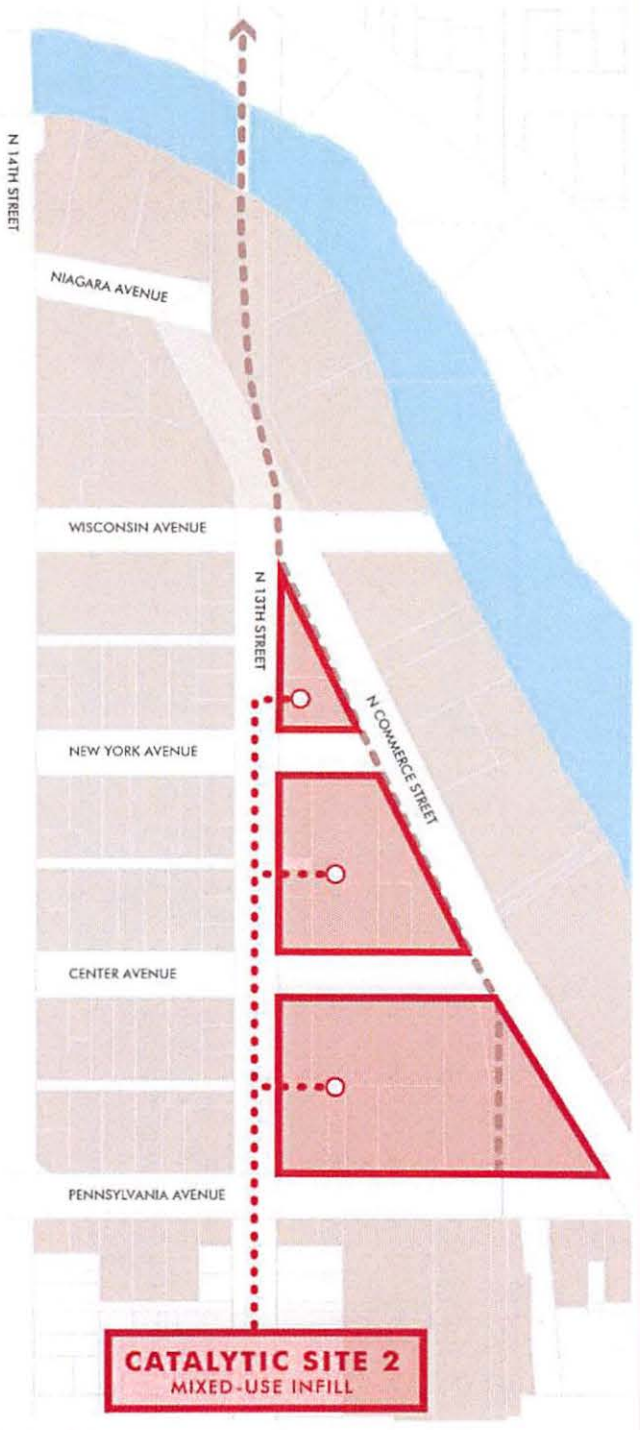
Recommendation 4.3
Mixed-Use Infill

The area north of Pennsylvania Avenue between N. 13th Street and N. Commerce Street is a critical area of future development opportunity. The land lies between existing low density residential single-family and duplex houses to the west and future higher density residential riverfront development along the riverfront. This middle area provides opportunities for adaptive reuse of existing structures as well as multiple infill development sites.

Similar to the riverfront development area, this area has great development opportunity (visibility from Pennsylvania Avenue, market attractability, planned infrastructure improvements, publicly-owned parcels, economic incentives, etc.).

As redevelopment opportunities arise, integrating additional park space east of N. 14th Street will be a key neighborhood amenity. The character of the area will lend itself to attracting active residents and incorporating a pocket park or an activated green space will be highly desired.

The following pages show site development scenarios for the three blocks identified as Catalytic Site 2.



Source: GRAEF

Mixed-Use Infill



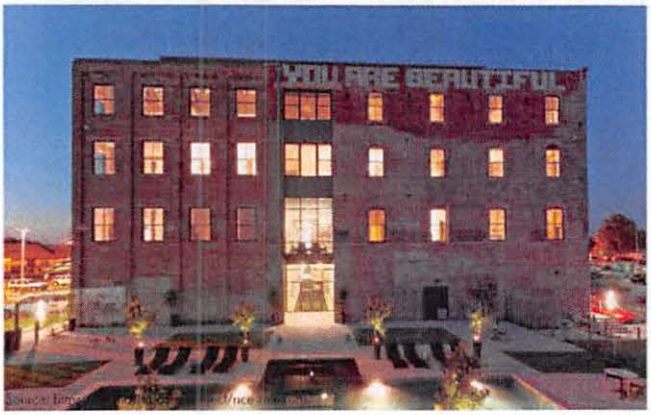
▲ Existing view looking east along Pennsylvania Avenue

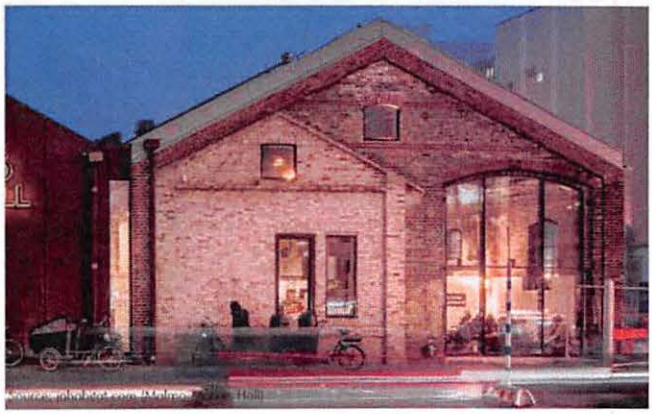


▲ Existing view looking north along N. 13th Street









▲ (Middle image) Existing warehouse building along N. Commerce Street. (Bottom image) Adaptive reuse project example into residential lofts.

▲ (Middle image) Existing structure at the corner of Pennsylvania Avenue and N. Commerce Street. (Bottom image) Adaptive reuse project example into restaurant, coffee shop, or other retail space.

Mixed-Use Infill

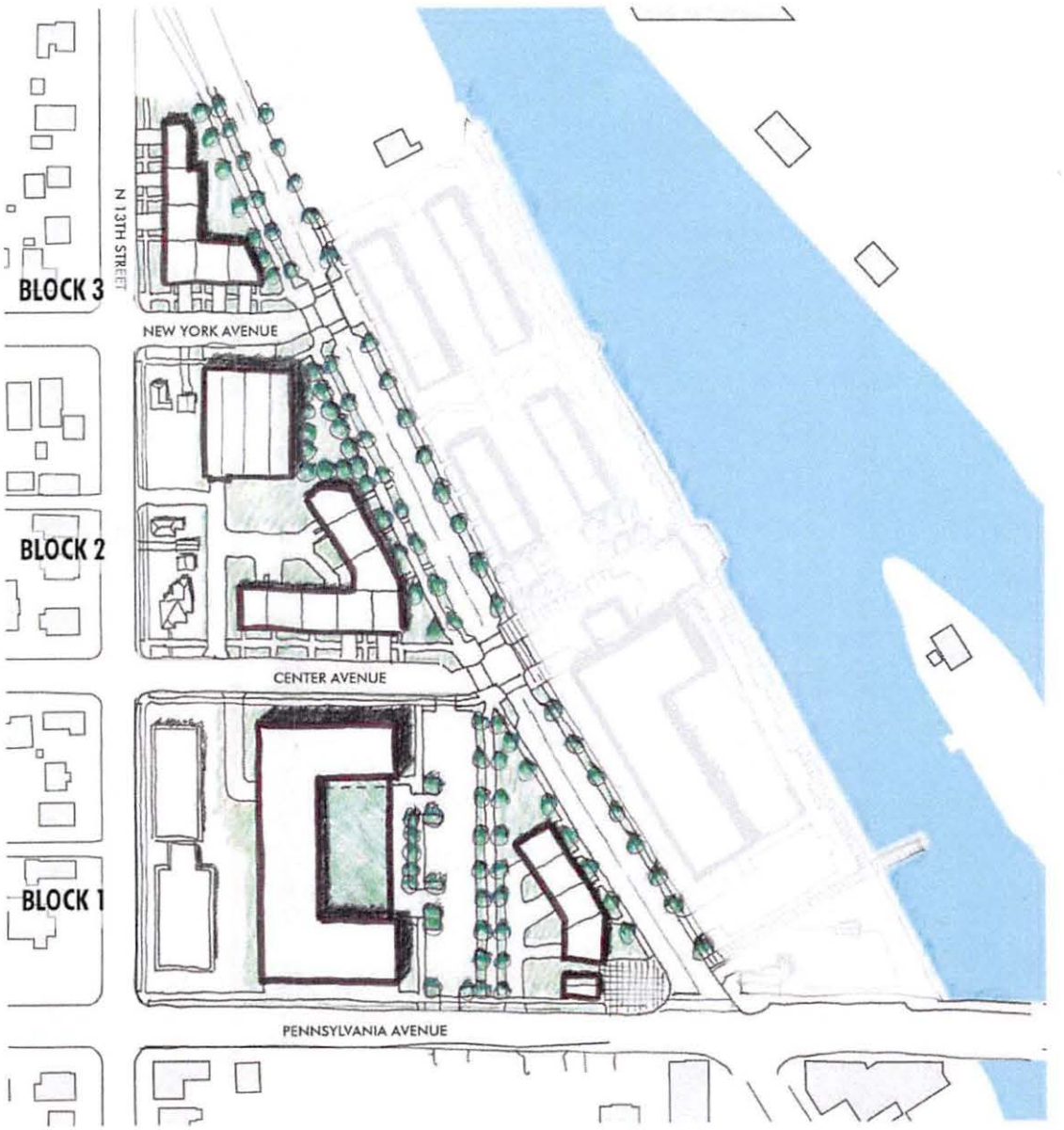
Mixed-Use Retail/Residential Apartments, Adaptive Re-use, Townhomes

BLOCK 1: Mixed-Use Commercial/Residential

- ☐ 32 UNITS PER FLOOR (4-STORY=128 UNITS)
- ☐ 2.73 ACRES (46 UNITS/ACRE)
- ☐ 10-12K COMMERCIAL SPACE
- ☐ 132 COVERED PARKING; 60 SURFACE PARKING
- ☐ 4-8 TOWNHOMES & 1,250 SF COMMERCIAL (adaptive)

BLOCK 2 & 3: Townhomes & Adaptive Reuse Apartment

- ☐ 14-28 TOWNHOMES; 50 APARTMENTS (adaptive)
- ☐ 1.92 ACRES (33-40 UNITS/ACRE)
- ☐ 2-CAR GARAGE FOR EACH TOWNHOUSE; 1 STALL/APT. UNIT



Source: GRAEF

Mixed-Use Infill



Source: GRAEF



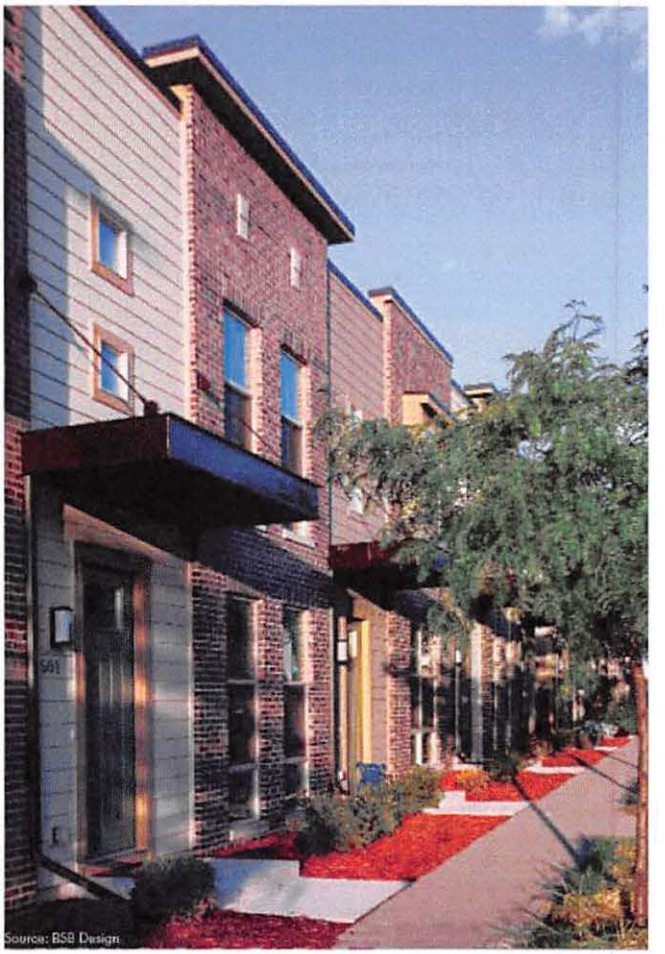
Source: http://townhomes.eya.com/bethesda-new-elevator-townhomes-grosvenor-heights-the-harrison



Source: townhome design-ifeelchicandmod.com

▲ Project examples showing rowhouse designs that could be located at Block 1, 2 or 3.

◀ Project example showing ground level parking for commercial space with residential apartments above. Similar project type could be located at Block 1.



Source: BSB Design



Source: bgelandscapes.com



CHAPTER 5

HOUSING AND COMMUNITY RESOURCES

Source: GRAEF

CHAPTER 5: HOUSING & COMMUNITY RESOURCES

RECOMMENDATIONS

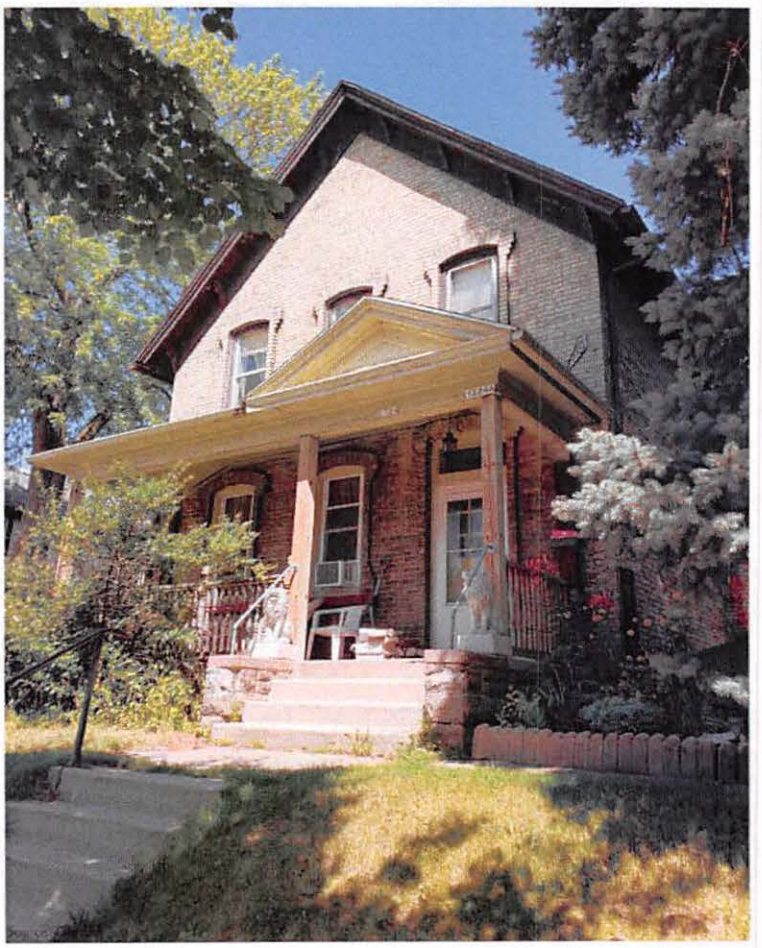
5.1 Rehabilitation of One- and Two-Family Housing Stock

5.2 Ongoing Rehabilitation of Commercial Properties

5.3 Encourage Historic Rehabilitation & Adaptive Retrofits

5.4 Identity Opportunities for Start-Up Incubators and Live-Work Space

The River Bend neighborhood is seeing a renaissance in neighborhood investment – residential, commercial, and recreational. Current economic dynamics in the neighborhood have resulted in a varying level of investment. Currently, the north end of the neighborhood is seeing significant investment, with more on the west side along N. Commerce Street soon to come. Now is a critical time for the city and partners to work closely with the residents and businesses in the neighborhood to restore confidence in the neighborhood and increase the level of maintenance and property values that have languished since the housing crisis. Finding opportunities to share resources, showcase ongoing investment, and increase opportunities for quality residential rehabilitation will be significant in the renaissance of River Bend.



Recommendation 5.1

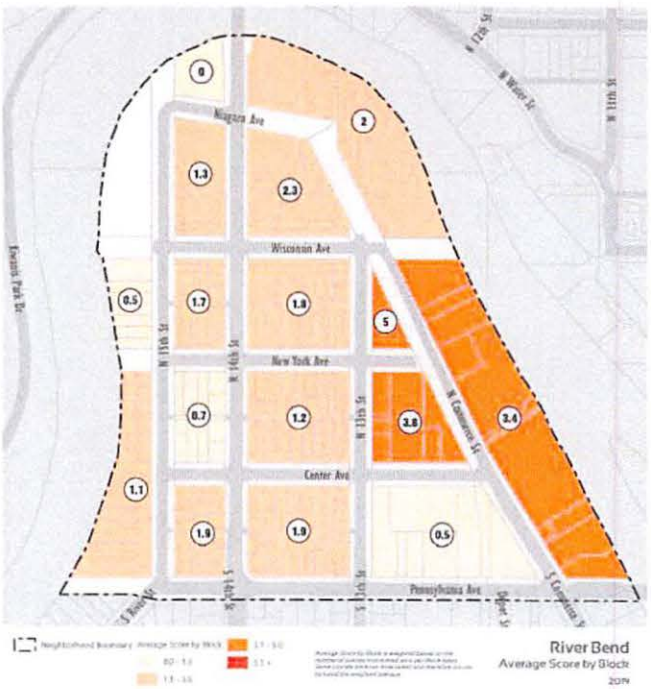
Encourage rehabilitation of River Bend's one- and two-family housing stock to boost curb appeal, property values, property maintenance, and neighborhood confidence.

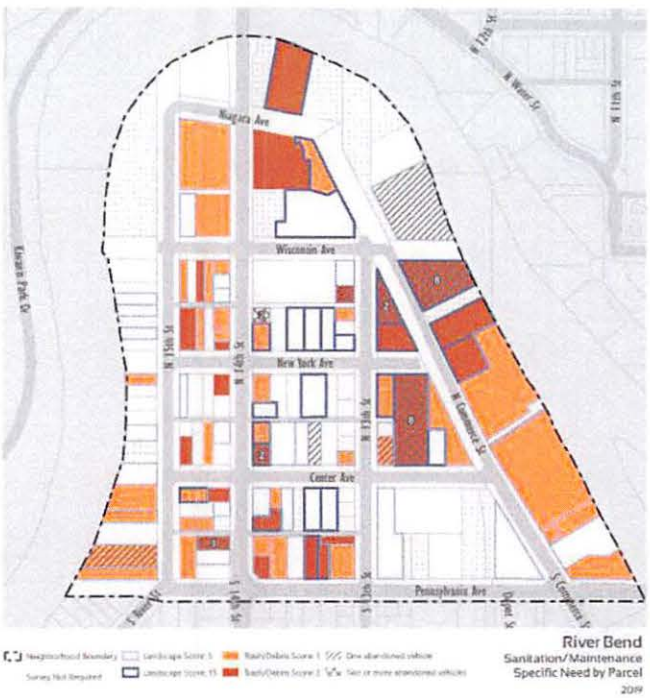
Market the city's Community Development Block Grant (CDBG) program for owner-occupied and investor-owned properties to all properties in the neighborhood to encourage reinvestment.

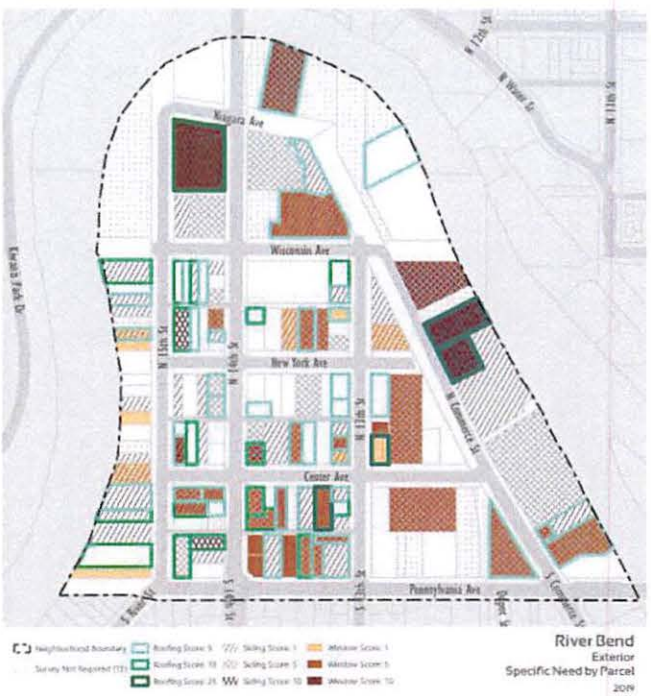
The investment in curb appeal and higher quality residential units will increase confidence in the neighborhood, and enhancement and strengthened neighborhood leadership will follow. For properties that are ineligible or incompatible with CDBG requirements, examine creating an internal fund to facilitate grants and loans.

Conduct Outreach to Property Owners with Delayed Maintenance

Now that the neighborhood conditions have been explored by evaluating the roofing, siding, windows, debris, and exterior lighting throughout the neighborhood, following up with the community on the city's plan for assistance and enforcement is needed.







▲ Maps from the 2019 Baseline Survey of Existing Conditions (Source: City of Sheboygan)



Host Neighborhood Meetings to Share Resources

The city and other local partners have many home improvement resources that can be shared with the community to nurture the revitalization of the neighborhood. Consideration can be given to highlighting an example of curb appeal and rehabilitation in River Bend, or perhaps some design assistance to provide guidance to property owners on how to rehabilitate and strengthen the quality of housing and the value of River Bend's property values. This meeting could be hosted in a commercial property in the neighborhood on the north end. These resources can also be shared with residents by mail.

Host Homeownership & Financial Wellness Workshops

The city could partner with a local organization to provide resources for renters in the community to learn about homeownership, and when relevant, focus on financial wellness to build up to homeownership. Consideration could be given to working with residential property investors who may be willing to sell their properties to their tenants or other neighborhood residents.








▲ In general, the housing stock is slightly outdated in appearance, however much of this is cosmetic and material choices in prior exterior maintenance. The housing stock in general is built well with high quality materials and are attractive to current and future residents interested in a traditional neighborhood with proximity to the river and other amenities, including recreation and many prominent commercial corridors.

Source: GRAEF

CITY OF SHEBOYGAN

COMMUNITY DEVELOPMENT BLOCK GRANT

OWNER-OCCUPIED

REHABILITATION LOAN PROGRAM

GUIDELINES AND APPLICATION

January 2015

1 You must be the owner-occupant of the property to be rehabilitated.

2 The property must be located in the City of Sheboygan. Priority is given to any property located in the central part of the City.

3 Total debt on the property (including our loan) cannot exceed 90% of the property's after-rehabilitation market value. The City will place a mortgage on the property to secure the loan.

4 Applicants must meet the income guidelines (January 2015) shown below:

FAMILY SIZE	MEDIAN INCOME OF 50%	MEDIAN INCOME OF 80%
1	$24,150	$38,600
2	$27,600	$44,100
3	$31,050	$49,600
4	$34,450	$55,100
5	$37,250	$59,550
6	$40,000	$63,950
7	$42,750	$68,350
8+	$45,500	$72,750

For applicants whose income is below **50%** of the median income, the loan is deferred (no monthly payments) with no interest charges. The loan is repaid (without interest) when you sell the property or move out of the property.

For applicants whose income is **above 50%** of the median income, but **below 80%** of the median income, monthly payments of principal and interest are required. The interest rate will vary from **0% to 4%** depending on income for a period of **10 years**.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT

Department of City Development
828 Center Avenue, Suite 104
Sheboygan, WI 53081

(920)459-3377
E-Mail: Development@ci.sheboygan.wi.us

EXAMPLE

▲ Available here: http://sheboyganwi.wpengine.com/wp-content/uploads/2011/05/Rehab-Loan-Program-2015-Owner-Occupied-Application3.pdf

CITY OF SHEBOYGAN

COMMUNITY DEVELOPMENT BLOCK GRANT

OWNER-INVESTOR

REHABILITATION LOAN PROGRAM

GUIDELINES AND APPLICATION

January 2015

1 You must be the owner of the property to be rehabilitated.

2 The property must be located in the City of Sheboygan. Priority is given to any property located in the central part of the City.

3 Total debt on the property (including our loan) cannot exceed 90% of the property's after-rehabilitation market value. The City will place a mortgage on the property to secure the loan.

4 Applicants must meet the income guidelines (January 2015) shown below:

FAMILY SIZE	MEDIAN INCOME OF 80%
1	$38,600
2	$44,100
3	$49,600
4	$55,100
5	$59,550
6	$63,950
7	$68,350
8	$72,750

At the time of loan closing, you will be required to deposit **25%** of the project cost into the City's escrow account. The City will loan the remaining **75%** of the project cost at **4%** for fifteen **(15) years**.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT

Housing Rehabilitation Program
Department of City Development
828 Center Avenue, Suite 104
Sheboygan, WI 53081

(920)459-3377
E-Mail: Development@ci.sheboygan.wi.us

EXAMPLE

▲ Available here: http://sheboyganwi.wpengine.com/wp-content/uploads/2015/04/Rehab-Loan-Owner-Investor-and-Tenant-Application.pdf

Recommendation 5.2

Support the ongoing rehabilitation of the commercial properties in River Bend.



▲ A view of the rehabilitation of 822 N. 14th Street into a commercial space.

Market the city's Commercial Facade Loan Program, the Signage grant, and the Business Development Revolving Loan Program to all neighborhood businesses to boost the curb appeal and job opportunities in the neighborhood.

The north end of River Bend is experiencing a renaissance of vision, new uses, and reinvestment. This is setting a strong tone for future investment in existing and new commercial properties in the neighborhood. Opportunities to highlight new investment by working with new businesses on open houses that are marketed to neighboring community residents and businesses will help strengthen the neighborhood identity and inspire additional transformation.

- ☐ Commercial Facade Loan Program: http://sheboyganwi.wpengine.com/wp-content/uploads/2011/05/RDA-CFLP-FINAL.pdf
- ☐ Commercial Signage Program http://sheboyganwi.wpengine.com/wp-content/uploads/2011/05/Sign-Grant-11-2008.doc
- ☐ Inquire with the City of Sheboygan's Planning & Development team about the Business Development Revolving Loan Program.



▲ A view of the ongoing historic rehabilitation efforts of 1320 Niagara Avenue. This building will feature 2-3 new mixed-use tenants.

Recommendation 5.3

Facilitate the historic rehabilitation and adaptive retrofits of the existing structures – residential and commercial in River Bend.

How to Qualify for Tax Credits

1. Own a Historic Building
2. Use the Building for Income-Producing Purposes
3. Formally Apply to the Wisconsin Historical Society
4. Rehabilitate the Building Following Program Standards
5. Spend the Minimum Amount Required on Rehabilitation
6. Claim the Credit for Eligible Expenses Only
7. Maintain Ownership of the Building and the Building's Historic Character for Five Years



▲ The John Allen Seed Company building at 1223 New York Avenue, built in 1920. Source: Wisconsin Historical Society: https://www.wisconsinhistory.org/Records/Property/HI122513

Share resources with the property owners of eligible historic properties in River Bend.

- ☐ Sheboygan's Historic Preservation Research and Construction Grant programs
- ☐ National Register and State Register of Historic Places
- ☐ State and Federal Tax Credits

National Register & State Register of Historic Places

Both registers include buildings, sites, and districts that are significant in local, state and national history. Today, there are approximately 2,400 listings in Wisconsin. Properties that are interested in pursuing Historic Tax Credits need to be listed on the State and National Registries.

- ☐ https://www.wisconsinhistory.org/pdfs/hp/consultants/HPR-Nomination-Questionnaire-2016.pdf
- ☐ https://www.wisconsinhistory.org/Records/Article/CS2836

State & Federal Tax Credits for Historic Income-Producing Buildings

The Federal program returns 20 percent of the cost of rehabilitating historic buildings to owners as a federal income tax credit. The Wisconsin Historic Preservation Tax Credit Program returns 20 percent of the cost of rehabilitating historic buildings, up to $3.5 million per parcel, to owners as a Wisconsin income tax credit.

- ☐ https://www.wisconsinhistory.org/Records/Article/CS3215#forms

Historic Preservation Grant Program – Facade Grant for Research Work

Available in other parts of the city, the city is considering expanding the program into the River Bend neighborhood.

- ☐ http://sheboyganwi.wpengine.com/wp-content/uploads/2014/08/Historic-Preser.-Grant-Research-8-6-14-2.pdf
- ☐ Inquire with the City of Sheboygan's Planning & Development team about the Historic Preservation Construction grant program

Structures to Consider for Eligibility for the Registers & Tax Credits

- ☐ 1134 Pennsylvania Avenue (original structures on the east side of the parcel)
- ☐ 511 N. Commerce Street
- ☐ 1223 New York Avenue (see photo, previous page)
- ☐ 619 N. Commerce Street



▲ 1134 Pennsylvania Avenue.



▲ 511 N. Commerce Street

Recommendation 5.4

Identify and capitalize on opportunities to create live-work spaces.

Historically River Bend thrived as a live-work neighborhood, where residents walked to local manufacturing jobs. While some residents are still able to do this, the changing economic landscape has shifted this somewhat. Given the unique mix of uses in River Bend, and the proximity to other prominent commercial areas–including downtown–River Bend is positioned to welcome new and innovative work and live-work spaces to regain its positioning as a live-work neighborhood.

Live-Work Spaces

This can and should include opportunities to diversify the working and housing types in River Bend, and in Sheboygan generally. The neighborhood currently contains existing structures and potential sites for development that could incorporate these uses into the redevelopment plans. Live-work redevelopment can help preserve the historic landscape of the neighborhood while also increasing density of jobs and residents that can support and contribute to the urban amenities within the neighborhood and in the surrounding commercial corridors and districts.



▲ A view of two parcels along N. Commerce Street that are ripe with potential for live-work spaces.



III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing the Purchasing Agent to issue a purchase order for the purchase of three (3) Emergency Response Rated Sport Utility Vehicles for the Sheboygan Fire Department to be assigned to the Fire Chief and Two Assistant Fire Chiefs.

WHEREAS, the Fire Chief requested that three (3) Sport Utility vehicles capable of emergency response be included in the 2020 budget to be assigned to the Fire Chief and two Assistant Fire Chiefs so as to allow these individuals to respond to Fire and EMS calls in a safe and timely manner on a 24/7/365 basis; and

WHEREAS, at present, the Fire Chief is assigned a leased SUV, which will be turned in to the leasing company once the new vehicle is placed into service; and

WHEREAS, the other two new vehicles are new additions to the fleet; and

WHEREAS, the 2020 budget included funds for the annual cost of a five-year lease for the three vehicles requested by the Fire Chief; and

WHEREAS, long-term cost savings are anticipated from purchasing the vehicles rather than leasing them, and there is adequate fund balance in the Capital Projects Fund to purchase these vehicles in 2020; and

WHEREAS, with the redesign of emergency response vehicles for the 2020 model year, Ford Motor Co. is experiencing a backlog of production orders and as such it would be prudent for the City to place their order prior to the new calendar year; and

WHEREAS, a pre-order of the vehicles now will not result in the City taking receipt of the vehicles or payment for them until 2020; and

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

WHEREAS, the State of Wisconsin has a number of cooperative purchasing agreements, which municipalities may use to take advantage of competitive, pre-negotiated prices; and

WHEREAS, having reviewed the State of Wisconsin's cooperative purchasing agreements for the purchase of vehicles, City staff believes, and the Council agrees that this is the best procurement method for this purchase; and

Finance Personnel

NOW, THEREFORE, BE IT RESOLVED: That the Purchasing Agent is authorized to issue a Purchase Order to Ewald Automotive Group of Oconomowoc, Wisconsin for the purchase of three (3) Emergency Response Rated Sport Utility Vehicles to be assigned to the Fire Chief and two Assistant Fire Chiefs.

BE IT FURTHER RESOLVED: That the Common Council understands that these Purchase Orders will be subject to the terms and conditions set forth in the State of Wisconsin's cooperative purchase agreement (Contract Number 505ENT-M19-2019VEHICS-00), a copy of which is available at vendornet.wi.gov.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw funds in the amount of $115,474.50, which includes license and title fees, from the 2020 Capital Project Fund - Fire-Fleet Vehicles Account No. 40022100-641100 and, to the extent necessary the capital project fund balance, for the purchase of the vehicles and their associated license and title fees.

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing retaining outside legal counsel to represent the City in the matter of the Petition for Review of Determination by State Board of Assessors for Manufacturing Property (Notice of Determination dated March 20, 2019) by Georgia Pacific Corrugated LLC, and authorizing payment for said services.

RESOLVED: That the Common Council hereby authorizes the hiring of Attorney Amy R. Seibel of Seibel Law Offices LLC as outside legal counsel to represent the City of Sheboygan in the defense of the Petition for Review filed by Georgia Pacific Corrugated LLC, Appeal No. 81-158-PPO-18.

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.

Finance
Personnel

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing the appropriate City officials to execute the Agreement for Transit Service Between the City of Sheboygan and the City of Sheboygan Falls.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Agreement for Transit Service Between the City of Sheboygan and the City of Sheboygan Falls, a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Agreement for Transit Services.

Finance+
Personnel

_____

_____

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 FOR TRANSIT SERVICE
BETWEEN THE CITY OF SHEBOYGAN AND THE CITY OF SHEBOYGAN FALLS

THIS AGREEMENT, made by and between the City of Sheboygan, a municipal corporation of the State of Wisconsin, with principal offices located at 828 Center Avenue, Sheboygan, Wisconsin, hereafter referred to as SHEBOYGAN; and the City of SHEBOYGAN FALLS, a Wisconsin city with principal offices located at 375 Buffalo Street, Sheboygan Falls, Wisconsin, hereinafter referred to as SHEBOYGAN FALLS;

WITNESSETH:

WHEREAS, SHEBOYGAN currently owns and operates a transit system, providing service in the Sheboygan metropolitan area; and

WHEREAS, SHEBOYGAN has established a transit commission (hereinafter referred to as COMMISSION) pursuant to § 66.1021, Wis. Stats., which commission is responsible for the maintenance and operation of SHEBOYGAN's comprehensive, unified local transportation system (hereinafter referred to as SHORELINE METRO); and

WHEREAS, both the Federal Transportation Administration of the U.S. Department of Transportation and the State of Wisconsin Department of Transportation assist in the subsidization of the operating deficit under formula grant programs; and

WHEREAS, SHEBOYGAN FALLS seeks to contract with SHEBOYGAN for the provision of public transit services from SHEBOYGAN to and within SHEBOYGAN FALLS; and

WEREAS, the purpose of this agreement is to set forth the terms and conditions under which transit service is to be provided by SHEBOYGAN to SHEBOYGAN FALLS.

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES & SERVICE LEVEL
   During the term of this agreement, SHORELINE METRO shall operate regularly scheduled fixed route bus service to SHEBOYGAN FALLS as described in Attachment A. In addition, SHORELINE METRO will provide door-to-door accessible paratransit service to individuals unable to use the fixed route bus service in SHEBOYGAN FALLS in accordance with Adults with Disabilities Act of 1992 (ADA). Any changes to the level of bus service as described in Attachment A will require the prior approval of the COMMISSION and the appropriate legislative body of SHEBOYGAN FALLS. Such changes in service levels may require a corresponding adjustment in the percentage share of the Local Match for Services to SHEBOYGAN FALLS.

2. FARE STRUCTURE
   During the term of this agreement, the COMMISSION shall be solely responsible for setting bus fares.

3. DESIGNATION OF RESPONSIBILITY
   SHEBOYGAN designates SHORELINE METRO as the provider of the services set forth in this agreement.

4. PAYMENT SCHEDULE
   SHEBOYGAN FALLS agrees to pay SHEBOYGAN an amount equal to its proportionate share of projected annual net operating deficit incurred by SHORELINE METRO. In 2020, this amount is equal to $38,696.

SHEBOYGAN FALLS agrees to make quarterly payments in four equal installments of **$9,674.00** during the calendar year due on or before the following dates: March 30, June 30, September 30, and December 31. SHEBOYGAN shall invoice SHEBOYGAN FALLS for such payments prior to each date.

Additionally, SHEBOYGAN FALLS will be invoiced a fixed ~~annual~~ ^ 2030 (SMT) cost to be used towards the replacement of vehicles used to provide public transit to the community.

The amount is calculated using the following formula:

$92,000	*x*	*50%*	*/*	*15*
Cost of a new bus (20% Local Share)		Percent bus is used in Sheboygan Falls and Kohler		Average lifetime years of bus

This amount is equal to $3,067.00 which is then allocated out between Sheboygan Falls (75%) and Kohler (25%) based on route mileage in each community. SHEBOYGAN FALLS would be responsible for **$2,300.00** ~~annually from 2020-2034 and~~ will be paid as part of the fourth quarter payment to SHEBOYGAN. V for 2030 which (SMT)

SHEBOYGAN may assess a penalty for payments that are not made within 30-days of invoice date equivalent to 1% of the payment amount.

5. INSURANCE
   SHEBOYGAN shall carry and keep in force insurance coverage insuring SHEBOYGAN against liability for personal injuries or property damage arising out of the operation of such bus service, and covering each and all of the buses used by SHEBOYGAN in service provided to SHEBOYGAN FALLS.

6. OPERATING AUTHORITY
   SHEBOYGAN shall have sole and ultimate authority and responsibility for the operation, control, and direction of bus service operated within SHEBOYGAN FALLS, pursuant to this agreement, and in accordance with terms herein.

7. RECORDS/INFORMATION
   SHEBOYGAN shall, at the request of SHEBOYGAN FALLS, provide any and all information pertaining to the operations of SHORELINE METRO as long as providing such information is consistent with SHEBOYGAN policy. Information may include such things as meeting notices, minutes, policies, procedures, notifications, etc. Such requests shall be presented to SHEBOYGAN via writing and such requests shall be made ten (10) days in advance.

8. MEDIATION OF DISPUTES
   Any disputes over the interpretation of application of this agreement which cannot be resolved by the parties shall be submitted to a mediator before any legal action may be taken in a court of law. Said mediator may be a representative of the Wisconsin Department of Transportation.

9. FORCE MAJEURE
   In no event shall SHEBOYGAN be deemed to be in default of any provision of this agreement for failure to perform, where such failure is due to strikes, walkouts, riots, civil insurrections or disorders, act of God, adverse weather conditions, or for any other cause or causes beyond the control of SHEBOYGAN.

10. TERMINATION

Either party may terminate this agreement one hundred and twenty (120) days following delivery of a written notice to the other party. If SHEBOYGAN FALLS terminates this agreement, SHEBOYGAN FALLS will agree to pay for pro-rated service costs up to and including the last day of service.

11. TERM OF AGREEMENT

This agreement shall remain in effect until modified or terminated and will be binding upon the parties mutually and upon their successors and assigns.

12. LOCAL MATCH FOR SERVICES

SHEBOYGAN shall, on an annual basis, determine the local share responsibility for SHEBOYGAN FALLS. This amount will be based on the level of service desired by SHEBOYGAN FALLS for the calendar year. The local match is comprised of total costs of providing service, total revenues from service, and federal and state funding mass transit aids. Costs of providing service are calculated annually.

The local share for the service level provided to SHEBOYGAN FALLS for 2020 is **$38,696**. Any changes to the service level, operational costs and revenues, changes in state mass transit aids or changes in federal mass transit aids may cause the local share to change. SHORELINE METRO shall notify SHEBOYGAN FALLS during the budget process of its local share contribution for the following year.

IN WITNESS WHEREOF, the parties have affixed their hands and seals

DATED THIS 13th DAY OF November, 2019.

CITY OF SHEBOYGAN FALLS

BY: Shad Tenpas

Name: Shad Tenpas (SMT)

Title: City Administrator

ATTEST:

Alyssa Walford

Name: Alyssa Walford

Title: City Clerk/Treasurer

CITY OF SHEBOYGAN

BY: _____

Name: _____

Title: _____

ATTEST:

_____

Name: _____

Title: _____

III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION pursuant to Sec. 82-32 and 82-33, Sheboygan Municipal Code, adopting changes to the classification plan and the list of classes and class specifications effective January 1, 2020.

WHEREAS, Sec. 82-32 and 82-33 of the Sheboygan Municipal Code provide that the classification plan, consisting of the occupation list of classes (table of organization) and compensation grade schedules showing the class title, class grade, and compensation grades of the positions of employment in the city service are kept and numbered as section 82-33 in the supplement to this Code on file in the city clerk's office; and

WHEREAS, the sole changes being made to the classification plan are updates contained in documents entitled "2020 Non-Represented Pay Schedule" and "2020 Department of Public Works Pay Plan."

NOW, THEREFORE, BE IT RESOLVED: That the Common Council, pursuant to Sec. 82-32 and 82-33 of the Sheboygan Municipal Code, hereby adopts changes to the classification plan and compensation grade schedules reflecting the information contained within documents entitled "2020 Non-Represented Pay Schedule" and "2020 Department of Public Works Pay Plan", copies of which are attached hereto and incorporated herein.

Finance + Personnel

_____

_____

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

2020 Non-Represented Pay Schedule

(excluding DPW Labor Workforce)

	Accelerator Eligible		Budgeted Merit Pool Only (Not Eligible For A Merit Accelerator)		Maximum
Salary Grade	Q1 (Minimum)	Q2 92.50%	Q3 Control Point	Q4 (107.50%)	(115%)
AA	$ 8.84 $ 18,387.20	$ 9.62 $20,009.60	$ 10.40 $ 21,632.00	$ 11.18 $ 23,254.40	$ 11.96 $ 24,876.80
A	$ 13.30 $ 27,664.00	$ 14.47 $30,097.60	$ 15.65 $ 32,552.00	$ 16.82 $ 34,985.60	$ 17.99 $ 37,419.20
B	$ 14.54 $ 30,243.20	$ 15.82 $32,905.60	$ 17.11 $ 35,588.80	$ 18.39 $ 38,251.20	$ 19.68 $ 40,934.40
C	$ 16.16 $ 33,612.80	$ 17.57 $36,545.60	$ 19.00 $ 39,520.00	$ 20.43 $ 42,494.40	$ 21.85 $ 45,448.00
D	$ 17.32 $ 36,025.60	$ 18.85 $39,208.00	$ 20.38 $ 42,390.40	$ 21.91 $ 45,572.80	$ 23.44 $ 48,755.20
E	$ 18.59 $ 38,667.20	$ 20.24 $42,099.20	$ 21.88 $ 45,510.40	$ 23.52 $ 48,921.60	$ 25.16 $ 52,332.80
F	$ 19.41 $ 40,372.80	$ 21.12 $43,929.60	$ 22.84 $ 47,507.20	$ 24.55 $ 51,064.00	$ 26.27 $ 54,641.60
G	$ 20.56 $ 42,764.80	$ 22.38 $46,550.40	$ 24.19 $ 50,315.20	$ 26.01 $ 54,100.80	$ 27.83 $ 57,886.40
H	$ 21.99 $ 45,739.20	$ 23.93 $49,774.40	$ 25.87 $ 53,809.60	$ 27.81 $ 57,844.80	$ 29.74 $ 61,859.20
I	$ 23.14 $ 48,131.20	$ 25.18 $52,374.40	$ 27.22 $ 56,617.60	$ 29.26 $ 60,860.80	$ 31.30 $ 65,104.00
J	$ 24.09 $ 50,107.20	$ 26.22 $54,537.60	$ 28.35 $ 58,968.00	$ 30.47 $ 63,377.60	$ 32.60 $ 67,808.00
K	$ 27.72 $ 57,657.60	$ 30.17 $62,753.60	$ 32.62 $ 67,849.60	$ 35.07 $ 72,945.60	$ 37.52 $ 78,041.60
M	$ 30.84 $ 64,147.20	$ 33.57 $69,825.60	$ 36.29 $ 75,483.20	$ 39.02 $ 81,161.60	$ 41.74 $ 86,819.20
N	$ 32.27 $ 67,121.60	$ 35.12 $73,049.60	$ 37.96 $ 78,956.80	$ 40.81 $ 84,884.80	$ 43.66 $ 90,812.80
S	$ 34.78 $ 72,342.40	$ 37.85 $78,728.00	$ 40.92 $ 85,113.60	$ 43.99 $ 91,499.20	$ 47.06 $ 97,884.80
T	$ 38.83 $ 80,766.40	$ 42.26 $87,900.80	$ 45.69 $ 95,035.20	$ 49.11 $ 102,148.80	$ 52.54 $ 109,283.20
U	$ 40.99 $ 85,259.20	$ 44.60 $92,768.00	$ 48.23 $ 100,318.40	$ 51.85 $ 107,848.00	$ 55.46 $ 115,356.80
V	$ 47.16 $ 98,092.80	$ 51.33 $106,766.40	$ 55.49 $ 115,419.20	$ 59.65 $ 124,072.00	$ 63.81 $ 132,724.80
Y	$ 50.78 $ 105,622.40	$ 55.26 $114,940.80	$ 59.74 $ 124,259.20	$ 64.22 $ 133,577.60	$ 68.71 $ 142,916.80
Z	$ 55.67 $ 115,793.60	$ 60.58 $126,006.40	$ 65.49 $ 136,219.20	$ 70.41 $ 146,452.80	$ 75.32 $ 156,665.60

* Pay is rounded to the next even number of hourly pay. Yearly salary follows applicable hourly pay.

2020 DEPARTMENT OF PUBLIC WORKS PAY PLAN

Non-Represented Temporary / Part-time / Seasonal Pay Schedule

Grade	Min	Max	Seasonal Staff: Hire as-needed following budget (Pay: DOQ & Department Need)
Extra Help	$8.36	$13.46	Part-Time / Temporary & Seasonal / Bridge Tenders / Misc.
Seasonal Labor	$9.44	$13.52	General buildings & grounds custodial labor (event park cleaners)
Seasonal Skilled	$10.71	$21.42	Fully-trained, skilled labor, seasonal, non-benefited

2020 DPW Labor Workforce

Merit Increase Program for "Permanent / Full-time Employees"

	Step	Step	Step	Step	Step	Step	Step		2019	2020
Grade	1	2	3	4	5	6	7		MAX	MAX
MW I	$18.45	$19.24	$20.01	$20.79	**$21.58**	Merit			$22.26	$22.73
MW II	$20.61	$21.40	$22.19	$22.96	**$23.75**	Merit			$24.86	$25.40
MW III	$22.79	$23.56	$24.34	$25.13	$25.92	**$26.70**	Merit		$27.52	$28.07
MW IV	$24.96	$25.74	$26.52	$27.31	$28.09	**$28.87**	Merit		$29.14	$30.74
MW V	$27.13	$27.91	$28.69	$29.48	$30.25	$31.03	**$31.82**	Merit	$32.78	$33.44

Grade I: Maintenance Worker I — ***Control Point = Step 5**
Grade 2: Maintenance Worker II — ***Control Point = Step 5**
Grade 3: Maintenance Worker III — ***Control Point = Step 6**
Grade 4: Maintenance Worker IV — ***Control Point = Step 6**
Grade 5 Maintenance Worker V — ***Control Point = Step 7**

01/01/2020:

1) Newly hired employees and those in steps below the **Control Point** will be eligible for a yearly step-increase based on a merit review resulting in a "Pass" rating. Exemplury performance may result in a double-step increase. Merit reviews resulting in a "Marginal or Fail" will not receive an increase and may result in a PIP (Performance Improvement Plan).
2) Pay increases for employees at or above the Control Point in their pay scale, but below the maximum, will be eligible for the budgeted merit increase amount applied to base wages (based on merit).
3) Future modifications to the wage scale will be reviewed yearly based on CPI and market trend.
4) No additional compensation, lump sum or otherwise, will be awarded once an employee reaches the maximum.
5) Promoted employees will move to the step increase that represents a minimum of $0.75 per hour increase.
6) Demoted employees, voluntary or involuntary, will move to the step they previously held in a previous position, may be placed in the step appropriate for the skill the employee posses, Step 1 if qualified, or less than rate if unqualified.

III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing the appropriate City officials to execute the Agreement for Transit Service Between the City of Sheboygan and the Village of Kohler.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Agreement for Transit Service Between the City of Sheboygan and the Village of Kohler, a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Agreement for Transit Services.

Finance+ Personnel

_____

_____

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 FOR TRANSIT SERVICE
BETWEEN THE CITY OF SHEBOYGAN AND THE VILLAGE OF KOHLER

THIS AGREEMENT, made by and between the City of Sheboygan, a municipal corporation of the State of Wisconsin, with principal offices located at 828 Center Avenue, Sheboygan, Wisconsin, hereafter referred to as SHEBOYGAN; and the Village of Kohler, a Wisconsin village with principal offices located at 319 Highland Drive, Kohler, Wisconsin, hereinafter referred to as KOHLER;

WITNESSETH:

WHEREAS, SHEBOYGAN currently owns and operates a transit system, providing service in the Sheboygan metropolitan area; and

WHEREAS, SHEBOYGAN has established a transit commission (hereinafter referred to as COMMISSION) pursuant to § 66.1021, Wis. Stats., which commission is responsible for the maintenance and operation of SHEBOYGAN's comprehensive, unified local transportation system (hereinafter referred to as SHORELINE METRO); and

WHEREAS, both the Federal Transportation Administration of the U.S. Department of Transportation and the State of Wisconsin Department of Transportation assist in the subsidization of the operating deficit under formula grant programs; and

WHEREAS, KOHLER seeks to contract with SHEBOYGAN for the provision of public transit services from SHEBOYGAN to and within KOHLER; and

WEREAS, the purpose of this agreement is to set forth the terms and conditions under which transit service is to be provided by SHEBOYGAN to KOHLER.

NOW, THEREFORE, the parties hereto agree as follows:

1. SERVICES & SERVICE LEVEL
   During the term of this agreement, SHORELINE METRO shall operate regularly scheduled fixed route bus service to KOHLER as described in Attachment A. In addition, SHORELINE METRO will provide door-to-door accessible paratransit service to individuals unable to use the fixed route bus service in KOHLER in accordance with Adults with Disabilities Act of 1992 (ADA). Any changes to the level of bus service as described in Attachment A will require the prior approval of the COMMISSION and the appropriate legislative body of KOHLER. Such changes in service levels may require a corresponding adjustment in the percentage share of the Local Match for Services to KOHLER.

2. FARE STRUCTURE
   During the term of this agreement, the COMMISSION shall be solely responsible for setting bus fares.

3. DESIGNATION OF RESPONSIBILITY
   SHEBOYGAN designates SHORELINE METRO as the provider of the services set forth in this agreement.

4. PAYMENT SCHEDULE
   KOHLER agrees to pay SHEBOYGAN an amount equal to its proportionate share of projected annual net operating deficit incurred by SHORELINE METRO. In 2020, this amount is equal to **$13,366**. KOHLER

agrees to make quarterly payments in four equal installments of **$3,341.50** during the calendar year due on or before the following dates: March 30, June 30, September 30, and December 31. SHEBOYGAN shall invoice KOHLER for such payments prior to each date.

Additionally, KOHLER will be invoiced a fixed annual cost to be used towards the replacement of vehicles used to provide public transit to the community.

The amount is calculated using the following formula:

$92,000	*x*	*50%*	*/*	*15*
Cost of a new bus (20% Local Share)		Percent bus is used in Sheboygan Falls and Kohler		Average lifetime years of bus

This amount is equal to $3,067.00 which is then allocated out between Sheboygan Falls (75%) and Kohler (25%) based on route mileage in each community. KOHLER would be responsible for **$767.00** annually from 2020-2034 and will be paid as part of the fourth quarter payment to SHEBOYGAN.

SHEBOYGAN may assess a penalty for payments that are not made within 30-days of invoice date equivalent to 1% of the payment amount.

5. INSURANCE
   SHEBOYGAN shall carry and keep in force insurance coverage insuring SHEBOYGAN against liability for personal injuries or property damage arising out of the operation of such bus service, and covering each and all of the buses used by SHEBOYGAN in service provided to KOHLER.

6. OPERATING AUTHORITY
   SHEBOYGAN shall have sole and ultimate authority and responsibility for the operation, control, and direction of bus service operated within KOHLER, pursuant to this agreement, and in accordance with terms herein.

7. RECORDS/INFORMATION
   SHEBOYGAN shall, at the request of KOHLER, provide any and all information pertaining to the operations of SHORELINE METRO as long as providing such information is consistent with SHEBOYGAN policy. Information may include such things as meeting notices, minutes, policies, procedures, notifications, etc. Such requests shall be presented to SHEBOYGAN via writing and such requests shall be made ten (10) days in advance.

8. MEDIATION OF DISPUTES
   Any disputes over the interpretation of application of this agreement which cannot be resolved by the parties shall be submitted to a mediator before any legal action may be taken in a court of law. Said mediator may be a representative of the Wisconsin Department of Transportation.

9. FORCE MAJEURE
   In no event shall SHEBOYGAN be deemed to be in default of any provision of this agreement for failure to perform, where such failure is due to strikes, walkouts, riots, civil insurrections or disorders, act of God, adverse weather conditions, or for any other cause or causes beyond the control of SHEBOYGAN.

10. TERMINATION

Either party may terminate this agreement one hundred and twenty (120) days following delivery of a written notice to the other party. If KOHLER terminates this agreement, KOHLER will agree to pay for pro-rated service costs up to and including the last day of service.

11. TERM OF AGREEMENT

This agreement shall remain in effect for 2020 or until modified or terminated and will be binding upon the parties mutually and upon their successors and assigns.

12. LOCAL MATCH FOR SERVICES

Subject to KOHLER approval, SHEBOYGAN shall, on an annual basis, determine the local share responsibility for KOHLER. This amount will be based on the level of service desired by KOHLER for the calendar year. The local match is comprised of total costs of providing service, total revenues from service, and federal and state funding mass transit aids. Costs of providing service are calculated annually.

The local share for the service level provided to KOHLER for 2020 is **$13,366.** Any changes to the service level, operational costs and revenues, changes in state mass transit aids or changes in federal mass transit aids may cause the local share to change. SHORELINE METRO shall notify KOHLER during the budget process of its local share contribution for the following year.

IN WITNESS WHEREOF, the parties have affixed their hands and seals

DATED THIS 4th DAY OF November, 2019.

VILLAGE OF KOHLER

BY: _____

Name: Thomas R. Schnettler

Title: Village President

ATTEST:

_____

Name: Laurie Lindow

Title: Clerk-Treasurer

CITY OF SHEBOYGAN

BY: _____

Name: _____

Title: _____

ATTEST:

_____

Name: _____

Title: _____

ATTACHMENT A

City of Sheboygan (Shoreline Metro) Service Agreement
Village of Kohler Level of Service

1. FIXED ROUTE - Weekdays (Monday through Friday)

Route	Daily Trips	Run Times	Headway	% Billed
20 North	4	5:45 a.m.	:60 min.	25%
		6:45 a.m.	:60 min.	25%
		11:15 a.m.	:60 min.	25%
		5:45 p.m.	:60 min.	25%
20 South	4	9:15 a.m.	:60 min.	25%
		1:15 p.m.	:60 min.	25%
		3:45 p.m.	:60 min.	25%
		7:45 p.m.	:60 min.	25%
Kohler Special	1	7:15 a.m.	:30 min.	100%

2. FIXED ROUTE - Saturdays

Route	Daily Trips	Run Times	Headway	% Billed
20 North	3	9:15 a.m.	:60 min.	25%
		12:15 p.m.	:60 min.	25%
		3:15 p.m.	:60 min.	25%
20 South	4	11:15 a.m.	:60 min.	25%
		1:15 p.m.	:60 min.	25%

3. PARATRANSIT - Weekdays (Monday through Friday)
   Service shall be provided from 5:45 a.m. to 8:45 p.m. Trips may be taken in accordance with Shoreline Metro policy.

4. PARATRANSIT - Saturdays
   Service shall be provided from 7:45 a.m. to 5:45 p.m. Trips may be taken in accordance with Shoreline Metro policy.

NOTES:

- No service will be provided on major holidays including New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day.
- Service on Christmas Eve and New Year's Eve may be altered depending on the day of the week these holiday fall on in a particular year.

ATTACHMENT B

City of Sheboygan (Shoreline Metro) Service Agreement
Current Schedule of Bus Fares and Media

Adult
- Cash Fare.....$1.75 per trip
- Token.....$13.00 (pack of 10)

Student
- Cash Fare.....$1.75 per trip
- Token.....$11.00 (pack of 10)

Senior Citizen/Disabled
- Cash Fare.....$0.85 per trip
- Punch Pass .....$8.50 (10 rides)

All Customers
- Monthly Pass.....$48.00
- Day Pass $3.00
- Children Under 5 years of age .....FREE w/ Fare Paying Adult

NOTES:
- Children under 5 years of age may ride free when accompanied by a fare paying adult passenger.
- Students must be under high school age or younger enrolled full time at a primary or secondary school.
- Senior citizens and individuals with a disability may ride at the reduced fare upon presentation of proper identification recognized by Shoreline Metro. Identification cards are available for eligible disabled customers.
- Transfers between routes at the Transfer Station are available without charge. One transfer will be allowed for each paid fare. Transfers are for immediate use and cannot be used at any other location along the route.

III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION expressing the intent of the Common Council of the City of Sheboygan to exercise its police powers in levying a special assessment for the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 1.

RESOLVED: That the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 1 is hereby proposed to be assessed against all benefited property within the Parking Assessment District No. 1, which is that area of the City generally bounded by N. 7th St. on the east, N. 9th St. on the west, Ontario Ave. on the north, and Center Ave. on the south, and more particularly described as Blocks 105, 106, 127, 129, 130, 152 and the north one-half of Block 151, all in the Original Plat of the City of Sheboygan.

BE IT FURTHER RESOLVED: That all special assessments levied hereunder shall be collected and paid on or before May 1, 2020. Any payments received after May 1, 2020, shall be charged interest at the rate of one percent (1%) per month or fraction thereof.

BE IT FURTHER RESOLVED: That the City Department of Finance shall prepare a report in accordance with §66.60(2) and §66.60(3), Wis. Stats., and that such report shall contain the following information:

a. Preliminary or final plans and specifications
b. An estimate of the entire cost of the proposed work or improvement
c. A schedule of the proposed assessments
d. A statement that the work or improvement constitutes an exercise of the municipality's police powers
e. A statement that the property against which the assessments are proposed is benefited

BE IT FURTHER RESOLVED: That the Finance Department prepare the schedule of the proposed assessments governing this matter under the pro- visions of Section 106-54 of the Municipal Code, and after completion of the schedule, submit copies to the City Clerk for the purpose of public hearing and public notice.

Finance + Personnel

BE IT FURTHER RESOLVED: That the report described above need not be prepared by December 31, 2019, as is set forth in Section 106-54(a) of the Municipal Code.

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION expressing the intent of the Common Council of the City of Sheboygan to exercise its police powers in levying a special assessment for the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 2.

RESOLVED: That the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 2 is hereby proposed to be assessed against all benefited property within the Parking Assessment District No. 2, which is that area of the City bounded by a line described as commencing at the SW corner of Virginia Ave. and Riverfront Dr., also described as the NE corner of Lot 1, Blk. 205 of the Original Plat of the City of Sheboygan, thence W. 240' along the S.L. of Virginia Ave. to the NW corner of Lot 4, Blk. 205, Original Plat (O.P.), thence S. 273' along the W. lot line of Lots 4 and 9, Blk. 205, O.P., thence E. 50' at a right angle to the W. lot line of Lot 9, Blk. 205, O.P., thence S. 125', parallel with said lot line to the S.L. of New Jersey Ave., thence W. 50' along said S.L. to the W. lot line of Lot 4, Blk. 211, O.P., thence S. 90' along said lot line, thence E. 103.12' at a right angle to said lot line to the Wly line of Riverfront Dr., thence SWly 246.89' along said Wly line to an intersection with the W. lot line of Lot 9, Blk. 211. O.P., and the N.L. of Maryland Ave., as originally platted, thence 60' S. to the S.L. of Maryland Ave., thence 60' E. along the said S.L. to the W. lot line of Lot 3, Blk. 234, O.P., thence S. 145', more or less, along said lot line to the NWly shore of the Sheboygan River, thence NEly downstream along said shore to the N.L. of Virginia Ave., thence W. 245', more or less, along said N.L. to the E.L. of Riverfront Dr., thence 80' S. along extension of said E.L. to the S.L. of Virginia Ave., thence 66' W. along said S.L. to the point of beginning, being a part of the NE 1/4 of the NW 1/4 of Sec. 26, T15N, R23E.

BE IT FURTHER RESOLVED: That all special assessments levied hereunder shall be collected and paid on or before May 1, 2020. Any payments received after May 1, 2020, shall be charged interest at the rate of one percent (1%) per month or fraction thereof.

Finance + Personnel

BE IT FURTHER RESOLVED: That the City Department of Finance shall prepare a report in accordance with §66.60(2) and §66.60(3), Wis. Stats., and that such report shall contain the following information:

a. Preliminary or final plans and specifications
b. An estimate of the entire cost of the proposed work or improvement
c. A schedule of the proposed assessment
d. A statement that the work or improvement constitutes an exercise of the municipality's police power
e. A statement that the property against which the assessments are proposed is benefited

BE IT FURTHER RESOLVED: That the Finance Department prepare the schedule of the proposed assessments governing this matter under the provisions of Section 106-54 of the Municipal Code, and after completion of the schedule, submit copies to the City Clerk for the purpose of public hearing and public notice.

BE IT FURTHER RESOLVED: That the report described above need not be prepared by December 31, 2019, as is set forth in Section 106-54(a) of the Municipal Code.

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION expressing the intent of the Common Council of the City of Sheboygan to exercise its police powers in levying a special assessment for the 2019 cost of operating and maintaining, and the prorated acquisition costs of the off-street parking facilities within the Parking Assessment District No. 4.

RESOLVED: That the 2019 cost of operating and maintaining, and prorated acquisition costs of the off-street parking facilities within the Parking Assessment District No. 4 is hereby proposed to be assessed against all benefited property within the Parking Assessment District No. 4, which is that area of the City bounded by a line described as commencing at the intersection of the centerline of S. 12th St. with the S. r.o.w. of Clara Ave., thence W. to the NW corner of Lot 1, Blk. 6, Assessment Subd. No. 19, thence S. to the SW corner of Lot 48, Blk. 6, Assessment Subd. No. 19, thence E. to the SE corner of Lot 46, Blk. 6, Assessment Subd. No. 19, thence W. to the SW corner of said Lot 46, thence S. to the SW corner of Lot 43, Blk. 6, Assessment Subd. No. 19, thence W. to the NW corner of Lot 40, Blk. 6, Assessment Subd. No. 19, thence S. to the SW corner of said lot, thence E. to the NE corner of Lot 39, Blk. 6, Assessment Subd. No. 19, thence S. to the SE corner of Lot 35, Blk. 6, Assessment Subd. No. 19, thence E. to the SE corner of Lot 2, Blk. 7, Assessment Subd. No. 19, thence N. to the NE corner of said Lot 2, thence E. to the NE corner of Lot 1, Blk. 7, Assessment Subd. No. 19, thence S. along the E.L. of said Lot 1 to a point in said E.L. opposite the Wly extension of the S.L. of Lot 17, Blk. 8, Assessment Subd. No. 19, thence E. to the SE corner of said Lot 17, thence N. to the NE corner of Lot 15, Blk. 8, Assessment Subd. No. 19, thence W. along the N.L. of said Lot 15 to the centerline of S. 12th St., thence N. along said centerline to point of beginning.

BE IT FURTHER RESOLVED: That all special assessments levied hereunder shall be collected and paid on or before May 1, 2020. Any payments received after May 1, 2020, shall be charged interest at the rate of one percent (1%) per month or fraction thereof.

Finance + Personnel

BE IT FURTHER RESOLVED: That the City Department of Finance shall prepare a report in accordance with §66.60(2) and §66.60(3), Wis. Stats., and that such report shall contain the following information:

a. Preliminary or final plans and specifications
b. An estimate of the entire cost of the proposed work or improvement
c. A schedule of the proposed assessments
d. A statement that the work or improvement constitutes an exercise of the municipality's police powers
e. A statement that the property against which the assessments are proposed is benefited

BE IT FURTHER RESOLVED: That the Finance Department prepare the schedule of the proposed assessments governing this matter under the pro- visions of Section 106-54 of the Municipal Code, and after completion of the schedule, submit copies to the City Clerk for the purpose of public hearing and public notice.

BE IT FURTHER RESOLVED: That the report described above need not be prepared by December 31, 2019, as is set forth in Section 106-54(a) of the Municipal Code.

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION expressing the intent of the Common Council of the City of Sheboygan to exercise its police powers in levying a special assessment for the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 5.

RESOLVED: That the 2019 cost of operating and maintaining the off-street parking facilities within the Parking Assessment District No. 5 is hereby proposed to be assessed against all benefited property within the Parking Assessment District No. 5, which is that area of Lots 1 through 9 and Lot 11, South Pier Subdivision, of the City of Sheboygan.

BE IT FURTHER RESOLVED: That all special assessments levied hereunder shall be collected and paid on or before May 1, 2020. Any payments received after May 1, 2020, shall be charged interest at the rate of one percent (1%) per month or fraction thereof.

BE IT FURTHER RESOLVED: That the City Department of Finance shall prepare a report in accordance with §66.60(2) and §66.60(3), Wis. Stats., and that such report shall contain the following information:

a. Preliminary or final plans and specifications
b. An estimate of the entire cost of the proposed work or improvement
c. A schedule of the proposed assessments
d. A statement that the work or improvement constitutes an exercise of the municipality's police powers
e. A statement that the property against which the assessments are proposed is benefited

BE IT FURTHER RESOLVED: That the Finance Department prepare the schedule of the proposed assessments governing this matter under the provisions of Section 106-54 of the Municipal Code, and after completion of the schedule, submit copies to the City Clerk for the purpose of public hearing and public notice.

Finance Personnel

BE IT FURTHER RESOLVED: That the report described above need not be prepared by December 31, 2019, as is set forth in Section 106-54(a) of the Municipal Code.

_____

_____

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. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing entering into a Development Agreement with Oscar Apartments LLC.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Development Agreement Between Oscar Apartments LLC and the City of Sheboygan regarding proposed development adjacent to South 15th Street, a copy of which is attached hereto and incorporated herein.

_____

_____

Francet
Personnel

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

DEVELOPMENT AGREEMENT
BETWEEN
OSCAR APARTMENTS LLC
AND THE CITY OF SHEBOYGAN

THIS DEVELOPMENT AGREEMENT (the "Agreement"), is made and entered into as of the ____ day of _____, 2019 by and between the City of Sheboygan, Wisconsin, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City"), and Oscar Apartments LLC, a Missouri limited liability company with its principal offices located at 8451 Maryland Avenue, St. Louis, MO 63105 (hereinafter "Developer").

RECITALS

The City is in process of establishing Tax Increment District ("TID #20"), in accordance with Section 66.1105, Wis. Stats. (the "Tax Increment Law"), in order to provide a viable method of financing eligible project costs within the district for appropriate private development, which will contribute to the overall development of the City.

The Developer proposes to build a 248-unit multi-family development targeted at providing rental housing units to the City.

The City is authorized by Section 66.1105(3)(e), Wis. Stats, as amended, to enter into any contract or agreement necessary or convenient to implement the provisions and effectuate the purposes of the Project for TID #20.

The Project to be undertaken by the Developer, as described herein, is of particular importance to the City and will provide new housing units in the City.

The Project Plan will include "Development Incentive Payments" as eligible project costs for purposes of carrying out the Project Plan.

The City proposes to enter into this Development Agreement with the Developer to achieve the objectives of TID #20 and to facilitate the implementation of TID #20 Project Plan. The City is prepared to provide financial assistance to the Developer through development incentives in order to bring about the continued development in accordance with this Agreement.

Developer has acquired real property within TID #20 and intends to develop the property by constructing new multi-family buildings at an estimated cost of $45,000,000 (the "Project").

It is in the mutual interest of all parties to proceed with development of the Project, and in return for the benefits to be derived therefrom, the City is prepared to provide financial assistance to the Developer through development incentives in order to bring about the development and thereby promote the sound redevelopment of the area of South 15th Street that has historically been used for industrial purposes in an otherwise residential area.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals, the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. All capitalized terms used herein and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"*Agreement*" or "*Development Agreement*" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"*Contribution Deadline*" means the year in which closure and dissolution of the District occurs as set forth in the Project Plan.

"*Developer*" means Oscar Apartments LLC and its permitted successors and assigns.

"*Development*" means the overall construction of an approximately 230,000 square multi-family apartment complex consisting of four residential buildings with 248 units and appurtenant buildings adjacent to S. 15th Street.

"*Development Incentive Payments*" means the property tax increment payments made to the Developer by the City pursuant to this Agreement.

"*Events of Default*" means any of the events described in Section 9.1 hereof.

"*Plans and Specifications*" means the plans and specifications for the Project prepared from time to time by the Developer which are approved by the City in accordance with all procedures and requirements of the City for such approvals.

"*Project*" means the development proposed by Developer herein for construction of a new multi-family apartment complex consisting of four buildings and 248 units, located on the property described on Exhibit "A" (the "Property").

"*Tax Increment Revenue*" means the tax increment (as defined in Section 66.1105(2)(i), Wis. Stats.) generated by the Property.

"*TID Project Plan*" means the Project Plan for Tax Incremental Financing District No. 20 ("TID #20") of the City of Sheboygan, Wisconsin.

ARTICLE II. OVERVIEW OF THE PROJECT

2.1 Project Overview. The Project consists of the construction of new multi-family buildings of approximately 230,000 square foot at a total estimated cost of $45,000,000 with associated parking located on the property described on Exhibit "A" and pursuant to the plans in Exhibit "B." Construction is to commence in approximately May 2020 and completed for opening by November, 2021. Cost for this construction is estimated to be $45,000,000.

ARTICLE III. CONSTRUCTION SCHEDULE

3.1 Construction Schedule. Unless the parties agree in writing to a change, the construction schedule for the Project will be carried out as follows:

Site Plan Approval:	completed
Creation of TID:	March 31, 2020
Issuance of the Building Permits:	April 1, 2020
Start Construction:	April 15, 2020
Substantial Completion:	October 15, 2021

3.2 Default. Failure to substantially complete construction of the Project by the date agreed to in this document (or as amended by the parties in writing) is an event of default pursuant to Section 10.1(A) of this Agreement.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER

4.1 Developer's Representations and Warranties. The Developer makes the following representations and warranties which the City may rely upon in entering into this and all other agreements with the Developer and granting all approvals, permits and licenses for the Project.

(A) Developer is a duly organized and existing limited liability company in current status under the laws of the State of Missouri.

(B) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and approved by Developer, and no other or further acts or proceedings of Developer are necessary to authorize and approve the execution, delivery and performance of this Agreement and the matters contemplated hereby. This Agreement, and the exhibits, documents and instruments associated herewith and made a part hereof, have been duly executed and delivered by Developer and constitute the legal, valid and binding agreement and obligation of Developer, enforceable against it in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights generally, and by general equitable principles.

(C) There are no lawsuits filed or pending, or to the knowledge of Developer, threatened against Developer that may in any way jeopardize the ability of Developer to perform its obligations hereunder.

(D) Developer has sufficient funds through equity investment in Developer and through lending sources for the completion of the Project. Developer shall provide evidence thereof satisfactory to the City prior to the issuance by the City of any building permits, and from time to time upon the reasonable request of the City. The Developer shall promptly notify the City of any material adverse change in the Developer's financial condition.

(E) Developer is/will be the owner of the Property. The Project to be constructed will be fully subject to taxation under Wisconsin Property Tax Laws. Developer, for itself, its successors and assigns, shall take no action(s), and shall file no claim(s) seeking, promoting or encouraging exemption of the Project in whole or part from taxability under Property Tax Laws.

ARTICLE V. UNDERTAKINGS OF THE DEVELOPER

5.1 Compliance with Codes, Plans and Specifications, Etc. The building(s) and other improvements to be constructed upon the Property, the construction thereof, and their uses shall be in compliance with all applicable codes and ordinances of the City, and with all pertinent provisions of this Agreement, the Development Plan and the Plans and Specifications. The acceptance of this Agreement and granting of any and all approvals, licenses and permits by the City shall not obligate the City to grant any variances, exceptions or conditional use permits, or approve any building the City determines not to be in compliance with the City codes and ordinances. All work done by or for Developer shall be in accordance with all applicable City codes and ordinances, the Plans and Specifications, and other applicable laws and regulations. All plans for each aspect of the work must be approved by the City (which may delegate such approvals to its staff in accordance with City codes, ordinances and policies). If permits or approvals are required for any such work, issuance of such permits or approvals is a condition to commencement of such work, and Developer will at its sole cost and expense take such action as required to seek such approvals and permits.

5.2 Real Estate and Personal Property Taxes. Developer, as an inducement to the City to proceed with establishment of TID #20 and to provide development incentive payments as provided herein to Developer for the development of the Project, hereby represents that the contemplated Project will be fully subject to real estate and personal property taxes under state law. Developer further represents and agrees for itself, its successors and assigns, that in addition to its obligations pursuant to Section 4.1(D) of this Agreement, it shall take no action(s) or advocate any position or change in state law which would jeopardize or call into question the taxability of the Project or eliminate real estate or personal property taxation in the State of Wisconsin.

5.3 Payments in Lieu of Taxes. Notwithstanding the above, in the event that the Project, or the Property, or any part thereof, is determined at any time to be exempt from real and/or personal property taxation under state law, or in the event that a particular tax is eliminated or repealed, Developer, for itself, its successors and assigns, agrees to make payments in lieu of taxes to the City, County, school district, and any other property taxing jurisdictions in the amounts and within the time periods that would otherwise be required as if the property were fully taxable, in recognition of the valuable governmental services and benefits available and/or provided to the Project and the Property.

5.4 Assessed Valuation Challenges. The Parties agree that in no event shall the Developer have any limitations on its rights to contest, challenge, or protest real estate taxes or other taxes assessed or imposed against the Project; provided, however, Developer shall not take any action at Open Book, Board of Review or in Circuit Court to reduce the assessed valuation of the Project subject to this Development Agreement to an assessed real estate property value lower than that necessary to produce a minimum amount of Property Tax Increment of $606,276.85 annually during the term that the District remains open. No restrictions to legal challenges shall be in place after the Contribution Deadline.

5.5 Payment of Tax Increment Deficiencies. Commencing upon the substantial completion of the Development through the Contribution Deadline in the event that the real estate property valuation is less than $29,000,000.00 per year beginning in the real property tax year in which the Development is substantially completed, the Developer agrees to pay the difference if any, between (i) the Property Tax collected by the City pursuant to Wis. State Statute 66.1105 and (ii) the Property Tax amount that would be collected by the City were the Project property to be assessed at $29,000,000. The difference, if any, shall be paid by Developer to the City within thirty (30) days of billing each year such increment deficiency occurs, under the Contribution Deadline, at which time no further payments of the difference to the City shall be required. Notwithstanding the foregoing, in the event the substantial completion of the Development occurs on the date that is not the first of any real property tax year, the foregoing Property Tax Increment threshold shall be allocated on a per diem basis over the real property tax year shall by amount equal to such per-diem threshold multiplied by the number of days remaining in such partial real property tax year following substantial completion of the Development. In addition to any other remedy available at law or in equity, the parties agree that the portion of this Agreement relating to payment of tax increment deficiencies represents a loan to an owner of a premises located in the City for a brownfield revitalization project, and as such the City in its discretion may also enforce collection of Developer's obligations to pay tax increment deficiencies by imposing special assessments in accordance with the procedure or special charges against the Developer pursuant to §66.0627, Wis. Stats., which procedure is hereby consented to and all objections waived, and furthermore, separately or on conjunction with any other available remedy, may offset any increment payments due to Developer by the amount of actual, and reasonably anticipated which become actual unpaid tax increment deficiencies Developer has failed to pay City as required by this Agreement.

5.6 Cooperation with City. Developer shall reasonably cooperate with the City to facilitate the City's performance under Article VI.

5.7 Good Faith Hiring and Contracting Efforts. Developer agrees to exercise good faith in striving whenever possible to hire, retain, and contract with qualified individuals and businesses residing and/or based in the City of Sheboygan, as well as veterans and minority-owned businesses. Developer agrees to undertake reasonable efforts to make opportunities known and available to local residents and businesses, such as advertising in publications and internet resources frequented by such residents and businesses.

ARTICLE VI. UNDERTAKINGS OF THE CITY

6.1 Development Incentives. Upon completion, the Property shall be assessed, assuming net operating income at a 6.75% capitalization rate. After the assessed real estate property value of the project has exceeded a minimum of $29,000,000, the City agrees to provide to the Developer each year for a maximum period of fifteen (16) years an annual incentive payment, in a total principal sum not to exceed $7,250,000 as an inducement to Developer for the development of the Project. The annual incentive payments shall be calculated and provided to the Developer as follows:

> Each year for a maximum period of sixteen (16) years, commencing in 2021 and ending in 2036, the City will pay to the Developer a development performance incentive payment in an amount equal to 65% of the Tax Increment Revenue received by the City with respect to the Property in that year, minus $5,000 for the City's administrative costs, provided that the Tax Incremental Value of the Project is in excess of $29,000,000 in respect to the real property upon which the Project is situated in that year. Notwithstanding the calculation in this subsection, in no event shall the total aggregate sum of the annual development performance incentive payments to the Developer exceed $471,250. The terminology "real Property upon which the Project is situated" is used in this Section to make it clear only real property and not personal property shall be included in determining the Tax Increment Revenue. The City shall make the payment due to the Developer, if any, under this Section 5.1 no later than September 30 of each year, commencing in 2021. Payment by the City of the annual incentive will only be made if the Developer has paid current year property taxes (real and personal) to the City in full. Said payments are in no way tied to future property tax payments and do not provide any future tax break, nor do they refund already paid taxes. The development incentives payable under this section are subject to adjustment as provided herein.

6.2 Condition Precedent to Payment of Development Incentives. Developer shall provide evidence reasonably satisfactory to the City at least 90 days prior to the date of the first incentive payment in 2021 that Developer has expended not less than $45,000,000 in costs related to the project.

6.3 Off-Site Public Improvements. The City shall, at its sole cost and expense: (i) have prepared and paid for the cost of engineering and construction plans and specifications for an off-site recreational trail extending from Georgia Avenue to Union Avenue along the Union Pacific Railway right-of-way; and (ii) contract for and install, maintain, repair, and replace said recreational trail. The City shall ensure that construction of the trail shall commence no later than five (5) years after substantial completion of the project, and that the trail shall be installed, maintained, and repaired in a good and workmanlike manner in accordance with sound engineering practices and in compliance with the Zoning Code and all other applicable laws, ordinances, regulations and requirements.

ARTICLE VII. CONDITIONS TO THE UNDERTAKINGS OF THE CITY

7.1 All Obligations of the City under this Agreement. As a condition to each and all of the covenants, agreements and other obligations of the City under this Agreement, all of the following shall occur, in addition to all other requirements and conditions set forth in this Agreement:

(A) The new 230,000 square foot multi-family development shall be completed in phases with final completion on or before October 15, 2021.

(B) All representations and warranties of Developer set forth in Article III and elsewhere in this Agreement and in all agreements expressly referred to herein shall be true, complete and correct.

(C) All covenants and obligations of Developer under this Agreement are duly performed, observed and satisfied.

(D) No Event of Default has occurred, or with the giving of notice or lapse of time would occur.

ARTICLE VIII. TID CONTINGENCY

8.1 Creation of TID. Developer's and the City's obligations hereunder are contingent upon the City creating and obtaining Joint Review Board approval of a Tax Incremental District including, at a minimum, the Property as contemplated herein, after October 31, 2019, and having the base year certified by the Wisconsin Department of Revenue as of 2020. The City shall take all commercially reasonable steps required to create and obtain Joint Review Board approval of a Tax Incremental District.

8.2 Failure to Create TID. If the contingency set forth in this Article is not timely satisfied, amended or waived, then this Agreement shall terminate and the parties shall be relieved of all liability to one another under this Agreement.

ARTICLE IX. INDEMNIFICATION OF THE CITY

9.1 Indemnification. The Developer hereby indemnifies and holds harmless the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this section collectively referred to as the "Indemnified Parties"), against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the development of the Project, provided that the foregoing indemnification shall not be effective for any negligent acts of the Indemnified Parties in fulfilling the obligations of the City or its agents as set forth in this Agreement. Except for any willful misrepresentation or any willful misconduct of the Indemnified Parties, the Developer will protect and defend the Indemnified Parties from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the action or inaction of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership and operation of the Project. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE X. DEFAULT/REMEDIES

10.1 Events of Default. An Event of Default is any of the following:

(A) Failure by the Developer to cause substantial completion of the Project to occur pursuant to the terms, conditions and limitations of this Agreement.

(B) Failure of the Developer to perform or observe any and all covenants, conditions, obligations or agreements on its part to be observed or performed when and as required under this Agreement, in either case within forty-five (45) days after written notice to the Developer of such failure, provided that if such matter is not financial and cannot be cured within such forty-five (45) day period but if the Developer commences to cure such matter within the forty-five (45) day period and thereafter reasonably and continuously takes action to complete such cure and such cure is completed within ninety (90) days of the date of written notice to Developer, then the event will not be an Event of Default.

(C) Failure by the City to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed when and as required under this Agreement, in either case within forty-five (45) days after written notice to the City of such failure, provided that if such matter is not financial and cannot be cured within such forty-five (45) day period but if the City commences to cure such matter within the forty-five (45) day period and thereafter reasonably and continuously takes action to complete such cure and such cure is completed within ninety (90) days of the date of notice to the City, then the event will not be an Event of Default.

(D) Developer becomes insolvent or is the subject of bankruptcy or insolvency proceedings.

10.2 Remedies on Default. Whenever an event of default occurs and is continuing, the other non-defaulting party may take any one or more of the following actions:

(A) The non-defaulting party may immediately suspend their performance under this Agreement from the time any notice of an Event of Default is given until they receive assurances from the defaulting party deemed adequate by the non-defaulting party, that the defaulting party has cured or will cure its default and continue its performance under this Agreement.

(B) The non-defaulting party may take any action, including legal or administrative action, in law or in equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of the defaulting party under this Agreement.

10.3 No Remedy Exclusive. No remedy or right conferred upon or reserved to the City in this Agreement is intended to be exclusive of any other remedy or remedies, but each and every such right and remedy shall be cumulative and shall be in addition to every other right and remedy given under this Agreement now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

10.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE XI. FORCE MAJEURE

11.1 Force Majeure. No party will be responsible to any other party for any resulting losses if the fulfillment of any of the terms of this Agreement is delayed or prevented by war, strikes, fires, floods, acts of God, and other reasons wholly without the control of the party with whose performance there was interference, and which, by the exercise of reasonable diligence, such party is unable to prevent, and the time for performance will be extended by the period of delay occasioned by any such cause.

ARTICLE XII. ADDITIONAL PROVISIONS

12.1 Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to this Agreement which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer's successors or assigns on any obligations under the terms of this Agreement.

12.2 Incorporation by Reference. All exhibits and other documents attached hereto or referred to herein are hereby incorporated in and shall become a part of this Agreement.

12.3 No Implied Approvals. Nothing herein shall be construed or interpreted in any way to waive any obligation or requirement of Developer to obtain all necessary approvals, licenses and permits from the City in accordance with its usual practices and procedures, nor limit or affect in any way the right and authority of the City to approve or disapprove the Development Plan, Plans and Specifications, or any part thereof, or to impose any limitations, restrictions and requirements on the development, construction and/or use of the Project as a condition of any such approval, license or permit; including, without limitation, requiring any and all other development and similar agreements.

12.4 No Assignment. Developer may assign its rights in this Agreement without the consent of the City to any affiliate of the Developer. Developer may not assign its rights in this Agreement without the express prior written consent of the City to any non-affiliated assignee.

12.5 No Joint Venture. Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership or joint venture between or among such parties.

12.6 Time of the Essence. Time is deemed to be of the essence with regard to all dates and time periods set forth herein or incorporated herein.

12.7 Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

12.8 Notices. Any notice required hereunder shall be given in writing, signed by the party giving notice, personally delivered or mailed by certified or registered mail, return receipt requested, to the parties' respective addresses as follows:

To the City:

City of Sheboygan, Wisconsin
828 Center Ave.
Sheboygan, WI 53081
Attn: City Clerk

with a copy to:
City Attorney
City of Sheboygan, Wisconsin
828 Center Ave.
Sheboygan, WI 53081

To the Developer:

Oscar Apartments LLC
8451 Maryland Avenue
St. Louis, MO 63105
Attn: Joel Oliver

12.9 Entire Agreement. This document and all other documents and agreements expressly referred to herein contain the entire agreement between the Developer and the City with respect to the matters set forth herein. This Agreement may be modified only by a writing signed by all parties.

12.10 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

12.11 Cooperation. The City and the Developer agree to cooperate in the prosecution of applications made by either party for any governmental certificates or approvals appropriate or necessary for the consummation of the transactions contemplated by this Agreement or the use and occupancy of the Property. The City and the Developer each will at any time, or from time to time at the written request of the other, sign and deliver such other documents as may be reasonably requested or as may be reasonably necessary or appropriate to give full effect to the terms and conditions of this Agreement.

12.12 Counterparts. This agreement may be executed in any number of counterparts, each of which shall be deemed an original.

12.13 Binding. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assigns.

12.14 Fees. Upon execution of this Agreement, and thereafter upon request of the City, the Developer shall reimburse the City for all legal, consulting and other fees and expenses incurred in connection with the preparation of this Agreement, the creation of TID #20, for external review of Developer's pro forma by Ehlers & Associates, and other documents and agreements referred to herein.

List of Exhibits:

A Legal Description

B Developer's Project Plans

This document consists of _____ pages, including the following signature page, plus any Exhibits.

SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF SHEBOYGAN, WISCONSIN

BY: _____
Michael Vandersteen, Mayor

ATTEST: _____
Meredith DeBruin, City Clerk

OSCAR APARTMENTS LLC

BY: _____
Philip Hulse, Manager

This document authorized by and in accordance with Res. No. ___-19-20.



LEGAL DESCRIPTION

Part of the West One-half (1/2) of the Southeast One-quarter (1/4) of Section Twenty-seven (27), in Township Fifteen (15) North, Range Twenty-three (23) East, in the City of Sheboygan, Sheboygan County, Wisconsin, more particularly described as: Commencing at the intersection of the South line of Block 300 of the Original Plat of the City of Sheboygan (which is also identified in a Plat of Survey dated May 8, 2006 as the North line of the Southeast . of Section 27) and the Easterly line of South 15th Street; thence South 88° 25' 00" West along the South line of said Original Plat 20.00 feet to the point of beginning; thence continuing South 88° 25' 00" West, 299.56 feet along the South line of said Block 300 extended and Block 301 (described in said May 8, 2006 Survey as South 88° 48' 05" West, 59.91 feet and then South 89° 08' 09" West, 227.88 feet) to a point which is 133.98 feet East of the Easterly line of South 16th Street; thence South 60 feet (described in said May 8, 2006 Survey as South 00° 11' 31" West 60.35 feet); thence West 131.85 feet parallel to the South line of said Block 301 (described in said May 8,

2006 Survey as South 89° 16' 10" West 131.90 feet) to a point in the Easterly line of South 16th Street; thence South 70 feet (described in said May 8, 2006 Survey as South 00° 11' 31" West 69.54 feet) along the Easterly line of said South 16th Street to the Northerly line of the vacated portion of said street; thence West 326 feet, more or less, parallel with the South line of said Block 301 (described in said May 8, 2006 Survey as South 88° 59' 20" West 325.11 feet) to the point in the East line of Grams Subdivision No. 1; thence South 429 feet along the East line of said Grams Subdivision No. 1 (described in said May 8, 2006 Survey as South 01° 03' 40" West 428.50 feet); thence East 35 feet (described in said May 8, 2006 Survey as South 88° 56' 20" East 35.00 feet); thence South 115 feet (described in said May 8, 2006 Survey as South 01° 04' 11" West 115.00 feet); thence West 35 feet (described in said May 8, 2006 Survey as North 88° 56' 20" West 35.00 feet) to the point in the East line of said Grams Subdivision No. 1; thence South along said East line 240 feet, more or less (described in said May 8, 2006 Survey as South 01° 03' 40" West 240.17 feet) to a point which is 270 feet North of the North line of Broadway Avenue; thence East 200 feet (described in said May 8, 2006 Survey as North 89° 29' 20" East 200.00

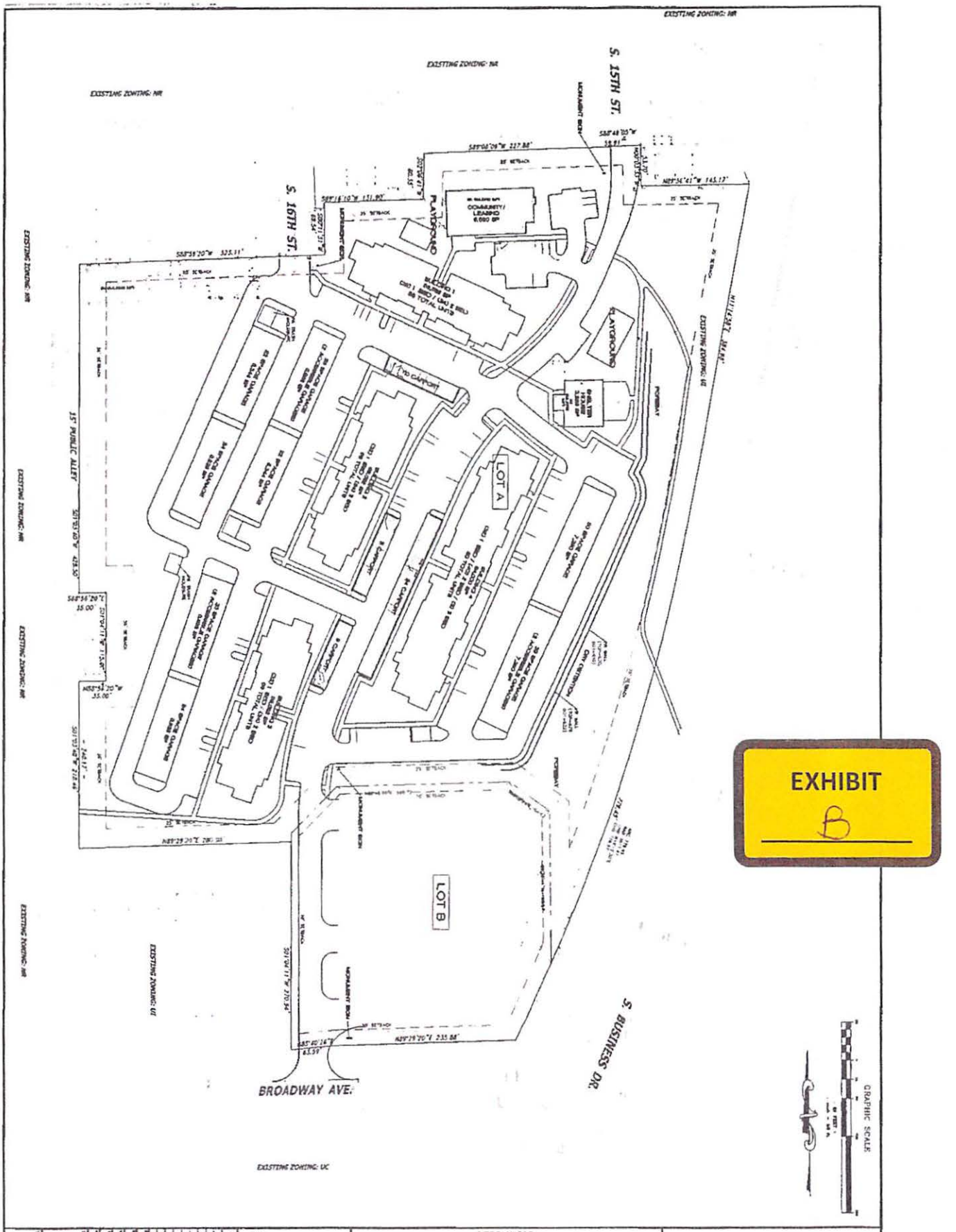
feet) parallel with the North line of Broadway Avenue; thence South 60 feet (described in said May 8, 2006 Survey as South 01° 04' 11" West 60.00 feet); thence East 80 feet (described in said May 8, 2006 Survey as North 89° 29' 20" East 80.00 feet) parallel with the North line of Broadway Avenue; thence South (described in said May 8, 2006 Survey as South 01° 04' 11" West) 189.23 feet to a point in the Northerly line of a parcel conveyed to the City of Sheboygan for the expansion of Broadway Avenue by Warranty Deed recorded as Document No. 1687705; thence North 85° 40' 26" East 63.59 feet along the Northerly line of Broadway Avenue; thence North 89° 29' 30" East 235.88 feet along said new Northerly line of Broadway Avenue to its intersection with the Westerly line of the main track right of way of the Chicago & Northwestern Railway; thence Northerly along said Westerly right of way line (described in said May 8, 2006 Survey as 779.45 feet along a curve to the left with a chord bearing North 19° 10' 30" East 776.97 feet and a radius of 2817.47 feet and thence North 11° 14' 58" East 384.98 feet) to a point 53.70 feet South of the South line of said Block 300 which point is the Southeast corner of Lot 1 of the Certified Survey Map recorded in Volume 9 of Certified Survey Maps, at Page 88, as Document No. 1199254; thence South 89° 53' 20" West 143.04 feet, of record, along the Southerly line of said Certified Survey Map (described in said May 8, 2006 Survey as North 89° 56' 41" West 143.17 feet) to the Southwest corner thereof; thence North (described in said May 8, 2006 Survey as North 00° 03' 33" West) 53.70 feet along the Westerly line of said Certified Survey Map to beginning, and including that portion of Vacated South 16th Street lying within said boundary description. Excepting therefrom those lands described in a Warranty Deed recorded on June 6, 2011, as Document No. 1925240.

Tax Key No. 59281513391

Address: 1436 South 15th Street, Sheboygan, WI 53082

Tax Key No. 59281513500

Address: 1440 South 16th Street, Sheboygan, WI 53082



EXHIBIT

B

SITE PLAN FOR

THE OSCAR

1436 SOUTH 15TH STREET

CITY OF SHEBOYGAN

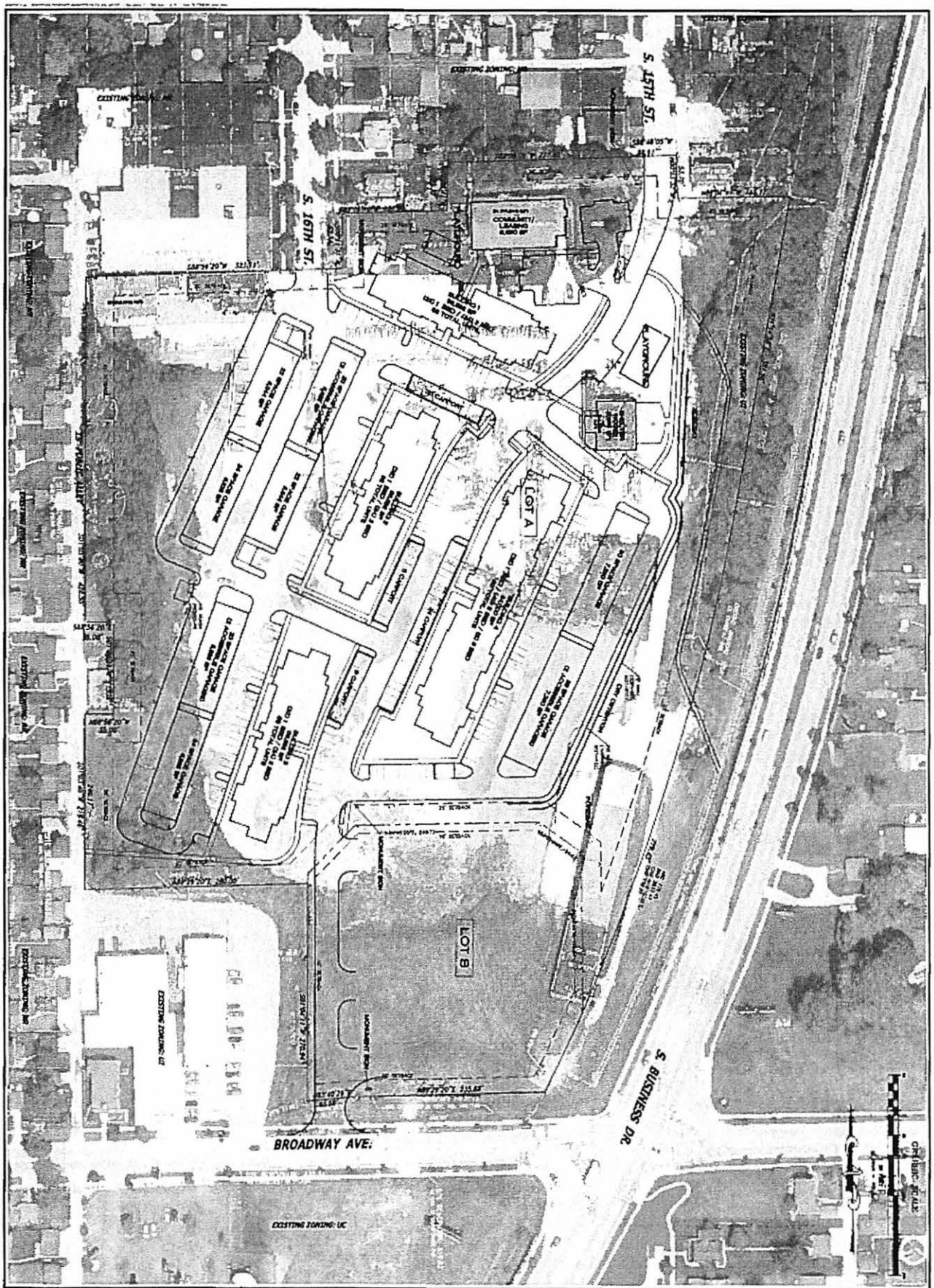
WISCONSIN

STOCK & ASSOCIATES

Consulting Engineers, Inc.

GEOMETRIC PLAN

3.0



3.1

GEOMETRIC PLAN W/AERIAL

REVISIONS

SITE PLAN FOR

THE OSCAR

1436 SOUTH 15TH STREET

CITY OF SHEBOYGAN

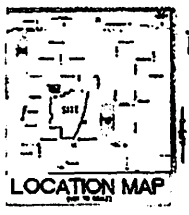
WISCONSIN

STOCK & ASSOCIATES

Consulting Engineers, Inc.

SITE PLAN

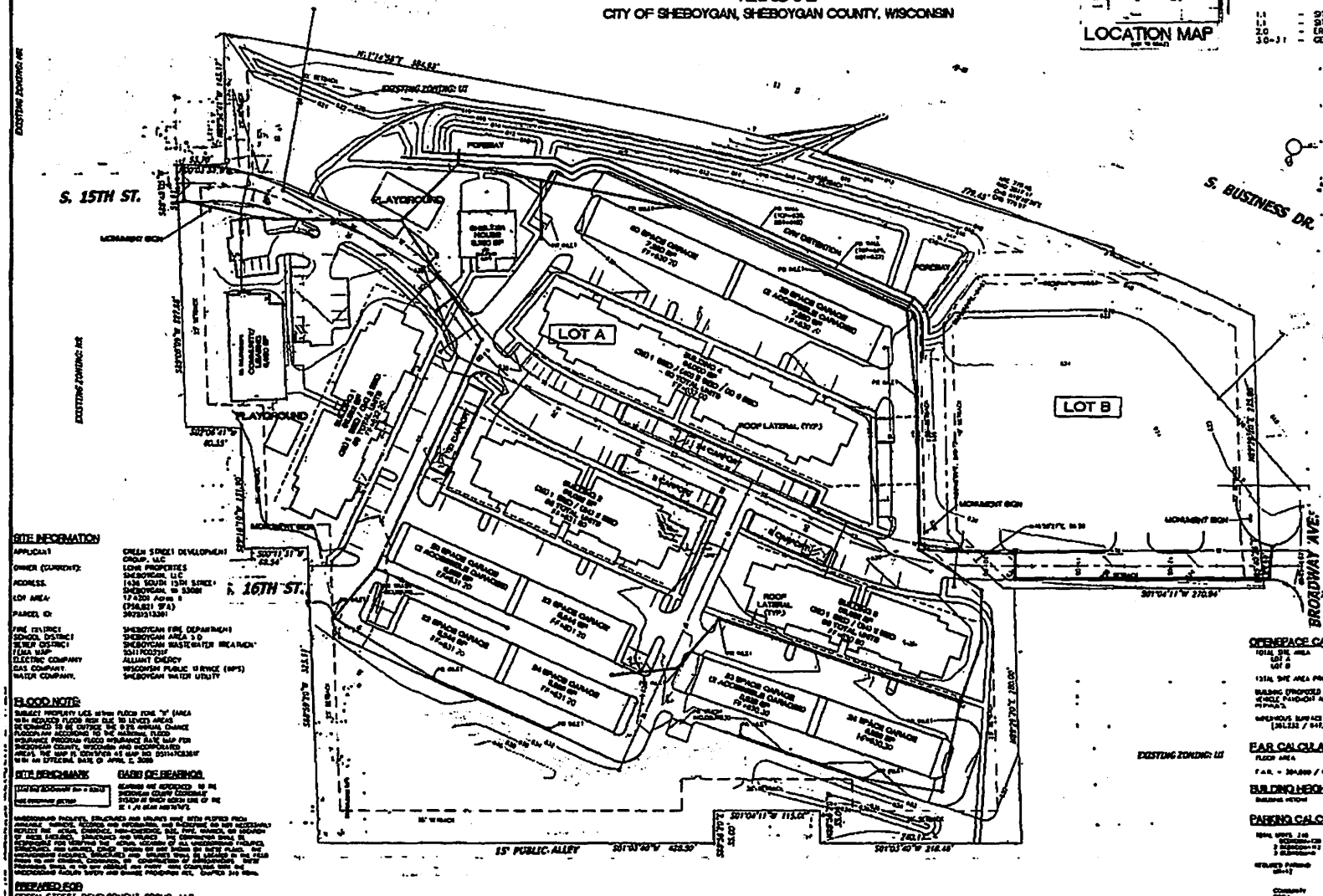
SEC 27 T15N R23E PRT OF THE E 1/2 DESC AS COM AT THE INTERSECTION OF THE S LINE OF ORIGINAL PLAT BLK 300 AND THE E LINE OF S 15TH ST, THE S-89-DEG-25'-00"-W 20' ALG THE S LINE OF THE ORIGINAL PLAT TO THE POB, TH CONT S-89-DEG-25'- 00"W 299.56' ALG SD S LI
CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN



GRAPHIC SCALE

SHEET INDEX

1.0 – SITE PLAN
1.1 – SITE PLAN DETAILS
2.0 – EROSION CONTROL PLAN
3.0-3.1 – GEOMETRIC PLAN & AERIAL



SITE INFORMATION

APPLICANT	GREEN STREET DEVELOPMENT GROUP, LLC
OWNER (CURRENT):	LOUIS PROPERTIES SHEBOYGAN, LLC
ADDRESS:	1436 SOUTH 15TH STREET SHEBOYGAN, WI 53081
LOT AREA:	17.0200 Acres ± (741,621 SF±)
PARCEL ID:	3923313281
FIRE DISTRICT	SHEBOYGAN FIRE DEPARTMENT
SCHOOL DISTRICT	SHEBOYGAN AREA S D
SEWER DISTRICT	SHEBOYGAN WASTEWATER TREATMENT
TAX MAP	5311 P0231F
ELECTRIC COMPANY	ALLIANT ENERGY
GAS COMPANY	WISCONSIN PUBLIC SERVICE (WPS)
WATER COMPANY	SHEBOYGAN WATER UTILITY

FLOOD NOTE:

SUBJECT PROPERTY LIES within FLOOD ZONE "X" (AREA WITH REDUCED FLOOD RISK DUE TO LEVEE) AREAS DETERMINED TO BE OUTSIDE 500 YEAR ANNUAL CHANCE FLOODPLAIN ACCORDING TO THE NATIONAL FLOOD INSURANCE PROGRAM FLOOD INSURANCE RATE MAP FOR SHEBOYGAN COUNTY, WISCONSIN AND INCORPORATED AREAS, THIS MAP IS IDENTIFIED AS MAP NO. 55117C0236F WITH AN EFFECTIVE DATE OF APRIL 5, 2009

SITE BENCHMARK:

BASIS OF BEARINGS:

BEARINGS ARE REFERENCED TO THE SHEBOYGAN COUNTY COORDINATE SYSTEM OF 1983 (1991 ADJ.) WITH A BEARING OF S 89°25'00" W ALONG THE SOUTH LINE OF THE SE 1/4 OF SECTION 27, T15N, R23E.

UNDERGROUND UTILITIES, STRUCTURES AND VAULTS WERE PLOTTED FROM AVAILABLE SURFACE EVIDENCE, RECORDS AND APPARENT MARKINGS. THE CONTRACTOR SHALL NOT RELY ON THE ACCURACY OF SUCH UTILITIES, STRUCTURES AND VAULTS SHOWN ON THIS PLAN. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING THE ACTUAL LOCATION OF ALL UNDERGROUND UTILITIES, STRUCTURES, AND VAULTS, EITHER SHOWN OR NOT SHOWN ON THIS PLAN. THE CONTRACTOR SHALL CONTACT DIGGERS HOTLINE (1-800-242-8511) AND ANY OTHER APPROPRIATE UTILITY LOCATING AGENCIES AT LEAST 72 HOURS BEFORE BEGINNING ANY EXCAVATION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGE TO ANY UTILITIES, STRUCTURES, OR VAULTS CAUSED BY THE CONTRACTOR'S OPERATIONS. THE CONTRACTOR SHALL COMPLY WITH ALL APPLICABLE FEDERAL, STATE AND LOCAL LAWS, RULES AND REGULATIONS, INCLUDING THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) CONSTRUCTION SAFETY AND HEALTH STANDARDS (29 CFR PART 1926).

PREPARED FOR:
GREEN STREET DEVELOPMENT GROUP, LLC
5451 MARYLAND, ST LOUIS, MO 63105
PHONE: (314) 499-9884

OPENSPACE CALCULATIONS

TOTAL SITE AREA
LOT A
LOT B

TOTAL SITE AREA PROPOSED LOT A

BUILDING (PROPOSED & EXISTING)
VEHICLE PAVEMENT AND SIDEWALK
IMPERVIOUS SURFACE RATIO:

FAR CALCULATION

FLOOR AREA

F.A.R. =

BUILDING HEIGHT

BUILDING HEIGHT

PARKING CALCULATIONS

TOTAL UNITS: 240
1 BEDROOM=120
2 BEDROOM=72
3 BEDROOM=48

REQUIRED PARKING

2 SPACES PER 1 OR 2 BEDROOMS
1.5 SPACES PER 3+ BEDROOMS
(72 + 108) = 180 = 432 SPACES

COMMERCIAL

1 SPACE PER EVERY 4 EMPLOYEE PARKING
(0 + 10) = 10 SPACES

TOTAL SPACES PROVIDED

Strunk & Associates
Consulting Engineers, Inc.

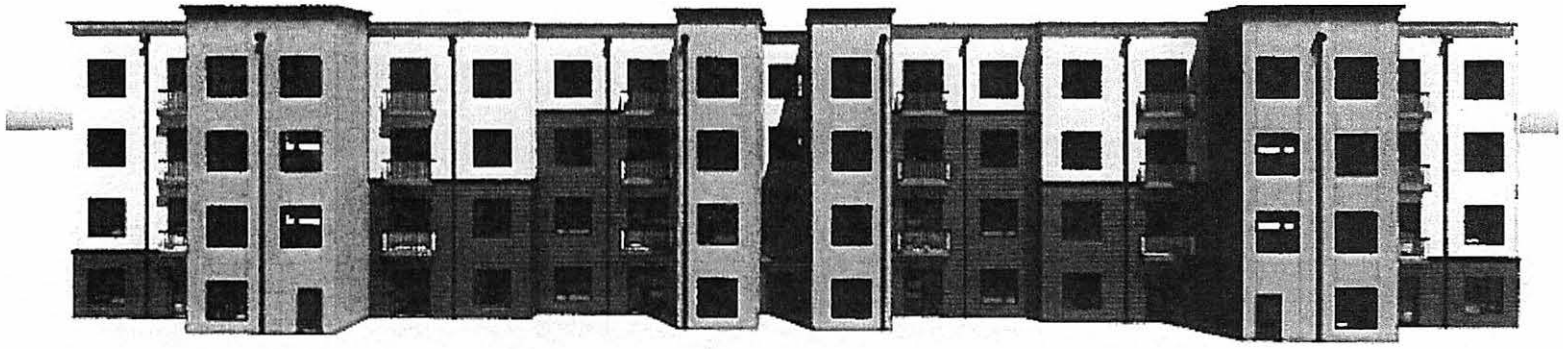
SITE PLAN FOR
THE OSCAR
1436 SOUTH 15TH STREET
CITY OF SHEBOYGAN
WISCONSIN

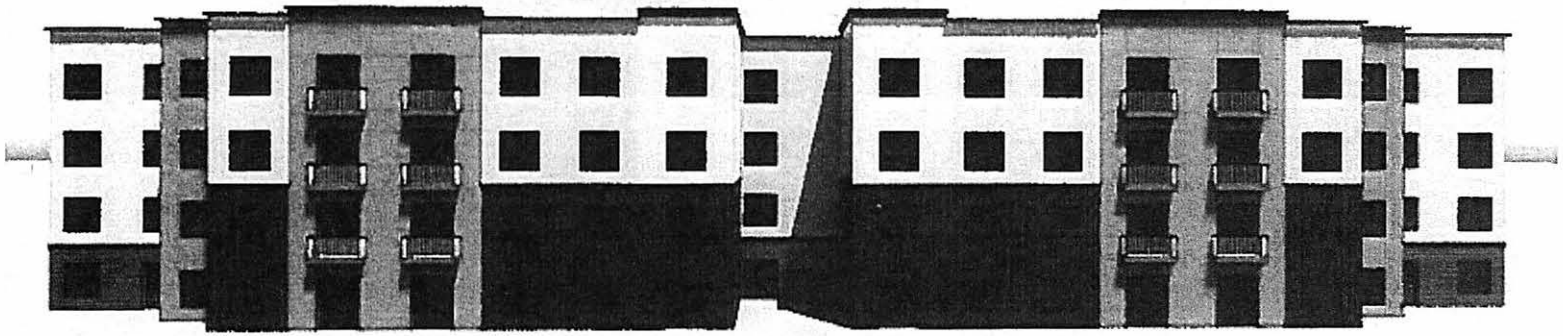
09/16/19
GEORGE M. STRUNK E-34432
CIVIL ENGINEER

REVISIONS:
1 09/16/19 – CITY COMMENTS

SHEET TITLE
SITE PLAN

SHEET NO.
1.0





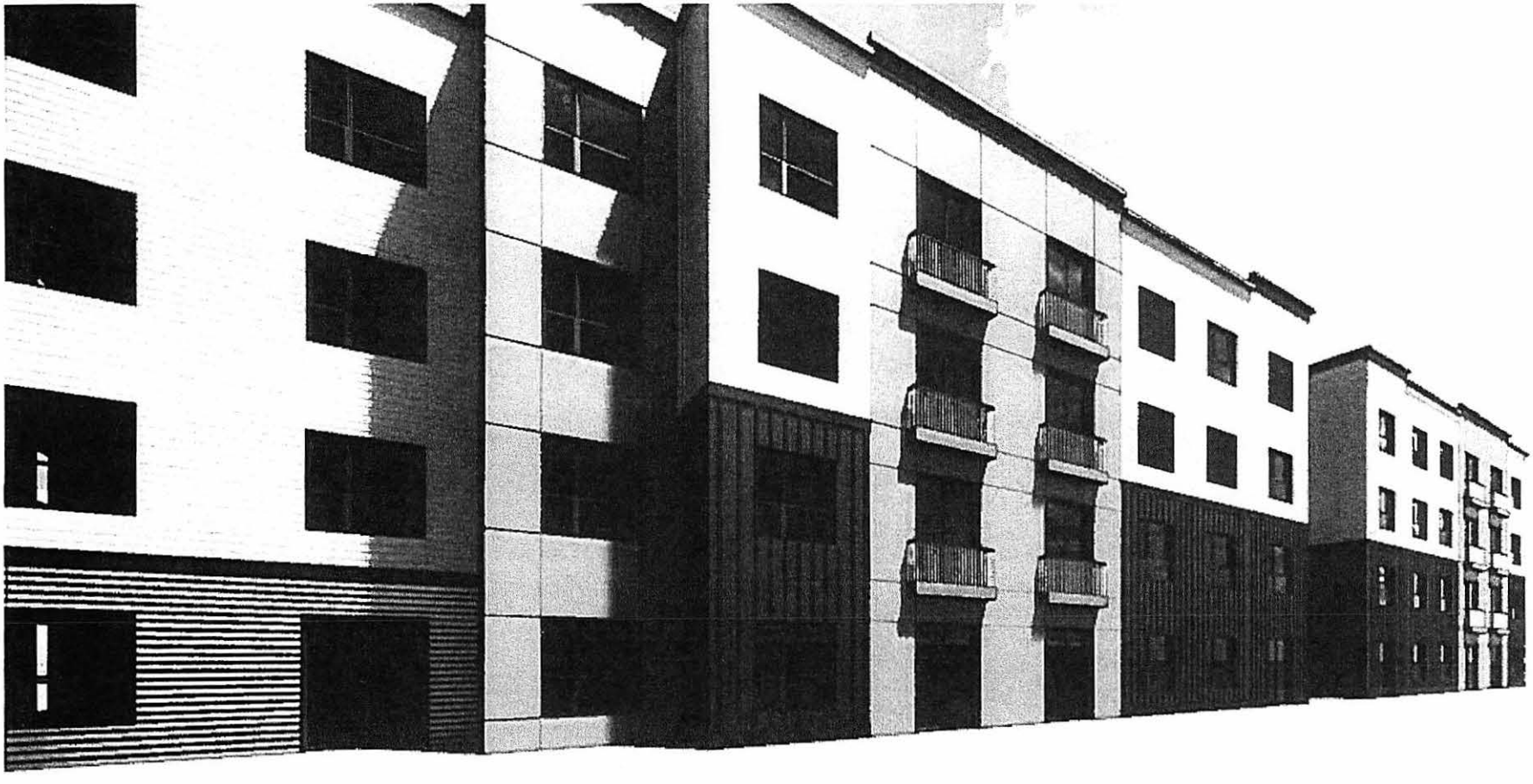
BUILDING A EXTERIOR RENDERS

THE OSCAR

BROADWAY & S. BUSINESS DR.

1

rosemann & ASSOCIATES



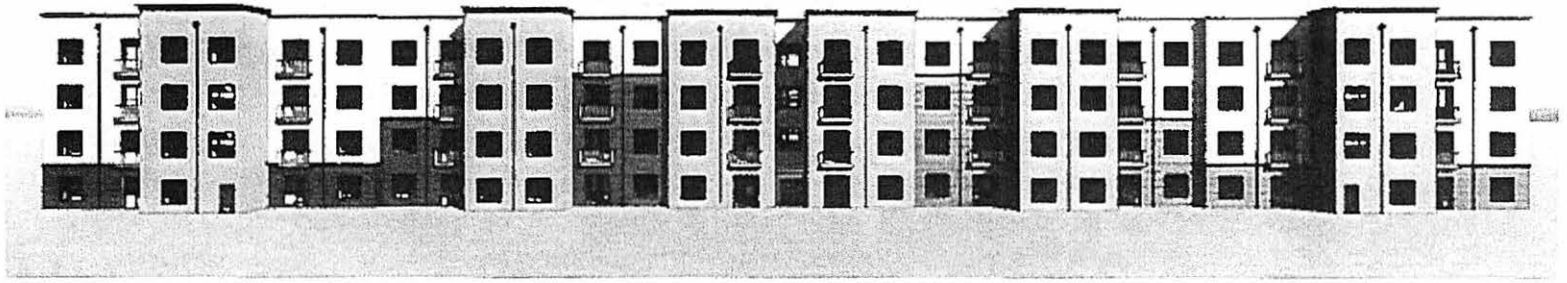
BUILDING A EXTERIOR PERSPECTIVE

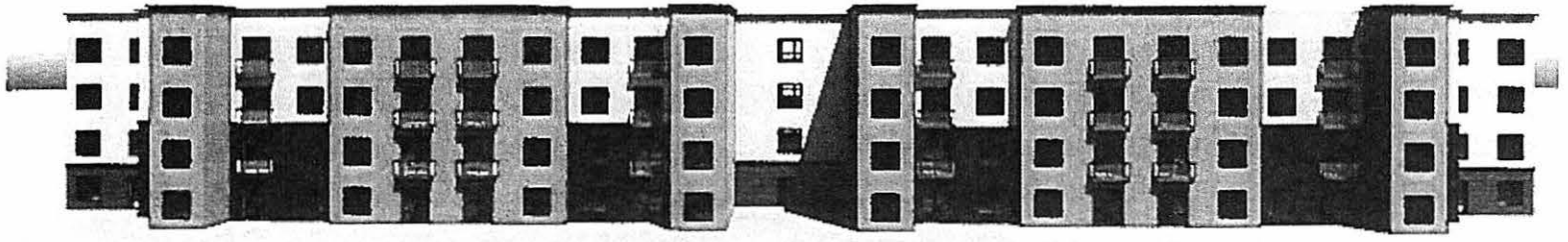
THE OSCAR

BROADWAY & S. BUSINESS DR.

2

rosemann & ASSOCIATES



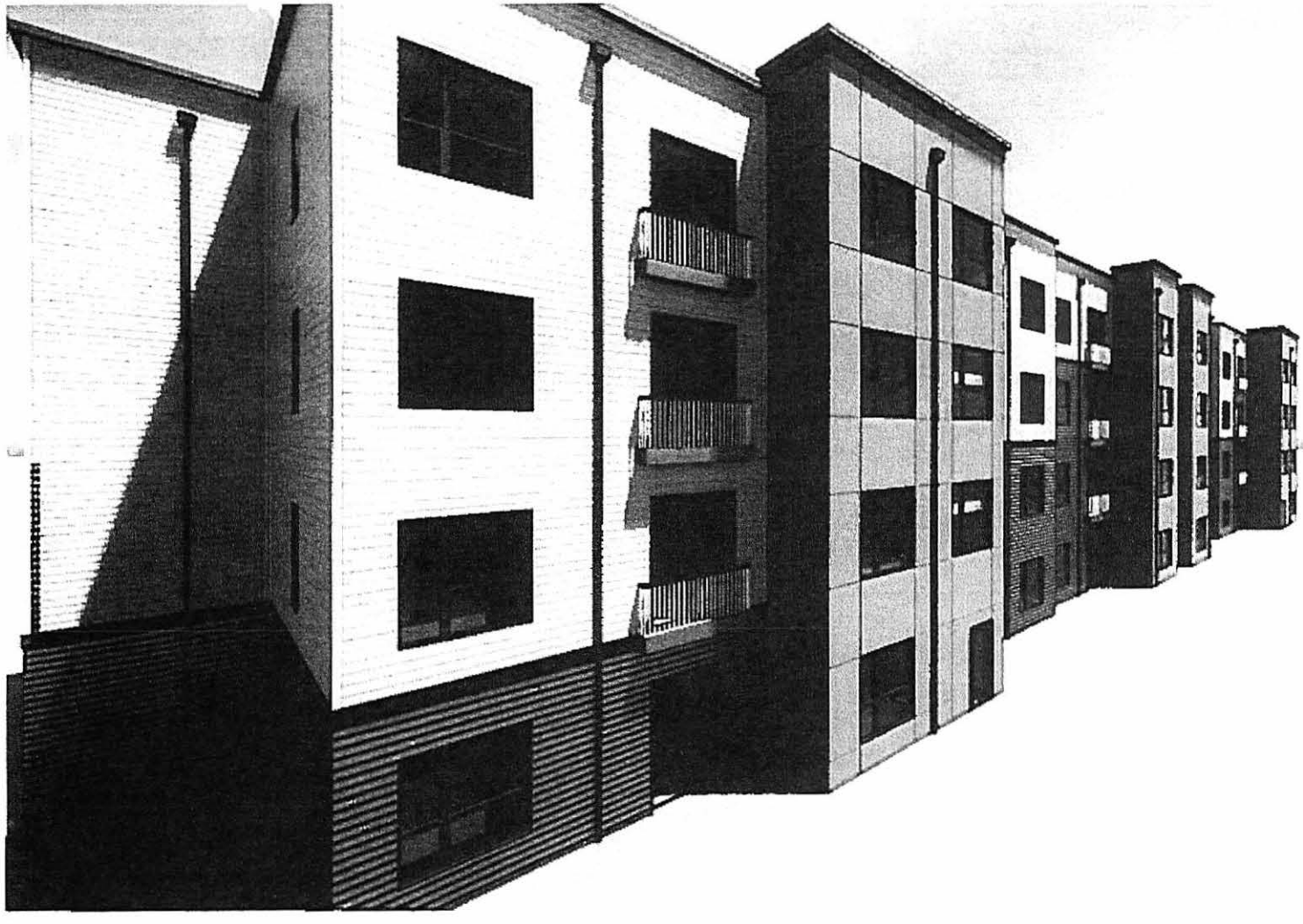


BUILDING 8 EXTERIOR RENDERS

THE OSCAR

BROADWAY & S BUSINESS DR.

rosemann & ASSOCIATES



BUILDING B EXTERIOR PERSPECTIVE

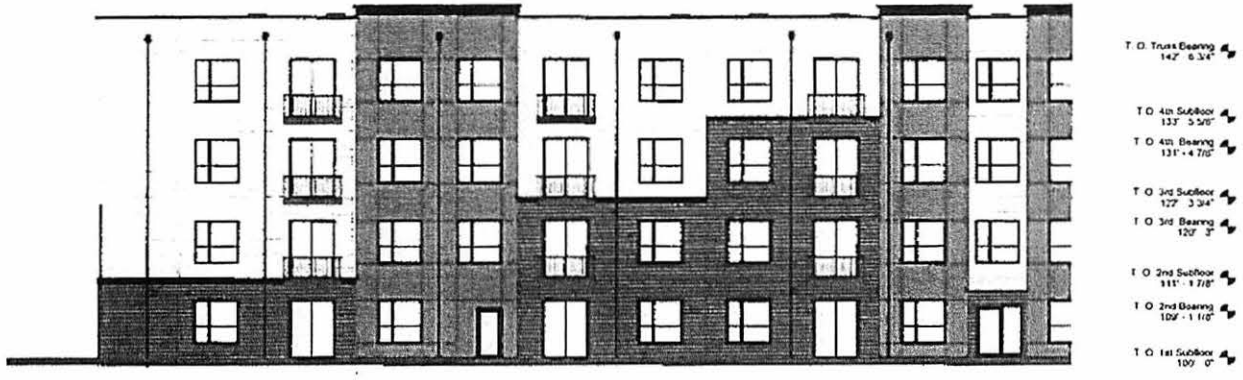
THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOC ATES.



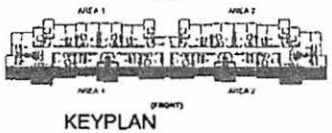
2 BUILDING A - FRONT ELEVATION
AREA 1



1 BUILDING A - FRONT ELEVATION
AREA 2

MATERIAL LEGEND

- 1" FIBER CEMENT SIDING - OFF WHITE
- 1" FIBER CEMENT SIDING - ASH GRAY
- HARDIE PANEL REVEAL SYSTEM
- HARDIE PANEL VERTICAL BATTEN SYSTEM
- PREFINISHED CORRUGATED METAL SIDING
- FACE BRICK (EXISTING)
- RIBBED CMU BLOCK (EXISTING)
- SMOOTH CMU BLOCK (EXISTING)
- SPLIT FACE CMU BLOCK
- PREFINISHED FIBER TRIM
  - 1 1/2" & 5 1/2" AT WINDOW
  - 11 1/4" AT BANDING
  - 3 1/2" VERTICAL OUTSIDE INSIDE CORNER TRIM



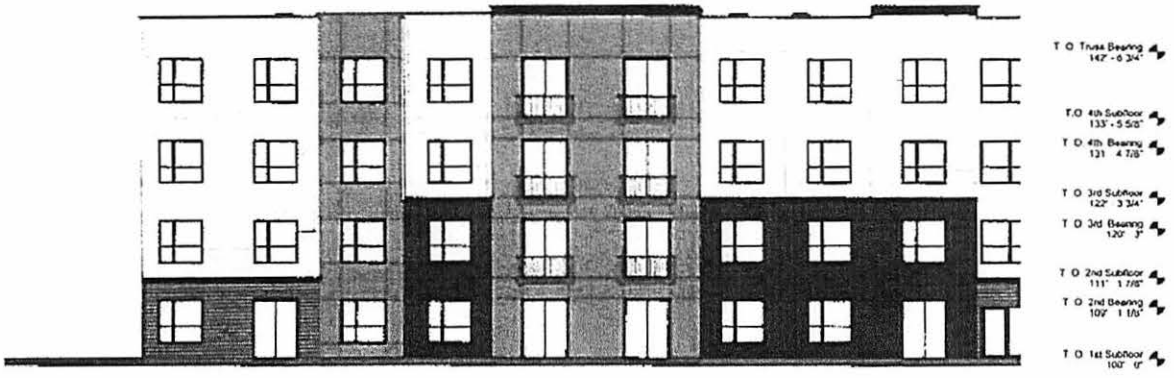
KEYPLAN

BUILDING A EXTERIOR ELEVATIONS

THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOCIATES

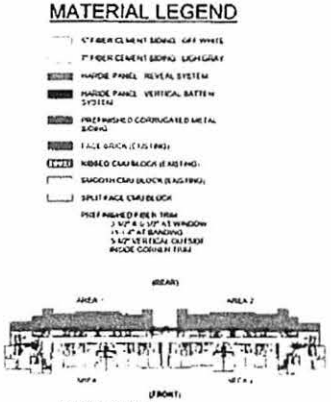


2 BUILDING A - REAR ELEVATION - AREA 1



1 BUILDING A - REAR ELEVATION - AREA 2

MATERIAL LEGEND



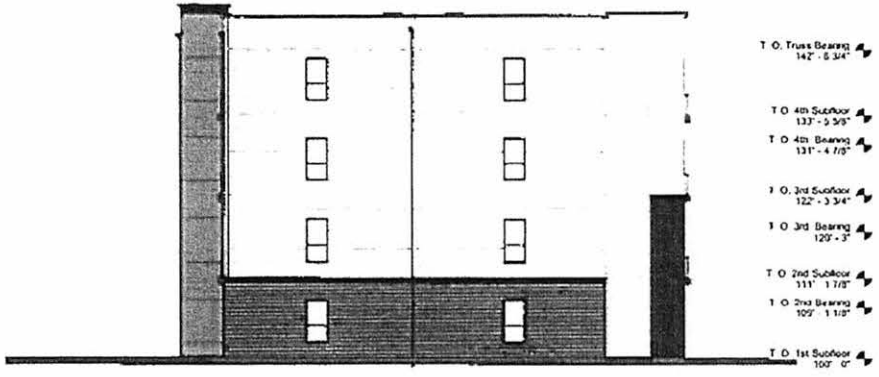
KEYPLAN

BUILDING A EXTERIOR ELEVATIONS

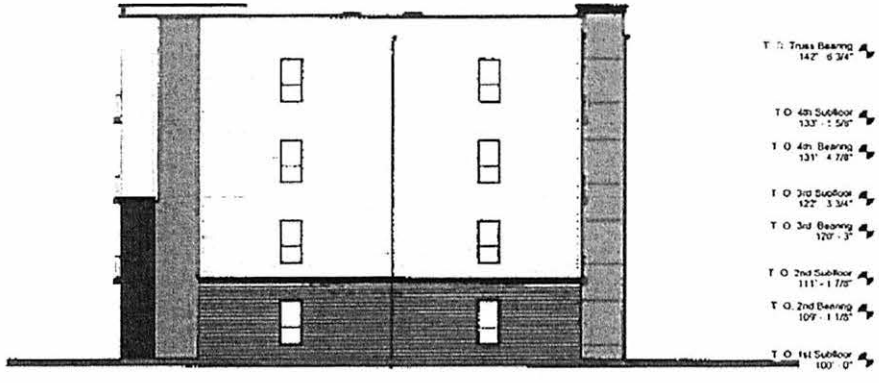
THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOCIATES

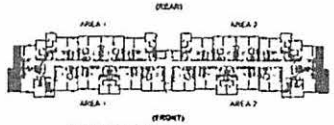


2 BUILDING A - LEFT ELEVATION - AREA 1



1 BUILDING A - RIGHT ELEVATION - AREA 2

MATERIAL LEGEND



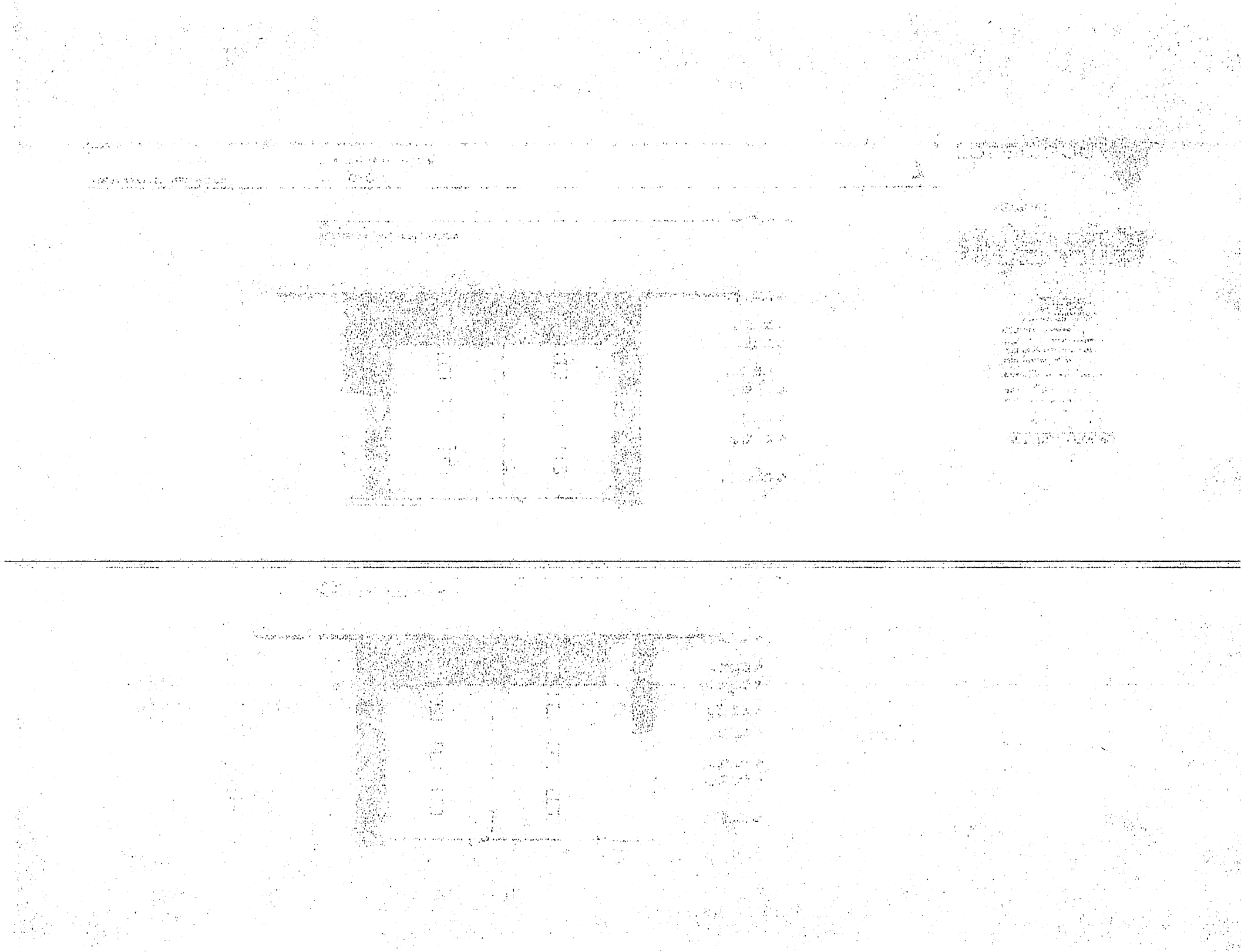
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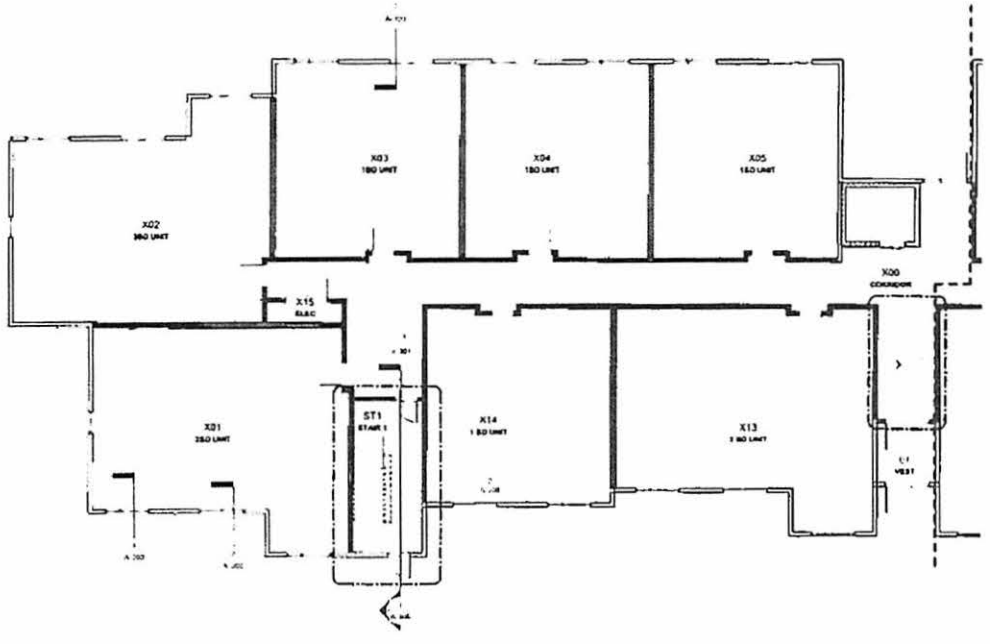
BUILDING A EXTERIOR ELEVATIONS

THE OSCAR

BROADWAY & S. BUSINESS DR.

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1 BUILDING A - FIRST FLOOR PLAN - AREA 1



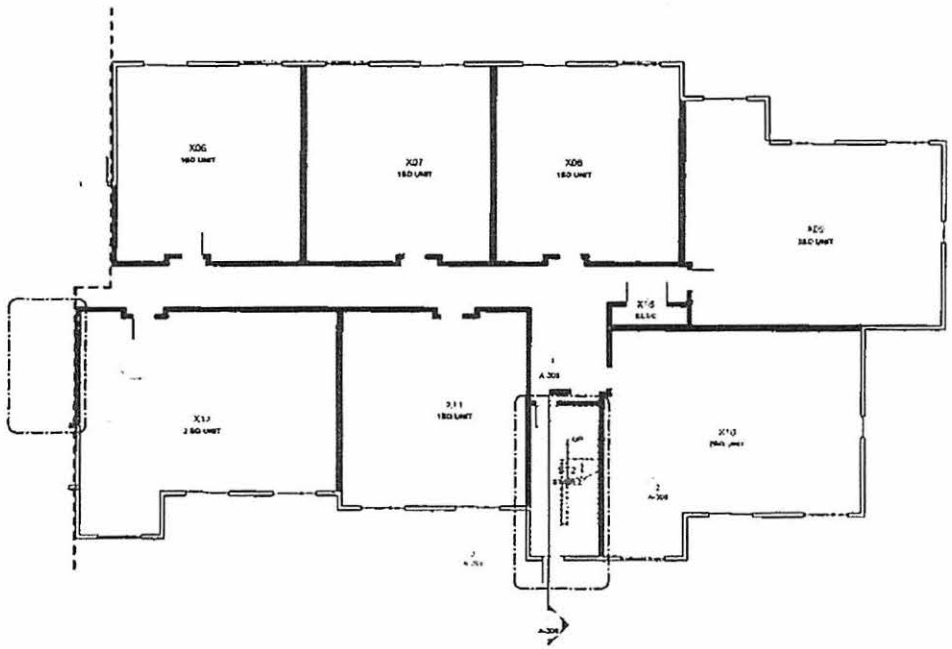
KEYPLAN

BUILDING A FLOOR PLANS

THE OSCAR

BROADWAY & S. BUSINESS DR.

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1 BUILDING A - FIRST FLOOR PLAN - AREA 2



KEYPLAN

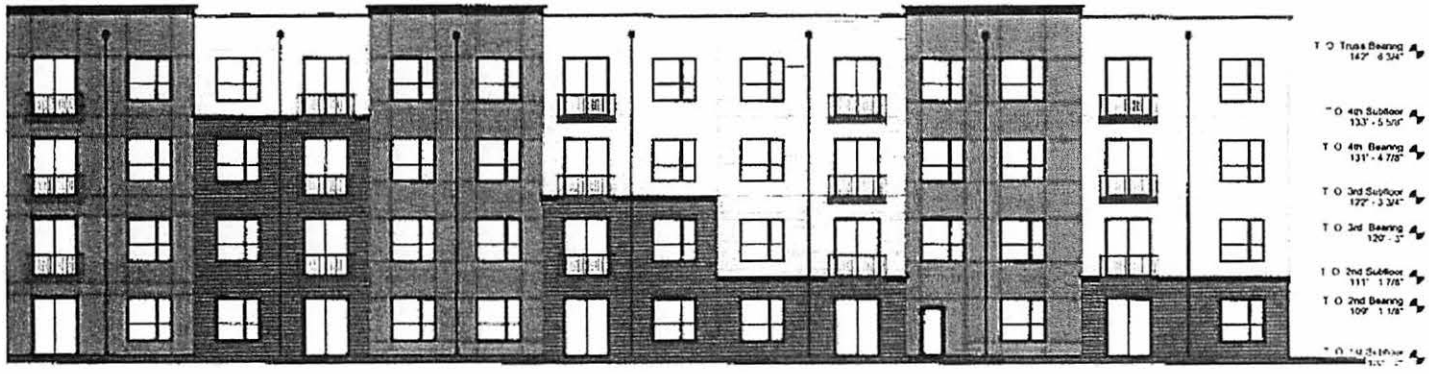
BUILDING A FLOOR PLANS

THE OSCAR

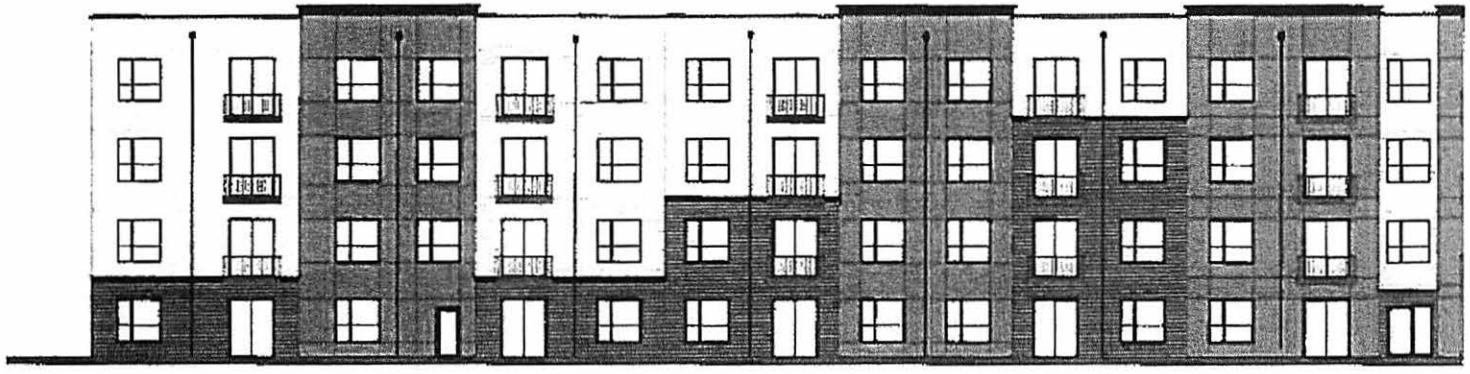
BROADWAY & S. BUSINESS DR.

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2 BUILDING B - FRONT ELEVATION - AREA 2



1 BUILDING B - FRONT ELEVATION - AREA 1

MATERIAL LEGEND



KEYPLAN

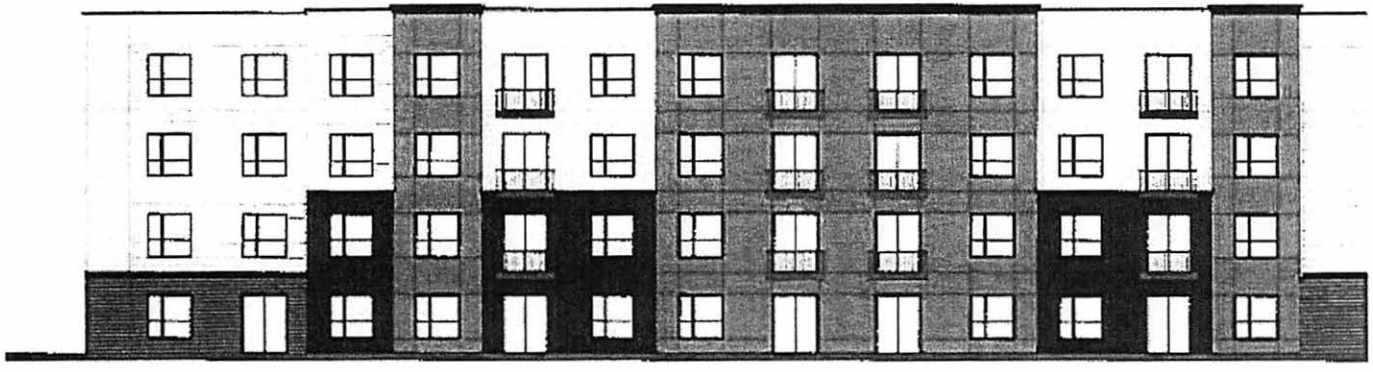
BUILDING B ELEVATIONS

THE OSCAR

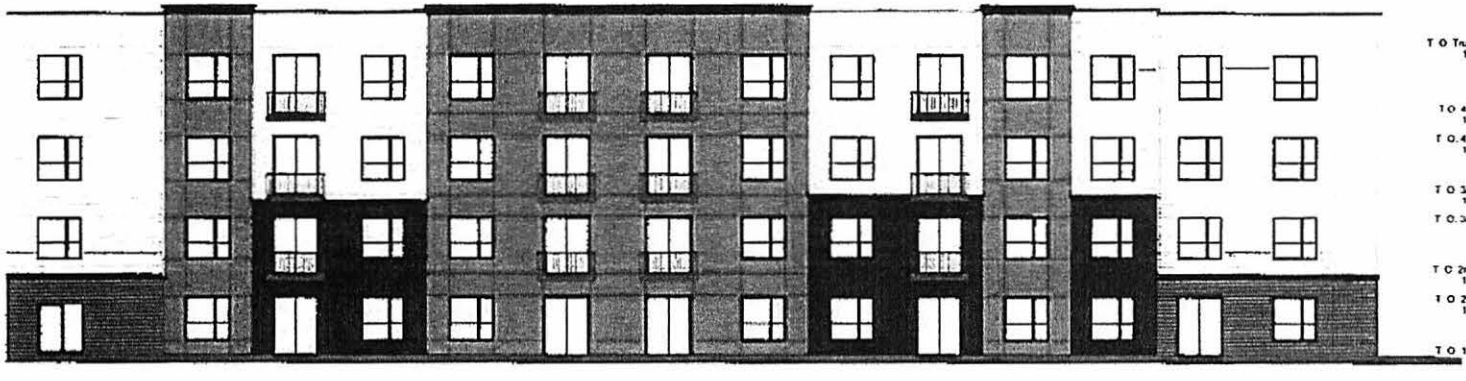
BROADWAY & S BUSINESS DR

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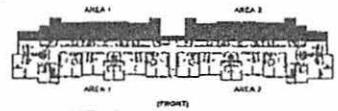


2 BUILDING B - REAR ELEVATION - AREA 2



1 BUILDING B - REAR ELEVATION - AREA 1

MATERIAL LEGEND



KEYPLAN

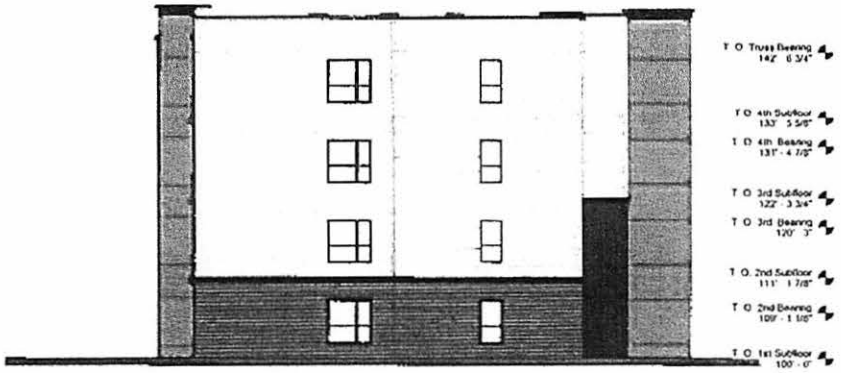
BUILDING B ELEVATIONS

THE OSCAR

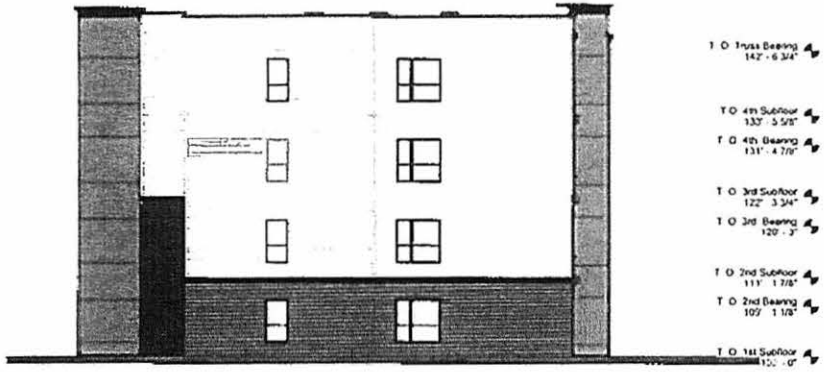
BROADWAY & S. BUSINESS DR.

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rosemann & ASSOCIATES



2 BUILDING B - RIGHT ELEVATION - AREA 2



1 BUILDING B - LEFT ELEVATION - AREA 1

MATERIAL LEGEND

- FIBER CEMENT SIDING - OFF WHITE
- FIBER CEMENT SIDING - LIGHT GRAY
- HARDIE PANEL - REVEAL SYSTEM
- HARDIE PANEL - VERTICAL BATTEN SYSTEM
- PREFINISHED [illegible] METAL SIDING
- FACE BRICK (EXISTING)
- RIBBED CMU BLOCK (EXISTING)
- SMOOTH CMU BLOCK (EXISTING)
- SPLIT FACE CMU BLOCK
- PREFINISHED FIBER TRIM
  5 1/2" & 5 1/2" AT WINDOW
  (1 1/4" AT BANDING)
  5 1/2" VERTICAL OUTSIDE
  HARDIE CORNER TRIM



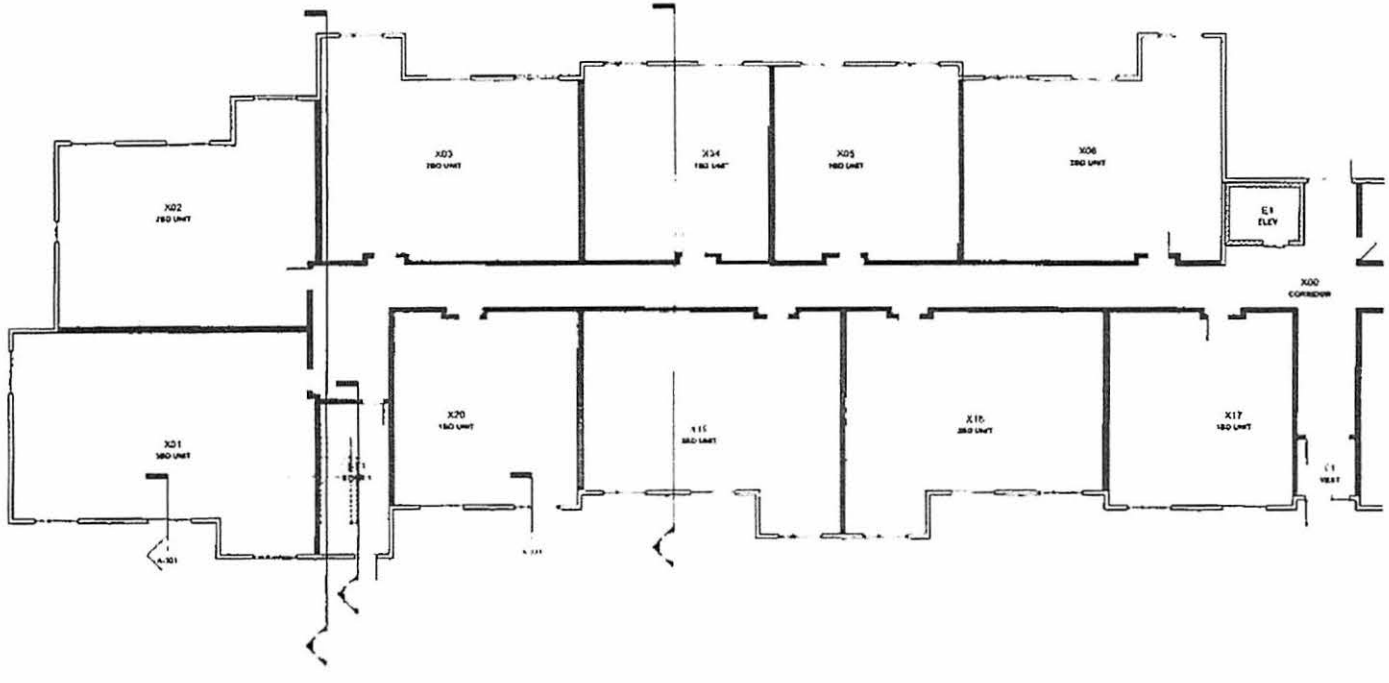
KEYPLAN

BUILDING B ELEVATIONS

THE OSCAR

BROADWAY & S. BUSINESS DR.

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1 BUILD NG B - FIRST FLOOR PLAN - AREA 1



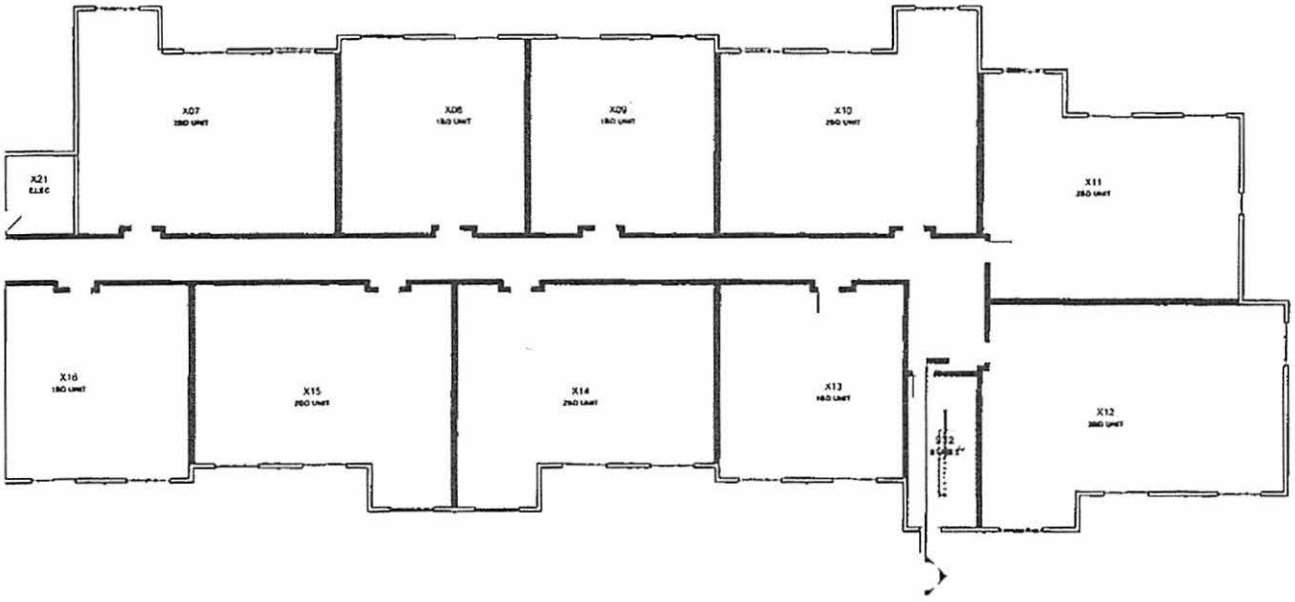
KEYPLAN

BUILDING B FLOOR PLANS

THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOCIATES



1 BUILDING B - FIRST FLOOR PLAN - AREA 2



KEYPLAN

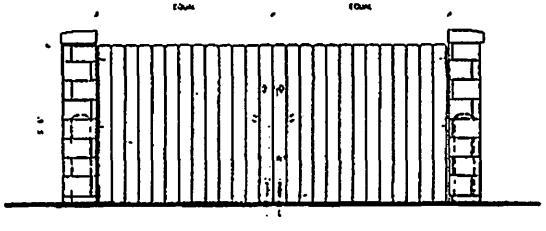
BUILDING B FLOOR PLANS

THE OSCAR

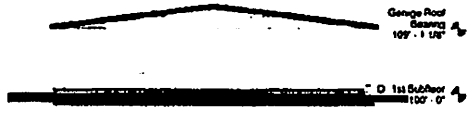
BROADWAY & S. BUSINESS DR

14

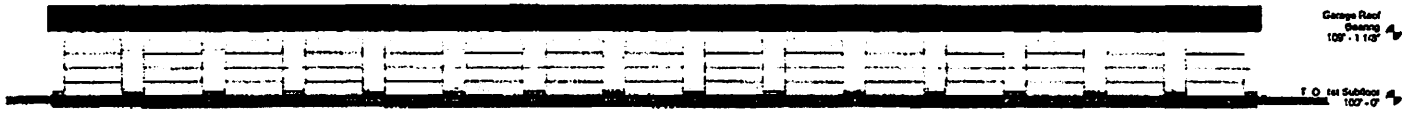
rosemann & ASSOCIATES



1 TRASH ENCLOSURE ELEVATION



2 GARAGE - LEFT ELEVATION



1 GARAGE - FRONT ELEVATION

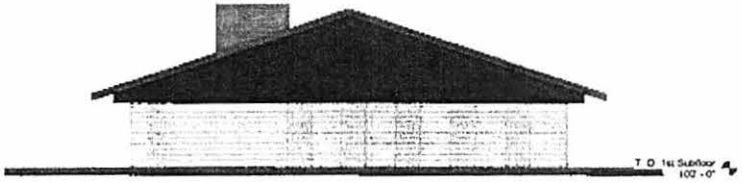
MATERIAL LEGEND

GARAGE ELEVATIONS / TRASH ENCLOSURE ELEVATION

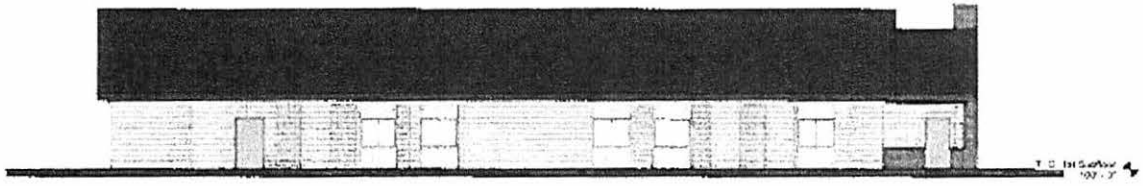
THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOCIATES



2 COMMUNITY BLDG - LEFT ELEVATION



1 COMMUN TY BLDG - FRONT ELEVATION

MATERIAL LEGEND

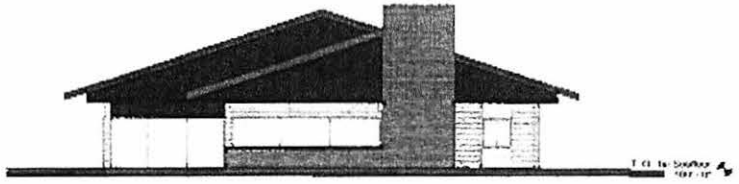
- 5" FIBER CEMENT SIDING - OFF WHITE
- 7" FIBER CEMENT SIDING - LIGHT GRAY
- WINDOW PANEL - REVEAL SYSTEM
- WINDOW PANEL - VERTICAL BATTEN SYSTEM
- PRE-FINISHED CORRUGATED METAL SIDING
- FACE BRICK (EXISTING)
- RIBBED CMU BLOCK (EXISTING)
- SMOOTH CMU BLOCK (EXISTING)
- SPLIT FACE CMU BLOCK
- PRE-FINISHED FIBER TRIM
  5-1/2" & 8-1/2" AT WINDOW
  11 1/4" AT BANDING
  3 1/2" VERTICAL OUTSIDE INSIDE CORNER TRIM

COMMUNITY BUILDING ELEVATIONS

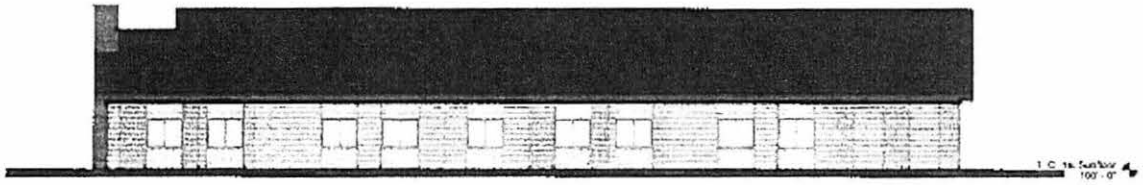
THE OSCAR

BROADWAY & S. BUSINESS DR.

rosemann & ASSOCIATES



2 COMMUNITY BLDG - RIGHT ELEVATION



1 COMMUNITY BLDG - REAR ELEVATION

MATERIAL LEGEND

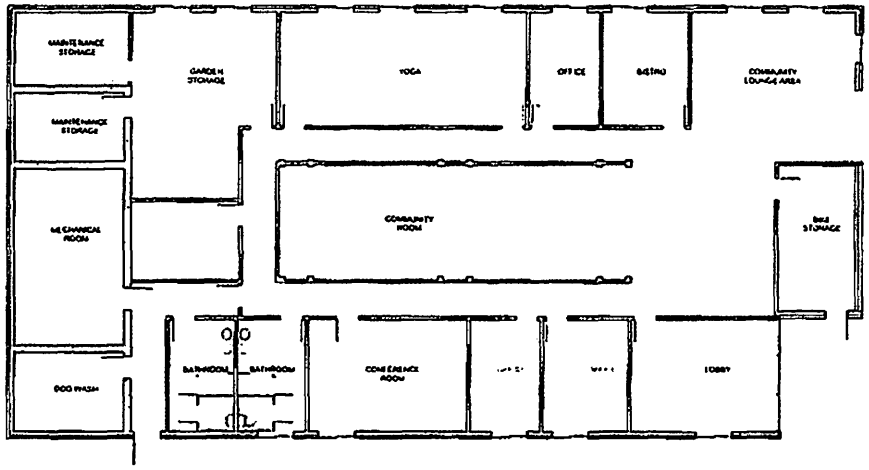
- 5" FIBER CEMENT SIDING - OFF WHITE
- 7" FIBER CEMENT SIDING - LIGHT GRAY
- HARDIE PANEL - REVEAL SYSTEM
- HARDIE PANEL - VERTICAL BATTEN SYSTEM
- PREFINISHED CORRUGATED METAL SIDING
- FACE BRICK (EXISTING)
- RUBBED CMU BLOCK (EXISTING)
- SMOOTH CMU BLOCK (EXISTING)
- SPLIT FACE CMU BLOCK
- PREFINISHED METAL TRIM
  - 1/2" & 5 1/2" AT WINDOW
  - 11 3/4" AT BANDING
  - 1/2" VERTICAL OUTSIDE REGAL CORNER TRIM

COMMUNITY BUILDING ELEVATIONS

THE OSCAR

BROADWAY & S. BUSINESS DR

rosemann & ASSOCIATES



1 COMMUNITY BLDG - FLOOR PLAN

0 4' 8' 16'

III

Res. No. ____ - 19 - 20. By Alderpersons Sorenson and Mitchell.
December 2, 2019.

A RESOLUTION authorizing the chief of police to enter into a Memorandum of Understanding between Public Safety Cadets and the Sheboygan Police Department for the purpose of participating in the youth mentorship program established by Public Safety Cadets.

RESOLVED: That the Chief of Police is hereby authorized to enter into a Memorandum of Understanding between Public Safety Cadets and the Sheboygan Police Department for the purpose of participating in the youth mentorship program established by Public Safety Cadets, a copy of which is attached, to insert the names of the persons he chooses to designate as the primary point of contact, lead mentor, and additional agency/organization mentors in Addendum A, and to sign the Memorandum of Understanding.

BE IT FURTHER RESOLVED: That the Common Council hereby authorizes the Chief of Police to make any necessary changes to Addendum A of the agreement at any time the Memorandum of Understanding remains in effect, with no need for further approval from the Common Council.

LHPS

_____

_____

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

MEMORANDUM OF UNDERSTANDING
BETWEEN
PUBLIC SAFETY CADETS
AND THE

SHEBOYGAN POLICE DEPARTMENT
INSERT NAME OF AGENCY/ORGANIZATION HERE

REGARDING
A PROGRAM TO EDUCATE AND MENTOR YOUTH

1. **PARTIES.** The following Parties hereby enter into this Memorandum of Understanding (MOU): Public Safety Cadets, a Commonwealth of Virginia Nonstock, Nonprofit, Corporation and the following named agency/organization, hereinafter referred to as "Participating Agency/Organization":

SHEBOYGAN POLICE DEPARTMENT

2. **BACKGROUND.** Public Safety Cadets (PSC) was established as a nonprofit corporation on September 11, 2018 to mentor young adults in order to help them become contributing members of the community by providing knowledge, skills and practical experiences through education and training delivered in the workplace by public safety professionals that build character, physical fitness, and respect for the rule of law and human and civil rights.

3. **PURPOSE.** The purpose of this MOU is to document the conditions for participating in the program and events operated and maintained by Public Safety Cadets in order to establish a mutually beneficial relationship by the Parties to foster a greater understanding between youth and the public safety organizations within their community through the use of PSC programs and resources.

4. **RESPONSIBILITIES.**

A. Public Safety Cadets: Is responsible for:

1. Providing outreach, support, service, structure, governance, guidance and standard operating procedures to assist the participating agency/organization succeed in their use of the PSC program.
2. Obtaining general liability and supplemental accident medical insurance to cover all registered participants in their official and individual capacities against personal liability judgements arising from official Public Safety Cadet activities. Coverage details are available on the PSC website or by request.
3. Providing education and training to adult Mentors and volunteers to include Public Safety Cadets Youth Safety Training.

4. Organizing national and regional PSC events, to include conferences, competitions, leadership academies, career fairs and instructional seminars.
5. Providing a library of resources to help implement, manage and grow a PSC unit successfully.
6. Seeking and promoting scholarship opportunities for PSC youth participants.
7. Establishing proficiency and special awards for recognition of achievement.
8. Seeking academic credits for community service by PSC participants.
9. Promoting the establishment of a recruiting pipeline and pathways for employment with public safety organizations.
10. Promoting the PSC organization and its goals nationally.

B. Participating Agency/Organization: Is responsible for:

1. Designating an adult member of the agency/organization to act as the lead Mentor who will work directly with a registered unit. Each unit will be led by a designated adult Mentor. Other adult mentors may be designated or participate as volunteers with registered units as determined by the participating agency/organization.
2. Conducting screening to assure that only adults found suitable for mentoring young adults are allowed to participate in the PSC program. Screening will include criminal history; motor vehicle operation certification and credit worthiness as may be applicable to the position within the PSC unit.
3. Assuring that each adult and youth participant is properly registered with the PSC organization.
4. Ensuring that all adults participating in the PSC program complete the required Public Safety Cadets Youth Safety Training within the specified time period.
5. Providing facilities adequate for program participants to assemble and hold meetings and associated training on a regular basis with time and place reserved.
6. Abiding by the PSC Standard Operating Procedures. The participating agency/organization may add more stringent requirements to unit SOPs, but may not dilute them as to impair the intent therein.
7. Participating in periodic self-assessments and program reviews with Public Safety Cadets to assure that mutual goals and expectations are being met.
8. Sharing, as practicable, information, metrics and associated data on PSC program participants that achieve employment in public safety professions.

5. **POINTS OF CONTACT.** All Parties will designate a POC who will be familiar with the provisions of this MOU and will be available during customary business hours or as practicable. The head of the agency/organization, or their authorized designee, will designate a Lead Mentor for each registered unit. The agency/organization POC may also be the same as the Lead Mentor. Contact information for the POC and designated Lead Mentor and any additional designated Mentors are set forth in Addendum A.

6. **LIABILITY.** PSC shall not be liable for participating agency/organization's acts or omissions, including participating agency/organization's failure to abide by the responsibilities in this MOU. The Participating Agency/Organization shall not be liable for PSC's acts or omissions, including PSC's failure to abide by the responsibilities in this MOU. Except as otherwise provided herein, if both PSC and the Participating Agency/Organization are liable for any claims, damages or attorney fees arising from any negligent or illegal acts or omissions taken in connection to this MOU, then PSC and Participating Agency/Organization shall be liable for the portion of the claims, damages and attorney fees that arise from the negligent or illegal acts of that party as determined by the court adjudicating the matter or as agreed in any settlement. Nothing in this MOU waives or alters the Participating Agency/Organization's entitlement to governmental immunity pursuant to applicable law.

7. **INTELLECTUAL PROPERTY.** Either Party may use the other Party's name, logo, materials, and other data or materials as may be provided in connection with this MOU, pursuant to PSC's Standard Operating Procedures and/or other direction given by the disclosing Party.

8. **NO OBLIGATION OF FUNDS.** This MOU is not an obligation or commitment of funds, nor a basis for transfer of funds. Unless otherwise agreed in writing, each Party shall bear its own costs in relation to this MOU. Expenditures by each Party will be subject to budgetary processes and availability of funds and resources pursuant to applicable laws, regulations, and policies. Unit and Individual Registration Fees will be established and communicated by PSC in the year preceding collection.

9. **EQUIPMENT.** The Parties will use their own equipment and personnel to complete their portion of this MOU.

10. **REPORTING REQUIREMENTS.** The Parties agree to cooperate in meeting any reporting requirements and will coordinate with each other before responding to any such requirements.

11. **SETTLEMENT OF DISPUTES.** Disagreements between or among the Parties arising under or related to this MOU will be resolved only by consultation between or among the Parties.

12. **OTHER PROVISIONS.** This MOU is not intended to conflict with current laws or regulations applicable to the Parties. If any term of this MOU is inconsistent with such authority, then the term shall be invalid, but the remaining terms and conditions of this MOU shall remain in full force and effect.

13. **CHANGE IN MANAGEMENT.** Should the head of agency/organization change, this MOU may be terminated early, or reissued bearing the name and signature of the new agency/organization head, or their authorized designee, as soon as practicable. The terms of this MOU will remain in effect until the reissued MOU is completed and the participating agency/organization remains registered in good standing with Public Safety Cadets.

14. **EFFECTIVE DATE.** The terms of this MOU will become effective on the date on which it is signed by all Parties. The MOU may be signed in counterparts.

15. **PERIODIC REVIEW.** The POCs designated by the Parties pursuant to this MOU may meet periodically or at the request of any Party to discuss and review the implementation of this MOU. Failure of the Parties to conduct periodic reviews will not result in the termination of activities provided for under this MOU.

16. **AMENDMENT.** This MOU may be amended at any time by the mutual written consent of the Parties. Modification within the scope of this MOU shall be made by the issuance of a fully executed addendum prior to any changes in responsibilities being performed. Addendum A may be modified by the written consent of the Parties.

17. **TERMINATION.** The terms of this MOU, as it may be amended, will remain in effect while the participating agency/organization remains registered annually in good standing with Public Safety Cadets. Either Party may terminate this MOU immediately upon written notice for a breach by the other Party that remains uncured after reasonable notice. Either organization may also discontinue its participation in this MOU upon at least 30 days prior written notice. In the event of termination, each Party will continue with full participation up to the effective date of termination.

18. **NO PRIVATE RIGHTS.** This MOU is not intended, and should not be construed, to create any right or benefit, substantive or procedural, enforceable at law or otherwise by any third party against the Parties, their parent or component agencies, or the officers, employees, agents or other associated personnel thereof.

The foregoing represents the understanding reached by the Parties.

APPROVED BY:

Signature of agency/organization head or designee	Date
Printed Name/Title of agency/organization head or designee	
Signature on behalf of Public Safety Cadets	Date
Printed Name/Title of Public Safety Cadets Representative	

ADDENDUM A

POINTS OF CONTACT

A. Kent Jefferies will serve as the primary POC for Public Safety Cadets. He may be contacted at: kjefferies@publicsafetycadets.org or by calling the national office at: 703-717-8168.

B. _____has been designated as the primary POC for the above-named agency/organization and may be contacted at: (please provide Title, Email, and telephone contact information here)
_____.

C. _____has been designated as a Lead Mentor of a registered unit for the above-named agency/organization and may be contacted at: (please provide Title, Email and telephone contact information here)
_____.

D. Additional designated agency/organization Mentors (if any) are identified below:

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

Name, Title, Email and telephone contact

(*Add additional pages as necessary*)

III

3.13

Res. No. 130 - 19 - 20. By Alderpersons Sorenson and Mitchell.
December 2, 2019.

A RESOLUTION approving the New Housing Fee Report as required by 2017 Wisconsin Act 243.

WHEREAS, per Wisconsin Act 243 adopted in 2017, every city and village with a population of 10,000 or more shall prepare a report of the municipality's residential development fees; and

WHEREAS, per state statute, the city or village shall post the report no later than January 1, 2020 on the municipality's Internet site on a web page dedicated solely to the report and titled "New Housing Fee Report" in order to charge the fees listed in the report; and

WHEREAS, the municipality shall provide a copy of the report to each member of the governing body of the municipality.

NOW, THEREFORE, BE IT RESOLVED: That the Common Council approves the New Housing Fee Report and directs the Department of City Development to post a copy of the report on a webpage dedicated solely to the report and titled "New Housing Report" on the City's website at www.sheboyganwi.gov, under the Building Inspection tab.

AHPS

_____

_____

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

CITY OF SHEBOYGAN

NEW HOUSING FEE REPORT

2019



Prepared By: **Chad Pelishek**
Director of Planning and Development
828 Center Avenue, Suite 208
Sheboygan, WI 53081
(920)459-3383
chad.pelishek@sheboyganwi.gov

Posted: December 2019

City of Sheboygan
spirit on the lake.

I. Purpose

This annual report complies with the newly adopted New Housing Fee Report requirements contained in Section 66.10014 of Wisconsin Statutes.

2017 Wisconsin Act 243 requires all cities and villages with populations of 10,000 or more to prepare a New Housing Fee Report. Under Act 243, the New Housing Fee Report must identify the amount of any of the following municipal fees imposed on new residential construction, remodeling, or development:

- Building Permit Fee
- Impact Fee(s)
- Park Impact Fee
- Land Dedication Requirement
- Fee in lieu of Land Dedication
- Plat Approval Fee
- Storm Water Management Fee
- Water or Sewer Hook-up Fee

Act 243 provides a formula to calculate municipal development fees including, "The total amount of fees (collected from the bulleted list above) that the municipality imposed for purposes related to residential construction, remodeling or development in the prior year (2018) and an amount calculated by dividing the total amount of fees under this paragraph by the number of new residential dwelling units approved in the municipality in the prior year." It is very important to note the total fees collected under the statute includes remodeling, but under the statutory formula, the total fees collected are to be divided by only the new residential dwelling units approved.

II. Process and Data Sources

This report was prepared by Department of City Development staff from the Planning and Development Division and the Building Inspection Division for calendar year ending December 31, 2018 using the adopted City of Sheboygan Fee Schedule, permit/development records and adopted city ordinances.

This report has been posted on the City's website (www.sheboyganwi.gov) and has been shared with the City of Sheboygan Common Council. For record keeping purposes, projects are reported in the year they were permitted. Projects approved in prior calendar years but completed and occupied in 2018 are not included in this report.

III. Residential Permit Fees

The following are residential permit fees charged as a result of a residential development:

Minimum Permit Fee for all permits $50.00
Exception- All fences and stairways $40.00

New Residential: One and two-family- first 2,000 square feet of habitable area $400.00
per 100 square feet or fraction thereof of habitable area over 2,000 sq. feet $20.00

New Residences and Apartments, Three family and over, row housing,
multiple family dwellings, Institutional ..... $.30/sq. ft.

Residences- Additions ..... $.30/sq. ft. or fraction thereof

Detached Garages and Accessory Buildings ..... $.30/sq. ft.

Driveways $50.00

All other buildings, structures, alterations, residing, re-roofing,
repairs where square footage cannot be calculated ..... $10.00/$1,000 valuation

Plan Examination:
- One and Two Family Residence $75.00
- Apartment, Three Family Residence, Row Housing,
  Multiple Family Building ..... $200.00 + $15.00/unit

Wisconsin Uniform Building Permit Seal ..... State Charge + $10.00

Park Impact Fee $563.54/unit

Plumbing Fees ..... Variable Fees at $10.00/fixture

Sanitary or Storm Initial Connection ..... $500.00 each if necessary

Electrical Fees ..... $50.00/$1,000 valuation, each additional $1,000 an additional $20.00

HVAC $200.00

Address Numbers:
- Three numbers & frame $7.60
- Four numbers & frame $9.55

Soil Erosion $100.00

Occupancy $50.00

Early Start Permit (Before Permit is issued) $250.00

IV. Residential Development Fees Comparison

The chart below identifies the total building permit fees collected and each requested municipal fee charged for new residential development. The chart also provides the residential development fees charged for the 18 new residential units approved in 2018 in the City of Sheboygan.

Residential Development Fees					
2018					
	Total Residential Permits		*New Residential Units*		
	# Issued	**Permit Fees**	***Total Units***	***Fee per Parcel***	***Total Permit Fees***
Building Permit Fee:	1987	$402,912	***18***	$400	$7,520
Impact Fee:	0	$0			$0
Park Impact Fee:	0	$0		$547	$4,376
Land Dedication Fee:	0	$0			$0
Plat Approval Fee:	0	$0			$0
Storm Water Management Fee:	0	$0		$500	$300
Water/Sewer Hook-up Fee:	0	$0		$700	$9,320
Plumbing Fixture Fees:	297	$26,650		$160	$2,940
Early Start (Before Permit Issued):	0	$0		$250	$1,500
Plan Review:	0	$0		$75	$975
Soil Erosion:	0	$0		$100	$1,300
WI State Seal:	0	$0		$40	$520
Occupancy:	0	$0		$50	$900
HVAC:	437	$21,315		$200	$3,600
Electrical:	218	$24,750		$200	$3,600
Address Numbers:	0	$0		$10	$172
Total Amount of Fees:	***2,939***	***$475,627***	***18***	***$3,232***	***$37,023***
Average Fees:					***$2,123***
Total Fees / # New Residential Units:	***$26,424***	***$475,627***	***18***		

V. Conclusion

This report was prepared in order to meet requirements enacted by 2017 WI Act 243 in Wis. Stat. 66.10014. As such, it does not include the most significant costs of residential development, including the cost of land, the cost of infrastructure, the cost of labor, and the cost of building materials. The issue of housing affordability will be addressed in further detail in the Housing Affordability Report.

III

Res. No. _____ - 19 - 20. By Alderpersons Wolf and Sorenson.
December 2, 2019.

A RESOLUTION authorizing the emergency repair of an underground electrical feeder and related equipment at the Eighth Street Draw Bridge.

WHEREAS, while in the process of addressing the underground electrical feeder and related equipment at the Eighth Street Draw Bridge that feeds the west Hydraulic Power Unit, the City's contractor for that work - Pieper Electric, Inc. - determined that the underground electrical feeder had also failed between Alliant Energy's transformer and the main electrical panel that feeds the east Hydraulic Power Unit; and

WHEREAS, failure to repair this underground electrical feeder could result in further damage to the bridge's operating system, which would render the bridge inoperable; and

WHEREAS, while the necessary work constitutes public construction, as used in Wis. Stat. § 62.15(1), that would ordinarily require taking and receiving bids, because the failure of this underground feeder endangers the public welfare, Wis. Stat. § 62.15(1b) provides that public bidding is not necessary in order to promptly address the emergency created by this failure of the electrical feeder.

NOW, THEREFORE, BE IT RESOLVED: That the appropriate City officials are hereby authorized to enter into a contract with Pieper Electric, Inc. in substantially similar form to that attached, for repair of the underground feeder at the Eighth Street Draw Bridge.

Public Works

BE IT FURTHER RESOLVED: That the appropriate City officials are hereby authorized to draw funds in the amount of $92,580.00 from Account No. 47833170-631100 (Bridges - Contracted Services) pursuant to the contract.

_____

_____

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

PIEPER ELECTRIC, INC. | Solutions Powered by People Since 1947

11-20-19

City of Sheboygan
Attention: Michael Willmas
2026 New Jersey Ave.
Sheboygan, WI 53081

Re: 8th Street Bridge Repair
Estimate #: 2146-MR-211b(4)

Michael,

We will provide the labor, material, tools and supervision to provide the following:

- Remove 1200 amp underground feeders from the CT cabinet to the MCC in the bridge hydraulic room. (East MCC and feeders)
- Excavate roadway at bridge abutment wall.
- Repair or replace 4" rigid conduits as necessary.
- Install new 4" expansion couplings under bridge.
- Install new 600 MCM, THHN feeders. (per NEC 2017 requirements)
- Install new concrete roadway where excavated.
- Terminate and test all equipment.

Budget price for replacing the East feeders... ... ...$92,580.00

Proposal Notes:

- If applicable, taxes have not been included in the pricing above.
- Price includes all work already completed.
- Roadway excavation and repairs have an included allowance of $20,000.00
- Traffic control by others.
- Any additional scope of work items beyond this proposal will incur additional costs.
- Price based on using the city's boat and operator for under bridge repairs.
- Actual work performed will be on a straight time basis.
- *Payment is to be made based on NET 30 days.*
- *If work is not completed by May 31st 2020, the remaining labor to complete this project will increase by 3%.*
- Pieper Electric, Inc. shall not be held liable for errors or omissions in designs by others, nor inadequacies of materials and equipment specified or supplied by others.
- Due to the volatility of the metals market, we reserve the right to re-quote material pricing beyond 30 days of this quote.
- Price does not include permit fee.
- Project will be invoiced at a Time and Material basis. Any pricing discussed or stated is a budgetary estimate only.

We thank you for giving us the opportunity of estimating this work, and should there be any questions, please do not hesitate to contact me at 414-522-6208.

Sincerely,

Mark Rautanen
Mark Rautanen
Pieper Electric, Inc.

NOTE: This proposal valid for 30 days, negotiable thereafter.

Date Accepted: _____

By: _____

TERMS AND CONDITIONS OF SALE

1. LIEN NOTICE. As required by the Wisconsin Construction Lien Law, Seller (Pieper Electric, Inc. and all DBAs) hereby notifies Owner that persons or companies furnishing labor or materials for the construction on Owner's land may have lien rights on the Owner's land and buildings if not paid. Those entitled to lien rights, in addition to Seller, are those who contract directly with the Owner or those who give the Owner notice within sixty (60) days after they first furnish labor or materials for the construction. Accordingly, Owner will probably receive notices from those who furnish labor or materials for the construction, and should give a copy of each notice received to his mortgage lender, if any. Seller agrees to co-operate with the Owner and his lender, if any, to see that all potential lien claimants are duly paid.

2. **ENTIRE AGREEMENT.** This Agreement constitutes the entire contract for material, work, and other goods and services (collectively "Goods") between the Seller and the buyer ordering such Goods ("Buyer"). It is expressly agreed that no statement, arrangement, warranty, or understanding, oral or written, expressed or implied will be recognized unless it is stated in, or otherwise permitted by, this Agreement. This Agreement is solely for the benefit of Buyer and Seller, and is not intended for the benefit of any other party.

3. **PROPOSAL.** Seller is responsible for, and shall have sole control of, the construction methods, sequences and coordination of all work described in the Proposal, unless expressly stated to the contrary. Any items not listed are not included in the Agreement price and shall be the obligation of the Buyer.

4. **CONSTRUCTION MATERIALS.** All materials and work shall be furnished in accordance with normal industry tolerances for color, variation, thickness, size, weight, amount, finish, texture and performance standards. Excess materials delivered to job site and/or materials not physically attached to the structure after substantial completion of the work contemplated by this Agreement shall remain the property of Seller.

5. **ACCESS TO WORK AND SITE.** Buyer shall provide electric power, water, telephone and toilet facilities for use by Seller and its subcontractors/employees. Storage of materials and storage of Seller's equipment shall also be provided by Buyer. All utility connections and service charges, if any, shall be paid by the Buyer. Furthermore, Buyer agrees to maintain access for Seller at the Project Site to keep Project Site free from obstructions and conflicting work, and to obtain permission for Seller to gain access through adjacent property, if required by Seller to do so. Buyer shall be solely responsible for all risk, shall hold Seller harmless and free of liability, and shall compensate for any damages or costs arising out of such access or the failure to maintain access, except to the extent due to the intentional acts of Seller, its agents and/or employees.

6. **INSURANCE.** Seller shall maintain workers' compensation, automobile liability, commercial general liability and such other insurance as required by law. Seller will furnish a Certificate of Insurance evidencing the types and amounts of its coverage, upon request. Buyer shall maintain insurance covering all physical loss expressly including, but not limited to, coverage for collapse, fire, wind damage, theft, vandalism and malicious mischief, naming Seller as additional insured. Buyer assumes risk of loss during construction, except for the intentional acts of Seller, its subcontractors or employees.

7. **ENVIRONMENTAL HAZARDS.** Seller is not responsible for any environmental hazards. The Buyer shall be solely responsible for all risk, shall indemnify and hold Seller harmless and free of liability, and shall bear the costs of any removal or correction of environmental materials.

8. **SITE CONDITIONS.** Seller shall not be responsible for additional costs due to the existence of latent conditions that are not disclosed in writing to Seller. The raising, disconnection, re-connection or relocation of any mechanical equipment that may be necessary for Seller to perform the work shall be performed by others or treated as an extra.

9. **PAYMENT.** Buyer shall timely make all payments required by this Agreement. Time is of the essence as to all terms of payment. Buyer agrees that, in addition to other remedies available to Seller, if payment is not timely made, Seller shall be entitled to a service charge of 1.0% per month on all past due amounts, plus, if not contrary to any law, all costs of collection including actual attorneys' fees. Seller shall furnish lien waivers to Buyer at the time each Progress Payment and the Final Payment is made to Seller for the proportionate value of all Goods ordered or delivered as of the time the payment is made. Final Payment shall constitute acceptance and approval of all work, and a waiver of all claims by Buyer, except those arising from liens or the warranty included in this Agreement. No retention shall apply to any of the work.

10. **JOB SIGN.** Buyer agrees to allow Seller to display a construction sign at the Project Site.

11. **CHANGES.** No changes, additions, alterations, deviations or extras to the Plans and Specifications shall be made without a written Change Order signed by the Buyer and Seller in advance, which will be performed based on Seller's standard time and material rates. Notwithstanding, Buyer's signature shall not be required for changes necessary to conform to codes, laws or regulations required by any utility or governmental authority, or to address existing conditions of the Project Site unknown to Seller at the time Seller signs this Agreement. All Change Orders shall be incorporated as part of this Agreement. Upon Seller's request, Buyer agrees to pay for all changes in advance of each change being commenced. Buyer understands and agrees that changes will extend the time of performance by at least 5 work days for each change unless otherwise agreed in writing.

12. **WORK STOPPAGE.** Should work be stopped by any public authority or the Buyer for more than thirty calendar days, Seller may terminate this Agreement and collect for the value of all work completed and materials ordered as of the date work is stopped, plus Seller's anticipated profit under this Agreement. Buyer's failure to sign Change Orders or Buyer's refusal to make progress payments, or any other cause beyond Seller's sole control, shall also be cause for work stoppage by Seller.

13. **DELAY.** Work shall be completed within the number of working days stated in this Agreement, unless delay occurs due to work stoppage, adverse weather conditions, labor disputes, changes by Buyer, work performed by Buyer (or Buyer's separate contractors) or governmental authorities, unavailability of materials or supplies, unavoidable casualties, accidents, environmental hazards, Buyer's failure to make payments as required by this Agreement, or any other cause beyond Seller's sole control. Any such delay shall extend the time of performance or, at Seller's option, terminate this Agreement if the cause of the delay cannot be resolved within thirty calendar days. Where Seller elects to extend performance, Seller shall also be entitled to additional payment to reflect any increased cost of labor and/or materials. Seller will give notice to Buyer of delay and any adjustments to time of performance or cost of the work necessitated by the delay.

14. **DISPUTES.** These Terms shall be deemed to have been made in and governed by the laws of the State of Wisconsin. Any legal suit or action with regard to these Terms or the Project hereunder may, at Seller's option, be venued in Milwaukee County Circuit Court, Wisconsin. Seller may also, at Seller's sole discretion, elect arbitration and/or mediation in place of civil litigation, without regard to whether litigation has been commenced by Buyer. If an Arbitrator cannot be agreed upon, Seller can petition Circuit Court for same.

15. **WARRANTY.** Seller warrants and guarantees to Buyer that all material and equipment, and the work to be performed hereunder, will be of good quality and free from faults and defects. This warranty shall cover material (except lamps and other expendables) for the manufacturer's stated warranty period and workmanship for one year from the date of substantial completion. This warranty does not apply to bid work if the bid documents stipulate a lesser warranty. This warranty is in lieu of all other warranties, express or implied, of merchantability, fitness for a particular purpose, performance, or otherwise. Seller's liability under the warranty is strictly and exclusively limited to the repair or replacement at the job site of such work (including material and equipment) as is found to be defective within such warranty period, and with respect to which the Buyer has given Seller prompt written notice within such period. No allowance will be made for repairs or alterations unless made with Seller's prior written consent or approval. In no event shall Seller be liable for claims for any other damages based upon breach of express or implied warranty or negligence whether direct, immediate, foreseeable, consequential or special. This paragraph states Seller's entire liability with respect to warranties, guarantees, or representations, express or implied. Seller will be held harmless against claims, damages, losses and expenses, including attorneys' fees arising from work not done by Seller's own workforce.

16. **CONFLICTS/INCONSISTENCIES.** If any inconsistency or ambiguity is believed to exist among any of the documents comprising the contract, the inconsistency or ambiguity shall be resolved by applying the following order of precedence: (a) this Agreement including these Terms and Conditions; (b) the plans and specifications, if any; (c) other documents comprising the contract, if any.

17. **ASBESTOS AND TOXIC MATERIALS.** This proposal and contract is based upon the work to be performed by Seller not involving asbestos-containing or toxic materials and that such materials will not be encountered or disturbed during the course of performing the work. Seller is not responsible for expenses, claims or damages arising out of the presence, disturbance, or removal of asbestos-containing or toxic material. In the event that such materials are encountered, Seller shall be entitled to reasonable compensation for all additional expenses incurred as a result of the presence of asbestos-containing or toxic materials at the work site.

18. **PROTECTION OF PERSONAL PROPERTY AND PROJECT SITE.** Buyer agrees to remove or protect any personal property inside and outside the Project Site. Seller shall make reasonable efforts to avoid damage to existing property. Seller will make every effort to keep dust down to a bare minimum. Seller is not responsible for housecleaning or damages during normal construction activities.

19. **IMPAIRMENT OF CREDIT.** If Buyer is or becomes insolvent, or is unable to pay his debts as they mature, or files or has filed against him a bankruptcy, insolvency, or similar petition or fails to pay any debt arising hereunder to Seller on time, or if Seller in good faith doubts the ability of Buyer to pay, Seller may, at its option, either: (a) terminate the work at any time thereafter, and Buyer shall thereupon pay for all work performed on a pro-rata basis plus all lost profit or (b) discontinue work until such time as the Buyer has paid Seller in full for work performed, has agreed to pay Seller for any additional costs incurred because of such discontinuance, and upon such other terms or conditions as may be imposed by Seller to ensure the payment for the work.

20. **HOLD HARMLESS.** Seller will hold harmless and defend Buyer against any claims brought by a third party for damages or losses arising out of Seller's performance of work under this contract provided that the third party claim is attributable to bodily injury or death, or injury to or from destruction of tangible property, but only to the extent caused by the negligence of Seller or Seller's subcontractors and not caused in whole or in part by the Buyer or its agents, employees or representatives. Seller shall not be liable for any consequential damages claimed by any party including, but not limited to, lost profits, loss of use, or attorney's fees. As conditions precedent to Seller's duties under this provision, Buyer must (a) provide Seller with written notice of any claim against Buyer immediately after Buyer is aware of the claim; and (b) remain current with all of Buyer's obligations under this contract. This provision is null and void if the Buyer fails to perform any of its obligations under this contract. Seller shall have the sole right to manage the defense of the claim or resolve the claim. Buyer agrees to fully cooperate with Seller in the investigation and defense of any claim brought by another party.

21. **WORKING HOURS.** Unless specifically noted, all work included in this contract is to be performed during normal business hours, Monday through Friday. Work performed at any other time, or on legal holidays, will result in an extra charge to Buyer.

22. **GENERAL EXCLUSIONS.** Seller shall not be responsible for coordinating or supervising work performed by Buyer's own forces or contractors. Seller shall be entitled to an equitable adjustment for hidden or latent conditions. Cost of pumping water from basements and other excavations is not included in quotation. Any alteration or deviation from the specifications as outlined on reverse involving extra cost of material or labor will only be executed upon written orders for same and will become an extra charge over the sum mentioned in this contract. Seller is not responsible for damage to underground services. Any changes in local or state codes effective after date of proposal will be charged as an extra or credited as the case may be. Patching of walls and floors is to be done by others unless specifically stated in this contract as Seller's responsibility.

III

Res. No. _____ - 19 - 20. By Alderpersons Wolf and Sorenson. December 2, 2019.

A RESOLUTION authorizing the appropriate City officials to execute a Memorandum of Understanding with the Ellwood H. May Environmental Park Association of Sheboygan County, Inc. ("MPA") regarding the terms and conditions of the City's financial support of the MPA from January 1, 2020 through December 31, 2024.

RESOLVED: That the appropriate City officials are hereby authorized to execute the Memorandum of Understanding between the City of Sheboygan and Ellwood H. May Environmental Park Association of Sheboygan County, Inc., a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED: That the appropriate City officials are hereby authorized to draw funds pursuant to the amounts set forth in the Memorandum of Understanding from the Maywood - Contributions Acct. No. 10153110-590100 to the extent monies are appropriated in the budget each year.

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

Memorandum of Understanding

Between

Ellwood H. May Environmental Park Association of Sheboygan County, Inc.
and
City of Sheboygan

This Memorandum of Understanding ("MOU" or "Agreement") sets forth the terms and understanding between the Ellwood H. May Environmental Park Association of Sheboygan County, Inc. ("MPA") and the City of Sheboygan ("City") regarding the City's financial support of the MPA.

Background

MPA and the City have engaged in extensive collaboration in the operation and programming activities of Maywood Environmental Park ("Maywood") since Maywood was established over 30 years ago. The City supports MPA's mission: "Fostering environmental stewardship through educational and outdoor experiences designed to connect our community with the natural world." One way that the City has supported the MPA is with financial support to aid in paying costs associated with the Maywood Park Director position.

Purpose

The purpose of this MOU is to acknowledge the agreement of the parties and set forth the parties' understanding as to their respective obligations and responsibilities with respect to the Park Director position for Maywood. This MOU outlines the specific responsibilities for each party for the period of this Agreement. This MOU is intended to enhance the continued success of the Agreement, and facilitate the parties' future partnership, if so desired by the parties.

NOW THEREFORE, the City and MPA agree as follows:

Section 1

The above purpose and goals will be accomplished by undertaking the following activities:

a) MPA acknowledges that Maywood is a public City park and will continue to stay open free of charge to the public between the hours of 4 a.m. and 10 p.m., or as otherwise established by the Common Council of the City.
b) MPA agrees and understands that changes to land or facilities will first need the approval of the City.
c) MPA has established the position of Park Director for Maywood, and will keep that position in place for the duration of this Agreement.
d) The City agrees to contribute funding towards the salary of Maywood's Park Director position, as well as continue funding for upkeep of park facilities, maintenance, utilities and land management that would be considered normal annual City budgeted expenses for Maywood as a City park as follows, each of which is subject to Council approval in the City budget on an annual basis:

(1) The City agrees to provide MPA funding at the beginning of each calendar year in the amount of $65,500.00 towards the salary for the Maywood Park Director.
(2) The Superintendent of Parks and Forestry agrees to seek a five percent (5%) increase in the annual funding provided to the MPA (to $68,775) for years 2021 – 2022 and an additional five percent increase in the annual funding provided to the MPA (to $72,213.75) for years 2023 – 2024. The actual amount provided to MPA will be determined yearly by the approved city budget.
(3) During the term of this Agreement, the City will provide the following services, equipment and supplies:
    a. The City will pay for utilities at Maywood, including natural gas, electricity, telephone, internet, garbage collection, dumpster and sewer.
    b. The City will provide restroom supplies of toilet paper, hand towels, cleaning supplies, soap, and garbage containers and liners.
    c. The City will provide snow removal, lawn care, driveway maintenance, tree care, and signage.
    d. The City will maintain the building and its structural integrity, including its heating, air conditioning, plumbing, electrical, and elevator. Additionally, the City will ensure elevator and fire extinguisher inspections occur on an appropriate schedule. The City will also provide water softener and salt service, and internal and exterior repairs.
(4) In the event that the City does not appropriate sufficient funds to meet its obligations under this Agreement, the City may terminate this MOU, and no penalty shall be imposed against the City.

e) The point of contact for the Maywood Park Director with the City will be the City's Superintendent of Parks and Forestry.
f) The parties agree that MPA will be expected to continue providing youth and school education programs during the school year and summer camp programs. Other expectations of the parties for the MPA Maywood Park Director position include, but are not limited to:

(1) Developing and maintaining positive working relationships with community educational leaders;
(2) Updating and developing the Maywood Master Plan, including facilities, plantings, trail design, and signage;
(3) Submitting the Maywood Master Plan to the City's Marina, Parks, and Forestry Commission for their review and approval;
(4) Enthusiastically promoting Maywood throughout the community and promoting the City as a partner;
(5) Enforcing all safety standards as set forth by federal, state, and municipal laws; and
(6) Assuring compliance with all City ordinances.
(7) Attend and provide a Maywood Director's report at designated meetings of the City's Board of Marina, Park, and Forestry Commissioners.

g) Use of City caretaker employee will be under the direction of the Director of Public Works and the Superintendent of Parks and Forestry.

h) MPA is expected to ensure the necessary janitorial responsibilities at Maywood are completed.

Section 2

By entering into this Agreement, the parties do not intend to create any obligations, expressed or implied, other than those set out herein. Further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 3

Indemnification. City and MPA agree to defend, hold harmless, and indemnify the other against any and all claims, liabilities, damages, judgments, causes of action, costs, loss and expense, including reasonable attorney's fees, imposed upon or incurred by the other party arising from or related to negligent or intentionally tortuous acts or omissions of the indemnifying party's officers, employees, or agents in performing the services pursuant to this agreement. Each party shall promptly notify the other of any claim arising under this provision and each party shall fully cooperate with the other in the investigation, resolution, and defense of such claim.

Section 4

Each party to this Agreement will be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 5

This Agreement shall become effective upon the signature of the parties hereto through their authorized representatives and will remain in effect until December 31, 2024 (the "Term") unless modified or terminated by the parties by mutual agreement or terminated by the City due to non-appropriation of the necessary funds to fulfill the City's obligations. If not earlier terminated as provided in Section 6 below, unless either party gives notice in writing to the other at least ninety (90) days prior to the end of the Term, this Agreement shall automatically be extended for an additional one year term; provided, however, that this Agreement shall not be automatically extended beyond December 31, 2025.

Section 6

This Agreement may be terminated by either party for cause if the other party shall default in the performance of this Agreement and the default shall continue for a period of thirty (30) days after written notice to the other party stating specifically the default. Expiration or termination of this Agreement for any reason shall not release any party from its obligations thereunder that have accrued prior to the termination or expiration date.

Section 7

Any notice or other communication required or permitted to be given pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by first class mail, postage prepaid, to the address each of the parties keeps on record for the other party, or to such

other address as either party may give notice of from time to time in accordance with this section. For purposes of this Section, the City's address is:

City Clerk
City of Sheboygan
828 Center Avenue, Suite 103
Sheboygan, WI 53081

Delivery shall be deemed effective upon personal delivery or deposit in the United States mail. Nothing in this Section shall prevent normal communications between the City and Maywood.

Approved by the parties through signature of the following authorized representatives:

CITY OF SHEBOYGAN:

_____	_____
Mayor	Date
_____	_____
City Clerk	Date
_____	_____
Director of Public Works	Date

ELLWOOD H. MAY ENVIRONMENTAL PARK
ASSOCIATION OF SHEBOYGAN COUNTY, INC.:

_____	_____
	Date
_____	_____
	Date
_____	_____
	Date

VII

4.1

R. C. No. 192 - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. December 2, 2019.

Your Committee to whom was referred pursuant to R. O. No. 102-19-20 by City Clerk submitting various license applications (withdraw of Beverage Operator's License application No. 3000, Christopher M. Nagle); recommends filing the application.

reg

_____ _____

_____ _____

_____ _____

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

VI

4.2

R. C. No. 193 - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. December 2, 2019.

Your Committee to whom was referred R. O. No. 109-19-20 by City Clerk submitting various license applications; recommends granting the licenses.

rlg

_____ _____

_____ _____

_____ _____

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

Other Matters

R. O. No. 109 - 19 - 20. By CITY CLERK. November 18, 2019.

Submitting various license applications for the period ending December 31, 2020, June 30, 2020 and June 30, 2021.

City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

No.	Name	Address
4688	Allen, William R.	620 Center Avenue, Oostburg
3007	Clark, Debra L.	2709 Main Avenue
3005	Goettl, Francis A.	1817 N. 1st Street
3009	Khang, May X.	1407 N. 13th Street
3008	Lewandoske, Amy M.	2411 N. 29th Street
3010	Lewis, Quiana M.	929 N. 8th Street Apt. 2
3003	Pribbernow, Grace S.	2123 Woodglen Drive #3D
1288	Sohre, Jayme L.	1718A S. 10th Street
3006	Thompson, Lisa M.	919 Geele Avenue

"CLASS B" LICENSE (RESERVE) (NEW) (June 30, 2020)

No.	Name	Address
3434	John Michael Kohler Art Preserve	3636 Lower Falls Rd

TAXICAB BUSINESS LICENSE (RENEW) (December 31, 2020)

No.	Name	Address
3023	Yellowcab	2917 N. 15th Street

TAXICAB DRIVERS LICENSE (RENEW) (December 31, 2020)

No.	Name	Address
9660	Johnson, Charleen M.	1424 S. 9th Street
9846	Waraich, Celia M.	N6233 Woodland Road
0142	Waraich, Jesse S.	N6233 Woodland Road

AHPS

QUADRICYCLE DRIVER LICENSE (RENEW) (December 31, 2020)

No.	Name	Address
2148	Vannieuwenhoven, Justin	2205 S. 8th Street

QUADRICYCLE LICENSE (RENEW) (December 31, 2020)

No.	Name	Address
3321	Shebikin' Pedal Tours	2205 S. 8th Street

VIII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred Res. No. 113-19-20 by Alderpersons Donohue and Bohren authorizing the issuance and sale of up to $2,323,791 Sewerage System Revenue Bonds, Series 2019D, and providing for other details and covenants with respect thereto; recommends adopting the Resolution.

ref

_____ _____

_____ _____

_____ _____

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

4.1

Res. No. 113 - 19 - 20. By Alderpersons Donohue and Bohren.
November 18, 2019.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $2,323,791 SEWERAGE SYSTEM REVENUE BONDS, SERIES 2019D, AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT THERETO

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality") owns and operates a sewerage system (the "System") which is operated for a public purpose as a public utility by the Municipality; and

WHEREAS, pursuant to a resolution adopted on May 17, 2010 (the "2010 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010 (the "2010 Bonds"), which 2010 Bonds are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted on October 7, 2013 (the "2013 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013 (the "2013 Bonds"), which 2013 Bonds are payable from the income and revenues of the System; and

WHEREAS, the 2010 Bonds and the 2013 Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2010 Resolution and the 2013 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project") assigned Clean Water Fund Program Project No. 4019-19 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans and specifications of the Project, or portions thereof, issued under Section 281.41, Wisconsin Statutes, assigned No. S-2017-0804 and dated January 10, 2018 by the DNR; and

WHEREAS, under the provisions of Chapter 66, Wisconsin Statutes any municipality may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, operating and managing a public utility from the proceeds of bonds, which bonds are to be payable only from the revenues received from any source by such utility, including all rentals and fees; and

WHEREAS, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell sewerage system revenue bonds of the Municipality payable solely from the revenues of the System, pursuant

Finance/Personnel adopt

to the provisions of Section 66.0621, Wisconsin Statutes, to pay the cost of the Project; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds on a parity with the Prior Bonds upon certain conditions, and those conditions have been met; and

WHEREAS, other than the Prior Bonds, no bonds or obligations payable from the revenues of the System are now outstanding.

NOW, THEREFORE, be it resolved by the Governing Body of the Municipality that:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by implication requires otherwise:

(a) "Act" means Section 66.0621, Wisconsin Statutes;

(b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;

(c) "Bonds" means the $2,323,791 Sewerage System Revenue Bonds, Series 2019D, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;

(d) "Bond Year" means the twelve-month period ending on each May 1;

(e) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;

(f) "Debt Service Fund" means the Sewerage System Special Redemption Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;

(g) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department of Administration and the Municipality pursuant to which the Bonds are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;

(h) "Fiscal Year" means the twelve-month period ending on each December 31;

(i) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;

(j) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from sewerage charges imposed by the Municipality, all payments to the Municipality under any wastewater treatment service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees and any special assessments levied and collected in connection with the Project;

(k) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;

(l) "Municipality" means the City of Sheboygan, Sheboygan County, Wisconsin;

(m) "Net Revenues" means the Gross Earnings of the System after deduction of Current Expenses;

(n) "Parity Bonds" means bonds payable from the revenues of the System other than the Bonds but issued on a parity and equality with the Bonds pursuant to the restrictive provisions of Section 11 of this Resolution;

(o) "Prior Bonds" means the 2010 Bonds and the 2013 Bonds collectively;

(p) "Prior Resolutions" means the 2010 Resolution and the 2013 Resolution collectively;

(q) "Project" means the Project described in the preamble to this Resolution. All elements of the Project are to be owned and operated by the Municipality as part of the System as described in the preamble hereto;

(r) "Record Date" means the close of business on the fifteenth day of the calendar month next preceding any principal or interest payment date;

(s) "System" means the entire sewerage system of the Municipality specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the collection, transmission, treatment and disposal of domestic and industrial sewerage and waste, including all improvements and extensions thereto made by the Municipality while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in

connection with such sewerage system and including all appurtenances, contracts, leases, franchises, and other intangibles;

(t) "2010 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010;

(u) "2010 Resolution" means a resolution adopted by the Common Council on May 17, 2010 authorizing the issuance of the 2010 Bonds;

(v) "2013 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013; and

(w) "2013 Resolution" means a resolution adopted by the Common Council on October 7, 2013 authorizing the issuance of the 2013 Bonds.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of $2,323,791; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Clean Water Fund Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Sewerage System Revenue Bonds, Series 2019D" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 1.650% per annum; shall be issued in denominations of $0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on May 1, 2020 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

The schedule of maturities of the Bonds is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

Section 4. Form, Execution, Registration and Payment of the Bonds. The Bonds shall be issued as registered obligations in substantially the

form attached hereto as Exhibit A and incorporated herein by this reference.

The Bonds shall be executed in the name of the Municipality by the manual signatures of the Mayor and City Clerk, and shall be sealed with its official or corporate seal, if any.

The principal of, premium, if any, and interest on the Bonds shall be paid by the Municipal Treasurer, who is hereby appointed as the Municipality's Bond Registrar.

Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America by the Bond Registrar. Payment of principal of the final maturity on the Bond will be payable upon presentation and surrender of the Bond to the Bond Registrar. Payment of principal on the Bond (except the final maturity) and each installment of interest shall be made to the registered owner of each Bond who shall appear on the registration books of the Municipality, maintained by the Bond Registrar, on the Record Date and shall be paid by check or draft of the Municipality and mailed to such registered owner at his or its address as it appears on such registration books or at such other address may be furnished in writing by such registered owner to the Bond Registrar.

Section 5. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the Municipality nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Debt Service Fund hereinafter created and established, and shall be a valid claim of the registered owner or owners thereof only against such Debt Service Fund and the revenues of the System pledged to such fund, on a parity with the pledge granted to the holders of the Prior Bonds. Sufficient revenues are hereby pledged to said Debt Service Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due.

Section 6. 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 the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created and established by a resolution adopted on October 18, 1993, as amended, are hereby continued and shall be used solely for the following respective purposes:

(a) Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund,

the Depreciation Fund and the Surplus Fund in the amounts and in the manner set forth in Section 7 hereof and used for the purposes described below.

(b) Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.

(c) Sewerage System Special Redemption Fund (the "Debt Service Fund"), which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due, and which may contain a Reserve Account established by a future resolution authorizing the issuance of Parity Bonds to secure such Parity Bonds.

(d) Depreciation Fund, which shall be used to provide a proper and adequate depreciation account for the System.

(e) Surplus Fund, which shall first be used whenever necessary to pay principal of, premium, if any, or interest on the Prior Bonds, the Bonds and Parity Bonds when the Debt Service Fund shall be insufficient for such purpose, and thereafter shall be disbursed as follows: (i) at any time, to remedy any deficiency in any of the Funds provided in this Section 6 hereof; and (ii) money thereafter remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts created herein or to reimburse the general fund of the Municipality for advances made by the Municipality to the System.

Section 7. Application of Revenues. After the delivery of the Bonds, the Gross Earnings of the System shall be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed below in the following order of priority and in the manner set forth below:

(a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and for the following month (after giving effect to available amounts in said Fund from prior deposits);

(b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source), and any amount required by a future resolution

authorizing the issuance of Parity Bonds to fund a Reserve Account established therein;

(c) to the Depreciation Fund, an amount determined by the Governing Body to be sufficient to provide a proper and adequate depreciation account for the System; and

(d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

Transfers from the Revenue Fund to the Operation and Maintenance Fund, the Debt Service Fund, the Depreciation Fund and the Surplus Fund shall be made monthly not later than the tenth day of each month, and such transfer shall be applicable to monies on deposit in the Revenue Fund as of the last day of the month preceding. Any other transfers and deposits to any fund required or permitted by subsection (a) through (d) of this Section, except transfers or deposits which are required to be made immediately or annually, shall be made on or before the tenth day of the month. Any transfer or deposit required to be made at the end of any Fiscal Year shall be made within sixty (60) days after the close of such Fiscal Year. If the tenth day of any month shall fall on a day other than a business day, such transfer or deposit shall be made on the next succeeding business day.

It is the express intent and determination of the Governing Body that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures, and to fund the Reserve Account as required in connection with future Parity Bonds.

Section 8. Deposits and Investments. The Debt Service Fund shall be kept apart from monies in the other funds and accounts of the Municipality and the same shall be used for no purpose other than the prompt payment of principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due and payable. All monies therein shall be deposited in special and segregated accounts in a public depository selected under Chapter 34, Wisconsin Statutes and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes. The other funds herein created (except the Sewerage System CWFP Project Fund) may be combined in a single account in a public depository selected in the manner set forth above and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Section 9. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing sewerage services for public purposes shall be charged against the

Municipality and shall be paid 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 derived from the System; that is to say, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the Municipality in each year shall be equal to an amount which, together with other revenues of the System, will produce in each Fiscal Year Net Revenues equivalent to not less than the annual principal and interest requirements on the Prior Bonds, the Bonds, any Parity Bonds and any other obligations payable from the revenues of the System then outstanding, times the greater of (i) 110% or (ii) the highest debt service coverage ratio required with respect to any obligations payable from revenues of the System then outstanding. However, such payment out of the tax levy shall be subject to (a) approval of the Public Service Commission, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any; and 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 the services rendered to the Municipality and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 10. Operation of System; Municipality Covenants. It is covenanted and agreed by the Municipality with the owner or owners of the Bonds, and each of them, that the Municipality will perform all of the obligations of the Municipality as set forth in the Financial Assistance Agreement.

Section 11. Additional Bonds. The Bonds are issued on a parity with the Prior Bonds as to the pledge of revenues of the System. No bonds or obligations payable out of the revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if the lien and pledge is junior and subordinate to that of the Bonds. Parity Bonds may be issued only under the following circumstances:

(a) Additional Parity Bonds may be issued for the purpose of completing the Project and for the purpose of financing costs of the Project which are ineligible for payment under the State of Wisconsin Clean Water Fund Program. However, such additional Parity Bonds shall be in an aggregate amount not to exceed 20% of the face amount of the Bonds; or

(b) Additional Parity Bonds may also be issued if all of the following conditions are met:

(1) The Net Revenues of the System for the Fiscal Year immediately preceding the issuance of such additional bonds must

have been in an amount at least equal to the maximum annual interest and principal requirements on all bonds outstanding payable from the revenues of the System, and on the bonds then to be issued, times the greater of (i) 1.10 or (ii) the highest debt service coverage ratio to be required with respect to the Additional Parity Bonds to be issued or any other obligations payable from the revenues of the System then outstanding. Should an increase in permanent rates and charges, including those made to the Municipality, be properly ordered and made effective during the Fiscal Year immediately prior to the issuance of such additional bonds or during that part of the Fiscal Year of issuance prior to such issuance, then Net Revenues for purposes of such computation shall include such additional revenues as an independent certified public accountant, consulting professional engineer or the Wisconsin Public Service Commission may certify would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

(2) The payments required to be made into the funds enumerated in Section 6 of this Resolution must have been made in full.

(3) The additional bonds must have principal maturing on May 1 of each year and interest falling due on May 1 and November 1 of each year.

(4) The proceeds of the additional bonds must be used only for the purpose of providing extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Clean Water Fund Program for the purchase price of up to $2,323,791 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

Section 13. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited by the Municipality into a special fund designated as "Sewerage System CWFP Project Fund." The Sewerage System CWFP Project Fund shall be used solely for the purpose of paying the costs

of the Project as more fully described in the preamble hereof and in the Financial Assistance Agreement. Moneys in the Sewerage System CWFP Project Fund shall be disbursed within three (3) business days of their receipt from the State of Wisconsin and shall not be invested in any interest-bearing account.

Section 14. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except: (a) the Municipality may, from to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and (b) this Resolution may be amended, in any respect, with a written consent of the owners of not less than two-thirds (2/3) of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the Municipality; provided, however, that no amendment shall permit any change in the pledge of revenues derived from the System or the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 15. Defeasance. When all Bonds have been discharged, all pledges, covenants and other rights granted to the owners thereof by this Resolution shall cease. The Municipality may discharge all Bonds due on any date by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the Municipality's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the Municipality's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for.

Section 16. Rebate Fund. Unless the Bonds are exempt from the rebate requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Municipality shall establish and maintain, so long as the Bonds and any Parity Bonds are outstanding, a separate account to be known as the "Rebate Fund." The sole purpose of the Rebate Fund is to provide

for the payment of any rebate liability with respect to the Bonds under the relevant provisions of the Code and the Treasury Regulations promulgated thereunder (the "Regulations"). The Rebate Fund shall be maintained by the Municipality until all required rebate payments with respect to the Bonds have been made in accordance with the relevant provisions of the Code and the Regulations.

The Municipality hereby covenants and agrees that it shall pay to the United States from the Rebate Fund, at the times and in the amounts and manner required by the Code and the Regulations, the portion of the "rebate amount" (as defined in Section 1.148-3(b) of the Regulations) that is due as of each "computation date" (within the meaning of Section 1.148-3(e) of the Regulations). As of the date of this Resolution, the provisions of the Regulations specifying the required amounts of rebate installment payments and the time and manner of such payments are contained in Sections 1.148-3(f) and (g) of the Regulations, respectively. Amounts held in the Rebate Fund and the investment income therefrom are not pledged as security for the Bonds or any Parity Bonds and may only be used for the payment of any rebate liability with respect to the Bonds.

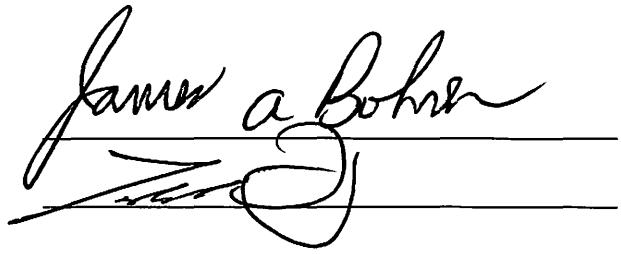
The Municipality may engage the services of accountants, attorneys or other consultants necessary to assist it in determining the rebate payments, if any, owed to the United States with respect to the Bonds. The Municipality shall maintain or cause to be maintained records of determinations of rebate liability with respect to the Bonds for each computation date until six (6) years after the retirement of the last of the Bonds. The Municipality shall make such records available to the State of Wisconsin upon reasonable request therefor.

Section 17. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 14, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Municipality, the Governing Body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Municipality, its Governing Body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 18. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Clean Water Fund Program and to such other persons or entities as directed by the State of

Wisconsin such ongoing disclosure regarding the Municipality's financial condition and other matters, at such times and in such manner as the Clean Water Fund Program may require, in order that securities issued by the Municipality and the State of Wisconsin satisfy rules and regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and as it may be amended from time to time, imposed on brokers and dealers of municipal securities before the brokers and dealers may buy, sell, or recommend the purchase of such securities.

Section 19. Conflicting Resolutions. All ordinances, resolutions (other than the Prior Resolutions), or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control as long as any of the respective Prior Bonds are outstanding.



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

(Form of Municipal Obligation)

REGISTERED NO. _____ SHEBOYGAN CITY OF SHEBOYGAN	UNITED STATES OF AMERICA STATE OF WISCONSIN	REGISTERED $_____ COUNTY

SEWERAGE SYSTEM REVENUE BOND, SERIES 2019D

Final Maturity Date	Date of Original Issue
May 1, 2039	_____, 20__

REGISTERED OWNER: STATE OF WISCONSIN CLEAN WATER FUND PROGRAM

FOR VALUE RECEIVED the City of Sheboygan, Sheboygan County, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed _____ DOLLARS ($_____) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2020 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 1.650% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on May 1, 2020.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2020 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at One and 650/1000ths percent (1.650%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

Both principal and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. On the final maturity date, principal of this Bond shall be payable only upon presentation and surrender of this Bond at the office of the Municipal Treasurer. Principal hereof (except the final maturity) and interest hereon shall be payable by electronic transfer or by check or draft dated on or before the applicable payment date and mailed from the office of the Municipal Treasurer to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month next preceding such interest payment date.

The Bonds shall not be redeemable prior to their maturity, except with the consent of the registered owner.

This Bond is transferable only upon the books of the Municipality kept for that purpose at the office of the Municipal Treasurer, by the registered owner in person or its duly authorized attorney, upon surrender of this Bond, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Municipal Treasurer, duly executed by the registered owner or its duly authorized attorney. Thereupon a replacement Bond shall be issued to the transferee in exchange therefor. The Municipality may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest hereof and for all other purposes. This Bond is issuable solely as a negotiable, fully-registered bond, without coupons, and in denominations of $0.01 or any integral multiple thereof.

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Sewerage System of the Municipality, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted December 2, 2019, and entitled: "Resolution Authorizing the Issuance and Sale of Up to $2,323,791 Sewerage System Revenue Bonds, Series 2019D, and Providing for Other Details and Covenants With Respect Thereto" and is payable only from the income and revenues of the Sewerage System of the Municipality (the "Utility"). The Bonds are issued on a parity with the Municipality's Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010 and Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said Municipality from the operation of its Utility has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by the signatures of its Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF SHEBOYGAN,
WISCONSIN

(SEAL)

By:_____
Michael J. Vandersteen
Mayor

By:_____
Meredith DeBruin
City Clerk

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Please print or typewrite name and address, including zip code, of Assignee)

Please insert Social Security or other identifying number of Assignee

_____

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

_____

Attorney to transfer said Bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated:_____

_____

NOTICE: The signature of this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature(s) guaranteed by

_____

SCHEDULE A

$2,323,791

CITY OF SHEBOYGAN, WISCONSIN
SEWERAGE SYSTEM REVENUE BONDS, SERIES 2019D

Amount of Disbursement	Date of Disbursement	Series of Bonds	Principal Repaid	Principal Balance

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

Date	Principal Amount
May 1, 2020	$99,018.18
May 1, 2021	100,651.98
May 1, 2022	102,312.73
May 1, 2023	104,000.89
May 1, 2024	105,716.91
May 1, 2025	107,461.24
May 1, 2026	109,234.35
May 1, 2027	111,036.72
May 1, 2028	112,868.82
May 1, 2029	114,731.16
May 1, 2030	116,624.22
May 1, 2031	118,548.52
May 1, 2032	120,504.57
May 1, 2033	122,492.90
May 1, 2034	124,514.03
May 1, 2035	126,568.51
May 1, 2036	128,656.89
May 1, 2037	130,779.73
May 1, 2038	132,937.59
May 1, 2039	135,131.06

State of Wisconsin
Department of Natural Resources
Bureau of Community Financial Assistance
101 South Webster Street, 2nd Floor
PO Box 7921
Madison, Wisconsin 53707-7921

STATE OF WISCONSIN CLEAN WATER FUND PROGRAM
FINANCIAL ASSISTANCE AGREEMENT WITH PRINCIPAL FORGIVENESS

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF ADMINISTRATION

and

CITY OF SHEBOYGAN

$3,073,791 With up to $750,000 PRINCIPAL FORGIVENESS

FINANCIAL ASSISTANCE AGREEMENT

Dated as of December 11, 2019

This constitutes a **Financial Assistance Agreement** under the State of Wisconsin's Clean Water Fund Program. This agreement is awarded pursuant to ss. 281.58 and 281.59, Wis. Stats. The purpose of this agreement is to award financial assistance from the Clean Water Fund Program. This agreement also discloses the terms and conditions of this award.

This agreement is only effective when signed by authorized officers of the municipality and an authorized officer of the State of Wisconsin Department of Natural Resources and of the State of Wisconsin Department of Administration.

The Department of Natural Resources and the Department of Administration may rescind or terminate this agreement if the municipality fails to comply with the terms and conditions contained within. Any determination or certification made in this agreement by the Department of Natural Resources or the Department of Administration is made solely for the purpose of providing financial assistance under the Clean Water Fund Program.

Municipal Identification No. 59281
Clean Water Fund Program Project No. 4019-19

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EXHIBIT F	PROJECT MANAGER SUMMARY PAGE
EXHIBIT G	FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated December 11, 2019, between the STATE OF WISCONSIN Clean Water Fund Program (the "CWFP"), by the Department of Natural Resources (the "DNR") and the Department of Administration (the "DOA"), acting under authority of ss. 281.58 and 281.59, Wis. Stats., as amended (the "Statute"), and the City of Sheboygan, a municipality within the meaning of the Statute, duly organized and existing under the laws of the State of Wisconsin (the "Municipality"); and

WHEREAS, the United States, pursuant to the Federal Water Quality Act of 1987 (the "Water Quality Act"), requires each state to establish a water pollution control revolving fund to be administered by an instrumentality of the state before the state may receive capitalization grants for eligible projects from the United States Environmental Protection Agency (the "EPA"), or any successor which may succeed to the administration of the program established by Title VI of the Water Quality Act; and

WHEREAS, the State of Wisconsin, pursuant to ss. 281.58 and 281.59, Wis. Stats., established the CWFP to be used in part for purposes of the Water Quality Act; and

WHEREAS, the State of Wisconsin, pursuant to s. 25.43, Wis. Stats., established a State of Wisconsin Environmental Improvement Fund which includes the CWFP; and

WHEREAS, DNR and DOA have the joint responsibility to provide CWFP financial assistance to municipalities for the construction of eligible wastewater pollution abatement projects, all as set forth in the Statute; and

WHEREAS, the Municipality submitted to DNR an application for financial assistance (the "Application") for a project (the "Project"), DNR has approved the Application and determined the Application meets the criteria for Project eligibility based on water quality and public health requirements established in applicable state statutes and regulations; and

WHEREAS, DNR determined that the Municipality and the Project are eligible for financial assistance pursuant to s. 281.58(7)(b), Wis. Stats.; and

WHEREAS, DOA determined the CWFP will provide financial assistance to the Municipality by making a loan (the "Loan") under s. 281.59(9), Wis. Stats., for the purposes of that subsection, and providing principal forgiveness; and

WHEREAS, the Municipality pledged the security, if any, required by DOA, and the Municipality demonstrated to the satisfaction of DOA the financial capacity to ensure sufficient revenues to operate and maintain the Project for its useful life and to pay debt service on the obligations it issues for the Project; and

WHEREAS, the Municipality certifies to the CWFP that it has created a dedicated source of revenue, which may constitute taxes levied by the Municipality for repayment of the Municipal Obligations; and

WHEREAS, the Municipality obtained DNR approval of facility plans or engineering reports and plans and specifications for the Project, subject to the provisions of applicable State environmental standards set forth in law, rules, and regulations;

NOW, THEREFORE, in consideration of the promises and of the mutual representations, covenants, and agreements herein set forth, the CWFP and the Municipality, each binding itself, its successors, and its assigns, do mutually promise, covenant, and agree as follows:

ARTICLE I
DEFINITIONS; RULES OF INTERPRETATION

Section 1.01. Definitions The following capitalized terms as used in this FAA shall have the following meanings:

"Act" means the Federal Water Pollution Control Act, 33 U.S. Code §§1250 et seq., as amended.

"Application" means the written application of the Municipality dated September 18, 2018, for financial assistance under the Statute.

"Bonds" means bonds or notes issued by the State pursuant to the General Resolution, all or a portion of the proceeds of which shall be applied to make the Loan.

"Business Day" means any day on which State offices are open to conduct business.

"CWFP" means the State of Wisconsin Clean Water Fund Program, established pursuant to ss. 281.58 and 281.59, Wis. Stats., and managed and administered by DNR and DOA.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor provisions.

"DNR" means the State of Wisconsin Department of Natural Resources and any successor entity.

"DOA" means the State of Wisconsin Department of Administration and any successor entity.

"EPA" means the United States Environmental Protection Agency or any successor entity that may succeed to the administration of the program established by Title VI of the Water Quality Act.

"FAA" means this Financial Assistance Agreement.

"Fees and Charges" means the costs and expenses of DNR and DOA in administering the CWFP.

"Final Completion" means the Project construction is complete, DNR or agents thereof have certified that the Project was constructed according to DNR approved Plans and Specifications and that the facilities are operating according to design, and DNR has completed all necessary Project closeout procedures.

"Financial Assistance" means any proceeds provided under this Financial Assistance Agreement in the form of a Loan of which part of the Loan principal will be forgiven.

"Financial Assistance Agreement" means this Financial Assistance Agreement between the CWFP by DNR, DOA, and the Municipality, as the same may be amended from time to time in accordance with Section 6.04 hereof.

"Fiscal Sustainability Plan" means a plan meeting the minimum requirements of section 603(d)(1)(E) of the Act.

"General Resolution" means the Clean Water Revenue Bond General Resolution adopted by the State of Wisconsin Building Commission, as such may from time to time be amended or supplemented by Series Resolutions or Supplemental Resolutions in accordance with the terms and provisions of the General Resolution.

"Loan" means the loan or loans made by the CWFP to the Municipality of which a portion of the principal will be forgiven pursuant to this FAA.

"Loan Disbursement Table" means the table, the form of which is included as Exhibit C hereto, with columns for inserting the following information for the portion of the Loan which is to be repaid with interest:

(a) amount of each disbursement,
(b) date of each disbursement,
(c) the series of Bonds from which each disbursement is made,
(d) principal amounts repaid, and
(e) outstanding principal balance.

"Municipal Obligation Counsel Opinion" means the opinion of counsel satisfactory to DOA, issued in conjunction with the Municipal Obligations, stating that:

(a) the FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary actions by the governing body of the Municipality, and the FAA has been duly executed and delivered by the Municipality;

(b) the Municipal Obligations have been duly authorized, executed, and delivered by the Municipality and sold to the CWFP;

(c) each of the FAA and the Municipal Obligations constitutes a legal, valid, and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);

(d) the Municipal Obligations constitute special obligations of the Municipality secured as to payment of principal, interest, and redemption price by the pledged revenues as set forth therein;

(e) interest on the Municipal Obligations is not included in gross income of the owners thereof for federal income taxation purposes under existing laws, regulations, rulings, and judicial decisions;

(f) the Municipal Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code and the arbitrage regulations; and

(g) the Municipal Obligations are not "private activity bonds" as defined in Section 141(a) of the Code.

"Municipal Obligation Resolution" means that action taken by the governing body of the Municipality authorizing the issuance of the Municipal Obligations.

"Municipal Obligations" means the bonds or notes issued and delivered by the Municipality to the CWFP, a specimen copy of which is included in the Municipal Obligations transcript in exchange for the portion of the Loan which is not subject to Principal Forgiveness.

"Municipality" means City of Sheboygan, a "municipality" within the meaning of the Statute, duly organized and existing under the laws of the State, and any successor entity.

"Parallel Cost Percentage" means the proportion of Project Costs eligible for below-market-rate financing relative to the total Project Costs eligible for CWFP financing.

"Parity Obligations" means the Municipality's $2,947,632 Sewerage System Revenue Bonds, Series 2010A, dated May 26, 2010; its $8,974,081 Sewerage System Revenue Bonds, Series 2013A, dated October 23, 2013; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.

"Plans and Specifications" means the Project design plans and specifications assigned No. S-2017-0804, approved by DNR on January 10, 2018, as the same may be amended or modified from time to time in accordance with this FAA.

"Principal Forgiveness" means Financial Assistance received in the form of forgiveness of Loan principal pursuant to the Act, Regulations, and this FAA of which no repayment thereof shall be required except as may be required per the Act, Statutes, Regulations, or this FAA. The amount of principal forgiveness available for this Project as of the date of this FAA is $750,000. The applicable percentage of principal forgiveness for this Project, as shown on the Final Funding List, is 25%.

"Progress payments" means payments for work in place and materials or equipment that have been delivered or are stockpiled in the vicinity of the construction site. This includes payments for undelivered, specifically manufactured equipment if: (1) designated in the specifications, (2) could not be readily utilized or diverted to another job, and (3) a fabrication period of more than 6 months is anticipated.

"Project" means the project assigned CWFP Project No. 4019-19 by DNR, described in the Project Manager Summary Page (Exhibit F), and further described in the DNR approval letter for the Plans and Specifications, or portions thereof, issued under s. 281.41, Wis. Stats.

"Project Costs" means the costs of the Project that are eligible for financial assistance from the CWFP under the Statute, which are allowable costs under the Regulations, which have been incurred by the Municipality, an estimate of which is set forth in Exhibit A hereto and made a part hereof.

"Regulations" means the Act, and chs. NR 108, NR 110, NR 150, NR 151, NR 162, and NR 216, Wis. Adm. Code, the regulations of DNR, and ch. Adm. 35, Wis. Adm. Code, the regulations of DOA, adopted pursuant to and in furtherance of the Act, as such may be adopted or amended from time to time.

"Series Resolution" or "Supplemental Resolution" shall have the meaning set forth in the General Resolution.

"Servicing Fee" means any servicing fee that may be imposed by DNR and DOA pursuant to s. 281.58(9)(d), Wis. Stats., which shall cover the estimated costs of reviewing and acting upon the Application and servicing this FAA, and which the Municipality is obligated to pay as set forth in Section 3.04 hereof.

"Sewer Use Ordinance" means the ordinance (or other legislative enactments) meeting the requirements of the Regulations and enacted and enforced in each jurisdiction served by the Project.

"Sewerage System" means the entire sewerage system of the Municipality, specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the collection, transmission, treatment, and disposal of domestic and industrial sewerage and waste.

"State" means the State of Wisconsin.

"Statute" means ss. 281.58 and 281.59, Wis. Stats., as amended.

"Substantial Completion" means the date on which construction of the Project is sufficiently complete in accordance with the contract documents so that the owner can occupy and utilize the Project for its intended use.

"Trustee" means the trustee appointed by the State pursuant to the General Resolution and any successor trustee.

"Use of American Iron and Steel" means the requirements contained in section 608 of the Act.

"User Charge System" means a system of charges meeting the requirements of s. NR 162.08, Wis. Adm. Code.

"User Fees" means fees charged or to be charged to users of the Project or the Sewerage System of which the Project is a part pursuant to a User Charge System or otherwise.

"Water Quality Act" means the federal Water Quality Act of 1987, as amended.

"WPDES Permit" means a Wisconsin Pollutant Discharge Elimination System permit issued under ch. 283, Wis. Stats.

Section 1.02. Rules of Interpretation Unless the context clearly indicates to the contrary, the following rules shall apply to the context of this FAA:

(a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.

(b) All references herein to particular articles or sections are references to articles or sections of this FAA.

(c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA, nor shall they affect its meaning, construction, or effect.

(d) The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms as used in this FAA refer to the FAA in its entirety and not the particular article or section of this FAA in which they appear. The term "hereafter" means after and the term "heretofore" means before the date of delivery of this FAA.

(e) All accounting terms not otherwise defined in this FAA have the meanings assigned to them in accordance with generally accepted accounting principles, and all computations provided for herein shall be made in accordance with generally accepted accounting principles.

ARTICLE II
REPRESENTATIONS

Section 2.01. Representations of the CWFP The CWFP represents and warrants as follows:

(a) The State is authorized to issue the Bonds in accordance with the Statute and the General Resolution and to use the proceeds thereof to provide funds for the Financial Assistance provided to the Municipality to undertake and complete the Project.

(b) The CWFP has complied with the provisions of the Statute and has full power and authority to execute and deliver this FAA, consummate the transactions contemplated hereby, and perform its obligations hereunder.

(c) The CWFP is not in violation of any of the provisions of the Constitution or laws of the State which would affect its powers referred to in the preceding paragraph (b).

(d) Pursuant to the Statute, the CWFP is authorized to execute and deliver the FAA and to take actions and make determinations that are required of the CWFP under the terms and conditions of the FAA.

(e) The execution and delivery by the CWFP of this FAA and the consummation of the transactions contemplated by this FAA shall not violate any indenture, mortgage, deed of trust, note, agreement, or other contract or instrument to which the State is a party, or by which it is bound, or, to the best of the CWFP's knowledge, any judgment, decree, order, statute, rule, or regulation applicable to the CWFP; all consents, approvals, authorizations, and orders of governmental or regulatory authorities that are required for the consummation of the transactions contemplated thereby have been obtained.

(f) To the knowledge of the CWFP, there is no action, suit, proceeding, or investigation at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the CWFP, or, to the knowledge of the CWFP, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or which, in any way, could adversely affect the validity of this FAA or any agreement or instrument to which the State is a party and which is used or contemplated for use in consummation of the transactions contemplated by each of the foregoing.

Section 2.02. Representations of the Municipality The Municipality represents, covenants, and warrants as follows:

(a) The Municipality possesses the legal municipal form of a city under ch. 62, Wis. Stats. The Municipality is located within the State and is a "municipality" within the meaning of the Statute, duly organized and existing under the laws of the State, and has full legal right, power, and authority to:

(1) conduct its business and own its properties,
(2) enter into this FAA,
(3) adopt the Municipal Obligation Resolution,
(4) issue and deliver the Municipal Obligations to the CWFP as provided herein, and
(5) carry out and consummate all transactions contemplated by each of the aforesaid documents.

(b) The Municipality's Project is a project that is necessary to prevent the applicant from significantly exceeding an effluent limitation contained in its WPDES Permit (compliance maintenance).

(c) With respect to the issuance of the Municipal Obligations, the Municipality has complied with the Municipal Obligation Resolution and with all applicable laws of the State.

(d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of $2,323,791 and authorized the taking of any and all action as may be required on the part of the Municipality and its authorized officers to carry out, give effect to, and consummate the transactions contemplated by each of the foregoing.

(e) This FAA and the Municipal Obligations have each been duly authorized, executed, and delivered, and constitute legal, valid, and binding obligations of the Municipality, enforceable in accordance with their respective terms.

(f) To the knowledge of the Municipality, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the Municipality, or, to the knowledge of the Municipality, any basis therefor:

(1) affecting the creation, organization, or existence of the Municipality or the title of its officers to their respective offices;

(2) seeking to prohibit, restrain, or enjoin the execution of this FAA or the issuance or delivery of the Municipal Obligations;

(3) in any way contesting or affecting the validity or enforceability of the Municipal Obligation Resolution, the Municipal Obligations, this FAA, or any agreement or instrument relating to any of the foregoing or used or contemplated for use in the consummation of the transactions contemplated by this FAA; or

(4) wherein an unfavorable decision, ruling, or finding could adversely affect the transactions contemplated hereby or by the Municipal Obligation Resolution or the Municipal Obligations.

(g) The Municipality is not in any material respect in breach of or in default under any applicable law or administrative regulation of the State or the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its properties is bound, and no event has occurred that, with the passage of time, the giving of notice, or both, could constitute such a breach or default. The execution and delivery of this FAA, the issuance and delivery of the Municipal Obligations, the adoption of the Municipal Obligation Resolution, and compliance with the respective provisions thereof shall not conflict with, or constitute a breach of or default under, any applicable law or administrative regulation of the State or of the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its property is bound.

(h) The Municipal Obligations constitute validly-issued, legally-binding special obligations of the Municipality secured as set forth therein.

(i) The resolutions of the Municipality accepting the Financial Assistance and the Municipal Obligation Resolution have been duly adopted by the Municipality and remain in full force and effect as of the date hereof.

(j) The Municipality has full legal right and authority, and all necessary permits, licenses, and approvals (other than such permits, licenses, easements, or approvals that are not by their nature obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the Project, carry on its activities relating thereto, undertake and complete the Project, and carry out and consummate all transactions contemplated by this FAA.

(k) The Municipality represents that it has not made any commitment or taken any action that shall result in a valid claim for any finders' or similar fees or commitments in respect to the issuance and sale of the Municipal Obligations and the making of the Loan under this FAA.

(l) The Project is eligible under s. 281.58(7), Wis. Stats., for financing from the CWFP and the Project Costs are equal to or in excess of the principal amount of the Municipal Obligations. The Project has satisfied the requirements of the State Environmental Review Procedures (SERP) contained in the Regulations. Portions of the Project that are ineligible for financing from the CWFP are listed within the Project Manager Summary Page attached hereto as Exhibit F. The Municipality intends the Project to be eligible under the Statute throughout the term of this FAA.

(m) All amounts shown in Exhibit A of this FAA are costs of a Project eligible for financial assistance from the CWFP under the Statute. All proceeds of any borrowing of the Municipality that have been spent and are being refinanced with the proceeds of the Financial Assistance made hereunder have been spent on eligible Project Costs. All Project Costs are reasonable, necessary, and allocable by the Municipality to the Project under generally accepted accounting principles. None of the proceeds of the Financial Assistance shall be used directly or indirectly by the Municipality as working capital or to finance inventory, as opposed to capital improvements.

(n) The Project is in compliance with all applicable federal, state, and local laws and ordinances (including rules and regulations) relating to zoning, building, safety, and environmental quality. The Municipality has complied with and completed all requirements of DNR necessary to commence construction of the Project prior to the date hereof. The Municipality intends to proceed with due diligence to complete the Project pursuant to Section 4.04 hereof.

(o) The Municipality does not intend to lease the Project or enter into a long-term contract for operation of the Project except as set forth in Exhibit D.

(p) The Municipality shall not take or omit to take any action which action or omission shall in any way cause the proceeds of the Bonds to be applied in a manner contrary to that provided in the General Resolution.

(q) The Municipality has not taken and shall not take any action, and presently knows of no action that any other person, firm, or corporation has taken or intends to take, that would cause interest on the Municipal Obligations to be includable in the gross income of the owners of the Municipal Obligations for federal income tax purposes. The representations, certifications, and statements of reasonable expectation made by the Municipality as referenced in the Municipal Obligation Counsel Opinion and No Arbitrage Certificate are hereby incorporated by this reference as though fully set forth herein.

(r) Other than (1) "preliminary expenditures" as defined in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding 20% of the principal amount of the Municipal Obligations, or (2) a "de minimis" amount as defined in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding the lesser of $100,000 or 5% of the principal amount of the Municipal Obligations, all of the proceeds of the Bonds loaned to the Municipality (other than refunding proceeds, if any) shall be used for Project Costs paid by the Municipality subsequent to a date which is 60 days prior to the date on which the Municipality adopted a reimbursement resolution pursuant to Treas. Regs. 26 CFR 1.150-2 stating its intent to reimburse other funds of the Municipality used to finance the Project, or subsequent to the issuance date of the Municipal Obligations.

(s) The Municipality represents that it has satisfied all the applicable requirements in s. 281.58, Wis. Stats., and ch. NR 162, Wis. Adm. Code.

(t) The Municipality has adopted a rate, charge, or assessment schedule that will generate annually sufficient revenue to pay the principal of and interest on the Municipal Obligations.

(u) The Municipality is in substantial compliance with all conditions, requirements, and terms of financial assistance previously awarded through the federal construction grants program, the Wisconsin Fund construction grants program, and the CWFP.

(v) The Municipality has met all terms and conditions contained within and received DNR approval for the Municipality's Plans and Specifications for the Project described in the definitions hereof.

(w) The Municipality represents that it submitted to DNR a bid tabulation for the Project with a recommendation to DNR for review and concurrence. The actual Substantial Completion date of the Project was May 17, 2019.

(x) The Municipality acknowledges that s. 281.59(11)(b), Wis. Stats., and the General Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the CWFP by deducting those amounts from any State payments due the Municipality.

This means that the following State payments would have been subject to this deduction:

	Transportation	State-Shared	Total
2017	$1,545,327.86	$11,111,393.75	$12,656,721.61
2018	$1,745,669.54	$11,070,318.82	$12,815,988.36

The amount of State payments anticipated for this year, among others, and as changed or modified from time to time, that are subject to this deduction are:

2019	$1,830,104.68	$11,062,747.51	$12,892,852.19

These are not the entire amounts of State aid distributed to the Municipality. Other State aid is subject to intercept on failure of the Municipality to make full Loan payments due the CWFP.

The Municipality acknowledges that s. 70.60, Wis. Stats., and the General Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the CWFP by adding a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located.

(y) The Municipality acknowledges that the State reserves the right upon default by the Municipality hereunder to have a receiver appointed to collect User Fees from the operation of the Municipality's Sewerage System or, in the case of a joint utility system, to bill the users of the Municipality's Sewerage System directly.

(z) The representations of the Municipality in the Application are true and correct as of the date of this FAA and are incorporated herein by reference as if fully set forth in this place.

(aa) There has been no material adverse change in the financial condition or operation of the Municipality or the Project since the submission date of the Application.

(bb) The Municipality acknowledges that it is eligible to receive Financial Assistance in the form of a Loan of $3,073,791 with Principal Forgiveness of $750,000 for payment of Project Costs.

ARTICLE III
LOAN PROVISIONS

Section 3.01. Loan Clauses

(a) Subject to the conditions and in accordance with the terms of this FAA, the CWFP hereby agrees to make the Loan and the Municipality agrees to accept the Loan. As evidence of the portion of the Loan made to the Municipality remaining subsequent to the Principal Forgiveness, the Municipality hereby agrees to sell to the CWFP Municipal Obligations in the aggregate principal amount of $2,323,791. The CWFP shall pay for the Municipal Obligations in lawful money of the United States, which shall be disbursed as provided in this FAA.

(b) Prior to disbursement, Loan proceeds shall be held by the CWFP or by the Trustee for the account of the CWFP. Earnings on undisbursed Loan proceeds shall be for the account of the CWFP. Loan proceeds shall be disbursed only upon submission by the Municipality of disbursement requests and approval thereof as set forth in Section 3.06 hereof.

(c) The Loan shall bear interest at the rate of one and 650/1000ths percent (1.650%) per annum, and interest shall accrue and be payable only on Loan principal amounts actually disbursed on the Municipal Obligations, from the date of disbursement until the date such amounts are repaid or forgiven.

(d) Disbursements of Financial Assistance shall generally be made: first, in the form of a Loan disbursement on the Municipal Obligations, which must be at least 5% of the Municipal Obligation amount or $50,000, whichever is less; second, in the form of Loan disbursements that include the applicable percentage of Principal Forgiveness up to $750,000; and third, if the Principal Forgiveness cap has been reached, in the form of Loan disbursements on the Municipal Obligations. Principal Forgiveness will be applied at the time of Loan disbursement.

(e) The Municipal Obligations shall include the Loan Disbursement Table (Exhibit C). The actual dates of disbursements shall be reflected as part of the Municipal Obligations. DOA shall make entries as each disbursement is made and as each principal amount is repaid; the CWFP and the Municipality agree that such entries shall be mutually binding.

(f) Upon Final Completion of the Project, DOA may request that the Municipality issue substitute Municipal Obligations in the aggregate principal amount equal to the outstanding principal balance of the Municipal Obligations.

(g) The Municipality shall deliver, or cause to be delivered, a Municipal Obligation Counsel Opinion to the CWFP concurrently with the delivery of the Municipal Obligations.

Section 3.02. Municipal Obligations Amortization Principal and interest payments on the Municipal Obligations shall be due on the dates set forth in Exhibit B of this FAA. The payment amounts shown on Exhibit B are for informational purposes only and assume the full amount of the Municipal Obligations is disbursed and that the full amount of Principal Forgiveness available is applied to the Loan on December 11, 2019. It is understood that the actual amount of the Municipality's Municipal Obligations payments shall be based on the actual date and amount of disbursements on the Municipal Obligations. Notwithstanding the foregoing or anything in the Municipal Obligations, the Municipal Obligations shall be for no longer than twenty (20) years from the date of this FAA and shall mature and be fully amortized not later than twenty (20) years after the original issue date of the Municipal Obligations. Repayment of principal on the Municipal Obligations shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

Section 3.03. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements on the Municipal Obligations shall be a revenue obligation evidenced by issuance of revenue bonds pursuant to s. 66.0621, Wis. Stats. The security for the Municipality's obligation shall be a pledge of revenues to be derived from the Municipality's Sewerage System, and the Municipality shall agree that, if revenues from the Sewerage System are insufficient to meet annual debt service requirements, the Municipality shall purchase sewerage services in amounts sufficient to meet annual debt service requirements as provided in and set forth in Section 9 of the Municipal Obligation Resolution. The annual revenues net of all current expenses shall be equal to not less than the annual principal and interest requirements on the Municipal Obligations, any Parity Obligations, and any other debt obligations payable from the revenues of the Sewerage System then outstanding, times the greater of (i) 110 percent or (ii) the highest debt service coverage ratio required with respect to any Parity Obligations or any other debt obligations payable from the revenues of the Sewerage System then outstanding. As of the date of this FAA, the required debt service coverage ratio is 110 percent; however, this percentage is subject to change as outlined in the prior sentence. The Municipal Obligations are also secured as provided in Section 3.08 hereof.

Section 3.04. Other Amounts Payable The Municipality hereby expressly agrees to pay to the CWFP:

(a) such Servicing Fee as the CWFP may impose pursuant to s. 281.58(9)(d), Wis. Stats., which shall be payable in semiannual installments on each interest payment date; such a Servicing Fee shall be imposed upon the Municipality after approval of a future Biennial Finance Plan by the State of Wisconsin Building Commission which contains a Servicing Fee requirement, schedule, and amount; and

(b) the Municipality's allocable share of the Fees and Charges as such costs are incurred. Allocable share shall mean the proportionate share of the Fees and Charges based on the outstanding principal of the Loan.

Amounts paid by the Municipality pursuant to this Section 3.04 shall be deposited in the Expense Fund established pursuant to the General Resolution.

Section 3.05. Sale and Redemption of Municipal Obligations

(a) Municipal Obligations may not be prepaid without the prior written consent of the CWFP. The CWFP has sole discretion to withhold such consent.

(b) The Municipality shall pay all costs and expenses of the CWFP in effecting the redemption of the Bonds to be redeemed with the proceeds of the prepayment of the Municipal Obligations. Such costs and expenses may include any prepayment premium applicable to the CWFP and any investment losses incurred or sustained by the CWFP resulting directly or indirectly from any such prepayment.

(c) Subject to subsection (a), the Municipality may prepay the Municipal Obligations with any settlements received from any third party relating to the design or construction of the Project.

(d) Prepayments of the Municipal Obligations shall be applied pro rata to all maturities of the Municipal Obligations.

Section 3.06. Disbursement of Financial Assistance

(a) Under this FAA, Financial Assistance shall be drawn in the order specified in Section 3.01(d) of this document.

(b) Each disbursement request shall be delivered to DNR. Each request must contain invoices or other evidence acceptable to DNR and DOA that Project Costs for which disbursement is requested have been incurred by the Municipality.

(c) The CWFP, through its agents or Trustee, plans to make disbursements of Financial Assistance on a semimonthly basis upon approval of each disbursement request by DNR and DOA. Such approval by DNR and DOA may require adjustment and corrections to the disbursement request submitted by the Municipality. The Municipality shall be notified whenever such an adjustment or correction is made by DNR or DOA.

(d) Disbursements made to the Municipality are subject to pre- and post-payment adjustments by DNR or DOA.

(1) If the Financial Assistance is not yet fully disbursed, and CWFP funds were previously disbursed for costs not eligible for CWFP funding or not eligible under this FAA, the CWFP shall make necessary adjustments to future disbursements.

(2) If the Financial Assistance is fully disbursed, including disbursements for any costs not eligible for CWFP funding or not eligible under this FAA, the Municipality agrees to repay to the CWFP an amount equal to the non-eligible costs within 60 days of notification by DNR or DOA. The CWFP shall then apply the amount it receives as a Loan prepayment or as a recovery of a Loan disbursement with Principal Forgiveness (if there is no outstanding Loan principal balance available to which the recovery may be applied).

(e) The CWFP or its agent shall disburse Financial Assistance only to the Municipality's account by electronic transfer of funds. The Municipality hereby covenants that it shall take actions and provide information necessary to facilitate these transfers.

(f) Disbursement beyond ninety-five percent (95%) of the Financial Assistance, unless otherwise agreed to by DNR and DOA pursuant to a written request from the Municipality, may be withheld until:

(1) DNR is satisfied that the Project has been completed in accordance with the Plans and Specifications, DNR has approved all change orders relating to the Project, and DNR has determined that the Project is in compliance with the Municipality's WPDES Permit;

(2) the Municipality certifies to DNR its acceptance of the Project from its contractors;

(3) the Municipality certifies in writing to DNR its compliance with applicable federal requirements (certification must be as prescribed on Exhibit G); and

(4) DNR certifies in writing to DOA the Municipality's compliance with all applicable requirements of this FAA.

(g) IRS Regulation 1.148-6(d)(1)(iii) applies to project expenditures. It states, in part, "An issuer must account for the allocation of proceeds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service".

Section 3.07. Remedies

(a) If the Municipality:

(1) or any authorized representative is not complying with federal or state laws, regulations, or requirements relating to the Project, and following due notice by DNR the Project is not brought into compliance within a reasonable period of time; or

(2) is not complying with or is in violation of any provision set forth in this FAA; or

(3) is not in compliance with the Statute or the Regulations;

then DNR may, until the Project is brought into compliance or the FAA non-compliance is cured to the satisfaction of DNR or DOA, impose one (1) or more of the following sanctions:

(i) Progress payments or disbursements otherwise due the Municipality of up to 20% may be withheld.

(ii) Project work may be suspended.

(iii) DNR may request a court of appropriate jurisdiction to enter an injunction or afford other equitable or judicial relief as the court finds appropriate.

(iv) Other administrative remedies may be pursued.

(b) If the Municipality fails to make any payment when due on the Municipal Obligations or fails to observe or perform any other covenant, condition, or agreement on its part under this FAA for a period of thirty (30) days after written notice is given to the Municipality by DNR, specifying the default and requesting that it be remedied, the CWFP is provided remedies by law and this FAA. These remedies include, but are not limited to, the following rights:

(1) Pursuant to s. 281.59(11)(b), Wis. Stats., DOA shall place on file a certified statement of all amounts due the CWFP under this FAA. DOA may collect all amounts due the CWFP by deducting those amounts from any State payments due the Municipality, or add a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located under s. 70.60, Wis. Stats.

(2) Pursuant to s. NR 162.18(1), Wis. Adm. Code, DNR may: declare the unpaid Loan balance due and immediately payable; increase the interest rate on the unpaid balance of the Loan to the market interest rate in effect on the date the FAA was executed; or immediately terminate the FAA and disburse no additional funds, if the Loan has not been fully disbursed.

(3) The CWFP may, without giving bond to the Municipality or anyone claiming under it, have a receiver appointed for the CWFP's benefit of the Project and the Municipality's Sewerage System and of the earnings, income, rents, issues, and profits thereof, with such powers as the court making such appointment shall confer. The Municipality hereby irrevocably consents to such appointment.

(4) In the case of a joint utility system, the CWFP may bill the users of the Municipality's system directly.

(5) The CWFP may enforce any right or obligation under this FAA, including the right to seek specific performance or mandamus, whether such action is at law or in equity.

Section 3.08. Security for the Municipal Obligations In accordance with the terms of the Municipal Obligation Resolution:

(a) as security for the Municipal Obligations, the Municipality hereby pledges the revenue to be derived from the Municipality's Sewerage System (which is a dedicated source of revenue); and

(b) other than as already pledged to the outstanding Parity Obligations, the Municipality shall not pledge the revenues, except as provided in Section 11 of the Municipal Obligation Resolution, to be derived from the Municipality's User Charge System or other revenues pledged under Section 3.08(a) above, to any person other than the CWFP, unless the revenues pledged to such other person meet the highest debt coverage ratio then applicable to the Municipality.

Section 3.09. Effective Date and Term This FAA shall become effective upon its execution and delivery by the parties hereto, shall remain in full force and effect from such date, and shall expire on such date as the Municipal Obligations shall be discharged and satisfied in accordance with the provisions thereof.

ARTICLE IV
CONSTRUCTION OF THE PROJECT

Section 4.01. Insurance The Municipality agrees to maintain property and liability insurance for the Sewerage System and Project that is reasonable in amount and coverage and that is consistent with prudent municipal insurance practices for the term of this FAA. The Municipality agrees to provide written evidence of insurance coverage to the CWFP upon request at any time during the term of this FAA.

In the event that the Sewerage System or Project is damaged or destroyed, the Municipality agrees to use the proceeds from its insurance coverage either to repay the Financial Assistance or to repair or replace the Sewerage System.

Section 4.02. Construction of the Project The Municipality shall construct the Project, or cause it to be constructed, to Final Completion in accordance with the Application and the Plans and Specifications. The Municipality shall proceed with the acquisition and construction of the Project in conformity with law and with all applicable requirements of governmental authorities having jurisdiction with respect thereto, subject to such modifications of Plans and Specifications that alter the cost of the Project, use of space, scope, or functional layout, as may be previously approved by DNR.

Section 4.03. Performance Bonds The Municipality shall provide, or cause to be provided, performance bonds assuring the performance of the work to be performed under all construction contracts entered into with respect to the Project. All performance bonds required hereunder shall be issued by independent surety companies authorized to transact business in the State.

Section 4.04. Completion of the Project

(a) The Municipality agrees that it shall undertake and complete the Project for the purposes and in the manner set forth in this FAA and in accordance with all federal, state, and local laws, ordinances, and regulations applicable thereto. The Municipality shall, with all practical dispatch and in a sound and economical manner, complete or cause to be completed the acquisition and construction of the Project, and do all other acts necessary and possible to entitle it to receive User Fees with respect to the Project at the earliest practicable time. The Municipality shall obtain all necessary approvals from any and all governmental agencies prior to construction which are requisite to the Final Completion of the Project.

(b) The Municipality shall notify DNR of the Substantial Completion of the Project. The Municipality shall cause to be prepared as-built plans for the Project at or prior to completion thereof.

(c) The Municipality shall take and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers to complete their contracts diligently and in accordance with the terms of the contracts including, without limitation, the correcting of defective work.

(d) Upon Final Completion of the Project in accordance with the Plans and Specifications, the Municipality shall:

(1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;

(2) complete and deliver to DNR the completed Contract Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;

(3) prepare and deliver to DNR the completed Federal Requirements Compliance Certification attached hereto as Exhibit G of this FAA;

(4) obtain all required permits and authorizations from appropriate authorities for operation and use of the Project; and

(5) submit to DNR an Operation and Maintenance Manual Certification Checklist.

Section 4.05. Payment of Additional Project Costs

(a) In the event of revised eligibility determinations, cost overruns, and amendments exceeding the Financial Assistance amount, the CWFP may allocate additional financial assistance to the Project. The allocation of additional financial assistance may be in the form of a loan at less than the market interest rate, which is established pursuant to the Statute and Regulations. The allocation of additional financial assistance shall depend upon availability of funds, pursuant to the Statute and the Regulations.

(b) In the event that this Financial Assistance is not sufficient to pay the costs of the Project in full, the Municipality shall nonetheless complete the Project and pay that portion of the Project Costs as may be in excess of available Financial Assistance and shall not be entitled to any reimbursement therefore from the CWFP, or the owners of any bonds, except from the proceeds of additional financing which may be provided by the CWFP pursuant to an amendment of this FAA or through a separate FAA.

Section 4.06. No Warranty Regarding Condition, Suitability, or Cost of Project Neither the CWFP, DOA, DNR, nor the Trustee makes any warranty, either express or implied, as to the Project or its condition, or that it shall be suitable for the Municipality's purposes or needs, or that the Financial Assistance shall be sufficient to pay the costs of the Project. Review or approval of engineering reports, facilities plans, Plans and Specifications, or other documents, or the inspection of Project construction by DNR, does not relieve the Municipality of its responsibility to properly plan, design, build, and effectively operate and maintain the Project as required by laws, regulations, permits, and good management practices. DNR or its representatives are not responsible for increased costs resulting from defects in the Plans and Specifications or other Project documents. Nothing in this section prohibits a Municipality from requiring more assurances, guarantees, or indemnity or other contractual requirements from any party performing Project work.

ARTICLE V
COVENANTS

Section 5.01. Application of Financial Assistance The Municipality shall apply the proceeds of the Financial Assistance solely to Project Costs.

Section 5.02. Operation and Maintenance; Equipment Replacement Fund

(a) After completion of the Project, the Municipality shall:

(1) at all times operate the Project or otherwise cause the Project to be operated properly and in a sound and economical manner, including proper training of personnel;

(2) maintain, preserve, and keep the Project or cause the Project to be maintained, preserved, and kept in good repair, working order, and condition; and

(3) periodically make, or cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of the Project may be properly conducted in a manner that is consistent with the requirements of the WPDES Permit. The Municipality shall not, without the approval of DNR, discontinue operation of, sell, or otherwise dispose of the Sewerage System, except for portions of the Sewerage System sold or otherwise disposed of in the course of ordinary repair and replacement of parts so long as this FAA is outstanding.

(b) The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. All User Fees or other revenues specifically collected for the equipment replacement fund shall be deposited into the equipment replacement fund and used for replacement and major repair of equipment necessary for the operation of the Sewerage System, or for unexpected, unbudgeted costs incurred for continuing effective operations of the Sewerage System. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement itemized schedule developed by the Municipality or the percentage schedule option. The Project Manager Summary Page (Exhibit F) shall specify the required annual deposit or required minimum balance/percentage.

Section 5.03. Compliance with Law At all times during construction of the Project and operation of the Sewerage System, the Municipality shall comply with all applicable federal, state, and local laws, ordinances, rules, regulations, permits, and approvals, and with this FAA, including, without limitation, the Statute, the Regulations, and the WPDES Permit.

Section 5.04. Public Ownership The Municipality shall at all times retain ownership of the Project and the Sewerage System of which it is a part.

Section 5.05. Establishment of Project Accounts; Audits

(a) The Municipality shall maintain Project accounts in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets and directions issued by the CWFP. Without any request the Municipality shall furnish to DOA as soon as available, and in any event within one hundred eighty (180) days after the close of each fiscal year, a copy of the audit report for such year and accompanying GAAP-based financial statements for such period, as examined and reported by such independent certified public accountants of recognized standing selected by the Municipality and reasonably satisfactory to DOA, whose reports shall indicate that the accompanying financial statements have been prepared in conformity with GAAP and include standards relating to the reporting of infrastructure assets.

(b) The Municipality shall maintain a separate account that reflects the receipt and expenditure of all CWFP funds for the Project. All Financial Assistance shall be credited promptly upon receipt thereof and shall be reimbursement for or expended only for Project Costs. The Municipality shall: permit any authorized representative of DNR or DOA, or agents thereof, the right to review or audit all records relating to the Project or the Financial Assistance; produce, or cause to be produced, all records relating to any work performed under the terms of this FAA for examination at such times as may be designated by any of them or their authorized representatives; permit extracts and copies of the Project records to be made by them or their authorized representatives; and fulfill information requests by them or their authorized representatives.

Section 5.06. Records The Municipality shall retain all files, books, documents, and records relating to construction of the Project for at least three years following the date of Final Completion of the Project, or for longer periods if necessary due to any appeal, dispute, or litigation. All other files and records relating to the Project shall be retained so long as this FAA remains in effect. As-built plans for the Project shall be retained for the useful life of the Project.

Section 5.07. Project Areas The Municipality shall permit representatives of DNR access to the Project and related records at all reasonable times, include provisions in all contracts permitting such access during construction and operation of the Sewerage System, and allow extracts and copies of Project records to be made by DNR representatives.

Section 5.08. Engineering Inspection The Municipality shall provide competent and adequate inspection of all Project construction under the direction of a professional engineer licensed by the State. The Municipality shall direct such engineer to inspect work necessary for the construction of the Project and to determine whether such work has been performed in accordance with the Plans and Specifications. Any such work not in accordance with the Plans and Specifications shall be remedied, unless such noncompliance is waived by DNR.

Section 5.09. Tax Covenants

(a) The Municipality covenants and agrees that it shall not take any action, or omit to take any action, which action or omission would result in the loss of the exclusion of the interest on any Municipal Obligations now or hereafter issued from gross income for purposes of federal income taxation as that status is governed by Section 103(a) of the Code or any successor provision.

(b) The Municipality shall not take any action, or omit to take any action, which action or omission would cause its Municipal Obligations to be "private activity bonds" within the meaning of Section 141(a) of the Code or any successor provision.

(c) The Municipality shall not directly or indirectly use, or permit the use of, any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds, or take any action, or omit to take any action, which use or action or omission would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or any successor provision. The Municipality hereby further covenants to ensure that all amounts actually received by such Municipality from the CWFP are advanced within three Business Days to the entity submitting the invoice (or to reimburse the Municipality) to which each amount relates, and that all amounts actually received by such Municipality from the CWFP shall not be invested in any interest-bearing account.

(d) The Municipality shall not use (directly or indirectly) the proceeds of the Bonds in any manner that would constitute an "advance refunding" within the meaning of Section 149(d)(5) of the Code or any successor provision.

Section 5.10. User Fee Covenant

(a) The Municipality hereby certifies that it has adopted and shall charge User Fees with respect to the Project in accordance with applicable laws and the Statute and in amounts such that revenues of the Municipality with respect to the Project shall be sufficient, together with other funds available to the Municipality for such purposes, to pay all costs of operating and maintaining the Project in accordance with this FAA, and to pay all amounts due under this FAA and the Municipal Obligations.

(b) The Municipality covenants that it shall adopt and shall adequately maintain for the design life of the Project a system of User Fees with respect to the Project in accordance with s. NR 162.08, Wis. Adm. Code. The Municipality covenants that it shall review the User Charge System at least every two years and shall revise and charge User Fees with respect to the Project such that the revenues and funds described in paragraph (a) shall be sufficient to pay the costs described in paragraph (a).

Section 5.11. Notice of Impaired System The Municipality shall promptly notify DNR and DOA in the case of: any material damage to or destruction of the Project or any part thereof; any actual or threatened proceedings for the purpose of taking or otherwise affecting by condemnation, eminent domain, or otherwise, all or a part of the Sewerage System; any action, suit, or proceeding at law or in equity, or by or before any governmental instrumentality or agency, or any other event which may impair the ability of the Municipality to construct the Project or operate the Sewerage System or set and collect User Fees as set forth in Section 5.10.

Section 5.12. Hold Harmless The Municipality shall save, keep harmless, and defend DNR, DOA, and all their officers, employees, and agents, against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons, and for loss or damage to any property occurring in connection with or in any way incident to or arising out of the construction, occupancy, use, service, operation, or performance of work in connection with the Project or acts or omissions of the Municipality's employees, agents, or representatives.

Section 5.13. Nondiscrimination Covenant

(a) In connection with the Project, the Municipality agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but is not 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. The Municipality agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provision of the nondiscrimination clause.

(b) The Municipality shall incorporate the following provision into all Project contracts which have yet to be executed: "In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical condition, developmental disability, or national origin. The contractor further agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. 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. The contractor further agrees to take affirmative action to ensure equal employment opportunities for persons with disabilities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause."

Section 5.14. Employees The Municipality or its employees or agents are not employees or agents of the DNR or DOA for any purpose, including worker's compensation.

Section 5.15. Adequate Funds The Municipality shall have sufficient funds available to repay the Municipal Obligations. The Municipality shall have sufficient funds available when construction of the Project is completed to ensure effective operation and maintenance of the Project for purposes constructed.

Section 5.16. Management The Municipality shall provide and maintain competent and adequate management, supervision, and inspection at the construction site to ensure that the completed work conforms with the Plans and Specifications. The Municipality shall furnish progress reports and such other information as DNR may require.

Section 5.17. Reimbursement Any payment of Financial Assistance to the Municipality in excess of the amount determined by final audit to be due the Municipality shall be reimbursed to DOA within 60 days after DNR or DOA provides a notice of overpayment.

Section 5.18. Unpaid User Fees The Municipality shall, to the fullest extent permitted by law, take all actions necessary to certify any unpaid User Fees to the county treasurer in order that such unpaid User Fees will be added as a special charge to the property tax bill of the user.

Section 5.19. Sewer Use Ordinance The Municipality shall comply with the provisions of the Sewer Use Ordinance, as certified in the Application. The Municipality covenants that it shall comply with and enforce all provisions of the Sewer Use Ordinance, as established pursuant to the Statute and Regulations.

Section 5.20. Rebates The Municipality agrees to pay to the CWFP any refunds, rebates, credits, or other amounts received for Project Costs that have already been funded by the CWFP. The CWFP shall then apply the amount it receives as a Loan prepayment or as a recovery of a Loan disbursement with Principal Forgiveness (if there is no outstanding Loan principal balance for the Project).

Section 5.21. Maintenance of Legal Existence

(a) Except as provided in par. (b), the Municipality shall maintain its legal existence and shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another legal entity.

(b) A Municipality may consolidate with or merge into any other legal entity, dissolve or otherwise dispose of all of its assets or substantially all of its assets, transfer all or substantially all of its assets to another legal entity (and thereafter be released of all further obligation under this FAA and the Municipal Obligations) if:

(1) the resulting, surviving, or transferee legal entity is a legal entity established and duly existing under the laws of Wisconsin;

(2) such resulting, surviving, or transferee legal entity is eligible to receive financial assistance under the Statute;

(3) such resulting, surviving, or transferee legal entity expressly assumes in writing all of the obligations of the Municipality contained in this FAA and the Municipal Obligations and any other documents the CWFP deems reasonably necessary to protect its environmental and credit interests; and

(4) the CWFP shall have consented in writing to such transaction, which consent may be withheld in the absolute discretion of the CWFP.

Section 5.22. Wage Rate Requirements The Municipality represents that it shall comply with Section 513 of the Federal Water Pollution Control Act (33 USC 1372), which requires that all laborers and mechanics

employed by contractors and subcontractors funded directly by or assisted in whole or in part with funding under this Loan shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Section 5.23. Fiscal Sustainability Plan The Municipality has completed all required components of a Fiscal Sustainability Plan and shall maintain the plan at least for the life of the Loan.

Section 5.24. Use of American Iron and Steel The Municipality agrees to comply with requirements for Use of American Iron and Steel contained in section 608 of the Act for products used in the Project which are made primarily of iron and/or steel.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Notices All notices, certificates, or other communications hereunder shall be sufficiently given, and shall be deemed given, when hand delivered or mailed by registered or certified mail, postage prepaid, return receipt requested to the addresses set forth below:

(a) DEPARTMENT OF ADMINISTRATION
OFFICE OF CAPITAL FINANCE
CLEAN WATER FUND PROGRAM
101 EAST WILSON STREET 10TH FLOOR
MADISON WI 53702-0004
OR
PO BOX 7864
MADISON WI 53707-7864

(b) DEPARTMENT OF NATURAL RESOURCES
BUREAU OF COMMUNITY FINANCIAL ASSISTANCE
101 SOUTH WEBSTER STREET 2ND FLOOR
MADISON WI 53702-0005
OR
PO BOX 7921
MADISON WI 53707-7921

(c) US BANK CORP TRUST
MATTHEW HAMILTON EP-MN-WS3T
60 LIVINGSTON AVENUE
ST PAUL MN 55101-2292

(d) CITY OF SHEBOYGAN
828 CENTER AVENUE
SHEBOYGAN WI 53081

Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent, by notice in writing given to the others. Any notice herein shall be delivered simultaneously to DNR and DOA.

Section 6.02. Binding Effect This FAA shall be for the benefit of, and shall be binding upon, the CWFP and the Municipality and their respective successors and assigns.

Section 6.03. Severability In the event any provision of this FAA shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable, or otherwise affect any other provision hereof.

Section 6.04. Amendments, Supplements, and Modifications This FAA may be amended, supplemented, or modified to provide for additional financial assistance for the Project by the CWFP to the Municipality or for other purposes. All amendments, supplements, and modifications shall be in writing between the CWFP (by DNR and DOA acting under authority of the Statute) and the Municipality.

Section 6.05. Execution in Counterparts This FAA may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

Section 6.06. Applicable Law This FAA shall be governed by and construed in accordance with the laws of the State, including the Statute.

Section 6.07. Benefit of Financial Assistance Agreement This FAA is executed, among other reasons, to induce the purchase of the Municipal Obligations. Accordingly, all duties, covenants, obligations, and agreements of the Municipality herein contained are hereby declared to be for the benefit of, and are enforceable by, the CWFP, its Trustee, or its authorized agent.

Section 6.08. Further Assurances The Municipality shall, at the request of DNR and DOA, authorize, execute, acknowledge, and deliver such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments as may be necessary or desirable for: better assuring, conveying, and providing Principal Forgiveness; and assigning, and confirming the rights, security interests, and agreements concerning Principal Forgiveness or intended to be Principal Forgiveness provided by this FAA and relating to the Municipal Obligations.

Section 6.09. Assignment of Municipal Obligations The Municipality hereby agrees that the Municipal Obligations may be sold, transferred, pledged, or hypothecated to any third party without the consent of the Municipality.

Section 6.10. Covenant by Municipality as to Compliance with General Resolution The Municipality covenants and agrees that it shall comply with the provisions of the General Resolution with respect to the Municipality and that the Trustee and the owners of the Bonds shall have the power and authority provided in the General Resolution. The Municipality further agrees to aid in the furnishing to DNR, DOA, or the Trustee of opinions that may be required under the General Resolution.

Section 6.11. Termination This FAA may be terminated in whole or in part pursuant to one or more of the following:

(a) The CWFP and the Municipality may enter into an agreement to terminate this FAA at any time. The termination agreement shall establish the effective date of termination of this FAA, the basis for settlement of termination costs, and the amount and date of payment of any sums due either party.

(b) If the Municipality wishes to unilaterally terminate all or any part of the Project work for which Financial Assistance has been awarded, the Municipality shall promptly give written notice to DNR. If the CWFP determines that there is a reasonable basis for the requested termination, the CWFP may enter into a termination agreement, including provisions for FAA termination costs, effective with the date of cessation of the Project work by the Municipality. If the CWFP determines that the Municipality has ceased work on the Project without reasonable basis, the CWFP may unilaterally terminate Financial Assistance or rescind this FAA.

Section 6.12. Rescission The CWFP may rescind this FAA prior to the first disbursement of any funds hereunder if it determines that:

(a) there has been substantial non-performance of the Project work by the recipient without justification under the circumstances;

(b) there is substantial evidence this FAA was obtained by fraud;

(c) there is substantial evidence of gross abuse or corrupt practices in the administration of the Project;

(d) the Municipality has failed to comply with the covenants contained in this FAA; or

(e) any of the representations of the Municipality contained in this FAA were false in any material respect.

IN WITNESS WHEREOF, the CWFP and the Municipality have caused this FAA to be executed and delivered, as of the date and year first written above.

CITY OF SHEBOYGAN

By: _____
Michael J. Vandersteen
Mayor

Attest: _____
Meredith DeBruin
City Clerk

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

By: _____
Authorized Officer

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Officer

EXHIBIT A

PROJECT BUDGET SHEET

CITY OF SHEBOYGAN
CWFP Project No. 4019-19

	Total Project Costs	Ineligible SDWLP Costs	SDWLP Total Award Amount for this Project
Force Account	$0	$0	$0
Interim Financing Costs	$0	$0	$0
Preliminary Engineering	$100,000	$0	$100,000
Land or Easement Acquisition	$0	$0	$0
Engineering/Construction Mgmt.	$55,000	$0	$55,000
Construction/Equipment	$2,780,828	$0	$2,780,828
Contingency	$123,893	$0	$123,893
Miscellaneous Costs	$6,070	$0	$6,070
SDWLP Closing Costs	$8,000	$0	$8,000
Total	**$3,073,791**	**$0**	**$3,073,791**
Principal Forgiveness Amount (A)			$750,000
Net SDWLP Loan Amount			$2,323,791

A = Principal Forgiveness is calculated and awarded up to 25% of the eligible CWFP Total Award Amount for this Project, with a principal forgiveness cap of $750,000.

City of Sheboygan, Wisconsin

Project # 4019-19 Clean Water Fund Program

Loan Closing Date: ***December 11, 2019***

Exhibit B-1

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-May-20	99,018.18	1.650%	14,910.99	113,929.17	113,929.17	
1-Nov-20		1.650%	18,354.38	18,354.38		132,283.55
1-May-21	100,651.98	1.650%	18,354.38	119,006.36	137,360.74	
1-Nov-21		1.650%	17,524.00	17,524.00		136,530.36
1-May-22	102,312.73	1.650%	17,524.00	119,836.73	137,360.73	
1-Nov-22		1.650%	16,679.92	16,679.92		136,516.65
1-May-23	104,000.89	1.650%	16,679.92	120,680.81	137,360.73	
1-Nov-23		1.650%	15,821.91	15,821.91		136,502.72
1-May-24	105,716.91	1.650%	15,821.91	121,538.82	137,360.73	
1-Nov-24		1.650%	14,949.75	14,949.75		136,488.57
1-May-25	107,461.24	1.650%	14,949.75	122,410.99	137,360.74	
1-Nov-25		1.650%	14,063.19	14,063.19		136,474.18
1-May-26	109,234.35	1.650%	14,063.19	123,297.54	137,360.73	
1-Nov-26		1.650%	13,162.01	13,162.01		136,459.55
1-May-27	111,036.72	1.650%	13,162.01	124,198.73	137,360.74	
1-Nov-27		1.650%	12,245.95	12,245.95		136,444.68
1-May-28	112,868.82	1.650%	12,245.95	125,114.77	137,360.72	
1-Nov-28		1.650%	11,314.79	11,314.79		136,429.56
1-May-29	114,731.16	1.650%	11,314.79	126,045.95	137,360.74	
1-Nov-29		1.650%	10,368.25	10,368.25		136,414.20
1-May-30	116,624.22	1.650%	10,368.25	126,992.47	137,360.72	
1-Nov-30		1.650%	9,406.10	9,406.10		136,398.57
1-May-31	118,548.52	1.650%	9,406.10	127,954.62	137,360.72	
1-Nov-31		1.650%	8,428.08	8,428.08		136,382.70
1-May-32	120,504.57	1.650%	8,428.08	128,932.65	137,360.73	
1-Nov-32		1.650%	7,433.92	7,433.92		136,366.57
1-May-33	122,492.90	1.650%	7,433.92	129,926.82	137,360.74	
1-Nov-33		1.650%	6,423.35	6,423.35		136,350.17
1-May-34	124,514.03	1.650%	6,423.35	130,937.38	137,360.73	
1-Nov-34		1.650%	5,396.11	5,396.11		136,333.49
1-May-35	126,568.51	1.650%	5,396.11	131,964.62	137,360.73	
1-Nov-35		1.650%	4,351.92	4,351.92		136,316.54
1-May-36	128,656.89	1.650%	4,351.92	133,008.81	137,360.73	
1-Nov-36		1.650%	3,290.50	3,290.50		136,299.31
1-May-37	130,779.73	1.650%	3,290.50	134,070.23	137,360.73	
1-Nov-37		1.650%	2,211.57	2,211.57		136,281.80
1-May-38	132,937.59	1.650%	2,211.57	135,149.16	137,360.73	
1-Nov-38		1.650%	1,114.83	1,114.83		136,263.99
1-May-39	135,131.06	1.650%	1,114.83	136,245.89	137,360.72	136,245.89
Totals	2,323,791.00		399,992.05	2,723,783.05	2,723,783.05	2,723,783.05

Net Interest Rate	1.6500%
Bond Years	24,241.9398
Average Life	10.4321

The above schedule assumes full disbursement of the loan on the loan closing date.

10-Nov-19 Wisconsin Department of Administration

Loan Payment Schedule Comments

The following Loan Repayment Schedule is a hypothetical payment schedule that assumes all of the loan proceeds are drawn on the loan closing date. Since the Environmental Improvement Fund ("EIF") loans are generally construction loans, the actual total amount of the loan disbursements, as well as the timing of the loan disbursements, will typically not be known until the construction project is complete. At the time that the last draw on your loan is made, the actual loan repayment schedule can be determined for the remainder of the loan term. Your municipality is only charged interest on the amount of the loan that is disbursed and the calculation is based on the number of days that the municipality has use of the money.

Please look over the following loan payment schedule so that you are aware of the dates when the interest payments start and when the principal payments will start. These payment dates are set in the bond/note that is the collateral for your EIF loan. A final loan payment schedule will be provided to you when DNR notifies DOA that the project is complete and the project is ready to be "closed-out". A Loan Payment Schedule based on year-to-date disbursements may be obtained by your municipality or your auditor for planning or reporting purposes. To obtain a Loan Payment Schedule based on year-to-date loan disbursements, please go to:

http://www.eif.doa.wi.gov

and select the report titled "Loan Payment Schedule".

If you have any questions on the following hypothetical loan payment schedule, please call Katherine Miller at 608-266-2305.

Other loan accounts reports are also available at the above website. Updated information is available on the website the day following a loan disbursement, a loan payment or other financial transaction that changes the loan balance.

Your EIF Loan Information is Available On-line!

The Environmental Improvement Fund has your loan/grant account information available on-line titled "EIF WebReports" at:

http://www.eif.doa.wi.gov

The following EIF WebReports are available:

Auditor Verification Report – This report will provide the information typically requested by Audit Firms at the end of each calendar year as part of their regular verification process for annual Financial Audits. This report is available for completed calendar years.

Loan Account History – This report will show loan disbursements, principal repayments and the loan balance as of the date that you select for the report.

Loan Payment Schedule – This report will show the scheduled principal and interest payments as of the date that you select for the report.

Payment History – This report will show the principal and interest payments that have already been made on the loan as of the date that you select for the report.

Disbursement History – This report will show both loan **and grant** disbursements that have been made for the selected project as of the date that you select for the report.

Only one WebReport can be run at a time. However, if your municipality has multiple EIF projects, one WebReport can be run for all the municipality's projects at one time. This can be done by choosing "All" where asked to select a project.

If you need to run multiple reports for a project, just close the window after running the first report, then you will be back at the page where you can select a second WebReport without having to again select the project number or re-enter the "as of" date.

At the top of the WebReports page, there is a link to "Notes about Running EIF WebReports". Information about a number of fine points related to the WebReports is contained in this section.

The WebReports will be available 24 hours a day unless the DOA server is down for maintenance or repairs. The WebReports are set-up so that you can either view the information on your computer screen, print-out a copy of the WebReport, or export the file in Excel format.

EXHIBIT C

FORM OF LOAN DISBURSEMENT TABLE

Amount of Disbursement	Date of Disbursement	Series of Bonds	Principal Repaid	Principal Balance
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____
$_____	_____	_____	$_____	$_____

EXHIBIT D

OPERATING CONTRACTS

As of the date of this FAA, the Municipality does not have any contracts with private entities or other governmental units to operate its Sewerage System.

EXHIBIT E

ENVIRONMENTAL IMPROVEMENT FUND
CONTRACT UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE)

MANDATORY PROJECT CLOSEOUT DOCUMENT

Note: This form is authorized by s. NR 162.14(4)(b)4, Wis. Adm. Code. Receipt of this completed form by the Department is mandatory prior to receiving a final disbursement. The information printed on this form is taken from the completed DBE Subcontractor Utilization Form (EPA Form 6100-4). Any changes or additions made to the list of prime contractors and DBE subcontractors during the construction must be reflected on this form at closeout. Personal information collected on this form will be used for program administration and must be made available to requesters as required by Wisconsin Open Records Law (s. 19.31 – 19.39, Wis. Stats.).

Municipality Name: City of Sheboygan Project Number: 4019-19 Loan/Grant Amount: $ 3,073,791
Project Description: Replace medium voltage switchgear at WWTP
Did the municipality satisfy the DBE requirements? X Yes ☐ No (If no, refer to Project Manager Summary Page of the FAA.)

Construction/Equipment/Supplies Contracts	Indicate DBE Type	Type of Product or Service *	Contract Estimate $	Actual Amount Paid to DBE Firm
				Municipality Completes at Project Closeout
Prime: Altmeyer Electric, Inc.	☐ MBE ☐ WBE ☐ Other X N/A	Electrical	$2,780,828	
Sub: Price & Sons	X MBE ☐ WBE ☐ Other	Electrical	$90,000	
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
				Total MBE $_____
				Total WBE $_____
				Total Other $_____

Professional/Technical Services Contracts	Indicate DBE Type	Type of Product or Service *	Contract Estimate $	Actual Amount Paid to DBE Firm
				Municipality Completes at Project Closeout
Prime: Strand Associates	☐ MBE ☐ WBE ☐ Other X N/A	Engineering	$132,000	
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
Prime:	☐ MBE ☐ WBE ☐ Other ☐ N/A			
Sub:	☐ MBE ☐ WBE ☐ Other			
Sub:	☐ MBE ☐ WBE ☐ Other			
				Total MBE $ _____ Total WBE $ _____ Total Other $ _____

*Type of Product or Service examples: landscaping, trucking, supplies, equipment, paving, concrete, plumbing, electrical, excavating, testing, design, etc.

Name of Person Completing This Form	Email Address	Phone Number

Certification		
I certify that, to the best of my knowledge and belief, the information provided on this form is complete and correct.		
Name/Title of Municipal Official	Signature	Date Signed

EXHIBIT F

PROJECT MANAGER SUMMARY PAGE

CITY OF SHEBOYGAN
CWFP Project No. 4019-19

1. Project Description: This Project will replace aging electrical switch gear at the wastewater treatment plant. New gear that is designed to modern electrical standards will be installed.

2. Ineligible Costs: No ineligible costs were identified in the review of this Project. If the Department identifies ineligible costs as the Project progresses, the Department will notify the Municipality.

3. Contingency Allowance: The Contingency allowance of $123,893 is five percent of the amount of uncompleted construction work adjusted for CME reviewed change orders. The Municipality must obtain CME approval of change orders prior to requesting reimbursement.

Base contingency (Uncompleted construction work x 5%)			$139,042
Contractor	Contract No.	CO No.	
Altmeyer Electric, Inc.	1-2017	1	$(15,149)
Total Contingency Allowance			$123,893

4. Equipment Replacement Fund: The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement schedule developed by the Municipality. Based on review of the equipment replacement fund information in the CWFP application, the annual deposit is estimated at $896,050.

5. DBE Good Faith Efforts: The Municipality and their prime contractor made good faith efforts to obtain DBE participation in the Project. The prime contractor is subcontracting with one MBE, Price & Sons Inc., for approximately $90,000 of work.

6. Use of American Iron and Steel: This Project is subject to the Use of American Iron and Steel (UAIS) requirements of section 608 of the Act.

7. Fiscal Sustainability Plan: The Municipality certified to DNR that a Fiscal Sustainability Plan (FSP) that meets the requirements of section 603(d)(1)(E) of the Act has been developed and that the plan will be maintained at least for the life of the Loan.

8. Miscellaneous Costs: $6,070 of Project Costs are included on the Miscellaneous line of the budget (Exhibit A) for geotechnical services.

EXHIBIT G

FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

[Prepare on Municipal Letterhead at Project Completion and Closeout]

The undersigned officials of the City of Sheboygan (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 4019-19 (the "Project"), the Municipality has met the prevailing wage rate requirements of the Davis-Bacon Act.

The Municipality further certifies that, after taking into account any national or project-specific waivers approved by the U.S. Environmental Protection Agency, DNR Project No. 4019-19 has met the requirements for the Use of American Iron and Steel contained in section 608 of the Federal Water Pollution Control Act, as amended.

The Municipality further certifies that a Fiscal Sustainability Plan meeting the requirements of section 603(d)(1)(E) of the Federal Water Pollution Control Act, as amended, has been completed for the treatment works and that the plan will be maintained at least for the life of the CWFP Loan for the Project.

The above certification is determined, after due and diligent investigation, to be true and accurate to the best of my knowledge.

By: _____ Dated as of: _____
[Name of Municipal Official or
Authorized Representative]
[Title]

Attest: _____ Dated as of: _____
[Name of Clerk or Secretary]
[Title]

ATTACHMENT #1

Clean Water Fund Program Project No. 4019-19
City of Sheboygan
Replace Medium Voltage Switchgear at WWTP
Financial Assistance Agreement – Closing Schedule

By November 11, 2019:

-- Department of Natural Resources (DNR) project manager distributes Financial Assistance Agreement (FAA) to Department of Administration (DOA) for review.

By November 18, 2019:

-- Quarles & Brady, LLP distributes draft Municipal Obligation Resolution and other bond documents to the City of Sheboygan and DOA for review. Project manager mails FAA to municipality.

On December 2, 2019:

-- Municipality holds properly noticed meeting at which time:

1. Municipal Obligation Resolution is adopted.
2. Bond related documents are signed by municipal officials.
3. DNR FAA is signed by municipal officials.

NOTE: *Most documents must be signed by Highest Elected Official & Clerk/Secretary and some documents must have municipal seal applied.* ***Do not sign any Exhibits.***

By December 3, 2019:

-- 1. Municipality returns FAA via overnight delivery to DNR Project Manager, Noah Balgooyen, for countersigning by DNR.

2. Municipality delivers signed & sealed Resolution & other bond documents via overnight delivery to Quarles & Brady, LLP.

By December 9, 2019:

-- Quarles & Brady, LLP sends final signed and sealed bond documents and legal opinion to DOA.

December 11, 2019:

-- Loan closing day. Quarles & Brady, LLP contacts DOA to confirm closing and DOA wire transfers the first disbursement to municipal bank account.

ATTACHMENT #2

Clean Water Fund Program Project No. 4019-19
City of Sheboygan
Replace Medium Voltage Switchgear at WWTP
Financial Assistance Agreement Summary
Distribution Sheet

FINANCIAL ASSISTANCE INFO

Total Project Amount: $3,073,791

Principal Forgiveness Amount: $750,000 Net CWFP Loan Amount: $2,323,791

Non-CWFP Grant Funding: $0 Internal Funding: $0 Non-CWFP Loan Funding: $0

Pledge: Sewer Revenue Bonds Lien Priority: Senior-Parity

Composite Interest Rate: 1.65%

DOCUMENT INFO

Date of Municipal Obligation Resolution – December 2, 2019

CLOSING INFO

Refinancing: $0

Estimated Reimbursement: $2,712,818.24

DISTRIBUTION

Department of Natural Resources
Noah Balgooyen
Bureau of Community Financial Assistance
101 South Webster Street, 2nd Floor
PO Box 7921
Madison WI 53707-7921
608-264-8841
noah.balgooyen@wisconsin.gov

Department of Administration
Katherine Miller
State of Wisconsin DOA Capital Finance Office
101 East Wilson Street, 10th Floor
PO Box 7864
Madison WI 53707-7864
608-266-2305
Katherinec.miller@wisconsin.gov

Municipality
Steven Jossart
City of Sheboygan
828 Center Avenue
Sheboygan WI 53081
920-459-3361
steve.jossart@sheboyganwwtp.com

Engineering Firm
Philip Severson
Strand Associates, Inc.
910 West Wingra Drive
Madison WI 53715-1943
608-251-4843
phil.severson@strand.com

Municipal Bond Counsel
Rebecca Speckhard
Quarles & Brady, LLP
411 East Wisconsin Avenue
Milwaukee WI 53202-4497
414-277-5000
rebecca.speckhard@quarles.com

Financial Advisor
Carol Wirth
Wisconsin Public Finance Professionals, LLC
1020 N Broadway, Suite G9
Milwaukee WI 53202
414-434-9644
cawirth@wipublicfinance.com

VIII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred Res. No. 114-19-20 by Alderpersons Donohue and Bohren authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as special tax counsel with regard to a proposed lease financing for the acquisition of garbage and recycling carts; recommends adopting the Resolution.

mg

_____ _____

_____ _____

_____ _____

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

4.2

Res. No. 114 - 19 - 20. By Alderpersons Donohue and Bohren.
November 18, 2019.

A RESOLUTION authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as special tax counsel with regard to a proposed lease financing for the acquisition of garbage and recycling carts.

RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached engagement letter with Quarles & Brady LLP to serve as special tax counsel for the City of Sheboygan regarding a proposed lease financing for the acquisition of garbage and recycling carts.

Finance/Personnel 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

Quarles & Brady LLP

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.

November 7, 2019

VIA EMAIL

Mr. Marty Halverson
Finance Director
City of Sheboygan
City Hall
828 Center Avenue
Sheboygan, WI 53081-4442

Scope of Engagement Re: Proposed City of Sheboygan (the "City") Lease Financing (the "Financing")

Dear Marty:

We are pleased to be working with you as the City's special tax counsel in connection with the Financing.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as special tax counsel in connection with the above-referenced Financing. 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 Special Tax Counsel

Our special tax counsel engagement is a limited, special counsel engagement. Special tax counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the taxability of interest on the payments due under the Financing.

As special tax counsel we will: examine applicable law; prepare and comment on documents; consult with the parties to the transaction, prior to the issuance of the Financing; review certified proceedings; and undertake such additional duties as we deem necessary to render the special tax counsel opinion described below. As special tax 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 the interest component of the rental payments due under the Financing will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The special tax counsel opinion will be executed and delivered by us in written form on the date the Financing closes (the "Closing") and will be based on facts and law existing as of its date.

Upon delivery of the opinion, our responsibilities as special tax counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any ongoing advice to the City or any other party concerning any actions necessary to assure that interest paid on the payments due under the Financing will continue to be excluded from gross income for federal income tax purposes, or participating in an Internal Revenue Service or other regulatory body survey or investigation regarding or audit of the Financing.

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. As to state law matters, including the validity and enforceability of the Financing, we will rely on the opinion of the City Attorney.

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 Financing, 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 special tax 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 special tax counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our special tax 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.

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 $5,000. It is our understanding that our fee will be paid at the time of the Closing.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as special tax counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. 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.

City Responsibilities

We will provide legal counsel and assistance to the City in accordance with this letter and will rely upon information and guidance the City and its personnel provide to us. We will keep the City reasonably informed of progress and developments, and respond to the City's inquiries. To enable us to provide the services set forth in this letter, the City will disclose fully and accurately all facts and keep us apprised of all developments relating to this matter. The City agrees to pay our bills for services and expenses in accordance with this engagement letter. The City will also cooperate fully with us and be available to attend meetings, conferences, hearings and other proceedings on reasonable notice, and stay fully informed on all developments relating to this matter.

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.

We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP

Rebecca A. Speckhard

RAS:DRG
cc: Thomas Cameron, Esq. (via email)
Mr. David Groose (via email)

Accepted and Approved:

CITY OF SHEBOYGAN

By: _____

Its: _____
Title

Date: _____

VIII

4.5

R. C. No. 196 - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. December 2, 2019.

Your Committee to whom was referred Res. No. 115-19-20 by Alderpersons Wolf and Donohue authorizing the mayor to sign a letter to the United States Secretary of State consenting to continued initial refugee resettlement in Sheboygan pursuant to Executive Order 13888; recommends adopting the Resolution.

reg

_____ _____

_____ _____

_____ _____

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

4.3

Res. No. 115 - 19 - 20. By Alderpersons Wolf and Donohue.
November 18, 2019.

A RESOLUTION authorizing the mayor to sign a letter to the United States Secretary of State consenting to continued initial refugee resettlement in Sheboygan pursuant to Executive Order 13888.

WHEREAS, the City of Sheboygan has a long history of participating in refugee resettlement with widespread community support for that participation; and

WHEREAS, refugee resettlement has significantly enriched our community, state, and nation, both culturally and economically; and

WHEREAS, the President has issued an Executive Order directing that within 90 days of the date of the order, the Secretary of State and the Secretary of Health and Human Services shall resettle refugees only in areas where both state and local governments consent in writing to the resettlement of refugees in their respective areas; and

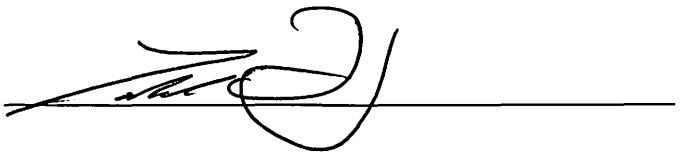
WHEREAS, the State of Wisconsin has consented to resettlement, and Sheboygan County is also being requested to so consent; and

WHEREAS, authorizing the mayor to sign a letter consenting to continued initial refugee resettlement in no way represents an opinion by the council or any city official regarding the validity of Executive Order 13888 as a lawful exercise of Presidential authority in light of federal legislation governing refugee resettlement, specifically Title 8, Chapter 12, Subchapter IV of the United States Code.

NOW THEREFORE BE IT RESOLVED that the Mayor is hereby authorized to consent to continued initial refugee resettlement in Sheboygan per the terms of Executive Order 13888 and sign the attached letter expressing such consent.

JHPS

BE IT FURTHER RESOLVED that the Common Council hereby encourages the Sheboygan County Board of Supervisors to authorize its County Administrator to also consent to continued initial refugee resettlement in Sheboygan County and instructs the Clerk to send a copy of this resolution and the attached letter to the County Administrator and the Chair of the County Board.



_____

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

Secretary Michael R. Pompeo
U.S. Department of State
2201 C Street NW
Washington DC, 20520

December 3, 2019

Dear Secretary Pompeo:

This letter is in reference to Executive Order 13888, "*On Enhancing State and Local Involvement in Resettlement*."

As Mayor of the City of Sheboygan, and with the support of the City of Sheboygan Common Council, I consent to initial refugee resettlement in Sheboygan as per the terms of the Executive Order.

Sincerely,

Michael Vandersteen, Mayor

CC:
Principal Deputy Assistant Secretary Carol T. O'Connell
Bureau of Population, Refugees, and Migration
U.S. Department of State

Secretary Michael R. Pompeo
U.S. Department of State
2201 C Street NW
Washington DC, 20520

December 3, 2019

Dear Secretary Pompeo:

This letter is in reference to Executive Order 13888, "*On Enhancing State and Local Involvement in Resettlement.*"

As Mayor of the City of Sheboygan, and with the support of the City of Sheboygan Common Council, I consent to initial refugee resettlement in Sheboygan as per the terms of the Executive Order.

Sincerely,

Michael Vandersteen, Mayor

CC:
Principal Deputy Assistant Secretary Carol T. O'Connell
Bureau of Population, Refugees, and Migration
U.S. Department of State

VIII

R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. December 2, 2019.

Your Committee to whom was referred Res. No. 116-19-20 by Alderpersons Wolf and Sorenson authorizing the Department of Public Works to turn off power to the City of Sheboygan Municipal Armory/Auditorium due to the hazardous conditions present within the building that pose dangers to maintenance employees and others needing to access the building; recommends adopting the Resolution.

mg

_____ _____

_____ _____

_____ _____

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

4A.

Res. No. 116 - 19 - 20. By Alderpersons Wolf and Sorenson.
November 18, 2019.

A RESOLUTION authorizing the Department of Public Works to turn off power to the City of Sheboygan Municipal Armory/Auditorium due to the hazardous conditions present within the building that pose dangers to maintenance employees and others needing to access the building.

WHEREAS, there are currently very high water levels in both Lake Michigan and the Sheboygan River; and

WHEREAS, if the electricity is left on at the City of Sheboygan Municipal Armory/Auditorium (the "Armory"), there is a concern that the high water levels coupled with the presence of running electricity creates a risk to the safety of maintenance employees or others who may need to access the Armory to deal with any other issues at the Armory; and

WHEREAS, given the ongoing structural issues at the Armory, it is likely that during this period of high water levels, maintenance employees or others will need to enter the Armory.

NOW, THEREFORE, BE IT RESOLVED: In the interest of safety, the Department of Public Works is authorized to turn off power to the Armory to reduce the danger to anyone who needs to enter the Armory to deal with any issues at the Armory.

Public Works 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

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE.
December 2, 2019.

Your Committee to whom was referred DIRECT REFERRAL Res. No. 117-19-20 by Alderpersons Donohue and Bohren authorizing the appropriate City officials to enter into a lease with Lease Servicing Center, Inc. to finance the purchase of automated garbage and recycling system, and to authorize the appropriate City officials to purchase the garbage and recycling carts funded by the lease; recommends

MS

_____ _____

_____ _____

_____ _____

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

DIRECT REFERRAL TO FINANCE AND PERSONNEL AND PUBLIC WORKS COMMITTEES

Res. No. 117 - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing the appropriate City officials to enter into a lease with Lease Servicing Center, Inc. to finance the purchase of garbage and recycling carts necessary for the City to transition to an automated garbage and recycling system, and to authorize the appropriate City officials to purchase the garbage and recycling carts funded by the lease.

WHEREAS, the Common Council of the City of Sheboygan (the "Council") has affirmed its intent, based on the recommendation of the City's Department of Public Works, to transition to an automated garbage and recycling system in 2020; and

WHEREAS, in support of that transition, the Council has already hired Sun Graphics Media to assist with public communication regarding the transition to the automated garbage and recycling system, passed changes to Chapter 102 of the Municipal Code of the City of Sheboygan to reflect the transition to the automated garbage and recycling system, approved the purchase of new garbage and recycling trucks, and obtained a grant from the Recycling Partnership to assist the City with the transition; and

WHEREAS, the remaining step is for the City to order garbage and recycling carts; and

WHEREAS, the City's Department of Public Works has evaluated several manufacturers and brands of containers for the automated garbage and recycling system, and believes that the Toter, LLC container is the most advantageous to the City; and

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 Toter, LLC containers are available under the nationwide Sourcewell (formerly National Joint Powers Alliance) cooperative purchasing plan; and

WHEREAS, the City has obtained a quote from Toter, LLC, pursuant to the Sourcewell cooperative purchasing plan to obtain 37,440 96 gallon carts at a total cost of $2,001,206.40; and

WHEREAS, the City must acquire these carts in order to complete its transition to an automated garbage and recycling program; and

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WHEREAS, after evaluating all possible options for paying for these necessary carts, the City finds that financing the carts through a capital lease is the financing method which is in the best interest of the City; and

WHEREAS, the City has worked with Lease Servicing Center, Inc. to develop the Master Lease Purchase Agreement, Lease Schedule No. 1, and other documents referenced in those two documents, all of which are attached to this Resolution (collectively the "Lease"); and

WHEREAS, the 2020 budget includes funds for the repayment of the Lease.

NOW, THEREFORE, BE IT RESOLVED: It is in the best interest of the City to enter into the Lease with Lease Servicing Center, Inc. in substantially similar form to that attached in order to finance the purchase of 37,440 96 gallon carts.

BE IT FURTHER RESOLVED: The Mayor of the City of Sheboygan, Michael Vandersteen, is authorized to execute the Lease, in substantially similar form to that attached, and any related documents necessary to the consummation of the transaction contemplated by the Lease.

BE IT FURTHER RESOLVED: Upon closing of the Lease, which is estimated to occur in mid-December, the appropriate City officials are authorized to issue a purchase order to Toter, LLC for the purchase of 37,440 96 gallon carts at a total cost of $2,001,206.40, to be paid for from the proceeds of the Lease.

_____

_____

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

City of Sheboygan
$2,001,206.40
Lease Purchase Financing
Closing Date: December 2, 2019

Closing Documents

1. Master Lease Purchase Agreement – attached for execution
2. Lease Schedule No. 1 – attached for execution
    a. Equipment Description
    b. Payment Schedule – *In order to avoid a potential rate adjustment, all closing documents must be returned by the above closing date.*
3. Acceptance Certificate – hold for future use (when applicable)
4. Escrow Agreement – attached for execution
    a. Form of Disbursement Request – for future use
5. Pay Proceeds Letter – attached for execution
6. Tax Certificate – attached for execution
7. Incumbency Certificate of Lessee – attached for execution
8. Notice & Acknowledgment of Assignment – attached for execution
9. Resolution/ Approval of Governing Body– *Lessee to provide prior to closing*
10. Opinion of Counsel to Lessee – *Lessee to provide prior to closing*
11. Opinion of Special Tax Counsel - *Lessee to provide prior to closing*
12. IRS Form 8038-G – *Lessee to provide a copy prior to closing*
    a. Evidence of filing Form 8038-G – *Lessee to file the original with the IRS, then provide Lessor with proof of mailing (post-closing)*
13. Evidence of Insurance – *Lessee to provide prior to any escrow disbursement*

Please print the enclosed documents one-sided, sign where applicable in blue ink, and submit the original executed signature pages for closing. Fully-executed copies of documents will be circulated for your records once the transaction has closed. Thank you.

MASTER LEASE PURCHASE AGREEMENT

This Master Lease Purchase Agreement (this "Agreement"), dated as of December 2, 2019, is made and entered into by and between Lease Servicing Center, Inc. ("Lessor"), and the City of Sheboygan, a political subdivision of the State of Wisconsin ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. LEASE OF EQUIPMENT; FUNDING

1.1. Lease; Possession and Use. Lessor hereby agrees to sell, transfer and lease to Lessee, and Lessee hereby agrees to acquire, purchase and lease from Lessor the property described in each Lease Schedule (defined herein) executed and delivered by Lessor and Lessee, upon the terms and conditions set forth herein, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto (collectively, the "Equipment"). Each Lease executed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment described therein. This Agreement is not a commitment by Lessor to enter into any Lease and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Lease. The decision whether Lessor enters into any Lease is within Lessor's sole discretion. As used herein, (i) "Lease Schedule" means a schedule substantially in the form attached as Exhibit A to this Agreement, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented, and (ii) "Lease" means a Lease Schedule each together with this Agreement the terms and conditions of which are incorporated therein.

1.2. Funding. Unless otherwise provided in the applicable Lease Schedule, in order to provide financing to pay the costs to acquire and install the Equipment set forth in the applicable Lease Schedule (the "Purchase Price"), Lessor and Lessee shall, if applicable, execute and deliver an escrow agreement relating to such Lease Schedule in form and substance and with an escrow agent satisfactory to Lessor (an "Escrow Agreement"). If all conditions set forth in Section 1.3 have been satisfied in full or waived, then Lessor will deposit or cause to be deposited into an escrow fund under the related Escrow Agreement, or pay to Lessee an amount (which may include estimated investment earnings thereon) equal to the Purchase Price for the Equipment to be financed under the related Lease Schedule.

1.3. Funding Requirements. The funding of the Purchase Price and the performance by Lessor of any of its obligations pursuant to any Lease, are subject to the satisfaction or waiver of the following:

(a) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage or self-insurance as required by the Lease; (2) an opinion of Lessee's counsel and/or bond counsel to Lessee; (3) waivers of third parties holders of interests in the real property where the Equipment will be located, as Lessor may deem necessary; (4) copies of resolutions by Lessee's governing body, duly authorizing the Lease and the Escrow Agreement and incumbency certificates for the person(s) executing the Lease and the Escrow Agreement; (5) such documents and certificates as Lessor may request relating to federal tax-exemption of interest payable under the Lease, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Lessee is to be reimbursed for expenditures that it has paid more than 60 days prior to the funding of the Purchase Price; (6) if the Purchase Price will be paid to Lessee (or vendor(s) or supplier(s) of the Equipment on behalf of Lessee), an acceptance certificate for the Equipment (substantially in the form attached as Exhibit B to this Agreement) (an "Acceptance Certificate"), and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

(b) Lessee has executed and delivered to Lessor the Lease Schedule, its related Payment Schedule and the related Escrow Agreement (if applicable);

(c) no Event of Default shall have occurred and be continuing under any Lease;

(d) no material adverse change shall have occurred in the financial condition of Lessee;

(e) the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (defined herein) other than the respective rights of Lessor and Lessee as herein provided; and

(f) all representations of Lessee in the Lease remain true, accurate and complete.

1.4. Delivery, Installation and Acceptance of Equipment. Lessee shall order each Equipment, shall cause the Equipment to be delivered and installed at the locations specified under the applicable Lease Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. If the Purchase Price is deposited under an Escrow Agreement for the acquisition of the Equipment, such funds shall be disbursed as provided therein. The insufficiency of proceeds of any Lease to pay all costs of the Equipment subject thereto shall not affect Lessee's obligations under this Section. When the Equipment described in such Lease Schedule is delivered, installed and accepted, Lessee shall promptly execute and deliver to Lessor an Acceptance Certificate for the Equipment.

2. TERM

2.1. Term. The term of each Lease (the "Lease Term") shall commence on the Lease Date set forth in the applicable Lease Schedule and shall terminate upon payment of all Rental Payments, unless sooner terminated pursuant to the Lease.

3. RENTAL PAYMENTS

3.1. Rental Payments. Subject to Section 3.4 hereof and except pursuant to the terms of this Agreement Lessee agrees to pay the rent payments ("Rental Payments") in the amounts and on the dates (each a "Payment Date") as specified in the Payment Schedule attached to each Lease Schedule. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule for each Lease. All Rental Payments shall be paid to Lessor, at such places as Lessor may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefor.

3.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any fiscal year shall constitute a current expense of Lessee for such fiscal year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State of Wisconsin (the "State"). THE RENTAL PAYMENTS ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY AVAILABLE REVENUES APPROPRIATED ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER A LEASE FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE LEGALLY AVAILABLE REVENUES APPROPRIATED BY LESSEE ON AN ANNUAL BASIS. Nothing herein shall constitute a pledge by Lessee of the full faith and credit or taxing power of the Lessee. The person or entity in charge of preparing Lessee's budget will include in the budget request for each fiscal year the Rental Payments to become due during such fiscal year. Lessor acknowledges that appropriation for Rental Payments is a governmental function which Lessee cannot contractually commit itself in advance to perform. Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be

appropriated and made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

3.3. Unconditional Rental Payments. Subject to Section 3.4 hereof: (a) Lessee's obligation to make Rental Payments and any other payments hereunder shall be absolute and unconditional; (b) Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes; (c) Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments; and (d) Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment.

3.4. Nonappropriation. If during the then current fiscal year of Lessee, sufficient funds are not appropriated to make Rental Payments required under a Lease for the following fiscal year (an "Event of Nonappropriation"), Lessee shall be deemed not to have renewed such Lease for the following fiscal year, and the Lease shall terminate at the end of the then current fiscal year, and Lessee shall not be obligated to make Rental Payments under the Lease beyond the then current fiscal year for which funds have been appropriated. Upon an Event of Nonappropriation, Lessee shall return the Equipment subject to the Lease to Lessor in accordance with the requirements of Section 11.3. Lessee shall notify Lessor in writing no later than 30 days following an Event of Nonappropriation, but failure to provide such notice shall not operate to extend the Lease Term. If Lessee fails to return the applicable Equipment or otherwise comply with Section 11.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages and for any loss suffered by Lessor as a result of Lessee's failure to take such actions as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Lease, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor.

3.5 Security Interest. As security for Lessee's obligations to pay all Rental Payments and all other amounts due and payable under each Lease and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due or existing or hereafter arising) of Lessee under such Lease, Lessee hereby grants to Lessor a first priority, security interest in any and all of the Equipment (now existing or hereafter acquired) under each Lease, moneys and investments held from time to time in the escrow fund under each Escrow Agreement and any and all proceeds of any of the foregoing. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code financing statements and any amendments thereto and certificates of title or certificates of origin (or applications thereof) noting Lessor's interest thereon.

4. PURCHASE AND PREPAYMENT

4.1. End of Lease Term. Lessee shall have the option to purchase all of the Equipment under a Lease only upon the expiration of the Lease Term and payment in full of all Rental Payments then due and all other amounts then owing under the Lease, and the payment of $1.00 to Lessor.

4.2. Excess Proceeds. Lessee's obligations under a Lease shall be prepaid in part from the excess proceeds of the Lease on the terms set forth in any Escrow Agreement pursuant to which proceeds of the Lease are being held.

4.3. Release of Lessor's Interest. Upon timely receipt, in collected funds, of all amounts required for the purchase of the Equipment subject to any Lease pursuant to Section 4.1, such Lease shall terminate, all of Lessor's right, title and interest in and to the Equipment shall terminate, and Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably request to evidence the termination of the Lease and Lessor's interest in the Equipment, without warranty by or recourse to Lessor.

5. REPRESENTATION, WARRANTIES AND COVENANTS.

5.1. Representations and Warranties. Lessee shall be deemed to make the following representations and warranties to Lessor with respect to each Lease, in each case as of the Lease Date for such Lease:

(a) Lessee is a state or political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations issued thereunder ("the Regulations"), duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, the Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and the Lease.

(b) The execution and delivery of this Agreement and the Lease Schedule have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement and the acquisition and financing of the Equipment by Lessee.

(c) This Agreement and the Lease Schedule have been duly executed and delivered by and constitute the valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.

(d) The execution, delivery and performance of this Agreement and the Lease Schedule by Lessee does not (i) violate any State or federal law or local law or ordinance, or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or the Lease Schedule or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or the Lease Schedule.

(f) Provided payments per Payment Schedule are due in the current fiscal year, Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current fiscal year, and such moneys will be applied in payment of all Rental Payments due and payable during such current fiscal year.

(g) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term.

5.2. Tax Covenants.

(a) Lessee covenants and agrees that it will (i) complete and timely file an information reporting return with the Internal Revenue Service ("IRS") in accordance with Section 149(e) of the Code; (ii) not permit the Equipment to be directly or indirectly used for a private business use within the meaning of Section 141 of the Code including, without limitation, use by private persons or entities pursuant to contractual arrangements which do not satisfy IRS guidelines for permitted management contracts, as the same may be amended from time to time; (iii) invest and reinvest moneys on deposit in any escrow fund related to each Lease from time to time in a manner that will not cause such Lease to be classified as an

"arbitrage bond" within the meaning of Section 148(a) of the Code; (iv) rebate an amount equal to excess earnings in any such escrow fund to the federal government if required by, and in accordance with, Section 148(f) of the Code and make the determinations and maintain the records required by the Code; and (v) comply with all provisions and regulations applicable to establishing and maintaining the excludability of the interest component of the Rental Payments under each Lease from federal gross income pursuant to Section 103 of the Code.

(b) If Lessor either (i) receives notice, in any form, from the IRS; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor that Lessor may not exclude the interest component of any Rental Payment under a Lease from federal gross income, then Lessee shall pay to Lessor, within thirty (30) days after Lessor notifies Lessee of such determination, the amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rental Payments under the Lease due through the date of such event) that are imposed on Lessor as a result of the loss of the exclusion, will restore to Lessor the same after tax yield on the transaction evidenced by such Lease (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, Lessee agrees that upon the occurrence of such an event, it shall pay additional rent to Lessor on each succeeding Rental Payment due date in such amount as will maintain such after tax yield to Lessor. Lessor's determination of the amount necessary to maintain its after-tax yield as provided in this subsection (b) shall be conclusive (absent manifest error).

6. INSURANCE; CASUALTY AND CONDEMNATION

6.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and its assigns from liability in all events, with a coverage of not less than $1,000,000 per occurrence unless specified differently in the related Lease Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the full replacement cost of the Equipment.

6.2. Insurance Requirements. All insurance policies required by Section 6.1 shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage (including cancellation) the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each liability insurance policy shall be endorsed to name Lessor and its assigns as an additional insured party and each casualty and property insurance policy shall be endorsed to name Lessor and its assigns as loss payee, in each case regardless of any breach of warranty or other act or omission of Lessee. Lessee may self-insure against the risks described in Section 6.1 with the prior written consent of Lessor.

7. ADDITIONAL OBLIGATIONS

7.1. Use and Maintenance of Equipment. Lessee shall, at its own expense, maintain the Equipment in good condition and proper working order, and shall make all necessary repairs and replacements to keep the Equipment in such condition. The Equipment will be used by Lessee only for the purpose of performing Lessee's essential governmental functions. Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any manufacturer's guidelines or in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall have sole responsibility to maintain and repair the Equipment. Lessee shall keep (or in the case of Equipment constituting motor vehicles, house) the Equipment at the address specified in the related Lease Schedule; provided that Lessee may change the location at which any Equipment is kept

(or housed) with thirty (30) days prior written notice to Lessor specifying the address of the new location. Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder. If Lessor reasonably determines that Lessee is not maintaining any of the Equipment in accordance with this Section, Lessor may (in addition to any other remedies it may have) require Lessee to enter into maintenance contracts for such Equipment in form approved by Lessor and with approved providers.

7.2. Taxes. Lessee shall pay all taxes, assessments and other charges which are assessed or levied against the Equipment or any part thereof, during the Lease Term, whether assessed against Lessee or Lessor. With respect to any taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Equipment.

7.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

7.4. Liens. Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment (each, a "Lien"), other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time.

7.5. Financial Information. Lessee shall deliver to Lessor (i) its annual audited financial statements within 365 days after the end of the Fiscal Year unless audited financial statements are not available in that timeframe, in which case unaudited financial information will be provided and audited financial statements will be submitted to Lessor when and if available (ii) its annual budget each fiscal year promptly following the approval thereof, and (iii) such other financial statements and information relating to the ability of Lessee to satisfy its obligations under this Agreement and the Lease as may be reasonably requested by Lessor from time to time.

8. TITLE; NO WARRANTIES BY LESSOR

8.1. Title. During the Lease Term, legal title to all Equipment shall be in Lessee, subject to Lessor's interests under the applicable Lease Schedule and this Agreement. Upon an Event of Default or an Event of Nonappropriation, title shall immediately vest in Lessor free and clear of any right, title or interest of Lessee.

8.2. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

8.3. No Warranties. LESSEE ACQUIRES AND LEASES THE EQUIPMENT UNDER EACH LEASE "AS IS." LESSEE ACKNOWLEDGES THAT LESSOR DID NOT MANUFACTURE THE EQUIPMENT UNDER ANY LEASE. LESSOR DOES NOT REPRESENT THE MANUFACTURER, SUPPLIER, OWNER OR DEALER, AND LESSEE SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OR AS TO THE EQUIPMENT'S VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR, AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR, ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR

INDIRECT INCURRED BY LESSEE IN CONNECTION WITH THE EQUIPMENT UNDER ANY LEASE. NEITHER THE MANUFACTURER, SUPPLIER OR DEALER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF THE MANUFACTURER, SUPPLIER OR DEALER IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY. For and during the Lease Term under each Lease, Lessor assigns to Lessee any manufacturer's or supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor for the benefit of the Lessee in accordance with Lessee's specifications from suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or supplier's product warranties or guaranties, (d) no manufacturer or supplier or any representative of said parties is an agent of Lessor, (e) any warranty, representation, guaranty or agreement made by any manufacturer or supplier or any representative of said parties shall not be binding upon Lessor, and (f) the Lessor shall cause the supplier to identify the Lessee as an intended beneficiary of its warranty, if any.

9. RISK OF LOSS; CASUALTY

9.1. Risk of Loss. As between Lessee and Lessor, Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part for any reason whatsoever. No loss to any Equipment shall relieve Lessee from the obligation to make any Rental Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 9.

9.2. Notice of Loss. If a casualty occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

9.3. Application of Proceeds. If Lessor determines that any item of Equipment has suffered a casualty loss is beyond repair, then Lessee shall either: (a) immediately replace such Equipment with similar equipment in good repair, condition and working order free and clear of any liens and deliver to Lessor a purchase order, bill of sale or other evidence of sale to Lessee covering the replacement equipment, in which event such replacement equipment shall automatically be Equipment under the applicable Lease, or (b) on the next scheduled Payment Date, pay Lessor all amounts owed by Lessee under the applicable Lease, including the Rental Payment due on such date.

9.4. Claims and Expenses. Lessee shall bear the risk of loss for, shall pay directly and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

10. ASSIGNMENT

10.1. Assignment by Lessor. Lessor may assign its rights, title and interest in and to any Lease, any Equipment or any Escrow Agreement (including the escrow fund thereunder), and/or may grant or assign a security interest in any Lease, its Equipment or any Escrow Agreement (including the escrow fund thereunder), in whole or in part, to any party at any time and from time to time without Lessee's consent. Any such assignee or lien holder (an "Assignee") shall have all of the rights of Lessor under the applicable

Lease and Escrow Agreement. LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR. Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease, its Equipment or any Escrow Agreement (including the Escrow Fund thereunder) shall be enforceable against Lessee only after Lessee receives a written notice of assignment that discloses the name and address of each such Assignee. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code. Lessee agrees to acknowledge in writing any such assignments if so requested.

10.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease or any Equipment may be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee during the term of this Lease.

11. EVENTS OF DEFAULT; REMEDIES

11.1. Events of Default Defined. The occurrence of any of the following events with respect to the Lease shall constitute an Event of Default under the Lease:

(a) Lessee's failure to pay any Rental Payment or other amount required to be paid to Lessor under the Lease within ten (10) days following the due date thereof, other than by reason of an Event of Nonappropriation;

(b) Lessee fails to perform or observe any of its obligations under Section 6, 7.4 or 10.2 hereof;

(c) With the exception of the above clauses (a) or (b), Lessee's failure to perform or abide by any condition, agreement or covenant with respect to the Lease for a period of thirty (30) days after written notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration;

(d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made;

(e) Lessee shall be in default with respect to the payment or performance of any indebtedness, liability or obligation to Lessor or any of its affiliates under any note, loan agreement, security agreement, lease, title retention or conditional sales agreement or any other instrument or agreement (including the occurrence of any Event of Default under any other Lease then held by Lessor), whether accelerated or otherwise and any applicable grace period with respect thereto has expired; or

(f) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency, moratorium or similar law.

11.2. Remedies on Default. Upon the occurrence of any Event of Default with respect to a Lease, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies with respect to the Lease:

(a) Lessor, with or without terminating the Lease, may declare all Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 11.3 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment. If Lessor terminates the Lease and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs and expenses (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all costs and expenses incurred in completing the disposition of the Equipment; (iii) any sales or transfer taxes incurred in the disposition of the Equipment; (iv) any Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee; (v) the outstanding principal component of Rental Payments under the Lease; and (vi) any other amounts then due under the Lease. Any disposition proceeds remaining after the requirements of clauses (i), (ii), (iii), (iv), (v) and (vi) have been met shall be paid to Lessee. No deficiency shall be allowed against Lessee, except with respect to any unpaid Rental Payments to the end of the then-current fiscal year of Lessee and unpaid costs and expenses incurred by Lessor in connection with the repossession and disposition of the Equipment.

(c) By written notice to any escrow agent that is holding proceeds of the Lease under an Escrow Agreement, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Lease; or

(d) Lessor may exercise any other remedy available, at law or in equity, with respect to such Event of Default. Lessee shall pay the reasonable attorneys' fees and expenses incurred by Lessor in exercising any remedy hereunder.

11.3. Return of Equipment; Release of Lessee's Interest. Upon termination of any Lease prior to the payment of all Rental Payments (whether as result of an Event of Nonappropriation or Event of Default) thereunder, Lessee shall, within ten (90) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Section 7; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; (c) return such Equipment to a location in the continental United States specified by Lessor, freight and insurance prepaid by Lessee; and (d) comply with any additional return conditions specified in the Lease Schedule. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

With respect to any provision of the Agreement requiring Lessee to return all or any portion of the Equipment to Lessor or to transfer title to all or any portion of the equipment to Lessor, Lessee agrees to voluntarily do so. In the event that Lessee fails or refuses to return or transfer the Equipment or title thereto voluntarily as set forth above, Lessor acknowledges that the Agreement does not and shall not create a right in Lessor to involuntarily dispossess Lessee of title to or possession of all or any item of the Equipment.

11.4. Late Charge. To the extent permitted by applicable law, Lessee shall pay Lessor a charge on any Rental Payment not paid on the date such payment is due at a rate equal to the interest rate set forth in the applicable Lease Schedule plus 5% per annum or the maximum amount permitted by law, whichever is less (the "Default Rate"), from such date.

11.5. No Remedy Exclusive. Each of the rights and remedies under this Agreement and each Lease is cumulative and may be enforced separately or concurrently. No course of dealing or conduct between Lessor and Lessee shall be effective to amend, modify or change any provisions of this Agreement

or any Lease. No failure or delay by Lessor to insist upon the strict performance of any term, covenant or agreement of the Agreement or any Lease, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Lessor from exercising any such right, power or remedy at any later time or times.

11.6. Costs and Attorneys' Fees. Upon the occurrence of an Event of Default, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts payable hereunder, all of Lessor's costs of collection, including reasonable attorneys' fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid, and shall bear interest at the Default Rate. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial and on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

12. MISCELLANEOUS PROVISIONS

12.1. Notices. All written notices to be given under this Agreement shall be given (a) personally, (b) by mail in registered or certified form, with postage prepaid, or (c) by overnight courier, charges prepaid, in each case to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time, and to any assignee at its address as it appears on the registration books maintained by Lessee. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail, 24 hours after deposit with a courier, or, if given by other means, when delivered.

12.2. Binding Effect. This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means, with respect to a Lease, any person or entity to whom Lessor has assigned its right to receive Rental Payments under such Lease.

12.3. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

12.4. Entire Agreement; Amendments. Each Lease constitutes the entire agreement of the parties with respect to the subject matter thereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. Each Lease may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

12.5. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or clauses hereof.

12.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to perfect, confirm, establish, reestablish, continue or complete the interests of Lessor in this Agreement and each Lease, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and each Lease.

12.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

12.8. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Lease Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum amount permitted by applicable law. Any such excess interest or fees shall first be applied to reduce principal, and when no principal remains, refunded to Lessee. In determining whether the interest paid or payable exceeds the highest lawful rate, the total amount of interest shall be spread through the applicable Lease Term so that the interest is uniform through such term.

12.9. Waiver of Jury Trial. To the extent permitted by applicable law, Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement.

12.10. USA Patriot Act Compliance Notification. Lessor hereby notifies Lessee that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), it is required to obtain, verify and record information that identifies Lessee, which information includes the name and address of Lessee and other information that will allow Lessor to identify Lessee in accordance with the Patriot Act. Lessee shall, promptly upon Lessor's request, provide all documentation and other information that Lessor requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

12.11. Relationship of Parties. Lessee acknowledges and agrees that (i) this Agreement and each Lease and the transactions related thereto is an arm's-length commercial transaction between Lessor and Lessee, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, Lessor is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of Lessee, (iii) Lessor has not assumed an advisory or fiduciary responsibility in favor of Lessee with respect to the transactions contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether Lessor or any affiliate thereof has provided other services or is currently providing other services to Lessee on other matters) and Lessor has no obligation to Lessee with respect to the transactions contemplated hereby except the obligations expressly set forth in this Agreement and any Lease, and (iv) Lessee has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate.

12.12. Counterparts. This Agreement and any Lease Schedules may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and in making proof of this Agreement and any Lease Schedules it shall not be necessary to produce or account for more than one such counterpart.

12.13. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement and any Lease Schedule shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement and such Lease Schedule(s). The parties agree that any electronically signed document (including this Agreement and any Lease Schedule) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the

internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

12.14. Determination of Issue Price for Tax Purposes. On the date of this agreement, the Lessor is paying the Lessee the Purchase Price for the Lease. The Lessor is not acting as an Underwriter (defined below) with respect to the Lease. Other than an assignment of the entire lease to [Name of Bank], as set forth in the Notice and Acknowledgement of Assignment dated the date hereof, the Lessor has no present intention to sell, reoffer, or otherwise dispose of the Lease (or any portion of the Lease or any interest in the Lease) until maturity or earlier redemption by the Lessee. Other than an assignment of the entire Lease to [Name of Bank], as set forth in the Notice and Acknowledgment of Assignment dated the date hereof, the Lessor has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Lease and the Lessor has not agreed with the Lessee pursuant to a written agreement to sell the Lease to persons other than the Lessor or a related party to the Lessor.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (defined below) or a related party. The term "related party" for purposes of this definition generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Lessee (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Lease to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Lease to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Lease to the Public).

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

Address: 828 Center Ave
Sheboygan, WI 53081
Attn: Marty Halverson

Telephone: (920) 459-3304
E-mail: Marty.Halverson@sheboyganwi.gov

LEASE SERVICING CENTER, INC.
Lessor

By: _____
Name:
Title:

Address: 220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attn.

Telephone: (320) 763-7600
E-mail: chris@lscfinancial.com

LEASE SCHEDULE NO. 1
to Master Lease Purchase Agreement

Dated: December 2, 2019

This Lease Schedule (this "Lease Schedule") relates to the Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement") between the undersigned Lessor and Lessee, together with the terms and conditions of the Agreement incorporated herein by reference, constitutes a Lease. Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Agreement. All terms and conditions of the Agreement are incorporated herein by reference.

1. Equipment Description. As used in the Lease, "Equipment" means all of the property described in Exhibit 1 attached to this Lease Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

2. Purchase Price. The Purchase Price for the Equipment is $2,001,206.40, which amount shall be deposited in the Escrow Fund established pursuant to that certain Escrow Agreement dated as of December 2, 2019 among Lessor, Lessee and City National Bank of Florida.

3. Rental Payments; Lease Term. The Rental Payments to be paid by Lessee to Lessor, the Lease Date of this Lease and the Lease Term of this Lease are set forth on the Payment Schedule attached to this Lease Schedule as Exhibit 2.

4. Essential Use; Current Intent of Lessee. Lessee represents that (a) the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens, (b) the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority and will not be used in a trade or business of any person or entity, and (c) the useful life of the Equipment is not less than the stated full Lease Term of this Lease. Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the near future. Lessee currently intends for the full Lease Term: to use the Equipment; and to continue this Lease.

5. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of execution of this Lease Schedule.

6. Terms and Conditions Specific to this Lease:

   (a) Pursuant to Section 1.4, the Equipment shall be deemed "delivered, installed and accepted" when the Equipment has been delivered to the Lessee and accepted by the Lessee.

   (b) Location of the Equipment: Pursuant to Section 7.1 of the Agreement, the Equipment will be kept throughout the City of Sheboygan and used by residents of the Lessee to facilitate the Lessee's collection of garbage and recycling. Equipment may freely be transferred throughout the City of Sheboygan without permission of Lessor as part of the administration of the essential governmental function of collecting garbage and recycling. Because the Equipment will be distributed to third parties throughout the City of Sheboygan, no waiver of interest in the real property where the Equipment will be located (pursuant to Section 1.3(a)(3) of the Agreement) is necessary. Because the Equipment will be stored on property

owned by third parties, the Lessee cannot and does not guarantee Lessor with access to the Equipment for maintenance purposes. The parties agree that such access for maintenance purposes is not necessary with respect to this Equipment.

(c) Section 9.2 of the Agreement covers Notice of Loss. Section 9.3 of the Agreement covers Application of Proceeds. This shall replace Sections 9.2 and 9.3 of the Agreement with respect to this Lease: At the end of each calendar year, the Lessee shall provide a report to Lessor with the number of carts that were—to the best of the Lessee's knowledge—damaged beyond repair, destroyed, or lost. This report shall not include any carts that were damaged and replaced through any applicable warranty (even if the cart would have otherwise been classified as "damaged beyond repair" or "destroyed"). The report shall also provide the number of spare carts the Lessee has in inventory at the time of the report, and, if appropriate, any steps the Lessee is taking to ensure the Lessee can continue to administer its garbage and recycling program.

(d) Section 11.2(b) of the Agreement states that Lessor may "enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment." Lessor may enter upon any premises owned or controlled by the Lessee to repossess Equipment pursuant to Section 11.2(b). The parties recognize that the Lessee cannot and does not authorize the Lessor to enter upon any premises owned or controlled by anyone who is not a party to this Agreement.

IN WITNESS WHEREOF, Lessor has caused this Lease Schedule to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Lease Schedule to be executed in its name by its duly authorized officer.

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

Address: 828 Center Ave
Sheboygan, WI 53081
Attn: Marty Halverson

Telephone: (920) 459-3304
E-mail: Marty.Halverson@sheboyganwi.gov

LEASE SERVICING CENTER, INC.
Lessor

By: _____
Name:
Title:

Address: 220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attn.

Telephone: (320) 763-7600
E-mail: chris@lscfinancial.com

Exhibit 1

Equipment Description

Vendor	Quantity	Description	Price per Unit	Total Price
Wastequip	18,720	Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Cart	$52.35	$979,992.00
Wastequip	18,720	Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Cart	$52.35	$979,992.00
		Shipping		$41,222.40

Location of Equipment: Sheboygan, WI

Equipment Total: $2,001,206.40

Exhibit 2

Payment Schedule

Equipment Cost: $2,001,206.40

Annual Rate: 3.85%

Date	Payment	30/360 days	Rate	Interest	Principal	Balance	Prepayment
12/23/19						2,001,206.40	N/A No-call
05/15/20	328,395.95	142.00	3.850%	30,390.54	298,005.41	1,703,200.99	N/A No-call
06/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
07/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
08/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
09/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
10/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
11/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
12/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
01/15/21	201,341.22	30.00	3.850%	5,464.44	195,876.78	1,507,324.21	N/A No-call
01/15/22	201,341.22	360.00	3.850%	58,031.98	143,309.24	1,364,014.97	N/A No-call
01/15/23	201,341.22	360.00	3.850%	52,514.58	148,826.65	1,215,188.32	N/A No-call
01/15/24	201,341.22	360.00	3.850%	46,784.75	154,556.47	1,060,631.85	N/A No-call
01/15/25	201,341.22	360.00	3.850%	40,834.33	160,506.90	900,124.96	N/A No-call
01/15/26	201,341.22	360.00	3.850%	34,654.81	166,686.41	733,438.55	N/A No-call
01/15/27	201,341.22	360.00	3.850%	28,237.38	173,103.84	560,334.71	N/A No-call
01/15/28	201,341.22	360.00	3.850%	21,572.89	179,768.34	380,566.37	N/A No-call
01/15/29	201,341.22	360.00	3.850%	14,651.81	186,689.42	193,876.96	N/A No-call
01/15/30	201,341.22	360.00	3.850%	7,464.26	193,876.96	0.00	N/A No-call
	2,380,059.22			378,852.82	2,001,206.40		

EXHIBIT B

ACCEPTANCE CERTIFICATE

Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308

Re: Lease Schedule No. 1 dated December 2, 2019 (the "Lease Schedule") to that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement" and together with the Lease Schedule, the "Lease") between Lease Servicing Center, Inc., as Lessor, its successors and assigns, and City of Sheboygan, as Lessee

Ladies and Gentlemen:

I, the undersigned, hereby certify that I am the duly qualified and acting officer of Lessee identified below and, with respect to the above-referenced Lease Schedule, that:

1. The Equipment subject to the Lease Schedule and the Lease has been delivered and installed, is in good working order and is fully operational and has been fully accepted by Lessee on or before the date hereof.

2. Attached hereto are true and correct copies of the manufacturers' and dealers' invoices for the Equipment.

3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current fiscal year of Lessee. Such moneys will be applied in payment of all such Rental Payments due and payable during such current fiscal year.

4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Lease) exists at the date hereof.

Date of Acceptance: _____

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

ESCROW AGREEMENT

This Escrow Agreement (this "Agreement"), dated as of December 2, 2019, by and among Lease Servicing Center, Inc. (and any successors and permitted assigns "Lessor"), City of Sheboygan, a body corporate and politic and a political subdivision existing under the laws of the State of Wisconsin ("Lessee"), and City National Bank of Florida, in its capacity as escrow agent hereunder ("Escrow Agent").

Reference is made to that certain Lease Schedule No. 1 dated December 2, 2019 to that certain Master Lease Purchase Agreement dated as of December 2, 2019, each between Lessor and Lessee (hereinafter collectively referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Purchase Price $2,001,206.40 be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "City of Sheboygan Escrow Account 001" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) The Escrow Agent shall place all escrow funds in a demand deposit account or as otherwise agreed upon between the parties.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall deposit into the Escrow Account any funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) March 30, 2021 ("Termination Date") and (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account or (ii) written notice given by Lessor of the occurrence of a default or termination of the Lease due to non-appropriation.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. Lessee shall reimburse the Escrow Agent for all such reasonable costs and expenses. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Equipment.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that Disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule I, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due and the manner of disbursement (check or wire).

Each such requisition shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule I; and

2. Delivery to Lessor true and correct copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 1.3 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule I and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 1.3 of the Lease, Lessor will cause the Purchase Price to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Lessor shall provide Escrow Agent written instructions and a representation that one of the following conditions has been satisfied, (upon which representation Escrow Agent shall conclusively rely) (a) the Termination Date; or (b) the date on which Lessee executes an Acceptance Certificate; or (c) upon a termination of the Escrow Account as otherwise provided herein. Upon receipt of such written instructions, any funds remaining in the Escrow Agreement shall be distributed by the Escrow Agent first, ten percent (10%) of the funds then remaining in the Escrow Account shall be disbursed to the Escrow Agent as its escrow agent fees ("Fees") and second, the remaining balance after deducting the Fees shall be disbursed to the Lessor and Lessor shall apply such funds to amounts owed by Lessee under the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all funds now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, and (iv) all products, proceeds

and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the State of Wisconsin ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may affect the form of deposit account for the Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including interest income), transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail; provided that any formal notice be attached to an email message in PDF format; and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor: Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attention: Chris Canavati

If to Lessee: City of Sheboygan
828 Center Ave
Sheboygan, WI 53081
Attention: Marty Halverson

If to Escrow Agent: City National Bank of Florida
25 West Flagler Street
Miami, FL 33130
Attention: Client Services

9. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

10. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

11. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first above written.

Lease Servicing Center, Inc.
as Lessor

By: _____
Name: _____
Title: _____

City of Sheboygan
as Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

City National Bank of Florida
as Escrow Agent

By: _____
Name: _____
Title: _____

SCHEDULE I
to the Escrow Agreement

DISBURSEMENT REQUEST

Re: Lease Schedule No. 1 dated December 2, 2019 to that certain Master Lease Purchase Agreement dated as of December 2, 2019, each between Lessor and Lessee (hereinafter collectively referred to as the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow Agreement, dated as of December 2, 2019 (the "Escrow Agreement") by and among Lease Servicing Center, Inc., as lessor (and its successors and permitted assigns, "Lessor"), the City of Sheboygan ("Lessee") and City National Bank of Florida, as escrow agent (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow Agreement for the following purposes:

Payee's Name and Address (if disbursement via wire, must include wire transfer instructions)	Invoice Number	Dollar Amount	Purpose

(i) (a) Each obligation specified in the foregoing table has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the foregoing table has been delivered, installed and accepted by Lessee. Attached hereto is a true and correct copy of the invoice with respect to such obligation.

(iii) The undersigned, as authorized representative of Lessee, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(vii) No material adverse change has occurred since the date of the execution and delivery of the Lease.

Dated: _____

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

LEASE SERVICING CENTER, INC.
as Lessor under the Lease

By: _____
Name: _____
Title: _____

BCICAPITAL INC.
as Assignee under the Lease

By: _____
Name: _____
Title: _____

PAY PROCEEDS LETTER

December 2, 2019

Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308

Ladies and Gentlemen:

The undersigned, an authorized officer of the City of Sheboygan ("Lessee"), hereby authorizes Lease Servicing Center, Inc. ("Lessor") to pay the proceeds of the financial accommodations provided to Lessee by Lessor evidenced by that certain Master Lease Purchase Agreement dated as of December 2, 2019 and the related Lease Schedule No. 1 dated December 2, 2019, each between Lessor and Lessee, to the following account of Lessee:

Destination	Amount of Deposit:
City National Bank of Florida Account #	$2,001,206.40

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

TAX CERTIFICATE

This Tax Certificate (this "Certificate") is executed and delivered as of December 2, 2019 (the "Lease Date") by the City of Sheboygan ("Lessee") in connection with that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement") by and between Lessee and Lease Servicing Center, Inc. ("Lessor") and Lease Schedule No. 1 dated as of December 2, 2019, between Lessee and Lessor (the "Lease Schedules," and together with the Agreement, the "Lease"). The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Lease.

Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Lease. As described in the Lease, Lessor shall apply $2,001,206.40 (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make Rental Payments under the terms and conditions as set forth in the Lease.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Lease, pursuant to the resolution or other official action of Lessee adopted with respect to the Lease, a copy of which has been delivered to Lessor.

1.3. The Lease is being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Lease Schedules. The Principal Amount will be paid to Lessee on the date hereof.

1.4. Lessee will complete and timely file for each payment schedule issued under the Lease a Form 8038-G relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Lease will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Lease or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the Lease Date, (ii) issued or sold pursuant to a common plan of financing with the Lease and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Lease. The Lessee is issuing its Sewerage System Revenue Bonds, Series 2019D (the "Revenue Bonds"), which sale may occur within 15 days of the Lease Date. However, the Revenue Bonds will not be paid from substantially the same source of funds as the Rental Payments and so, pursuant to Regulation Section 1.150-1(c)(2), are not treated as part of the same issue as the Lease.

2.3. Other than the Principal Amount, Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Lease. As used in this certificate, the term "yield" means yield computed by the actuarial method using a 360-day year and semi-annual compounding, resulting in a discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price, fair market value, present value or purchase price thereof, as applicable, and is determined in all respects in accordance with Section 148 of the Code.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Lease was entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Lease.

Section 3. Disbursement of Funds; Reimbursement to Lessee.

3.1. It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the Principal Amount may be used by Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not use any portion of the principal amount in order to be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 4. Use and Investment of Funds; Temporary Period.

4.1. Lessee has incurred or will incur, within six (6) months from the Lease Date, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the Lease Date. No portion of the Principal Amount will be used to acquire investments that do not carry out the governmental purpose of the Lease and that have a substantially guaranteed yield in excess of the yield on the Lease.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by no later than 18 months from the Lease Date.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless: (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Lease Date or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the Lease Date; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the Lease Date; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment by no later than 18 months from the actual Lease Date.

Section 5. **No Private Use; No Consumer Loan.**

5.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 5.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

5.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

Section 6. No Federal Guarantee.

6.1. Payment of the principal or interest due under the Lease is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

6.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Lease to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 7. Post-Issuance Compliance.

7.1 In the event an action takes place (or is anticipated to take place) that will cause the Equipment not to be used for qualified uses under Section 141 of the Code, Lessee will consult with bond counsel as soon as practicable about taking remedial action as described in Treasury Regulation Section 1.141-12. Lessee will take all actions necessary to ensure that the "nonqualified bonds" (as defined in Treasury Regulation Section 1.141-12) are properly remediated in accordance with the requirements of the Treasury Regulations. Lessee is familiar with the Internal Revenue Service's Voluntary Compliance Agreement Program pursuant to which issuers of tax-exempt debt may voluntarily resolve violations of the Code and applicable Treasury Regulations on behalf of the holders of such debt or themselves through closing agreements with the Internal Revenue Service.

7.2. Lessee will actively monitor the requirements of the Code and the Treasury Regulations (a) set forth in this certificate and confirm that such requirements are met no less than once per year; (b) related to the allocation and accounting of proceeds to capital projects and will maintain a list that specifies the allocation of proceeds of the Lease to the costs of the Equipment; and (c) related to arbitrage limitations, including yield restriction, rebate requirements and the investment of gross proceeds of the Lease. The office within Lessee that is currently responsible for such monitoring is the finance department.

Section 8. Miscellaneous.

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Lease in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Lease.

8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

[Signature Page Follows]

IN WITNESS WHEREOF, this Tax Certificate has been executed on behalf of Lessee as of the Lease Date.

CITY OF SHEBOYGAN
Lessee

By: _____
Print Name: Michael Vandersteen
Title: Mayor

INCUMBENCY CERTIFICATE

The undersigned, the duly appointed and acting **City Clerk** for the **City of Sheboygan**, a political subdivision of the State of Wisconsin ("Lessee") certifies as follows:

1. The individuals identified below are the duly elected or appointed officers of Lessee holding the offices set forth opposite their respective names.

2. The individuals identified below have the authority on behalf of Lessee to enter into that certain Master Lease Purchase Agreement dated as of December 2, 2019 between such entity and **Lease Servicing Center, Inc.**, as Lessor.

Name	Title	Signature
Michael Vandersteen	Mayor	

IN WITNESS WHEREOF, I have duly executed this certificate as of this ____ day of _____, 2019.

By: _____
Name: Meredith DeBruin
Title: City Clerk

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Reference is hereby made to that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "**Lease Agreement**"), between Lease Servicing Center, Inc. ("**Lessor**") and the City of Sheboygan ("**Lessee**"). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Lease Agreement.

Lessor hereby gives Lessee notice, and Lessee hereby acknowledges receipt of notice, that Lessor has assigned to _____("**Assignee**"), whose offices are at _____, all right, title, interest and obligations of Lessor in and to Lease Schedule No. 1 dated as of December 2, 2019 ("**Lease Schedule**"), executed pursuant to the Lease Agreement, and the Lease Agreement together with all schedules, exhibits, addenda, instruments, certificates and other agreements executed in connection therewith, in each case solely to the extent related to such Lease Schedule (together with the Lease Schedule, collectively, the "**Lease Documents**") together with the equipment described in the Lease Documents (the "**Equipment**");

From and after the date of this Notice, all payments now or hereafter becoming due pursuant to the Lease Documents or with respect to the Equipment described in the Lease Documents shall be paid directly to Assignee as Assignee shall direct in Assignee's invoices.

In recognition of Assignee's reliance upon this Notice and Acknowledgment of Assignment, Lessee certifies, confirms and agrees as follows:

1. The Lease Documents have been duly authorized, executed and delivered by Lessee; constitute the legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with the terms thereof; are in full force and effect on the date of execution of this notice by such party; are free from all defenses, set-offs, claims, counterclaims or any right to cancellation or termination (other than the right to not appropriate funds); and no default or event which, with the passage of time or the giving of notice, or both, would constitute a default under the Lease Documents has occurred. All names, addresses, signatures, amounts and other facts contained in the Lease Documents are correct.

2. There are no modifications, amendments or supplements to, or waiver of Lessee's obligations under, the Lease Documents which relate to the Lease Documents; and any future modification, termination, amendment, supplement or waiver to the Lease Documents which relates to the Lease Documents, or settlement of amounts due thereunder which relates to the Lease Documents, shall be ineffective without Assignee's prior written consent.

3. There has been no prepayment of any sums payable under the Lease Documents. Under Lease Schedule No. 1, there are remaining 1 payment of $328,395.95 due on 5/15/2020 followed by 7 interest only payments of $5,464.44 starting 6/15/2020 with the last one being due 12/15/2020 followed by 10 annual rental payments under the Lease Documents, each in the amount of $201,341.22, commencing 1/15/2021 with the final payment due 1/15/2030. No casualty has occurred with respect to the Equipment. The Equipment has been or will be delivered to and accepted by Lessee and to the extent delivered, is in good working order, the condition required under the Lease Agreement, and suitable for Lessee's purposes in all respects. The Equipment is or will be in the possession of Lessee. The Lease Documents are current in all respects, including, but not limited to, the payment of any applicable sales, use and personal property taxes.

4. Lessee acknowledges and agrees that (i) Assignee shall be the lien holder on the Equipment and Assignor shall have no interest or authority of any nature regarding the Equipment or the Lease Documents, (ii) Lessee will deal exclusively with respect to the Lease Documents with Assignee, and

Lessee will deliver all payments and copies of all notices and other communications given or made by Lessee relating to the Lease Documents and the Equipment to Assignee at the address listed above, (iii) so far as enforcement of the Lease Documents is concerned, notwithstanding the existence of other schedules or supplements thereto, the Lease Documents are separate and severable and Assignee may take enforcement action independently of other lessors, equipment owners or financing parties having an interest in the Lease Agreement and other equipment schedules not included in the Lease Documents, (iv) Lessee will execute such other instruments and take such actions as Assignee reasonably may require to further confirm the vesting of rights under the Lease Documents in Assignee and Assignee's ownership of the Equipment, and (v) Lessee waives any right to revoke its acceptance of the Equipment.

5. Lessee has not received notice of a prior sale, transfer, assignment, hypothecation or pledge of the Lease Documents or any payments due or to become due thereunder.

6. Lessee will keep the Lease Documents and the Equipment free and clear of all liens and encumbrances (other than the interest of Assignee or parties claiming by, through or under Assignee).

7. All representations and duties of Lessor intended to induce Lessee to enter into the Lease Documents, whether required by the Lease Documents or otherwise, have been fulfilled.

8. Lessee has executed one (1) original each of the Lease Documents (which were delivered to Lessor), and currently has no original in its possession.

9. All representations and warranties of the Lessee in the Lease Documents are true and correct.

10. Lessee agrees to promptly send to Assignee such financial statements and other notices as may be required to be sent to Lessor under the terms of the Lease Agreement, as assignee of Assignor's interest under the Lease Documents, directly to Assignee at Assignee's address set forth hereinabove.

11. Pursuant to the terms of the Lease Documents, Lessee hereby agrees to promptly add Assignee as a loss payee and as an additional insured under each casualty and liability insurance policy maintained by Lessee as may be required under the Lease Documents and to furnish to Assignee evidence of such insurance coverage not later than the date hereof.

[Signatures on following page.]

ACCEPTED AND AGREED to on this _____ day of _____, 2019.

Lease Servicing Center, Inc.
Lessor

By:_____
Name:_____
Title:_____

City of Sheboygan
Lessee

By:_____
Name: Michael Vandersteen
Title: Mayor

_____
Assignee

By:_____
Name:_____
Title:_____

Note: PLEASE COMPLETE INSURANCE AGENT CONTACT INFORMATION IN FULL.

INSURANCE AUTHORIZATION LETTER

Insurance Agency: _____ Agent: _____
Address: _____
_____
Email: _____ Phone: _____

Re: Lease between **Lease Servicing Center, Inc.** ("Lessor") and **City of Sheboygan** ("Lessee")

The insurance coverages listed below are required to cover the interests of the named **Secured Party and its Affiliates, Successors & Assigns** (indicated below) in Equipment financed by and between Lessor and Lessee. You are therefore hereby authorized and instructed to provide the **Secured Party and its Affiliates, Successors & Assigns** the coverages described below.

Evidence of insurance in the form of a Certificate is acceptable until the required formal Endorsements are issued. The Certificate(s) will not be acceptable unless all required endorsements are clearly stated. If you have any questions concerning the coverages, please notify **Lease Servicing Center, Inc.** at (320) 763-7600.

In Description Box of Each Certificate Please Make This Notation: Re: all Equipment financed by and between CITY OF SHEBOYGAN and Lessor under Lease Schedule No. 1.

Please forward the required Certificate(s) and Endorsements immediately to the following **Secured Party:**

Lease Servicing Center, Inc.
and or Its Assigns ATIMA
220 22nd Ave E., Ste 106
Alexandria, MN 56308
Phone: 320-763-7600
Email: recept@lscfinancial.com

Comprehensive General Liability Coverage:

1. Limits of at least **$1,000,000.00 per occurrence** for bodily injury and property damage coverage.
2. An Endorsement naming the above Secured Party and Its Affiliates, Successors & Assigns as an Additional Insured in so far as this Equipment is concerned.
3. An Endorsement giving each of the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.

All Risk Physical Damage (Property) Coverage:

1. All Risk coverage for not less than the Total Equipment Cost of **$2,001,206.40.**
2. A long form endorsement naming the above named Secured Party and Its Affiliates, Successors & Assigns as **"Additional Insured"** and **"Loss Payee"** in so far as this Equipment is concerned, unless prohibited by applicable state law.
3. An Endorsement giving the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.
4. Any deductibles or self-insured retentions must be disclosed.

- **Self-insurance or captive insurance must be disclosed.**
- **Any deductibles or self-insured retentions must be disclosed.**

Each Certificate issued hereunder must confirm that the Secured Party's coverage under, and interest in, the relevant policy shall not be invalidated or otherwise adversely affected by any breach by Lessee or others of any warranty, declaration, representation or condition contained in such policy.

LESSEE:

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

LESSEE RESOLUTION

RE: Master Lease Purchase Agreement dated as of December 2, 2019 between Lease Servicing Center, Inc. (Lessor) and City of Sheboygan (Lessee) and Schedule No. 001 thereto dated as of December 2, 2019.

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. **Determination of Need**. The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit 1 of Schedule No. 001 to the Master Lease Purchase Agreement dated as of December 2, 2019, between City of Sheboygan (Lessee) and Lease Servicing Center, Inc. (Lessor).

2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement and Schedule, substantially in the form presented to this meeting, are in the best interests of the Lessee for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Agreement and Schedule by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. City of Sheboygan authorizes the Mayor, to enter into a Master Lease Purchase Agreement with Lease Servicing Center, Inc. to finance the purchase of (37,440) Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Carts and All Attachments listed on Exhibit 1 in the amount of $2,001,206.40 purchased from Wastequip with 1 payment of $328,395.95 due on 5/15/2020 followed by 7 interest only payments of $5,464.44 starting 6/15/2020 with the last one being due 12/15/2020 followed by 10 annual rental payments under the Lease Documents, each in the amount of $201,341.22, commencing 1/15/2021 with the final payment due 1/15/2030

Authorized Individual(s): **Michael Vandersteen – Mayor**
(Printed or Typed Name and Title of individual(s) authorized to execute the Agreement)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

By: _____
(Signature of Secretary, Board Chairman or other member of the Governing Body – NOT the authorized individual listed above)

Print Name: _____ **Title:** _____
(Typed name of individual who signed directly above) (Title of individual who signed directly above)

Attested By: _____
(Signature of one additional person who can witness the passage of this Resolution)

Print Name: Meredith DeBruin **Title:** City Clerk
(Typed name of individual who signed directly above) (Title of individual who signed directly above)

CORPORATE SEAL HERE

DRAFT - 11/7/19

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

[December 2, 2019]

We have acted as special tax counsel to the City of Sheboygan, Wisconsin in connection with the execution and delivery of a Master Lease Purchase Agreement dated as of [December 2, 2019] (the "Master Lease Purchase Agreement"), by and between the City of Sheboygan, Wisconsin (the "Lessee") and Lease Servicing Center, Inc. (the "Lessor"), and Lease Schedule No. 1 thereto (the Master Lease Purchase Agreement and said Lease Schedule No. 1 thereto, but not any other Schedules thereto, are collectively referred to herein as the "Lease Agreement"). The Lessee's obligations pursuant to the Lease Agreement are issued pursuant to a resolution adopted by the Common Council of the Lessee on [December 2, 2019] (the "Resolution"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Lease Agreement.

We have reviewed executed copies of the Lease Agreement and the Tax Certificate of the Lessee dated [December 2, 2019] (the "Tax Certificate") and, in addition, we have reviewed and considered the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations issued thereunder. We have also examined the other documents we deemed relevant and necessary in rendering this opinion. Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. In rendering this opinion, we are also relying on the opinion of the City Attorney with respect to state law matters including the validity and enforceability of the Lease Agreement.

Based upon the examination described above, it is our opinion under existing law that the interest component of each Rental Payment is excludable for federal income tax purposes from gross income and is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Code on individuals. The Code contains requirements that must be satisfied subsequent to the execution and delivery of the Lease Agreement in order that the interest components of the Rental Payments be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest components of the Rental Payments to be included in gross income retroactively to the date of execution and delivery of the Lease Agreement. The Lessee has agreed to comply with all of those requirements and the opinion set forth in the first sentence of this paragraph is subject to the condition that the Lessee comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Lease Agreement.

We express no opinion regarding the accuracy, adequacy, or completeness of any offering material relating to the Lease Agreement. Further, we express no opinion regarding tax consequences arising with respect to the Lease Agreement other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our

attention, or any changes in law that may hereafter occur. The opinions set forth in this letter may be relied upon by the addressees hereof and their respective successors and assigns.

QUARLES & BRADY LLP

[Letterhead of Counsel to Lessee]

[Closing Date]

Lease Servicing Center, Inc.
220 22nd Avenue East
Alexandria, MN 56308

Re: Lease Schedule No. 001, dated December 2, 2019, to Master Lease Purchase Agreement, dated as of December 2, 2019, between Lease Servicing Center, Inc., as Lessor, and the City of Sheboygan, as Lessee

Ladies and Gentlemen:

We have acted as counsel to the City of Sheboygan ("Lessee") in connection with the above-referenced transaction. In such capacity, we have reviewed (a) an executed counterpart of a certain Master Lease Purchase Agreement, dated as of December 2, 2019 (the "Agreement") , by and between Lease Servicing Center, Inc. ("Lessor") and Lessee and an executed counterpart of Lease Schedule No. 001, dated December 2, 2019 (the "Lease Schedule"), by and between Lessor and Lessee, which, among other things, provides for the lease of certain property listed in the Lease Schedule (the "Equipment") and a certain Escrow Agreement dated December 2, 2019 (the "Escrow Agreement"),among Lessor, Lessee, and City National Bank of Florida, as escrow agent, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Leas Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Lease Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Lease Schedule are herein referred to collectively as the "Lease", and the Lease and the Escrow Agreement are referred to collectively as the "Transaction Documents." Terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease. Based upon foregoing, it is [my][our] opinion that:

1. Lessee is a political subdivision of the State of Wisconsin (the "State") within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended, and is duly organized, existing and operating under the Constitution and laws of the State.

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.

3. Each of the Transaction Documents has been duly authorized, executed and delivered by and on behalf of Lessee, and is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.

4. The authorization and execution of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Transaction Documents and the appropriation of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional,

statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Transaction Documents.

Very truly yours,

R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. December 2, 2019.

Your Committee to whom was referred a copy of DIRECT REFERRAL Res. No. 117-19-20 by Alderpersons Donohue and Bohren authorizing the appropriate City officials to enter into a lease with Lease Servicing Center, Inc. to finance the purchase of automated garbage and recycling system, and to authorize the appropriate City officials to purchase the garbage and recycling carts funded by the lease; recommends

_____ _____

_____ _____

_____ _____

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

DIRECT REFERRAL TO FINANCE AND PERSONNEL AND PUBLIC WORKS COMMITTEES

Res. No. 117 - 19 - 20. By Alderpersons Donohue and Bohren.
December 2, 2019.

A RESOLUTION authorizing the appropriate City officials to enter into a lease with Lease Servicing Center, Inc. to finance the purchase of garbage and recycling carts necessary for the City to transition to an automated garbage and recycling system, and to authorize the appropriate City officials to purchase the garbage and recycling carts funded by the lease.

WHEREAS, the Common Council of the City of Sheboygan (the "Council") has affirmed its intent, based on the recommendation of the City's Department of Public Works, to transition to an automated garbage and recycling system in 2020; and

WHEREAS, in support of that transition, the Council has already hired Sun Graphics Media to assist with public communication regarding the transition to the automated garbage and recycling system, passed changes to Chapter 102 of the Municipal Code of the City of Sheboygan to reflect the transition to the automated garbage and recycling system, approved the purchase of new garbage and recycling trucks, and obtained a grant from the Recycling Partnership to assist the City with the transition; and

WHEREAS, the remaining step is for the City to order garbage and recycling carts; and

WHEREAS, the City's Department of Public Works has evaluated several manufacturers and brands of containers for the automated garbage and recycling system, and believes that the Toter, LLC container is the most advantageous to the City; and

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 Toter, LLC containers are available under the nationwide Sourcewell (formerly National Joint Powers Alliance) cooperative purchasing plan; and

WHEREAS, the City has obtained a quote from Toter, LLC, pursuant to the Sourcewell cooperative purchasing plan to obtain 37,440 96 gallon carts at a total cost of $2,001,206.40; and

WHEREAS, the City must acquire these carts in order to complete its transition to an automated garbage and recycling program; and

Finance + Personnel and Public Works

WHEREAS, after evaluating all possible options for paying for these necessary carts, the City finds that financing the carts through a capital lease is the financing method which is in the best interest of the City; and

WHEREAS, the City has worked with Lease Servicing Center, Inc. to develop the Master Lease Purchase Agreement, Lease Schedule No. 1, and other documents referenced in those two documents, all of which are attached to this Resolution (collectively the "Lease"); and

WHEREAS, the 2020 budget includes funds for the repayment of the Lease.

NOW, THEREFORE, BE IT RESOLVED: It is in the best interest of the City to enter into the Lease with Lease Servicing Center, Inc. in substantially similar form to that attached in order to finance the purchase of 37,440 96 gallon carts.

BE IT FURTHER RESOLVED: The Mayor of the City of Sheboygan, Michael Vandersteen, is authorized to execute the Lease, in substantially similar form to that attached, and any related documents necessary to the consummation of the transaction contemplated by the Lease.

BE IT FURTHER RESOLVED: Upon closing of the Lease, which is estimated to occur in mid-December, the appropriate City officials are authorized to issue a purchase order to Toter, LLC for the purchase of 37,440 96 gallon carts at a total cost of $2,001,206.40, to be paid for from the proceeds of the Lease.

_____

_____

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

City of Sheboygan
$2,001,206.40
Lease Purchase Financing
Closing Date: December 2, 2019

Closing Documents

1. Master Lease Purchase Agreement – attached for execution
2. Lease Schedule No. 1 – attached for execution
    a. Equipment Description
    b. Payment Schedule – *In order to avoid a potential rate adjustment, all closing documents must be returned by the above closing date.*
3. Acceptance Certificate – hold for future use (when applicable)
4. Escrow Agreement – attached for execution
    a. Form of Disbursement Request – for future use
5. Pay Proceeds Letter – attached for execution
6. Tax Certificate – attached for execution
7. Incumbency Certificate of Lessee – attached for execution
8. Notice & Acknowledgment of Assignment – attached for execution
9. Resolution/ Approval of Governing Body– *Lessee to provide prior to closing*
10. Opinion of Counsel to Lessee – *Lessee to provide prior to closing*
11. Opinion of Special Tax Counsel - *Lessee to provide prior to closing*
12. IRS Form 8038-G – *Lessee to provide a copy prior to closing*
    a. Evidence of filing Form 8038-G – *Lessee to file the original with the IRS, then provide Lessor with proof of mailing (post-closing)*
13. Evidence of Insurance – *Lessee to provide prior to any escrow disbursement*

Please print the enclosed documents one-sided, sign where applicable in blue ink, and submit the original executed signature pages for closing. Fully-executed copies of documents will be circulated for your records once the transaction has closed. Thank you.

MASTER LEASE PURCHASE AGREEMENT

This Master Lease Purchase Agreement (this "Agreement"), dated as of December 2, 2019, is made and entered into by and between Lease Servicing Center, Inc. ("Lessor"), and the City of Sheboygan, a political subdivision of the State of Wisconsin ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. LEASE OF EQUIPMENT; FUNDING

1.1. Lease; Possession and Use. Lessor hereby agrees to sell, transfer and lease to Lessee, and Lessee hereby agrees to acquire, purchase and lease from Lessor the property described in each Lease Schedule (defined herein) executed and delivered by Lessor and Lessee, upon the terms and conditions set forth herein, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto (collectively, the "Equipment"). Each Lease executed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment described therein. This Agreement is not a commitment by Lessor to enter into any Lease and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Lease. The decision whether Lessor enters into any Lease is within Lessor's sole discretion. As used herein, (i) "Lease Schedule" means a schedule substantially in the form attached as Exhibit A to this Agreement, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented, and (ii) "Lease" means a Lease Schedule each together with this Agreement the terms and conditions of which are incorporated therein.

1.2. Funding. Unless otherwise provided in the applicable Lease Schedule, in order to provide financing to pay the costs to acquire and install the Equipment set forth in the applicable Lease Schedule (the "Purchase Price"), Lessor and Lessee shall, if applicable, execute and deliver an escrow agreement relating to such Lease Schedule in form and substance and with an escrow agent satisfactory to Lessor (an "Escrow Agreement"). If all conditions set forth in Section 1.3 have been satisfied in full or waived, then Lessor will deposit or cause to be deposited into an escrow fund under the related Escrow Agreement, or pay to Lessee an amount (which may include estimated investment earnings thereon) equal to the Purchase Price for the Equipment to be financed under the related Lease Schedule.

1.3. Funding Requirements. The funding of the Purchase Price and the performance by Lessor of any of its obligations pursuant to any Lease, are subject to the satisfaction or waiver of the following:

(a) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage or self-insurance as required by the Lease; (2) an opinion of Lessee's counsel and/or bond counsel to Lessee; (3) waivers of third parties holders of interests in the real property where the Equipment will be located, as Lessor may deem necessary; (4) copies of resolutions by Lessee's governing body, duly authorizing the Lease and the Escrow Agreement and incumbency certificates for the person(s) executing the Lease and the Escrow Agreement; (5) such documents and certificates as Lessor may request relating to federal tax-exemption of interest payable under the Lease, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Lessee is to be reimbursed for expenditures that it has paid more than 60 days prior to the funding of the Purchase Price; (6) if the Purchase Price will be paid to Lessee (or vendor(s) or supplier(s) of the Equipment on behalf of Lessee), an acceptance certificate for the Equipment (substantially in the form attached as Exhibit B to this Agreement) (an "Acceptance Certificate"), and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

(b) Lessee has executed and delivered to Lessor the Lease Schedule, its related Payment Schedule and the related Escrow Agreement (if applicable);

(c) no Event of Default shall have occurred and be continuing under any Lease;

(d) no material adverse change shall have occurred in the financial condition of Lessee;

(e) the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (defined herein) other than the respective rights of Lessor and Lessee as herein provided; and

(f) all representations of Lessee in the Lease remain true, accurate and complete.

1.4. Delivery, Installation and Acceptance of Equipment. Lessee shall order each Equipment, shall cause the Equipment to be delivered and installed at the locations specified under the applicable Lease Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. If the Purchase Price is deposited under an Escrow Agreement for the acquisition of the Equipment, such funds shall be disbursed as provided therein. The insufficiency of proceeds of any Lease to pay all costs of the Equipment subject thereto shall not affect Lessee's obligations under this Section. When the Equipment described in such Lease Schedule is delivered, installed and accepted, Lessee shall promptly execute and deliver to Lessor an Acceptance Certificate for the Equipment.

2. TERM

2.1. Term. The term of each Lease (the "Lease Term") shall commence on the Lease Date set forth in the applicable Lease Schedule and shall terminate upon payment of all Rental Payments, unless sooner terminated pursuant to the Lease.

3. RENTAL PAYMENTS

3.1. Rental Payments. Subject to Section 3.4 hereof and except pursuant to the terms of this Agreement Lessee agrees to pay the rent payments ("Rental Payments") in the amounts and on the dates (each a "Payment Date") as specified in the Payment Schedule attached to each Lease Schedule. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule for each Lease. All Rental Payments shall be paid to Lessor, at such places as Lessor may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefor.

3.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any fiscal year shall constitute a current expense of Lessee for such fiscal year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State of Wisconsin (the "State"). THE RENTAL PAYMENTS ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY AVAILABLE REVENUES APPROPRIATED ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER A LEASE FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE LEGALLY AVAILABLE REVENUES APPROPRIATED BY LESSEE ON AN ANNUAL BASIS. Nothing herein shall constitute a pledge by Lessee of the full faith and credit or taxing power of the Lessee. The person or entity in charge of preparing Lessee's budget will include in the budget request for each fiscal year the Rental Payments to become due during such fiscal year. Lessor acknowledges that appropriation for Rental Payments is a governmental function which Lessee cannot contractually commit itself in advance to perform. Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be

appropriated and made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

3.3. Unconditional Rental Payments. Subject to Section 3.4 hereof: (a) Lessee's obligation to make Rental Payments and any other payments hereunder shall be absolute and unconditional; (b) Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes; (c) Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments; and (d) Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment.

3.4. Nonappropriation. If during the then current fiscal year of Lessee, sufficient funds are not appropriated to make Rental Payments required under a Lease for the following fiscal year (an "Event of Nonappropriation"), Lessee shall be deemed not to have renewed such Lease for the following fiscal year, and the Lease shall terminate at the end of the then current fiscal year, and Lessee shall not be obligated to make Rental Payments under the Lease beyond the then current fiscal year for which funds have been appropriated. Upon an Event of Nonappropriation, Lessee shall return the Equipment subject to the Lease to Lessor in accordance with the requirements of Section 11.3. Lessee shall notify Lessor in writing no later than 30 days following an Event of Nonappropriation, but failure to provide such notice shall not operate to extend the Lease Term. If Lessee fails to return the applicable Equipment or otherwise comply with Section 11.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages and for any loss suffered by Lessor as a result of Lessee's failure to take such actions as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Lease, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor.

3.5 Security Interest. As security for Lessee's obligations to pay all Rental Payments and all other amounts due and payable under each Lease and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due or existing or hereafter arising) of Lessee under such Lease, Lessee hereby grants to Lessor a first priority, security interest in any and all of the Equipment (now existing or hereafter acquired) under each Lease, moneys and investments held from time to time in the escrow fund under each Escrow Agreement and any and all proceeds of any of the foregoing. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code financing statements and any amendments thereto and certificates of title or certificates of origin (or applications thereof) noting Lessor's interest thereon.

4. PURCHASE AND PREPAYMENT

4.1. End of Lease Term. Lessee shall have the option to purchase all of the Equipment under a Lease only upon the expiration of the Lease Term and payment in full of all Rental Payments then due and all other amounts then owing under the Lease, and the payment of $1.00 to Lessor.

4.2. Excess Proceeds. Lessee's obligations under a Lease shall be prepaid in part from the excess proceeds of the Lease on the terms set forth in any Escrow Agreement pursuant to which proceeds of the Lease are being held.

4.3. Release of Lessor's Interest. Upon timely receipt, in collected funds, of all amounts required for the purchase of the Equipment subject to any Lease pursuant to Section 4.1, such Lease shall terminate, all of Lessor's right, title and interest in and to the Equipment shall terminate, and Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably request to evidence the termination of the Lease and Lessor's interest in the Equipment, without warranty by or recourse to Lessor.

5. REPRESENTATION, WARRANTIES AND COVENANTS.

5.1. Representations and Warranties. Lessee shall be deemed to make the following representations and warranties to Lessor with respect to each Lease, in each case as of the Lease Date for such Lease:

(a) Lessee is a state or political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations issued thereunder ("the Regulations"), duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, the Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and the Lease.

(b) The execution and delivery of this Agreement and the Lease Schedule have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement and the acquisition and financing of the Equipment by Lessee.

(c) This Agreement and the Lease Schedule have been duly executed and delivered by and constitute the valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.

(d) The execution, delivery and performance of this Agreement and the Lease Schedule by Lessee does not (i) violate any State or federal law or local law or ordinance, or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or the Lease Schedule or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or the Lease Schedule.

(f) Provided payments per Payment Schedule are due in the current fiscal year, Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current fiscal year, and such moneys will be applied in payment of all Rental Payments due and payable during such current fiscal year.

(g) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term.

5.2. Tax Covenants.

(a) Lessee covenants and agrees that it will (i) complete and timely file an information reporting return with the Internal Revenue Service ("IRS") in accordance with Section 149(e) of the Code; (ii) not permit the Equipment to be directly or indirectly used for a private business use within the meaning of Section 141 of the Code including, without limitation, use by private persons or entities pursuant to contractual arrangements which do not satisfy IRS guidelines for permitted management contracts, as the same may be amended from time to time; (iii) invest and reinvest moneys on deposit in any escrow fund related to each Lease from time to time in a manner that will not cause such Lease to be classified as an

"arbitrage bond" within the meaning of Section 148(a) of the Code; (iv) rebate an amount equal to excess earnings in any such escrow fund to the federal government if required by, and in accordance with, Section 148(f) of the Code and make the determinations and maintain the records required by the Code; and (v) comply with all provisions and regulations applicable to establishing and maintaining the excludability of the interest component of the Rental Payments under each Lease from federal gross income pursuant to Section 103 of the Code.

(b) If Lessor either (i) receives notice, in any form, from the IRS; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor that Lessor may not exclude the interest component of any Rental Payment under a Lease from federal gross income, then Lessee shall pay to Lessor, within thirty (30) days after Lessor notifies Lessee of such determination, the amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rental Payments under the Lease due through the date of such event) that are imposed on Lessor as a result of the loss of the exclusion, will restore to Lessor the same after tax yield on the transaction evidenced by such Lease (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, Lessee agrees that upon the occurrence of such an event, it shall pay additional rent to Lessor on each succeeding Rental Payment due date in such amount as will maintain such after tax yield to Lessor. Lessor's determination of the amount necessary to maintain its after-tax yield as provided in this subsection (b) shall be conclusive (absent manifest error).

6. INSURANCE; CASUALTY AND CONDEMNATION

6.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and its assigns from liability in all events, with a coverage of not less than $1,000,000 per occurrence unless specified differently in the related Lease Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the full replacement cost of the Equipment.

6.2. Insurance Requirements. All insurance policies required by Section 6.1 shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage (including cancellation) the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each liability insurance policy shall be endorsed to name Lessor and its assigns as an additional insured party and each casualty and property insurance policy shall be endorsed to name Lessor and its assigns as loss payee, in each case regardless of any breach of warranty or other act or omission of Lessee. Lessee may self-insure against the risks described in Section 6.1 with the prior written consent of Lessor.

7. ADDITIONAL OBLIGATIONS

7.1. Use and Maintenance of Equipment. Lessee shall, at its own expense, maintain the Equipment in good condition and proper working order, and shall make all necessary repairs and replacements to keep the Equipment in such condition. The Equipment will be used by Lessee only for the purpose of performing Lessee's essential governmental functions. Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any manufacturer's guidelines or in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall have sole responsibility to maintain and repair the Equipment. Lessee shall keep (or in the case of Equipment constituting motor vehicles, house) the Equipment at the address specified in the related Lease Schedule; provided that Lessee may change the location at which any Equipment is kept

(or housed) with thirty (30) days prior written notice to Lessor specifying the address of the new location. Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder. If Lessor reasonably determines that Lessee is not maintaining any of the Equipment in accordance with this Section, Lessor may (in addition to any other remedies it may have) require Lessee to enter into maintenance contracts for such Equipment in form approved by Lessor and with approved providers.

7.2. Taxes. Lessee shall pay all taxes, assessments and other charges which are assessed or levied against the Equipment or any part thereof, during the Lease Term, whether assessed against Lessee or Lessor. With respect to any taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Equipment.

7.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

7.4. Liens. Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment (each, a "Lien"), other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time.

7.5. Financial Information. Lessee shall deliver to Lessor (i) its annual audited financial statements within 365 days after the end of the Fiscal Year unless audited financial statements are not available in that timeframe, in which case unaudited financial information will be provided and audited financial statements will be submitted to Lessor when and if available (ii) its annual budget each fiscal year promptly following the approval thereof, and (iii) such other financial statements and information relating to the ability of Lessee to satisfy its obligations under this Agreement and the Lease as may be reasonably requested by Lessor from time to time.

8. TITLE; NO WARRANTIES BY LESSOR

8.1. Title. During the Lease Term, legal title to all Equipment shall be in Lessee, subject to Lessor's interests under the applicable Lease Schedule and this Agreement. Upon an Event of Default or an Event of Nonappropriation, title shall immediately vest in Lessor free and clear of any right, title or interest of Lessee.

8.2. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

8.3. No Warranties. LESSEE ACQUIRES AND LEASES THE EQUIPMENT UNDER EACH LEASE "AS IS." LESSEE ACKNOWLEDGES THAT LESSOR DID NOT MANUFACTURE THE EQUIPMENT UNDER ANY LEASE. LESSOR DOES NOT REPRESENT THE MANUFACTURER, SUPPLIER, OWNER OR DEALER, AND LESSEE SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OR AS TO THE EQUIPMENT'S VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR, AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR, ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR

INDIRECT INCURRED BY LESSEE IN CONNECTION WITH THE EQUIPMENT UNDER ANY LEASE. NEITHER THE MANUFACTURER, SUPPLIER OR DEALER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF THE MANUFACTURER, SUPPLIER OR DEALER IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY. For and during the Lease Term under each Lease, Lessor assigns to Lessee any manufacturer's or supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor for the benefit of the Lessee in accordance with Lessee's specifications from suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or supplier's product warranties or guaranties, (d) no manufacturer or supplier or any representative of said parties is an agent of Lessor, (e) any warranty, representation, guaranty or agreement made by any manufacturer or supplier or any representative of said parties shall not be binding upon Lessor, and (f) the Lessor shall cause the supplier to identify the Lessee as an intended beneficiary of its warranty, if any.

9. RISK OF LOSS; CASUALTY

9.1. Risk of Loss. As between Lessee and Lessor, Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part for any reason whatsoever. No loss to any Equipment shall relieve Lessee from the obligation to make any Rental Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 9.

9.2. Notice of Loss. If a casualty occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

9.3. Application of Proceeds. If Lessor determines that any item of Equipment has suffered a casualty loss is beyond repair, then Lessee shall either: (a) immediately replace such Equipment with similar equipment in good repair, condition and working order free and clear of any liens and deliver to Lessor a purchase order, bill of sale or other evidence of sale to Lessee covering the replacement equipment, in which event such replacement equipment shall automatically be Equipment under the applicable Lease, or (b) on the next scheduled Payment Date, pay Lessor all amounts owed by Lessee under the applicable Lease, including the Rental Payment due on such date.

9.4. Claims and Expenses. Lessee shall bear the risk of loss for, shall pay directly and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

10. ASSIGNMENT

10.1. Assignment by Lessor. Lessor may assign its rights, title and interest in and to any Lease, any Equipment or any Escrow Agreement (including the escrow fund thereunder), and/or may grant or assign a security interest in any Lease, its Equipment or any Escrow Agreement (including the escrow fund thereunder), in whole or in part, to any party at any time and from time to time without Lessee's consent. Any such assignee or lien holder (an "Assignee") shall have all of the rights of Lessor under the applicable

Lease and Escrow Agreement. LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR. Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease, its Equipment or any Escrow Agreement (including the Escrow Fund thereunder) shall be enforceable against Lessee only after Lessee receives a written notice of assignment that discloses the name and address of each such Assignee. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code. Lessee agrees to acknowledge in writing any such assignments if so requested.

10.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease or any Equipment may be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee during the term of this Lease.

11. EVENTS OF DEFAULT; REMEDIES

11.1. Events of Default Defined. The occurrence of any of the following events with respect to the Lease shall constitute an Event of Default under the Lease:

(a) Lessee's failure to pay any Rental Payment or other amount required to be paid to Lessor under the Lease within ten (10) days following the due date thereof, other than by reason of an Event of Nonappropriation;

(b) Lessee fails to perform or observe any of its obligations under Section 6, 7.4 or 10.2 hereof;

(c) With the exception of the above clauses (a) or (b), Lessee's failure to perform or abide by any condition, agreement or covenant with respect to the Lease for a period of thirty (30) days after written notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration;

(d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made;

(e) Lessee shall be in default with respect to the payment or performance of any indebtedness, liability or obligation to Lessor or any of its affiliates under any note, loan agreement, security agreement, lease, title retention or conditional sales agreement or any other instrument or agreement (including the occurrence of any Event of Default under any other Lease then held by Lessor), whether accelerated or otherwise and any applicable grace period with respect thereto has expired; or

(f) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency, moratorium or similar law.

11.2. Remedies on Default. Upon the occurrence of any Event of Default with respect to a Lease, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies with respect to the Lease:

(a) Lessor, with or without terminating the Lease, may declare all Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 11.3 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment. If Lessor terminates the Lease and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs and expenses (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all costs and expenses incurred in completing the disposition of the Equipment; (iii) any sales or transfer taxes incurred in the disposition of the Equipment; (iv) any Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee; (v) the outstanding principal component of Rental Payments under the Lease; and (vi) any other amounts then due under the Lease. Any disposition proceeds remaining after the requirements of clauses (i), (ii), (iii), (iv), (v) and (vi) have been met shall be paid to Lessee. No deficiency shall be allowed against Lessee, except with respect to any unpaid Rental Payments to the end of the then-current fiscal year of Lessee and unpaid costs and expenses incurred by Lessor in connection with the repossession and disposition of the Equipment.

(c) By written notice to any escrow agent that is holding proceeds of the Lease under an Escrow Agreement, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Lease; or

(d) Lessor may exercise any other remedy available, at law or in equity, with respect to such Event of Default. Lessee shall pay the reasonable attorneys' fees and expenses incurred by Lessor in exercising any remedy hereunder.

11.3. Return of Equipment; Release of Lessee's Interest. Upon termination of any Lease prior to the payment of all Rental Payments (whether as result of an Event of Nonappropriation or Event of Default) thereunder, Lessee shall, within ten (90) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Section 7; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; (c) return such Equipment to a location in the continental United States specified by Lessor, freight and insurance prepaid by Lessee; and (d) comply with any additional return conditions specified in the Lease Schedule. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

With respect to any provision of the Agreement requiring Lessee to return all or any portion of the Equipment to Lessor or to transfer title to all or any portion of the equipment to Lessor, Lessee agrees to voluntarily do so. In the event that Lessee fails or refuses to return or transfer the Equipment or title thereto voluntarily as set forth above, Lessor acknowledges that the Agreement does not and shall not create a right in Lessor to involuntarily dispossess Lessee of title to or possession of all or any item of the Equipment.

11.4. Late Charge. To the extent permitted by applicable law, Lessee shall pay Lessor a charge on any Rental Payment not paid on the date such payment is due at a rate equal to the interest rate set forth in the applicable Lease Schedule plus 5% per annum or the maximum amount permitted by law, whichever is less (the "Default Rate"), from such date.

11.5. No Remedy Exclusive. Each of the rights and remedies under this Agreement and each Lease is cumulative and may be enforced separately or concurrently. No course of dealing or conduct between Lessor and Lessee shall be effective to amend, modify or change any provisions of this Agreement

or any Lease. No failure or delay by Lessor to insist upon the strict performance of any term, covenant or agreement of the Agreement or any Lease, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Lessor from exercising any such right, power or remedy at any later time or times.

11.6. Costs and Attorneys' Fees. Upon the occurrence of an Event of Default, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts payable hereunder, all of Lessor's costs of collection, including reasonable attorneys' fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid, and shall bear interest at the Default Rate. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial and on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

12. MISCELLANEOUS PROVISIONS

12.1. Notices. All written notices to be given under this Agreement shall be given (a) personally, (b) by mail in registered or certified form, with postage prepaid, or (c) by overnight courier, charges prepaid, in each case to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time, and to any assignee at its address as it appears on the registration books maintained by Lessee. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail, 24 hours after deposit with a courier, or, if given by other means, when delivered.

12.2. Binding Effect. This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means, with respect to a Lease, any person or entity to whom Lessor has assigned its right to receive Rental Payments under such Lease.

12.3. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

12.4. Entire Agreement; Amendments. Each Lease constitutes the entire agreement of the parties with respect to the subject matter thereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. Each Lease may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

12.5. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or clauses hereof.

12.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to perfect, confirm, establish, reestablish, continue or complete the interests of Lessor in this Agreement and each Lease, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and each Lease.

12.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

12.8. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Lease Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum amount permitted by applicable law. Any such excess interest or fees shall first be applied to reduce principal, and when no principal remains, refunded to Lessee. In determining whether the interest paid or payable exceeds the highest lawful rate, the total amount of interest shall be spread through the applicable Lease Term so that the interest is uniform through such term.

12.9. Waiver of Jury Trial. To the extent permitted by applicable law, Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement.

12.10. USA Patriot Act Compliance Notification. Lessor hereby notifies Lessee that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), it is required to obtain, verify and record information that identifies Lessee, which information includes the name and address of Lessee and other information that will allow Lessor to identify Lessee in accordance with the Patriot Act. Lessee shall, promptly upon Lessor's request, provide all documentation and other information that Lessor requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

12.11. Relationship of Parties. Lessee acknowledges and agrees that (i) this Agreement and each Lease and the transactions related thereto is an arm's-length commercial transaction between Lessor and Lessee, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, Lessor is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of Lessee, (iii) Lessor has not assumed an advisory or fiduciary responsibility in favor of Lessee with respect to the transactions contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether Lessor or any affiliate thereof has provided other services or is currently providing other services to Lessee on other matters) and Lessor has no obligation to Lessee with respect to the transactions contemplated hereby except the obligations expressly set forth in this Agreement and any Lease, and (iv) Lessee has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate.

12.12. Counterparts. This Agreement and any Lease Schedules may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and in making proof of this Agreement and any Lease Schedules it shall not be necessary to produce or account for more than one such counterpart.

12.13. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement and any Lease Schedule shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement and such Lease Schedule(s). The parties agree that any electronically signed document (including this Agreement and any Lease Schedule) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the

internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

12.14. Determination of Issue Price for Tax Purposes. On the date of this agreement, the Lessor is paying the Lessee the Purchase Price for the Lease. The Lessor is not acting as an Underwriter (defined below) with respect to the Lease. Other than an assignment of the entire lease to [Name of Bank], as set forth in the Notice and Acknowledgement of Assignment dated the date hereof, the Lessor has no present intention to sell, reoffer, or otherwise dispose of the Lease (or any portion of the Lease or any interest in the Lease) until maturity or earlier redemption by the Lessee. Other than an assignment of the entire Lease to [Name of Bank], as set forth in the Notice and Acknowledgment of Assignment dated the date hereof, the Lessor has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Lease and the Lessor has not agreed with the Lessee pursuant to a written agreement to sell the Lease to persons other than the Lessor or a related party to the Lessor.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (defined below) or a related party. The term "related party" for purposes of this definition generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Lessee (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Lease to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Lease to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Lease to the Public).

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

Address: 828 Center Ave
Sheboygan, WI 53081
Attn: Marty Halverson

Telephone: (920) 459-3304
E-mail: Marty.Halverson@sheboyganwi.gov

LEASE SERVICING CENTER, INC.
Lessor

By: _____
Name:
Title:

Address: 220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attn.

Telephone: (320) 763-7600
E-mail: chris@lscfinancial.com

LEASE SCHEDULE NO. 1
to Master Lease Purchase Agreement

Dated: December 2, 2019

This Lease Schedule (this "Lease Schedule") relates to the Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement") between the undersigned Lessor and Lessee, together with the terms and conditions of the Agreement incorporated herein by reference, constitutes a Lease. Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Agreement. All terms and conditions of the Agreement are incorporated herein by reference.

1. Equipment Description. As used in the Lease, "Equipment" means all of the property described in Exhibit 1 attached to this Lease Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

2. Purchase Price. The Purchase Price for the Equipment is $2,001,206.40, which amount shall be deposited in the Escrow Fund established pursuant to that certain Escrow Agreement dated as of December 2, 2019 among Lessor, Lessee and City National Bank of Florida.

3. Rental Payments; Lease Term. The Rental Payments to be paid by Lessee to Lessor, the Lease Date of this Lease and the Lease Term of this Lease are set forth on the Payment Schedule attached to this Lease Schedule as Exhibit 2.

4. Essential Use; Current Intent of Lessee. Lessee represents that (a) the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens, (b) the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority and will not be used in a trade or business of any person or entity, and (c) the useful life of the Equipment is not less than the stated full Lease Term of this Lease. Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the near future. Lessee currently intends for the full Lease Term: to use the Equipment; and to continue this Lease.

5. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of execution of this Lease Schedule.

6. Terms and Conditions Specific to this Lease:

   (a) Pursuant to Section 1.4, the Equipment shall be deemed "delivered, installed and accepted" when the Equipment has been delivered to the Lessee and accepted by the Lessee.

   (b) Location of the Equipment: Pursuant to Section 7.1 of the Agreement, the Equipment will be kept throughout the City of Sheboygan and used by residents of the Lessee to facilitate the Lessee's collection of garbage and recycling. Equipment may freely be transferred throughout the City of Sheboygan without permission of Lessor as part of the administration of the essential governmental function of collecting garbage and recycling. Because the Equipment will be distributed to third parties throughout the City of Sheboygan, no waiver of interest in the real property where the Equipment will be located (pursuant to Section 1.3(a)(3) of the Agreement) is necessary. Because the Equipment will be stored on property

owned by third parties, the Lessee cannot and does not guarantee Lessor with access to the Equipment for maintenance purposes. The parties agree that such access for maintenance purposes is not necessary with respect to this Equipment.

(c) Section 9.2 of the Agreement covers Notice of Loss. Section 9.3 of the Agreement covers Application of Proceeds. This shall replace Sections 9.2 and 9.3 of the Agreement with respect to this Lease: At the end of each calendar year, the Lessee shall provide a report to Lessor with the number of carts that were—to the best of the Lessee's knowledge—damaged beyond repair, destroyed, or lost. This report shall not include any carts that were damaged and replaced through any applicable warranty (even if the cart would have otherwise been classified as "damaged beyond repair" or "destroyed"). The report shall also provide the number of spare carts the Lessee has in inventory at the time of the report, and, if appropriate, any steps the Lessee is taking to ensure the Lessee can continue to administer its garbage and recycling program.

(d) Section 11.2(b) of the Agreement states that Lessor may "enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment." Lessor may enter upon any premises owned or controlled by the Lessee to repossess Equipment pursuant to Section 11.2(b). The parties recognize that the Lessee cannot and does not authorize the Lessor to enter upon any premises owned or controlled by anyone who is not a party to this Agreement.

IN WITNESS WHEREOF, Lessor has caused this Lease Schedule to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Lease Schedule to be executed in its name by its duly authorized officer.

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

Address: 828 Center Ave
Sheboygan, WI 53081
Attn: Marty Halverson

Telephone: (920) 459-3304
E-mail: Marty.Halverson@sheboyganwi.gov

LEASE SERVICING CENTER, INC.
Lessor

By: _____
Name:
Title:

Address: 220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attn.

Telephone: (320) 763-7600
E-mail: chris@lscfinancial.com

Exhibit 1

Equipment Description

Vendor	Quantity	Description	Price per Unit	Total Price
Wastequip	18,720	Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Cart	$52.35	$979,992.00
Wastequip	18,720	Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Cart	$52.35	$979,992.00
		Shipping		$41,222.40

Location of Equipment: Sheboygan, WI

Equipment Total: $2,001,206.40

Exhibit 2

Payment Schedule

Equipment Cost: $2,001,206.40

Annual Rate: 3.85%

Date	Payment	30/360 days	Rate	Interest	Principal	Balance	Prepayment
12/23/19						2,001,206.40	N/A No-call
05/15/20	328,395.95	142.00	3.850%	30,390.54	298,005.41	1,703,200.99	N/A No-call
06/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
07/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
08/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
09/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
10/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
11/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
12/15/20	5,464.44	30.00	3.850%	5,464.44	0.00	1,703,200.99	N/A No-call
01/15/21	201,341.22	30.00	3.850%	5,464.44	195,876.78	1,507,324.21	N/A No-call
01/15/22	201,341.22	360.00	3.850%	58,031.98	143,309.24	1,364,014.97	N/A No-call
01/15/23	201,341.22	360.00	3.850%	52,514.58	148,826.65	1,215,188.32	N/A No-call
01/15/24	201,341.22	360.00	3.850%	46,784.75	154,556.47	1,060,631.85	N/A No-call
01/15/25	201,341.22	360.00	3.850%	40,834.33	160,506.90	900,124.96	N/A No-call
01/15/26	201,341.22	360.00	3.850%	34,654.81	166,686.41	733,438.55	N/A No-call
01/15/27	201,341.22	360.00	3.850%	28,237.38	173,103.84	560,334.71	N/A No-call
01/15/28	201,341.22	360.00	3.850%	21,572.89	179,768.34	380,566.37	N/A No-call
01/15/29	201,341.22	360.00	3.850%	14,651.81	186,689.42	193,876.96	N/A No-call
01/15/30	201,341.22	360.00	3.850%	7,464.26	193,876.96	0.00	N/A No-call
	2,380,059.22			378,852.82	2,001,206.40		

EXHIBIT B

ACCEPTANCE CERTIFICATE

Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308

Re: Lease Schedule No. 1 dated December 2, 2019 (the "Lease Schedule") to that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement" and together with the Lease Schedule, the "Lease") between Lease Servicing Center, Inc., as Lessor, its successors and assigns, and City of Sheboygan, as Lessee

Ladies and Gentlemen:

I, the undersigned, hereby certify that I am the duly qualified and acting officer of Lessee identified below and, with respect to the above-referenced Lease Schedule, that:

1. The Equipment subject to the Lease Schedule and the Lease has been delivered and installed, is in good working order and is fully operational and has been fully accepted by Lessee on or before the date hereof.

2. Attached hereto are true and correct copies of the manufacturers' and dealers' invoices for the Equipment.

3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current fiscal year of Lessee. Such moneys will be applied in payment of all such Rental Payments due and payable during such current fiscal year.

4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Lease) exists at the date hereof.

Date of Acceptance: _____

CITY OF SHEBOYGAN
Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

ESCROW AGREEMENT

This Escrow Agreement (this "Agreement"), dated as of December 2, 2019, by and among Lease Servicing Center, Inc. (and any successors and permitted assigns "Lessor"), City of Sheboygan, a body corporate and politic and a political subdivision existing under the laws of the State of Wisconsin ("Lessee"), and City National Bank of Florida, in its capacity as escrow agent hereunder ("Escrow Agent").

Reference is made to that certain Lease Schedule No. 1 dated December 2, 2019 to that certain Master Lease Purchase Agreement dated as of December 2, 2019, each between Lessor and Lessee (hereinafter collectively referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Purchase Price $2,001,206.40 be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "City of Sheboygan Escrow Account 001" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) The Escrow Agent shall place all escrow funds in a demand deposit account or as otherwise agreed upon between the parties.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall deposit into the Escrow Account any funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) March 30, 2021 ("Termination Date") and (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account or (ii) written notice given by Lessor of the occurrence of a default or termination of the Lease due to non-appropriation.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. Lessee shall reimburse the Escrow Agent for all such reasonable costs and expenses. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Equipment.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that Disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule I, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due and the manner of disbursement (check or wire).

Each such requisition shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule I; and

2. Delivery to Lessor true and correct copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 1.3 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule I and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 1.3 of the Lease, Lessor will cause the Purchase Price to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Lessor shall provide Escrow Agent written instructions and a representation that one of the following conditions has been satisfied, (upon which representation Escrow Agent shall conclusively rely) (a) the Termination Date; or (b) the date on which Lessee executes an Acceptance Certificate; or (c) upon a termination of the Escrow Account as otherwise provided herein. Upon receipt of such written instructions, any funds remaining in the Escrow Agreement shall be distributed by the Escrow Agent first, ten percent (10%) of the funds then remaining in the Escrow Account shall be disbursed to the Escrow Agent as its escrow agent fees ("Fees") and second, the remaining balance after deducting the Fees shall be disbursed to the Lessor and Lessor shall apply such funds to amounts owed by Lessee under the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all funds now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, and (iv) all products, proceeds

and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the State of Wisconsin ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may affect the form of deposit account for the Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including interest income), transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail; provided that any formal notice be attached to an email message in PDF format; and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor: Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308
Attention: Chris Canavati

If to Lessee: City of Sheboygan
828 Center Ave
Sheboygan, WI 53081
Attention: Marty Halverson

If to Escrow Agent: City National Bank of Florida
25 West Flagler Street
Miami, FL 33130
Attention: Client Services

9. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

10. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

11. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first above written.

Lease Servicing Center, Inc.
as Lessor

By: _____
Name: _____
Title: _____

City of Sheboygan
as Lessee

By: _____
Name: Michael Vandersteen
Title: Mayor

City National Bank of Florida
as Escrow Agent

By: _____
Name: _____
Title: _____

SCHEDULE I
to the Escrow Agreement

DISBURSEMENT REQUEST

Re: Lease Schedule No. 1 dated December 2, 2019 to that certain Master Lease Purchase Agreement dated as of December 2, 2019, each between Lessor and Lessee (hereinafter collectively referred to as the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow Agreement, dated as of December 2, 2019 (the "Escrow Agreement") by and among Lease Servicing Center, Inc., as lessor (and its successors and permitted assigns, "Lessor"), the City of Sheboygan ("Lessee") and City National Bank of Florida, as escrow agent (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow Agreement for the following purposes:

Payee's Name and Address (if disbursement via wire, must include wire transfer instructions)	Invoice Number	Dollar Amount	Purpose

(i) (a) Each obligation specified in the foregoing table has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the foregoing table has been delivered, installed and accepted by Lessee. Attached hereto is a true and correct copy of the invoice with respect to such obligation.

(iii) The undersigned, as authorized representative of Lessee, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(vii) No material adverse change has occurred since the date of the execution and delivery of the Lease.

Dated: _____

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

LEASE SERVICING CENTER, INC.
as Lessor under the Lease

By: _____
Name: _____
Title: _____

BCICAPITAL INC.
as Assignee under the Lease

By: _____
Name: _____
Title: _____

PAY PROCEEDS LETTER

December 2, 2019

Lease Servicing Center, Inc.
220 22nd Ave E., Ste 106
Alexandria, MN 56308

Ladies and Gentlemen:

The undersigned, an authorized officer of the City of Sheboygan ("Lessee"), hereby authorizes Lease Servicing Center, Inc. ("Lessor") to pay the proceeds of the financial accommodations provided to Lessee by Lessor evidenced by that certain Master Lease Purchase Agreement dated as of December 2, 2019 and the related Lease Schedule No. 1 dated December 2, 2019, each between Lessor and Lessee, to the following account of Lessee:

Destination	Amount of Deposit:
City National Bank of Florida Account #	$2,001,206.40

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

TAX CERTIFICATE

This Tax Certificate (this "Certificate") is executed and delivered as of December 2, 2019 (the "Lease Date") by the City of Sheboygan ("Lessee") in connection with that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "Agreement") by and between Lessee and Lease Servicing Center, Inc. ("Lessor") and Lease Schedule No. 1 dated as of December 2, 2019, between Lessee and Lessor (the "Lease Schedules," and together with the Agreement, the "Lease"). The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Lease.

Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Lease. As described in the Lease, Lessor shall apply $2,001,206.40 (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make Rental Payments under the terms and conditions as set forth in the Lease.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Lease, pursuant to the resolution or other official action of Lessee adopted with respect to the Lease, a copy of which has been delivered to Lessor.

1.3. The Lease is being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Lease Schedules. The Principal Amount will be paid to Lessee on the date hereof.

1.4. Lessee will complete and timely file for each payment schedule issued under the Lease a Form 8038-G relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Lease will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Lease or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the Lease Date, (ii) issued or sold pursuant to a common plan of financing with the Lease and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Lease. The Lessee is issuing its Sewerage System Revenue Bonds, Series 2019D (the "Revenue Bonds"), which sale may occur within 15 days of the Lease Date. However, the Revenue Bonds will not be paid from substantially the same source of funds as the Rental Payments and so, pursuant to Regulation Section 1.150-1(c)(2), are not treated as part of the same issue as the Lease.

2.3. Other than the Principal Amount, Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Lease. As used in this certificate, the term "yield" means yield computed by the actuarial method using a 360-day year and semi-annual compounding, resulting in a discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price, fair market value, present value or purchase price thereof, as applicable, and is determined in all respects in accordance with Section 148 of the Code.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Lease was entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Lease.

Section 3. Disbursement of Funds; Reimbursement to Lessee.

3.1. It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the Principal Amount may be used by Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not use any portion of the principal amount in order to be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 4. Use and Investment of Funds; Temporary Period.

4.1. Lessee has incurred or will incur, within six (6) months from the Lease Date, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the Lease Date. No portion of the Principal Amount will be used to acquire investments that do not carry out the governmental purpose of the Lease and that have a substantially guaranteed yield in excess of the yield on the Lease.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by no later than 18 months from the Lease Date.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless: (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Lease Date or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the Lease Date; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the Lease Date; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment by no later than 18 months from the actual Lease Date.

Section 5. No Private Use; No Consumer Loan.

5.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 5.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

5.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

Section 6. No Federal Guarantee.

6.1. Payment of the principal or interest due under the Lease is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

6.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Lease to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 7. Post-Issuance Compliance.

7.1 In the event an action takes place (or is anticipated to take place) that will cause the Equipment not to be used for qualified uses under Section 141 of the Code, Lessee will consult with bond counsel as soon as practicable about taking remedial action as described in Treasury Regulation Section 1.141-12. Lessee will take all actions necessary to ensure that the "nonqualified bonds" (as defined in Treasury Regulation Section 1.141-12) are properly remediated in accordance with the requirements of the Treasury Regulations. Lessee is familiar with the Internal Revenue Service's Voluntary Compliance Agreement Program pursuant to which issuers of tax-exempt debt may voluntarily resolve violations of the Code and applicable Treasury Regulations on behalf of the holders of such debt or themselves through closing agreements with the Internal Revenue Service.

7.2. Lessee will actively monitor the requirements of the Code and the Treasury Regulations (a) set forth in this certificate and confirm that such requirements are met no less than once per year; (b) related to the allocation and accounting of proceeds to capital projects and will maintain a list that specifies the allocation of proceeds of the Lease to the costs of the Equipment; and (c) related to arbitrage limitations, including yield restriction, rebate requirements and the investment of gross proceeds of the Lease. The office within Lessee that is currently responsible for such monitoring is the finance department.

Section 8. Miscellaneous.

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Lease in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Lease.

8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

[Signature Page Follows]

IN WITNESS WHEREOF, this Tax Certificate has been executed on behalf of Lessee as of the Lease Date.

CITY OF SHEBOYGAN
Lessee

By: _____
Print Name: Michael Vandersteen
Title: Mayor

INCUMBENCY CERTIFICATE

The undersigned, the duly appointed and acting **City Clerk** for the **City of Sheboygan**, a political subdivision of the State of Wisconsin ("Lessee") certifies as follows:

1. The individuals identified below are the duly elected or appointed officers of Lessee holding the offices set forth opposite their respective names.

2. The individuals identified below have the authority on behalf of Lessee to enter into that certain Master Lease Purchase Agreement dated as of December 2, 2019 between such entity and **Lease Servicing Center, Inc.**, as Lessor.

Name	Title	Signature
Michael Vandersteen	Mayor	

IN WITNESS WHEREOF, I have duly executed this certificate as of this ____ day of _____, 2019.

By: _____
Name: Meredith DeBruin
Title: City Clerk

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Reference is hereby made to that certain Master Lease Purchase Agreement dated as of December 2, 2019 (the "**Lease Agreement**"), between Lease Servicing Center, Inc. ("**Lessor**") and the City of Sheboygan ("**Lessee**"). Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Lease Agreement.

Lessor hereby gives Lessee notice, and Lessee hereby acknowledges receipt of notice, that Lessor has assigned to _____("**Assignee**"), whose offices are at _____, all right, title, interest and obligations of Lessor in and to Lease Schedule No. 1 dated as of December 2, 2019 ("**Lease Schedule**"), executed pursuant to the Lease Agreement, and the Lease Agreement together with all schedules, exhibits, addenda, instruments, certificates and other agreements executed in connection therewith, in each case solely to the extent related to such Lease Schedule (together with the Lease Schedule, collectively, the "**Lease Documents**") together with the equipment described in the Lease Documents (the "**Equipment**");

From and after the date of this Notice, all payments now or hereafter becoming due pursuant to the Lease Documents or with respect to the Equipment described in the Lease Documents shall be paid directly to Assignee as Assignee shall direct in Assignee's invoices.

In recognition of Assignee's reliance upon this Notice and Acknowledgment of Assignment, Lessee certifies, confirms and agrees as follows:

1. The Lease Documents have been duly authorized, executed and delivered by Lessee; constitute the legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with the terms thereof; are in full force and effect on the date of execution of this notice by such party; are free from all defenses, set-offs, claims, counterclaims or any right to cancellation or termination (other than the right to not appropriate funds); and no default or event which, with the passage of time or the giving of notice, or both, would constitute a default under the Lease Documents has occurred. All names, addresses, signatures, amounts and other facts contained in the Lease Documents are correct.

2. There are no modifications, amendments or supplements to, or waiver of Lessee's obligations under, the Lease Documents which relate to the Lease Documents; and any future modification, termination, amendment, supplement or waiver to the Lease Documents which relates to the Lease Documents, or settlement of amounts due thereunder which relates to the Lease Documents, shall be ineffective without Assignee's prior written consent.

3. There has been no prepayment of any sums payable under the Lease Documents. Under Lease Schedule No. 1, there are remaining 1 payment of $328,395.95 due on 5/15/2020 followed by 7 interest only payments of $5,464.44 starting 6/15/2020 with the last one being due 12/15/2020 followed by 10 annual rental payments under the Lease Documents, each in the amount of $201,341.22, commencing 1/15/2021 with the final payment due 1/15/2030. No casualty has occurred with respect to the Equipment. The Equipment has been or will be delivered to and accepted by Lessee and to the extent delivered, is in good working order, the condition required under the Lease Agreement, and suitable for Lessee's purposes in all respects. The Equipment is or will be in the possession of Lessee. The Lease Documents are current in all respects, including, but not limited to, the payment of any applicable sales, use and personal property taxes.

4. Lessee acknowledges and agrees that (i) Assignee shall be the lien holder on the Equipment and Assignor shall have no interest or authority of any nature regarding the Equipment or the Lease Documents, (ii) Lessee will deal exclusively with respect to the Lease Documents with Assignee, and

Lessee will deliver all payments and copies of all notices and other communications given or made by Lessee relating to the Lease Documents and the Equipment to Assignee at the address listed above, (iii) so far as enforcement of the Lease Documents is concerned, notwithstanding the existence of other schedules or supplements thereto, the Lease Documents are separate and severable and Assignee may take enforcement action independently of other lessors, equipment owners or financing parties having an interest in the Lease Agreement and other equipment schedules not included in the Lease Documents, (iv) Lessee will execute such other instruments and take such actions as Assignee reasonably may require to further confirm the vesting of rights under the Lease Documents in Assignee and Assignee's ownership of the Equipment, and (v) Lessee waives any right to revoke its acceptance of the Equipment.

5. Lessee has not received notice of a prior sale, transfer, assignment, hypothecation or pledge of the Lease Documents or any payments due or to become due thereunder.

6. Lessee will keep the Lease Documents and the Equipment free and clear of all liens and encumbrances (other than the interest of Assignee or parties claiming by, through or under Assignee).

7. All representations and duties of Lessor intended to induce Lessee to enter into the Lease Documents, whether required by the Lease Documents or otherwise, have been fulfilled.

8. Lessee has executed one (1) original each of the Lease Documents (which were delivered to Lessor), and currently has no original in its possession.

9. All representations and warranties of the Lessee in the Lease Documents are true and correct.

10. Lessee agrees to promptly send to Assignee such financial statements and other notices as may be required to be sent to Lessor under the terms of the Lease Agreement, as assignee of Assignor's interest under the Lease Documents, directly to Assignee at Assignee's address set forth hereinabove.

11. Pursuant to the terms of the Lease Documents, Lessee hereby agrees to promptly add Assignee as a loss payee and as an additional insured under each casualty and liability insurance policy maintained by Lessee as may be required under the Lease Documents and to furnish to Assignee evidence of such insurance coverage not later than the date hereof.

[Signatures on following page.]

ACCEPTED AND AGREED to on this _____ day of _____, 2019.

Lease Servicing Center, Inc.
Lessor

By:_____
Name:_____
Title:_____

City of Sheboygan
Lessee

By:_____
Name: Michael Vandersteen
Title: Mayor

_____
Assignee

By:_____
Name:_____
Title:_____

Note: PLEASE COMPLETE INSURANCE AGENT CONTACT INFORMATION IN FULL.

INSURANCE AUTHORIZATION LETTER

Insurance Agency: _____ Agent: _____
Address: _____
_____
Email: _____ Phone: _____

Re: Lease between **Lease Servicing Center, Inc.** ("Lessor") and **City of Sheboygan** ("Lessee")

The insurance coverages listed below are required to cover the interests of the named **Secured Party and its Affiliates, Successors & Assigns** (indicated below) in Equipment financed by and between Lessor and Lessee. You are therefore hereby authorized and instructed to provide the **Secured Party and its Affiliates, Successors & Assigns** the coverages described below.

Evidence of insurance in the form of a Certificate is acceptable until the required formal Endorsements are issued. The Certificate(s) will not be acceptable unless all required endorsements are clearly stated. If you have any questions concerning the coverages, please notify **Lease Servicing Center, Inc.** at (320) 763-7600.

In Description Box of Each Certificate Please Make This Notation: Re: all Equipment financed by and between CITY OF SHEBOYGAN and Lessor under Lease Schedule No. 1.

Please forward the required Certificate(s) and Endorsements immediately to the following **Secured Party:**

Lease Servicing Center, Inc.
and or Its Assigns ATIMA
220 22nd Ave E., Ste 106
Alexandria, MN 56308
Phone: 320-763-7600
Email: recept@lscfinancial.com

Comprehensive General Liability Coverage:

1. Limits of at least **$1,000,000.00 per occurrence** for bodily injury and property damage coverage.
2. An Endorsement naming the above Secured Party and Its Affiliates, Successors & Assigns as an Additional Insured in so far as this Equipment is concerned.
3. An Endorsement giving each of the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.

All Risk Physical Damage (Property) Coverage:

1. All Risk coverage for not less than the Total Equipment Cost of **$2,001,206.40.**
2. A long form endorsement naming the above named Secured Party and Its Affiliates, Successors & Assigns as **"Additional Insured"** and **"Loss Payee"** in so far as this Equipment is concerned, unless prohibited by applicable state law.
3. An Endorsement giving the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.
4. Any deductibles or self-insured retentions must be disclosed.

- **Self-insurance or captive insurance must be disclosed.**
- **Any deductibles or self-insured retentions must be disclosed.**

Each Certificate issued hereunder must confirm that the Secured Party's coverage under, and interest in, the relevant policy shall not be invalidated or otherwise adversely affected by any breach by Lessee or others of any warranty, declaration, representation or condition contained in such policy.

LESSEE:

CITY OF SHEBOYGAN

By: _____
Name: Michael Vandersteen
Title: Mayor

LESSEE RESOLUTION

RE: Master Lease Purchase Agreement dated as of December 2, 2019 between Lease Servicing Center, Inc. (Lessor) and City of Sheboygan (Lessee) and Schedule No. 001 thereto dated as of December 2, 2019.

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. **Determination of Need**. The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit 1 of Schedule No. 001 to the Master Lease Purchase Agreement dated as of December 2, 2019, between City of Sheboygan (Lessee) and Lease Servicing Center, Inc. (Lessor).

2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement and Schedule, substantially in the form presented to this meeting, are in the best interests of the Lessee for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Agreement and Schedule by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. City of Sheboygan authorizes the Mayor, to enter into a Master Lease Purchase Agreement with Lease Servicing Center, Inc. to finance the purchase of (37,440) Model 79296 – Toter 96 Gallon EVR II Universal/Nestable Carts and All Attachments listed on Exhibit 1 in the amount of $2,001,206.40 purchased from Wastequip with 1 payment of $328,395.95 due on 5/15/2020 followed by 7 interest only payments of $5,464.44 starting 6/15/2020 with the last one being due 12/15/2020 followed by 10 annual rental payments under the Lease Documents, each in the amount of $201,341.22, commencing 1/15/2021 with the final payment due 1/15/2030

Authorized Individual(s): **Michael Vandersteen – Mayor**
(Printed or Typed Name and Title of individual(s) authorized to execute the Agreement)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

By: _____
(Signature of Secretary, Board Chairman or other member of the Governing Body – NOT the authorized individual listed above)

Print Name: _____ **Title**: _____
(Typed name of individual who signed directly above) (Title of individual who signed directly above)

Attested By: _____
(Signature of one additional person who can witness the passage of this Resolution)

Print Name: Meredith DeBruin **Title**: City Clerk
(Typed name of individual who signed directly above) (Title of individual who signed directly above)

CORPORATE SEAL HERE

DRAFT - 11/7/19

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

[December 2, 2019]

We have acted as special tax counsel to the City of Sheboygan, Wisconsin in connection with the execution and delivery of a Master Lease Purchase Agreement dated as of [December 2, 2019] (the "Master Lease Purchase Agreement"), by and between the City of Sheboygan, Wisconsin (the "Lessee") and Lease Servicing Center, Inc. (the "Lessor"), and Lease Schedule No. 1 thereto (the Master Lease Purchase Agreement and said Lease Schedule No. 1 thereto, but not any other Schedules thereto, are collectively referred to herein as the "Lease Agreement"). The Lessee's obligations pursuant to the Lease Agreement are issued pursuant to a resolution adopted by the Common Council of the Lessee on [December 2, 2019] (the "Resolution"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Lease Agreement.

We have reviewed executed copies of the Lease Agreement and the Tax Certificate of the Lessee dated [December 2, 2019] (the "Tax Certificate") and, in addition, we have reviewed and considered the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations issued thereunder. We have also examined the other documents we deemed relevant and necessary in rendering this opinion. Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. In rendering this opinion, we are also relying on the opinion of the City Attorney with respect to state law matters including the validity and enforceability of the Lease Agreement.

Based upon the examination described above, it is our opinion under existing law that the interest component of each Rental Payment is excludable for federal income tax purposes from gross income and is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Code on individuals. The Code contains requirements that must be satisfied subsequent to the execution and delivery of the Lease Agreement in order that the interest components of the Rental Payments be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest components of the Rental Payments to be included in gross income retroactively to the date of execution and delivery of the Lease Agreement. The Lessee has agreed to comply with all of those requirements and the opinion set forth in the first sentence of this paragraph is subject to the condition that the Lessee comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Lease Agreement.

We express no opinion regarding the accuracy, adequacy, or completeness of any offering material relating to the Lease Agreement. Further, we express no opinion regarding tax consequences arising with respect to the Lease Agreement other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our

attention, or any changes in law that may hereafter occur. The opinions set forth in this letter may be relied upon by the addressees hereof and their respective successors and assigns.

QUARLES & BRADY LLP

[Letterhead of Counsel to Lessee]

[Closing Date]

Lease Servicing Center, Inc.
220 22nd Avenue East
Alexandria, MN 56308

Re: Lease Schedule No. 001, dated December 2, 2019, to Master Lease Purchase Agreement, dated as of December 2, 2019, between Lease Servicing Center, Inc., as Lessor, and the City of Sheboygan, as Lessee

Ladies and Gentlemen:

We have acted as counsel to the City of Sheboygan ("Lessee") in connection with the above-referenced transaction. In such capacity, we have reviewed (a) an executed counterpart of a certain Master Lease Purchase Agreement, dated as of December 2, 2019 (the "Agreement") , by and between Lease Servicing Center, Inc. ("Lessor") and Lessee and an executed counterpart of Lease Schedule No. 001, dated December 2, 2019 (the "Lease Schedule"), by and between Lessor and Lessee, which, among other things, provides for the lease of certain property listed in the Lease Schedule (the "Equipment") and a certain Escrow Agreement dated December 2, 2019 (the "Escrow Agreement"),among Lessor, Lessee, and City National Bank of Florida, as escrow agent, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Leas Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Lease Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Lease Schedule are herein referred to collectively as the "Lease", and the Lease and the Escrow Agreement are referred to collectively as the "Transaction Documents." Terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease. Based upon foregoing, it is [my][our] opinion that:

1. Lessee is a political subdivision of the State of Wisconsin (the "State") within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended, and is duly organized, existing and operating under the Constitution and laws of the State.

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.

3. Each of the Transaction Documents has been duly authorized, executed and delivered by and on behalf of Lessee, and is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.

4. The authorization and execution of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Transaction Documents and the appropriation of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional,

statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Transaction Documents.

Very truly yours,

IX

R. C. No. 200 - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. December 2, 2019.

Your Committee to whom was referred Gen. Ord. No. 33-19-20 by Alderpersons Donohue, Ackley, Felde, Savaglio, and Sorenson amending Section 70-251 of the Municipal Code so as to ban the carry, possession, or control of any firearm, facsimile firearm, or concealed weapon in City buildings upon which such ban is posted and to provide certain definitions of terms contained in the ordinance; recommends adopting the Ordinance.

RGS

_____ _____

_____ _____

_____ _____

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

X

6.2

Gen. Ord. No. 33-19-20. By Alderpersons Donohue, Ackley, Felde, Savaglio, and Sorenson.
November 4, 2019.

AN ORDINANCE amending Section 70-251 of the Municipal Code so as to ban the carry, possession, or control of any firearm, facsimile firearm, or concealed weapon in City buildings upon which such ban is posted and to provide certain definitions of terms contained in the ordinance.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Division 2 of Article VII of Chapter 70 of the Municipal Code entitled "Weapons" is hereby repealed and recreated so as to read as follows:

"Sec. 70-251. - Discharging and Carrying Weapons.

(a) *Definitions.*

(1) *Firearm* means a weapon that acts by force of gunpowder.

(2) *Facsimile firearm* means any replica, toy, starter pistol, or other object that bears a reasonable resemblance to or that reasonably can be perceived to be an actual firearm, but is not an actual firearm.

(3) *Law enforcement officer* means a person who is employed by a law enforcement agency as defined in §175.49(1)(f), Wis. Stats., for the purpose of engaging in, or supervising others engaging in, the prevention, detection, investigation or prosecution of, or the incarceration of any person for, any violation of law and who has statutory powers of arrest.

(4) *Weapon* means a handgun, an electronic weapon as defined in §941.295 (1c)(a), Wis. Stats., a knife, or a billy club.

(b) *Prohibited.* No person, except an authorized police officer, shall discharge any firearm, spring gun, or air gun within the City. This prohibition shall not apply to a shotgun, muzzle loader, bow, crossbow, or other like weapons or instruments, air rifle, pellet gun, or like instruments, provided the use thereof complies with the requirements of subsections (e)(1) through (3) below.

(c) *Permitted.* Any person may possess, carry, or bear any weapon, firearm or facsimile firearm, or have under his or her control

RHPS

any weapon, firearm or facsimile firearm, on any public street, sidewalk, boulevard, boardwalk, alley, public parking lot, or park if he or she complies with this section or the Wisconsin Statutes and Administrative Code sections specifically adopted under this section, with the exception of the following:

(1) In addition to the provisions of §175.60(16), Wis. Stats., enumerating places where the carrying of a weapon or firearm is prohibited, including exceptions thereto, no person other than a law enforcement officer may possess, carry, or have under his or her control any firearm, facsimile firearm, or concealed weapon within any posted building or portion of a posted building owned, occupied, or controlled by the City. Signs meeting the requirements of §943.13(2)(bm)1, Wis. Stats., shall be posted in prominent places near all entrances of such buildings regarding such restriction.

(2) The City Administrator shall cause all buildings or portions of buildings owned, occupied, or controlled by the City to be posted pursuant to this subsection; except that he or she may determine that particular buildings or portions of building should not be posted. The City Administrator shall maintain a list of all non-posted buildings or portions of buildings, and shall report to the common council his or her determination that a building or portion of a building not be posted.

(3) Any person who enters or remains in any City building contrary to subsection (1) above shall be considered a trespasser, subject to penalty as proscribed under sec. 70-183 of this Code. If the individual refuses to leave the building, the individual may be removed against his or her will.

(4) No person may possess, carry, or bear any weapon, firearm, or facsimile firearm, or have under his or her control any weapon, knife, firearm, or facsimile firearm within any public building or athletic field owned by the Sheboygan Area School District, unless such person is permitted to do so pursuant to the provisions and exceptions contained in §948.605, Wis. Stats., and §948.61, Wis. Stats.

(5) No person may possess, carry, or bear any weapon, firearm, or facsimile firearm, or have under his or her control any weapon, firearm, or facsimile firearm within any premises for which a Class "B" or "Class B" license or permit has

been issued by the City pursuant to Ch. 125, Wis. Stats. This subsection shall not apply to a peace officer, a Wisconsin CCW licensee, a qualified out-of-state licensee, a qualified out-of-state law enforcement officer, or other person specifically excepted by the provisions of §941.237(3), Wis. Stats., so long as said person does not consume alcohol on the Class "B" or "Class B" premises. Active and former officers may consume alcohol on Class "B" or "Class B" premises if they are not under the influence and if the premise is not posted otherwise.

(6) No person may possess, carry, or bear any weapon, firearm, or facsimile firearm, or have under his or her control any weapon, firearm, or facsimile firearm in or on school grounds or within 1,000 feet from the grounds of a school, if doing so is a violation of §948.605, Wis. Stats.

(7) No person may possess, carry, or bear any weapon, firearm, or facsimile firearm, or have under his or her control any weapon, firearm, or facsimile firearm while any such person is under the influence of an intoxicant or a detectable amount of a restricted controlled substance.

(8) If the firearm is a facsimile firearm, no person may openly possess, carry, or display any facsimile firearm under circumstances that could reasonably be expected to alarm, intimidate, threaten or terrify another person.

(9) Notwithstanding the provisions of this section, no person may possess, carry, or bear any weapon, firearm, or facsimile firearm, or have under his or her control any weapon, firearm, or facsimile firearm in violation of any state statute.

(d) *Removal from Property.* If a property owner or tenant objects to any individual carrying a weapon, firearm, or facsimile firearm and does not wish to allow individuals to exercise the right to carry weapons, firearms, or facsimile firearms within his or her establishment, said individual shall be considered a trespasser, subject to penalty as proscribed under sec. 70-183 of this Code. If the property owner or tenant makes a complaint to the Police Department to remove the individual from the property and the individual refuses, the individual may be removed against his or her will.

(e) *Conditions of Discharge Within the Boundaries of the City.* A shotgun, muzzle loader, bow or crossbow, or other like weapon or

instrument may be discharged within the boundaries of the City, but only under the following conditions and regulations:

(1) Shotguns, muzzle loaders, or like weapons or instruments designed and used to propel a single slug, multiple pellets or "shot" may only be discharged in the City where not prohibited by this ordinance, and then according to the following regulations. No such weapons or instruments shall be discharged on or onto lands less than 200 yards from the boundary of an adjacent platted subdivision. In addition, no such weapons or instruments shall be discharged within 100 yards from a habitable building on any other adjacent property, unless the owner of such adjacent property or habitable building has given written permission to be closer. In no case shall such weapons or instruments be discharged in a direction that could result in the projectile landing on or flying over any adjacent properties unless the owner(s) of such adjacent properties have given written permission to do so.

(2) Bows, crossbows, or other like weapons or instruments designed and used to propel an arrow, dart or other similar missiles may only be discharged in the City where not prohibited by this section, and then only within the following regulations. No such weapons or instruments shall be discharged on or onto land less than 100 yards from the boundary of an adjacent platted subdivision. In addition, no such weapons or instruments shall be discharged within 100 yards from a habitable building on any other adjacent property, unless the owner of such adjacent property or habitable building has given written permission to be closer. In no case shall such weapons or instruments be discharged in a direction that could result in the projectile landing on or flying over any adjacent properties unless the owner(s) of such adjacent properties have given written permission to do so.

(3) Prohibited Areas. No instrument referred to in subsections (1) and (2) above shall be discharged on parkland, or on land not owned by the person unless written permission has been obtained.

(f) *Possession of Firearms and Weapons by Minors Prohibited.* No parent, guardian, or other adult person having legal custody of a child under the age of 16 years shall permit such minor to have in his/her possession and control for use within the City

any firearm or other dangerous weapon as enumerated in subsection (b).

(g) *Sale of Firearms and Weapons.*

(1) *Sale to Minors.* No person shall sell or give away to any child under the age of 16 any sling shot, blow gun, bean shooter, air gun, pellet gun, dart gun, or bow and arrow.

(2) *Records.* Any person selling firearms or other deadly weapons shall keep a record of the sale thereof, and such list shall be open to inspection by the Police Department. Such record shall include the name, address, age and birth date of the purchaser and the article purchased.

(h) *State Provisions Adopted.* The City adopts those provisions of the Wisconsin Statutes and the Administrative Code related to dangerous weapons and concealed weapons, as well as such provisions of the Wisconsin Statutes and the Administrative Code enumerated under and within subsection (b) above, as from time to time amended by the Wisconsin Legislature, together with all definitions of relevant terms and all exceptions contained in such provisions, as if fully set forth at length in this section."

Section 2. 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.

Bethyl Rose McKelly

Mary D
Mary Lynne Morrow

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. ____ - 19 - 20. By Alderpersons Bohren and Wolf.
December 2, 2019.

AN ORDINANCE repealing and recreating Subsection 15.935(1)(a) of the City of Sheboygan Zoning Ordinance ("SZO") so as to eliminate the residency requirement for membership on the Architectural Review Board.

WHEREAS, Subsection 15.935(1)(a) of the SZO sets forth the composition of the Architectural Review Board; and

WHEREAS, while the SZO does not address residency requirements for the boards and commissions created therein, the City has interpreted the SZO in conjunction with its Municipal Code, which requires residency for all members of committees, boards, and commissions created in the Code, unless specifically exempted; and

WHEREAS, the City has experienced difficulty filling roles on the Architectural Review Board as many of the people who work for architectural and general contracting firms based in the City live outside city limits; and

WHEREAS, the work done by individual members of the Architectural Review Board is of a technical and professional nature rather than of a policy nature, and non-residents would be equally capable and likely to make proper determinations in the best interest of the City as a whole in matters addressed by the Board; and

WHEREAS, as an amendment to the Sheboygan Zoning Ordinance, this matter must be referred to the Plan Commission and requires publication of a class 2 notice and a public hearing prior to adoption; and

WHEREAS, this Ordinance is adopted to promote the health, safety, and welfare of the people of the City of Sheboygan.

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Plan Commission

Section 1. Section 15.935 of the Sheboygan Zoning Ordinance is hereby repealed and recreated in subsection (1)(a) thereof to read as follows:

"**Section 15.935 Architectural Review Board**

(1) **Architectural Review Board**

(a) **Composition:** An Architectural Review Board consisting of seven (7) members shall be appointed by the Mayor subject to confirmation by the City Council. Members of the Architectural Review Board need not be residents of the City of Sheboygan. The members of the Architectural Review Board shall serve a term of three years. At least three members of the Architectural Review Board shall be architects, including landscape architects, licensed to practice by the State of Wisconsin, one member shall be a real estate broker licensed by the State of Wisconsin, one member shall be a general contractor licensed by the City of Sheboygan, and one member shall be a member of the Plan Commission. One of the members of the Architectural Review Board shall be designated by the Mayor as the Chairman, and he shall hold his office as Chairman until his successor is appointed. The Mayor shall have the power to remove any member of the Architectural Review Board for cause upon written charges and after a public hearing. Vacancies upon the Architectural Review Board shall be filled for the unexpired term of the member whose place has become vacant in the manner herein provided for the appointment of such member.

. . ."

Section 2. 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.

_____

_____

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. _____ - 19 - 20. By Alderpersons Bohren and Wolf.
December 2, 2019.

AN ORDINANCE creating Subsection 15.936(1)(L) of the City of Sheboygan Zoning Ordinance ("SZO") so as to add an architectural review fee.

WHEREAS, Subsection 15.936(1) of the SZO creates and governs fees for zoning procedures requested by a private party; and

WHEREAS, as an amendment to the Sheboygan Zoning Ordinance, this matter must be referred to the Plan Commission and requires publication of a class 2 notice and a public hearing prior to adoption; and

WHEREAS, this Ordinance is adopted to promote the health, safety, and welfare of the people of the City of Sheboygan;

NOW, THEREFORE, THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Subsection (1)(L) of Section 15.936 of the Sheboygan Zoning Ordinance, is hereby created to read as follows:

"Section 15.936 Fees

(1) Fees for Procedures Requested by a Private Party:

. . .

(L) Architectural Review $100.00*

. . ."

Plan Commission

Section 2. 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.

_____

_____

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

Gen. Ord. No. _____ - 19 - 20. By Alderpersons Bohren and Wolf.
December 2, 2019.

AN ORDINANCE creating a new subsection (b)(6) in Section 2-428 of the Municipal Code so as to exempt members of the Architectural Review Board from the residency requirement.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Section 2-428 of the Municipal Code entitled "Residency requirement" is hereby amended so as to add a new subsection (b)(6) as follows:

"Sec. 2-428. - Residency requirement.

. . .

(b)

. . .

(6) To members of the Architectural Review Board established pursuant to Section 15.935 of the Sheboygan Zoning Ordinance.

. . ."

Section 2. 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.

_____

_____

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. ____ - 19 - 20. By CITY CLERK. December 2, 2019.

Submitting various license applications for the period ending December 31, 2020 and June 30, 2021.

City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

No.	Name	Address
3030	Bowser, Jake J.	73A Lincoln Avenue
3013	Clark, Gorgeous D E.	1323 S. 8th Street
3017	Dickson, Caleb A.	3325 N. 7th Street
3024	Geldreich, Jacob M.	906 Oakly Street, Kohler
3025	Kelly, Joseph E.	1022 N. 16th Street
3021	Mclain, Tina Hyatt	712 Broughton Drive #25
8054	Perce, Charles M Jr.	18 Tacoma Trail
3016	Splivalo, Lauren H.	522 Roosevalt Road, Kohler

MASSAGE ESTABLISHMENT (RENEWAL) (December 31, 2020)

No.	Name	Address
3305	Applied Reflexology	604 Erie Avenue
3308	Aurelia Massage Therapy LLC	4027 S. Business Drive
2727	Bonjour Massage	1327 N. 8th Street
3311	Breiter Beginnings LLC	707 N. 8th Street Suite 204
2258	Curative Therapies LLC	2829 N. 15th Street
2441	Darling Therapies	604 Erie Avenue
2180	Donna Grady - Massage Therapy	809 N. 8th Street
3336	Entourage Salon and Spa I	726 Michigan Avenue
3252	Fantoli Massage & Wellness LLC	4027 S. Business Drive
3424	Fuzion Skin Spa	2829 N. 15th Street
2044	Groove Salon	1227 N. 8th Street
2871	Hands In Motion	4027 S. Business Drive
2586	In Balance Therapeutics, LLC	832 N. 6th Street
2792	Integrated Health Therapies	833 Pennsylvania Avenue
2868	Intouch	1427 N. 4th Street
1205	Jomaji Salon & Spa Inc.	682 South Pier Drive
2804	Reflections Spa	725 Blue Harbor Drive
1701	Salon Sase	631 Riverfront Drive
3232	Simply Altruistic Massage Studio	604 Erie Avenue
3300	Soli Muscular Therapy LLC	604 Michigan Avenue
3302	Tangerine Salon	1213 Superior Avenue

RHPS

TAXICAB BUSINESS LICENSE (RENEWAL) (December 31, 2020)

No.	Name	Address
3215	Bluecab	1119 Michigan Avenue
2509	Santanas Limo	2724 Main Avenue

TAXICAB DRIVERS LICENSE (RENEWAL) (December 31, 2020)

No.	Name	Address
2843	Bernier, Kristopher A.	2102 Superior Avenue
2652	Block, Michelle R.	414 Niagara Avenue
2558	Bogart, Thomas Jr.	1616 N. 12th Street
1413	Brotz, James E.	2403 S. 8th Street
0093	Butler, James D. Jr.	1630 S. 8th Street Apt. A
1153	Brunner, Katlyn M.	721 Bluff Avenue
2918	Bueno, Oscar Jr.	3228 N. 27th Street
7788	Degroat, Shawn	1614 S. 9th Street
2906	Forss, Brian J.	4205 Cherrywood Ct. #B205
1141	Frank, Jason J.	1308 N. 15th Street
1509	Gordon, Jody Lynn	741 Acacia, Sheboygan Falls
8112	Gohr, Trevor M.	4213 Autumn Court
0256	Krueger, Mark A.	13 S. Hiawatha Circle
0565	Krueger, Nathan J.	1419 Forsythe Avenue
3014	Preston, Deanna M.	1615 Illinois Avenue
2823	Santana, Alicia	2724 Main Avenue
8860	Santana, Susan M.	2724 Main Avenue
1149	Stewart, Harvey L.	1416 Illinois Avenue
4270	Swita, Jeffrey A.	16820 CTH M, Cleveland