

**\*\*\*ATTACHMENTS\*\*\***



April 4, 2018

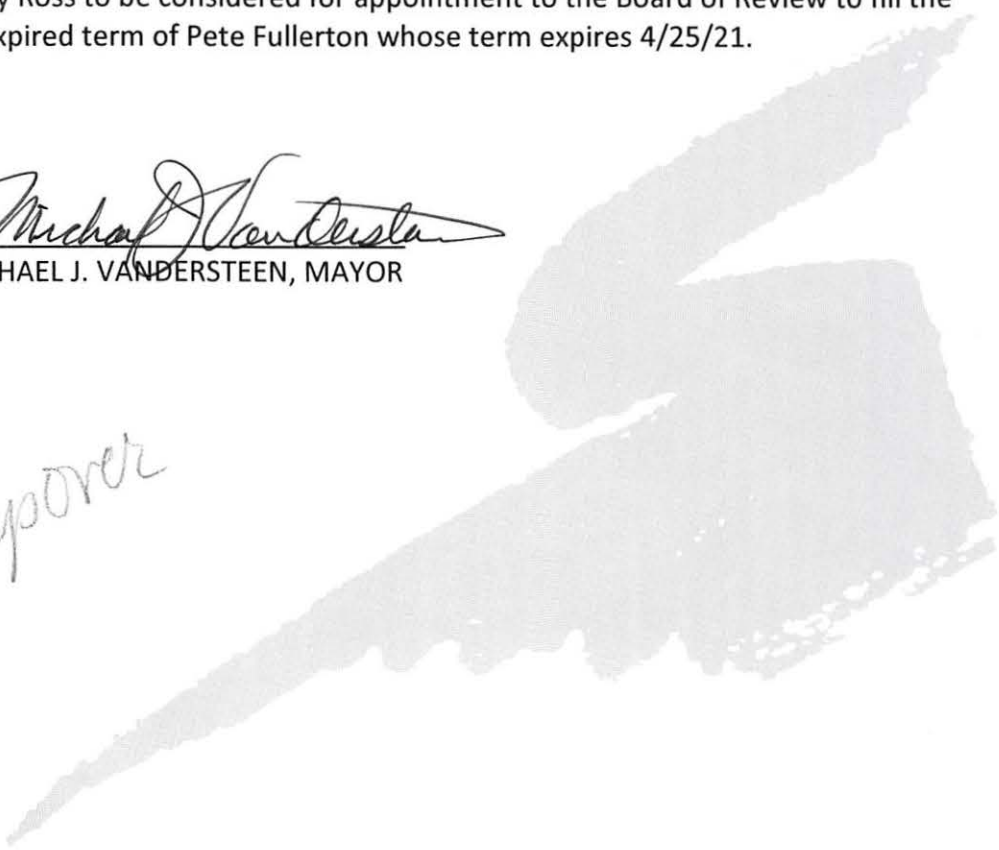
HONORABLE MEMBERS OF THE COMMON COUNCIL:

I hereby submit the following appointment for your consideration:

Andy Ross to be considered for appointment to the Board of Review to fill the unexpired term of Pete Fullerton whose term expires 4/25/21.

  
MICHAEL J. VANDERSTEEN, MAYOR

Lays over



OFFICE OF MAYOR

CITY HALL  
828 CENTER AVE., SUITE 301  
SHEBOYGAN, WI  
53081-4495

920/459-3317  
FAX 920/459-0256

**I**

Hearing No.       - 17 - 18. April 16, 2018.

Pursuant to a notice published and personal notices sent, there is a hearing scheduled for this evening for the proposed assessments for water lateral replacements in South 13<sup>th</sup> Street and Henry Street from Broadway to Mead Avenue.

Any interested persons may be heard.

March 29, 2018

Mrs. Meredith DeBruin  
City Clerk  
City of Sheboygan  
Sheboygan, WI 53081

Dear Mrs. DeBruin:

The Sheboygan Water Utility hereby requests that you cause notice to be published no later than Thursday, April 5, 2018, schedule public hearing(s), and introduce final resolution(s) requesting confirmation of **WATER LATERAL replacement** special assessments, in conjunction with the Common Council's **April 16, 2018** meeting, *for the following water lateral replacement project(s):*

<u>Location</u>	<u>Prel. Res. #</u>
<b>S. 13<sup>th</sup> and Henry Street from Broadway to Mead Avenue.</b>	<b>137-17-18</b>

Open review period: **April 3, 2018 to April 16, 2018**, 7:30 AM to 4:00 PM daily, excluding Saturdays, Sundays & holidays, at the Water Utility office, 72 Park Ave. Contact phone numbers: 459-3804 or 459-3839.

*If you have any questions or concerns, please inform us as soon as possible, so that we can coordinate the **processing of notices to property owners for the above listed project(s)**. Nancy is being given the info simultaneously, and she anticipates running the notices within the next couple days, so that we can get them mailed out, with our letter and diagram, by the deadline required by Statute.*

Sincerely,

SHEBOYGAN WATER UTILITY

Rich Dale  
Distribution Supervisor

C:\Users\debruin\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\Y7BJPBR5\Letter to clerk request LATERAL notice hearing.doc

**Publish – April 5, 2018**

**OFFICIAL NOTICE**

**NOTICE IS HEREBY GIVEN that the Board of Water Commissioners of the City of Sheboygan filed with me a report of special assessments for water lateral replacements in the following streets:**

**S. 13<sup>th</sup> and Henry Street from Broadway to Mead Avenue**

**PUBLIC NOTICE is hereby given, that special assessments have been made according to law, and the same will be open for review and correction by the said Board of Water Commissioners at their office of the Water Utility, 72 Park Ave., from April 3, 2018 to April 16, 2018, between the hours of 7:30 A.M. and 4:00 P.M. on each day except Saturdays, Sundays, and Holidays.**

**FURTHER NOTICE is hereby given that the Common Council of the aforesaid City will, at a regular meeting to be held on the 16<sup>th</sup> of April, 2018 at 6:00 P.M., consider the said reports and hear all objections which may be made thereto, and will determine what portion of the cost of the improvement, if any, shall be paid by the City.**

**MEREDITH DEBRUIN  
CITY CLERK**

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH ST  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVE

401220 BLAUDZUHN, DANIEL P LAURIE J. 1223 BROADWAY SHEBOYGAN	WI 53081	1223 BROADWAY
401230 KNABE, MICHAEL L 1709 S. 13TH ST. SHEBOYGAN	WI 53081	1709 S. 13TH ST.
401240 HERNANDEZ, ALFONSO J JULIE L. 1717 S. 13TH ST. SHEBOYGAN	WI 53081	1717 S. 13TH ST.
401250 PATZ, TYLER J 2735 N. 27TH ST. SHEBOYGAN	WI 53083	1719 S. 13TH ST.
401260 NISLEIT, ERIK C 1723 S. 13TH ST. SHEBOYGAN	WI 53081	1723 S. 13TH ST.
401270 BECKER, FREDERICK A 1729 S. 13TH ST. SHEBOYGAN	WI 53081	1729 S. 13TH ST.
401280 KLESSIG, KURT R 1731 S. 13TH ST. SHEBOYGAN	WI 53081	1731 S. 13TH ST.
401290 CS FRANTL DEVELOPMENT LLC, 6530 STATE ROAD 167 HARTFORD	WI 53027	1737 S. 13TH ST.

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH ST  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVE

401300 LANHAM, MARYL S		1739 S. 13TH ST.
1739 S. 13TH ST. SHEBOYGAN	WI 53081	
401310 ZIEGELBAUER, MELISSA V.		1803 S. 13TH ST.
1803 S. 13TH ST. SHEBOYGAN	WI 53081	
401510 SERENITY PROPERTIES, LLC,		1301 BROADWAY
PO BOX 785 SHEBOYGAN	WI 53082	
401770 REINERT, ANTHONY M		1804 S. 13TH ST.
1804 S. 13TH ST. SHEBOYGAN	WI 53081	
401780 HINZE, DAVID C		1740 S. 13TH ST.
1740 S. 13TH ST. SHEBOYGAN	WI 53081	
401790 BRANT, DALE J		1736 S. 13TH ST.
1736 S. 13TH ST. SHEBOYGAN	WI 53081	
401800 TADYCH, JOANNE M		1732 S. 13TH ST.
1323 SUPERIOR AVE SHEBOYGAN	WI 53081	
401810 LAMPE, JEFFERY M		1728 S. 13TH ST.
VERONA L LAMPE 1728 S. 13TH ST. SHEBOYGAN	WI 53081	

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH ST  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVE

401820  
STANGEL, WILLIAM J  
AMBER R.  
1724 S. 13TH ST.  
SHEBOYGAN WI 53081

1724 S. 13TH ST.

401850  
CURB N RENEWAL LLC,  
1708 S. 13TH ST.  
SHEBOYGAN WI 53081

1708 S. 13TH ST.

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
 FROM: HENRY AVE - BROADWAY  
 TO: MEAD AVENUE

400950 LOOSE, RAMONA A		1903 S. 13TH ST.
1903 S. 13TH ST. SHEBOYGAN	WI 53081	
400970 ROSENWALD, RICK G SUZANNE J ROSENWALD 2528 CROSS CREEK DR SHEBOYGAN	WI 53081	1911 S. 13TH ST.
400980 SCHNUR, MICHAEL MIRIAM 2710 PRAIRIE WINDS CT SHEBOYGAN	WI 53081	1917 S. 13TH ST.
400990 REIMER, JEREMIAH J		1923 S. 13TH ST.
1923 S. 13TH ST. SHEBOYGAN	WI 53081	
401000 KLINZING, RANDAL T		1927 S. 13TH ST.
1524 WASHINGTON AVE SHEBOYGAN	WI 53081	
401010 WALKER, NANCIE L		1929 S. 13TH ST.
4106 N. 31ST ST. SHEBOYGAN	WI 53083	
401020 BALDE, ALISSA M		2001 S. 13TH ST.
2001 S. 13TH ST. SHEBOYGAN	WI 53081	
401030 RADETSKI, JANEL M		2007 S. 13TH ST.
2007 S. 13TH ST. SHEBOYGAN	WI 53081	

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

401050 SABROWSKY, ROBERT W THERESA M. 1224 UNION AVE SHEBOYGAN	WI 53081	1224 UNION AVE
401060 CORSON, DEBORAH A 1 ALGONQUIN TRL SHEBOYGAN	WI 53081	1220 UNION AVE
401081 SHEBOYGAN OIL INC, 3801 SUPERIOR AVE SHEBOYGAN	WI 53081	1208 UNION AVE
401320 DOYLE, KERRY O MARCIA E DOYLE 2522 S. 9TH ST. SHEBOYGAN	WI 53081	1805 S. 13TH ST.
401330 STARICH, NANCY 1809 S. 13TH ST. SHEBOYGAN	WI 53081	1809 S. 13TH ST.
401340 JONASEN, NEIL A 1815 S. 13TH ST. SHEBOYGAN	WI 53081	1815 S. 13TH ST.
401350 WILSON, DIANNA L JENNIFER FRETWELL 1823 S. 13TH ST. SHEBOYGAN	WI 53081	1823 S. 13TH ST.
401360 MALLMANN, THOMAS 1216 CARMEN AVE SHEBOYGAN	WI 53081	1827 S. 13TH ST.

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THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

401710 KASPRZAK, MICHELLE A	1828 S. 13TH ST.
1828 S. 13TH ST. SHEBOYGAN WI 53081	
401720 REIF, ANNA M	1824 S. 13TH ST.
1824 S. 13TH ST. SHEBOYGAN WI 53081	
401730 MORAINE PROPERTIES INC,	1822 S. 13TH ST.
W3329 SUNSET RD SHEBOYGAN FLS WI 53085	
401740 LOMBARDO, JAMES T	1816 S. 13TH ST.
1816 S. 13TH ST. SHEBOYGAN WI 53081	
401750 SCHUH, AARON R	1812 S. 13TH ST.
15700 LAKESHORE RD CLEVELAND WI 53015	
401760 LONGO LIVING TRUST,	1808 S. 13TH ST.
4924 S. 16TH ST. SHEBOYGAN WI 53081	
401860 RICHERT, JEFFREY	1904 S. 13TH ST.
1904 S. 13TH ST. SHEBOYGAN WI 53081	
402030 VICTORY GAMES LLC,	1310 UNION AVE
1310 UNION AVE SHEBOYGAN WI 53081	

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

402040 THURS, PATRICK C 2020 S. 13TH ST. SHEBOYGAN	WI 53081	2020 S. 13TH ST.
402050 THURS, PATRICK C KRISTINE K THURS 2014 S. 13TH ST. SHEBOYGAN	WI 53081	2016 S. 13TH ST.
402060 STEINDL, JOSEPH W MELISSA M STEINDL 2010 S. 13TH ST. SHEBOYGAN	WI 53081	2010 S. 13TH ST.
402070 HELING, JAMES L SR. LAVONNE K. 2008 S. 13TH ST. SHEBOYGAN	WI 53081	2008 S. 13TH ST.
402080 VANG, ZONG JAA MAI YANG 630 HURON AVE SHEBOYGAN	WI 53081	2002 S. 13TH ST.
402090 REIK, SARAH DANIEL REIK W198N16569 LINDEN DR JACKSON	WI 53037	1932 S. 13TH ST.
402100 HANSEN, JASON 1928 S. 13TH ST. SHEBOYGAN	WI 53081	1928 S. 13TH ST.
402110 KREPSKY, THOMAS C ROSE E. 1924 S. 13TH ST. SHEBOYGAN	WI 53081	1924 S. 13TH ST.

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THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

402120 TREE OF LIFE PROPERTIES, LLC,		1920 S. 13TH ST.
1633 HUMBOLDT AVE SHEBOYGAN	WI 53081	
402130 SCOBBA, JUSTINE A		1916 S. 13TH ST.
1916 S. 13TH ST. SHEBOYGAN	WI 53081	
402140 SWOBODA, WILLIAM C SUSAN J. N7921 DAIRYLAND DR SHEBOYGAN	WI 53083	1912 S. 13TH ST.
402150 STARICH ETAL, JOSHUA WILLIAM		1910 S. 13TH ST.
1910 S. 13TH ST. SHEBOYGAN	WI 53081	
405510 VERHAGE, MARY ANN		2418 HENRY ST
2418 HENRY ST SHEBOYGAN	WI 53081	
405520 KUBOW, JOSHUA A D MOLLY J KUBOW 1304 MEAD AVE SHEBOYGAN	WI 53081	1304 MEAD AVE
427170 SIMMELINK, RONALD L MARY L. 2407 HENRY ST SHEBOYGAN	WI 53081	2407 HENRY ST
427180 SUTKER, ASHLEY R		2403 HENRY ST
2403 HENRY ST SHEBOYGAN	WI 53081	

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THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

427190 MC MULLEN, MATTHEW F RONDA M. 2329 HENRY ST SHEBOYGAN	WI 53081	2329 HENRY ST
427200 LUTZKE, GERALD E NANCY M. 1533 KENTUCKY AVE SHEBOYGAN	WI 53081	2325 HENRY ST
427210 CRUZ, CHRISTIAN J JENNIFER L. 2321 HENRY ST SHEBOYGAN	WI 53081	2321 HENRY ST
427220 BENINGHAUS, WILLIAM  2315 HENRY ST SHEBOYGAN	WI 53081	2315 HENRY ST
427230 SCHNEIDER, HOWARD W  2311 HENRY ST SHEBOYGAN	WI 53081	2311 HENRY ST
427240 MORTON, MARK R & DIANE L  2307 HENRY ST SHEBOYGAN	WI 53081	2307 HENRY ST
427360 MARTINEZ, JAIME  2229 HENRY ST SHEBOYGAN	WI 53081	2229 HENRY ST
427370 SPLITTGERBER, JAMES  2225 HENRY ST SHEBOYGAN	WI 53081	2225 HENRY ST

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

427380 SCHNUR, BRITTNEY L		2219 HENRY ST
2219 HENRY ST SHEBOYGAN	WI 53081	
427390 EYLANDER, TIMOTHY DEBRA EYLANDER 626 WILSON AVE SHEBOYGAN		2215 HENRY ST
427400 ZORN, BRANDON W		2211 HENRY ST
2211 HENRY ST SHEBOYGAN	WI 53081	
427410 SHIKOWSKI, KAREN A		2207 HENRY ST
2207 HENRY ST SHEBOYGAN	WI 53081	
427490 MOYA, JOSEPH R		2129 HENRY ST
2129 HENRY ST SHEBOYGAN	WI 53081	
427500 LIESNER, PATRICK D		2125 HENRY ST
2125 HENRY ST SHEBOYGAN	WI 53081	
427510 FELSINGER, CORY J		2121 HENRY ST
2121 HENRY ST SHEBOYGAN	WI 53081	
427520 WOVERAS, ROSE M		2115 HENRY ST
2115 HENRY ST SHEBOYGAN	WI 53081	

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

427530 HERSEY, RICHARD A DINA HERSEY 23228 STATE ROAD 57 KIEL	WI 53042	1259 UNION AVE
427580 SHANK, KEVIN T		2116 HENRY ST
1011 SUNNYSIDE AVE SHEBOYGAN	WI 53081	
427590 WALTER, DONALD J		2122 HENRY ST
2122 HENRY ST SHEBOYGAN	WI 53081	
427600 STEIN, DAVID B BUNLERT STEIN 1045 SHOOK AVE OLMOS PARK	TX 78212	2126 HENRY ST
427610 ROHR, CRAIG		2130 HENRY ST
2130 HENRY ST SHEBOYGAN	WI 53081	
427620 DUPREE, WILLIAM MICHAEL CHANCE		2134 HENRY ST
2134 HENRY ST SHEBOYGAN	WI 53081	
427730 SACHSE, MICHAEL P		2208 HENRY ST
2208 HENRY ST SHEBOYGAN	WI 53081	
427740 RICHLEY, ROBERT J ROXANNE L GILL 2212 HENRY ST SHEBOYGAN	WI 53081	2212 HENRY ST

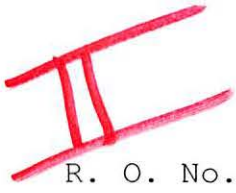
THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
 FROM: HENRY AVE - BROADWAY  
 TO: MEAD AVENUE

427750 MIESNER, JUSTIN O RAEGAN S. 2216 HENRY ST SHEBOYGAN	WI 53081	2216 HENRY ST
427760 JORSCH, THOMAS C		2222 HENRY ST
3426 N. 10TH ST. SHEBOYGAN	WI 53083	
427770 FINUP, KELLY J		2226 HENRY ST
W4466 N COUNTY RD A PLYMOUTH	WI 53073	
427900 LEONHARD, DOUGLASS J		2302 HENRY ST
2302 HENRY ST SHEBOYGAN	WI 53081	
427910 BOGENSCHUETZ, GINA M		2308 HENRY ST
2308 HENRY ST SHEBOYGAN	WI 53081	
427920 WANG, XIAOHUA		2312 HENRY ST
N6177 COLONIAL CT SHEBOYGAN	WI 53083	
427930 HOWARD, SANDRA C		2316 HENRY ST
2316 HENRY ST SHEBOYGAN	WI 53081	
427940 MC CLELLAN, MARK A JENNIFER L. 2322 HENRY ST SHEBOYGAN	WI 53081	2322 HENRY ST

FORM SPA025B DATE OF RUN: 04/03/18 PRELIMINARY ESTIMATE FOR LATERALS-WATER

THE FOLLOWING ARE THE PROPERTY OWNER ADDRESSES FOR: SOUTH 13TH STREET  
FROM: HENRY AVE - BROADWAY  
TO: MEAD AVENUE

427950 STOLLER, JESSICA A		2326 HENRY ST
2326 HENRY ST SHEBOYGAN	WI 53081	
427960 LEONHARD, GENE A		2330 HENRY ST
2330 HENRY ST SHEBOYGAN	WI 53081	
427970 DESMOND, KERRY		2402 HENRY ST
2402 HENRY ST SHEBOYGAN	WI 53081	
427980 FROEHLICH, PENELOPE L		2406 HENRY ST
2406 HENRY ST SHEBOYGAN	WI 53081	
427990 MUELLER, SCOTT D LESLIE A.		2412 HENRY ST
2412 HENRY ST SHEBOYGAN	WI 53081	



R. O. No.           - 17 - 18. By BOARD OF CONTRACTORS EXAMINERS.  
April 16, 2018

Attached hereto we are submitting application for Building Contractor License already GRANTED:

1421           Scott Soerens   Carpenter Contractor  
              769 S Main St  
              Cedar Grove, WI 53013-1306

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BOARD OF CONTRACTORS EXAMINERS

*Consent.*

II

3.3

UPDATED

R. O. No. 341 - 17 - 18. By CITY CLERK. April 16, 2018.

Submitting various license applications.

\_\_\_\_\_  
City Clerk

TEMPORARY CLASS "B" LICENSE

<u>No.</u>	<u>Name</u>	<u>Address</u>
3258	E.H. May Environmental Park Assoc.	3615 Mueller Rd - One day event to be held 06/21/18 to include beer and wine.
2970	Elizabeth Ann Seaton School	814 Superior Ave - One day event to be held 04/21/18 to include beer and wine

TEMPORARY CLASS "B" LICENSE - AMENDED DATE

<u>No.</u>	<u>Name</u>	<u>Address</u>
2541	Sheboygan Visual Artists	4902 N. 18 <sup>th</sup> Street - One day Event originally scheduled and issued for 04/27/2018 to be held 05/03/14-05/04/2018 at 1201 Erie Avenue - Main Floor Gallery EBCO Venture CTR.

SPECIAL "B" LICENSE (Already Issued)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3316	Sheboygan Falls Conservation Club	W6390 Meadowlark Rd, Sheboygan Falls - One day event 04/15/2018 at Sheboygan Blue Line 1202 S. Wildwood Avenue.

SECONDHAND DEALER

<u>No.</u>	<u>Name</u>	<u>Address</u>
2785	Victory Games	131 Union Avenue

*Consent.*

III

Res. No. \_\_\_\_\_ - 17 - 18. By Alderpersons Donohue and Bohren. April 16, 2018.

A RESOLUTION confirming the exercise of police power in making an assessment for those benefited properties against which assessments are proposed for the water lateral replacements in South 13<sup>th</sup> Street and Henry Street from Broadway to Mead Avenue.

RESOLVED: That the assessments and schedule of the proposed assessments prepared by the Board of Water Commissioners for the proposed water lateral replacements in South 13<sup>th</sup> Street and Henry Street from Broadway to Mead Avenue are hereby confirmed, and the City Clerk is authorized and directed to publish the notices required by law.

BE IT FURTHER RESOLVED: That the Board of Water Commissioners is hereby authorized and directed to carry out the work in accordance with the report, as finally approved, and that payment thereof be made as therein provided.

\_\_\_\_\_  
\_\_\_\_\_

*Consent.*

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

VIII

R. C. No. 32 - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 164-17-18 by Alderpersons Donohue and Bohren authorizing executing a lease for the former County Highway Department building on North 23<sup>rd</sup> Street for use by certain City Hall departments during construction at City Hall; recommends passing 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

A.1

Res. No. 164 - 17 - 18. By Alderpersons Donohue and Bohren. April 4, 2018.

A RESOLUTION authorizing executing a lease for the former County Highway Department building on North 23rd Street for use by certain City Hall departments during construction at City Hall.

RESOLVED: That the Mayor and City Clerk are hereby authorized and directed to execute the attached Lease Agreement with 2017 Acquisition Group, LLC, in form substantially similar to the attached, for the use of the former County Highway Department building for a term to begin June 1, 2018.

Finance  
Personnel  
approve

My Lynne Newton  
James A Bohre

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

## LEASE AGREEMENT

This Lease Agreement is entered into this \_\_\_\_ day of April, 2018, by and between **2017 ACQUISITION GROUP, LLC**, a Wisconsin corporation ("Landlord"), and the **CITY OF SHEBOYGAN**, a Wisconsin municipal corporation ("Tenant").

**WHEREAS**, Tenant desires to lease the premises described in Section 1 (the "Premises") and Landlord is willing to lease the Premises on the terms and conditions hereinafter set forth; and

**WHEREAS**, Landlord and Tenant desire to enter into a Lease Agreement for the Premises for the operation of governmental offices.

## AGREEMENT

**NOW, THEREFORE**, in consideration of the rents, agreements, and conditions herein contained, the parties agree as follows:

1. **PREMISES**. Landlord hereby leases to Tenant and Tenant leases from Landlord the real estate and building located at 1211 North 23<sup>rd</sup> Street, Sheboygan, Wisconsin 53081 (the "Premises").

2. **TERM**. Subject to the provisions herein, the term of this Lease shall be for one year commencing June 1, 2018, and month-to-month thereafter; provided, however, that in no event shall the term extend beyond May 31, 2020. If the Tenant desires to terminate the lease on May 31, 2019 or at the end of any given month prior to May 31, 2020, the Tenant shall provide notice in writing to the Landlord of said termination no fewer than 30 days in advance of the date of termination.

3. **USE AND COMPLIANCE WITH LAWS**. Tenant shall use the Premises exclusively for government use (the "Use"), and for no other purpose without the prior written consent of Landlord, subject to and in compliance with all other provisions of this Lease. Tenant shall at all times conduct its business in a first-class, professional, and businesslike manner. Tenant and Landlord shall comply with all federal, state, county, city or other governmental agency laws, regulations, rules, ordinances, or codes, relating to the Premises and Tenant's use thereof and to the Building and all tenants' uses thereof, including, without limitation, health, safety, and building codes, the Americans With Disabilities Act and the Wisconsin Barrier-Free Design Act, and any permit or license requirements.

4. **RENTAL**.

A. **Base Rent**. Tenant hereby covenants and agrees to pay Landlord Base Rent for the Premises in the sum of \$5,333.33 per month.

B. **Additional Rent**. Tenant shall pay to Landlord Additional Rent as follows: The Tenant shall reimburse Landlord for any/all real estate taxes on a pro-rated basis for the Premises, with the exception of the warehouse space. The property is currently tax exempt, and no proration of taxes shall be due for the period beginning June 1, 2018 and ending December 31, 2018. The Tenant shall pay operating expenses for the Premises, with the exception of the warehouse space, in monthly installments. Operating expenses are estimated at \$12,000.00 per year and shall be reconciled by March 31<sup>st</sup> of the following year.

5. **SECURITY DEPOSIT**. At the signing of this Lease, Tenant shall pay Landlord a security deposit in the amount of Zero Dollars (\$0.00).

6. **INSURANCE.** During the term of this Lease and any renewal thereof, Landlord shall provide and maintain a policy of property and general liability coverage insurance on the Building and pay all premiums thereon. All insurance requirements herein shall be obtained through responsible insurance companies licensed to do business in the State of Wisconsin. Landlord's insurance shall not cover Tenant's personal property. The Tenant shall be responsible for providing property, liability, and worker's compensation insurance with respect to the property and persons of the respective City departments that are utilizing the Premises.

7. **MUTUAL WAIVER OF SUBROGATION.** Landlord and Tenant hereby waive any rights each may have against the other arising out of any loss or damage connected in any way to or arising in any way out of any occurrence related to the Premises or in the Building to the extent that such damage or loss is insured under the insurance policies as specified in this Lease. Landlord and Tenant, on behalf of their respective insurance companies, waive any right of subrogation they may have against each other where such waiver of subrogation is not invalidated by applicable state law or the insurance policies.

8. **INDEMNIFICATION.** Tenant will protect, indemnify, save harmless, and defend Landlord from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs, and expenses (including without limitation reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Landlord by reason of: (a) any failure on the part of Tenant to perform or comply with any of the terms of this Lease caused by the negligence of Tenant; or (b) any act or omission of Tenant or its employees, agents, licensees, or invitees. Landlord, at Landlord's option and at Tenant's expense, may contest, resist, and defend any such claim, action, or proceedings asserted or instituted against Landlord and may compromise or otherwise dispose of the same as it sees fit. If Landlord does not defend any such claim, action, or proceedings as herein provided, Tenant shall at Tenant's expense contest, resist, and defend any such claim, action, or proceeding asserted or instituted against Landlord. Tenant agrees to give Landlord immediate written notice of any liability, obligation, claim, damage, penalty, or cause of action.

Landlord will protect, indemnify, save harmless, and defend Tenant from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs, and expenses (including without limitation reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Tenant by reason of: (a) any failure on the part of Landlord to perform or comply with any of the terms of this Lease; or (b) any act or omission of Landlord or its employees, agents, licensees, or invitees. Tenant, at Tenant's option and at Landlord's expense, may contest, resist, and defend any such claim, action, or proceedings asserted or instituted against Tenant and may compromise or otherwise dispose of the same as it sees fit. If Tenant does not defend any such claim, action, or proceedings as herein provided, Landlord shall, at Landlord's expense, contest, resist, and defend any such claim, action, or proceeding asserted or instituted against Tenant. Landlord agrees to give Tenant immediate written notice of any liability, obligation, claim, damage, penalty, or cause of action.

9. **DAMAGE AND DESTRUCTION.** In the event the Premises or the Building is damaged by any peril to an extent which is less than ten percent (10%) of the cost of replacement, the damage shall except as hereinafter provided promptly be repaired by Landlord, at Landlord's expense but in no event shall Landlord be required to repair or replace Tenant's stock-in-trade, trade fixtures, furniture, furnishings, equipment, or personal property. In the event the Premises or the Building is damaged to the extent of ten percent (10%) or more of the cost of replacement, Landlord may elect to terminate this Lease upon giving notice of such election in writing to Tenant within sixty (60) days after the event causing the damage.

**10. DEFAULT.** Should Tenant fail to make any payment of Rent when due or should it violate or fail to perform any of the other terms or conditions herein contained and such failure or default is not cured within thirty (30) days after Landlord gives notice of such default to Tenant or should Tenant abandon the Premises, then at Landlord's option: (i) this Lease shall be immediately terminated upon written notice to Tenant with the same effect as if the Lease provided for expiration on that day, (ii) Tenant's right to possession shall be immediately terminated upon written notice to Tenant and Tenant shall continue to be liable for all rent due for the remainder of the term, or (iii) Landlord shall have the right to exercise any other remedy provided by Wisconsin law.

In the event that either party shall default under any of the provisions of this Agreement and the non-defaulting party shall employ attorneys or incur other expenses for the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party contained in this Agreement, the defaulting party agrees that it shall on demand pay to the non-defaulting party the reasonable fees of such attorney and such other reasonable expenses so incurred by the non-defaulting party.

**11. MISCELLANEOUS.**

A. Discharge of Liens. Tenant will not permit any mechanics' or similar liens for labor or materials furnished to the Premises during the term of this Lease to be filed against the Premises or any part thereof; and if any such lien shall be filed, Tenant will either pay the same or procure the discharge thereof by giving security or in such other manner as may be required or permitted by law within thirty (30) days after such filing. Tenant shall indemnify Landlord against and save Landlord harmless from any and all loss, damage, claims, liabilities, judgments, costs, and expenses arising out of the filing of any such lien. Nothing contained herein shall constitute any consent or request by Landlord, express or implied, to or for the performance of any labor or services or the furnishing of any materials or other property in respect of the Premises, nor as giving Tenant any right, power, or authority to contract for or permit the performance of any labor or services or the furnishings of any materials or other property in such fashion as would permit the making of any claim against Landlord in respect thereof.

B. As-is Condition. The Premises will be turned over to the Tenant in "as-is" condition.

C. Notices. Any notice or demands to be given hereunder shall be in writing and shall be given by mailing the notice by certified or registered mail, return receipt requested, postage prepaid, and any such notice shall be deemed to have been given when deposited in the mail. If intended for Landlord, the notice shall be mailed to:

To Landlord:                      Jack Price  
Principal  
THE BOERKE COMPANY, INC.  
731 N. Jackson Street, Suite 700  
Milwaukee, WI 53202

or such other address as Landlord may designate by notice to Tenant; and if intended for Tenant, the notice shall be mailed to:

To Tenant:                         City Clerk  
CITY OF SHEBOYGAN  
828 Center Avenue  
Sheboygan, WI 53081

or such other address as Tenant may designate by notice to Landlord.

D. Commission. The Landlord is responsible for payment of all real estate commissions due to Cushman & Wakefield | Boerke as a result of this transaction.

E. Quiet Enjoyment. So long as Tenant shall perform its obligations under this Lease, it shall be entitled to peaceful and quiet enjoyment of the Premises subject to the applicable terms of this Lease.

F. Signage. The Tenant has the right to install and place signage associated with its Use.

G. Surrender of Premises. Tenant agrees that upon the expiration or prior termination of the Lease, Tenant will vacate and surrender the Premises to Landlord in good order and repair, ordinary wear and tear excepted. Should Tenant remain in possession of the Premises after expiration or termination of this Lease without Landlord's approval, no tenancy or interest in the Premises shall result therefrom.

H. Successors and Assigns. This Lease and all of the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns, respectively of the parties hereto provided, however, that no assignment in violation of the provisions hereof shall vest in the assigns any right, title, or interest whatever.

I. Entire Agreement. This Lease sets forth all of the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than as herein set forth. No alteration, amendment, change, or addition to this Lease shall be binding upon the parties unless in writing and signed by them.

J. Governing Law. This Lease shall be governed and construed in accordance with the laws of the State of Wisconsin.

K. Severability. If any term, covenant, or condition of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable under applicable law, the remainder of this Lease or the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant, or condition of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

L. Subject to Common Council Approval. This agreement shall not be effective until a resolution approving this lease is approved by the City of Sheboygan Common Council.

**IN WITNESS WHEREOF**, Tenant and Landlord have hereunto set their hands and seals on the date first written above.

**2017 ACQUISITION GROUP, LLC**

**CITY OF SHEBOYGAN**

By: \_\_\_\_\_

By: \_\_\_\_\_  
Michael J. Vandersteen, Mayor

Attest: \_\_\_\_\_  
Meredith DeBruin, City Clerk

VI

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred R. O. No. 156-17-18 by Board of Water Commissioners submitting the Sheboygan Water Utility's Budget for the year 2018; recommends to file 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

II

3.15

R. O. No. 156 - 17 - 18.

By BOARD OF WATER COMMISSIONERS.  
September 5, 2017.

To the Honorable, Mayor and Common Council:

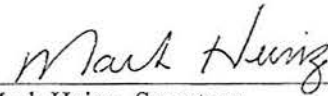
Submitting, as a matter of record, in accordance with the Finance Committee request dated March 1, 1991, the Sheboygan Water Utility's Budget for the year 2018.

*Finance  
Personnel  
file*

BOARD OF WATER COMMISSIONERS



Gerald R. Van De Kreeke, President



Mark Heinz, Secretary



Raymond W. Haen, Member

Attachment

# **2018 Sheboygan Water Utility Budget**

**(approved August 21, 2017)**

**Sheboygan Board of Water Commissioners**

**72 Park Avenue,**

**Sheboygan, WI 53081**

**WI PSC Utility No. 5370**

### 2018 Sheboygan Water Utility Budget Summary

- Tax equivalency payment to municipality estimated at \$1,204,423
- Of 80 class AB utilities in WI, Sheboygan had the third lowest cost for 18,750 gallons of water per quarter
- \$1,550,000 budgeted for water main replacement projects
- \$2,400,000 budgeted for new industrial park water tower



Sheboygan Water Utility

WI PSC Utility No. 5370  
 Sheboygan Board of Water Commissioners  
 72 Park Avenue  
 Sheboygan, Wisconsin

2018 Budget

Budget provides for investment of \$11,206,029 in all phases of Water Utility operations.

Revenues

Budgeted revenue projection for 2018	<u>\$8,968,689</u> (1)
Estimated revenue total as of December 31, 2017	<u>\$8,464,902</u>
Total projected revenues for 2018 expected to increase (decrease)	<u>\$503,787</u>

Expenditures

<u>Expenditure by Classification</u>	Estimated Expenses 2017	Budget 2017	Budget 2018	Budget Increase (Decrease)	Percent Change
Labor	\$1,455,139	\$1,538,351	\$1,567,500	\$29,149	2%
Source of supply expenses	\$16,000	\$18,000	\$18,000	\$0	0%
Pumping expenses	\$552,031	\$567,620	\$571,120	\$3,500	1%
Water treatment expenses	\$575,440	\$622,000	\$643,000	\$21,000	3%
Transmission & distribution expenses	\$452,721	\$309,000	\$543,500	\$234,500	76% (2)
Customer accounts expenses	\$53,245	\$61,750	\$61,800	\$50	0%
Administrative & general expenses	\$747,698	\$882,000	\$856,000	-\$26,000	-3% (3)
Taxes	\$1,255,851	\$1,254,000	\$1,334,423	\$80,423	6% (4)
Capital outlay	\$2,809,415 (2)	\$3,481,220	\$5,327,000	\$1,845,780	53% (5)
Interest expense on bonds	\$303,852	\$387,937	\$283,686	-\$104,251	-27% (6)
<b>Totals</b>	<u>\$8,221,392</u>	<u>\$9,121,878</u>	<u>\$11,206,029</u>	<u>\$2,084,151</u>	23%

- 1) Includes 6% revenue increase due to rate increase in January 2018. No rate increases took place in 2017.
- 2) Increase due to \$220,000 in WDNR lead water service lateral grant monies offset as T&D expense.
- 3) Decrease due to savings with League of Municipalities insurance package.
- 4) Increase due to PILOT payment to City.
- 5) Increase due to \$2.4M construction cost of south side water tower.
- 6) Decrease due to interest payment schedule and debt refinancing.

Sheboygan's water rates remain among the lowest in the state for class AB utilities serving more than 5,000 customers.



CASH AND BUDGET SUMMARY

2018

	Budget 2017	Estimate 2017	Budget 2018
<b>REVENUES</b>			
<u>Cash Balance January 1 (including bond reserves)</u>	<u>\$5,561,223</u>	<u>\$6,916,854 (1)</u>	<u>\$6,763,417</u>
<b>Current Revenues</b>			
Total sales of water	\$6,252,100	\$6,316,078	\$6,695,043
Other operating revenues (other sales)	\$1,762,301	\$1,773,647	\$1,880,066
Non-operating revenues (other revenues)	\$139,630	\$366,177	\$373,581 (2)
Contributions in aid of construction	\$25,000	\$9,000	\$20,000
<b>Total current revenues</b>	<b>\$8,179,031</b>	<b>\$8,464,902</b>	<b>\$8,968,689</b>
<b>Total reserves available</b>	<b>\$13,740,254</b>	<b>\$15,381,756</b>	<b>\$15,732,107</b>
<b>EXPENDITURES</b>			
<b>Operation &amp; Maintenance</b>			
Source of supply	\$19,500	\$16,000	\$19,500
Pumping	\$693,471	\$690,591	\$715,120
Water treatment	\$1,143,000	\$1,061,449	\$1,167,000
Transmission & distribution maintenance	\$784,000	\$918,292	\$1,018,500 (2)
Customer accounts	\$221,750	\$203,245	\$229,800
Taxes	\$1,254,000	\$1,255,851	\$1,334,423
Administrative & general	\$1,137,000	\$962,698	\$1,111,000
<b>Total operation &amp; maintenance expenses</b>	<b>\$5,252,721</b>	<b>\$5,108,125</b>	<b>\$5,595,343</b>
<b>Other Expenditures</b>			
Capital outlay	\$3,481,220	\$2,809,415	\$5,327,000
Safe Drinking Water loan proceeds	\$0	-\$463,768 (3)	\$0
Proceeds from bond issue (including \$ to new bond reserve fund)	\$0	\$0	-\$2,400,000
Debt service (including principal and interest)	\$1,182,219	\$1,164,569	\$1,174,183
<b>Total other expenditures</b>	<b>\$4,663,439</b>	<b>\$3,510,216</b>	<b>\$4,101,183</b>
<b>Total expenditures</b>	<b>\$9,916,160</b>	<b>\$8,618,341</b>	<b>\$9,696,526</b>
<b>Cash &amp; Receivables Balance - December 31</b>	<b>\$3,824,094</b>	<b>\$6,763,416 (4)</b>	<b>\$6,035,580</b>
(Total reserves - Total expenditures)			

1) Cash reported is actual Jan 1, 2017.

2) Includes \$220,000 recorded as revenue due to new lead water service lateral grants. Offset shown as T&D main expenditure.

3) Final costs on UV project.

4) Estimate higher than budget due to SDWL monies in 2017, higher initial cash position, lower capital outlay, and higher revenues.



STATEMENT OF ESTIMATED REVENUES

REVENUE SOURCE	2018			
	Actual 2016	Budget 2017	Estimate 2017	Budget 2018
<i>(2018 estimate based on no increase in water pumpage)</i>				
<u>Metered Sales to General Customers (approx. 4,900 million gallons)</u>				
Residential	\$2,217,203	\$2,060,000	\$2,126,098	\$2,253,664
Multi-family	\$236,063	\$216,300	\$239,965	\$254,363
Commercial	\$554,769	\$473,800	\$550,015	\$583,015
Industrial	\$3,597,400	\$3,502,000	\$3,400,000	\$3,604,000
Totals	<u>\$6,605,435</u>	<u>\$6,252,100</u>	<u>\$6,316,078</u>	<u>\$6,695,043</u>
<u>Other Sales to Water Customers</u>				
Private fire protection	\$91,204	\$93,701	\$85,000	\$90,100
Public fire protection (3%, inc Falls & Kohler)	\$831,372	\$813,700	\$832,000	\$881,920
Sales to public authorities	\$112,833	\$72,100	\$96,000	\$101,760
Sales to Sheboygan Falls & Kohler	\$847,019	\$782,800	\$760,647	\$806,286
Sales to irrigation customers	\$0	\$0	\$0	\$0
Miscellaneous sales	\$0	\$0	\$0	\$0
Totals	<u>\$1,882,429</u>	<u>\$1,762,301</u>	<u>\$1,773,647</u>	<u>\$1,880,066</u>
<u>Other Revenues</u>				
Late payment charges	\$50,843	\$32,000	\$50,000	\$38,000
Miscellaneous sales	\$39,179	\$34,000	\$43,009	\$36,000
Rental income from Georgia Ave	\$21,493	\$21,630	\$22,138	\$22,581
Billing & collecting charge to City	\$40,440	\$37,000	\$29,679	\$37,000
Grant revenues - restricted	\$0	\$0	\$200,000	\$220,000 (1)
<i>(other billing &amp; collecting costs accounted for by expense reduction per PSC)</i>				
Totals	<u>\$151,955</u>	<u>\$124,630</u>	<u>\$344,826</u>	<u>\$353,581</u>
<b>Total Revenues</b>	<u><b>\$8,639,818</b></u>	<u><b>\$8,139,031</b></u>	<u><b>\$8,434,551</b></u>	<u><b>\$8,928,689</b></u>
<u>Other Income</u>				
Interest	\$15,281	\$15,000	\$21,350	\$20,000
Contributions in aid of construction (including private laterals)	\$238,799 (2)	\$25,000	\$9,000	\$20,000
Totals	<u>\$254,080</u>	<u>\$40,000</u>	<u>\$30,350</u>	<u>\$40,000</u>
<b>REVENUES</b>	<u><b>Grand Totals</b></u>	<u><b>\$8,893,898</b></u>	<u><b>\$8,464,902</b></u>	<u><b>\$8,968,689</b></u>

1) WDNR lead water service lateral grant monies

2) Large contribution due to UW Sheboygan water main extension.



OPERATION AND MAINTENANCE EXPENSES

	2018			
	Actual 2016	Budget 2017	Estimate 2017	Budget 2018
<u>Source of Supply Expenses</u>				
<u>Operations</u>				
Labor	\$857	\$500	\$0	\$500
<u>Maintenance</u>				
Labor	\$0	\$1,000	\$0	\$1,000
Intakes	\$1,000	\$18,000	\$16,000	\$18,000
<b>Totals</b>	<b>\$1,857</b>	<b>\$19,500</b>	<b>\$16,000</b>	<b>\$19,500</b>
<u>Pumping Expenses</u>				
<u>Operations</u>				
Labor	\$38,402	\$35,000	\$33,560	\$36,000
Electricity & natural gas	\$479,292	\$498,500	\$492,577	\$500,000 (1)
Pumping equipment	\$316	\$3,120	\$0	\$3,120
Miscellaneous	\$15,819	\$14,000	\$15,254	\$15,000
Utilities	\$30,579	\$34,000	\$35,000	\$34,000
<u>Maintenance</u>				
Labor	\$100,825	\$90,851	\$105,000	\$108,000
Pumping equipment	\$8,794	\$14,000	\$7,879	\$15,000
Structures	\$10,833	\$4,000	\$1,320	\$4,000
<b>Totals</b>	<b>\$684,860</b>	<b>\$693,471</b>	<b>\$690,591</b>	<b>\$715,120</b>
<u>Water Treatment Expenses</u>				
<u>Operations</u>				
Labor	\$458,312	\$440,000	\$416,642	\$443,000
Water treatment equipment	\$246,710	\$250,000	\$244,078	\$255,000
Chemicals	\$227,542	\$265,000	\$250,000	\$275,000
Miscellaneous	\$11,719	\$4,000	\$9,241	\$10,000
Utilities	\$12,321	\$21,000	\$16,972	\$21,000
<u>Maintenance</u>				
Labor	\$63,147	\$81,000	\$69,366	\$81,000
Water treatment equipment	\$33,266	\$32,000	\$20,149	\$32,000
Structures	\$13,951	\$50,000	\$35,000	\$50,000
<b>Totals</b>	<b>\$1,066,968</b>	<b>\$1,143,000</b>	<b>\$1,061,449</b>	<b>\$1,167,000</b>

(1) Additional electrical costs due to new UV system of \$2.50 per MG.



**OPERATION AND MAINTENANCE EXPENSES**

**2018**

	<u>Actual 2016</u>	<u>Budget 2017</u>	<u>Estimate 2017</u>	<u>Budget 2018</u>
<b><u>Transmission &amp; Distribution Expenses</u></b>				
<b><u>Operations</u></b>				
Labor	\$253,396	\$240,000	\$245,571	\$250,000
Reservoirs & standpipes	\$718	\$2,000	\$2,178	\$2,000
Mains & hydrants	\$9,592	\$6,000	\$14,915	\$15,000
Meters	\$3,414	\$50,000	\$3,468	\$40,000
Customer services	\$101,515	\$95,000	\$70,000	\$75,000
Miscellaneous	\$9,388	\$14,000	\$270,000	\$260,000 (1)
Utilities	\$15,400	\$16,000	\$16,736	\$16,000
<b><u>Maintenance</u></b>				
Labor	\$220,043	\$235,000	\$220,000	\$225,000
Structures & Improvements	\$3,027	\$3,000	\$6,408	\$7,000
Reservoirs & standpipes	\$47,580	\$15,000	\$15,000	\$15,000
Mains	\$88,029	\$75,000	\$75,000	\$75,000
Meters	\$0	\$2,000	\$2,801	\$3,500
Hydrants	\$26,597	\$16,000	\$25,000	\$30,000
Customer Services	\$183	\$15,000	\$1,213	\$5,000
<b><u>Totals</u></b>	<b><u>\$778,882</u></b>	<b><u>\$784,000</u></b>	<b><u>\$918,292</u></b>	<b><u>\$1,018,500</u></b>
<b><u>Customer Accounts Expenses</u></b>				
<b><u>Operations</u></b>				
Labor	\$144,034	\$160,000	\$150,000	\$168,000
Meter reading	\$4,644	\$4,000	\$4,153	\$4,000
Billing & collecting	\$29,185	\$30,000	\$30,000	\$30,000
Uncollectible accounts	\$1,424	\$8,000	\$735	\$8,000
Utilities	\$719	\$750	\$742	\$800
Postage	\$13,962	\$19,000	\$17,614	\$19,000
<b><u>Totals</u></b>	<b><u>\$193,967</u></b>	<b><u>\$221,750</u></b>	<b><u>\$203,245</u></b>	<b><u>\$229,800</u></b>
<b><u>Taxes</u></b>				
Local & school (property tax equivalency paid to City)	\$1,127,126	\$1,124,000	\$1,131,904	\$1,204,423 (2)
Payroll	\$109,909	\$120,000	\$113,946	\$120,000
P.S.C. remainder assessment (mandatory fee to state regulator)	\$8,448	\$10,000	\$10,000	\$10,000
<b><u>Totals</u></b>	<b><u>\$1,245,483</u></b>	<b><u>\$1,254,000</u></b>	<b><u>\$1,255,851</u></b>	<b><u>\$1,334,423</u></b>
<b><u>Interest Expense Long Term Debt</u></b>				
Expense (bonds, SDW loans, unfunded pension)	<b><u>\$268,182</u></b>	<b><u>\$387,937</u></b>	<b><u>\$303,852</u></b>	<b><u>\$283,686 (3)</u></b>

1) Includes \$220,000 offset due to WQNR lead grant monies

2) PILOT increase due to UV project

3) Bonds: 2007, 2013, 2016; SDW loans: 2004, 2015



**OPERATION AND MAINTENANCE EXPENSES**

**2018**

	Actual 2016	Budget 2017	Estimate 2017	Budget 2018
<b><u>Administrative &amp; General Expenses</u></b>				
<b><u>Operations</u></b>				
Labor	\$203,171	\$255,000	\$215,000	\$255,000
Office supplies	\$17,254	\$15,000	\$15,000	\$15,000
Utilities	\$4,153	\$2,000	\$2,690	\$2,000
Outside services & lawyers (Including cross connection)	\$67,798	\$75,000 (1)	\$33,319	\$70,000
Auditors (including rate study in 2015)	\$26,331	\$10,000	\$12,000	\$20,000
<b><u>Property Insurance</u></b>				
Property and contractors' equipment	\$29,580	\$30,000	\$27,212	\$32,000
Auto	\$9,679	\$9,000	\$6,364	\$7,000
Crime	\$824	\$1,000	\$939	\$1,000
<b><u>Injuries &amp; Damage Insurance</u></b>				
Workmen's Comp	\$33,284	\$32,000	\$33,000	\$35,000
General liability, public officials, umbrella	\$49,681	\$56,000	\$26,276	\$28,000
<b><u>Other Expenses</u></b>				
Hospitalization (actual claims Inc prescrip + TPA, reduced by emp contribs)	\$449,386	\$520,000	\$460,000	\$510,000 (2)
Retirement	\$98,000	\$95,000	\$90,119	\$97,000
Life	\$3,948	\$4,000	\$1,779	\$4,000
Regulatory commission expense	\$2,986	\$3,000	\$9,000	\$5,000
Miscellaneous & administrative expense	\$33,408 (3)	\$20,000	\$20,000	\$20,000
Amortization of property loss	\$0	\$0	\$0	\$0
<b><u>Maintenance</u></b>				
Office equipment maintenance	\$1,313	\$1,000	\$1,000	\$1,000
Office facilities maintenance	\$13,945	\$9,000	\$9,000	\$9,000
<b>Totals</b>	<b>\$1,044,740</b>	<b>\$1,137,000</b>	<b>\$962,698</b>	<b>\$1,111,000</b>
<b>EXPENDITURES (NOT INCLUDING CAPITAL)</b>	<b>Grand Totals</b>	<b>\$5,284,938</b>	<b>\$5,640,658</b>	<b>\$5,411,977</b>

1) Increase due to state-mandated cross connection program. For 2018 includes legal review of contract documents.

2) Utility is self-insured; annual costs vary depending on actual claims.

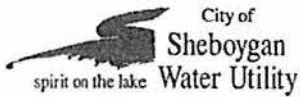
3) Reconnection fee refunds due to billing error.



**CAPITAL OUTLAY**

		2018		Actual & Estimate 2017	Budget 2018
		Actual 2016	Budget 2017		
<b><u>New Construction and Meters</u></b>					
2018	Distribution mains, hydrants and related services (including laterals)				\$1,550,000 (1)
2018	Meters (all sizes)				\$58,000
2018	3000 Orion radio generators for 1/2" & 5/8" meters				\$397,000 (2)
2018	Replacement of 10 hydrants and 10 street valves				\$50,000
2018	South side water tower				\$2,400,000
2017	Distribution mains, hydrants and related services (including laterals)		\$1,525,000	\$1,525,000	
2017	Meters (all sizes)		\$61,000	\$61,000	
2017	3000 Orion radio generators for 1/2" & 5/8" meters		\$377,320	\$377,320	
2017	Automatic hydrant flushing devices (4)		\$10,000	\$10,000	
2017	Large meter testing		\$3,500	\$3,500	
2016	Distribution mains, hydrants and related services (inc. laterals)	\$1,535,455			
2016	Meters (all sizes)	\$61,666			
2016	2700 Orion radio generators for 1/2" & 5/8" meters	\$398,346			
2016	Trimble hand-held meter reader replacements (2)	\$13,215			
2016	Large meter testing	\$3,010			
<b>Total new construction</b>		<b>\$2,011,692</b>	<b>\$1,976,820</b>	<b>\$1,976,820</b>	<b>\$4,455,000</b>
<b><u>Other capital outlay</u></b>					
<b><u>Pumpng</u></b>					
2018	Wilgus Ave. pump station #2 replacement				\$25,000
2018	Georgia Ave. pump station upgrade design and generator replacement (phase 2)				\$595,000
2017	Georgia Ave. pump station upgrade design and generator replacement (phase 1)		\$320,000	\$50,000	
<b><u>Equipment</u></b>					
2018	1929 clear well sluice gate				\$55,000
2018	Clear well bypass engineering and design				\$35,000
2018	High lift sump pump and motor replacement				\$50,000
2017	Suction well level transmitter		\$2,500	\$2,495	
2017	Sludge pit level transmitter		\$2,500	\$2,500	
<b><u>Structures</u></b>					
2017	Taylor Hill reservoir masonry renovation		\$600,000	\$325,000	
2016	Taylor Hill reservoir masonry renovation	\$23,513			
<b><u>Water Treatment</u></b>					
<b><u>Equipment</u></b>					
2018	Chemical feed pump for potassium permanganate				\$4,500
2018	SCADA upgrades to remote booster stations and reservoirs				\$20,000
2017	Electric filter rate-of-flow actuator replacements (3)		\$25,000	\$25,000	
2017	PLC SCADA upgrades on AB system from 2000		\$65,000	\$61,000	
2017	Chlorine analyzer replacements (3)		\$15,000	\$15,000	
2016	Loss of head pressure transmitters	\$3,000			
2016	Insertion flow meters at GAPS and EAPS	\$8,280			
2016	Sludge pump VFO	\$9,945			
2016	Phosphate feed system upgrades including new bulk tank	\$10,000			
2016	Chemical feed pump for alum	\$24,288			
2016	SCADA programming	\$48,740			
2015	UV disinfection system (carryover from 2016 including engineering)	\$568,465			

- 1) S. 13th and Henry Street, Broadway to Mead Ave; S. 12th Street, from Wilson to Parkwood; Michigan Ave, N. 14th to N. 15th to Huron Ave. 10 hydrants and 10 valves. Paint 200 hydrants.
- 2) After investment in 2018, Utility would have 79% of radio-read meter system in place. (PSC approval not required due to grandfathering)



**CAPITAL OUTLAY**

		2018		Actual & Estimate 2017	Budget 2018
<u>Water Treatment (continued)</u>		Actual 2016	Budget 2017		
<u>Structures</u>					
<u>2018</u>	Replace admin building HVAC controls				\$30,000
2017	Keyless entry/security upgrades in water treatment plant		\$17,000	\$19,200	
2017	Upgrade of plant phone system		\$15,000	\$0	
2017	Ongoing tuckpointing of masonry walls		\$5,000	\$5,000	
2017	Design of replacement high lift catwalk		\$32,000	\$32,000	
<u>2017</u>	Engineering design for new southside elevated storage tank		\$240,000	\$130,000	
2016	1939 filter building and low lift building roof replacements	\$25,855			
2016	Engineering feasibility study on intake/suction well options	\$0	\$35,000	\$35,000	
2016	Security cameras at booster stations	\$4,575			
2016	Plant tuckpointing	\$18,525			
2016	South water tower site acquisition	\$1,627			
2016	Engineering design for new southside elevated storage tank	\$23,866			
2016	Parking lot upgrades	\$81,857			
2016	Construction of storage enclosures	\$19,786			
<u>Lab Equipment</u>					
<u>2017</u>	Online phosphate monitor		\$12,000	\$12,000	
2016	Autoclave	\$8,626			
2016	Fluoride analyzer	\$5,785			
2016	Chlorine analyzer	\$4,805			
<u>Office Furniture &amp; Equipment</u>					
2018	PC replacements (5)				\$8,500
2018	Website security upgrades				\$2,400
2018	Server storage				\$1,000
<u>2018</u>	Remodel of break/lunch room				\$8,000
2017	Website security upgrades		\$2,400	\$2,400	
2017	Server storage		\$1,000	\$1,000	
2017	PC replacements		\$10,000	\$10,000	
<u>2017</u>	Additional Clarity license		\$2,000	\$2,000	
2016	Phone system upgrade	\$23,629			
2016	Copy machine replacement	\$9,141			
2016	Folder/insert replacement	\$13,053			
2016	Server storage	\$1,000			
2016	Website upgrades	\$0			
2016	Furniture replacement	\$8,344			
2016	Keyless office entry system	\$4,000			
<u>Transportation Equipment</u>					
<u>2018</u>	Replace 2004 (1) ton truck with utility box				\$65,000
2017	Replace 2003 Chevy 3/4 ton pickup		\$30,000	\$30,000	
<u>2017</u>	Walk-behind concrete saw		\$25,000	\$25,000	
2016	Replace 2003 GMC 1 ton dump	\$35,435			
<u>Power Operated Equipment</u>					
<u>2018</u>	Sand-blasting equipment				\$2,600
<u>2017</u>	Line-stopping tapping machine		\$25,000	\$25,000	
2016	Concrete breaker	\$12,500			



**CAPITAL OUTLAY**

**2018**

		Actual 2016	Budget 2017	Actual & Estimate 2017	Budget 2018
<b>Engineering Department</b>					
2018	Rotating laser level				\$1,600
2018	Attachments for skid-steer, hydraulic interface, snowblower, 80" tooth bucket				\$8,100
<u>2018</u>	ATS-66 aluminum trench box				\$5,560
2017	AutoCad license renewals		\$3,000	\$3,000	
2017	ArcGIS license for desktop		\$5,000	\$5,000	
2017	GIS design consultation		\$10,000	\$10,000	
2017	ESRI cloud storage space		\$2,000	\$2,000	
<u>2017</u>	Digitize records, scanning and printing		\$3,000	\$3,000	
2016	Legal review of engineering documents	\$0			
2016	AutoCad license renewals	\$2,021			
2016	ESRI cloud storage space	\$2,000			
2016	Mobile tablet	\$1,100			
2016	GIS design consultation	\$21,490			
2016	Digitize records, scanning and printing	\$0			
2016	ArcGIS license for desktop	\$4,550			
	<b>Total other capital</b>	<u>\$1,029,801</u>	<u>\$1,504,400</u>	<u>\$832,595</u>	<u>\$872,000</u>
	<b>Total all capital expenditures</b>	<u>\$3,041,493</u>	<u>\$3,481,220</u>	<u>\$2,809,415</u>	<u>\$5,327,000</u>

IV

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred R. O. No. 328-17-18 submitting a communication from Harbor Centre Business Improvement District requesting that the City of Sheboygan release all funds collected on their behalf and those funds allocated to them for the fiscal 2018; recommends filing the R. O. and passing Res. No. 177-17-18 authorizing the release of the funds.

*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

Res. No. 177 - 17 - 18. By Alderpersons Donohue, Bohren, Rindfleisch and Wolf. April 16, 2018.

A RESOLUTION authorizing the release of funds to the Harbor Centre Business Improvement District.

RESOLVED: That the Finance Director is hereby authorized to release all funds to the Harbor Centre Business Improvement District which the City of Sheboygan collected on their behalf and those funds allocated to them for the fiscal year 2018.

*approve.*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

3.1

II

R. O. No. 328 - 17 - 18. By CITY CLERK. April 4, 2018.

Submitting a communication from Harbor Centre Business Improvement District requesting that the City of Sheboygan release all funds collected on their behalf and those funds allocated to them for the fiscal 2018.

*Finances  
Personnel  
file*

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CITY CLERK

MAR 20 '18 AM 11:09



# SHEBOYGAN SQUARED™

March 14, 2018

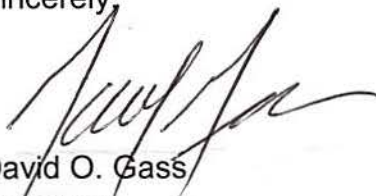
Common Council  
City of Sheboygan  
828 Center Avenue  
Sheboygan, WI 53081

Dear Common Council,

The Harbor Centre Business Improvement District requests that the City of Sheboygan release all funds collected in our behalf and those funds allocated to us for fiscal 2018.

Thank you for your help in this matter.

Sincerely,



David O. Gass  
President



Amanda Salazar  
Executive Director

R. C. No. \_\_\_\_\_ - 17 - 18. By LAW AND LICENSING COMMITTEE. April 16, 2018.

Your Committee to whom was referred, pursuant to R. O. No. 335-17-18 by the City Clerk, submitting license applications for the period ending June 30, 2018, December 31, 2018, April 14, 2019 and June 30, 2019; recommends granting the following licenses:

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2115	Baughman, Sarah E.	714A Huron Avenue
2106	Fenner, Robert	2602 Eisner Avenue
2120	Hoffman, Mary I.	1619 N. 17 <sup>th</sup> Street
2109	Horndasch, Nicholas P.	770 Main Street Apt.2, Belguim
2119	Leistekow, Megan B.	714 Huron Avenue
2121	Obranovich, Peter J.	601 David Avenue, Sheboygan Falls
2107	Samplawski, Cassondra A.	780 S. Pier Drive Unit 201
2116	Swita, Bradley R.	535 Petra Lane

TAXICAB DRIVERS LICENSE (December 31, 2018) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
8546	Frei, Dorris M.	1320 S. 16 <sup>th</sup> Street
1779	Jackson, Lawrence E.	3519 Saemann Avenue #3
2104	Johnson, Travis L.	1610 Blocki Court

COMMERCIAL QUADRICYCLE BUSINESS (December 31, 2018) (NEW)

<u>Name</u>	<u>Address</u>
Shebikin' Pedal Tours LLC	2205 S. 8 <sup>th</sup> Street

QUADRICYCLE DRIVER LICENSE APPLICATION (December 31, 2018) (NEW)

<u>Name</u>	<u>Address</u>
Vannieuwenhoven, Justin	2205 S. 8 <sup>th</sup> Street

CHANGE OF PREMISE

<u>No.</u>	<u>Name</u>	<u>Address</u>
1005	Al & Al's	1502 S. 12 <sup>th</sup> St. - One day event September 15, 2018 - Clara Ave. west of 12 <sup>th</sup> Street, south side of building and east of US Bank drive-through lanes.

*Consent*

CHANGE OF PREMISE

1005 Al & Al's	1502 S. 12 <sup>th</sup> St. - Two day event October 5 & 6, 2018 - 12 <sup>th</sup> and Clara Intersection west 90' and 75' South on 12 <sup>th</sup> Street in current premise description.
1040 Brennans on Michigan	1101 Michigan Ave - One day event to be held May 6, 2018 - Include west and south parking lot in current premise description.
1089 Dave's Who's Inn Inc.	835 Indiana Avenue - One day event May 12, 2018 -East and south parking lot, ramp and drive way.

SIDEWALK CAFÉ LICENSE (RENEW) (April 14, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3129	Greece E Spoon	1217 N. 8 <sup>th</sup> Street
2604	Z Spot Espresso & Coffee	1024 Indiana Avenue
2742	8 <sup>th</sup> Street Ale Haus	1132 N. 8 <sup>th</sup> Street


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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC SAFETY COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 165-17-18 by Alderperson Holzschuh creating a task group to study the opioid epidemic in our community and to recommend meaningful, evidence-based solutions to this problem; recommends passing 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

4.2

III

Res. No. 165 - 17 - 18. By Alderperson Holzschuh. April 4, 2018.

A RESOLUTION creating a task group to study the opioid epidemic in our community and to recommend meaningful, evidence-based solutions to this problem.

WHEREAS, the misuse of opioids, heroin, fentanyl and related synthetic analogs, and cocaine (in powder, patch, and crack forms) has resulted in a significant and unmitigated risk to the public health and safety in our community; and

WHEREAS, the Centers for Disease Control and Prevention has characterized prescription opioid use as a public health epidemic in the United States; and

WHEREAS, people who misuse prescription opioids may progress to use heroin and synthetic analogs; and

WHEREAS, "opioid use disorder" is now recognized as a clinically valid chronic disease diagnosis requiring medical and behavioral therapy; and

WHEREAS, the City of Sheboygan recognizes a need for taking a proactive and prevention oriented approach to public health and safety in our community; and

WHEREAS, a City Heroin, Opioid, Fentanyl, and Cocaine Task Group, if created, could develop and recommend meaningful evidence-based solutions to the growing problem of opioid, heroin, fentanyl, and cocaine misuse, additional and overdose.

NOW, THEREFORE, BE IT RESOLVED: That a City Heroin, Opioid, Fentanyl, and Cocaine Task Group is created and shall consist of:

- The Mayor or his designee
- One Common Council member, appointed by the Mayor
- A legal professional involved in the prosecution of drug-related offenses, appointed by the Mayor
- The Police Chief or his designee
- The Fire Chief or his designee
- A medical professional appointed by the Mayor
- Two residents of the City of Sheboygan
- Any other member or members of the public involved in public health that the Mayor finds helpful to have as part of the Task Group. There shall be an odd number of members appointed under this bullet point.

Public Safety approve

These appointments shall not be subject to the confirmation of the Common Council. In the event of a vacancy, the Mayor shall have the ability to fill the vacancy. The members of the Task Group shall appoint a chair, and determine an appropriate schedule for meetings.

BE IT FURTHER RESOLVED: The City Heroin, Opioid, Fentanyl, and Cocaine Task Group is charged with studying the opioid epidemic in our community—including best practices in other communities and evidence-based scientific research—and recommending meaningful solutions to this problem to the Mayor, with an aim to reducing fatal and nonfatal overdose from misuse of heroin, opioids, synthetic analogs, and cocaine. The Task Group shall report its final findings and recommendations no later than one year from the effective date of this resolution. The Mayor shall review the final findings and recommendations, and make any appropriate recommendations to the Common Council or other relevant stakeholders.

  
\_\_\_\_\_

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

VI

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC SAFETY COMMITTEE. April 16, 2018.

Your Committee to whom was referred R. O. No. 332-17-18 by City Clerk submitting a communication from Visit Sheboygan making various requests for Sheboygan Concerts and 4<sup>th</sup> of July Events; recommends filing the document.

*Concert.*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

II

3.5

R. O. No. 332 - 17 - 18. By CITY CLERK. April 4, 2018.

Submitting a communication from Visit Sheboygan making various requests for Sheboygan Concerts and 4<sup>th</sup> of July Events.

Public Safety  
+  
Public Works  
file

\_\_\_\_\_  
CITY CLERK

Date: March 21, 2018

To: Meredith DeBruin, City Clerk  
City of Sheboygan

Fr: Amy Wilson, President/CEO  
Visit Sheboygan, Inc.

Re: Request to Common Council for Sheboygan Concerts and 4<sup>th</sup> of July Events

Sheboygan Pops Concert Series

Visit Sheboygan requests use of the Band Shell at Fountain Park and DPW services to setup chairs and dance floor as needed to fulfill its obligation with the City in organizing and implementing the Sheboygan Pops Concert Series.

4<sup>th</sup> of July

As the coordinator of Sheboygan's 4<sup>th</sup> of July festivities, including the parade, events at Deland Park, fireworks and logistics coordination for South Pier, Visit Sheboygan is requesting use of services and equipment from the Department of Public Works and Police and Safety. Anticipated resources for the events will be very similar to those utilized in the past, following the schedule below:

Prior to July 4, assistance from DPW is requested to set up picnic tables and benches and staging at Deland Park and South Pier. Following events on July 4, assistance is requested for pick-up of same.

July 3, the fireworks company will be pre-staging fireworks near South Pier. Visit Sheboygan will coordinate location and security of items with the fireworks company, DPW and the Sheboygan Police and Fire Departments.

July 4, assistance with parade logistics and logistics and maintenance of Deland and Rotary Parks and South Pier throughout the day.

Prior to July 4, assistance is requested from the Sheboygan Police Department, blocking off parked traffic for the parade route, as well as assistance routing traffic from the parade on July 4, with assistance controlling traffic throughout the day's festivities. Below is the current schedule of events:

7:00 a.m. Parade Line-up (Route: N. 8<sup>th</sup> St. at Center Ave., going north to Michigan Ave., East to Broughton Dr.) Note: Parade Permit will be requested as soon as insurance certificate is received by Visit Sheboygan.

- 
- 9:00 a.m. Parade Commences (Note: DPW is requested to set up risers with tables and chairs for six judges at Fountain Park.)
- 11:00 a.m. Deland Park Festivities begin. (Entertainment tent with food and beverage sales. Vendor village with food and beverage, arts and crafts vendors, kids' area with inflatable amusements.) Vendor Village ends at 7 p.m. Entertainment breaks for fireworks and ends at 11:00 p.m.
- 12:00 p.m. Rotary Park Festivities include on-the-river events, entertainment, and concessions hosted by the Sailing Education Association of Sheboygan (SEAS). They will be responsible for securing their own permits/licenses as necessary for any Rotary Park 4th of July activities. Visit Sheboygan will add the SEAS events/activities to the 4th of July roster for planning and promotional purposes as part of the citywide celebration schedule.
- 12:00 p.m. South Pier Festivities, if any, are To Be Determined by Sheboygan Squared BID and/or Blue Harbor Resort. They will be responsible for securing their own permits/licenses as necessary for any South Pier 4<sup>th</sup> of July activities. Visit Sheboygan will add the South Pier activities to the 4<sup>th</sup> of July roster for planning and promotional purposes as part of the citywide celebration schedule.
- 4:00 p.m. Sheboygan Theatre Company performance "A Musical Review," coordinated by the Sheboygan Theatre Company performed in Fountain Park.
- 9:30 p.m. Fireworks display from South Pier.
- C: Amanda Salazar, Sheboygan Squared Manager  
Leslie Kohler, SEAS Chairman  
David Sanderson, Blue Harbor Resort Vice President & General Manager  
Chief Domagalski, Sheboygan Police Department  
Chief Romas, Sheboygan Fire Department  
Dave Biebel, Department of Public Works Director  
Chad Pelishek, Planning and Development Director

III

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred a copy of R. O. No. 332-17-18 by City Clerk submitting a communication from Visit Sheboygan making various requests for Sheboygan Concerts and 4<sup>th</sup> of July Events; recommends filing the document.

*Concert.*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

II

3.6

R. O. No. 332 - 17 - 18. By CITY CLERK. April 4, 2018.

Submitting a communication from Visit Sheboygan making various requests for Sheboygan Concerts and 4<sup>th</sup> of July Events.

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CITY CLERK

Public Safety  
+  
Public Works  
file

**Date:** March 21, 2018

**To:** Meredith DeBruin, City Clerk  
City of Sheboygan

**Fr:** Amy Wilson, President/CEO  
Visit Sheboygan, Inc.

**Re:** Request to Common Council for Sheboygan Concerts and 4<sup>th</sup> of July Events

**Sheboygan Pops Concert Series**

Visit Sheboygan requests use of the Band Shell at Fountain Park and DPW services to setup chairs and dance floor as needed to fulfill its obligation with the City in organizing and implementing the Sheboygan Pops Concert Series.

**4<sup>th</sup> of July**

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- 9:30 p.m. Fireworks display from South Pier.
- C: Amanda Salazar, Sheboygan Squared Manager  
Leslie Kohler, SEAS Chairman  
David Sanderson, Blue Harbor Resort Vice President & General Manager  
Chief Domagalski, Sheboygan Police Department  
Chief Romas, Sheboygan Fire Department  
Dave Biebel, Department of Public Works Director  
Chad Pelishek, Planning and Development Director

IV

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred R. O. No. 283-17-18 by City Clerk submitting a communication from Nic Collins, Assistant Principal Horace Mann Middle School, regarding any of the "No Left Turn" signs on Georgia Avenue behind Horace Mann Middle School; 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

II

3.12

R. O. No. 283 - 17 - 18. By CITY CLERK. February 5, 2018.

Submitting a communication from Nic Collins, Assistant Principal Horace Mann Middle School, regarding any of the "No Left Turn" signs on Georgia Avenue behind Horace Mann Middle School.

*Public Works  
city attorney  
draft OKD.  
file.*

\_\_\_\_\_  
CITY CLERK

Susan Richards  
City Clerk – City of Sheboygan  
828 Center Ave., Suite 100  
Sheboygan, WI 53081

Dear Ms. Richards and City of Sheboygan Clerk Office,

My name is Nic Collins and I'm the Asst. Principal at Horace Mann Middle School. This letter is regarding the any of the "No Left Turn" signs on Georgia Avenue behind Horace Mann Middle School, near our rear entrance. This sign is preventing teachers, staff, and city busses from traveling in or out of our back circle on Georgia Ave. We would like to request that the ordinance be lifted and the signs for "No Left Turn" be removed on Georgia Ave on either side of the entrance to our back circle. Also, if there is a sign on our property related to this ordinance/prohibited turn, we would like to be able to remove this as well.

We met with Shoreline Metro and discussed them not being able to turn left into or out of our back circle to pick up students from 3:30pm on, that use their services. The students are required to cross Georgia Avenue at this time and walk a significant distance from our building to access the pick up point and we do not have sight line to this location as we release them from our supervision.

The signs were put in by request of Horace Mann / SASD because we had issues with parents picking up their students in rear of building and causing traffic issues on the hill leading to the driveway entrance/exit - immediately following school. Since that time, we have required all parents to pick up students from front of the building immediately following school and all Prigge Buses and Metro Busses pick up in front of the building as well.

We would like to keep all the signs that communicate No Parking, No Stopping, and No Standing at anytime on Georgia Avenue. I have discussed this with Vicki Ritchie (Principal) and other representatives at our school.

Please let me know if this is possible, if there is any further action required by Horace Mann and SASD, and if there are any other aspects that I would need address on this item.

Thank you for your time and consideration.



1-16-18

Nic Collins  
Assistant Principal  
Horace Mann Middle School  
2820 Union Avenue  
Sheboygan, WI 53081  
Office: 920-459-3697  
Cell: 414-870-2045

1945

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IX

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Gen. Ord. No. 42-17-18 by Alderperson Wolf creating a no parking zone from 2:00 A.M. to 6:00 A.M. on the east and west sides of North 9<sup>th</sup> Street north of Pershing Avenue; recommends passing the Ordinance.

*Consolid*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ 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

IX

6-2

Gen. Ord. No. 42 - 17 - 18. By Alderperson Wolf. April 4, 2018.

AN ORDINANCE creating a no parking zone from 2:00 A.M. to 6:00 A.M. on the east and west sides of North 9th Street north of Pershing Avenue.


THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-126 of the Municipal Code entitled "Prohibitions and Restrictions Authorized," the east and west sides of North 9th Street from the north curb line of Pershing Avenue to 525 feet north of the north curb line of Pershing Avenue are hereby added to the list of locations where no parking is permitted from 2:00 A.M. to 6:00 A.M.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to install the signs to give notification of the aforementioned parking restriction.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

*Public Works approve*

  
\_\_\_\_\_

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

IX

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Gen. Ord. No. 43-17-18 by Alderperson Nelson placing a stop sign at the northeast corner of Settlement Trail and Broadway Avenue; recommends passing the Ordinance.

*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

6.3

Gen. Ord. No. 43 - 17 - 18. By Alderperson Nelson. April 4, 2018.

AN ORDINANCE placing a stop sign at the northeast corner of Settlement Trail and Broadway Avenue.


THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-51 of the Municipal Code entitled "Erection of Official Signs," a stop sign shall be added requiring westbound traffic on Broadway Avenue to stop at the intersection of Settlement Trail and Broadway Avenue.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to add the sign(s) to give notification of the aforementioned change.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

*Public works approve*

  
\_\_\_\_\_

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

IX

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Gen. Ord. No. 44-17-18 by Alderperson Wolf placing stop signs at the northeast and southwest corners of North 6<sup>th</sup> Street and Highland Terrace; recommends passing the Ordinance.

*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

~~IX~~

6.4

Gen. Ord. No. 44 - 17 - 18. By Alderperson Wolf. April 4, 2018.

AN ORDINANCE placing stop signs at the northeast and southwest corners of North 6th Street and Highland Terrace.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-51 of the Municipal Code entitled "Erection of Official Signs," stop signs shall be added requiring westbound and eastbound traffic on Highland Terrace to stop at the intersection of North 6th Street and Highland Terrace.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to add the signs to give notification of the aforementioned change.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

*Public Works approve.*

  
\_\_\_\_\_

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 168-17-18 by Alderperson Wolf authorizing the Purchasing Agent to enter into contract for the purchase of a gas powered brush chipper for the Department of Public Works; recommends passing 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

4.5

Res. No. 168 - 17 - 18. By Alderperson Wolf. April 4, 2018.

A RESOLUTION authorizing the Purchasing Agent to enter into contract for the purchase of a gas powered brush chipper for the Department of Public Works.

WHEREAS; The Department of Public Works has included a gas powered brush chipper for use by the Forestry Division in its 2018 Capital Improvement budget and;

WHEREAS; The Department has standardized with the Bandit brand of brush chippers and has obtained a quote for a unit having the necessary specifications and features required, and;

WHEREAS; Bandit Industries has a contract with the National Joint Powers Alliance(NJPA) and the pricing includes the contract discount. In addition, access to this contract allows for competitive bidding to be waived.

RESOLVED: That the Purchasing Agent is hereby authorized to enter into contract with Bobcat of Janesville, WI for the purchase of (1) Bandit Industries Model 18XP at a total cost \$58,676.52

BE IT FURTHER RESOLVED: That the Purchasing Agent is hereby authorized to draw orders on 70136100-641100 2018 Motor Vehicle Capital Improvements Fund in the amount of \$ 58,676.52

*Public Works approve*

  
\_\_\_\_\_

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

VI

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred R. O. No. 333-17-18 by City Clerk submitting a communication from Andrew Lindsay regarding City lighting midway between David Avenue and Broadway Avenue on South 21<sup>st</sup> Street; 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

II

3.6

R. O. No. 333-17-18. By CITY CLERK. April 4, 2018.

Submitting a communication from Andrew Lindsay regarding City lighting midway between David Avenue and Broadway Avenue on South 21<sup>st</sup> Street.

Public Works  
file

\_\_\_\_\_  
CITY CLERK

TO WHOM IT MAY CONCERN,

I'm writing in regards, with a concern, over city lighting, midway between David Ave and Broadway Ave on South 21<sup>st</sup> St. This area is extremely dark, with the potential of criminal activity and or evening walkers.

I've noticed, both 22<sup>nd</sup> St and 18<sup>th</sup> St between David Ave & Broadway Ave, have this mid-block lighting installed and both I, and my wife, along with some concerned neighbors, would like you to discuss, and address this issue, for the safety issue I've address

Respectfully,  
Andrew S Lindsay  
ANDREW S LINDSAY  
1605 S. 21<sup>st</sup> ST  
SHARBOYGAN, WI

Chapter 1: Introduction to Algebra

1.1. The Language of Algebra

1.2. Operations with Integers

1.3. Properties of Real Numbers

1.4. Solving Linear Equations

1.5. Graphing Linear Equations

1.6. Systems of Linear Equations

1.7. Inequalities and Absolute Values

1.8. Factoring Polynomials

1.9. Rational Expressions

1.10. Radical Expressions

1.11. Quadratic Equations

1.12. Functions and Graphs

1.13. Review of Chapter 1

Chapter 2: Quadratics

2.1. The Quadratic Formula

2.2. Graphing Quadratic Functions

2.3. Applications of Quadratics

2.4. Review of Chapter 2

Chapter 3: Polynomials

3.1. Addition and Subtraction

3.2. Multiplication

3.3. Division

3.4. Review of Chapter 3

II

R. O. No. \_\_\_\_\_ - 17 - 18. By CITY CLERK. April 16, 2018.

Submitting a claim from Scott Stoelb for alleged damages to the gutters on his house when a neighbor's tree fell on it during a windstorm.

Finance +  
Personnel  
2018-2019

\_\_\_\_\_  
CITY CLERK

DATE RECEIVED

4-2-2018

RECEIVED BY

MCC

CLAIM NO.

43-17

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

APR 2 '18 PM 12:24

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
2. Attach and sign additional supportive sheets, if necessary.
3. This notice form must be signed and filed with the Office of the City Clerk.

**4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.**

1. Name of Claimant: SCOTT STOELB
2. Home address of Claimant: 1124 Logan Avenue
3. Home phone number: 920-207-8431
4. Business address and phone number of Claimant: \_\_\_\_\_

5. When did damage or injury occur? (date, time of day) December 5 2017 <sup>APPROX</sup> 2-3 AM

6. Where did damage or injury occur? (give full description) On the west side of my Home

7. How did damage or injury occur? (give full description) A tree located in front of my neighbors home was blown over during a wind storm, resulting in damage to my ~~house~~ gutters

8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:

(a) Name of such officer or employee, if known: \_\_\_\_\_

(b) Claimant's statement of the basis of such liability: \_\_\_\_\_

9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:

(a) Public property alleged to be dangerous: Tree in front of my neighbors home to the west.

(b) Claimant's statement of basis for such liability: My neighbor had called to express concern over dead/dying tree, albert, nothing was ever done. Neighbors information - Dawn Schuette 920-627-0050

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

The gutter and down spout on the west side of home needed to be replaced. NO Personal Injuries

11. Name and address of any other person injured: \_\_\_\_\_

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: \$ \_\_\_\_\_

Property: \$ 120<sup>00</sup>

Personal injury: \$ \_\_\_\_\_

Other: (Specify below) \$ \_\_\_\_\_

TOTAL \$ 120<sup>00</sup>

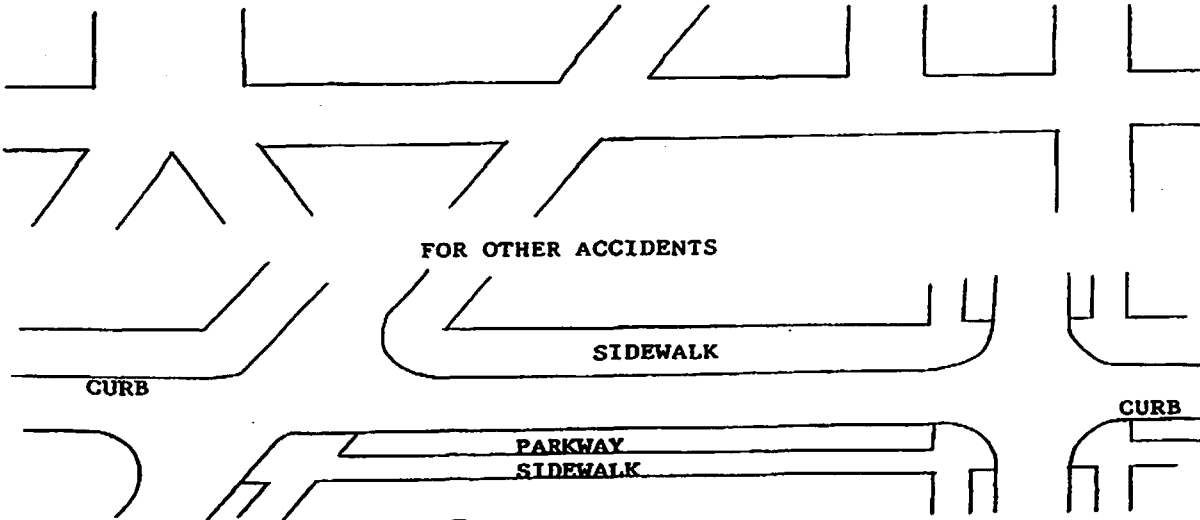
Damaged vehicle (if applicable)

Make: \_\_\_\_\_ Model: \_\_\_\_\_ Year: \_\_\_\_\_ Mileage: \_\_\_\_\_

Names and addresses of witnesses, doctors and hospitals: \_\_\_\_\_

FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach proper diagram and sign.



SIGNATURE OF CLAIMANT

[Handwritten Signature]

DATE

3-31-18

DATE RECEIVED \_\_\_\_\_

RECEIVED BY \_\_\_\_\_

CLAIM NO. \_\_\_\_\_

CLAIM

APR 2 '18 PM 12:25

Claimant's Name: SCOTT STOEHLB

Auto \$ \_\_\_\_\_

Claimant's Address: 1124 Logan Ave

Property \$ 120.00

Sheboygan, WI 53083

Personal Injury \$ \_\_\_\_\_

Claimant's Phone No. 920-207-8431

Other (Specify below) \$ \_\_\_\_\_

TOTAL \$ 120.00

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.  
(WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of \$ 120.00.

SIGNED

*Scott Stoehlb*

DATE:

3-30-18

ADDRESS:

1124 Logan Ave

Sheboygan, WI 53083

MAIL TO: CLERK'S OFFICE  
828 CENTER AVE #100  
SHEBOYGAN WI 53081

**Nyhof Custom Gutter & Aluminum, Inc.**

1135 Superior Ave  
Oostburg, WI 53070

**INVOICE**

Invoice Number: 20422  
Invoice Date: Jan 12, 2018  
Page: 1

Voice: 920-564-2525  
Fax: 920-564-6123

<b>Bill To:</b>
SCOTT STOELB 1124 LOGAN AVE SHEBOYGAN, WI 53083

<b>Ship to:</b>
SHEBOYGAN 1124 LOGAN AVE

<b>Customer ID</b>	<b>Customer PO</b>	<b>Payment Terms</b>	
STOELBS	N-STOELB		
<b>Sales Rep ID</b>	<b>Shipping Method</b>	<b>Ship Date</b>	<b>Due Date</b>
Nyhof, DL	JJ;ZD		2/11/18

Quantity	Item	Description	Unit Price	Amount
1.00	GIPEREST5	201-.032 5" Gutter Installed Per Estimate-WHITE	80.00	80.00
1.00	DIPEREST4	201-4" Downspout Installed Per Estimate-WHITE	40.00	40.00
	NCGA	Thank you for choosing Nyhof Custom Gutter.		
<b>Subtotal</b>				<b>120.00</b>
<b>Sales Tax</b>				
<b>Total Invoice Amount</b>				<b>120.00</b>
<b>Payment/Credit Applied</b>				
<b>TOTAL</b>				<b>120.00</b>

Check/Credit Memo No:

II

R. O. No. \_\_\_\_\_ - 17 - 18. By MEAD PUBLIC LIBRARY DIRECTOR. April 16, 2018.

Submitting Capital Improvement Projects (CIP) for the years 2019-2023.

*Library Board  
Trustees*

\_\_\_\_\_  
GARRETT ERICKSON, LIBRARY DIRECTOR

**5 YEAR CAPITAL IMPROVEMENTS PROGRAM**

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Total</b>
	<b>Requested</b>	<b>Requested</b>	<b>Requested</b>	<b>Requested</b>	<b>Requested</b>	
<b>REVENUES</b>						
<b>Property Tax Levy: Capital Project Fund</b>						
Police	\$0	\$0	\$0	\$0	\$0	\$0
Street Improvement and Sidewalks	\$0	\$0	\$0	\$0	\$0	\$0
General Government Projects	\$0	\$0	\$0	\$0	\$0	\$0
Fire	\$0	\$0	\$0	\$0	\$0	\$0
Park, Forestry and Open Space Fund	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Forestry	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees / Room Tax	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle / Land Sales	\$0	\$0	\$0	\$0	\$0	\$0
County / State / Federal Grants	\$0	\$0	\$0	\$0	\$0	\$0
Other Municipality Contributions	\$0	\$0	\$0	\$0	\$0	\$0
G. O. Borrowed Funds	\$108,770	\$108,770	\$88,278	\$88,278	\$0	\$346,098
Other Borrowed Funds	\$0	\$0	\$0	\$0	\$0	\$0
Donations	\$0	\$0	\$0	\$0	\$0	\$0
User Fees	\$0	\$0	\$0	\$0	\$0	\$0
Special Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Registration Fee	\$0	\$0	\$0	\$0	\$0	\$0
Other/CDBG	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL REVENUE</b>	<b>\$108,770</b>	<b>\$108,770</b>	<b>\$88,278</b>	<b>\$88,278</b>	<b>\$0</b>	<b>\$346,098</b>

<b>Mead Library</b>						
Carpet Replacement	\$40,482	\$0	\$0	\$0	\$0	\$40,482
HVAC Control Replacement	\$88,278	\$0	\$0	\$0	\$0	\$88,278
Carpet Replacement	\$0	\$40,482	\$0	\$0	\$0	\$40,482
HVAC Control Replacement	\$0	\$88,278	\$0	\$0	\$0	\$88,278
HVAC Control Replacement	\$0	\$0	\$88,278	\$0	\$0	\$88,278
Carpet Replacement	\$0	\$0	\$0	\$88,278	\$0	\$88,278
<b>Total - Mead Library</b>	<b>\$108,770</b>	<b>\$108,770</b>	<b>\$88,278</b>	<b>\$88,278</b>	<b>\$0</b>	<b>\$346,098</b>

## CAPITAL IMPROVEMENTS REQUESTS 2019

<b>Project Title:</b>	HVAC Control Replacement
<b>Department:</b>	Mead Public Library
<b>Budgetary Fund:</b>	Capital Improvements Fund

### JUSTIFICATION

The replacement of existing Johnson pneumatic HVAC controls is needed. Current controls in each room are based on the 1950's compressed air technology, lacking the ability to monitor and report issues from the central controller. Existing controllers are proprietary and require an annual maintenance agreement with Johnson Controls, eliminating the ability to obtain competitive bids in an effort to reduce annual maintenance costs. Upgrading to the digital control system will improve efficiency and realize savings of \$5,239 annually on the library's energy costs. Phase one of four.

<p><b>Discussion of Operating Cost Impact:</b> Improved energy efficiency generating annual savings of \$5,239. Obtaining the ability to secure competitive bids for annual maintenance agreements realizing additional cost savings unavailable with current proprietary technology.</p>	<p><b>Disposition</b> (Check one box)</p> <p>Trade-In <input type="checkbox"/></p> <p>Sale/Auction <input type="checkbox"/></p> <p>Transfer <input type="checkbox"/></p> <p>Salvage <input checked="" type="checkbox"/></p>
<p>Item Replace: Model <u>Johnson Controls</u> Make/Model _____ Age <u>44</u> years</p>	

### DEPARTMENT OPERATING COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Personal Services						0
Supplies						0
Services						0
Utilities						0
Other						0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

### DEPARTMENT REVENUE SUMMARY

	2019	2020	2021	2022	2023	TOTAL
<b>G O Debt</b>	66,278					66,278
<b>Grant - County</b>						0
<b>County - Grant</b>						0
-----						0
-----						0
<b>Total</b>	\$ 66,278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,278

### DEPARTMENT COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Planning						0
Land Acquisition						0
Purchase						0
Construction						0
Other	66,278					66,278
<b>Total</b>	\$ 66,278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,278

## CAPITAL IMPROVEMENTS REQUESTS 2020

<b>Project Title:</b>	HVAC Control Replacement
<b>Department:</b>	Mead Public Library
<b>Budgetary Fund:</b>	Capital Improvements Fund

### JUSTIFICATION

The replacement of existing Johnson pneumatic HVAC controls is needed. Current controls in each room are based on the 1950's compressed air technology, lacking the ability to monitor and report issues from the central controller. Existing controllers are proprietary and require an annual maintenance agreement with Johnson Controls, eliminating the ability to obtain competitive bids in an effort to reduce annual maintenance costs. Upgrading to the digital control system will improve efficiency and realize savings of \$5,239 annually on the library's energy costs. Phase two of four.

<p><b>Discussion of Operating Cost Impact:</b> Improved energy efficiency generating annual savings of \$5,239. Obtaining the ability to secure competitive bids for annual maintenance agreements realizing additional cost savings unavailable with current proprietary technology.</p>	<p><b>Disposition (Check one box)</b></p> <p>Trade-In <input type="checkbox"/></p> <p>Sale/Auction <input type="checkbox"/></p> <p>Transfer <input type="checkbox"/></p> <p>Salvage <input checked="" type="checkbox"/></p>
<p>Item Replace: Model <u>Johnson Controls</u> Make/Model _____ Age <u>44</u> years</p>	

### DEPARTMENT OPERATING COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
<b>Personal Services</b>						0
<b>Supplies</b>						0
<b>Services</b>						0
<b>Utilities</b>						0
<b>Other</b>						0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

### DEPARTMENT REVENUE SUMMARY

	2019	2020	2021	2022	2023	TOTAL
<b>G O Debt</b>	-	66,278				66,278
<b>Grant - County</b>						0
<b>County - Grant</b>						0
-----						0
-----						0
<b>Total</b>	\$ 0	\$ 66,278	\$ 0	\$ 0	\$ 0	\$ 66,278

### DEPARTMENT COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
<b>Planning</b>						0
<b>Land Acquisition</b>						0
<b>Purchase</b>						0
<b>Construction</b>						0
<b>Other</b>		66,278				66,278
<b>Total</b>	\$ 0	\$ 66,278	\$ 0	\$ 0	\$ 0	\$ 66,278

## CAPITAL IMPROVEMENTS REQUESTS 2021

<b>Project Title:</b>	HVAC Control Replacement
<b>Department:</b>	Mead Public Library
<b>Budgetary Fund:</b>	Capital Improvements Fund

### JUSTIFICATION

The replacement of existing Johnson pneumatic HVAC controls is needed. Current controls in each room are based on the 1950's compressed air technology, lacking the ability to monitor and report issues from the central controller. Existing controllers are proprietary and require an annual maintenance agreement with Johnson Controls, eliminating the ability to obtain competitive bids in an effort to reduce annual maintenance costs. Upgrading to the digital control system will improve efficiency and realize savings of \$5,239 annually on the library's energy costs. Phase three of four.

<p><b>Discussion of Operating Cost Impact:</b> Improved energy efficiency generating annual savings of \$5,239. Obtaining the ability to secure competitive bids for annual maintenance agreements realizing additional cost savings unavailable with current proprietary technology.</p>	<p><b>Disposition (Check one box)</b></p> <p>Trade-In <input type="checkbox"/></p> <p>Sale/Auction <input type="checkbox"/></p> <p>Transfer <input type="checkbox"/></p> <p>Salvage <input checked="" type="checkbox"/></p>
<p>Item Replace: Model <u>Johnson Controls</u> Make/Model _____ Age <u>44</u> years</p>	

### DEPARTMENT OPERATING COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Personal Services						0
Supplies						0
Services						0
Utilities						0
Other						0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

### DEPARTMENT REVENUE SUMMARY

	2019	2020	2021	2022	2023	TOTAL
G O Debt	-		66,278			66,278
Grant - County						0
County - Grant						0
-----						0
-----						0
<b>Total</b>	\$ 0	\$ 0	\$ 66,278	\$ 0	\$ 0	\$ 66,278

### DEPARTMENT COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Planning						0
Land Acquisition						0
Purchase						0
Construction						0
Other			66,278			66,278
<b>Total</b>	\$ 0	\$ 0	\$ 66,278	\$ 0	\$ 0	\$ 66,278

## CAPITAL IMPROVEMENTS REQUESTS 2022

<b>Project Title:</b>	HVAC Control Replacement
<b>Department:</b>	Mead Public Library
<b>Budgetary Fund:</b>	Capital Improvements Fund

### JUSTIFICATION

The replacement of existing Johnson pneumatic HVAC controls is needed. Current controls in each room are based on the 1950's compressed air technology, lacking the ability to monitor and report issues from the central controller. Existing controllers are proprietary and require an annual maintenance agreement with Johnson Controls, eliminating the ability to obtain competitive bids in an effort to reduce annual maintenance costs. Upgrading to the digital control system will improve efficiency and realize savings of \$5,239 annually on the library's energy costs. Phase four of four.

### Discussion of Operating Cost Impact:

Improved energy efficiency generating annual savings of \$5,239.  
Obtaining the ability to secure competitive bids for annual maintenance agreements realizing additional cost savings unavailable with current proprietary technology.

### Disposition (Check one box)

- Trade-In
- Sale/Auction
- Transfer
- Salvage

Item Replace: Model Johnson Controls Make/Model \_\_\_\_\_ Age 44 years

### DEPARTMENT OPERATING COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Personal Services						0
Supplies						0
Services						0
Utilities						0
Other						0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

### DEPARTMENT REVENUE SUMMARY

	2019	2020	2021	2022	2023	TOTAL
G O Debt	-			66,278		66,278
Grant - County						0
County - Grant						0
_____						0
_____						0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 66,278	\$ 0	\$ 66,278

### DEPARTMENT COST ANALYSIS

	2019	2020	2021	2022	2023	TOTAL
Planning						0
Land Acquisition						0
Purchase						0
Construction						0
Other				66,278		66,278
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 66,278	\$ 0	\$ 66,278

**Mead Public Library  
2019 – 2023 CIP  
HVAC Controls Project**

**Justification:**

To replace current Johnson pneumatic HVAC controls with (non-proprietary) digital controls. The current controls located in each room of the library are based on 1950s (compressed air) technology that does not have the capacity to monitor and report issues to the central controller. With a digital control system, troubleshooting and adjusting of individual zone temperatures are handled by a server connected to the various HVAC central devices.

Currently, each of the library's existing controllers requires annual maintenance and since the controllers are proprietary through Johnson Controls, the library does not have the ability to contract with competing vendors to reduce our annual service contract fee.

Digital control systems are much more efficient than pneumatic systems, with a typical energy savings of 5-25% (Source: US Department of Energy, <http://www.eere.energy.gov>). Library administration also expects to reduce annual maintenance agreement costs once this service can be put out for bid.

If funded, the library administration would explore energy grant rebates, such as Focus on Energy.

In recent years, the city has funded multiple upgrades to Mead Public Library's aging HVAC system and, if approved, the controls replacement project would complete the entire update of the library's HVAC system:

- In 2018, the two chiller cooling towers will be replaced due to corrosion (budgeted amount \$100,000)
- In 2017, aging Kewaunee boilers were replaced with new high efficiency boilers (budgeted amount \$280,000)
- In 2015, the chiller system was replaced with a redundant, modular chiller system, along with corresponding controls (budgeted amount \$280,000)
- In 2011, variable frequency drives/motors and controls were added to the air handling system. A lower capacity boiler was also installed for use in the spring and fall (budgeted amount \$138,000).

**Discussion of Operating Cost Impact:**

According to US Department of Energy estimates (<http://www.eere.energy.gov>), digital control systems are 5-25% or \$.10-\$1.00 per square foot more energy efficient compared to pneumatic controls. On the conservative end, that would be a savings of \$5,239 per year in energy costs.

Library administration also expects to reduce annual maintenance agreement costs once this service can be put out for bid. Current cost of Johnson Control maintenance contract is \$3,450 per year.

II

R. O. No. 17 - 18. By CITY CLERK. April 16, 2018.

Submitting a communication from Wisconsin Department of Corrections submitting a waiver on behalf of Christopher Gable from the Sex Offender Residency requirements in order to be placed at a TLP located at 1123/1125 North 14<sup>th</sup> Street or 930A Michigan Avenue based on availability.

*Licensing, Hearings,  
& Public Safety*

---

CITY CLERK



# Wisconsin Department of Corrections

Governor Scott Walker | Secretary Jon E. Litschen

Division of Community Corrections | Unit 712

March 29, 2018

To whom it may concern:

The Department of Corrections on behalf of Christopher Gable (DOC # 217734...DOB: 12/8/1971), is hereby filing an appeal to the Sex Offender Residency Restrictions.

Mr. Gable is slated to be released from prison on May 22, 2018. Upon his release, the Department would like to place him at a Transitional Living Placement (TLP) residence located at 1123 / 1125 North.14<sup>th</sup> Street or 930A Michigan Avenue, based on availability.

Respectfully,

Mike Roehl

Probation & Parole Agent #71214

II

R. O. No. 17 - 18. By CITY CLERK. April 16, 2018.

Submitting a communication from Benjamin F. Heyman submitting a waiver from the Sex Offender Residency requirements in order to reside at 2219 Henry Street.

Licensing Hearings+  
Public Safety

\_\_\_\_\_  
CITY CLERK

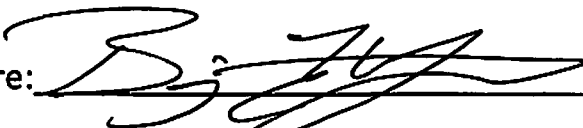
APR 9 '18 PM 3:22

Date: April 9<sup>th</sup>, 2018

My name is: Benjamin F. Heyman

I am requesting a waiver to the Sexual Residency Requirements so I may live at:

2219 S HENRY ~~AVE~~<sup>B.H.</sup> STREET  
SHEBOYGAN, WI 53081

Signature: 

Phone Number: 920-889-5441

**Any applications for a waiver from the Sex Offender Residency restrictions received by Noon on the Thursday prior to the following Monday's Council meeting will be submitted to that Council for referral to Public Protection and Safety. Anything after Noon on Thursday will not go to Council until the next Council meeting.**

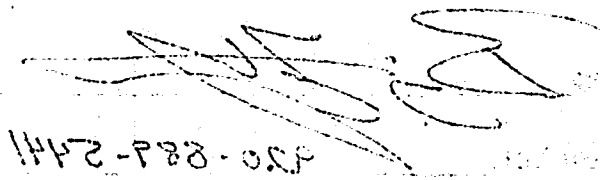
**This will allow the Police Department to complete the necessary work they do to prepare for the Public Protection and Safety meeting.**

**Thank you for all your cooperation in the matter.**

April 9th, 2018

Benjamin F. Hayden

2019 S Henry Ave  
Sheboygan, WI 53081



920-884-2441

III

Res. No. \_\_\_\_\_ - 17 - 18. By Alderperson Wolf. April 16, 2018.

A RESOLUTION authorizing the Purchasing Agent to enter into contract for the purchase of a front end loader including attachments and trade in, for the Motor Vehicle Division of the Department of Public Works.

WHEREAS; The Department of Public Works has included a the purchase of a new front end loader and snow plow attachments in the 2018 Motor Vehicle Division Capital Improvement budget to replace a 1994 Model Loader and;

WHEREAS; The new machine is compatible with others in the fleet and offers standardization for parts and service as well as control familiarity for the operators and;

WHEREAS; John Deere, the manufacturer has a national contract through the National Joint Powers Alliance (NJPA) which through membership allows the city to take advantage of national contract discounts and allows the city to waive competitive bidding.

RESOLVED: That the Purchasing Agent is hereby authorized to enter into contract with Brooks Tractor Inc. of Milwaukee WI for the purchase of the new machine and attachments including trade in of the current 1994 machine, a three year 2,000 hour powertrain warranty and waive the requirement for competitive bidding at a total cost of \$173,238.00 and:

BE IT FURTHER RESOLVED: That the Purchasing Agent is hereby authorized to draw orders on 70136100-641200 2018 Motor Vehicle Capital Improvements Fund in the amount of \$ 173,238.00 including trade-in.

*Public Works  
2018/2019*

\_\_\_\_\_

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. \_\_\_\_\_ - 17 - 18. By Alderperson Wolf. April 16, 2018.

A RESOLUTION authorizing the Purchasing Agent to enter into contract for the purchase, delivery and installation of a new 112,800# capacity portable vehicle lift for the Motor Vehicle Division of the Department of Public Works.

WHEREAS; The Department of Public Works has included a new, heavy duty vehicle lift , including removal and disposal of two existing lift(s) in its 2018 Motor Vehicle Division Capital Improvement budget and;

WHEREAS; The new lift is necessary due to the failure of the current lift(s) and will enhance safety, productivity and shop flexibility in the servicing of heavy duty trucks and equipment and also eliminate an environmental issue associated with the old lift(s) and;

WHEREAS; Rotary Lifts Inc. & U.S Petroleum Equipment the manufacturer and installer of the lift equipment respectively have a national contract through the National Joint Powers Alliance (NJPA) which through membership allows the city to take advantage of national contract discounts and waive the need for competitive bidding.

RESOLVED: That the Purchasing Agent is hereby authorized to enter into contract with U.S Petroleum Equipment of Kimberly WI for the purchase and installation of a new 112,800# capacity vehicle lift including removal and lawful disposal of two current in-ground lifts at a total cost of \$67,655.00 and waive the requirement for competitive bidding and:

BE IT FURTHER RESOLVED: That the Purchasing Agent is hereby authorized to draw orders on 70136100-641200 2018 Motor Vehicle Capital Improvements Fund in the amount of \$67,655.00

Public Works  
2018-2019

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 166-17-18 by Alderperson Wolf submitting a Preliminary Resolution declaring intent to exercise the police power to levy special assessments for the construction of sidewalk on Washington Avenue from S. Business Drive to 960 feet to the west; recommends passing the Resolution.

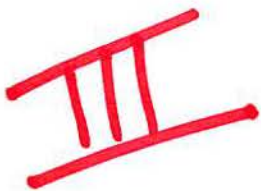
*MLG*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ 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



Res. No. 166 - 17 - 18. By Alderperson Wolf. April 4, 2018.

A PRELIMINARY RESOLUTION declaring intent to exercise the police power to levy special assessments for the construction of sidewalk on Washington Avenue from S. Business Drive to 960 feet to the west.

RESOLVED: That sidewalk construction on Washington Avenue from S. Business Drive to 960 feet west is hereby proposed at the expense of the property to be benefited thereby, and that no part of the estimated aggregate cost shall be paid in advance under \$66.0709, Stats.

BE IT FURTHER RESOLVED: That the City of Sheboygan does herewith intend to exercise its municipal police powers for the aforesated municipal purpose.

BE IT FURTHER RESOLVED: That the Engineering Division is hereby authorized and directed to prepare a report in accordance with \$66.0703(4) and \$66.0703(5), Stats, and that such report shall contain the following information:

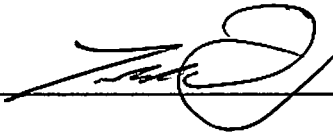
- a. Preliminary or final plans and specifications
- b. An estimate of the entire cost of the proposed work or improvement
- c. A schedule of the proposed assessments
- d. A statement that the work or improvement constitutes an exercise of the municipality's police power
- e. A statement that the property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

BE IT FURTHER RESOLVED: That the expenses so incurred, if in excess of one hundred dollars (\$100.00) may be paid in five (5) annual installments, ten (10) annual installments if the expenses exceed five thousand dollars (\$5,000.00) for a single parcel of property, under \$66.0715(3), Stats, with interest, rate thereon determined by the Finance Director/Treasurer at the beginning of each calendar year, commencing the first of the month after thirty (30) days following publication of the installment assessment notice.

*Public Works approve*

BE IT FURTHER RESOLVED: That the Engineering Division is hereby authorized and directed to advertise for bids under the five percent (5%) alternative of §62.15(3), Stats, for the paving aforementioned according to the plans and specifications prepared by, or on behalf of, the City Engineer and submit a resume of bids received and accepted to the Common Council for further consideration.

BE IT FURTHER RESOLVED: That when the projects are completed, the City Clerk is authorized and directed to publish the installment assessment notice required by law.

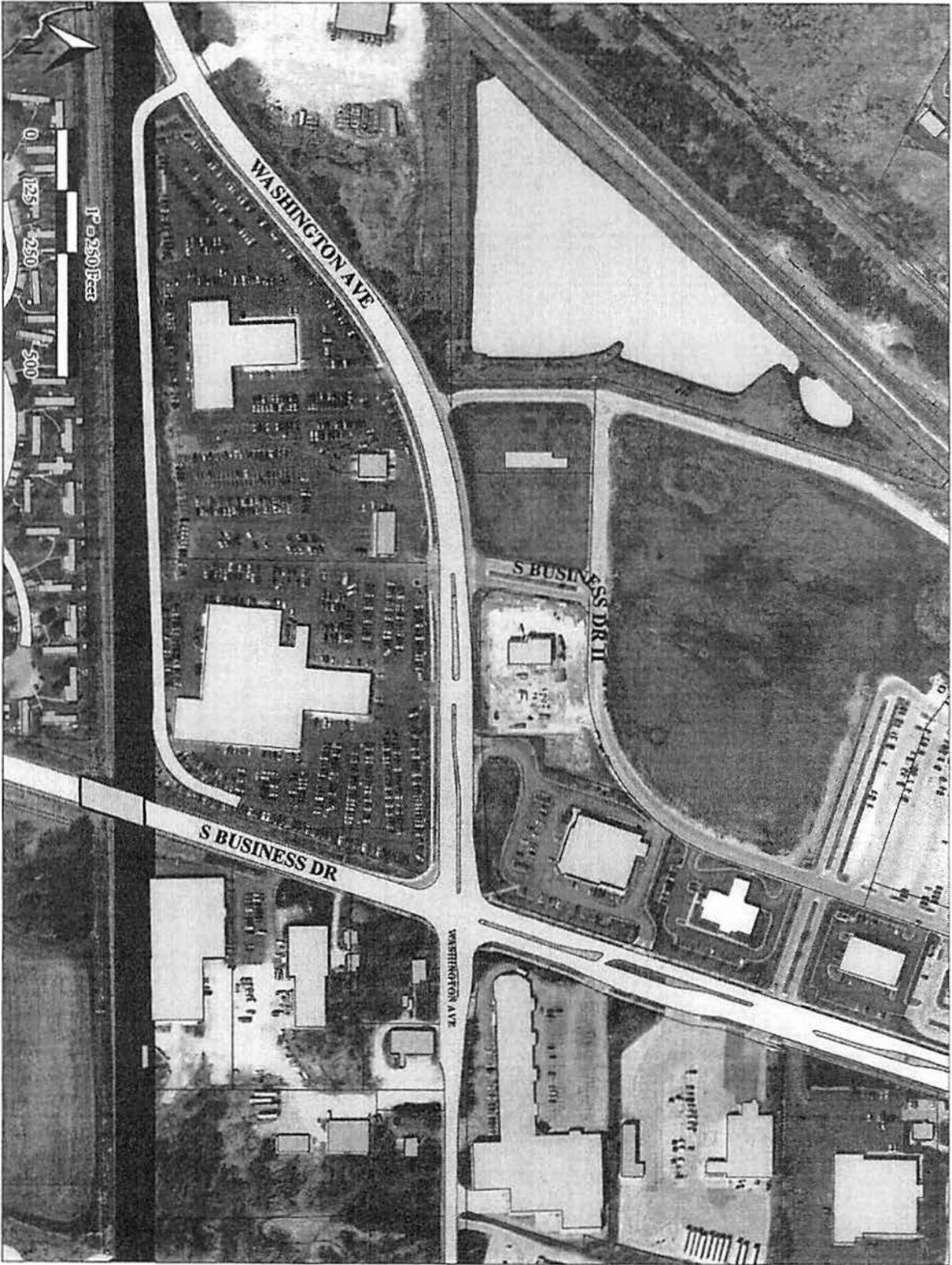


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I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor



FacilitiesMap
Ryan Szama Help

Search Features

Feature Details

Parcel Information Details (1)

Parcel ID: 59281431734

Tax Yr: 0

Situs Full: 3320 S BUSINESS DR

Prop Code: 46648

Names Both: MRED ASSOCIATES, WASHINGTON BUSINESS

Name1: MRED ASSOCIATES, WASHINGTON BUSINESS

Name2:

Land Tot:

Imp Tot:

Prop Tot:

Own Full S: PO BOX 1159

Own Street:

Own City: DEERFIELD

Own State: IL

Own Zip: 600156002

Schl Dist: 5271

Sani1: Q

Sani2: 0

Legal Acre: 2.44

Legal: LOT 3 OF CSM VOL 16 P 220-222 #1561976 - PRT

Manage Redlines

Map

Public Works

Layers

- Address Numbers
- Road\_Centerlines
- Parcels
- Buildings
- City Parks
- Sheboygan City Limits
- Aerial Photography
  - 2009 Ortho
  - 2014 Orthophotography
- City Electrical
- Parks Dept Duses
- Transportation
  - Railroad
  - Bridges
  - Annual Average Da
  - Pavement Edge
  - 2007\_Sidewalks
- Truck\_Routes
- Functional Classifica
- RAW Width
- WSLR Data
- Sanitation Areas
- Sanitary Sewers System
- Storm Sewer System
- Sidewalk Program
- Waste Water
- Water System
- Winter Operations

X: 1 Parcels selected      1: 1427 03      678.83 x 777.03 (ft)      Powered by Infrastructure Map Server

**FacilitiesMap** Ryan Sazama Help

Map Public Works

Search Features

Feature Details

Parcel Information Details (1)

Parcel ID: 59281431752

Tax Yr: 0

Situs Full: 2510 WASHINGTON AVE

Prop Code: 61619

Names Both: KJ SHEBOYGAN LLC

Name1: KJ SHEBOYGAN LLC

Name2:

Land Tot:

Imp Tot:

Prop Tot:

Own Full 5: 641 S TAYLOR DR

Own Street:

Own City: SHEBOYGAN

Own State: WI

Own Zip: 530814206

Schl Dist: 5271

Sani1: 0

Sani2: 0

Legal Acre: 0

Legal Desc: WASHINGTON SQUARE LOT 2

Geo Code: 15233430201200

Municode: C2

Manage Redlines

Layers

- Address Numbers
- Road\_Centerlines
- 
- Parcels
- Buildings
- City Parks
- Sheboygan City Limits
- Aerial Photography
  - 2009 Ortho
  - 2014 Orthophotography
- City Electrical
- Parks Dept. Duties
- Transportation
  - Railroad
  - Bridges
  - Annual Average Dai
  - Pavement Edge
  - 2007\_Sidewalks
- Truck\_Routes
- Functional Classific
- R/W Width
- WSLR Data
- Sanitation Areas
- Sanitary Sewers System
- Storm Sewer System
- Sidewalk Program
- Waste Water
- Water System
- Winter Operations

X 1 Parcels selected

1: 1427.00 678.63 x 777.93 (ft)

Powered by Infrastructure Map Server

FacilitiesMap

Ryan Szama Help

Map

Public Works

Search Features

Feature Details

Parcel Information Details (1)

Parcel ID: 59281431738  
Tax Yr: 0  
Stus Full: 2612 WASHINGTON AVE  
Prop Code: 63698  
Names Both: PLENTY O SUDS LLC  
Name1: PLENTY O SUDS LLC  
Name2:  
Land Tot:  
Imp Tot:  
Prop Tot:  
Own Full S: 1020 N 10TH ST  
Own Street:  
Own City: SHEBOYGAN  
Own State: WI  
Own Zip: 530813909  
Schl Dist: 5271  
Sani1: 0  
Sani2: 0  
Legal Acre: 1.149  
Legal: WASHINGTON SQUARE - LOT 1 CSM V26 P165-167

Layers

- Address Numbers
- Road\_Centerlines
- Parcels
- Buildings
- City Parks
- Sheboygan City Limits
- Aerial Photography
  - 2009 Ortho
  - 2014 Orthophotography
- City Electrical
- Parks Dept. Duties
- Transportation
  - Railroad
  - Bridges
  - Annual Average Dai
  - Pavement Edge
  - 2007\_Sidewalks
  - Truck\_Routes
  - Functional Classifica
  - R/W Width
  - WASLR Data
- Sanitation Areas
  - Sanitary Sewers System
  - Storm Sewer System
  - Sidewalk Program
  - Waste Water
  - Water System
  - Winter Operations

Map View: Shows parcel 2612, Washington Ave, and other parcels (2611, 2637). Includes a scale bar and navigation controls.

Map Status: X: 1 Parcels selected | 1: 951.36 | 452.55 x 518.62 (ft) | Powered by Infrastructure Map Server

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 167-17-18 by Alderperson Wolf authorizing the appropriate City Officials to enter into a contract with Klunk Masonry, LLC for the 2018 Sidewalk Program and the Washington Avenue Sidewalk for \$142,639.50; recommends passing 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

44

Res. No. 167 - 17 - 18. By Alderperson Wolf. April 4, 2018.

A RESOLUTION authorizing the appropriate City Officials to enter into a contract with Klunk Masonry, LLC for the 2018 Sidewalk Program and the Washington Avenue Sidewalk for \$142,639.50.

WHEREAS: Two bids were received in response to bid #2417-18. The low bid received from Klunk Masonry, LLC has been determined to meet all of the specifications.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into a contract with Klunk Masonry, LLC for the 2018 Sidewalk Program and the Washington Avenue Sidewalk for \$142,639.50.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw orders on account #40033140-631300 Capital Projects Sidewalk Fund in payment of same.

Public Works approve

  
\_\_\_\_\_

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

2417-18 - 2018 Sidewalk Program and Washington Avenue Sidewalk (#5571848)  
 Owner: City of Sheboygan, WI  
 Solicitor: City of Sheboygan, WI  
 03/13/2018 01:00 PM CDT

Section Title	Line Item	Item Code	Item Description	UoFM	Quantity	Klunck Masonry LLC		Forward Contractors	
						Unit Price	Extension	Unit Price2	Extension3
<b>2018 Sidewalk Program</b>									
	1	2018-1	Remove Concrete Sidewalk and Approaches	SF	9000	\$1.00	\$9,000.00	\$1.50	\$13,500.00
	2	2018-2	Remove Concrete Aprons	SF	100	\$1.60	\$160.00	\$1.50	\$150.00
	3	2018-3	Remove Curb & Gutter	LF	150	\$7.00	\$1,050.00	\$20.00	\$3,000.00
	4	2018-4	Remove Integral Sidewalk/Curb	SF	200	\$6.00	\$1,200.00	\$0.10	\$20.00
	5	2018-5	Excessive Cut	CY	50	\$25.00	\$1,250.00	\$0.10	\$5.00
	6	2018-6	Excessive Fill/Gravel	Cy	50	\$18.00	\$900.00	\$0.10	\$5.00
	7	2018-7	Concrete Sidewalk 4-inch	SF	9000	\$5.50	\$49,500.00	\$6.00	\$54,000.00
	8	2018-8	Concrete Sidewalk 6-inch	SF	500	\$5.75	\$2,875.00	\$6.00	\$3,000.00
	9	2018-9	Concrete Apron 7-inch	SF	100	\$5.95	\$595.00	\$6.00	\$600.00
	10	2018-10	Concrete Curb and Gutter 30-inch	LF	150	\$23.00	\$3,450.00	\$40.00	\$6,000.00
	11	2018-11	Concrete Curb 6-inch	LF	50	\$7.00	\$350.00	\$20.00	\$1,000.00
	12	2018-12	Integral Sidewalk & Curb	SY	200	\$5.50	\$1,100.00	\$0.10	\$20.00
	13	2018-13	Concrete Sawing	LF	250	\$5.00	\$1,250.00	\$1.00	\$250.00
	14	2018-14	Grading For New Sidewalk	SF	500	\$2.00	\$1,000.00	\$0.10	\$50.00
	15	2018-15	4-inch Topsoil, Seed & Fertilizer	SY	60	\$14.00	\$840.00	\$0.10	\$6.00
	16	2018-16	Concrete Sidewalk 6-inch with Panel Finish	SF	200	\$5.00	\$1,000.00	\$0.10	\$20.00
	17	2018-17	Curb Ramp Detectabel Warning Field	EA	10	\$100.00	\$1,000.00	\$300.00	\$3,000.00
							<u>\$76,520.00</u>		<u>\$84,626.00</u>
<b>Washington Avenue</b>									
	18	W-1	Traffic Control	LS	1	\$1,200.00	\$1,200.00	\$2,500.00	\$2,500.00
	19	W-2	Silt Fence	LF	300	\$2.00	\$600.00	\$1.00	\$300.00
	20	W-3	Inlet Protection	EA	4	\$25.00	\$100.00	\$50.00	\$200.00
	21	W-4	Grading and 6" Gravel	LS	1	\$9,800.00	\$9,800.00	\$15,000.00	\$15,000.00
	22	W-5	Removing Concrete Sidewalk	SF	400	\$1.50	\$600.00	\$1.50	\$600.00
	23	W-6	Removing Curb and Gutter	LF	312	\$6.00	\$1,872.00	\$20.00	\$6,240.00
	24	W-7	Curb and Gutter, including drilled tie bars	LF	232	\$25.00	\$5,800.00	\$35.00	\$8,120.00
	25	W-8	Island Nose, including drill tie bars	SF	70	\$10.00	\$700.00	\$10.00	\$700.00
	26	W-9	Sidewalk Curb	LF	50	\$7.00	\$350.00	\$35.00	\$1,750.00
	27	W-10	Topsoil (4-inch), Seed, Fertilizer and Erosion Mat	SY	888	\$10.50	\$9,324.00	\$10.00	\$8,880.00
	28	W-11	Concrete Sidewalk, 5-inch	SF	4400	\$5.70	\$25,080.00	\$6.00	\$26,400.00
	29	W-12	EBS	SY	12	\$36.75	\$441.00	\$0.10	\$1.20
	30	W-13	Miscellaneous Gravel	SY	12	\$25.00	\$300.00	\$0.10	\$1.20
	31	W-14	Detectable Warning Fields	SF	60	\$50.00	\$3,000.00	\$50.00	\$3,000.00
	32	W-15	Clear and Grub Tree	EA	3	\$50.00	\$150.00	\$500.00	\$1,500.00
	33	W-16	Pavement Marking, Paint, Stop Line, White	LF	36	\$6.50	\$234.00	\$4.00	\$144.00
	34	W-17	Pavement Marking, Paint, Cross Walk, White	LF	650	\$7.50	\$4,875.00	\$2.00	\$1,300.00
	35	W-18	Pavement Marking, Paint, 4-inch, Yellow	LF	400	\$2.50	\$1,000.00	\$2.00	\$800.00
	36	W-19	Pavement Marking, Paint, 12-inch Diagonal, Yellow	LF	146	\$4.75	\$693.50	\$3.00	\$438.00
							<u>\$66,119.50</u>		<u>\$77,874.40</u>
<b>Base Bid Total:</b>							<u><b>\$142,639.50</b></u>		<u><b>\$162,500.40</b></u>

April 19, 2018

Mr. Chad D. Pelishek  
Director of Planning & Development  
Department of City Development  
City of Sheboygan  
828 Center Avenue, Suite 104  
Sheboygan, WI 53081-4442

RE: Southpointe Enterprise Campus  
Proposal for Professional Engineering Services  
Construction Phase Services

Dear Mr. Pelishek:

Enclosed is an agreement for engineering services for the construction phase of this Project. It has been executed by us.

Please have the appropriate individuals execute as shown and return a fully executed copy to me.

We look forward to our continuing work on this very important Project.

Very truly yours,

RUEKERT & MIELKE, INC.



Joseph W. Eberle, P.E. (WI, IL, MN)  
Senior Project Manager  
[jeberle@ruekert-mielke.com](mailto:jeberle@ruekert-mielke.com)

JWE:sjs  
Enclosure

cc: File

**AGREEMENT  
BETWEEN OWNER AND ENGINEER  
FOR PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of April 23, 2018 (“Effective Date”) between  
City of Sheboygan (“Owner”) and  
Ruekert & Mielke, Inc. (“Engineer”).

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows:  
Southpoint Enterprise Campus, Project 2418-18 (“Project”).

Other terms used in this Agreement are defined in Article 7.

Engineer's services under this Agreement are generally identified as follows:

Construction Phase Services

---

Owner and Engineer further agree as follows:

**ARTICLE 1 – SERVICES OF ENGINEER**

1.01 Scope

- A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

**ARTICLE 2 – OWNER’S RESPONSIBILITIES**

2.01 General

- A. Owner shall have the responsibilities set forth herein and in Exhibit B.
- B. Owner shall pay Engineer as set forth in Article 4 and Exhibit C.
- C. Owner shall be responsible for all requirements and instructions that it furnishes to Engineer pursuant to this Agreement, and for the accuracy and completeness of all programs, reports, data, and other information furnished by Owner to Engineer pursuant to this Agreement. Engineer may use and rely upon such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement, subject to any express limitations or reservations applicable to the furnished items.

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Ruekert & Mielke, Inc.

- D. Owner shall give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of:
1. any development that affects the scope or time of performance of Engineer's services;
  2. the presence at the Site of any Constituent of Concern; or
  3. any relevant, material defect or nonconformance in: (a) Engineer's services, (b) the Work, (c) the performance of any Constructor, or (d) Owner's performance of its responsibilities under this Agreement.

### **ARTICLE 3 – SCHEDULE FOR RENDERING SERVICES**

#### **3.01 Commencement**

- A. Engineer is authorized to begin rendering services as of the Effective Date.

#### **3.02 Time for Completion**

- A. Engineer shall complete its obligations within a reasonable time. Specific periods of time for rendering services, or specific dates by which services are to be completed, are provided in Exhibit A, and are hereby agreed to be reasonable.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- C. If Owner authorizes changes in the scope, extent, or character of the Project or Engineer's services, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- D. Owner shall make decisions and carry out its other responsibilities in a timely manner so as not to delay the Engineer's performance of its services.
- E. If Engineer fails, through its own fault, to complete the performance required in this Agreement within the time set forth, as duly adjusted, then Owner shall be entitled, as its sole remedy, to the recovery of direct damages, if any, resulting from such failure.

### **ARTICLE 4 – INVOICES AND PAYMENTS**

#### **4.01 Invoices**

- A. Preparation and Submittal of Invoices: Engineer shall prepare invoices in accordance with its standard invoicing practices and the terms of Exhibit C. Engineer shall submit its invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.

## 4.02 Payments

- A. **Application to Interest and Principal:** Payment will be credited first to any interest owed to Engineer and then to principal.
- B. **Failure to Pay:** If Owner fails to make any payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, then:
  - 1. amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; and
  - 2. Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement until Owner has paid in full all amounts due for services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.
- C. **Disputed Invoices:** If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion subject to the terms of Paragraph 4.01.
- D. **Sales or Use Taxes:** If after the Effective Date any governmental entity takes a legislative action that imposes additional sales or use taxes on Engineer's services or compensation under this Agreement, then Engineer may invoice such additional sales or use taxes for reimbursement by Owner. Owner shall reimburse Engineer for the cost of such invoiced additional sales or use taxes; such reimbursement shall be in addition to the compensation to which Engineer is entitled under the terms of Exhibit C.

## ARTICLE 5 – OPINIONS OF COST

### 5.01 Opinions of Probable Construction Cost

- A. Engineer's opinions (if any) of probable Construction Cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner requires greater assurance as to probable Construction Cost, then Owner agrees to obtain an independent cost estimate.

### 5.02 Opinions of Total Project Costs

- A. The services, if any, of Engineer with respect to Total Project Costs shall be limited to assisting the Owner in tabulating the various categories that comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs.

## ARTICLE 6 – GENERAL CONSIDERATIONS

### 6.01 Standards of Performance

- A. **Standard of Care:** The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer.
- B. **Technical Accuracy:** Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in Owner-furnished information.
- C. **Consultants:** Engineer may retain such Consultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner.
- D. **Reliance on Others:** Subject to the standard of care set forth in Paragraph 6.01.A, Engineer and its Consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- E. **Compliance with Laws and Regulations, and Policies and Procedures:**
  - 1. Engineer and Owner shall comply with applicable Laws and Regulations.
  - 2. Engineer shall comply with any and all policies, procedures, and instructions of Owner that are applicable to Engineer's performance of services under this Agreement and that Owner provides to Engineer in writing, subject to the standard of care set forth in Paragraph 6.01.A, and to the extent compliance is not inconsistent with professional practice requirements.
  - 3. This Agreement is based on Laws and Regulations and Owner-provided written policies and procedures as of the Effective Date. The following may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, or compensation:
    - a. changes after the Effective Date to Laws and Regulations;
    - b. the receipt by Engineer after the Effective Date of Owner-provided written policies and procedures;
    - c. changes after the Effective Date to Owner-provided written policies or procedures.
- F. Engineer shall not be required to sign any document, no matter by whom requested, that would result in the Engineer having to certify, guarantee, or warrant the existence of conditions whose existence the Engineer cannot ascertain. Owner agrees not to make

resolution of any dispute with the Engineer or payment of any amount due to the Engineer in any way contingent upon the Engineer signing any such document.

- G. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Site, nor for any failure of a Constructor to comply with Laws and Regulations applicable to that Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.
- H. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work in accordance with the Construction Contract Documents.
- I. Engineer shall not be responsible for any decision made regarding the Construction Contract Documents, or any application, interpretation, clarification, or modification of the Construction Contract Documents, other than those made by Engineer or its Consultants.
- J. Engineer is not required to provide and does not have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.
- K. Engineer's services do not include providing legal advice or representation.
- L. Engineer's services do not include (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission, or (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances.
- M. While at the Site, Engineer, its Consultants, and their employees and representatives shall comply with the applicable requirements of Contractor's and Owner's safety programs of which Engineer has been informed in writing.

## 6.02 Construction Phase Services

- A. Engineer shall be responsible only for those Construction Phase services expressly required of Engineer in Exhibit A, Paragraph A1.01. Owner waives all claims against the Engineer that may be connected in any way to Construction Phase administrative, engineering, or professional services except for those services that are expressly required of Engineer in Exhibit A.

## 6.03 Use of Documents

- A. All Documents are instruments of service, and Engineer shall retain an ownership and property interest therein (including the copyright and the right of reuse at the discretion of the Engineer) whether or not the Project is completed.

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- B. If Engineer is required to prepare or furnish Drawings or Specifications under this Agreement, Engineer shall deliver to Owner at least one original printed record version of such Drawings and Specifications, signed and sealed according to applicable Laws and Regulations.
- C. Owner may make and retain copies of Documents for information and reference in connection with the use of the Documents on the Project. Engineer grants Owner a limited license to use the Documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all services relating to preparation of the Documents, and subject to the following limitations: (1) Owner acknowledges that such Documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer; (2) any such use or reuse, or any modification of the Documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and Consultants; (3) Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the Documents without written verification, completion, or adaptation by Engineer; and (4) such limited license to Owner shall not create any rights in third parties.
- D. If Engineer at Owner's request verifies the suitability of the Documents, completes them, or adapts them for extensions of the Project or for any other purpose, then Owner shall compensate Engineer at rates or in an amount to be agreed upon by Owner and Engineer.

#### 6.04 Electronic Transmittals

- A. Owner and Engineer may transmit, and shall accept, Project-related correspondence, Documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- B. If this Agreement does not establish protocols for electronic or digital transmittals, then Owner and Engineer shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

#### 6.05 Insurance

- A. Engineer shall procure and maintain insurance as set forth in Exhibit G. Engineer shall cause Owner to be listed as an additional insured on any applicable general liability insurance policy carried by Engineer.

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- B. Owner shall require Contractor to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractor to cause Engineer and its Consultants to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractor for the Project.
- C. Engineer shall deliver to the Owner certificates of insurance evidencing the coverages indicated in Exhibit G. Such certificates shall be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.
- D. ~~All policies of property insurance relating to the Project, including but not limited to any builder's risk policy, shall allow for waiver of subrogation rights and contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insured thereunder or against Engineer or its Consultants. Owner and Engineer waive all rights against each other, Contractor, the Consultants, and the respective officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by any builder's risk policy and any other property insurance relating to the Project. Owner and Engineer shall take appropriate measures in other Project-related contracts to secure waivers of rights consistent with those set forth in this paragraph.~~
- E. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or reduced in limits by endorsement, and that renewal will not be refused, until at least 30 days prior written notice has been given to the primary insured. Upon receipt of such notice, the receiving party shall promptly forward a copy of the notice to the other party to this Agreement.
- F. At any time, Owner may request that Engineer or its Consultants, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G. If so requested by Owner, and if commercially available, Engineer shall obtain and shall require its Consultants to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit G will be supplemented to incorporate these requirements.

Shaw & Singh  
5/8/2018

#### 6.06 Suspension and Termination

- A. Suspension
1. *By Owner:* Owner may suspend the Project for up to 90 days upon seven days written notice to Engineer.
  2. *By Engineer:* Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement if Owner has failed to pay Engineer for invoiced services and expenses, as set forth in Paragraph 4.02.B, or in response to the presence of Constituents of Concern at the Site, as set forth in Paragraph 6.10.D.

B. Termination: The obligation to provide further services under this Agreement may be terminated:

1. For cause,

a. by either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

b. by Engineer:

1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or

2) upon seven days written notice if the Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control, or as the result of the presence at the Site of undisclosed Constituents of Concern, as set forth in Paragraph 6.10.D.

3) Engineer shall have no liability to Owner on account of such termination.

c. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 6.06.B.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of notice from Owner.

C. Effective Date of Termination: The terminating party under Paragraph 6.06.B may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

D. Payments Upon Termination:

1. In the event of any termination under Paragraph 6.06, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all Reimbursable Expenses incurred through the effective date of termination. Upon making such payment, Owner shall have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of Paragraph 6.03.

2. In the event of termination by Owner for convenience or by Engineer for cause, Engineer shall be entitled, in addition to invoicing for those items identified in Paragraph 6.06.D.1,

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and American Society of Civil Engineers. All rights reserved.

to invoice Owner and receive payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's Consultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Exhibit C.

#### 6.07 Controlling Law

- A. This Agreement is to be governed by the Laws and Regulations of the state in which the Project is located.

#### 6.08 Successors, Assigns, and Beneficiaries

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 6.08.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise in this Agreement:
  - 1. Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them.
  - 2. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.
  - 3. Owner agrees that the substance of the provisions of this Paragraph 6.08.C shall appear in the Construction Contract Documents.

#### 6.09 Dispute Resolution

- A. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice prior to invoking the procedures of Exhibit H or other provisions of this Agreement, or exercising their rights at law.
- B. If the parties fail to resolve a dispute through negotiation under Paragraph 6.09.A, then either or both may invoke the procedures of Exhibit H. If Exhibit H is not included, or if no dispute resolution method is specified in Exhibit H, then the parties may exercise their rights at law.

## 6.10 Environmental Condition of Site

- A. Owner represents to Engineer that as of the Effective Date to the best of Owner's knowledge no Constituents of Concern, other than those disclosed in writing to Engineer, exist at or adjacent to the Site.
- B. If Engineer encounters or learns of an undisclosed Constituent of Concern at the Site, then Engineer shall notify (1) Owner and (2) appropriate governmental officials if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.
- C. It is acknowledged by both parties that Engineer's scope of services does not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an undisclosed Constituent of Concern, then Owner shall promptly determine whether to retain a qualified expert to evaluate such condition or take any necessary corrective action.
- D. If investigative or remedial action, or other professional services, are necessary with respect to undisclosed Constituents of Concern, or if investigative or remedial action beyond that reasonably contemplated is needed to address a disclosed or known Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until such portion of the Project is no longer affected.
- E. If the presence at the Site of undisclosed Constituents of Concern adversely affects the performance of Engineer's services under this Agreement, then the Engineer shall have the option of (1) accepting an equitable adjustment in its compensation or in the time of completion, or both; or (2) terminating this Agreement for cause on seven days notice.
- F. Owner acknowledges that Engineer is performing professional services for Owner and that Engineer is not and shall not be required to become an "owner," "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with Engineer's activities under this Agreement.

## 6.11 Indemnification and Mutual Waiver

- A. Indemnification by Engineer: To the fullest extent permitted by Laws and Regulations, Engineer shall indemnify and hold harmless Owner, and Owner's officers, directors, members, partners, agents, consultants, and employees, from losses, damages, and judgments (including reasonable consultants' and attorneys' fees and expenses) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Engineer or Engineer's officers, directors, members, partners, agents, or employees.
- B. Indemnification by Owner: Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants as required by

Laws and Regulations and to the extent (if any) required in Exhibit I, "Limitations of Liability."

- C. **Environmental Indemnification:** To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants from all claims, costs, losses, damages, actions, and judgments (including reasonable consultants' and attorneys fees and expenses) caused by, arising out of, relating to, or resulting from a Constituent of Concern at, on, or under the Site, provided that (1) any such claim, cost, loss, damages, action, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and (2) nothing in this paragraph shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.
- D. **No Defense Obligation:** The indemnification commitments in this Agreement do not include a defense obligation by the indemnitor unless such obligation is expressly stated.
- E. **Percentage Share of Negligence:** To the fullest extent permitted by Laws and Regulations, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, shall not exceed the percentage share that the party's negligence bears to the total negligence of Owner, Engineer, and all other negligent entities and individuals.
- F. **Mutual Waiver:** To the fullest extent permitted by Laws and Regulations, Owner and Engineer waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes.

## 6.12 Records Retention

- A. Engineer shall maintain on file in legible form, for a period of five years following completion or termination of its services, all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under this Agreement. Upon Owner's request, Engineer shall provide a copy of any such item to Owner at cost.

## 6.13 Miscellaneous Provisions

- A. **Notices:** Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.
- B. **Survival:** All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

- C. Severability: Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Engineer, which agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- D. Waiver: A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.
- E. Accrual of Claims: To the fullest extent permitted by Laws and Regulations, all causes of action arising under this Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of Substantial Completion.

## ARTICLE 7 – DEFINITIONS

### 7.01 Defined Terms

- A. Wherever used in this Agreement (including the Exhibits hereto) terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above, in the exhibits, or in the following definitions:
  - 1. *Addenda*—Written or graphic instruments issued prior to the opening of bids which clarify, correct, or change the bidding requirements or the proposed Construction Contract Documents.
  - 2. *Additional Services*—The services to be performed for or furnished to Owner by Engineer in accordance with Part 2 of Exhibit A of this Agreement.
  - 3. *Agreement*—This written contract for professional services between Owner and Engineer, including all exhibits identified in Paragraph 8.01 and any duly executed amendments.
  - 4. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Construction Contract.
  - 5. *Basic Services*—The services to be performed for or furnished to Owner by Engineer in accordance with Part 1 of Exhibit A of this Agreement.
  - 6. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Construction Contract Price or the Construction Contract Times, or other revision to the Construction Contract, issued on or after the effective date of the Construction Contract.

7. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth in the Construction Contract, seeking an adjustment in Construction Contract Price or Construction Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Construction Contract Documents or the acceptability of Work under the Construction Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Construction Contract.
8. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. (“CERCLA”); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. (“RCRA”); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
9. *Construction Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
10. *Construction Contract Documents*—Those items designated as “Contract Documents” in the Construction Contract, and which together comprise the Construction Contract.
11. *Construction Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Construction Contract Documents.
12. *Construction Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve milestones, if any, in the Construction Contract; (b) achieve Substantial Completion; and (c) complete the Work.
13. *Construction Cost*—The cost to Owner of the construction of those portions of the entire Project designed or specified by or for Engineer under this Agreement, including construction labor, services, materials, equipment, insurance, and bonding costs, and allowances for contingencies. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to property; Owner’s costs for legal, accounting, insurance counseling, or auditing services; interest or financing charges incurred in connection with the Project; or the cost of other services to be provided by others to Owner. Construction Cost is one of the items comprising Total Project Costs.
14. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and Consultants), performing or supporting construction activities relating to the Project, including but not limited to Contractors, Subcontractors, Suppliers, Owner’s work forces, utility companies, other contractors, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

15. *Consultants*—Individuals or entities having a contract with Engineer to furnish services with respect to this Project as Engineer's independent professional associates and consultants; subcontractors; or vendors.
16. *Contractor*—The entity or individual with which Owner enters into a Construction Contract.
17. *Documents*—Data, reports, Drawings, Specifications, Record Drawings, building information models, civil integrated management models, and other deliverables, whether in printed or electronic format, provided or furnished in appropriate phases by Engineer to Owner pursuant to this Agreement.
18. *Drawings*—That part of the Construction Contract Documents that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date*—The date indicated in this Agreement on which it becomes effective, but if no such date is indicated, the date on which this Agreement is signed and delivered by the last of the parties to sign and deliver.
20. *Engineer*—The individual or entity named as such in this Agreement.
21. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Construction Contract Price or the Construction Contract Times.
22. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
23. *Owner*—The individual or entity named as such in this Agreement and for which Engineer's services are to be performed. Unless indicated otherwise, this is the same individual or entity that will enter into any Construction Contracts concerning the Project.
24. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the services to be performed or furnished by Engineer under this Agreement are a part.
25. *Record Drawings*—Drawings depicting the completed Project, or a specific portion of the completed Project, prepared by Engineer as an Additional Service and based on Contractor's record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction.
26. *Reimbursable Expenses*—The expenses incurred directly by Engineer in connection with the performing or furnishing of Basic Services and Additional Services for the Project.

27. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site during the Construction Phase. As used herein, the term Resident Project Representative or "RPR" includes any assistants or field staff of Resident Project Representative. The duties and responsibilities of the Resident Project Representative, if any, are as set forth in Exhibit D.
28. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
29. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Construction Contract Documents.
30. *Site*—Lands or areas to be indicated in the Construction Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
31. *Specifications*—The part of the Construction Contract Documents that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
32. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
33. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Construction Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.
34. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
35. *Total Project Costs*—The total cost of planning, studying, designing, constructing, testing, commissioning, and start-up of the Project, including Construction Cost and all other Project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other Project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties, Owner's costs for legal, accounting, insurance counseling, and auditing services, interest and financing charges incurred in connection with the Project, and the cost of other services to be provided by others to Owner.

36. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Construction Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Construction Contract Documents.

37. *Work Change Directive*—A written directive to Contractor issued on or after the effective date of the Construction Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

B. Day:

1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.

## ARTICLE 8 – EXHIBITS AND SPECIAL PROVISIONS

### 8.01 Exhibits Included:

- A. Exhibit A, Engineer’s Services.
- B. Exhibit B, Owner’s Responsibilities.
- C. Exhibit C, Payments to Engineer for Services and Reimbursable Expenses.
- D. Exhibit D, Duties, Responsibilities and Limitations of Authority of Resident Project Representative.
- E. Exhibit E, Not Used.
- F. Exhibit F, Not Used.
- G. Exhibit G, Insurance.
- H. Exhibit H, Dispute Resolution.
- I. Exhibit I, Not Used.
- J. Exhibit J, Engineer's Proposal to Owner dated January 29, 2018.
- K. Exhibit K, Amendment to Owner-Engineer Agreement.
- L. Exhibit L, Engineer's Proposal to Owner dated March 16, 2018.

## 8.02 Total Agreement

- A. This Agreement, (together with the exhibits included above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a written instrument duly executed by both parties. Amendments should be based whenever possible on the format of Exhibit K to this Agreement.

## 8.03 Designated Representatives

- A. With the execution of this Agreement, Engineer and Owner shall designate specific individuals to act as Engineer's and Owner's representatives with respect to the services to be performed or furnished by Engineer and responsibilities of Owner under this Agreement. Such an individual shall have authority to transmit instructions, receive information, and render decisions relative to this Agreement on behalf of the respective party whom the individual represents.

## 8.04 Engineer's Certifications

- A. Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing the Agreement. For the purposes of this Paragraph 8.04:
  - 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the selection process or in the Agreement execution;
  - 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of Owner, or (b) to deprive Owner of the benefits of free and open competition;
  - 3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner: City of Sheboygan

Engineer: Ruekert & Mielke, Inc.

By: 

By: 

Print Name: Michael Vandersteen

Print Name: Stanley R. Sugden, P.E.

Title: Mayor

Title: President

Date Signed: 5-9-2018

Date Signed: APRIL 20, 2018

Attest:  
By: 

Print Name: Meredith DeBruin

Title: City Clerk

Date Signed: 5-10-2018

Address for Owner's receipt of notices:  
828 Center Avenue  
Sheboygan, WI 53081-4442

Address for Engineer's Receipt Of Notices:  
Ruekert & Mielke, Inc.  
Attn: President  
W233 N2080 Ridgeview Parkway  
Waukesha, WI 53188-1020

Designated Representative (Paragraph 8.03.A):  
By: Chad Pelishek  
Title: Director of Planning and Development  
Phone Number: 920-459-3383  
E-Mail Address: Chad.pelishek@sheboyganwi.gov

Designated Representative (Paragraph 8.03.A):  
By: Joseph W. Eberle, P.E.  
Title: Senior Project Manager  
Phone Number: 262-542-5733  
E-Mail Address: jeberle@ruekert-mielke.com

This is **EXHIBIT A**, consisting of 11 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of is: April 23, 2018.

## **Engineer's Services**

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Article 1 of the Agreement is supplemented to include the following agreement of the parties.

Engineer shall provide Basic and Additional Services as set forth below.

### **PART 1 – BASIC SERVICES**

#### **A1.01 Construction Phase**

- A. Upon successful completion of the Bidding Phase, and upon written authorization from Owner, Engineer shall:
1. *General Administration of Construction Contract:* Consult with Owner and act as Owner's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in this Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional. All of Owner's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.
  2. *Resident Project Representative (RPR):* Provide the services of an RPR at the Site to assist the Engineer and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit D. The furnishing of such RPR's services will not limit, extend, or modify Engineer's responsibilities or authority except as expressly set forth in Exhibit D
  3. *Pre-Construction Conference:* Participate in a pre-construction conference prior to commencement of Work at the Site.
  4. *Electronic Transmittal Protocols:* If the Construction Contract Documents do not specify protocols for the transmittal of Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, then together with Owner and Contractor jointly develop such protocols for transmittals between and among Owner, Contractor, and Engineer during the Construction Phase and Post-Construction Phase.

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5. *Original Documents:* If requested by Owner to do so, maintain and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations. Throughout the Construction Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review.
6. *Schedules:* Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
7. *Baselines and Benchmarks:* As appropriate, establish baselines and benchmarks for locating the Work which in Engineer's judgment are necessary to enable Contractor to proceed.
8. *Visits to Site and Observation of Construction:* In connection with observations of Contractor's Work while it is in progress:
  - a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor's executed Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
  - b. The purpose of Engineer's visits to the Site, and representation by the Resident Project Representative, if any, at the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Engineer shall not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor

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assumes responsibility for any Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.

9. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
10. *Compatibility with Design Concept:* If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.
11. *Clarifications and Interpretations:* Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.
12. *Non-reviewable Matters:* If a submitted matter in question concerns the Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (1) the performance or acceptability of the Work under the Construction Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.
13. *Field Orders:* Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.
14. *Change Orders and Work Change Directives:* Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.
15. *Differing Site Conditions:* Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews and prepare findings, conclusions, and recommendations for Owner's use.
16. *Shop Drawings, Samples, and Other Submittals:* Review and approve or take other appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals, but only for conformance with the information given in the Construction Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract

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Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Engineer shall meet any Contractor's submittal schedule that Engineer has accepted.

17. *Substitutes and "Or-equal"*: Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Paragraph A2.02.A.2 of this Exhibit A.
18. **Inspections and Tests:**
  - a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction Contract Documents. Engineer shall be entitled to rely on the results of such inspections and tests.
  - b. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.
  - c. Pursuant to the terms of the Construction Contract, require special inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.
19. *Change Proposals and Claims*: (a) Review and respond to Change Proposals. Review each duly submitted Change Proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer will not resolve the Change Proposal. (b) Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.
20. *Applications for Payment*: Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
  - a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer's representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions

precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work. In the case of unit price Work, Engineer's recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

- b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement. Neither Engineer's review of Contractor's work for the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.
21. *Contractor's Completion Documents:* Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer's review of record documents shall be to check that Contractor has submitted all pages.
  22. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use and, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.
  23. *Final Notice of Acceptability of the Work:* Conduct a final visit to the Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor.
  24. *Standards for Certain Construction-Phase Decisions:* Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction

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Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

- B. *Duration of Construction Phase:* The Construction Phase will commence with the execution of the first Construction Contract for the Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. Subject to the provisions of Article 3, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the Construction Contract.

#### A1.02 *Post-Construction Phase*

- A. Upon written authorization from Owner during the Post-Construction Phase, Engineer shall:
1. If requested by Owner, visit the Project to observe any apparent defects in the Work, make recommendations as to replacement or correction of defective Work, if any, or the need to repair any damage to the Site or adjacent areas, and assist Owner in consultations and discussions with Contractor concerning correction of any such defective Work and any needed repairs.

### **PART 2 – ADDITIONAL SERVICES**

#### A2.01 Additional Services Requiring Owner's Written Authorization

- A. If authorized in writing by Owner, Engineer shall provide Additional Services of the types listed below. These services are not included as part of Basic Services and will be paid for by Owner as indicated in Exhibit C.
1. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
  2. Services to make measured drawings of existing conditions or facilities, to conduct tests or investigations of existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by Owner or others.
  3. Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by Engineer, or the Project's design requirements, including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Construction Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date or are due to any other causes beyond Engineer's control.

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4. Services required as a result of Owner's providing incomplete or incorrect Project information to Engineer.
5. Providing renderings or models for Owner's use, including services in support of building information modeling or civil integrated management.
6. Undertaking investigations and studies including, but not limited to:
  - a. detailed consideration of operations, maintenance, and overhead expenses;
  - b. the preparation of feasibility studies (such as those that include projections of output capacity, utility project rates, project market demand, or project revenues) and cash flow analyses, provided that such services are based on the engineering and technical aspects of the Project, and do not include rendering advice regarding municipal financial products or the issuance of municipal securities;
  - c. preparation of appraisals;
  - d. evaluating processes available for licensing, and assisting Owner in obtaining process licensing;
  - e. detailed quantity surveys of materials, equipment, and labor; and
  - f. audits or inventories required in connection with construction performed or furnished by Owner.
7. Providing data or services of the types described in Exhibit B, when Owner retains Engineer to provide such data or services instead of Owner furnishing the same.
8. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, construction management, cost estimating, project peer review, value engineering, and constructability review requested by Owner; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other documents as a result of such review processes.
9. Assistance in connection with bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services, except when such assistance is required to complete services required by Paragraph 5.02.A and Exhibit F.
10. Preparing conformed Construction Contract Documents that incorporate and integrate the content of all Addenda and any amendments negotiated by Owner and Contractor.
11. Providing Construction Phase services beyond the original date for completion and readiness for final payment of Contractor, but only if such services increase the total quantity of services to be performed in the Construction Phase, rather than merely shifting performance of such services to a later date.
12. Preparing Record Drawings, and furnishing such Record Drawings to Owner.

13. Conducting surveys, investigations, and field measurements to verify the accuracy of Record Drawing content obtained from Contractor, Owner, utility companies, and other sources; revise and supplement Record Drawings as needed.
14. Preparation of operation, maintenance, and staffing manuals.
15. Protracted or extensive assistance in refining and adjusting of Project equipment and systems (such as initial startup, testing, and balancing).
16. Assistance to Owner in training Owner's staff to operate and maintain Project equipment and systems.
17. Assistance to Owner in developing systems and procedures for (a) control of the operation and maintenance of Project equipment and systems, and (b) related recordkeeping.
18. Preparing to serve or serving as a consultant or witness for Owner in any litigation, mediation, arbitration, lien or bond claim, or other legal or administrative proceeding involving the Project.
19. Providing construction surveys and staking to enable Contractor to perform its work other than as required under Paragraph A1.01.A.8; any type of property surveys or related engineering services needed for the transfer of interests in real property; and providing other special field surveys.
20. Providing more extensive services required to enable Engineer to issue notices or certifications requested by Owner.
21. Extensive services required during any correction period, or with respect to monitoring Contractor's compliance with warranties and guarantees called for in the Construction Contract (except as agreed to under Basic Services).
22. Other additional services performed or furnished by Engineer not otherwise provided for in this Agreement.
23. A2.02 Additional Services Not Requiring Owner's Written Authorization
  - A. Engineer shall advise Owner that Engineer is commencing to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice to cease from Owner.
    1. Services in connection with Work Change Directives and Change Orders to reflect changes requested by Owner.
    2. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or equal" items; services after the award of the Construction Contract in evaluating and determining the acceptability of an "or equal" or substitution proposed by Contractor, which is found to be inappropriate for the Project; evaluation and determination of an excessive number of "or equals" or

substitutions proposed by Contractor, whether proposed before or after award of the Construction Contract.

3. Services resulting from significant delays, changes, or price increases occurring as a direct or indirect result of materials, equipment, or energy shortages.
4. Additional or extended services arising from (a) the presence at the Site of any Constituent of Concern or items of historical or cultural significance not originally contemplated, (b) emergencies or acts of God endangering the Work, (c) damage to the Work by fire or other causes during construction, (d) a significant amount of defective, neglected, or delayed Work, (e) acceleration of the progress schedule involving services beyond normal working hours, or (f) default by Contractor.
5. Services (other than Basic Services during the Post-Construction Phase) in connection with any partial utilization of the Work by Owner prior to Substantial Completion.
6. Evaluating unreasonable or frivolous requests for interpretation or information (RFIs), Change Proposals, or other demands from Contractor or others in connection with the Work, or an excessive number of RFIs, Change Proposals, or demands.
7. Reviewing a Shop Drawing or other Contractor submittal more than three times, as a result of repeated inadequate submissions by Contractor.
8. While at the Site, compliance by Engineer and its staff with those terms of Owner's or Contractor's safety program provided to Engineer subsequent to the Effective Date that exceed those normally required of engineering personnel by federal, State, or local safety authorities for similar construction sites.

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Exhibit A – Engineer's Services

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This is **EXHIBIT B**, consisting of 3 pages, referred to in and part of the Agreement between Owner and Engineer for Professional Services; the Effective date of is April 23, 2018.

## **Owner's Responsibilities**

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Article 2 of the Agreement is supplemented to include the following agreement of the parties.

B2.01 In addition to other responsibilities of Owner as set forth in this Agreement, Owner shall at its expense:

- A. Provide Engineer with all criteria and full information as to Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations.
- B. Furnish to Engineer any other available information pertinent to the Project including reports and data relative to previous designs, construction, or investigation at or adjacent to the Site, including geotechnical data.
- C. Following Engineer's assessment of initially-available Owner provided Project information and data and upon Engineer's request, obtain, furnish, or otherwise make available (if necessary through title searches, or retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Basic and Additional Services. Such additional information or data would generally include the following:
  - 1. Property descriptions.
  - 2. Zoning, deed, and other land use restrictions.
  - 3. Utility and topographic mapping and surveys.
  - 4. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
  - 5. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental, historical, or cultural studies relevant to the Project, the Site, and adjacent areas.
  - 6. Data or consultations as required for the Project but not otherwise identified in this Agreement.
- D. Arrange for safe access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services under the Agreement.
- E. Recognizing and acknowledging that Engineer's services and expertise do not include the following services, provide, as required for the Project:

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Exhibit B – Owner's Responsibilities

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1. Accounting, bond and financial advisory (including, if applicable, “municipal advisor” services as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) and the municipal advisor registration rules issued by the Securities and Exchange Commission), independent cost estimating, and insurance counseling services.
  2. Legal services with regard to issues pertaining to the Project as Owner requires, Contractor raises, or Engineer reasonably requests.
  3. Such auditing services as Owner requires to ascertain how or for what purpose Contractor has used the money paid.
- F. Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the Project designed or specified by Engineer and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the Project.
- G. Advise Engineer of the identity and scope of services of any independent consultants employed by Owner to perform or furnish services in regard to the Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructibility review.
- H. If Owner designates a construction manager or an individual or entity other than, or in addition to, Engineer to represent Owner at the Site, define and set forth as an attachment to this Exhibit B the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of Engineer.
- I. Inform Engineer in writing of any specific requirements of safety or security programs that are applicable to Engineer, as a visitor to the Site.
- J. Examine all alternative solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by Engineer (including obtaining advice of an attorney, risk manager, insurance counselor, financial/municipal advisor, and other advisors or consultants as Owner deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.
- K. Advise Engineer as to whether Engineer’s assistance is requested in identifying opportunities for enhancing the sustainability of the Project.
- L. Attend and participate in the pre-construction conferences, construction progress and other job related meetings, and Site visits to determine Substantial Completion and readiness of the completed Work for final payment.
- M. Authorize Engineer to provide Additional Services as set forth in Part 2 of Exhibit A of the Agreement, as required.

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Exhibit B – Owner’s Responsibilities

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This is **EXHIBIT C**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of is April 23, 2018.

**Payments to Engineer for Services and Reimbursable Expenses**  
**Basic Services – Standard Hourly Rates**

---

Article 2 of the Agreement is supplemented to include the following agreement of the parties:

**ARTICLE 2 – OWNER’S RESPONSIBILITIES**

**C2.01 Compensation For Basic Services (including Resident Project Representative) – Standard Hourly Rates Method of Payment**

- A. Owner shall pay Engineer for Basic Services set forth in Exhibit A, including services of Engineer’s Resident Project Representative, as follows:
  - 1. An amount equal to the cumulative hours charged to the Project by each of Engineer’s personnel times Standard Hourly Rates for each for all services performed on the Project, plus Reimbursable Expenses and Engineer’s Consultants’ charges, if any.
  - 2. The Standard Hourly Rates charged by Engineer constitute full and complete compensation for Engineer’s services, including labor costs, overhead, and profit; the Standard Hourly Rates do not include Reimbursable Expenses or Engineer’s Consultants’ charges.
  - 3. Engineer’s Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Exhibit C as Appendices 1 and 2.
  - 4. The total compensation for services under Paragraph C2.01 is not to exceed \$878,760.
  - 5. The total estimated compensation for Engineer’s services included in the breakdown by phases as noted in Paragraph C2.01.A.4 incorporates all labor, overhead, profit, Reimbursable Expenses, and Engineer’s Consultants’ charges.
  - 6. The amounts billed for Engineer’s services under Paragraph C2.01 will be based on the cumulative hours charged to the Project during the billing period by each of Engineer’s employees times Standard Hourly Rates for each, plus Reimbursable Expenses and Engineer’s Consultants’ charges.

**C2.02 Compensation For Reimbursable Expenses**

- A. Owner shall pay Engineer for all Reimbursable Expenses at the rates set forth in Appendix 1 to this Exhibit C.
- B. Reimbursable Expenses include the expenses identified in Appendix 1 and the following: transportation (including mileage), and courier charges; reproduction of reports, Drawings, Specifications, or other documents, Construction Contract Documents, and similar Project-

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Exhibit C: Basic Services (other than RPR) – Standard Hourly Rates Method of Payment.  
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related items; and Consultants' charges. In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for the use of highly specialized equipment.

- C. The amounts payable to Engineer for Reimbursable Expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to the Project.

#### C2.03 Other Provisions Concerning Payment

- A. Whenever Engineer is entitled to compensation for the charges of Engineer's Consultants, those charges shall be the amounts billed by Engineer's Consultants to Engineer times a factor of 1.10.
- B. *Factors:* The external Reimbursable Expenses and Engineer's Consultants' factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.
- C. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner at cost.

This is **Appendix 1 to EXHIBIT C**, consisting of 1 page, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of is April 23, 2018.

**Reimbursable Expenses Schedule**

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Reimbursable Expenses are subject to review and adjustment per Exhibit C. Rates and charges for Reimbursable Expenses as of the Effective Date of the Agreement are:

Wisconsin

MISCELLANEOUS

MILEAGE

For Engineers and Technicians	.55/mile
For Construction Review Technicians	.62/mile
For Survey Crews	.70/mile

Print reproductions	.30/sq. foot
Color copies	.30/page
B&W copies	.10/page
Color plots	2.50/sq. foot
Scanning	.30/scan
Flow Probe	100.00/day
GPS equipment	100.00/day
ATV fee	100.00/day

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This is **Appendix 2 to EXHIBIT C**, consisting of 1 page, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of April 23, 2018.

## **Standard Hourly Rates Schedule**

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### A. Standard Hourly Rates:

7. Standard Hourly Rates are set forth in this Appendix 2 to this Exhibit C and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
8. The Standard Hourly Rates apply only as specified in Article C2.

### N. Schedule:

Hourly rates for services performed on or after the date of the Agreement are:

#### **STANDARD HOURLY RATES**

##### **ENGINEERING SERVICES**

Engineer 7	175.00/185.00
Engineer 6 (Senior PM)	144.00
Engineer Technician 2	92.00
Environmental Coordinator	125.00

##### **SURVEYING SERVICES**

Professional Land Surveyor	114.00
Survey Crew	197.00

##### **CONSTRUCTION REVIEW SERVICES**

Senior Construction Review Technician	98.00/118.00 (OT)
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##### **ADMINISTRATIVE SERVICES**

Administrative Assistant	72.00
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This is **EXHIBIT D**, consisting of 4 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of April 23, 2018.

## **Duties, Responsibilities, and Limitations of Authority of Resident Project Representative**

Article 1 of the Agreement is supplemented to include the following agreement of the parties:

### **ARTICLE 1 - SERVICES OF ENGINEER**

#### **D1.01 Resident Project Representative**

- A. Engineer shall furnish a Resident Project Representative (“RPR”) to assist Engineer in observing progress and quality of the Work. The RPR may provide full time representation or may provide representation to a lesser degree. RPR is Engineer’s representative at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR’s actions.
- B. Through RPR's observations of the Work, including field checks of materials and installed equipment, Engineer shall endeavor to provide further protection for Owner against defects and deficiencies in the Work. However, Engineer shall not, as a result of such RPR observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer (including the RPR) have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to the Work or any Constructor’s work in progress, for the coordination of the Constructors’ work or schedules, or for any failure of any Constructor to comply with Laws and Regulations applicable to the performing and furnishing of its work. The Engineer (including RPR) neither guarantees the performances of any Constructor nor assumes responsibility for any Constructor’s failure to furnish and perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents. In addition, the specific terms set forth in Exhibit A, Paragraph A1.05, of this Agreement are applicable.
- C. The duties and responsibilities of the RPR are as follows:
  1. *General:* RPR’s dealings in matters pertaining to the Work in general shall be with Engineer and Contractor. RPR’s dealings with Subcontractors shall only be through or with the full knowledge and approval of Contractor. RPR shall generally communicate with Owner only with the knowledge of and under the direction of Engineer.
  2. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings (but not including Contractor’s safety meetings), and as appropriate prepare and circulate copies of minutes thereof.
  3. *Safety Compliance:* Comply with Site safety programs, as they apply to RPR, and if required to do so by such safety programs, receive safety training specifically related to RPR’s own personal safety while at the Site.

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4. **Liaison:**
  - a. **Serve as Engineer's liaison with Contractor. Working principally through Contractor's authorized representative or designee, assist in providing information regarding the provisions and intent of the Construction Contract Documents.**
  - b. **Assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-Site operations.**
  - c. **Assist in obtaining from Owner additional details or information, when required for proper execution of the Work.**
5. **Clarifications and Interpretations:** Report to Engineer when clarifications and interpretations of the Construction Contract Documents are needed.
6. **Shop Drawings and Samples:**
  - a. **Notify Engineer of availability of Samples for examination.**
  - b. **Advise Engineer and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal, if RPR believes that the submittal has not been received from Contractor, or has not been approved by Contractor or Engineer.**
7. **Proposed Modifications:** Consider and evaluate Contractor's suggestions for modifications to the Drawings or Specifications, and report such suggestions, together with RPR's recommendations, if any, to Engineer.
8. **Review of Work; Defective Work:**
  - a. **Report to Engineer whenever RPR believes that any part of the Work is defective under the terms and standards set forth in the Construction Contract Documents, and provide recommendations as to whether such Work should be corrected, removed and replaced, or accepted as provided in the Construction Contract Documents.**
  - b. **Inform Engineer of any Work that RPR believes is not defective under the terms and standards set forth in the Construction Contract Documents, but is nonetheless not compatible with the design concept of the completed Project as a functioning whole, and provide recommendations to Engineer for addressing such Work. ; and**
  - c. **Advise Engineer of that part of the Work that RPR believes should be uncovered for observation, or requires special testing, inspection, or approval.**
9. **Inspections, Tests, and System Start-ups:**
  - a. **Consult with Engineer in advance of scheduled inspections, tests, and systems start-ups.**
  - b. **Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.**

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Exhibit D - Resident Project Representative.

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- c. Observe, record, and report to Engineer appropriate details relative to the test procedures and systems start-ups.
- d. Observe whether Contractor has arranged for inspections required by Laws and Regulations, including but not limited to those to be performed by public or other agencies having jurisdiction over the Work.
- e. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Work, record the results of these inspections, and report to Engineer.

10. Records:

- a. Maintain at the Site orderly files for correspondence, reports of job conferences, copies of Construction Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Construction Contract, RFIs, Engineer's clarifications and interpretations of the Construction Contract Documents, progress reports, approved Shop Drawing and Sample submittals, and other Project-related documents.
- b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, Subcontractors present at the Site, weather conditions, data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions, Site visitors, deliveries of equipment or materials, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Engineer.
- c. Upon request from Owner to Engineer, photograph or video Work in progress or Site conditions.
- d. Record and maintain accurate, up-to-date lists of the names, addresses, fax numbers, e-mail addresses, websites, and telephone numbers (including mobile numbers) of all Contractors, Subcontractors, and major Suppliers of materials and equipment.
- e. Maintain records for use in preparing Project documentation.
- f. Upon completion of the Work, furnish original set of all RPR Project documentation to Engineer.

11. Reports:

- a. Furnish to Engineer periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule.
- b. Furnish to Engineer and Owner copies of all inspection, test, and system start-up reports.
- c. Immediately inform Engineer of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, possible force majeure or delay events, damage

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Exhibit D - Resident Project Representative.

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to property by fire or other causes, or the discovery of any potential differing Site condition or Constituent of Concern.

12. *Payment Requests:* Review applications for payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.
13. Completion:
  - a. Participate in Engineer's visits to the Site regarding Substantial Completion, assist in the determination of Substantial Completion, and prior to the issuance of a Certificate of Substantial Completion submit a punch list of observed items requiring completion or correction.
  - b. Participate in Engineer's visit to the Site in the company of Owner and Contractor, to determine completion of the Work, and prepare a final punch list of items to be completed or corrected by Contractor.
  - c. Observe whether all items on the final punch list have been completed or corrected, and make recommendations to Engineer concerning acceptance.

D. Resident Project Representative shall not:

1. Authorize any deviation from the Construction Contract Documents or substitution of materials or equipment (including "or-equal" items).
2. Exceed limitations of Engineer's authority as set forth in this Agreement.
3. Undertake any of the responsibilities of Contractor, Subcontractors, or Suppliers, or any Constructor.
4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of the Work, by Contractor or any other Constructor.
5. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.
6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Engineer.
7. Accept Shop Drawing or Sample submittals from anyone.
8. Authorize Owner to occupy the Project in whole or in part.

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Exhibit D - Resident Project Representative.

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This is **EXHIBIT G**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective date of is April 23, 2018.

## **Insurance**

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Paragraph 6.05 of the Agreement is supplemented to include the following agreement of the parties:

### G6.05 Insurance

A. The limits of liability for the insurance required by Paragraph 6.05.A and 6.05.B of the Agreement are as follows:

1. By Engineer:

- d. Workers' Compensation: Statutory
- e. Employer's Liability --
  - 1) Bodily injury, each accident: \$ 1,000,000
  - 2) Bodily injury by disease, each employee: \$ 1,000,000
  - 3) Bodily injury/disease, aggregate: \$ 1,000,000
- f. General Liability --
  - 1) Each Occurrence (Bodily Injury and Property Damage): \$ 1,000,000
  - 2) General Aggregate: \$ 3,000,000
- g. Excess or Umbrella Liability --
  - 1) Per Occurrence: \$ 10,000,000
  - 2) General Aggregate: \$ 10,000,000
- h. Automobile Liability --Combined Single Limit (Bodily Injury and Property Damage):  
  
\$ 1,000,000
- i. Professional Liability --
  - 1) Each Claim Made \$ 2,000,000
  - 2) Annual Aggregate \$ 4,000,000

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Exhibit G – Insurance.

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This is **EXHIBIT H**, consisting of 1 page, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of is April 23, 2018.

## **Dispute Resolution**

Paragraph 6.09 of the Agreement is amended and supplemented to include the following agreement of the parties:

### **H6.09 Dispute Resolution**

- A. Owner and Engineer agree that they shall first submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Agreement or the breach thereof (“Disputes”) to mediation.
- B. If either party alleges a dispute or controversy with the other party arising out of or relating to this Agreement, then either party shall have the right to demand non-binding mediation within twenty (20) days after the complaining party has provided the other party with written notice describing the dispute and the complaining party's position with reference to the resolution of the dispute.
- C. All mediation hearings shall take place exclusively in the Greater Metropolitan Milwaukee Area in the State of Wisconsin and shall be held within thirty (30) days after the mediator has been appointed. If the Owner and Engineer have not agreed upon a mediator within ten (10) days of the request for mediation, the parties shall jointly request the Chief Judge for the Circuit Courts of Waukesha County, Wisconsin, to appoint a mediator who shall, if reasonably available in the sole judgment of the appointing Judge, be a retired or former Circuit Court Judge for Waukesha County or Milwaukee County.
- D. The mediation hearing shall be informal and the mediator shall have the right to hear and review all testimony and evidence presented by either party. The mediator shall fix their own reasonable compensation and shall assess the cost and charges of the mediation to either or both of the parties as the mediator shall determine to be fair and reasonable. The mediator shall also be authorized, in their sole discretion, to award to the party whose contention is upheld, any sums as they may deem proper for the time, expense, and trouble incident to the mediation. The mediator shall issue a written finding which shall state how they propose to resolve the dispute between the parties. The mediator' decision shall be rendered within thirty (30) days after the completion of the mediation hearings and shall not be binding on either party; however, neither party shall have the right to commence any legal proceedings against the other party until the dispute has been mediated and the mediator has issued their written findings.
- E. E. No work related to this Agreement shall be interrupted or delayed during any mediation proceeding except upon written agreement of both parties.
- F. F. The mediator shall not be a witness in any legal proceedings related to this Agreement nor shall the decision of the mediator be used as evidence or referred to in any legal proceedings related to this Agreement.

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Exhibit H - Dispute Resolution.

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This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services**; the Effective Date of is April 23, 2018.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**  
**Amendment No. \_\_\_\_\_**

**The Effective Date of this Amendment is: \_\_\_\_\_.**

**Background Data**

Effective Date of Owner-Engineer Agreement:

Owner:

Engineer: Ruekert & Mielke, Inc.

Project:

Nature of Amendment: [Check those that are applicable and delete those that are inapplicable.]

- \_\_\_ Additional Services to be performed by Engineer
- \_\_\_ Modifications to services of Engineer
- \_\_\_ Modifications to responsibilities of Owner
- \_\_\_ Modifications of payment to Engineer
- \_\_\_ Modifications to time(s) for rendering services
- \_\_\_ Modifications to other terms and conditions of the Agreement

**Description of Modifications:**

*Here describe the modifications, in as much specificity and detail as needed. Use an attachment if necessary.*

**Agreement Summary:**

Original agreement amount: \$ \_\_\_\_\_  
Net change for prior amendments: \$ \_\_\_\_\_  
This amendment amount: \$ \_\_\_\_\_  
Adjusted Agreement amount: \$ \_\_\_\_\_

Change in time for services (days or date, as applicable): \_\_\_\_\_

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Ruekert & Mielke, Inc.

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

OWNER:

ENGINEER:

Ruekert & Mielke, Inc.

By:

By: \_\_\_\_\_

Print name:

Print name:

Title:

Title:

Date Signed:

Date Signed:

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Exhibit K – Amendment to Owner-Engineer Agreement.

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W233 N2080 Ridgeview Parkway • Waukesha, WI 53188-1020 • Tel. (262) 542-5733

March 16, 2018

Mr. Chad D. Pelishek  
Director of Planning & Development  
Department of City Development  
City of Sheboygan  
828 Center Avenue, Suite 104  
Sheboygan, WI 53081-4442

RE: Southpointe Enterprise Campus  
Proposal for Professional Engineering Services  
Construction Phase Services

Dear Mr. Pelishek:

Ruekert & Mielke, Inc. (R/M) is pleased to submit our proposed scope and associated costs for the Construction Phase Services for the construction phase of the Southpointe Enterprise Campus.

On February 13, 2018, we met with Mr. Dave Biebel and Mr. Ryan Sazama to discuss the construction phase of this project, the City's past practices, and the City's expectations for our services. We have had subsequent conversations that have allow us to identify the City's desired approach, level of effort and fee for the construction-related engineering services.

On March 14, 2018 bids were opened for the project and favorable bids were obtained. The goal of this Project is to have saleable and buildable lots available as soon as possible.

We have had preliminary discussions with the contractor regarding his anticipated schedule and likely number of crews that will be on site. The following represents the anticipated schedule:

Project Awarded	April 2, 2018
Notice to Proceed Issued	April 16, 2018
Utility Work	April 16 – October 1, 2018
Grading Work	April 16 – September 1, 2018
Street Base & Paving	August 1 – October 15, 2018
Restoration	September 1 – December 1, 2018
	April 1 – June 1, 2019
Substantial Completion	December 1, 2018
Readiness for Final Payment	June 1, 2019

To meet this schedule, the Contractor will have to provide multiple crews working on several elements of the Project simultaneously. PTS is anticipating initially having 2 mainline

~8000 10001 Business Center Expansion > 310 Construction > Proposal > Pelishek-20180316-Professional Engr Services-Construction.docx~

Mr. Chad D. Pelishek  
City of Sheboygan  
March 16, 2018  
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utility crews from April 15 thru September 15 plus a third crew working on the pipe bursting portion running from June thru September 1. Following the utility pipe installation, testing of the utilities will occur as well as finishing the manholes and inlet structures. We are proposing to have two onsite construction review technicians during the busy and active utility construction phases. Following the completion of the utility construction phases, we suggest reducing to one onsite construction review technician.

### **Public Informational Meeting**

We will attend a Public Informational meeting hosted by the City at a location to be determined to answer questions in an Open House format. The City will schedule this meeting (anticipated to be 2 hours in duration) and send out notifications to whomever the City deems appropriate.

### **Prepare Contracts**

Once the City awards the Project, we will prepare Contracts for signature by both the Contractor and the appropriate City officials

### **Preconstruction Conference**

We will prepare an agenda, send out invites to the Contractor, City Staff, utilities, Regulatory Agencies, and others as appropriate, preside at the conference, record minutes, and distribute copies of the minutes to participants. The meeting agenda will include review of the Contractor's schedule, procedures for handling Shop Drawings and other submittals, processing of Applications for Payment, regulatory requirements and the roles of the Owner, Engineer, and Contractor.

### **Attend 12 Job Progress Meetings**

Monthly Project Progress Meetings will take place at the Site over the course of the Project to discuss completed Work, Work planned for the following month, issues that may impede Project progress, Shop Drawing status, Claims, Change Orders, and Progress Schedule corrective matters.

### **Site Visits**

We have included 25 visits to the Site by the Project Manager over the course of the Project to review Work in progress and completed.

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March 16, 2018  
Page 3

### **Review Submittals**

We have included time to receive, review, and act on Shop Drawings submitted by the Contractor over the course of the Project for conformance with the Contract Documents.

### **Provide Construction Staking / Grade Checks**

Per the City's direction, all the construction staking will be performed by the awarded Contractor as part of their contract. We will provide the Contractor with the survey control and the digital files of the construction Drawings. It will be the Contractor's responsibility to retain a surveyor to layout their Work. For purposes of specifying, the Bidding Documents refer to WDOT Specifications Section 650 for the details on the construction staking.

We have not included any time in this proposal for checking any of the Contractor's surveyor's work or verifying the locations or elevations of the installed work during construction.

### **Construction Review**

Per the City's past practice, we are providing a primary Construction Review Technician to observe Contractor's performance and record the installation of the various elements of the Project. As mentioned above, during the period of mid-April through September we are providing a secondary construction review technician to help with reviewing the utility construction phase of the project. The primary construction review technician will remain on sight until around December 15 and will return from April 15 thru June 15 for final project completion. Based upon this duration we are estimating 43 weeks of construction and have included a total of 3,466 hours of construction review time. This amount may vary either up or down depending upon the Contractor's schedule, weather, and unanticipated occurrences.

The resume of the primary Construction Review Technician we propose using is enclosed for your review.

Our daily reports will provide a general overview of the Contractor's daily activities for the day. Example daily reports are attached. Also, because we will not be providing the construction staking on this Project, we will not be verifying the horizontal and vertical placement of the Contractor's Work. This will be the Contractor's responsibility.

### **Process Pay Requests**

We will receive pay requests from the Contractor, review, and forward our recommendation to the City on 12 monthly Applications for Payment.

Mr. Chad D. Pelishek  
City of Sheboygan  
March 16, 2018  
Page 4

### **Work Change Directives and Change Orders**

Prepare appropriate Work Change Directives and Change Orders over the course of the Project. For a project of this magnitude and scope, we are estimating a combined total of 10 of these documents. The final number may be more or less.

### **Geotechnical / Construction Testing**

Our subconsultant, Terracon, will provide monitoring of the placement of soils and the daily testing of the Contractor's compaction efforts of the 130 acres of grading, the placement and compaction testing of the base course, the testing of the concrete for the curb and gutter and concrete pavement, the compaction testing of the asphalt pavement and paths along with the associated and necessary laboratory testing. There will be multiple grading crews working simultaneously throughout the site. Upon completion of the Work, Terracon will issue a report documenting the Contractor's compaction efforts and results for the City's use in marketing the improved sites to potential buyers.

### **Erosion Control Inspections**

As part of their regular activities, our on-Site Construction Review Technician will prepare the WDNR required Erosion Control Inspections as required by the permit issued to the City. The WDNR rules require weekly inspections (and accompanying reports) as well as inspections following rainfall events of 1/2-inch or greater.

### **O&M Manual**

We will obtain from the Contractor appropriate operation and maintenance documents for the street lighting system, review them for appropriateness and completeness and forward the final approved documents to City for their records.

### **Issue Substantial Completion Certificate**

Upon request from the Contractor, review the Work completed and, if appropriate, issue a Certificate of Substantial Completion for the Project per the Contract Documents.

### **Prepare Punch List**

As part of the review of Substantial Completion, compile a list of remaining items to be completed, items to be corrected and/or replaced and transmit to Contractor.

Mr. Chad D. Pelishek  
City of Sheboygan  
March 16, 2018  
Page 5

### **Follow-up on Punch List Inspections & Prepare Revised List**

Monitor the status of completed punch list items and revise/reissue punch list as appropriate.

### **Perform Final Inspection**

Perform a final review of the Contractor's Work with the City and Contractor and notify Contractor of any incomplete or defective Work.

### **Final Quantities**

We will not be providing any survey, for purposes of final quantities. We will review the Contractor's pay requests and utilize Contractor-submitted quantities.

### **Process Closeout Change Order**

Compile and process the final Project closeout Change Order to reconcile the final Project Contract amount.

### **Project Closeout Documents**

Obtain from Contractor final Project documentation, releases, waivers, and compile for forwarding to City for review and filing.

### **Defective Work**

Monitor and record Contractor's efforts to corrective or replace any Defective Work.

### **Survey of the Completed Work**

Once the Contractor's Work is completed, our survey crew will locate the position of readily apparent installed items such as hydrants, valves, manholes, catch basins and the associated invert elevations. The storm water inlet grates weigh over 100 pounds and our scope and fee assume that the City will provide labor/equipment to remove and reset the inlet grates to allow our survey crew to obtain invert information. We will use an all-terrain vehicle to obtain a grid of finish spot elevations of graded areas. This information will be provided to the City for their use in the form of an ASCII file of the obtained data. The City will be able to use this file and the original AutoCAD utility base map file to manually enter the as-built utility locations in the City's GIS.

Mr. Chad D. Pelishek  
City of Sheboygan  
March 16, 2018  
Page 6

### **Drawings**

We will utilize the survey of the completed work to prepare a set of .pdf drawings that represent the elevations obtained during the survey of completed work. There are 36 sewer/water sheets, 35 storm sewer sheets and 14 grading plan sheets. We will markup the .pdf plan sheets to show the surveyed locations of all structures surveyed. We will also show the surveyed elevations of the structure rims and inverts for sanitary and storm sewers. For the grading sheets we will show the spot elevations of the finished ground obtained by the survey by ATV. The locations of the spot elevations will be a general grid. Examples of the sewer, water and storm .pdf drawings are attached.

### **General Project Administration**

Provide overall Project Management including responding to inquiries from City, inquiries from the Public, requests for information from the Contractor, coordination of our personnel, Contractor's schedule review, Project updates to City and general review of Contractor's adherence to the Contract Documents.

The Project Manager for the construction phase of this Project will either be Andy Petersen or myself. We have both been involved in this Project since our firm began work with the City in 2016 and we both have significant experience in the design and construction of these types of development.

We have included summary spreadsheets showing both options and can work with the City to identify the approach that works best for the City.

### **Estimated Fees**

Based upon the above outlined Scope of Services, we propose to perform the above Scope of Services at our hourly rates at a cost not-to-exceed between \$856,360 and \$878,760 depending upon the Project Manager during construction.

I have attached a spreadsheet showing the breakdown of estimated hours for the two options.

This estimated fee is within the budget established for the Tax Incremental District.

If this proposal meets with the City's approval, we will prepare an appropriate Agreement for Professional Services for ratification by the City.

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City of Sheboygan  
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Additionally, if you believe there are other adjustments that will benefit the project, we are open to your suggestions. 2

We look forward to working with the City on this very important piece of the City's future.

Please contact me with any questions.

Very truly yours,

RUEKERT & MIELKE, INC.



Joseph W. Eberle, P.E. (WI, IL, MN)  
Senior Project Manager  
[jeberle@ruekert-mielke.com](mailto:jeberle@ruekert-mielke.com)

JWE:sjs

Enclosures

cc: David H. Biebel, City of Sheboygan  
Ryan J. Sazama PE, AIA, City of Sheboygan  
Anthony D. Petersen, P.E., Ruekert & Mielke, Inc.  
File

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 169-17-18 by Alderperson Wolf authorizing the appropriate City Officials to enter into a contract with Ruekert Mielke for site inspection, grading testing and lab work of the SouthPointe Enterprise Campus for \$878,762.00; recommends passing 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

A.G

Res. No. 169 - 17 - 18. By Alderperson Wolf. April 4, 2018.

A RESOLUTION authorizing the appropriate City Officials to enter into a contract with Ruckert Mielke for site inspection, grading testing and lab work of the SouthPointe Enterprise Campus for \$878,762.00

WHEREAS, in response to bid #2418-18 it has been determined to meet all the qualifications and specifications.


RESOLVED: That the appropriate City Officials are hereby authorized to enter into a contract with Ruckert Mielke for the site inspection, grading testing and lab work of the SouthPointe Enterprise Campus in the amount of \$878,762.00

WHEREAS, The Common Council previously approved the project plan and the creation of Tax Incremental District #18 which included the construction cost for phase one of SouthPointe Enterprise Campus.

WHEREAS, Common Council will need to establish the appropriate funds, including the issuance of debt financing and budget accounts to draw expenses associated with this contract.

BE IT FURTHER RESOLVED, The appropriate City Officials are hereby authorized to enter into contract upon approval of funding for the SouthPointe Enterprise Campus project and draw orders on future accounts as established by Common Council.

*Public Works approve*

  
\_\_\_\_\_

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 170-17-18 by Alderperson Wolf authorizing the appropriate City Officials to enter into a contract with Vinton Construction Company for the amount of \$1,250,132.35, ATC Transmission for the amount of \$157,000 and Miller Engineers and Scientists for an amount of \$4,000 for the Taylor Drive Reconstruction; recommends passing 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. 170-17-18. By Alderperson Wolf. April 4, 2018.

A RESOLUTION authorizing the appropriate City Officials to enter into a contract with Vinton Construction Company for the amount of \$1,250,132.35, ATC Transmission for the amount of \$157,000 and Miller Engineers and Scientists for an amount of \$4,000 for the Taylor Drive Reconstruction.

WHEREAS, two bids were received in response to bid #2419-18. The low bid received from Vinton Construction Company has been determined to meet all the specifications.

WHEREAS, ATC has provided a quote of \$157,000 to relocate utilities within the project area.

WHEREAS, construction material testing services will be provided by Miller Engineers & Scientists in an amount not to exceed \$4,000.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into a contract with Vinton Construction Company for the amount of \$1,250,132.35, ATC Transmission for the amount of \$157,000 and Miller Engineers and Scientists for an amount of \$4,000 for the Taylor Drive Reconstruction

WHEREAS, The Common Council previously approved the project plan and the creation of Tax Incremental District #14 which included the reconstruction of Taylor Drive.

Public Works approve

WHEREAS, Common Council will need to establish the appropriate funds, including the issuance of debt financing and budget accounts to draw expenses associated with this contract.

BE IT FURTHER RESOLVED, The appropriate City Officials are hereby authorized to enter into a contract upon approval of funding for tax incremental district #14 and to draw orders on future accounts as established by Common Council.

A handwritten signature in black ink, consisting of a series of loops and strokes, positioned above a horizontal line.

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 171-17-18 by Alderpersons Donohue and Bohren providing for the sale of General Obligation Promissory Notes and Note Anticipation Notes for 2018 Capital Projects; recommends passing the Substitute 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



Subs. of Res. No. 171 - 17 - 18. By Alderpersons Donohue and Bohren.  
April 16, 2018.

A RESOLUTION PROVIDING FOR THE SALE OF GENERAL OBLIGATION PROMISSORY NOTES AND NOTE ANTICIPATION NOTES FOR 2018 CAPITAL PROJECTS.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "City") is presently in need of approximately \$25 million dollars for public purposes, including capital improvement projects in the amount of \$5,000,000; city hall renovations in the amount of \$5,000,000; TID 14 projects in the amount of \$765,000; TID 16 projects in the amount of \$571,400; TID 18 projects in the amount of \$1,050,000; and the bids for TID 18 infrastructure projects resulting in additional borrowing of \$12,700,000; and

WHEREAS, the Common Council of the City hereby finds and determines that the Projects are within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes; and

WHEREAS, the Common Council of the City hereby finds and determines that general obligation promissory notes in an amount of approximately \$6.3 million and note anticipation notes in an amount of approximately \$18.7 million should be issued pursuant to Section 67.12 (12), Wisconsin Statutes, for the purpose of paying the cost of the projects.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Issuance of the Notes. The City shall issue general obligation promissory notes designated "General Obligation Promissory Notes, Series 2018A" (the "Notes") in an amount of approximately \$6.3 million for the purpose of paying the cost of the 2018 Capital Improvement Projects; TID 14, and TID 16 projects;

Section 2. Issuance of the NANS. The City shall issue note anticipation notes designated "Note Anticipation Notes, Series 2018B" (the "NANS") in an amount of approximately \$18.7 million for the purpose of paying the cost of the city hall renovations and TID 18 projects.

*approve*

Section 3. Sale of the Notes and NANS. The Common Council hereby authorizes and directs that the Notes and NANS be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Notes and NANS as may have been received and take action hereon.

BE IT FURTHER RESOLVED, the Common Council approves the issuance of the Notes and NANS and directs the Finance Director to proceed with the sale and acceptance.

\_\_\_\_\_  
\_\_\_\_\_

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

Other Matters

7.1

Res. No. 171 - 17 - 18. By Alderpersons Donohue and Bohren. April 4, 2018.

A RESOLUTION PROVIDING FOR THE SALE OF GENERAL OBLIGATION PROMISSORY NOTES AND BOND ANTICIPATION NOTES FOR 2018 CAPITAL PROJECTS.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "City") is presently in need of approximately \$25 million dollars for public purposes, including capital improvement projects in the amount of \$5,250,863; city hall renovations in the amount of \$5,000,000; TID 14 projects in the amount of \$765,000; TID 16 projects in the amount of \$171,400; TID 18 projects in the amount of \$1,050,000; and the bids for TID 18 infrastructure projects resulting in additional borrowing of \$12,700,000; and

WHEREAS, the Common Council of the City hereby finds and determines that the Projects are within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes; and

WHEREAS, the Common Council of the City hereby finds and determines that general obligation promissory notes in an amount of approximately \$11.2 million and bond anticipation notes in an amount of approximately \$13.8 million should be issued pursuant to Section 67.12 (12), Wisconsin Statutes, for the purpose of paying the cost of the projects.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

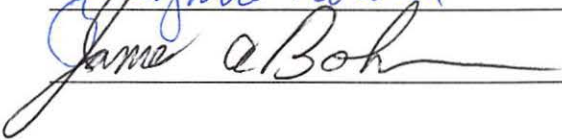
Section 1. Issuance of the Notes. The City shall issue general obligation promissory notes designated "General Obligation Promissory Notes, Series 2018A" (the "Notes") in an amount of approximately \$11.2 million for the purpose of paying the cost of the 2018 Capital Improvement Projects; City Hall renovations; TID 14, and TID 16 projects;

Finance & Personnel  
approve Subs. Res.

Section 2. Issuance of the Bonds. The City shall issue bond anticipation notes designated "Bond Anticipation Notes, Series 2018B" (the "Bonds") in an amount of approximately \$13.8 million for the purpose of paying the cost of the TID 18 projects.

Section 3. Sale of the Notes and Bonds. The Common Council hereby authorizes and directs that the Notes and Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Notes and Bonds as may have been received and take action hereon.

BE IT FURTHER RESOLVED, the Common Council approves the issuance of the Notes and Bonds and directs the Finance Director to proceed with the sale and acceptance.

  
\_\_\_\_\_  
  
\_\_\_\_\_

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Res. No. 172-17-18 by Alderperson Wolf declaring the official intent to reimburse expenditures from proceeds of borrowing; recommends passing 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

Other Matters

7.2

Res. No. 172 - 17 - 18. By Alderperson Wolf. April 4, 2018.

A RESOLUTION declaring the official intent to reimburse expenditures from proceeds of borrowing.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the Municipality) plans to undertake the replacement of a medium voltage electrical switch gear at the Wastewater Treatment Plant;

WHEREAS, the Municipality expects to finance the Project on a long-term basis by issuing tax exempt bonds or promissory notes (the "Bonds");

WHEREAS, because the Bonds will not be issued prior to April 16, 2018, the Municipality must provide interim financing to cover costs of the Project incurred prior to receipt of the proceeds of the Bonds; and

WHEREAS, it is necessary, desirable, and in the best interests of the Municipality to advance moneys from its funds on hand on an interim basis to pay the costs of the Project until the Bonds are issued.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Municipality, that:

Section 1. Expenditure of Funds. The Municipality shall make expenditures as needed from its funds on hand to pay the costs of the Project until Bond proceeds become available.

Section 2. Declaration of Official Intent. The Municipality hereby officially declares its intent under Treas. Regs. Section 1.150-2 to reimburse said expenditures with proceeds of the Bonds, the principal amount of which is not expected to exceed \$3,100,000 for the replacement of a medium voltage electrical switch gear at the Wastewater Treatment Plant.

Section 3. Unavailability of Long-Term Funds. No funds for payment of the Project from sources other than the Bonds are, or are reasonably expected to be, reserved, allocated on a long term basis, or otherwise set aside by the Municipality pursuant to its budget or financial policies.

Public Works approve

Section 4. Public Availability of Official Intent Resolution. This Resolution shall be made available for public inspection at the City Hall office within 30 days after its approval in compliance with applicable State law governing the availability of records of official acts including Subchapter II of Chapter 19, and shall remain available for public inspection until the Bonds are issued.

Section 5. Effective Date. This resolution shall be effective upon its adoption and approval.

  
\_\_\_\_\_

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

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 176-17-18 by Alderpersons Donohue and Bohren authorizing the purchase of approximately .83 acres (land and building located on the northern portion of 1211 North 23<sup>rd</sup> Street) for future use by the City; recommends passing the Resolution.

*ref*

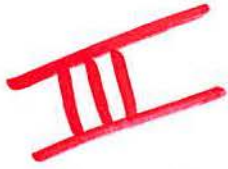
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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



Other Matters.

7.6

Res. No. 176 - 17 - 18. By Alderpersons Donohue and Bohren. April 4, 2018.

A RESOLUTION authorizing the purchase of approximately .83 acres (land and building located on the northern portion of 1211 North 23rd Street) for future use by the City.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Commercial Offer to Purchase between the City of Sheboygan and the Sheboygan County Highway Department, in form substantially similar to the document attached hereto.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan to purchase the property.

*Finances  
Personnel  
approve.*

*Thelma Donohue*  
\_\_\_\_\_  
*James A Bohren*  
\_\_\_\_\_

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk  
Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

**WB-15 COMMERCIAL OFFER TO PURCHASE**

1 LICENSEE DRAFTING THIS OFFER ON March 14, 2018 [DATE] IS (AGENT OF BUYER)  
2 (AGENT OF SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) **STRIKE THOSE NOT APPLICABLE**  
3 **GENERAL PROVISIONS** The Buyer, City of Sheboygan  
4 \_\_\_\_\_, offers to purchase the Property known as [Street Address] approx. 0.83 acres as shown on  
5 Exhibit A (land & building located on the northern portion of 1211 N. 23 St.) In the City  
6 of Sheboygan \_\_\_\_\_, County of Sheboygan \_\_\_\_\_, Wisconsin  
7 (Insert additional description, if any, at lines 109-115 or 277-286 or attach as an addendum per line 479), on the following terms:  
8 ■ PURCHASE PRICE: Sixty Thousand and 00/100 \_\_\_\_\_ Dollars (\$ 60,000.00 \_\_\_\_\_).  
9 ■ EARNEST MONEY of \$ 0 \_\_\_\_\_ accompanies this Offer and earnest money of \$ 0 \_\_\_\_\_ will be  
10 mailed, or commercially or personally delivered within \_\_\_\_\_ days of acceptance to listing broker or  
11 \_\_\_\_\_  
12 \_\_\_\_\_  
13 ■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.  
14 ■ INCLUDED IN PURCHASE PRICE: Seller is including in the purchase price the Property, all Fixtures on the Property on the date of this Offer  
15 not excluded at lines 20-22, and the following additional items: \_\_\_\_\_  
16 \_\_\_\_\_  
17 \_\_\_\_\_  
18 All personal property included in purchase price will be transferred by bill of sale or \_\_\_\_\_  
19 \_\_\_\_\_  
20 ■ NOT INCLUDED IN PURCHASE PRICE: \_\_\_\_\_  
21 \_\_\_\_\_  
22 \_\_\_\_\_  
23 CAUTION: Identify trade fixtures owned by tenant, if applicable, and fixtures that are on the Property (see lines 303-310) to be excluded  
24 by Seller or which are rented and will continue to be owned by the lessor.  
25 NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included/excluded.  
26 **ACCEPTANCE** Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical copies of the Offer.  
27 CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines running from  
28 acceptance provide adequate time for both binding acceptance and performance.  
29 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before  
30 April, 2018 \_\_\_\_\_. Seller may keep the Property on the market and accept  
31 secondary offers after binding acceptance of this Offer.  
32 CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.  
33 **OPTIONAL PROVISIONS** TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX (  ) ARE PART OF THIS OFFER ONLY IF  
34 THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A" OR ARE LEFT BLANK.  
35 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and written notices to a  
36 Party shall be effective only when accomplished by one of the methods specified at lines 37-54.  
37 (1) **Personal Delivery:** giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line 38 or 39.  
38 Seller's recipient for delivery (optional): \_\_\_\_\_  
39 Buyer's recipient for delivery (optional): \_\_\_\_\_  
40  (2) **Fax:** fax transmission of the document or written notice to the following telephone number:  
41 Seller: ( \_\_\_\_\_ ) \_\_\_\_\_ Buyer: ( \_\_\_\_\_ ) \_\_\_\_\_  
42  (3) **Commercial Delivery:** depositing the document or written notice fees prepaid or charged to an account with a commercial delivery  
43 service, addressed either to the Party, or to the Party's recipient for delivery if named at line 38 or 39, for delivery to the Party's delivery address at  
44 line 47 or 48.  
45  (4) **U.S. Mail:** depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party, or to the Party's  
46 recipient for delivery if named at line 38 or 39, for delivery to the Party's delivery address at line 47 or 48.  
47 Delivery address for Seller: Greg Schnell, Sheboygan County Transportation Dept., 1211 N. 23rd Street, Sheboygan, WI 53081  
48 Delivery address for Buyer: Darrell Hoffland, City of Sheboygan, 828 Center Ave., Suite 202, Sheboygan, WI 53081  
49  (5) **E-Mail:** electronically transmitting the document or written notice to the Party's e-mail address, if given below at line 53 or 54. If this is a  
50 consumer transaction where the property being purchased or the sale proceeds are used primarily for personal, family or household purposes,  
51 each consumer providing an e-mail address below has first consented electronically to the use of electronic documents, e-mail delivery and  
52 electronic signatures in the transaction, as required by federal law.  
53 E-Mail address for Seller (optional): \_\_\_\_\_  
54 E-Mail address for Buyer (optional): \_\_\_\_\_  
55 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller constitutes personal delivery  
56 to, or Actual Receipt by, all Buyers or Sellers.

57 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge  
58 of Conditions Affecting the Property or Transaction (lines 181-215) other than those identified in Seller's disclosure report dated \_\_\_\_\_  
59 and Real Estate Condition Report, if applicable, dated \_\_\_\_\_, which was/were received by Buyer prior to Buyer  
60 signing this Offer and which is/are made a part of this offer by reference **COMPLETE DATES OR STRIKE AS APPLICABLE** and  
61 \_\_\_\_\_

62 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE OR CONDITION REPORT(S)**

63 **CAUTION:** If the Property includes 1-4 dwelling units, a Real Estate Condition Report containing the disclosures provided in Wis. Stat. §  
64 709.03 may be required. Excluded from this requirement are sales of property that has never been inhabited, sales exempt from the real  
65 estate transfer fee, and sales by certain court-appointed fiduciaries, (for example, personal representatives who have never occupied  
66 the Property). Buyer may have rescission rights per Wis. Stat. § 709.05.

67 **CLOSING** This transaction is to be closed no later than July 1, 2018  
68 \_\_\_\_\_ at the place selected by Seller, unless otherwise agreed by the Parties in writing.

69 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes,  
70 rents, prepaid insurance (if assumed), private and municipal charges, property owners association assessments, fuel and none  
71 \_\_\_\_\_

72 **CAUTION:** Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.

73 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

74 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

75  The net general real estate taxes for the preceding year, or the current year if available (Net general real estate taxes are defined as  
76 general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE APPLIES IF NO BOX IS CHECKED)

77  Current assessment times current mill rate (current means as of the date of closing)

78  Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior year, or current year if  
79 known, multiplied by current mill rate (current means as of the date of closing)

80

81 **CAUTION:** Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be substantially  
82 different than the amount used for proration especially in transactions involving new construction, extensive rehabilitation, remodeling  
83 or area-wide re-assessment. Buyer is encouraged to contact the local assessor regarding possible tax changes.

84  Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on the actual tax bill for  
85 the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5 days of receipt, forward a copy of the bill  
86 to the forwarding address Seller agrees to provide at closing. The Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax  
87 bill. Buyer and Seller agree that is a post-closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real  
88 estate brokers in this transaction.

89 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer at lines 109-115  
90 or 277-288 or in an addendum attached per line 479. At time of Buyer's occupancy, Property shall be in broom swept condition and free of all  
91 debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent.  
92 Occupancy shall be given subject to tenant's rights, if any.

93 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said lease(s)  
94 and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) **STRIKE ONE** lease(s), if any,  
95 are \_\_\_\_\_

96 \_\_\_\_\_ . Insert additional terms, if any, at lines 109-115 or 277-288 or attach as an addendum per line 479.

97  **ESTOPPEL LETTERS:** Seller shall deliver to Buyer no later than \_\_\_\_\_ days before closing, estoppel letters dated within  
98 \_\_\_\_\_ days before closing, from each non-residential tenant, confirming the lease term, rent installment amounts, amount of security  
99 deposit, and disclosing any defaults, claims or litigation with regard to the lease or tenancy.

100 **RENTAL WEATHERIZATION** This transaction (is) (is not) **STRIKE ONE** exempt from Wisconsin Rental Weatherization Standards (Wis. Admin.  
101 Code Ch. SPS 387). If not exempt, (Buyer) (Seller) **STRIKE ONE** ("Buyer" if neither is stricken) shall be responsible for compliance, including all  
102 costs, with Wisconsin Rental Weatherization Standards. If Seller is responsible for compliance, Seller shall provide a Certificate of Compliance at  
103 closing.

104 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of  
105 closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in this Offer except: \_\_\_\_\_

106 \_\_\_\_\_ . If "Time  
107 is of the Essence" applies to a date or Deadline, failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence"  
108 does not apply to a date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

109 **ADDITIONAL PROVISIONS/CONTINGENCIES** \_\_\_\_\_  
110 \_\_\_\_\_  
111 \_\_\_\_\_  
112 \_\_\_\_\_  
113 \_\_\_\_\_  
114 \_\_\_\_\_  
115 \_\_\_\_\_

116  PROPOSED USE CONTINGENCIES: Buyer is purchasing the Property for the purpose of: \_\_\_\_\_

117 \_\_\_\_\_

118 \_\_\_\_\_ [insert proposed use and type and size of building, if applicable; e.g.  
119 restaurant/tavern with capacity of 350 and 3 second floor dwelling units]. The optional provisions checked on lines 123-139 shall be deemed  
120 satisfied unless Buyer delivers to Seller by the deadline(s) set forth on lines 123-139 written notice specifying those items which cannot be  
121 satisfied and written evidence substantiating why each specific item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice,  
122 this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines 123-139.

123  EASEMENTS AND RESTRICTIONS: This Offer is contingent upon Buyer obtaining, within \_\_\_\_\_ days of acceptance, at  
124 (Buyer's) (Seller's) **[STRIKE ONE]** ("Buyer's" if neither is stricken) expense, copies of all public and private easements, covenants and  
125 restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit or significantly  
126 delay or increase the costs of the proposed use or development identified at lines 116 to 118.

127  APPROVALS: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **[STRIKE ONE]** ("Buyer's" if neither is stricken) expense,  
128 all applicable governmental permits, approvals and licenses, as necessary and appropriate, or the final discretionary action by the granting  
129 authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's proposed use:

130 \_\_\_\_\_  
131 or delivering written notice to Seller if the item(s) cannot be obtained or can only be obtained subject to conditions which significantly increase  
132 the cost of Buyer's proposed use, all within \_\_\_\_\_ days of acceptance of this Offer.

133  ACCESS TO PROPERTY: This Offer is contingent upon Buyer obtaining, within \_\_\_\_\_ days of acceptance, at (Buyer's) (Seller's)  
134 **[STRIKE ONE]** ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public roads.

135  LAND USE APPROVAL: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **[STRIKE ONE]** ("Buyer's" if neither is stricken)  
136 expense, a  rezoning;  conditional use permit;  license;  variance;  building permit;  occupancy permit;  other \_\_\_\_\_

137 **[CHECK ALL THAT APPLY]**, for the Property for its proposed use described  
138 at lines 116-118 or delivering written notice to Seller if the item(s) cannot be obtained or can only be obtained subject to conditions which  
139 significantly increase the cost of Buyer's proposed use, all within \_\_\_\_\_ days of acceptance.

140  MAP OF THE PROPERTY: This Offer is contingent upon (Buyer obtaining) (Seller providing) **[STRIKE ONE]** ("Seller providing" if neither is  
141 stricken) a \_\_\_\_\_ survey (ALTA/ACSM Land Title Survey if survey type is not

142 specified) dated subsequent to the date of acceptance of this Offer and prepared by a registered land surveyor, within \_\_\_\_\_ days of  
143 acceptance, at (Buyer's) (Seller's) **[STRIKE ONE]** ("Seller's" if neither is stricken) expense. The map shall show minimum of \_\_\_\_\_ acres,  
144 maximum of \_\_\_\_\_ acres, the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon  
145 the Property, the location of improvements, if any, and: \_\_\_\_\_

146 **[STRIKE AND COMPLETE AS APPLICABLE]** Additional map features  
147 which may be added include, but are not limited to: staking of all corners of the Property; identifying dedicated and apparent streets; lot  
148 dimensions; total acreage or square footage; utility installations; easements or rights-of-way. Such survey shall be in satisfactory form and  
149 accompanied by any required surveyor's certificate sufficient to enable Buyer to obtain removal of the standard survey exception on the title policy.

150 CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time required to obtain the map  
151 when setting the deadline.

152 This contingency shall be deemed satisfied unless Buyer, within five (5) days of the earlier of: (1) Buyer's receipt of the map; or (2) the deadline for  
153 delivery of said map, delivers to Seller a copy of the map and a written notice which identifies: (1) a significant encroachment; (2) information  
154 materially inconsistent with prior representations; (3) failure to meet requirements stated within this contingency; or (4) the existence of conditions  
155 that would prohibit the Buyer's intended use of the Property described at lines 116-118. Upon delivery of Buyer's notice, this Offer shall be null and  
156 void.

157  DOCUMENT REVIEW CONTINGENCY: This Offer is contingent upon Seller delivering the following documents to Buyer within  
158 \_\_\_\_\_ days of acceptance: **[CHECK THOSE THAT APPLY; STRIKE AS APPROPRIATE]**

159  Documents evidencing that the sale of the Property has been properly authorized, if Seller is a business entity.

160  A complete inventory of all furniture, fixtures, equipment and other personal property included in this transaction which is consistent with  
161 representations made prior to and in this Offer.

162  Uniform Commercial Code lien search as to the personal property included in the purchase price, showing the Property to be free and clear  
163 of all liens, other than liens to be released prior to or at closing.

164  Rent roll.

165  Other \_\_\_\_\_

166 \_\_\_\_\_  
167 Additional items which may be added include, but are not limited to: building, construction or component warranties, previous environmental site  
168 assessments, surveys, title commitments and policies, maintenance agreements, other contracts relating to the Property, existing permits and  
169 licenses, recent financial operating statements, current and future rental agreements, notices of termination and non-renewal, and assessment  
170 notices.

171 All documents Seller delivers to Buyer shall be true, accurate, current and complete. Buyer shall keep all such documents confidential and  
172 disclose them to third parties only to the extent necessary to implement other provisions of this Offer. Buyer shall return all documents (originals  
173 and any reproductions) to Seller if this Offer is terminated.

174  CONTINGENCY SATISFACTION: This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of the earlier of  
175 receipt of the final document to be delivered or the deadline for delivery of the documents, delivers to Seller a written notice indicating that this

176 contingency has not been satisfied. Such notice shall identify which document(s) have not been timely delivered or do not meet the standard set  
177 forth for the document(s). Upon delivery of such notice, this Offer shall be null and void.

178 **DEFINITIONS**

179 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or written notice  
180 physically in the Party's possession, regardless of the method of delivery.

181 ■ **CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION:** "Conditions Affecting the Property or Transaction" are defined to include:

- 182 a. Defects in structural components, e.g. roof, foundation, basement or other walls.
- 183 b. Defects in mechanical systems, e.g. HVAC, electrical, plumbing, septic, well, fire safety, security or lighting.
- 184 c. Underground or aboveground storage tanks presently or previously on the Property for storage of flammable or combustible liquids, including  
185 but not limited to gasoline and heating oil.
- 186 d. Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, lead paint, asbestos, radon, radium in water  
187 supplies, mold, pesticides or other potentially hazardous or toxic substances on the premises.
- 188 e. Production of or spillage of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 189 f. Zoning or building code violations, any land division involving the Property for which required state or local permits had not been obtained,  
190 nonconforming structures or uses, conservation easements, rights-of-way.
- 191 g. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to impose  
192 assessments against the real property located within the district.
- 193 h. Proposed, planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property  
194 or the present use of the Property.
- 195 i. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.
- 196 j. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 197 k. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 198 l. Near airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating from neighboring property.
- 199 m. Portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.
- 200 n. Property is subject to a mitigation plan required under administrative rules of the Department of Natural Resources related to county  
201 shoreland zoning ordinances, which obligates the owner of the Property to establish or maintain certain measures related to shoreland  
202 conditions and which is enforceable by the county.
- 203 o. Encroachments; easements, other than recorded utility easements; access restrictions; covenants, conditions and restrictions; shared  
204 fences, walls, wells, driveways, signage or other shared usages; or leased parking.
- 205 p. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property.
- 206 q. Structure on the Property designated as a historic building, any part of the Property located in a historic district, or burial sites or  
207 archaeological artifacts on the Property.
- 208 r. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion charge or the payment  
209 of a use-value conversion charge has been deferred.
- 210 s. All or part of the Property is subject to, enrolled in or in violation of a certified farmland preservation zoning district or a farmland preservation  
211 agreement, or a Forest Crop, Managed Forest (see disclosure requirements in Wis. Stat. § 710.12), Conservation Reserve or comparable  
212 program.
- 213 t. A pier is attached to the Property that is not in compliance with state or local pier regulations.
- 214 u. Government investigation or private assessment/audit (of environmental matters) conducted.
- 215 v. Other Defects affecting the Property.

216 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event  
217 occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific number  
218 of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the  
219 President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific  
220 number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24  
221 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at  
222 midnight of that day.

223 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair  
224 the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would significantly shorten or adversely affect  
225 the expected normal life of the premises.

226 (Definitions Continued on page 6)

**IF LINE 228 IS NOT MARKED OR IS MARKED N/A LINES 284-289 APPLY.**

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**FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written \_\_\_\_\_ days of acceptance of this [INSERT LOAN PROGRAM OR SOURCE] first mortgage loan commitment as described below, within \_\_\_\_\_ days of acceptance of this Offer. The financing selected shall be in an amount of not less than \$ \_\_\_\_\_ for a term of not less than \_\_\_\_\_ years, amortized over not less than \_\_\_\_\_ years. Initial monthly payments of principal and interest shall not exceed \$ \_\_\_\_\_. Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination fee in an amount not to exceed \_\_\_\_\_ % of the loan. If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

**CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 238 OR 239.**

- FIXED RATE FINANCING:** The annual rate of interest shall not exceed \_\_\_\_\_ %.
- ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed \_\_\_\_\_ %. The initial interest rate shall be fixed for \_\_\_\_\_ months, at which time the interest rate may be increased not more than \_\_\_\_\_ % per year. The maximum interest rate during the mortgage term shall not exceed \_\_\_\_\_ %. Monthly payments of principal and interest may be adjusted to reflect interest changes.

If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 109-115 or 277-286 or in an addendum attached per line 479.

**NOTE:** If purchase is conditioned on buyer obtaining financing for operations or development consider adding a contingency for that purpose.

**BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. If Buyer qualifies for the loan described in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline at line 229. Buyer and Seller agree that delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy Buyer's financing contingency if, after review of the loan commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall accompany the loan commitment. Delivery shall not satisfy this contingency if accompanied by a notice of unacceptability.

**CAUTION:** The delivered commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide the loan. BUYER, BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHALL NOT DELIVER A LOAN COMMITMENT TO SELLER OR SELLER'S AGENT WITHOUT BUYER'S PRIOR WRITTEN APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.

**SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan commitment.

**FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s) rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then have 10 days to deliver to Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

**IF THIS OFFER IS NOT CONTINGENT ON FINANCING:** Within 7 days of acceptance, a financial institution or third party in control of Buyer's funds shall provide Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close. If such written verification is not provided, Seller has the right to terminate this Offer by delivering written notice to Buyer. Buyer may or may not obtain mortgage financing but does not need the protection of a financing contingency. Seller agrees to allow Buyer's appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of access for an appraisal constitute a financing contingency.

**APPRAISAL CONTINGENCY:** This Offer is contingent upon the Buyer or Buyer's lender having the Property appraised at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated subsequent to the date of this Offer indicating an appraised value for the Property equal to or greater than the agreed upon purchase price. This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of acceptance, delivers to Seller a copy of the appraisal report which indicates that the appraised value is not equal to or greater than the agreed upon purchase price, accompanied by a written notice of termination.

**CAUTION:** An appraisal ordered by Buyer's lender may not be received until shortly before closing. Consider whether deadlines provide adequate time for performance.

**ADDITIONAL PROVISIONS/CONTINGENCIES** See attached Exhibit B

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287 **DEFINITIONS CONTINUED FROM PAGE 4**

288 ■ **ENVIRONMENTAL SITE ASSESSMENT:** An "Environmental Site Assessment" (also known as a "Phase I Site Assessment") (see lines 379-395)  
 289 may include, but is not limited to: (1) an inspection of the Property; (2) a review of the ownership and use history of the Property, including a  
 290 search of title records showing private ownership of the Property for a period of 80 years prior to the visual inspection; (3) a review of historic and  
 291 recent aerial photographs of the Property, if available; (4) a review of environmental licenses, permits or orders issued with respect to the Property  
 292 (5) an evaluation of results of any environmental sampling and analysis that has been conducted on the Property; and (6) a review to determine if  
 293 the Property is listed in any of the written compilations of sites or facilities considered to pose a threat to human health or the environment  
 294 including the National Priorities List, the Department of Nature Resources' (DNR) Registry of Waste Disposal Sites, the DNR's Contaminated  
 295 Lands Environmental Action Network, and the DNR's Remediation and Redevelopment (RR) Sites Map including the Geographical Information  
 296 System (GIS) Registry and related resources. Any Environmental Site Assessment performed under this Offer shall comply with generally  
 297 recognized industry standards (e.g. current American Society of Testing and Materials "Standard Practice for Environmental Site Assessments"),  
 298 and state and federal guidelines, as applicable.

299 **CAUTION:** Unless otherwise agreed an Environmental Site Assessment does not include subsurface testing of the soil or groundwater  
 300 or other testing of the Property for environmental pollution. If further investigation is required, insert provisions for a Phase II Site  
 301 Assessment (collection and analysis of samples), Phase III Environmental Site Assessment (evaluation of remediation alternatives) or  
 302 other site evaluation at lines 109-115 or 277-286 or attach as an addendum per line 478.

303 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land or improvements so as to be  
 304 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the premises,  
 305 items specifically adapted to the premises and items customarily treated as fixtures, including, but not limited to, all: garden bulbs; plants; shrubs  
 306 and trees; screen and storm doors and windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central  
 307 heating and cooling units and attached equipment; water heaters and treatment systems; sump pumps; attached or fitted floor coverings; awnings;  
 308 attached antennas; garage door openers and remote controls; installed security systems; central vacuum systems and accessories; in-ground  
 309 sprinkler systems and component parts; built-in appliances; ceiling fans; fences; storage buildings on permanent foundations and docks/piers on  
 310 permanent foundations. A Fixture does not include trade fixtures owned by tenants of the Property.

311 **CAUTION:** Exclude Fixtures not owned by Seller such as rented fixtures. See lines 20-22.

312 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-7.

313 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the Offer to Buyer's  
 314 lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate  
 315 Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple listing service sold databases; and (iii) provide  
 316 active listing, pending sale, closed sale and financing concession information and data, and related information regarding seller contributions,  
 317 incentives or assistance, and third party gifts, to appraisers researching comparable sales, market conditions and listings, upon inquiry.

318 **EARNEST MONEY**

319 ■ **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (Buyer's agent if Property  
 320 is not listed or Seller's account if no broker is involved), until applied to purchase price or otherwise disbursed as provided in the Offer.

321 **CAUTION:** Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties or an  
 322 attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.

323 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from  
 324 payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be  
 325 disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written  
 326 disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been delivered to broker within 60 days after  
 327 the date set for closing, broker may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not  
 328 represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order;  
 329 or (4) any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an interpleader  
 330 action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed \$250, prior to  
 331 disbursement.

332 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer.  
 333 Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1) or (4) above, broker  
 334 shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's proposed disbursement, a lawsuit  
 335 may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the  
 336 sale of residential property with 1-4 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting  
 337 attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good  
 338 faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and Professional Services regulations  
 339 concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

340 **TITLE EVIDENCE**

341 = **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed (trustee's deed if  
342 Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as provided herein) free and clear of all liens and  
343 encumbrances, except municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility  
344 and municipal services, recorded building and use restrictions and covenants, present uses of the Property in violation of the foregoing disclosed  
345 in Seller's disclosure report, and Real Estate Condition Report, if applicable, and in this Offer, general taxes levied in the year of closing and  
346

347 \_\_\_\_\_  
348 \_\_\_\_\_ which constitutes merchantable title for purposes of this transaction. Seller shall complete and execute the documents  
349 necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee.

350 **WARNING:** Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain  
351 improvements or uses and therefore should be reviewed, particularly if Buyer contemplates making improvements to Property or a use  
352 other than the current use.

353 = **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a  
354 current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all costs of providing title evidence to Buyer.  
355 Buyer shall pay all costs of providing title evidence required by Buyer's lender.

356 = **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) (Buyer's) **STRIKE ONE** ("Seller's" if  
357 neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the effective date of the title insurance  
358 commitment and before the deed is recorded, subject to the title insurance policy exclusions and exceptions, provided the title company will issue  
359 the endorsement. If a gap endorsement or equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for  
360 closing (see lines 365-371).

361 = **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title insurance  
362 commitment is delivered to Buyer's attorney or Buyer not more than \_\_\_\_\_ days after acceptance ("15" if left blank), showing title to the  
363 Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines 341-348, subject only to liens which  
364 will be paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

365 = **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title within  
366 \_\_\_\_\_ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In such event, Seller shall have a  
367 reasonable time, but not exceeding \_\_\_\_\_ days ("5" if left blank), from Buyer's delivery of the notice stating title objections, to deliver  
368 notice to Buyer stating Seller's election to remove the objections by the time set for closing. In the event that Seller is unable to remove said  
369 objections, Buyer may deliver to Seller written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does  
370 not waive the objections, Buyer shall deliver written notice of termination and this Offer shall be null and void. Providing title evidence acceptable  
371 for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

372 = **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced prior to the date of this  
373 Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer.

374 **CAUTION:** Consider a special agreement if area assessments, property owners association assessments, special charges for current  
375 services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are one-time charges or ongoing use fees  
376 for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, municipal water,  
377 sanitary and storm water and storm sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street  
378 lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0817(1)(f).

379  **ENVIRONMENTAL EVALUATION CONTINGENCY:** This Offer is contingent upon a qualified independent environmental consultant of  
380 Buyer's choice conducting an Environmental Site Assessment of the Property (see lines 288-302), at (Buyer's) (Seller's) expense **STRIKE ONE**  
381 ("Buyer's" if neither is stricken), which discloses no Defects. For the purpose of this contingency, a Defect (see lines 223-225) is defined to also  
382 include a material violation of environmental laws, a material contingent liability affecting the Property arising under any environmental laws, the  
383 presence of an underground storage tank(s) or material levels of hazardous substances either on the Property or presenting a significant risk of  
384 contaminating the Property due to future migration from other properties. Defects do not include conditions the nature and extent of which Buyer  
385 had actual knowledge or written notice before signing the Offer.

386 = **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of acceptance,  
387 delivers to Seller a copy of the Environmental Site Assessment report and a written notice listing the Defect(s) identified in the Environmental Site  
388 Assessment report to which Buyer objects (Notice of Defects).

389 **CAUTION:** A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.

390 = **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have a right to cure the Defects. If Seller has the right to  
391 cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of Buyer's delivery of the Notice of Defects stating  
392 Seller's election to cure Defects, (2) curing the Defects in a good and workmanlike manner and (3) delivering to Buyer a written report detailing the  
393 work done within 3 days prior to closing. This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written  
394 Environmental Site Assessment report and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written  
395 notice that Seller will not cure or (b) Seller does not timely deliver the written notice of election to cure.

396 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A  
 397 material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal  
 398 remedies.

399 If Buyer defaults, Seller may:

- 400 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or  
 401 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual damages.

402 If Seller defaults, Buyer may:

- 403 (1) sue for specific performance; or  
 404 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

405 In addition, the Parties may seek any other remedies available in law or equity.

406 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the  
 407 courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.  
 408 By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement.

409 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS**  
 410 **DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE**  
 411 **PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE**  
 412 **SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

413 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the  
 414 transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of the Parties  
 415 to this Offer and their successors in interest.

416 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land, building or room dimensions, or total acreage or building square  
 417 footage figures, provided to Buyer by Seller or by a broker, may be approximate because of rounding, formulas used or other reasons, unless  
 418 verified by survey or other means.

419 **CAUTION:** Buyer should verify total square footage or acreage figures and land, building or room dimensions, if material to Buyer's  
 420 decision to purchase.

421 **BUYER'S PRE-CLOSING WALK-THROUGH** Within 3 days prior to closing, at a reasonable time pre-approved by Seller or Seller's agent, Buyer  
 422 shall have the right to walk through the Property to determine that there has been no significant change in the condition of the Property, except for  
 423 ordinary wear and tear and changes approved by Buyer, and that any Defects Seller has agreed to cure have been repaired in the manner agreed  
 424 to by the Parties.

425 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** Seller shall maintain the Property until the earlier of closing or occupancy of  
 426 Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior to closing, the Property  
 427 is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair the Property and restore it to  
 428 the same condition that it was on the day of this Offer. No later than closing, Seller shall provide Buyer with itemized waivers for all lienable repairs and  
 429 restoration. If the damage shall exceed such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at  
 430 option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating  
 431 to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However,  
 432 if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring the  
 433 Property.

434 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons registered with the  
 435 registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.widocoffenders.org> or by telephone at  
 436 (608) 240-5830.

437 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a part of this Offer. An  
 438 "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the Property, other than testing for  
 439 leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized. A "test" is defined as  
 440 the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these  
 441 materials. Seller agrees to allow Buyer's inspectors, testers, appraisers and qualified third parties reasonable access to the Property upon  
 442 advance notice, if necessary to satisfy the contingencies in this Offer. Buyer and licensees may be present at all inspections and testing. Except  
 443 as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

444 **NOTE:** Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the test, (e.g., to  
 445 determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the  
 446 contingency.

447 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed unless otherwise agreed  
 448 to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller. Seller acknowledges that certain inspections  
 449 or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

Property Address: Approximately 0.83 acres as shown on Exhibit A

450  **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 437-449). This Offer is contingent upon  
451 a qualified independent inspector(s) conducting an inspection(s) of the Property which discloses no Defects. This Offer is further contingent upon  
452 a qualified independent inspector or qualified independent third party performing an inspection of \_\_\_\_\_

453 \_\_\_\_\_ (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which  
454 discloses no Defects. Buyer shall order the inspection(s) and be responsible for all costs of inspection(s). Buyer may have follow-up inspections  
455 recommended in a written report resulting from an authorized inspection performed provided they occur prior to the deadline specified at line 461.  
456 Each inspection shall be performed by a qualified independent inspector or qualified independent third party.

457 **CAUTION:** Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as well as any follow-up  
458 inspection(s).

459 For the purpose of this contingency, Defects (see lines 223-225) do not include conditions the nature and extent of which Buyer had actual  
460 knowledge or written notice before signing the Offer.

461  **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days of acceptance,  
462 delivers to Seller a copy of the inspection report(s) and a written notice listing the Defect(s) identified in the inspection report(s) to which Buyer  
463 objects (Notice of Defects).

464 **CAUTION:** A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.

465  **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have a right to cure the Defects. If Seller has the right to  
466 cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of Buyer's delivery of the Notice of Defects stating  
467 Seller's election to cure Defects, (2) curing the Defects in a good and workmanlike manner and (3) delivering to Buyer a written report detailing the  
468 work done within 3 days prior to closing. This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written  
469 inspection report(s) and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will  
470 not cure or (b) Seller does not timely deliver the written notice of election to cure.

471  **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of Buyer's property located at  
472 \_\_\_\_\_, no later than \_\_\_\_\_.

473 If Seller accepts a bona fide secondary offer,  
474 Seller may give written notice to Buyer of acceptance. If Buyer does not deliver to Seller a written waiver of the Closing of Buyer's Property  
475 Contingency and \_\_\_\_\_

476 **[INSERT OTHER REQUIREMENTS, IF ANY (e.g., PAYMENT OF ADDITIONAL EARNEST MONEY, WAIVER OF ALL CONTINGENCIES, OR**  
477 **PROVIDING EVIDENCE OF SALE OR BRIDGE LOAN, etc.)] within \_\_\_\_\_ hours of Buyer's Actual Receipt of said notice, this Offer shall be**  
478 **null and void.**

479  **ADDENDA:** The attached Exhibit A and Exhibit B is/are made part of this Offer.

480 This Offer was drafted by [Licensee and Firm] City Attorney Charles C. Adams

481 \_\_\_\_\_ on March 14, 2018

482 Buyer Entity Name (if any): City of Sheboygan

483 (X) \_\_\_\_\_  
484 Buyer's/Authorized Signature ▲ Print Name/Title Here ► Michael J. Vandersteen, Mayor Date ▲ \_\_\_\_\_

485 (X) \_\_\_\_\_  
486 Buyer's/Authorized Signature ▲ Print Name/Title Here ► Meredith DeBruin, City Clerk Date ▲ \_\_\_\_\_

487 **[EARNEST MONEY RECEIPT]** Broker acknowledges receipt of earnest money as per line 10 of the above Offer.

488 \_\_\_\_\_ Broker (By)

489 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING**  
490 **AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS**  
491 **SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.**

492 Seller Entity Name (if any): Sheboygan County Highway Department

493 (X) \_\_\_\_\_  
494 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

495 (X) \_\_\_\_\_  
496 Seller's/Authorized Signature ▲ Print Name/Title Here ► \_\_\_\_\_ Date ▲ \_\_\_\_\_

497 This Offer was presented to Seller by [Licensee and Firm] \_\_\_\_\_

498 \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m.

499 This Offer is rejected \_\_\_\_\_ This Offer is countered [See attached counter] \_\_\_\_\_  
500 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

EXHIBIT A

LEGAL DESCRIPTION OR MAP OF THE LAND AND BUILDING  
LOCATED ON THE NORTHERN PORTION OF THE PROPERTY (THE  
"CHIMNEY PARCEL"), EAST OF THE EXISTING POLICE DEPARTMENT

**EXHIBIT B**

**ADDITIONAL PROVISIONS/CONTINGENCIES**

1. **CERTIFIED SURVEY MAP.** Certified Survey Map (CSM) shall be prepared at the City's expense. All approvals associated with the CSM are the responsibility of the City.

2. **EASEMENT.** The access easement along the south lot line of the Main Parcel shall be relocated to the north lot line of the Main Parcel in such location as mutually acceptable to 2017 Acquisition Group, LLC and the City. The purpose of relocating the easement is to provide the City with additional access to the Chimney Parcel.

3. **AS IS.** The City is purchasing the Chimney Parcel in its "AS IS" condition without representations or warranties of any kind, express or implied, oral or written, including, without limitation, zoning, availability of access or utilities, the presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances, or underground storage tanks in, on or around the Chimney Parcel.

4. **COMMISSION.** The City shall not be responsible for payment of real estate commissions due to Cushman & Wakefield | Boerke as a result of this transaction.

**CITY OF SHEBOYGAN**

**REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION**

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**ITEM DESCRIPTION:** Referendum Question

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**REPORT PREPARED BY:** Charles C. Adams, City Attorney

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**REPORT DATE:** 9 April 2018

**MEETING DATE:** 9 April 2018

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**FISCAL SUMMARY:**

Budget Line Item: N/A  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

**STATUTORY REFERENCE:**

Wisconsin Statutes: N/A  
Municipal Code: N/A

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**BACKGROUND / ANALYSIS:**

Aldersperson Sorenson proposed a resolution placing a question regarding the future of the Armory on the August 14, 2018, state primary ballot

**STAFF COMMENTS:**

The City Attorney's office was tasked by this Committee with reviewing Aldersperson Sorenson's resolution and providing "legal polish" to the resolution. We were not asked to opine on whether or not a referendum is a good option. As such, I will simply indicate that it is my legal opinion is that the statutes clearly indicate that it is the role of the Common Council to make the decision(s) contemplated in the proposed referendum resolution. With that said, there is nothing illegal about placing an advisory referendum on the August ballot.

As was initially discussed by this Committee at its March meeting, staff is recommending that the "drop-dead" date for a council decision referenced in the first portion of the resolution be moved from April 16 to June 4, to give the maximum opportunity for a developer's agreement to be reached and approved by the Council.

There are several competing components to this resolution that make drafting a simple referendum question more complicated than may have been anticipated.

Binding vs. Advisory

As mentioned above, a referendum is not a prerequisite to the development of the Armory Site.

When the referendum concept was first broached, there was some question about whether a referendum should be binding or advisory. There are only a limited number of circumstances in which a referendum may be binding. As this question has been formulated, it does not fit

within any of the circumstances in which a referendum may be binding. As such, any referendum would be advisory in nature.

As a legal matter, there is nothing to prevent an advisory question from being placed on the ballot. Likewise, as a legal matter, there is nothing to prevent a future Common Council from ignoring the results of the referendum.

#### Yes/No Questions vs. "Multiple Choice" Questions

The best referendum questions are simple yes/no questions. Nearly every advisor on how to draft referendum questions will advise the use of a yes/no question. In fact, when our City Clerk contacted representatives from the state's elections board, nearly every question was met with a response that suggested that regardless of what was permitted, it would be best to ask a simple yes/no question.

An example of such a yes/no question is the one on last week's statewide ballot regarding elimination of the State Treasurer: "Shall sections 1 and 3 of article VI and sections 7 and 8 of article X of the constitution be amended, and section 17 of article XIV of the constitution be created, to eliminate the office of state treasurer from the constitution and to replace the state treasurer with the lieutenant governor as a member of the Board of Commissioners of Public Lands?"

Note, however, that even this yes/no question included two items—the elimination of the office, and the official's replacement by the lieutenant governor on a board. What if a voter wished to eliminate the state treasurer, but felt that the lieutenant governor was not the appropriate official to serve as a public land commissioner? There was no option for nuance.

In this instance, nuance may be even more important. What if a voter prefers to save the armory, but only if it does not cost the taxpayers money? Or, what if a voter believes that the Armory should be saved, but that the most important factor is continued City control of that key piece of property? Would that person vote yes or no on a question that simply asks "Shall the City take all necessary steps to prevent the demolition of the Armory"?

Given that nuance, it is my recommendation that, despite the general advice that yes/no questions are preferable, any referendum question be a multiple choice answer.

#### Number of Options

Aldersperson Sorenson's proposed language provides two options: the first being permitting the Armory to be operated and owned (presumably by a non-City entity) in order to effect its revival and renovation, and the second being permitting a private company to repurpose and redevelop the armory site (presumably by demolishing the Armory) for housing or other related business uses.

While the language isn't entirely clear, this set of questions does not in any way deal with the cost issues, nor does it deal with those voters who may consider continued City ownership or

control of the site as the most important factor. That can be dealt with by increasing the number of options.

There is a downfall to increasing the number of options. First, you may increase the number of “overvotes.” Despite the fact that the ballot will clearly tell people to vote for only one choice, both studies and experience shows that additional options could cause at least some level of confusion. Second, people may believe that more than one option is acceptable, but will only have the option to vote for their favorite. While systems of voting such as ranked choice voting and approval voting are clearly superior to “first-past-the-poll” voting, Wisconsin does not currently provide for such options. (NB: if they did, we could significantly reduce our elections budget, but that is an issue for another day.)

Again, however, given the importance of multiple issues, it is my recommendation that, if a referendum moves ahead, it do so with four options. Voters would vote for their favorite option. As such, I recommend the following advisory question be asked, should such a referendum occur:

**QUESTION 1: Future of the Armory site.** Which one of the following options would you advise the Common Council to choose with regard to the site of the Sheboygan Municipal Auditorium and Armory?

- A. The City should maintain ownership of the Armory Building and take all necessary actions to activate and preserve the building, even though no property taxes will be collected from this building, and there may be an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- B. The City should transfer the Armory Building to a non-City owner who will preserve, own, and operate the Armory Building, even if the terms of the transfer result in an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- C. The City should transfer the Armory Building to a non-City owner who will preserve, own, and operate the Armory Building, but only if the terms of the transfer do not result in an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- D. The City should transfer the Armory Building site to a non-City owner who will completely redevelop the site.

**ACTION REQUESTED:**

Should the committee determine to hold a referendum, I recommend it amend Ald. Sorenson’s resolution so as to include the referendum question language referred to above,

and to move the “drop-dead date” for deciding when the referendum be held to June 4. I also recommend clarifying what decision or action would need to be taken in order to avoid a referendum.

Note that the committee has other options: to recommend filing this ordinance, to refer this ordinance to the new council’s F&P Committee, or to take no action (thus, causing this matter to die in committee when the committee adjourns *sine die*.)

**ATTACHMENTS:**

None.

VII

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 147-17-18 by Alderperson Sorenson resolving that if the Common Council fails to make a decision regarding the armory by April 16, 2018, the City of Sheboygan shall have a city wide, non-binding referendum to decide the future of the armory; recommends filing the document.

*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

5.2

Res. No. 147 - 17 - 18. By Alderperson Sorenson. March 5, 2018.

WHEREAS, The Armory has historical significance for the City of Sheboygan; and

WHEREAS, the common council has failed to move forward with any decision regarding the armory cite for several years ; and

WHEREAS, on February 12th 2018, the committee of the whole voted to move forward with exploring the options of a referendum ; and

NOW, THEREFORE, BE IT RESOLVED, If the common council fails to make a decision regarding the armory by April 16th 2018, the City of Sheboygan shall have a city wide, non-binding referendum to decide the future of the armory,

THEREFORE, BE IT FURTHER RESOLVED, the question should be placed on the August 14th 2018 state primary election ballot ; and

THEREFORE, BE IT FINALLY RESOLVED, that the referendum question shall read: "What should the city do regarding the former Armory site?"

1. The city should allow the armory property to be operated and owned for the purposes of reviving and renovating the armory ; and
2. The city should allow a private company to repurpose and redevelop the armory site to be used for housing or other related business.

Finance + Personnel  
3/12-18 + Held file

Bruce Sorenson

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**

**REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION**

---

**ITEM DESCRIPTION:** Referendum Question

---

**REPORT PREPARED BY:** Charles C. Adams, City Attorney

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**REPORT DATE:** 9 April 2018

**MEETING DATE:** 9 April 2018

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**FISCAL SUMMARY:**

Budget Line Item: N/A  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

**STATUTORY REFERENCE:**

Wisconsin Statutes: N/A  
Municipal Code: N/A

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**BACKGROUND / ANALYSIS:**

Aldersperson Sorenson proposed a resolution placing a question regarding the future of the Armory on the August 14, 2018, state primary ballot

**STAFF COMMENTS:**

The City Attorney's office was tasked by this Committee with reviewing Aldersperson Sorenson's resolution and providing "legal polish" to the resolution. We were not asked to opine on whether or not a referendum is a good option. As such, I will simply indicate that it is my legal opinion is that the statutes clearly indicate that it is the role of the Common Council to make the decision(s) contemplated in the proposed referendum resolution. With that said, there is nothing illegal about placing an advisory referendum on the August ballot.

As was initially discussed by this Committee at its March meeting, staff is recommending that the "drop-dead" date for a council decision referenced in the first portion of the resolution be moved from April 16 to June 4, to give the maximum opportunity for a developer's agreement to be reached and approved by the Council.

There are several competing components to this resolution that make drafting a simple referendum question more complicated than may have been anticipated.

Binding vs. Advisory

As mentioned above, a referendum is not a prerequisite to the development of the Armory Site.

When the referendum concept was first broached, there was some question about whether a referendum should be binding or advisory. There are only a limited number of circumstances in which a referendum may be binding. As this question has been formulated, it does not fit

within any of the circumstances in which a referendum may be binding. As such, any referendum would be advisory in nature.

As a legal matter, there is nothing to prevent an advisory question from being placed on the ballot. Likewise, as a legal matter, there is nothing to prevent a future Common Council from ignoring the results of the referendum.

#### Yes/No Questions vs. "Multiple Choice" Questions

The best referendum questions are simple yes/no questions. Nearly every advisor on how to draft referendum questions will advise the use of a yes/no question. In fact, when our City Clerk contacted representatives from the state's elections board, nearly every question was met with a response that suggested that regardless of what was permitted, it would be best to ask a simple yes/no question.

An example of such a yes/no question is the one on last week's statewide ballot regarding elimination of the State Treasurer: "Shall sections 1 and 3 of article VI and sections 7 and 8 of article X of the constitution be amended, and section 17 of article XIV of the constitution be created, to eliminate the office of state treasurer from the constitution and to replace the state treasurer with the lieutenant governor as a member of the Board of Commissioners of Public Lands?"

Note, however, that even this yes/no question included two items—the elimination of the office, and the official's replacement by the lieutenant governor on a board. What if a voter wished to eliminate the state treasurer, but felt that the lieutenant governor was not the appropriate official to serve as a public land commissioner? There was no option for nuance.

In this instance, nuance may be even more important. What if a voter prefers to save the armory, but only if it does not cost the taxpayers money? Or, what if a voter believes that the Armory should be saved, but that the most important factor is continued City control of that key piece of property? Would that person vote yes or no on a question that simply asks "Shall the City take all necessary steps to prevent the demolition of the Armory"?

Given that nuance, it is my recommendation that, despite the general advice that yes/no questions are preferable, any referendum question be a multiple choice answer.

#### Number of Options

Aldersperson Sorenson's proposed language provides two options: the first being permitting the Armory to be operated and owned (presumably by a non-City entity) in order to effect its revival and renovation, and the second being permitting a private company to repurpose and redevelop the armory site (presumably by demolishing the Armory) for housing or other related business uses.

While the language isn't entirely clear, this set of questions does not in any way deal with the cost issues, nor does it deal with those voters who may consider continued City ownership or

control of the site as the most important factor. That can be dealt with by increasing the number of options.

There is a downfall to increasing the number of options. First, you may increase the number of "overvotes." Despite the fact that the ballot will clearly tell people to vote for only one choice, both studies and experience shows that additional options could cause at least some level of confusion. Second, people may believe that more than one option is acceptable, but will only have the option to vote for their favorite. While systems of voting such as ranked choice voting and approval voting are clearly superior to "first-past-the-poll" voting, Wisconsin does not currently provide for such options. (NB: if they did, we could significantly reduce our elections budget, but that is an issue for another day.)

Again, however, given the importance of multiple issues, it is my recommendation that, if a referendum moves ahead, it do so with four options. Voters would vote for their favorite option. As such, I recommend the following advisory question be asked, should such a referendum occur:

**QUESTION 1: Future of the Armory site.** Which one of the following options would you advise the Common Council to choose with regard to the site of the Sheboygan Municipal Auditorium and Armory?

- A. The City should maintain ownership of the Armory Building and take all necessary actions to activate and preserve the building, even though no property taxes will be collected from this building, and there may be an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- B. The City should transfer the Armory Building to a non-City owner who will preserve, own, and operate the Armory Building, even if the terms of the transfer result in an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- C. The City should transfer the Armory Building to a non-City owner who will preserve, own, and operate the Armory Building, but only if the terms of the transfer do not result in an adverse impact on other aspects of the City budget (such as an increase in taxes or cuts in other services).
- D. The City should transfer the Armory Building site to a non-City owner who will completely redevelop the site.

**ACTION REQUESTED:**

Should the committee determine to hold a referendum, I recommend it amend Ald. Sorenson's resolution so as to include the referendum question language referred to above,

and to move the “drop-dead date” for deciding when the referendum be held to June 4. I also recommend clarifying what decision or action would need to be taken in order to avoid a referendum.

Note that the committee has other options: to recommend filing this ordinance, to refer this ordinance to the new council's F&P Committee, or to take no action (thus, causing this matter to die in committee when the committee adjourns *sine die*.)

**ATTACHMENTS:**

None.

VIII

R. C. No.       - 17 - 18      . By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 174-17-18 by Alderpersons Donohue and Bohren approving the terms and conditions of the Contract for Sale of Land for Private Development between the City of Sheboygan and Scott Crawford, Inc. for a project on the Armory site which will be a mixed use building comprised of retail/commercial space and market rate and affordable residential apartments; recommends forwarding to Council with no recommendation.

*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

Other Matters

7.4

Res. No. 174 - 17 - 18. By Alderpersons Donohue and Bohren. April 4, 2018.

A RESOLUTION approving the terms and conditions of the Contract for Sale of Land for Private Development between the City of Sheboygan and Scott Crawford, Inc. for a project on the Armory site which will be a mixed use building comprised of retail/commercial space and market rate and affordable residential apartments.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Contract for Sale of Land for Private Development between the City of Sheboygan and Scott Crawford, Inc., in form substantially similar to the document attached hereto.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan.

*Finance  
+  
Personnel  
No recommendation*

*Melvin Nowlan*  
\_\_\_\_\_  
*James A Bohren*  
\_\_\_\_\_

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

**CONTRACT FOR SALE OF LAND FOR PRIVATE DEVELOPMENT  
BY AND BETWEEN**

**CITY OF SHEBOYGAN  
and  
SCOTT CRAWFORD, INC**

**THIS DEVELOPMENT AGREEMENT** ("Agreement"), is made this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the City of Sheboygan, Wisconsin, a municipal corporation of the State of Wisconsin (which, together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter called "City"), having its principal offices at 828 Center Avenue in the City of Sheboygan, Wisconsin, and Scott Crawford, Inc., a Wisconsin incorporated business (hereinafter called "Developer"), having an office for the transaction of business at 4201 N. 27<sup>th</sup> St, Suite 7227, Milwaukee, WI 53216

**RECITALS**

The City is in the process of establishing a Tax Incremental District ("TID #19"), in accordance with §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 City is authorized by the Tax Increment Law to pay Project Costs, as defined in §66.105(2)(f), Wis. Stats., from the special fund of TID #19 or from the proceeds of municipal obligations issued pursuant to statute.

The City is authorized by the Tax Increment Law to enter into any contract or agreement necessary or convenient to implement the provisions and effectuate the purposes of a Project Plan, as defined in §66.1105(2)(g), Wis. Stats.

The Project Plan for TID #19 includes 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 #19 and to facilitate the implementation of TID #19's 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.

The City has offered to sell and the Developer is willing to purchase certain real property ("the Property") described in Exhibit "A," which exhibit is attached and made a part of this agreement) and to develop the Property by constructing a building ("the Project") estimated to cost twenty-three million, seven hundred forty thousand, two hundred one dollars (\$23,740,201.00). The project will be a mixed use building comprised of retail/commercial space and market rate and affordable residential apartments.

The City believes that the development of the Property through construction of the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and of the health, safety and welfare of its residents.

## **AGREEMENT**

**NOW, THEREFORE**, 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 City's lakefront.

### **ARTICLE I. OVERVIEW OF THE PROJECT**

**Section 101.** The project consists of a mixed use building comprised of retail/commercial space and market rate and affordable residential apartments. The project will also include up to 12 townhomes and up to 5,000 square feet of first floor retail/office space.

### **ARTICLE II. DEFINITIONS**

**Section 201.** 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.

"Developer" means Scott Crawford, Inc. and its permitted successors and assigns.

"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.

"Tax Increment Revenue" means the Tax Increment (as defined in §66.1105(2)(i), Wis. Stats.) generated by the property upon which the Project is situated.

"TID Project Plan" means the Project Plan for the TID #19 of the City of Sheboygan, Wisconsin.

**ARTICLE III.  
SALE; PURCHASE PRICE; CONSTRUCTION SCHEDULE**

**Section 301.** Subject to all the terms, covenants and conditions of this Agreement, the City will sell the Property to the Developer for, and the Developer will purchase the Property from the City and pay therefor, the total amount of One Hundred Thousand and 00/100 (\$100,000) dollars, hereinafter called "Purchase Price," to be paid in cash, by certified check, or via wire transfer, simultaneously with the delivery of the Deed (as defined below) conveying the Property to the Developer (the "Sale").

**Section 302.** It is anticipated that the construction schedule for the Project will be carried out as follows:

City Plan Approvals	August 31, 2018
Creation of TID	September 30, 2018
Issuance of Building Permits	October 31, 2018
Start Construction	October 31, 2018
Substantial Completion	October 31, 2019

It is anticipated that the Property will be sold and conveyed as of October 1, 2018.

**ARTICLE IV.  
CONVEYANCE OF PROPERTY**

**Section 401. Form of Deed.** The City shall convey to the Developer title to the Property described in Exhibit "A" by warranty deed (the "Deed"). Such conveyance and title shall be in addition to all conditions, covenants and restrictions set forth or referred to in this Agreement, subject to:

- (a) Rights or claims of parties in possession not shown by the public records;
- (b) Easements or claims of easements, not shown by the public records;
- (c) Encroachments, overlaps, boundary line disputes or other matters which would be disclosed by an accurate survey and inspection of the premises;
- (d) Any lien or right to a lien, for services, labor, or material hereto or hereafter furnished, imposed by law and not shown by the public records.
- (e) And such other liens, encumbrances, covenants or restrictions disclosed in the title insurance commitment to be provided by the City as set forth in Section 404 below; provided, however, that Developer has consented to and approved of such liens, encumbrances, covenants or restrictions as permitted encumbrances. The items referenced in Subsections (a) through (d) above and this Subsection (e) are referred to herein collectively as "Permitted Liens".

Furthermore, both the City and Developer recognize and acknowledge that there may be easements, encumbrances or reservations disclosed in the title insurance commitment with respect to the Property which will be continued, or newly created or reserved in the conveyance of the Property from the City to the

Developer. The City shall use its best efforts to minimize the impact upon Developer's Project of any such easement(s) or encumbrance(s), and Developer's obligation to purchase the Property shall be conditioned upon Developer satisfying itself of the feasibility and suitability of the Property, subject to such easements or encumbrances, prior to the date of closing of the Sale.

**Section 402. Time and Place for Delivery of Deed.** The closing of the Sale and conveyance of the Deed referred to herein shall occur on October 1, 2018 (the "Closing Date"), or such other date as mutually agreed to by the parties, at the principal office of the City, and the Developer shall accept such conveyance and pay the Purchase Price to the City at such time and place.

**Section 403. Recording of Deed.** The Developer shall promptly file the Deed for recording among the land records of Sheboygan County. The Developer shall pay all costs for so recording the Deed.

**Section 404. Conditions Precedent to Developer's Obligations.** The Developer's obligation to conclude the Sale contemplated herein shall be subject to the Developer's satisfaction, or waiver thereof, of each of the following conditions on or prior to ten (10) days before the Closing Date:

- (a) **Title.** The City shall deliver to Developer, within thirty (30) days after execution of this Agreement, a commitment in favor of Developer for an ALTA Form (2006 or its current equivalent form) owner's policy of title insurance (the "Title Commitment") with respect to the Property, from a title insurance company agreed upon by the parties ("Title Company") (the title insurance premium for such Title Commitment shall be paid by the City).

Within twenty (20) days after Developer's receipt of the Title Commitment, Developer shall notify the City in writing of any unacceptable exceptions which are disclosed in the Title Commitment; in the absence of such notification, such exceptions shall be deemed accepted by Developer. The Title Commitment shall contain such endorsements required by Developer, which endorsements shall be obtained at the Developer's expense. In the event Developer disapproves of any matter pertaining to title, Developer may request and the City shall, upon receipt of written request from Developer, use its best efforts to correct such defect or disapproved matter and to effectuate the same within fifteen (15) days after receipt of such request from Developer. During such period that the City is attempting to cure such defect or disapproved matter, the time for satisfaction or waiver of the condition pertaining to title shall be extended for a commensurate period. Any mortgages, liens or judgments shown on the Title Commitment will be paid or satisfied by the City or insured over by the Title Company on or prior to the Closing Date.

In the event that the City elects to cure, but is unable to satisfy any such defect or disapproved matter within such fifteen (15) day period, or in the event that the City elects not to cure any defect or disapproved matter, Developer may, within ten (10) days after receipt of written notice from the City that the City has been unable to cure or is unwilling to cure:

- (1) terminate this Agreement by providing written notice thereof to the City thereby cancelling the Sale; or
  - (2) take title to the Property "as-is."
- (b) **Survey.** Developer may arrange for a survey of the property subject to this agreement (the "Survey") to be made by a surveyor licensed in the State of Wisconsin.

Within thirty-five (35) days after execution of this Agreement and Developer's review of the Survey, Developer shall notify the City in writing of any unacceptable exceptions which are disclosed in the Survey; in the absence of such notification, the Survey shall be deemed accepted by Developer. In the event Developer disapproves of any matter pertaining to the Survey, Developer may request and the City shall, upon receipt of written request from Developer, use its best efforts to correct such defect or disapproved matter and to effectuate the same within fifteen (15) days after receipt of such request from Developer. During such period that the City is attempting to cure such defect or disapproved matter, the time for satisfaction or waiver of the condition pertaining to the Survey shall be extended for a commensurate period.

If such Survey continues to show the existence of any condition that would burden, interfere with or impair Developer's contemplated development of the Property, as determined by Developer, within Developer's sole discretion, Developer may

- (1) terminate this Agreement by providing written notice thereof to the City thereby cancelling the Sale; or
- (2) accept the Property "as-is" despite the existence of such condition on the Survey.

**Section 405. Obligations of Developer.** The Developer understands and agrees that the following are obligations and duties of the Developer prior to transfer of the property, and are not in any way conditions precedent to Developer's duties under this Agreement. Failure to fulfill said obligations are grounds for termination of this Agreement by the City:

- (a) **Financing.** Developer shall obtain a written loan commitment from a lending institution of Developer's choice in an amount sufficient for the construction of the Project and any and all improvements related thereto. Additionally, as promptly as possible, but not later than sixty (60) days after approval by the City of the Construction Plans, the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has the equity capital and commitments for mortgage financing necessary for the timely completion of construction of the Project and the Improvements.
- (b) **Environmental.** Developer shall accept the property subject to this agreement "as-is," regardless of the potential presence of hazardous materials, conditions, or substance, or the existence of such recognized environmental condition or other environmental condition. Upon request by the Developer, the City agrees to deliver to Developer, within fifteen (15) days after receipt of a written request, all

environmental information in the possession of the City and/or the City's agents, attorneys, consultants or independent contractors, including, but not limited to, any and all environmental Phase I and Phase II environmental reports, soil and groundwater test results, correspondence with and orders or directives from governmental agencies (e.g. the Environmental Protection Agency, the Wisconsin Dept. of Natural Resources and other such agencies), case closure letters, remedial action plans and similar information.

- (c) Governmental Permits, Licenses and Approvals. Developer is responsible for obtaining, prior to Closing Date, all necessary permits, licenses and approvals from the City, and/or any other applicable governmental entity or agency, for the Project and related Improvements, as determined by Developer, within Developer's sole discretion. The City agrees to use its best efforts and cooperate with Developer in the application for any such permits, licenses and approvals.
- (d) Utility Connections. Developer shall be solely responsible for any and all costs and expenses related to bringing sewer and water laterals to the Property boundary line, in the event that sewer and water laterals are not stubbed off at the mains and located at the Property boundary line.
- (e) Soil and Topographic Conditions. Developer shall obtain, at Developer's sole expense, on or prior to the Closing Date, the following:
  - (1) Written confirmation from a recognized and qualified soil and engineering firm (selected by Developer) that the soil and subsoil conditions of the Property are sufficient and suitable, as determined by Developer, in its sole discretion, for the Project and the Improvements related thereto, and
  - (2) Soil borings and soil reports which verify a minimum poundage per square foot (psf) of soil bearing capacity, as determined by Developer

Developer may also, at Developer's sole expense, obtain reports, documentation, or otherwise relating to the soil and topographic conditions of the Property.

If the above written confirmations or reports show the existence of any condition that would burden, interfere with or impair Developer's contemplated development of the Property, as determined by Developer in its sole discretion, no later than thirty (30) days before the Closing Date, may

- (1) Terminate this Agreement by providing written notice thereof to the City thereby cancelling the Sale; or
- (2) Accept the Property "as-is" despite the existence of such condition(s).

**ARTICLE V.  
TIME FOR COMMENCEMENT AND COMPLETION OF  
IMPROVEMENTS**

**Section 501.** The construction of the Project shall be commenced pursuant to the schedule in Article III, but in any event within three (3) months after the Closing Date of the Sale and, except as otherwise provided in this Agreement, shall be substantially completed within twelve (12) months after commencement of construction.

**ARTICLE VI.  
SPECIAL PROVISIONS**

**Section 601. Minimum Investment.** Developer shall utilize the Property by constructing the Project and all related improvements, at a minimum investment of Twenty Three Million, Seven Hundred Forty Thousand, Two Hundred One and 00/100 Dollars (\$23,740,201.00) ("Minimum Investment"). Minimum Investment includes all hard costs for construction of all buildings and other improvements on the Property and leasehold improvements, excluding all soft costs, made or incurred by Developer, its successors or assigns, in connection with the Project, on or before the completion date of construction of the Project on the Property as required by this Agreement, or such later date as the parties may hereafter agree. Hard costs includes costs incurred for the following: demolition; sitework; remediation; utilities serving the new project (including relocation of existing utilities); all labor and materials required for new construction including contractor general conditions and customary allowance for contingency; offsite improvements required to service the new project; stormwater facilities (both offsite and onsite); geotechnical and other testing; construction completion and payment and performance bonds. Such costs include any and all costs (remediation costs or otherwise) Developer may incur with respect to any environmental contamination, hazardous materials, conditions or substances, recognized environmental conditions or any other environmental condition, which may exist on, in or with respect to the Property. 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 \$23,740,201 in hard costs.

**Section 602. Development Incentives.** Provided that the conditions set forth in Section 405 above, in this Article, and in Article VII below are met, the city agrees to provide to the Developer each year for a maximum period of ten (10) years, an annual incentive payment based on financial performance of the Development Project, in a total principal sum over the ten years not to exceed \$1,751,126 (the "Incentive Principal Amount") 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 ten (10) years, commencing in 2021 and ending in 2030, the City will pay the Developer a development performance incentive payment in an amount equal to one half of the Tax Increment Revenue received by the City with respect to the real property upon which the Project is situated in that year, but in no event shall the total aggregate sum of the annual development performance incentive payments to the Developer exceed \$1,751,126. The terminology "real Property upon which the Project is situated" is used in this Section to make it clear that personal property shall not be included in determining Tax Increment Revenue. The City shall make the payment due to the developer, if any, under this Section 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.

**ARTICLE VII.  
TID CONTINGENCY**

**Section 701.** 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 encompassing, at a minimum, the Property, as contemplated herein, on or before September 30, 2018, and having the base year certified by the Wisconsin Department of Revenue as 2018.

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 VIII.  
PREPARATION OF PROPERTY FOR DEVELOPMENT**

**Section 801. City Responsibilities.** The City shall, without expense to the Developer, cooperate with the Developer, other authorities, and other agencies, their departments, officers and employees, and provide such assistance as may be reasonably requested by the Developer in connection with the fulfillment of the Developer's obligations under this Agreement.

**Section 802. Developer's Responsibilities.** The Developer shall, without expense to the City:

- (a) **Assist City.** Cooperate with the City, other authorities, and other agencies, their departments, officers and employees, and provide such assistance as may be reasonably requested by the City in connection with the fulfillment of the City's obligations under this Agreement.
- (b) **Conduct Studies.** Prior to the Closing Date of the Sale of the Property from the City, conduct sufficient market, architectural and engineering studies, soils analyses, environmental assessments and any other investigations deemed necessary by the Developer to satisfy Developer of the feasibility and suitability of the Property to the Project.

**ARTICLE IX.  
RIGHTS OF ACCESS TO PROPERTY**

**Section 901. Right of Entry for Utility Service.** The City reserves for itself, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing any public utilities located within the Property boundary lines.

**Section 902. Developer Not to Construct Over Utility Easements.** The Developer shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in such easement or has been approved by the City, and unless Developer indemnifies and agrees to hold harmless the City and any public utility company as may be appropriate from all loss or damage to property or injury to persons arising from such construction.

**Section 903. Access to Property.** Prior to the Sale of the Property by the City to the Developer, the City shall permit representatives of the Developer to have access to the Property, at all reasonable times for the purpose of obtaining data and making various tests concerning the Property necessary to carry out this Agreement. After the Sale of the Property by the City to the Developer, upon advance written request, the Developer shall permit the representatives of the City access to the Property at all reasonable times which the City deems necessary for the purposes of this Agreement including, but not limited to, inspection of all work being performed in connection with the construction of the Improvements. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this section.

**ARTICLE X.  
CONSTRUCTIONS PLANS; CONSTRUCTION OF IMPROVEMENTS;  
CERTIFICATE OF COMPLETION**

**Section 1001. Plans for Construction of Improvements.** Plans and specifications with respect to the development of the Property and the construction of Improvements thereon shall be in material conformity with this Agreement, and all applicable federal, state and local laws and regulations. As promptly as possible after the date of execution of this Agreement, but no sooner than sixty (60) days of execution of this Agreement, the Developer shall submit to the City, for approval by the City, plans, drawings, specifications and related documents, and the proposed construction schedule (which plans, drawings, specifications, related documents and progress schedule, together with any and all changes therein that may thereafter be made and submitted to the City as herein provided are, except as otherwise clearly indicated by the context, hereinafter collectively called "Construction Plans"), with respect to the Improvements to be constructed by the Developer on the Property, in sufficient completeness and detail to show that such Improvements and construction thereof will be materially in accordance with the provisions of this Agreement.

The City shall, if the Construction Plans originally submitted materially conform to the provisions of this Agreement, approve in writing such Construction Plans and no further filing by the Developer or approval by the City thereof shall be required, except with respect to any material change. Such Construction Plans shall, in any event, be deemed approved unless rejection thereof in writing by the City, in whole or in part, setting forth in detail the reasons therefor, shall be made within thirty (30) days after the date of their receipt by the City.

If the City, in its reasonable discretion, so rejects the Construction Plans in whole or in part as not being in material conformity with this Agreement, the Developer shall submit new or corrected Construction Plans which are in material conformity with this Agreement within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the City, which approval shall not be unreasonably withheld or delayed, provided, that in any event the Developer shall submit Construction Plans which are in material conformity with the requirements of this Agreement, as determined by the City, no later than ninety (90) days after the date the Developer receives written notice from the City of the City's first rejection of the original Construction Plans submitted to it by the Developer.

All work with respect to the Improvements to be constructed or provided by the Developer on the Property shall be in material conformity with the Construction Plans as approved by the City. The term "Improvements," as used in this Agreement, shall be deemed to have reference to the Improvements as provided and specified in the Construction Plans as approved.

Developer, as an inducement to the City to proceed with establishment of a Tax Incremental District 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 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.

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, 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.

**Section 1002. Changes in Construction Plans.** If the Developer desires to make any material change in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for its approval. If the Construction Plans, as modified by the proposed change, materially conform to the requirements of Section 701 hereof with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify the Developer in writing of its approval, which approval shall not be unreasonably withheld or delayed. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejection thereof, in whole or in part, by written notice thereof by the City to the Developer, setting forth in detail the reasons therefor, shall be made within thirty (30) days after the date of the City's receipt of notice of such change.

**Section 1003. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance.** The submission of Construction Plans and their approval by the City as provided in Section 701 hereof, and the submission of satisfactory evidence of equity capital and commitments for mortgage financing as provided in Section 204(b)(2) hereof, are conditions precedent to the obligations of the Developer to purchase the Property and the City to convey the Property to the Developer pursuant to the Sale.

**Section 1004. Progress Reports.** Subsequent to the Sale of the Property, or any part thereof, to the Developer, and until construction of the Improvements has been completed, the Developer shall make monthly reports, in such detail as may reasonably be requested by the City, as to the actual progress of the Developer with respect to such construction.

**ARTICLE XI.  
RESTRICTIONS UPON USE OF PROPERTY**

**Section 1101. Restrictions on Use.** The Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Developer for itself, and such successors and assigns, that the Developer, and such successors and assigns, shall:

- (a) devote the Property to, and only to and in accordance with, the uses specified in this Agreement for a period of not less than twenty-seven (27) years from date of completion of the Project; and
- (b) not discriminate upon the basis of race, color, creed, sex, religion, ancestry, disability, sexual orientation, marital status, family status, lawful source of income, age or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

**Section 1102. Covenants: Binding Upon Successors in Interest; Period of Duration.** It is intended and agreed, and the Deed shall so expressly provide, that the agreements and covenants provided in Section 801 hereof shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the City and any successor in interest to the Property, or any part thereof, against the Developer, its successors and assigns and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

**Section 1103. City Rights to Enforce.** In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the City and its governmental successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in Section 801 hereof, for and in its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided in Section 801. Such agreements and covenants shall (and the Deed shall so state) run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the City has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The City shall have the right, in the event of any material breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

**ARTICLE XII.  
PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER**

**Section 1201. Representations as to Development.** The Developer represents and agrees that its purchase of the property upon which the Project is situated, and its other undertakings pursuant to this Agreement are, and will be used, for the purpose of development of the Property and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the development of the Property to the general welfare of the community; and
- (b) the below market purchase price that has been made available by the City for the purpose of making such development possible;

the qualifications and identity of the Developer are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with the Developer and, in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants hereby by it to be performed without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement.

**Section 1202. Prohibition Against Transfer of Ownership Interests.** For the foregoing reasons, the Developer represents and agrees for itself, its members, and any successor in interest of itself and its members, respectively, that prior to completion of the Improvements as certified by the City in the form of a final Occupancy Certificate for the Project ("Occupancy Certificate"), and without the prior written approval of the City:

- (a) there shall be no transfer of ownership interests in the Developer by any party owning ten percent (10%) or more of the ownership interests in the Developer (which term shall be deemed for the purposes of this and related provisions to include successors in interest);
- (b) nor shall any such owner suffer any such transfer to be made; and
- (c) nor shall there be or be suffered to be by the Developer, or by any owner of ten percent (10%) or more of the ownership interests therein, any other similarly significant change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, by any other method or means.

With respect to this provision, the Developer and the parties signing this Agreement on behalf of the Developer represent that they have the authority of all of its existing members to agree to this provision on their behalf and to bind them with respect thereto.

**Section 1203. Prohibition Against Transfer of Property and Assignment of Agreement.**

For the foregoing reasons the Developer represents and agrees for itself and its successors and assigns, that:

- (a) Except only by way of security for, and only for,
  - (1) The purpose of obtaining financing necessary to enable the Developer or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to constructing the Project under this Agreement; and
  - (1) Any other purpose or as otherwise authorized by this Agreement, the Developer, its successors or assigns, (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Project as certified by the City, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed.
- (b) The City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval, that:
  - (1) Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).
  - (2) Any proposed transferee, by instrument in writing satisfactory to the City and in form recordable among the land records shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part). Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) relieve or except such transferee or successor of or from such obligations, conditions or restrictions, or deprive or limit the City of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of this Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any

part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property and the construction of the Improvements that the City would have had, had there been no such transfer or change.

- (3) There shall be submitted to the City for review all instruments and other legal documents involved in effecting transfer; and if approved by the City, which approval shall not be unreasonably withheld or delayed, its approval shall be indicated to the Developer in writing.

In the event, the transferee satisfies the conditions set forth in this section and City approves the sale, assignment, conveyance, lease or transfer to the transferee, then any and all obligations under this Agreement shall be transferred to the transferee and the Developer shall be released from any and all obligations under this Agreement. Notwithstanding anything contained in this section or Agreement to the contrary, Developer, prior to completion of the Project, shall have the right to enter into agreements with third parties for the pre-leasing or leasing of any apartments which are part of the Project and such third parties (and the agreements entered into by Developer with them) shall not be subject to any approval by the City.

For purposes of clarity, notwithstanding anything contained in this Agreement to the contrary, upon the issuance of a certificate of completion for the Project, the Developer may transfer, assign, sell, or convey the Property or any portion thereof to any person without the consent of the City. It being understood that all restrictions on transfer in this Article shall terminate upon completion of the Project

**Section 1204. Information as to Members.** In order to assist in the effectuation of the purposes of this Article, the Developer agrees that during the period between execution of this Agreement and completion of the Project as certified by the City:

- (a) the Developer will promptly notify the City of any and all changes of greater than ten percent (10%) in the ownership of the company, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, of which it or any of its members have been notified or otherwise have knowledge or information; and
- (b) the Developer, its successors or assigns, shall, at such time or times as the City may request, furnish the City with a complete statement, subscribed and sworn to by the authorized or managing member(s) of the Developer, setting forth all of the members of the Developer and the extent of their respective holdings, and in the event any other parties have a beneficial interest in the company their names and the extent of such interest, all as determined or indicated by the records of the Developer, by specific inquiry made by any such member, of all parties who on the basis of such records own ten percent (10%) or more interest in the Developer, and by such other knowledge or information as such authorized representative shall have. Such lists, data and information shall in any event be furnished to the City immediately prior to the delivery of the Deed to the Developer and as a condition precedent thereto and annually thereafter on the anniversary of the Closing Date.

**ARTICLE XIII.  
REMEDIES**

**Section 1301. In General.** Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach and, in any event, within seventy-five (75) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time after the initial seventy-five (75) days, the aggrieved party may take such action as set forth under this Agreement or allowed by law as may be necessary or desirable in its opinion to cure and remedy such default or breach including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

**Section 1302. Termination by Developer Prior to Conveyance.** In the event that:

- (a) the City does not tender conveyance of the Property, or possession thereof, by Deed as part of the Sale in the manner and condition provided in this Agreement; or,
- (b) the Developer shall, after preparation of Construction Plans satisfactory to the City, furnish evidence reasonably satisfactory to the City that Developer has been unable, after and despite diligent effort for a period of sixty (60) days after approval by the City of the Construction Plans, to obtain mortgage financing for the construction of the Project on a basis and on terms that are satisfactory to Developer; or,
- (c) the Developer is unable to satisfy (and otherwise has not waived), any of the conditions precedent contained in this Agreement;

then this Agreement shall, at the option of the Developer, be terminated by written notice thereof to the City and neither the City nor the Developer shall have any further rights against or liability to the other under this Agreement.

**Section 1303. Termination by City Prior to Conveyance.** In the event that:

- (a) prior to conveyance of the Property by Deed as part of the Sale to the Developer and except as otherwise permitted under this Agreement,
  - (1) the Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property; or
  - (2) there is any change of more than ten percent (10%) in the ownership of the Developer or with respect to the identity of the parties in control of the Developer or the degree thereof; or
- (b) the Developer does not submit Construction Plans within the permitted time period, as required by this Agreement, or (except as excused under subdivision (b) of Section 1102 hereof) evidence that it has the necessary equity capital and mortgage financing, in reasonably satisfactory forms and in the manner and by the dates respectively provided in this Agreement therefor; or

- (c) the Developer does not pay the Purchase Price and take title to the Property upon tender of Deed by the City pursuant to the Sale, and if any default or failure referred to in subdivisions (a) and (b) of this Section 1103 shall not be cured within thirty (30) days after the date of written demand by the City;

then this Agreement, and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property shall, at the option of the City, be terminated by the City by written notice thereof to the Developer, in which event, neither the Developer (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement.

**Section 1304. Other Rights and Remedies of City; No Waiver by Delay.** The City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title and interest of the Developer and its successors in interest and assigns in the Property, and the revesting of title thereto in the City. Provided, that any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City should not be constrained (so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the City with respect to any specific default by the Developer under this section be considered or treated as a waiver of the rights of the City with respect to any other defaults by the Developer under this section or with respect to the particular default except to the extent specifically waived in writing.

**Section 1305. Rights and Remedies Cumulative.** The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

**Section 1306. Indemnification.**

- (a) Developer releases from and covenants and agrees that the City, the governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "City Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the City 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 Project, provided that the foregoing indemnification shall not be effective for any actions of the City

Indemnified Parties that are not contemplated by this Agreement or which result from negligent acts or willful misconduct of the City Indemnified Parties in fulfilling the obligations of the City or their agents as set forth under this Agreement.

- (b) Except for any negligent acts or any willful misrepresentation of the City Indemnified Parties, Developer agrees to protect and defend the City Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of Developer (or other persons acting on its behalf or under its direction or control) with respect to the Project work to be performed by Developer under this Agreement.
- (c) The City agrees to protect and defend Developer, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Developer Indemnified Parties"), and further agrees to hold Developer Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the negligence, willful misrepresentation of the City (or other persons acting under their direction or control) under this Agreement, or the transactions contemplated hereby. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City, as the case may be.

#### **ARTICLE XIV. MISCELLANEOUS**

**Section 1401. Conflict of Interests: City Representatives Not Individually Liable.** No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

**Section 1402. Equal Employment Opportunity.** The Developer, for itself and its successors and assigns, agrees that during the construction of the Project provided for in this Agreement:

- (a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours. The Developer will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or

national origin. Such action 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 Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

- (b) The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours.
- (c) The Developer will furnish all information and reports required by law and any and all applicable federal, state and local rules, regulations and orders, and will permit access to the Developer's books, records and accounts by the City, or appropriate governmental entity, for purposes of investigation to ascertain compliance with such laws, rules, regulations and orders.
- (d) In the event of the Developer's noncompliance with the nondiscrimination clauses of this section, or with any of the said rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part, and such other sanctions may be imposed and remedies invoked as provided by such law, rule, regulation or order, or as otherwise provided by law.
- (e) The Developer will include the provisions of Paragraphs (a) through (d) of this section in every contract or purchase order, and will use its best efforts to require the inclusion of these provisions in every subcontract entered into by any of its contractors, unless exempted by such rules, regulations or orders, so that such provisions will be binding upon each such contractor, subcontractor or vendor, as the case may be. The Developer will take such action with respect to any construction contract, subcontract or purchase order as the City may direct as a means of enforcing such provisions, including sanctions for noncompliance. For the purpose of including such provisions in any construction contract, subcontract or purchase order, as required hereby, the first three lines of this section shall be changed to read "During the performance of this Contract, the Contractor agrees as follows:" and the term "Developer" shall be changed to "Contractor."

**Section 1403. Provisions Not Merged with Deed.** None of the provisions of this Agreement are intended to or shall be merged by reason of the Deed transferring title to the Property from the City to the Developer or any successor in interest, and the Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

**Section 1404. Titles of Articles and Sections.** Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

**Section 1405. Successors and Assigns.** This Agreement shall be binding upon the respective successors and assigns of the parties. Notwithstanding anything contained in this Agreement to the contrary, Developer may assign this Agreement by one or more successive assignments at any time prior to closing to any related entity or affiliate of Developer. Upon any such assignment, the assignee shall have the rights and obligations of Developer hereunder and Developer shall thereupon, automatically and without execution of further instruments or documents, be relieved and released from any obligations under this Agreement, without any further action or approval of the parties.

**Section 1406. Notices and Demands.** A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (a) in the case of the Developer, is addressed to or delivered personally to the Developer at 4201 North 27<sup>th</sup> Street, Milwaukee, WI 53216, Attn: Que El-Amin; and
- (b) in the case of the City, is addressed to or delivered personally to the City, Attention: City Clerk, at 828 Center Avenue, Sheboygan, Wisconsin 53081;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. If delivered by registered or certified mail, such notice, demand or other communication shall be deemed delivered and received upon deposit in the U.S. Mail.

**Section 1407. Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

**Section 1408. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Signatures delivered by facsimile, email (in pdf.) or similar electronic methods shall be deemed to be original signatures for all purposes.

**Section 1409. Recoding.** This agreement or a memorandum of this Agreement shall be recorded in the Office of Sheboygan County Register of Deeds against the Property at the cost of the Developer.

*(Signature Page Follows)*

**IN WITNESS WHEREOF**, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

**CITY OF SHEBOYGAN,  
WISCONSIN**

**SCOTT CRAWFORD, INC.**

**BY:** \_\_\_\_\_  
Michael J. Vandersteen, Mayor

**BY:** \_\_\_\_\_  
Que El-Amin, Manager

**ATTEST:** \_\_\_\_\_  
Meredith DeBruin, City Clerk

**ACKNOWLEDGMENTS**

STATE OF WISCONSIN    )  
  ) ss  
SHEBOYGAN COUNTY    )

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2018, the above-named Michael J. Vandersteen, Mayor, and Meredith DeBruin, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission \_\_\_\_\_

STATE OF WISCONSIN    )  
  ) ss  
\_\_\_\_\_ COUNTY    )

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2018, the above-named Que El-Amin, Manager, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission \_\_\_\_\_

This instrument drafted by:

City Attorney Charles Adams  
828 Center Ave., Suite 304  
Sheboygan, WI 53081-4442  
WI State Bar No. 1021454

EXHIBIT "A"  
Description of Property

SEC 23 T15N R23E ALL THAT TRACT OF LAND BOUNDED AS FOLLOWS; ON THE NORTH BY CENTER AVE, ON THE EAST BY BROUGHTON DRIVE, ON THE SOUTH BY PENNSYLVANIA AVE., & ON THE WEST BY N. 4TH ST. 2.69 AC. (MUNICIPAL AUDITORIUM & ARMORY)

**EXHIBIT "B"**  
**Hard Costs for Project**

**REDEVELOPMENT AGREEMENT  
BY AND BETWEEN**

**THE ARMORY COMMUNITY PROJECT, INC.  
AND  
THE CITY OF SHEBOYGAN**

**THIS AGREEMENT** is made this \_\_\_\_ day of \_\_\_\_, 2018, by and between The Armory Community Project, Inc., a not for profit corporation with its principal offices located at 605 Erie Ave. Suite 101, Sheboygan, WI 53081 (hereinafter "Developer"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

**RECITALS**

**WHEREAS**, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in Exhibit "A" for the purpose of rehabilitating the Municipal Auditorium and Armory, located at 516 Broughton Drive, Sheboygan, WI 53081 (hereinafter "Armory"), and re-purposing it into a state of the art community center at a minimum estimated cost of \$5,900,000, as more specifically described in Exhibit "B".

**WHEREAS**, the City has already expended \$160,000 performing lead and asbestos abatement work, which abatement work is not completed.

**WHEREAS**, Developer has proposed that the western 0.64 acres of the real property on which the Armory is situated be assigned to an independent developer to construct approximately 40 multi-family housing units at an additional estimated cost of \$6,600,000.00.

**WHEREAS**, it is in the mutual interest of all parties to proceed with this development project.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the Recitals, the agreements and covenants 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**

**Section 101. 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 "Redevelopment Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"Apartment Developer" means the party who will undertake the development of the Project-Apartment.

"Developer" means The Armory Community Project, Inc. and its permitted successors and assigns.

"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, as more specifically described in Exhibit "C," for rehabilitation of the Armory and re-purposing it into a state of the art community center to include, by example, a "Rathskeller"-style pub, mini-storage, a flexible events hall, a culinary incubator, breakout rooms, a business incubator, a corridor café, restrooms, storage for performances, offices for the Developer and event concessions.

"Project-Apartment" means the development proposed by the Apartment Developer consisting of approximately 40 multi-family housing units on approximately 0.64 acres west of the Property

"Property" means that portion of the real property on which the Armory is located and upon which the Project is to be constructed and generally located at 516 Broughton Drive, the final size and configuration of which shall be determined in accordance with the provisions of Section 301(g) hereafter.

## ARTICLE II. OVERVIEW OF THE PROJECT

**Section 201. Project Overview.** The Project consists of redevelopment of the existing Sheboygan Municipal Armory and Auditorium constructed in 1941 as a Works Progress Administration project (WPA) on the site of the former Freyberg Lumber Company located at 516 Broughton Drive, Sheboygan, WI 53081, shown on the plan drawing attached as Exhibit "A" into a state of the art community center with a variety of uses.

## ARTICLE III. UNDERTAKINGS OF THE DEVELOPER

**Section 301. Sale of the Property.** The City shall transfer the Property for \$1.00 (the Purchase Price) at Closing (as hereafter defined) and only upon completion of the following:

- (a) **Non-Profit Status:** The Developer shall have created a business entity that is eligible for status as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, and shall file for said status no later than forty-five (45) days after execution of this Agreement. In the alternative, the Developer may, by a date no later than forty-five (45) days after execution of this Agreement, enter into a fully executed agreement with an existing 501(c)(3) organization to serve as the fiscal agent for the organization and provide a copy of the said agreement to the City.
- (b) **Historic Preservation Tax Credits:** The Developer shall apply to have the Armory listed in the National Register of Historic Places, contracting with a preservation architect, and apply to the Wisconsin Historical Society for Income-Producing Tax Credits ("Historic Tax Credits") by no later than thirty (30) days after execution of this Agreement and shall have received approval of Historic Tax

Credits pursuant to an filed Historic Preservation Certification Application Part 2 – Description of Rehabilitation within one hundred eighty (180) days of the date of this Agreement. Additionally, but subject to Unavoidable Delay, the Developer shall have received approval within one hundred five (105) days of the date of this Agreement (Eligibility Deadline) that the Project is eligible for Historic Tax Credits pursuant to a filed Historic Preservation Certification Application Part 1 – Evaluation of Significance. If the Developer does not receive such approval by the Eligibility Deadline, the City shall have the right to terminate this Agreement.

- (c) **Federal New Market Tax Credits:** The Developer shall obtain and provide to the City by no later than sixty (60) days after execution of this Agreement evidence (including an opinion from an attorney or licensed tax accountant) indicating that the project will qualify for federal new market tax credits. If the Developer does not receive such approval by the deadline provided in this subsection, the City shall have the right to terminate this Agreement.
- (d) **Major Gift Commitments:** The Developer shall obtain funding from the sale of tax credit in the amount of \$4,600,000.00 within two hundred forty (240) days of the date of this Agreement. Additionally, the Developer shall have received major gift commitments (including from the sale of naming rights) of not less than \$1,500,000.00 within one hundred twenty (120) days of the date of this Agreement, and an additional \$900,000.00 within one hundred eighty (180) days of the date of this Agreement. Developer shall have obtained total funding (from the sale of tax credit, naming rights, and gift commitments) in the amount of \$7,000,000 within two hundred forty (240) days of the date of this Agreement. (“Commitments Progress”). If the Developer has not achieved the Commitments Progress, the City shall have the right to terminate this Agreement.
- (e) **Financing:** The Developer shall, by no later than two hundred forty (240) days after the execution of this Agreement, obtain the necessary financing complete construction of the project.
- (f) **Project-Apartment:** The City and Apartment Developer shall have executed an agreement for the completion of the Project-Apartment. The Apartment Developer shall receive no greater than ten-percent (10%) of the value of that portion of the project in an incentive or subsidy contributed by the City.
- (g) **Survey/Certified Survey Map:** The City will complete and record a certified survey map to create the necessary parcels and easements to serve the Project-Apartment and Project. The Developer will reimburse the costs of the City hereunder at Closing or the termination of this Agreement, whichever occurs first at a maximum cost of \$1000.00.

**Section 302. Closing.** The closing of the sale of the Property shall take place within thirty (30) days of the completion of all the contingencies set forth in Section 301 above, but in any event no later than two hundred seventy (270) days of the date of this Agreement (the Closing). At Closing, (i) the City shall deliver the following to the Developer a warranty deed conveying the Property free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility, municipal services, recorded building and use restrictions and covenants and (ii) the Developer shall deliver the Purchase Price. The City shall complete and execute the

documents necessary to record the conveyance at Developer's cost. Not less than 30 days before Closing, the City shall give evidence of title in the form of an owner's policy of title insurance issued by an insurer licensed to write title insurance in Wisconsin. The City shall pay all costs of providing said owner's policy of title insurance to Buyer.

**Section 303. Construction of the Project.** The Developer shall have commenced construction of the Project no later than ninety (90) days after the Closing ("Construction Deadline").

**Section 304. Compliance with Codes, Plans, and Specifications, etc.** The construction of the Project shall be in compliance with all applicable codes and ordinances of the City, and with all pertinent provisions of this Agreement and the Plans and Specifications. While 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, the City does understand that the Developer may need to apply for zoning variances or conditional uses and shall reasonably assist the Developer in the same.

**Section 305. Reversionary Clause.** The Developer agrees that for no less than ten years after completion of construction (but subject to any requirements related to tax credits and the lien rights of any lender), the City shall retain the right, at its sole discretion, to repurchase the Property upon which the Project is situated for the same amount it sold the property should there be any default on this Agreement by the Developer, should there be any insolvency or bankruptcy on the part of the Developer, should any portion of the Property be subject to a foreclosure or seizure action by creditor, should the portion of the Property not leased to a for-profit entity go dark for a period of two years, or should the Property not continue to be operational in all material respects pursuant to the business plan contained in Exhibit "C as reasonable amended from time to time to reflect necessary changes in the operations of the Property. This clause shall apply to the Developer and any of Developer's successors or assigns, including partial successors and assigns. The Developer hereby agrees and covenants to include a provision clearly delineating the terms of this Section in any Agreement it makes with co-Developers, successors, and assigns. This provision does not apply to the portion of the Property dedicated to the Project-Apartment.

#### **ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER**

**Section 401. 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 recognized not for profit corporation under the laws of the State of Wisconsin.

(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 the ability to obtain sufficient funds through, pledges, donations, tax credits and lending sources for the completion of the Project, and Developer shall, from time to time upon the request of the City based on reasonable need, provide evidence thereof satisfactory to the City. The Developer shall promptly notify the City of any material adverse change in the Developer's financial condition. Subject to applicable law, the City agrees to use its best efforts to keep such financial information made available to it hereunder confidential; provided, however, the City may, to the extent it deems necessary, disclose such information in the exercise of its remedies hereunder.

(e) While a part of the Project is intended to be exempt from taxation under Wisconsin's property tax laws, the Project will be partially subject to taxation.

#### **ARTICLE V. PILOT PAYMENTS FOR CITY SERVICES TO TAX-EXEMPT PORTIONS OF THE PROJECT**

**Section 501. City Services Typically Covered by Property Tax.** Irrespective of Property tax status, the City agrees to continue to furnish general governmental administrative services and police services to the Developer and the Property of the same type, and to the same extent, as are furnished, from time to time, without cost or charge (except by means of property tax and authorized fees, assessments and charges), to other similarly situated projects in the City. Nothing in this Agreement shall be construed to give Developer a contractual right to governmental services, or to impose upon City any additional duties, it being the parties' intent that the City provide public service subject to the same duties and liability as apply to the public generally. Services included herein are general governmental administrative services and police services. The City shall not have breached its obligations hereunder if it is prevented from providing such services because of typical force majeure reasons (e.g. war, flood, fire, labor dispute, supply shortage, act of God, natural disaster, etc.), or because of budgetary constraints or because any person or entity shall assert a right which prevents delivery of such services as are furnished from time to time without cost or charge (except by means of property tax) to other similar facilities in the City.

**Section 502. Special Assessment, Special Charges and Fees.** Notwithstanding Section 501 or the property tax exempt status of the Property or a portion of the Property, the Developer understands that it will be subject to special assessments, special charges and special taxes as defined in Wis. Stats. 74.01 (and as also referred to in Wis. Stats. Ch. 66) and fees charged by the City in the same manner and to the same extent that such special assessments, special charges, special taxes and fees are charged for similar services and/or undertakings to the Project within the City. This provision shall not affect the City's powers, consistent with the law, to determine the services (other than those typically covered by the property tax) that shall be provided to the Property and/or similarly situated property pursuant to this paragraph. Nothing contained herein shall preclude the Owner from appealing, as provided by law, the imposition of such special assessments, special charges, special taxes or fees by the City.

**Section 503. PILOT Payments.**

- (a) *Calculation for Tax Years 2019 and Subsequent Tax Years.* In recognition of those services covered by Section 501 of this Agreement, in the event the Property, or a portion thereof, is determined to be tax exempt for tax year 2019 and subsequent tax years, Developer agrees to pay the City an annual PILOT payment for the exempt portion of the Property for each tax year (or portion thereof) during which the Developer owns the Property. If the Developer transfers or conveys the Property, the PILOT for that year will be prorated based upon the number of full months for which the Owner owned the Property.
- (b) *Annual PILOT Payments.* The annual PILOT payments for such services shall be \$10,000. The PILOT payment due shall be adjusted annually based upon the change in the United States Bureau of Labor Statistics Consumer Price Index ([www.bls.gov](http://www.bls.gov)) all Urban Consumers Midwest Area, Size B/C from January through December 2019 and each year thereafter.
- (c) *Payment Due Date.* PILOTs for tax year 2019 and subsequent years shall be due and payable in full on or before January 31 of the year following the tax year for which the PILOT was calculated, e.g. the payment for tax year 2019 shall be payable on or before January 31 of 2020.
- (d) *Use of Payment.* The City may use and expend PILOTs hereunder in such manner and for such purposes as to offset the City levy for those services covered under Section 501.
- (e) *Nonpayment.* The Developer has a good faith duty to take affirmative steps to satisfy its PILOT obligations hereunder by making timely payments to the City. A lien shall attach to the Property in the event of nonpayment or partial payment. The City expressly retains its governmental rights, authority and powers available at law or in equity.

**Section 504. Exempt Status.** Even if the City initially determines that, if the Developer uses the Property, or a portion thereof, for the purposes described to City in an application for exemption, all or a portion of the Property will qualify for real and personal property tax exemption under Wisconsin law, the City Assessor's Office may review the Property's exempt status under Wis. Stats. 70.11 from time to time with the respective January dates being the reference dates for those exemption reviews. If the City, as a result of those reviews or otherwise, determines that the Property no longer qualifies for exemption from property tax, for the year in which the determination is made:

- (a) The City will provide notice of such determination to the Developer, no later than April 30th of that year;
- (b) Section 503 shall be ineffective with respect to that and any subsequent years for which exemption no longer applies;
- (c) If a PILOT has been paid for that year, the City shall promptly refund such PILOT, or at the option of the City, offset such payments against any property taxes due from Developer; and

- (d) The Property shall be placed on the property tax rolls for that and any subsequent years for which exemption has been determined not to apply.

If the Developer disagrees with the City's determination that the Property no longer qualifies for tax exemption, the Developer may challenge such determination by the appropriate procedure provided under Wisconsin law for similarly situated property.

**Section 505. Term.** Section 503 of this Agreement shall be ineffective (whether temporarily or permanently) on the soonest of any of the following-described dates:

- (a) The day before the respective January 1 of the year concerning which the City determines that the Property no longer qualifies for the property tax exemption;
- (b) The effective date of an enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of a property exempt from the general property tax or similarly situated owners of exempt property;
- (c) The effective date of a repeal by the State of Wisconsin of the property tax exemption for the Property and other similarly situated property; and
- (d) The effective date of legislation or case law, which indicates that PILOT payments are not permitted by exempt property owners.

**Section 506. Documents, Inspection, Cooperation.** Developer agrees to cooperate with the City (including, but not limited to, the City Assessor's Office, the City Development Office, the City Attorney's Office and the City Finance Office) with respect to this Agreement by allowing inspections of the Property upon reasonable written request of the City and by allowing inspection of leases of the Property and other documents requested of the Developer. Notwithstanding the foregoing, the City expressly reserves all its rights in law and equity to inspect and to obtain disclosure, documents, inspection and information to the extent the property owner is required to allow any such inspection under Wisconsin Law. The Developer is not hereby granting rights to inspection beyond those provided by law.

## ARTICLE VI. UNDERTAKINGS OF THE CITY

**Section 601. National Register of Historic Places.** The City agrees to work with the Developer to apply to the National Park Service to list the Armory building in the National Register of Historic Places in order to apply for historic preservation tax credits (Application). This agreement includes a commitment by the City to provide, as the current owner of the Property, a letter of support for the listing within thirty (30) days of execution of this Agreement and a statement by the City that it is aware of the Application and has no objection to the request for certification.

**Section 602. Lead and Asbestos Abatement.** Prior to Closing, the City shall have completed all required lead and asbestos abatement work in a manner that does not compromise the nature of the Armory for the Project. The Developer will provide advice on reasonable actions by the City to comply with this paragraph.

**Section 603. Bleachers.** The City will retain the bleachers in the Armory as of April 13, 2018, and shall not dispose or sell the same. Developer agrees to accept said bleachers in "as-is" condition.

## **ARTICLE VII. CONDITIONS TO THE UNDERTAKINGS OF THE CITY**

**Section 701. 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, the following shall occur:

- (a) Developer shall have satisfied all Conditions Precedent set forth in Section 301 hereof before the City should proceed with the obligations in Section 301.
- (b) All representations and warranties of Developer set forth in Article IV and otherwise in this Agreement and in all agreements expressly referred to herein shall be true, complete and correct as required for the performance of obligations by the City in this Agreement.
- (c) All covenants and obligations of Developer under this Agreement are duly performed, observed and satisfied as required for the performance of obligations by the City in this Agreement.
- (d) No Event of Default, as defined in Section 901, has occurred, or with the giving of notice or lapse of time would occur as required for the performance of obligations by the City in this Agreement.

## **ARTICLE VIII. INDEMNIFICATION OF THE CITY**

**Section 801. 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 arising out of the Developer's performance of the construction 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, any willful misconduct, or negligent acts 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 IX. DEFAULT/REMEDIES

**Section 901. Events of Default** An Event of Default is any of the following:

- (a) A failure by the Developer to cause substantial completion of the Project to occur pursuant to the terms, conditions and limitations of this Agreement, or the failure of the Developer to perform or observe any and all covenants, conditions, obligations, guarantees 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 as promptly as possible under the circumstances, then the event will not be an Event of Default.
- (b) Developer becomes insolvent or is the subject of bankruptcy or insolvency proceedings.
- (c) Developer fails to insure that the project is an ongoing concern with a substantial portion of the Property in regular, consistent use, including those portions identified in the Developer's business plan as daily operations.

**Section 902. Remedies on Default.** Whenever an event of default occurs and is continuing, the non-defaulting party may take any one or more of the following actions:

- (a) The non-defaulting party may immediately suspend its performance under this Agreement from the time any notice of an Event of Default is given until it receives assurances from the defaulting party deemed adequate by the non-defaulting party, that the defaulting party 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 covenant, condition, obligation, guarantee or agreement of the defaulting party under this Agreement.

**Section 903. No Remedy Exclusive.** No remedy or right conferred upon or reserved to the City or the Developer 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.

**Section 904. No Implied Waiver.** In the event any agreement contained in this Agreement should be breached by either 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.

**Section 905. Agreement to Pay Attorneys' Fees and Expenses.** Whenever any event of default occurs and either the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any covenant, condition, obligation, guarantee or agreement on the part of the defaulting party herein contained, the defaulting party shall, on demand thereof, pay the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party by reason of such default.

#### ARTICLE X. FORCE MAJEURE

**Section 1001. 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 (other than any financial obligation) is delayed or prevented by war, strikes, fires, floods, acts of God, delay by federal or state governmental agencies, 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 (Unavoidable Delay”), and the time for performance will be extended by the period of delay occasioned by any such cause.

#### ARTICLE XI. ADDITIONAL PROVISIONS

**Section 1101. 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.

**Section 1102. 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.

**Section 1103. 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 Plans, 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.

**Section 1104. No Assignment.** Developer may not assign its rights in this Agreement without the express prior written consent of the City. Except with the prior written consent of the City, Developer shall not sell, transfer or convey the Property unless and until an occupancy permit has been issued.

**Section 1105. 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.

**Section 1106. Headings.** Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

**Section 1107. 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.

**Section 1108. Amendment.** The City and the Developer expressly reserve the right to modify and amend this Agreement from time to time, as they shall mutually agree in writing executed by both parties.

**Section 1109. 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., Suite 304  
Sheboygan, WI 53081

To the Developer: The Armory Community Project, Inc.  
605 Erie Ave. Suite 101  
Sheboygan, WI 53081

**Section 1110. Severability; Governing Law.** If any provision hereof is duly held by a court of competent jurisdiction to be invalid with respect to any circumstance or otherwise, the remainder of the Agreement and/or the application of the Agreement to any other circumstance shall not be affected thereby. The parties intend that the laws of the State of Wisconsin and ordinances and regulations of the City of Sheboygan shall be the governing law with respect to this Agreement.

**Section 1111. Counterparts.** This agreement may be executed in any number of counterparts, each of which shall be deemed an original.

**Section 1111. Authority.** The Developer represents and warrants to the City that its agents executing this Agreement have been duly authorized to so execute and to cause the Owner to enter into this Agreement. The City represents and warrants to the Owner that the undersigned City officials are duly authorized to execute and to enter into this Agreement.

**Section 1112. Binding Effect.** The rights and obligations under this Agreement shall run with the land and, along with the conditions hereof, shall be binding upon and inure to the benefit of the parties hereto and their respective representatives, successors, heirs, and permitted assigns.

**Section 1113. Recording.** This Agreement or a memorandum of this Agreement shall be recorded in the Office of the Sheboygan County Register Deeds against the Property at the cost of the Developer.

*(Signature Page Follows)*

**IN WITNESS WHEREOF**, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

**CITY OF SHEBOYGAN, WISCONSIN**

**ARMORY COMMUNITY PROJECT, INC**

**BY:** \_\_\_\_\_  
Michael J. Vandersteen, Mayor

**BY:** \_\_\_\_\_

**ATTEST:** \_\_\_\_\_  
Meredith DeBruin, City Clerk

**ATTEST:** \_\_\_\_\_

**ACKNOWLEDGMENTS**

STATE OF WISCONSIN     )  
  ) ss  
SHEBOYGAN COUNTY )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above-named Michael J. Vandersteen, Mayor, and Meredith DeBruin, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of  
Wisconsin My Commission

STATE OF WISCONSIN     )  
  ) ss  
\_\_\_\_\_ COUNTY )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above-named \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of  
Wisconsin My Commission

This instrument drafted by:  
  
City Attorney Charles Adams  
828 Center Ave., Suite 304  
Sheboygan, WI 53081-4442  
WI State Bar No. 1021454

This document authorized by and in accordance with Res. No. \_\_\_\_-17-18

**EXHIBIT "A"**  
**REAL PROPERTY DESCRIPTION**

**EXHIBIT "B"**  
**RESPONSE TO REQUEST FOR PROPOSALS**

**EXHIBIT "C"**  
**PROJECT PLAN**

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 175-17-18 by Alderpersons Donohue and Bohren approving the terms and conditions of the Redevelopment Agreement between The Armory Community Project, Inc. and the City of Sheboygan for a project involving rehabilitating the Municipal Auditorium and Armory and re-purposing it into a community center; recommends forwarding to Council with no recommendation.

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

Other Matters

7.5

Res. No. 175- 17 - 18. By Alderpersons Donohue and Bohren. April 4, 2018.

A RESOLUTION approving the terms and conditions of the Redevelopment Agreement between The Armory Community Project, Inc. and the City of Sheboygan for a project involving rehabilitating the Municipal Auditorium and Armory and re-purposing it into a community center.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Redevelopment Agreement between the Armory Community Project, Inc. and the City of Sheboygan, in form substantially similar to the document attached hereto.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan.

*Finances  
Personnel  
No recommendation*

*[Signature]*  
\_\_\_\_\_  
*[Signature]*  
\_\_\_\_\_

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

**REDEVELOPMENT AGREEMENT  
BY AND BETWEEN**

**THE ARMORY COMMUNITY PROJECT, INC.  
AND  
THE CITY OF SHEBOYGAN**

**THIS AGREEMENT** is made this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between The Armory Community Project, Inc., a not for profit corporation with its principal offices located at 605 Erie Ave. Suite 101, Sheboygan, WI 53081 (hereinafter "Developer"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

**RECITALS**

**WHEREAS**, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in Exhibit "A" for the purpose of rehabilitating the Municipal Auditorium and Armory, located at 516 Broughton Drive, Sheboygan, WI 53081 (hereinafter "Armory"), and re-purposing it into a state of the art community center at a minimum estimated cost of \$5,900,000, as more specifically described in Exhibit "B".

**WHEREAS**, the City has already expended \$160,000 performing lead and asbestos abatement work.

**WHEREAS**, Developer has proposed that the western 0.64 acres of the real property on which the Armory is situated be assigned to an independent developer to construct approximately 40 multi-family housing units at an additional estimated cost of \$6,600,000.00.

**WHEREAS**, it is in the mutual interest of all parties to proceed with this development project.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the Recitals, the agreements and covenants 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**

**Section 101. 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 "Redevelopment Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"Apartment Developer" means the party who will undertake the development of the Project-Apartment.

"Developer" means The Armory Community Project, Inc. and its permitted successors and assigns.

"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, as more specifically described in Exhibit "C," for rehabilitation of the Armory and re-purposing it into a state of the art community center to include, by example, a "Rathskeller"-style pub, mini-storage, a flexible events hall, a culinary incubator, breakout rooms, a business incubator, a corridor café, restrooms, storage for performances, offices for the Developer and event concessions.

"Project-Apartment" means the development proposed by the Apartment Developer consisting of approximately 40 multi-family housing units on approximately 0.64 acres west of the Property

"Property" means that portion of the real property on which the Armory is located and upon which the Project is to be constructed and generally located at 516 Broughton Drive, the final size and configuration of which shall be determined in accordance with the provisions of Section 301(h) hereafter.

## ARTICLE II. OVERVIEW OF THE PROJECT

**Section 201. *Project Overview.*** The Project consists of redevelopment of the existing Sheboygan Municipal Armory and Auditorium constructed in 1941 as a Works Progress Administration project (WPA) on the site of the former Freyberg Lumber Company located at 516 Broughton Drive, Sheboygan, WI 53081, shown on the plan drawing attached as Exhibit "A" into a state of the art community center with a variety of uses.

## ARTICLE III. UNDERTAKINGS OF THE DEVELOPER

**Section 301. *Sale of the Property.*** The City shall transfer the Property for \$1.00 (the Purchase Price) at Closing (as hereafter defined) and only upon completion of the following:

- (a) **Non-Profit Status:** The Developer shall have created a business entity that is eligible for status as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, and shall file for said status no later than forty-five (45) days after execution of this Agreement. In the alternative, the Developer may, by a date no later than forty-five (45) days after execution of this Agreement, enter into a fully executed agreement with an existing 501(c)(3) organization to serve as the fiscal agent for the organization and provide a copy of the said agreement to the City.
- (b) **Historic Preservation Tax Credits:** The Developer shall apply to have the Armory listed in the National Register of Historic Places, contracting with a preservation architect, and apply to the Wisconsin Historical Society for Income-Producing Tax Credits ("Historic Tax Credits") by no later than thirty (30) days after execution of this Agreement and shall have received approval of Historic Tax Credits pursuant to an filed Historic Preservation Certification Application Part 2 – Description of Rehabilitation within one hundred eighty (180) days of the date of this Agreement. Additionally, but subject to Unavoidable Delay, the Developer shall have received approval within one hundred five (105) days of the date of this

Agreement (Eligibility Deadline) that the Project is eligible for Historic Tax Credits pursuant to a filed Historic Preservation Certification Application Part 1 – Evaluation of Significance. If the Developer does not receive such approval by the Eligibility Deadline, the City shall have the right to terminate this Agreement.

- (c) **Federal New Market Tax Credits:** The Developer shall obtain and provide to the City by no later than sixty (60) days after execution of this Agreement evidence (including an opinion from an attorney or licensed tax accountant) indicating that the project will qualify for federal new market tax credits. If the Developer does not receive such approval by the deadline provided in this subsection, the City shall have the right to terminate this Agreement.
- (d) **Major Gift Commitments:** The Developer shall obtain funding from the sale of tax credit in the amount of \$4,600,000.00 within two hundred forty (240) days of the date of this Agreement. Additionally, the Developer shall have received major gift commitments (including from the sale of naming rights) of not less than \$1,500,000.00 within one hundred twenty (120) days of the date of this Agreement, and an additional \$900,000.00 within one hundred eighty (180) days of the date of this Agreement. Developer shall have obtained total funding (from the sale of tax credit, naming rights, and gift commitments) in the amount of \$7,100,000 within two hundred forty (240) days of the date of this Agreement. ("Commitments Progress"). If the Developer has not achieved the Commitments Progress, the City shall have the right to terminate this Agreement.
- (e) **Financing:** The Developer shall, by no later than two hundred forty (240) days after the execution of this Agreement, obtain the necessary financing complete construction of the project.
- (f) **Project-Apartment:** The City and Apartment Developer shall have executed an agreement for the completion of the Project-Apartment. The Apartment Developer shall receive no greater than ten-percent (10%) of the value of that portion of the project in an incentive or subsidy contributed by the City.
- (g) **Survey/Certified Survey Map:** The City will complete and record a certified survey map to create the necessary parcels and easements to serve the Project-Apartment and Project. The Developer will reimburse the costs of the City hereunder at Closing or the termination of this Agreement, whichever occurs first.

**Section 303. Closing.** The closing of the sale of the Property shall take place within thirty (30) days of the completion of all the contingencies set forth in Section 301 above, but in any event no later than two hundred seventy (270) days of the date of this Agreement (the Closing). At Closing, (i) the City shall deliver the following to the Developer a warranty deed conveying the Property free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility, municipal services, recorded building and use restrictions and covenants and (ii) the Developer shall deliver the Purchase Price. The City shall complete and execute the documents necessary to record the conveyance at Developer's cost. Not less than 30 days before Closing, the City shall give evidence of title in the form of an owner's policy of title insurance issued by an insurer licensed to write title insurance in Wisconsin. The City shall pay all costs of providing said owner's policy of title insurance to Buyer.

**Section 304. Construction of the Project.** The Developer shall have commenced construction of the Project no later than ninety (90) days after the Closing ("Construction Deadline").

**Section 305. Compliance with Codes, Plans, and Specifications, etc.** The construction of the Project shall be in compliance with all applicable codes and ordinances of the City, and with all pertinent provisions of this Agreement and the Plans and Specifications. While 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, the City does understand that the Developer may need to apply for zoning variances or conditional uses and shall reasonably assist the Developer in the same.

**Section 306. Reversionary Clause.** The Developer agrees that for no less than ten years after completion of construction (but subject to any requirements related to tax credits), the City shall retain the right, at its sole discretion, to repurchase the Property upon which the Project is situated for the same amount it sold the property should there be any default on this Agreement, should there be any insolvency or bankruptcy on the part of the owner or operator, should any portion of the Property be subject to a foreclosure or seizure action by creditor, should the property go dark for a period of two years, should the Project not continue to be operational pursuant to the business plan contained in Exhibit "C," or should the owner or operator show an inability to continue to maintain and/or operate the site. This clause shall apply to the Developer, the Apartment Developer, and any of Developer's successors or assigns, including partial successors and assigns. The Developer hereby agrees and covenants to include a provision clearly delineating the terms of this Section in any Agreement it makes with co-Developers, successors, and assigns. This provision does not apply to the portion of the Property dedicated to the Project-Apartment.

#### **ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER**

**Section 401. 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 recognized not for profit corporation under the laws of the State of Wisconsin.

(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 the ability to obtain sufficient funds through, pledges, donations, tax credits and lending sources for the completion of the Project, and Developer shall, from time to time upon the request of the City based on reasonable need, provide evidence thereof satisfactory to the City. The Developer shall promptly notify the City of any material adverse change in the Developer's financial condition. Subject to applicable law, the City agrees to use its best efforts to keep such financial information made available to it hereunder confidential; provided, however, the City may, to the extent it deems necessary, disclose such information in the exercise of its remedies hereunder.

(e) While a part of the Project is intended to be exempt from taxation under Wisconsin's property tax laws, the Project will be partially subject to taxation. Developer, for itself, its successors and assigns, shall take no action(s), and shall file no claim(s) contesting any determination by the City Assessor regarding the taxability of any portion of the Project.

#### **ARTICLE V. PILOT PAYMENTS FOR CITY SERVICES TO TAX-EXEMPT PORTIONS OF THE PROJECT**

**Section 501. City Services Typically Covered by Property Tax.** Irrespective of Property tax status, the City agrees to continue to furnish general governmental administrative services and police services to the Developer and the Property of the same type, and to the same extent, as are furnished, from time to time, without cost or charge (except by means of property tax and authorized fees, assessments and charges), to other similarly situated projects in the City. Nothing in this Agreement shall be construed to give Developer a contractual right to governmental services, or to impose upon City any additional duties, it being the parties' intent that the City provide public service subject to the same duties and liability as apply to the public generally. Services included herein are general governmental administrative services and police services. The City shall not have breached its obligations hereunder if it is prevented from providing such services because of typical force majeure reasons (e.g. war, flood, fire, labor dispute, supply shortage, act of God, natural disaster, etc.), or because of budgetary constraints or because any person or entity shall assert a right which prevents delivery of such services as are furnished from time to time without cost or charge (except by means of property tax) to other similar facilities in the City.

**Section 502. Special Assessment, Special Charges and Fees.** Notwithstanding Section 501 or the property tax exempt status of the Property or a portion of the Property, the Developer understands that it will be subject to special assessments, special charges and special taxes as defined in Wis. Stats. 74.01 (and as also referred to in Wis. Stats. Ch. 66) and fees charged by the City in the same manner and to the same extent that such special assessments, special charges, special taxes and fees are charged for similar services and/or undertakings to the Project within the City. This provision shall not affect the City's powers, consistent with the law, to determine the services (other than those typically covered by the property tax) that shall be provided to the Property and/or similarly situated property pursuant to this paragraph. Nothing contained herein shall preclude the Owner from appealing, as provided by law, the imposition of such special assessments, special charges, special taxes or fees by the City.

**Section 503. PILOT Payments.**

(a) *Calculation for Tax Years 2019 and Subsequent Tax Years.* In recognition of

those services covered by Section 501 of this Agreement, in the event the Property, or a portion thereof, is determined to be tax exempt for tax year 2019 and subsequent tax years, Developer agrees to pay the City an annual PILOT payment for the exempt portion of the Property for each tax year (or portion thereof) during which the Developer owns the Property. If the Developer transfers or conveys the Property, the PILOT for that year will be prorated based upon the number of full months for which the Owner owned the Property.

- (b) *Annual PILOT Payments.* The annual PILOT payments for such services shall be \$10,000. The PILOT payment due shall be adjusted annually based upon the change in the United States Bureau of Labor Statistics Consumer Price Index ([www.bls.gov](http://www.bls.gov)) all Urban Consumers Midwest Area, Size B/C from January through December 2019 and each year thereafter.
- (c) *Payment Due Date.* PILOTs for tax year 2019 and subsequent years shall be due and payable in full on or before January 31 of the year following the tax year for which the PILOT was calculated.
- (d) *Use of Payment.* The City may use and expend PILOTs hereunder in such manner and for such purposes as to offset the City levy for those services covered under Section 501.
- (e) *Nonpayment.* The Developer has a good faith duty to take affirmative steps to satisfy its PILOT obligations hereunder by making timely payments to the City. A lien shall attach to the Property in the event of nonpayment or partial payment. The City expressly retains its governmental rights, authority and powers available at law or in equity.

**Section 504. Exempt Status.** Even if the City initially determines that, if the Developer uses the Property, or a portion thereof, for the purposes described to City in an application for exemption, all or a portion of the Property will qualify for real and personal property tax exemption under Wisconsin law, the City Assessor's Office may review the Property's exempt status under Wis. Stats. 70.11 from time to time with the respective January dates being the reference dates for those exemption reviews. If the City, as a result of those reviews or otherwise, determines that the Property no longer qualifies for exemption from property tax, for the year in which the determination is made:

- (a) The City will provide notice of such determination to the Developer, no later than April 30th of that year;
- (b) Section 503 shall be ineffective with respect to that and any subsequent years for which exemption no longer applies;
- (c) If a PILOT has been paid for that year, the City shall promptly refund such PILOT, or at the option of the City, offset such payments against any property taxes due from Developer; and
- (d) The Property shall be placed on the property tax rolls for that and any subsequent years for which exemption has been determined not to apply.

If the Developer disagrees with the City's determination that the Property no longer qualifies for tax exemption, the Developer may challenge such determination by the appropriate

procedure provided under Wisconsin law for similarly situated property.

**Section 505. Term.** Section 503 of this Agreement shall be ineffective (whether temporarily or permanently) on the soonest of any of the following-described dates:

- (a) The day before the respective January 1 of the year concerning which the City determines that the Property no longer qualifies for the property tax exemption;
- (b) The effective date of an enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of a property exempt from the general property tax or similarly situated owners of exempt property;
- (c) The effective date of a repeal by the State of Wisconsin of the property tax exemption for the Property and other similarly situated property; and
- (d) The effective date of legislation or case law, which indicates that PILOT payments are not permitted by exempt property owners.

**Section 506. Documents, Inspection, Cooperation.** Developer agrees to cooperate with the City (including, but not limited to, the City Assessor's Office, the City Development Office, the City Attorney's Office and the City Finance Office) with respect to this Agreement by allowing inspections of the Property upon reasonable written request of the City and by allowing inspection of leases of the Property and other documents requested of the Developer. Notwithstanding the foregoing, the City expressly reserves all its rights in law and equity to inspect and to obtain disclosure, documents, inspection and information to the extent the property owner is required to allow any such inspection under Wisconsin Law. The Developer is not hereby granting rights to inspection beyond those provided by law.

#### ARTICLE VI. UNDERTAKINGS OF THE CITY

**Section 601. National Register of Historic Places.** The City agrees to work with the Developer to apply to the National Park Service to list the Armory building in the National Register of Historic Places in order to apply for historic preservation tax credits. This agreement includes a commitment to provide, as the current owner of the Property, a letter of support for the listing within thirty (30) days of execution of this Agreement.

#### ARTICLE VII. CONDITIONS TO THE UNDERTAKINGS OF THE CITY

**Section 701. 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) Developer shall have satisfied all Conditions Precedent set forth in Article III hereof.
- (b) The Project shall be completed within the timeframe of approved schedule of construction, except to the extent failure to complete within such timeframe is due to Unavoidable Delay.

- (c) All representations and warranties of Developer set forth in Article IV and otherwise in this Agreement and in all agreements expressly referred to herein shall be true, complete and correct.
- (d) All covenants and obligations of Developer under this Agreement are duly performed, observed and satisfied.
- (e) No Event of Default, as defined in Section 901, has occurred, or with the giving of notice or lapse of time would occur.

## **ARTICLE VIII. INDEMNIFICATION OF THE CITY**

**Section 801. 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 arising out of the Developer's performance of the construction 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, any willful misconduct, or negligent acts 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 IX. DEFAULT/REMEDIES**

**Section 901. Events of Default** An Event of Default is any of the following:

- (a) A failure by the Developer to cause substantial completion of the Project to occur pursuant to the terms, conditions and limitations of this Agreement, or the failure of the Developer to perform or observe any and all covenants, conditions, obligations, guarantees 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 as promptly as possible under the circumstances, then the event will not be an Event of Default.
- (b) Developer becomes insolvent or is the subject of bankruptcy or insolvency proceedings.
- (c) Developer fails to insure that the project is an ongoing concern with a substantial

portion of the Property in regular, consistent use, including those portions identified in the Developer's business plan as daily operations.

**Section 902. Remedies on Default.** Whenever an event of default occurs and is continuing, the non-defaulting party may take any one or more of the following actions:

- (a) The non-defaulting party may immediately suspend its performance under this Agreement from the time any notice of an Event of Default is given until it receives assurances from the defaulting party deemed adequate by the non-defaulting party, that the defaulting party 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 covenant, condition, obligation, guarantee or agreement of the defaulting party under this Agreement.

**Section 903. No Remedy Exclusive.** No remedy or right conferred upon or reserved to the City or the Developer 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.

**Section 904. No Implied Waiver.** In the event any agreement contained in this Agreement should be breached by either 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.

**Section 905. Agreement to Pay Attorneys' Fees and Expenses.** Whenever any event of default occurs and either the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any covenant, condition, obligation, guarantee or agreement on the part of the defaulting party herein contained, the defaulting party shall, on demand thereof, pay the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party by reason of such default.

## **ARTICLE X. FORCE MAJEURE**

**Section 1001. 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 (other than any financial obligation) is delayed or prevented by war, strikes, fires, floods, acts of God, delay by federal or state governmental agencies, 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 (Unavoidable Delay"), and the time for performance will be extended by the period of delay occasioned by any such cause.

## **ARTICLE XI. ADDITIONAL PROVISIONS**

**Section 1101. 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.

**Section 1102. 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.

**Section 1103. 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 Plans, 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.

**Section 1104. No Assignment.** Developer may not assign its rights in this Agreement without the express prior written consent of the City. Except with the prior written consent of the City, Developer shall not sell, transfer or convey the Property unless and until an occupancy permit has been issued.

**Section 1105. 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.

**Section 1106. Headings.** Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

**Section 1107. 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.

**Section 1108. Amendment.** The City and the Developer expressly reserve the right to modify and amend this Agreement from time to time, as they shall mutually agree in writing executed by both parties.



**IN WITNESS WHEREOF**, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

**CITY OF SHEBOYGAN, WISCONSIN**

**ARMORY COMMUNITY PROJECT, INC**

**BY:** \_\_\_\_\_  
Michael J. Vandersteen, Mayor

**BY:** \_\_\_\_\_

**ATTEST:** \_\_\_\_\_  
Meredith DeBruin, City Clerk

**ATTEST:** \_\_\_\_\_

**ACKNOWLEDGMENTS**

STATE OF WISCONSIN     )  
  ) ss  
SHEBOYGAN COUNTY )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above-named Michael J. Vandersteen, Mayor, and Meredith DeBruin, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of  
Wisconsin My Commission

STATE OF WISCONSIN     )  
  ) ss  
\_\_\_\_\_ COUNTY )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, the above-named \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of  
Wisconsin My Commission

This instrument drafted by:  
  
City Attorney Charles Adams  
828 Center Ave., Suite 304  
Sheboygan, WI 53081-4442  
WI State Bar No. 1021454

This document authorized by and in accordance with Res. No. \_\_\_\_-17-18

**EXHIBIT "A"**  
**PLAN DRAWING**

**EXHIBIT "B"**  
**RESPONSE TO REQUEST FOR PROPOSALS**

**EXHIBIT "C"**  
**PROJECT PLAN**

## COMMENTS

**Re: Section 306:** This section contains the original language of the Reversionary Clause proposed by the City, which the Developer does not accept, with one addition, as noted below. The City has not accepted the Developer's Reversionary Clause language. Developer will provide its proposed language separately. The change to the original City language reflects the City's desire to retain language regarding the necessity of the Project not only being redeveloped, but continuing to operate pursuant to the proposed business plan. This language was deleted in other sections; the City has agreed to those deletions, and instead includes that language here.

**Re: Article V:** The Developer has not agreed to Article V and requested it be deleted. The City has rejected the Developer's proposal to delete Article V.

**Re: Article VII:** With the exception of the one paragraph (which has been deleted as the terms have been dealt with elsewhere), the City has not agreed to delete this Article. However, the City and the Developer have indicated an openness to different language from the Developer that protects the City that reflects the Developer's need to have an agreement that will allow it to obtain the necessary financing.

**REDEVELOPMENT AGREEMENT  
BY AND BETWEEN**

**THE ARMORY COMMUNITY PROJECT, INC.  
AND  
THE CITY OF SHEBOYGAN**

**THIS AGREEMENT** is made this 25<sup>th</sup> day of April, 2018, by and between The Armory Community Project, Inc., a not for profit corporation with its principal offices located at 605 Erie Ave. Suite 101, Sheboygan, WI 53081 (hereinafter "Developer"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

**RECITALS**

**WHEREAS**, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in Exhibit "A" for the purpose of rehabilitating the Municipal Auditorium and Armory, located at 516 Broughton Drive, Sheboygan, WI 53081 (hereinafter "Armory"), and re-purposing it into a state of the art community center at a minimum estimated cost of \$5,900,000, as more specifically described in Exhibit "B".

**WHEREAS**, the City has already expended \$160,000 performing lead and asbestos abatement work, which abatement work is not completed.

**WHEREAS**, Developer has proposed that the western 0.64 acres of the real property on which the Armory is situated be assigned to an independent developer to construct approximately 40 multi-family housing units at an additional estimated cost of \$6,600,000.00.

**WHEREAS**, it is in the mutual interest of all parties to proceed with this development project.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the Recitals, the agreements and covenants 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**

**Section 101. 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 "Redevelopment Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

"Apartment Developer" means the party who will undertake the development of the Project-Apartment.

"Developer" means The Armory Community Project, Inc. and its permitted successors and assigns.

"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, as more specifically described in Exhibit "C," for rehabilitation of the Armory and re-purposing it into a state of the art community center to include, by example, a "Rathskeller"-style pub, mini-storage, a flexible events hall, a culinary incubator, breakout rooms, a business incubator, a corridor café, restrooms, storage for performances, offices for the Developer and event concessions.

"Project-Apartment" means the development proposed by the Apartment Developer consisting of approximately 40 multi-family housing units on approximately 0.64 acres west of the Property

"Property" means that portion of the real property on which the Armory is located and upon which the Project is to be constructed and generally located at 516 Broughton Drive, the final size and configuration of which shall be determined in accordance with the provisions of Section 301(g) hereafter.

## **ARTICLE II. OVERVIEW OF THE PROJECT**

**Section 201. Project Overview.** The Project consists of redevelopment of the existing Sheboygan Municipal Armory and Auditorium constructed in 1941 as a Works Progress Administration project (WPA) on the site of the former Freyberg Lumber Company located at 516 Broughton Drive, Sheboygan, WI 53081, shown on the plan drawing attached as Exhibit "A" into a state of the art community center with a variety of uses.

## **ARTICLE III. UNDERTAKINGS OF THE DEVELOPER**

**Section 301. Sale of the Property.** The City shall transfer the Property for \$1.00 (the Purchase Price) at Closing (as hereafter defined) and only upon completion of the following:

- (a) **Non-Profit Status:** The Developer shall have created a business entity that is eligible for status as a non-profit organization under section 501(c)(3) of the Internal Revenue Code, and shall file for said status no later than forty-five (45) days after execution of this Agreement. In the alternative, the Developer may, by a date no later than forty-five (45) days after execution of this Agreement, enter into a fully executed agreement with an existing 501(c)(3) organization to serve as the fiscal agent for the organization and provide a copy of the said agreement to the City.
- (b) **Historic Preservation Tax Credits:** The Developer shall apply to have the Armory listed in the National Register of Historic Places, contracting with a preservation architect, and apply to the Wisconsin Historical Society for Income-Producing Tax Credits ("Historic Tax Credits") by no later than thirty (30) days after execution of this Agreement and shall have received approval of Historic Tax

- Credits pursuant to an filed Historic Preservation Certification Application Part 2 – Description of Rehabilitation within one hundred eighty (180) days of the date of this Agreement. Additionally, but subject to Unavoidable Delay, the Developer shall have received approval within one hundred five (105) days of the date of this Agreement (Eligibility Deadline) that the Project is eligible for Historic Tax Credits pursuant to a filed Historic Preservation Certification Application Part 1 – Evaluation of Significance. If the Developer does not receive such approval by the Eligibility Deadline, the City shall have the right to terminate this Agreement.
- (c) Federal New Market Tax Credits: The Developer shall obtain and provide to the City by no later than sixty (60) days after execution of this Agreement evidence (including an opinion from an attorney or licensed tax accountant) indicating that the project will qualify for federal new market tax credits. If the Developer does not receive such approval by the deadline provided in this subsection, the City shall have the right to terminate this Agreement.
- (d) Major Gift Commitments: The Developer shall obtain funding from the sale of tax credit in the amount of \$4,600,000.00 within two hundred forty (240) days of the date of this Agreement. Additionally, the Developer shall have received major gift commitments (including from the sale of naming rights) of not less than \$1,500,000.00 within one hundred twenty (120) days of the date of this Agreement, and an additional \$900,000.00 within one hundred eighty (180) days of the date of this Agreement. Developer shall have obtained total funding (from the sale of tax credit, naming rights, and gift commitments) in the amount of \$7,000,000 within two hundred forty (240) days of the date of this Agreement. (“Commitments Progress”). If the Developer has not achieved the Commitments Progress, the City shall have the right to terminate this Agreement.
- (e) Financing: The Developer shall, by no later than two hundred forty (240) days after the execution of this Agreement, obtain the necessary financing complete construction of the project.
- (f) Project-Apartment: The City and Apartment Developer shall have executed an agreement for the completion of the Project-Apartment. The Apartment Developer shall receive no greater than ten-percent (10%) of the value of that portion of the project in an incentive or subsidy contributed by the City.
- (g) Survey/Certified Survey Map: The City will complete and record a certified survey map to create the necessary parcels and easements to serve the Project-Apartment and Project. The Developer will reimburse the costs of the City hereunder at Closing or the termination of this Agreement, whichever occurs first at a maximum cost of \$1000.00.

**Section 302. Closing.** The closing of the sale of the Property shall take place within thirty (30) days of the completion of all the contingencies set forth in Section 301 above, but in any event no later than two hundred seventy (270) days of the date of this Agreement (the Closing). At Closing, (i) the City shall deliver the following to the Developer a warranty deed conveying the Property free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility, municipal services, recorded building and use restrictions and covenants and (ii) the Developer shall deliver the Purchase Price. The City shall complete and execute the

documents necessary to record the conveyance at Developer's cost. Not less than 30 days before Closing, the City shall give evidence of title in the form of an owner's policy of title insurance issued by an insurer licensed to write title insurance in Wisconsin. The City shall pay all costs of providing said owner's policy of title insurance to Buyer.

**Section 303. Construction of the Project.** The Developer shall have commenced construction of the Project no later than ninety (90) days after the Closing ("Construction Deadline").

**Section 304. Compliance with Codes, Plans, and Specifications, etc.** The construction of the Project shall be in compliance with all applicable codes and ordinances of the City, and with all pertinent provisions of this Agreement and the Plans and Specifications. While 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, the City does understand that the Developer may need to apply for zoning variances or conditional uses and shall reasonably assist the Developer in the same.

**Section 305. Reversionary Clause.** The Developer agrees that for no less than ten years after completion of construction (but subject to any requirements related to tax credits and the lien rights of any lender), the City shall retain the right, at its sole discretion, to repurchase the Property upon which the Project is situated for the same amount it sold the property should there be any default on this Agreement by the Developer, should there be any insolvency or bankruptcy on the part of the Developer, should any portion of the Property be subject to a foreclosure or seizure action by creditor, should the portion of the Property not leased to a for-profit entity go dark for a period of two years, or should the Property not continue to be operational in all material respects pursuant to the business plan contained in Exhibit "C as reasonable amended from time to time to reflect necessary changes in the operations of the Property. This clause shall apply to the Developer and any of Developer's successors or assigns, including partial successors and assigns. The Developer hereby agrees and covenants to include a provision clearly delineating the terms of this Section in any Agreement it makes with co-Developers, successors, and assigns. This provision does not apply to the portion of the Property dedicated to the Project-Apartment.

#### **ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER**

**Section 401. 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 recognized not for profit corporation under the laws of the State of Wisconsin.

(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 the ability to obtain sufficient funds through, pledges, donations, tax credits and lending sources for the completion of the Project, and Developer shall, from time to time upon the request of the City based on reasonable need, provide evidence thereof satisfactory to the City. The Developer shall promptly notify the City of any material adverse change in the Developer's financial condition. Subject to applicable law, the City agrees to use its best efforts to keep such financial information made available to it hereunder confidential; provided, however, the City may, to the extent it deems necessary, disclose such information in the exercise of its remedies hereunder.

(e) While a part of the Project is intended to be exempt from taxation under Wisconsin's property tax laws, the Project will be partially subject to taxation.

#### **ARTICLE V. PILOT PAYMENTS FOR CITY SERVICES TO TAX-EXEMPT PORTIONS OF THE PROJECT**

**Section 501. City Services Typically Covered by Property Tax.** Irrespective of Property tax status, the City agrees to continue to furnish general governmental administrative services and police services to the Developer and the Property of the same type, and to the same extent, as are furnished, from time to time, without cost or charge (except by means of property tax and authorized fees, assessments and charges), to other similarly situated projects in the City. Nothing in this Agreement shall be construed to give Developer a contractual right to governmental services, or to impose upon City any additional duties, it being the parties' intent that the City provide public service subject to the same duties and liability as apply to the public generally. Services included herein are general governmental administrative services and police services. The City shall not have breached its obligations hereunder if it is prevented from providing such services because of typical force majeure reasons (e.g. war, flood, fire, labor dispute, supply shortage, act of God, natural disaster, etc.), or because of budgetary constraints or because any person or entity shall assert a right which prevents delivery of such services as are furnished from time to time without cost or charge (except by means of property tax) to other similar facilities in the City.

**Section 502. Special Assessment, Special Charges and Fees.** Notwithstanding Section 501 or the property tax exempt status of the Property or a portion of the Property, the Developer understands that it will be subject to special assessments, special charges and special taxes as defined in Wis. Stats. 74.01 (and as also referred to in Wis. Stats. Ch. 66) and fees charged by the City in the same manner and to the same extent that such special assessments, special charges, special taxes and fees are charged for similar services and/or undertakings to the Project within the City. This provision shall not affect the City's powers, consistent with the law, to determine the services (other than those typically covered by the property tax) that shall be provided to the Property and/or similarly situated property pursuant to this paragraph. Nothing contained herein shall preclude the Owner from appealing, as provided by law, the imposition of such special assessments, special charges, special taxes or fees by the City.

**Section 503. PILOT Payments.**

- (a) *Calculation for Tax Years 2019 and Subsequent Tax Years.* In recognition of those services covered by Section 501 of this Agreement, in the event the Property, or a portion thereof, is determined to be tax exempt for tax year 2019 and subsequent tax years, Developer agrees to pay the City an annual PILOT payment for the exempt portion of the Property for each tax year (or portion thereof) during which the Developer owns the Property. If the Developer transfers or conveys the Property, the PILOT for that year will be prorated based upon the number of full months for which the Owner owned the Property.
- (b) *Annual PILOT Payments.* The annual PILOT payments for such services shall be \$10,000. The PILOT payment due shall be adjusted annually based upon the change in the United States Bureau of Labor Statistics Consumer Price Index ([www.bls.gov](http://www.bls.gov)) all Urban Consumers Midwest Area, Size B/C from January through December 2019 and each year thereafter.
- (c) *Payment Due Date.* PILOTs for tax year 2019 and subsequent years shall be due and payable in full on or before January 31 of the year following the tax year for which the PILOT was calculated, e.g. the payment for tax year 2019 shall be payable on or before January 31 of 2020.
- (d) *Use of Payment.* The City may use and expend PILOTs hereunder in such manner and for such purposes as to offset the City levy for those services covered under Section 501.
- (e) *Nonpayment.* The Developer has a good faith duty to take affirmative steps to satisfy its PILOT obligations hereunder by making timely payments to the City. A lien shall attach to the Property in the event of nonpayment or partial payment. The City expressly retains its governmental rights, authority and powers available at law or in equity.

**Section 504. Exempt Status.** Even if the City initially determines that, if the Developer uses the Property, or a portion thereof, for the purposes described to City in an application for exemption, all or a portion of the Property will qualify for real and personal property tax exemption under Wisconsin law, the City Assessor's Office may review the Property's exempt status under Wis. Stats. 70.11 from time to time with the respective January dates being the reference dates for those exemption reviews. If the City, as a result of those reviews or otherwise, determines that the Property no longer qualifies for exemption from property tax, for the year in which the determination is made:

- (a) The City will provide notice of such determination to the Developer, no later than April 30th of that year;
- (b) Section 503 shall be ineffective with respect to that and any subsequent years for which exemption no longer applies;
- (c) If a PILOT has been paid for that year, the City shall promptly refund such PILOT, or at the option of the City, offset such payments against any property taxes due from Developer; and

- (d) The Property shall be placed on the property tax rolls for that and any subsequent years for which exemption has been determined not to apply.

If the Developer disagrees with the City's determination that the Property no longer qualifies for tax exemption, the Developer may challenge such determination by the appropriate procedure provided under Wisconsin law for similarly situated property.

**Section 505. Term.** Section 503 of this Agreement shall be ineffective (whether temporarily or permanently) on the soonest of any of the following-described dates:

- (a) The day before the respective January 1 of the year concerning which the City determines that the Property no longer qualifies for the property tax exemption;
- (b) The effective date of an enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of a property exempt from the general property tax or similarly situated owners of exempt property;
- (c) The effective date of a repeal by the State of Wisconsin of the property tax exemption for the Property and other similarly situated property; and
- (d) The effective date of legislation or case law, which indicates that PILOT payments are not permitted by exempt property owners.

**Section 506. Documents, Inspection, Cooperation.** Developer agrees to cooperate with the City (including, but not limited to, the City Assessor's Office, the City Development Office, the City Attorney's Office and the City Finance Office) with respect to this Agreement by allowing inspections of the Property upon reasonable written request of the City and by allowing inspection of leases of the Property and other documents requested of the Developer. Notwithstanding the foregoing, the City expressly reserves all its rights in law and equity to inspect and to obtain disclosure, documents, inspection and information to the extent the property owner is required to allow any such inspection under Wisconsin Law. The Developer is not hereby granting rights to inspection beyond those provided by law.

## ARTICLE VI. UNDERTAKINGS OF THE CITY

**Section 601. National Register of Historic Places.** The City agrees to work with the Developer to apply to the National Park Service to list the Armory building in the National Register of Historic Places in order to apply for historic preservation tax credits (Application). This agreement includes a commitment by the City to provide, as the current owner of the Property, a letter of support for the listing within thirty (30) days of execution of this Agreement and a statement by the City that it is aware of the Application and has no objection to the request for certification.

**Section 602. Lead and Asbestos Abatement.** Prior to Closing, the City shall have completed all required lead and asbestos abatement work in a manner that does not compromise the nature of the Armory for the Project. The Developer will provide advice on reasonable actions by the City to comply with this paragraph.

**Section 603. Bleachers.** The City will retain the bleachers in the Armory as of April 13, 2018, and shall not dispose or sell the same. Developer agrees to accept said bleachers in "as-is" condition.

## **ARTICLE VII. CONDITIONS TO THE UNDERTAKINGS OF THE CITY**

**Section 701. 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, the following shall occur:

- (a) Developer shall have satisfied all Conditions Precedent set forth in Section 301 hereof before the City should proceed with the obligations in Section 301.
- (b) All representations and warranties of Developer set forth in Article IV and otherwise in this Agreement and in all agreements expressly referred to herein shall be true, complete and correct as required for the performance of obligations by the City in this Agreement.
- (c) All covenants and obligations of Developer under this Agreement are duly performed, observed and satisfied as required for the performance of obligations by the City in this Agreement.
- (d) No Event of Default, as defined in Section 901, has occurred, or with the giving of notice or lapse of time would occur as required for the performance of obligations by the City in this Agreement.

## **ARTICLE VIII. INDEMNIFICATION OF THE CITY**

**Section 801. 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 arising out of the Developer's performance of the construction 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, any willful misconduct, or negligent acts 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 IX. DEFAULT/REMEDIES

**Section 901.** *Events of Default* An Event of Default is any of the following:

- (a) A failure by the Developer to cause substantial completion of the Project to occur pursuant to the terms, conditions and limitations of this Agreement, or the failure of the Developer to perform or observe any and all covenants, conditions, obligations, guarantees 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 as promptly as possible under the circumstances, then the event will not be an Event of Default.
- (b) Developer becomes insolvent or is the subject of bankruptcy or insolvency proceedings.
- (c) Developer fails to insure that the project is an ongoing concern with a substantial portion of the Property in regular, consistent use, including those portions identified in the Developer's business plan as daily operations.

**Section 902.** *Remedies on Default.* Whenever an event of default occurs and is continuing, the non-defaulting party may take any one or more of the following actions:

- (a) The non-defaulting party may immediately suspend its performance under this Agreement from the time any notice of an Event of Default is given until it receives assurances from the defaulting party deemed adequate by the non-defaulting party, that the defaulting party 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 covenant, condition, obligation, guarantee or agreement of the defaulting party under this Agreement.

**Section 903.** *No Remedy Exclusive.* No remedy or right conferred upon or reserved to the City or the Developer 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.

**Section 904.** *No Implied Waiver.* In the event any agreement contained in this Agreement should be breached by either 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.

**Section 905. Agreement to Pay Attorneys' Fees and Expenses.** Whenever any event of default occurs and either the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any covenant, condition, obligation, guarantee or agreement on the part of the defaulting party herein contained, the defaulting party shall, on demand thereof, pay the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party by reason of such default.

## **ARTICLE X. FORCE MAJEURE**

**Section 1001. 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 (other than any financial obligation) is delayed or prevented by war, strikes, fires, floods, acts of God, delay by federal or state governmental agencies, 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 (Unavoidable Delay"), and the time for performance will be extended by the period of delay occasioned by any such cause.

## **ARTICLE XI. ADDITIONAL PROVISIONS**

**Section 1101. 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.

**Section 1102. 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.

**Section 1103. 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 Plans, 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.

**Section 1104. No Assignment.** Developer may not assign its rights in this Agreement without the express prior written consent of the City. Except with the prior written consent of the City, Developer shall not sell, transfer or convey the Property unless and until an occupancy permit has been issued.

**Section 1105. 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.



**Section 1113. Recording.** This Agreement or a memorandum of this Agreement shall be recorded in the Office of the Sheboygan County Register Deeds against the Property at the cost of the Developer.

*(Signature Page Follows)*



**EXHIBIT "A"**  
**REAL PROPERTY DESCRIPTION**

*[Faint, illegible text]*

*[Faint, illegible text]*

*[Faint, illegible text]*

EXHIBIT A:

Real Property Description will be included in the agreement at the time of the completion of the Certified Survey Map to create the two parcels.



**EXHIBIT "B"**  
**RESPONSE TO REQUEST FOR PROPOSALS**





# ARMORY COMMUNITY PROJECT



## Project Leads

Dane Schaefer  
Jennifer Lehrke

## Contact

(920) 783.6303  
605 Erie Avenue Suite 101  
Sheboygan, WI 53081

## Bernie Rammer, Purchasing Agent

C/O Purchasing Division  
City of Sheboygan  
828 Center Avenue, Suite 205  
Sheboygan, WI 53081







January 3, 2018

Dear Mr. Rammer:

The Armory Community Project is pleased to submit our response to the City of Sheboygan's Request for Proposals for the development of the Sheboygan Municipal Auditorium and Armory Site. Our response to the RFP is unique in many ways.

We propose to subdivide the site, with the Armory remaining on the eastern 1.8 acres and a new 40-unit multi-family development by Gorman & Company on the western 0.64 acres. Gorman has a proven track record in Sheboygan with three local developments in their portfolio of properties.

We propose to purchase, rehabilitate, and re-use the Armory as a state of the art community center and home for our new non-profit organization, The Armory Community Project. The central public space, historically known as the Drill Hall, will be managed by The Armory Community Project and will be available for corporate, dining, entertainment, and recreation functions. It will be an attraction not only for city residents, but visitors and tourists as well. The Armory Community Project will also manage a commercial kitchen, several community rooms, and a mini-storage facility. The hall and community rooms will be available to other non-profits in Sheboygan, further bringing the community together. The Armory will lease space to multiple for-profit tenants, such as a pub and a café, to generate revenue to offset operating expenses. By utilizing a multiple tenant approach to the building, the revenue stream is more economically secure. If one tenant is lost, it won't jeopardize the entire facility. Securing \$4.6 million in state and federal tax credits will entice major donors, making the building's rehabilitation not only plausible, but an economic reality. An endowment will be funded to ensure the building's future.

Our proposal maximizes the opportunity for the city while limiting costs to taxpayers. It immediately relieves the city of the costs of holding, maintaining, and demolishing the Armory. Our proposal is free from requests for TIF assistance, saving the city millions of dollars and generating actual revenue for the city in matter of months rather than after the lifetime of a multi-year TIF. While the non-profit ownership will not generate property tax revenue from a portion of the site, the 40-unit multi-family development by Gorman & Company is projected to generate nearly \$100,000 annually. The Armory Community Project's economic impact will be seen in sales tax revenue for local materials and supplies that will be purchased for the Armory's rehabilitation; state and federal corporate tax revenue for the local supply, design, and construction companies that will perform the rehabilitation; as well as state and federal income tax revenue for the local employees of the supply, design, and construction companies. The anticipated events in the Armory will also lead to room tax revenue and associated visitor spending. The Armory's rehabilitation will improve the aesthetics of the neighborhood and may spur further investment in the residential area to the north. Its community center use will attract investment in the areas to the south and west, as it did for Gorman & Company. The for-profit tenants will perpetually generate sales tax revenue, personal property tax revenue, and state and federal corporate tax revenue and will create jobs that will lead to state and federal income tax revenue. A multi-family development on the entirety of this site will not generate these types of revenue streams.

We believe The Armory Community Project's response is set apart from other conventional development proposals. It meets all the city's stated expectations:

- linking the future of Sheboygan's downtown, lakefront, and riverfront with its rich historic past
- developing this waterfront area for public and private uses that will stimulate investment
- establishing a multi-use activity center for the community and the region, including recreational, residential, office, service, cultural, and educational uses
- leveraging the site's proximity to the lake, downtown, and riverfront to maximize the best use of the property

This is a once in a lifetime opportunity for the city to get the best of both worlds: another attraction to bring visitors to Sheboygan, residents to downtown, and new multi-family development. There are many opportunities for multi-family developments in downtown. By choosing our proposal, you will make those sites even more attractive for future development.

We appreciate the opportunity to submit this RFP response and welcome the chance to discuss the project in more detail.

Sincerely,

The Armory Community Project





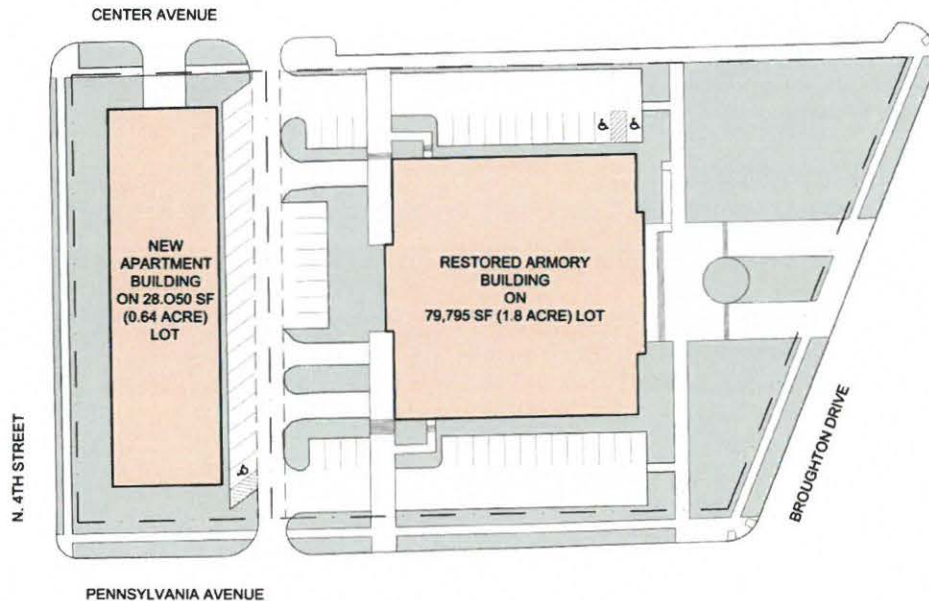


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# PROJECT DELIVERABLES



## SPECIFIC PROJECT FOR THE REDEVELOPMENT AREA

The Armory Community Project and Gorman & Company are pleased to submit our responses to the City of Sheboygan's Request for Proposals for the development of the Sheboygan Municipal Auditorium and Armory Site. Our joint proposal for the 2.44-acre site meets many of the city's stated goals, including:

- linking the future of Sheboygan's downtown, lakefront, and riverfront with its rich historic past
- developing this waterfront area for public and private uses that will stimulate investment
- establishing a multi-use activity center for the community and the region, including recreational, residential, retail, office, service, cultural, and educational uses
- leveraging the site's proximity to the lake, downtown, and the riverfront to maximize the best use of the property

Our response to the RFP is unique in many ways. First, we propose to subdivide the site with a new 40-unit multi-family development by Gorman & Company on the western 0.64 acres. Gorman has a proven track record in Sheboygan with three local developments in their portfolio of properties. Gorman's proposal will increase taxable value to the city by generating property tax revenue in 12-18 months' time. Their proposal in its entirety can be seen in the appendix. (Two other developers have also expressed an interest in the western 0.64 acres of the site and have submitted separate RFP responses.) This will allow The Armory Community Project ample time to execute a proper capital campaign while adding taxable property to the city nearly immediately.

We also propose to purchase the eastern 1.8 acres, rehabilitate the Armory, and re-purpose it as a state of the art community center and home for a new non-profit organization, The Armory Community Project, as well as multiple for-profit tenants. It immediately relieves the city of the cost of holding, maintaining, and demolishing the Armory. While the non-profit ownership will not generate property tax revenue, The Armory Community Project's economic impact will be seen in a variety of other ways that will maximize taxable value to the city and generate more revenue than property taxes would alone.



## **SPECIFIC PROJECT FOR 1.8 ACRES OF THE REDEVELOPMENT AREA**

As described on the previous page, The Armory Community Project proposes to purchase and rehabilitate the Armory and re-purpose it as a state of the art community center and home for our new non-profit organization. The building will contain multiple for-profit tenants to generate as much revenue as possible to offset operating expenses. By utilizing a multiple tenant approach to the building, the revenue stream is more economically secure. If one tenant is lost, it will be less painful and won't spell utter doom for the entire building.

The Armory's central public space historically known as the Drill Hall will be managed by The Armory Community Project and will be available for corporate, dining, entertainment, and recreation functions. It will be an attraction not only for city residents, but visitors and tourists as well. The Hall will also be available to other non-profits in Sheboygan, further bringing the community together.

Securing \$4.6 million in state and federal tax credits will entice major donors, making the building's rehabilitation not only plausible, but an economic reality. An endowment will also be set up to ensure the building's future.

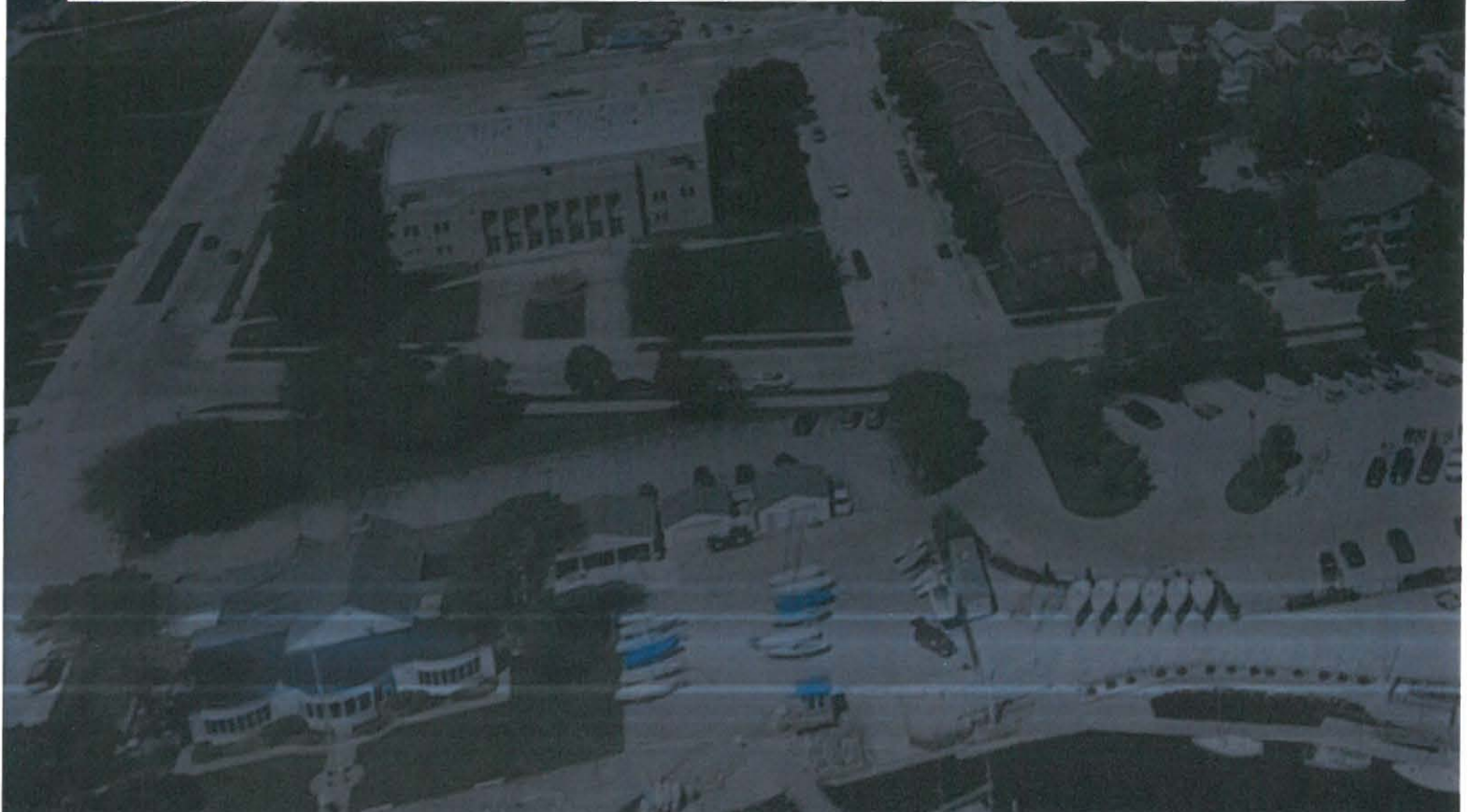
Our proposal maximizes the opportunity for the city while limiting costs to taxpayers. It immediately relieves the city of the cost of holding, maintaining, and demolishing the Armory. Our proposal is free from requests for TIF assistance, saving the city millions of dollars and having the potential to generate real revenue for the city in 12-18 months. While it is unfortunately that the non-profit building owner will not generate property tax revenue on the 1.8 acre portion of the site, The Armory Community Project's economic impact will be seen in a variety of other ways that will maximize taxable value to the city and generate even more revenue through sales tax revenue of local materials and supplies that will be purchased for the building's rehabilitation; state and federal corporate tax revenue for the local supply, design, and construction companies that will perform the rehabilitation; state and federal income tax, social security, and Medicare revenue for the local employees of the supply, design, and construction companies. The anticipated events in the building will also lead to room tax revenue and associated visitor spending. The building's rehabilitation will improve the aesthetics of the neighborhood and may spur further investment in the residential area to the north. Its community center use will attract investment in the areas to the south and west, as it did for our partner multi-family developers. The for-profit tenants will perpetually generate sales tax revenue, personal property tax revenue, state and federal corporate tax revenue and will create jobs that will lead to state and federal income tax revenue, and social security and Medicare revenue. A multi-family development on the entirety of this site will not generate these types of revenue streams, setting our proposal apart from others.



# OFFER TO PURCHASE

The Armory Community Project offers to purchase the property known as the Municipal Auditorium and Armory at 516 Broughton Drive in the City of Sheboygan, Sheboygan County, Wisconsin for the purchase price of \$1. Earnest money of \$1 accompanies this offer.

The Armory Community Project agrees to work in cooperation with the City of Sheboygan and any selected third party developer for the western 0.64 acres on a Commercial Offer to Purchase. The city shall include in the purchase price of the property all fixtures on the property on the date of this offer. As a condition, the city shall provide an ALTA survey of the property, prepare a certified survey map, and subdivide the property with a shared access easement in the current alley as a shared driveway for ingress and egress to the development and shall also complete the in progress hazardous material abatement. We request a demolition credit for the amount approved by the City of Sheboygan Common Council, less costs incurred by hazardous material abatement, be placed in escrow. Closing to take place upon receiving city approvals for proposed work and use. We also request a funding contingency. Should The Armory Community Project fail to raise the required capital by December 31, 2018, the building and the escrow funds will be returned to the City of Sheboygan for the purchase price of the property.





# ASSUMPTIONS USED

## REVENUE

- Assumptions utilized for area of tenant spaces for The Armory Community Project were derived from square foot take offs from the original 1940 blueprints.
- Assumptions utilized for average cost per square foot rental rates for tenant spaces were obtained from local information on LoopNet's website (loopnet.com).
- Assumptions utilized for kitchen incubator rental rates were obtained from the U.S. Kitchen Incubators: An Industry Snapshot report by Econsult Solutions from August 2013 as well as the Brown County Culinary Kitchen's website (bcculinarykitchen.org).
- Assumptions utilized for average cost per unit rental rates for mini-storage spaces were obtained from Transpo Mini-Storage's website (transpomini.com) and Champion Storage & Rental, LLC's website (championstorage.net).

## EXPENSES

- Assumptions utilized for salaries were derived from other local entertainment venue staff and directors.
- Assumptions utilized for water and sewage usage for The Armory Community Project were derived from actual quarterly water and sewer charges from the Sheboygan Water Utility from June of 2012 through September of 2014 while Spaceport Sheboygan occupied the building. While we assume more usage of the building, we will also be replacing old, water consuming plumbing fixtures with new, water efficient units.
- Assumptions utilized for natural gas usage for The Armory Community Project were derived from actual monthly gas charges from Wisconsin Public Services from December of 2011 through November of 2014 while Spaceport Sheboygan occupied the building. While we assume more usage of the building, we will also be replacing old, mechanical equipment with new, efficient equipment.
- Assumptions utilized for power usage for The Armory Community Project were derived from actual monthly electric charges from Alliant Energy from October of 2005 through October 2017 while City of Sheboygan and Spaceport Sheboygan occupied the building. While we assume more usage of the building, we will also be replacing old, energy consuming light fixtures with new efficient ones.

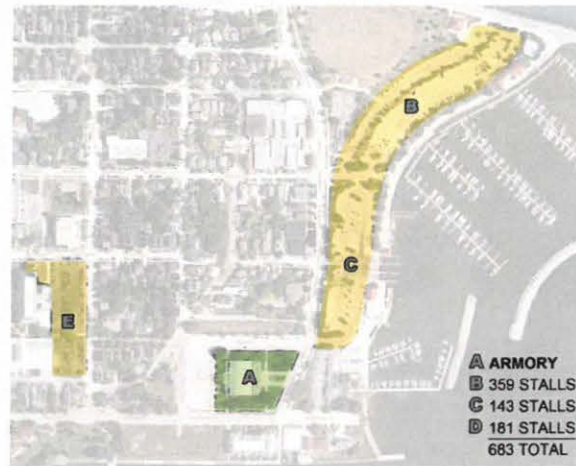


# PREDICTED VULNERABILITIES

There have been some recent vulnerabilities with regards to the state and federal historic tax credits as well as the federal new market tax credits. However, with the recent signing of the federal tax reform bill, the federal historic and new market tax credits have been stabilized. While a \$500,000 per parcel cap to the state historic tax credit is scheduled to go into effect on July 1, 2018, Senate Bill 668 was introduced last week to increase the per parcel cap to \$3.5 million.

Of course, raising several million dollars for a community center is certainly a predicted vulnerability for The Armory Community Project's RFP response. However, with \$1.15 million in state historic tax credits, \$1.15 million in federal historic tax credits, and \$2.3 million in federal new market tax credit, naming rights, and other sponsorship opportunities to incentivize major donors, we are confident in our ability to successfully complete a capital campaign for the building's rehabilitation and endowment.

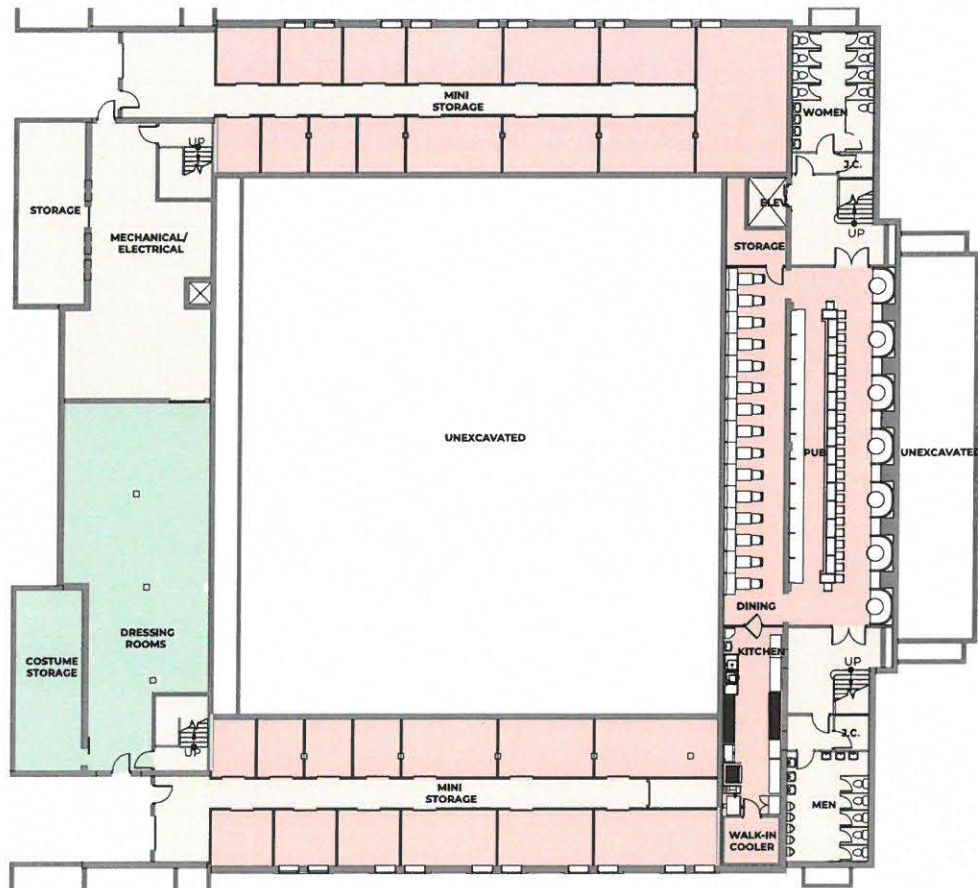
Parking has been an area of potential concern. Since the building was constructed, there has never been more than approximately 80 parking spaces on-site. Historically, events with more than 3,500 attendees were held at the Armory; parking was accommodated on nearby streets and was rarely a concern. While the existing on-site parking will be lost due to the development of the western 0.64 acres, we have conceived a conceptual site plan that provides 41 new on-site parking spaces on the eastern 1.8 acres which we believe will accommodate the day-to-day traffic at the Armory. There is also street parking on both sides of Center Avenue, North 4th Street, and Pennsylvania Avenue and on one side of Broughton Drive that are rarely used and can accommodate approximately 90 vehicles. In addition, we have completed a parking study of all publicly owned parking lots within a two-block area of the Armory and have found an additional 683 parking spaces. Initial discussions with City of Sheboygan and Sheboygan County representatives have indicated a willingness to entertain further discussions on the matter. Sheboygan's zoning ordinance parking standards typically require 1 parking space per 3-4 people at similar facilities. With 814 parking spaces available, they could accommodate up to 2,400 - 3,200 attendees. Our target maximum capacity will be on the low end of that range.



There has also been some concern that The Armory Community Project will compete with others in the community, specifically Blue Harbor Resort, the Weill Center for the Performing Arts, and the John Michael Kohler Arts Center. One of The Armory Community Project's goals is to work with these existing organizations to continue to advance a tradition of rich arts and cultural events by offering the Armory's larger space for their use. There is no argument that these organizations have beautiful facilities. However, they cater to a specific clientele that represents the area's upper class and social elite, and the Weill Center specifically caters towards an older clientele of baby boomers and senior citizens. Due to these perceived stigmas, many Sheboygan area residents have never experienced the pleasure of attending an event at these facilities. Meanwhile, the Armory has historically been the common man's venue, catering to all social classes, ages, and ethnicities from blue collar manufacturing laborers to white collar office workers. The Armory Community Project will continue that tradition and will differentiate ourselves from other existing organizations by targeting a different clientele that directly aligns with the City of Sheboygan and the Sheboygan County Economic Development Corporation's ongoing efforts to attract younger generations to the area.



# CONCEPTUAL SITE PLAN & RENDERINGS



## BASEMENT FLOOR PLAN

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The basement will house the Rathskeller Pub, restrooms, mini storage, dressing rooms and storage for performances, and the mechanicals. The Rathskeller, which will be leased to a commercial tenant, is highlighted on the following page. Mini storage will be managed by the Armory Community Project and leased to the general public. Both represent part of The Armory Community Project's cost recovery plan and income generating potential.



# THE RATHSKELLER PUB

2,285 SF, \$12/SF RENT, \$2,285/MO. INCOME

The Pub will be leased to a for-profit entity. The ideal tenant will provide a quality, casual dining experience with a full menu of soups, small plates, entrees and desserts. It will offer seasonal outdoor patio seating shared with the Corridor Café. Patrons will enjoy a beer garden atmosphere with relaxed yard games adjacent to the patio on the front lawn, bringing nightlife to the lakefront. During large entertainment events, the Rathskeller will cater to those who want something beyond typical concession food and beverage options.

This concept was derived from local, regional, and national market research. According to the National Restaurant Association, 76% of Americans want to eat healthier than ever before, 70% of people are more likely to go to a restaurant that sells locally produced food, and 52% of Americans want to go to restaurants that support charity organizations and the local community. The Rathskeller will be a perfect example of all three of those features.



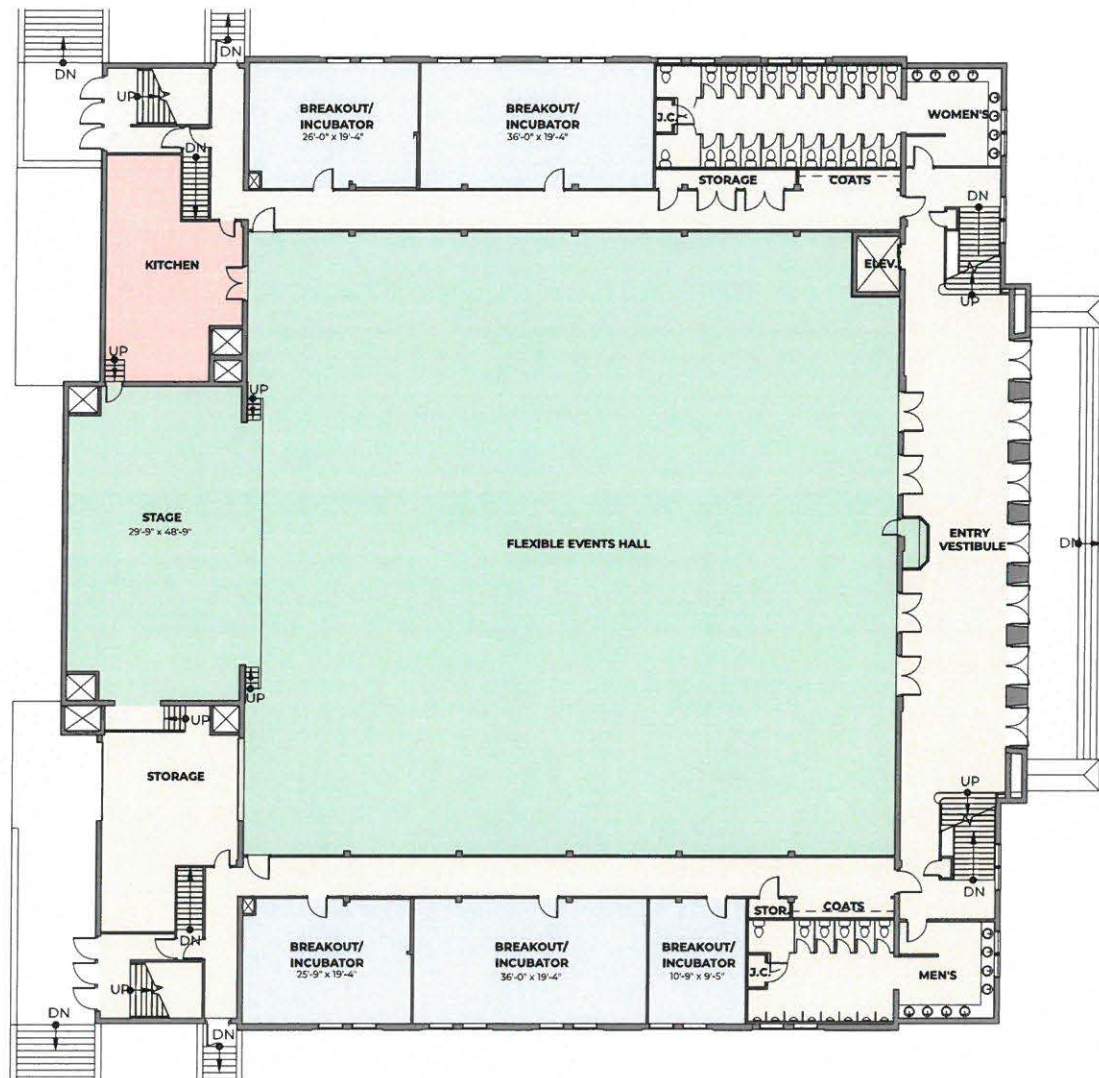
THE ART OF UNWINDING

## MINI STORAGE

3,938 SF (NET), \$10.80/SF RENT, \$3,544/MO. INCOME

The Mini Storage area will be managed by The Armory Community Project as part of its income generating plan. There will be 28 units in seven different sizes, starting at 60 square feet and progressively increasing up to 400 square feet. The Mini Storage areas will be protected with security systems and entrance by passcode as well as security cameras. The units will be constructed of non-combustible materials with 13' high ceilings and will have smoke and fire sensors, fire sprinklers, and electricity. This operation will be well positioned as the closest storage facility for those residing in the Ellis District, the planned multi-family development to the west, and other upcoming multi-family developments to the south and two blocks to the west of the site.





## FIRST FLOOR PLAN

The first floor will feature a large flexible events hall and performance stage for corporate, dining, entertainment, recreation, and community events surrounded by collaborative, shared, recreational and commercial accelerator spaces. The hall, kitchen, and breakout/incubator rooms are highlighted on the following pages. All will be leased to the public and are indicative of The Armory Community Project's income generating potential and self-sustainability.



# ARMORY HALL



**THE HALL WILL CREATE A COMPETITIVE EDGE IN SHEBOYGAN BY BECOMING A ONE STOP SHOP FOR ALL-INCLUSIVE EVENTS.**

## FLEXIBLE SPACE

- Convention: meetings & conferences, trade shows & expos, fundraisers, swap meets, maker fairs.
- Entertainment: concerts, comedy, movies, shows, dinner theater
- Recreation: leagues (basketball, soccer, bean bag, kickball, dodgeball), dance, yoga, bounce houses
- Dining: banquets, weddings, food trucks nights, community dinners.

The Armory will offer a top-notch event experience with regular, high-quality, evening experiences as an entertainment hot spot for those searching for something to do that may otherwise travel to other cities for such enjoyment.

Armory Hall fills a void in the community not currently being met by other local venues. It offers a large space with breakout rooms for corporate events. It has a large capacity to host dining and entertainment events. It will host a multitude of recreational events, and it will do all of this in an accessible and affordable manner for all businesses, community members, and organizations.

The Armory Community Project will seek to utilize the event hall daily, with a variety of routine activities that occur weekdays during the day, Monday through Thursday evenings, Friday evenings, Saturday during the day, Saturday evenings, and Sundays. Programming and management of the space will be by The Armory staff.



# BUSINESS INCUBATOR

2,579 SF, \$12/SF RENT, \$2,579/MO. INCOME



The commercial incubator will offer rental spaces for goods & services start-ups with flexible leases from a few hours to a few months. It will offer shared business services and equipment, and technology support services.

- Create jobs
- Enhance the community's entrepreneurial climate
- Retain businesses in a community
- Accelerate growth in local industry
- Diversify local economy



**A ROTATING LINEUP OF THE CITY'S UP-  
AND-COMING CONCEPTS IN RETAIL, FOOD,  
AND MORE IN THE HISTORIC ARMORY.**



# CULINARY INCUBATOR

695 SF, \$20/HR RENT, \$3,040/MO. INCOME

In addition to use by The Armory Community Project Organization for event catering and the Corridor Café for food preparation, the Commercial Kitchen will serve as a culinary incubator in which culinary entrepreneurs can rent the space to commercially produce wholesale or retail food products. It will connect current culinary workforce development activities to small business development. This program will be a boon to both the entrepreneurial and culinary culture of Sheboygan.

*A shared-use community commercial kitchen can be a key piece in building economic opportunity, environmental sustainability, and community health. It can also play a critical role in developing a healthy, safe, and secure local food supply on an ongoing basis and during times of crisis.*



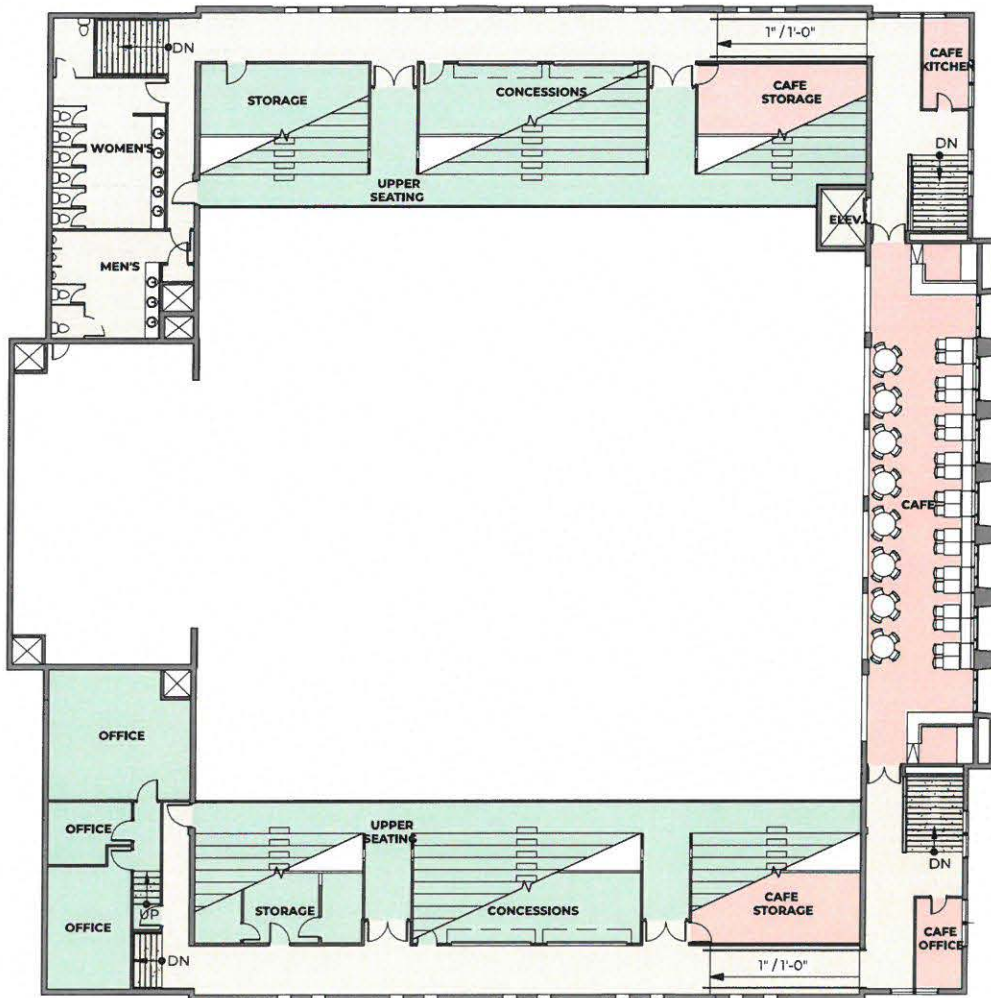
**SHARED-USE COMMUNITY COMMERCIAL  
KITCHENS ARE A WIN-WIN FOR OUR LOCAL  
COMMUNITIES.**











## SECOND FLOOR PLAN

The second floor will feature the Corridor Café, restrooms, storage, event concessions, and The Armory Community Project offices. The Corridor Café is highlighted on the following page. It will be leased to a commercial tenant as part of The Armory Community Project's cost recovery plan.



# CORRIDOR CAFÉ

2,487 SF, \$12/SF RENT, \$2,487/MO. INCOME

The Café will be rented out to a for-profit entity. The ideal tenant will provide a full-service restaurant with coffeehouse and dessert bar. The Café will feature great views of both the events arena as well as Sheboygan's beautiful waterfront. It will offer seasonal outdoor patio seating. Patrons will enjoy relaxed yard games adjacent to the patio on the front lawn, bringing life to the lakefront.

The Café will provide a sophisticated, yet casual dining and coffeehouse experience. The Café will feature a full menu of moderately priced foods, salads, soups, sandwiches, tea and coffee-based drinks, desserts and pastries, and kid-friendly options influenced by local cooking traditions and time-honored recipes. The Café will provide a full-service dine-in and carry-out and will also contain a full-service bar. It will be an affordable venture for patrons, one that will encourage them to return on many occasions.

The Café will be open seven days a week to serve the public as well as tenants and visitors to the building. During large entertainment events, The Café will cater to those who want something beyond typical concessions food and limited beverage options with views overlooking The Armory Hall.



**REFRESHMENTS AND RECREATION AT  
THE NEXUS OF SHEBOYGAN'S RIVERWALK  
AND LAKEFRONT**



# PROJECT MANAGEMENT

The Armory Community Project team is comprised of professionals, creatives, and entrepreneurs with a love for their community. Their collective experience and passion makes them unique and exceptional.



**DANE SCHAEFER**

Dane Schaefer is a life long Sheboygan resident and local entrepreneur. He started his first "brick-and-mortar" business, The Epicure Lounge in 2006, at the age of 21. The business later purchased and renovated a 1901 Michigan Ave. storefront in 2009 and is still owned and operated from that location today. He truly loves his hometown and is wholly committed to doing what he can to help other people also fall in love with Sheboygan.

**Epicure Lounge:** Owner 06-Present  
Business Operations  
Building rehabilitation & Renovation  
Successful Political Lobbying

**Priority Sign, Inc.:** Designer & I.T. Lead, 07-08  
Design site programs for national brands  
I.T. for office of 50 employees

**Legend Larry's:** Marketing & I.T. 08 - Present  
Growth & Marketing Strategies  
White box T.I. project

**Dark Horse Properties:** Owner 2013 - Present  
Commercial real estate operations



**JENNIFER LEHRKE**  
AIA, LEED AP, NCARB

Jennifer L. Lehrke is a Principal Architect and Historic Preservation Consultant and founded Legacy Architecture, Inc. in 2011 with a goal to enable her clients to live and work more sustainably by providing creative, timeless designs and exceptional professional services aimed at preserving the past, designing for the present, and planning for the future. She is an existing building expert. Over the past several years, over 79% of her firm's work involved rehabilitation, rehabilitation, remodeling, or additions to existing buildings. Her award-winning historic preservation work ranges from a \$10 million theatre rehabilitation to numerous small storefronts.

**University of Wisconsin-Milwaukee**

1999: Master of Architecture

1997: Bachelor of Science in Architectural Studies

**Experience**

2011-present: Legacy Architecture, Inc.

2000-2011: LJM Architects, Inc.

1997-2000: Hameister Architects, Inc.

**Professional Affiliations**

American Institute of Architects (AIA)

National Trust for Historic Preservation

Sheboygan County Historical Society & Museum

WAHPC

Wisconsin Historical Society (WHS)

Wisconsin Trust for Historic Preservation



**TAMMY SCHAEFER**

Tammy Schaefer is co-founder and co-owner of Legend Larry's a regionally distributed sauce manufacturer and four unit regional chain of chicken wing restaurants. Tammy is a lifelong resident of Sheboygan County, and summa cum laude graduate of Lakeland University. She has been operating local businesses for over 25 years and has played a large role in those businesses during their most successful growth periods. Tammy is also a certified educator and active volunteer in numerous local non-profit organizations.

**Lakeland University**

Bachelor of Arts in Biology

Minors in Spanish & Business Administration

Educators License

**Experience**

2001-present: Legend Larry's

Business Operations

Oversaw growth to four unit regional chain

1988-2009: Drivers Leasing of WI, Inc.

Business Operations

Oversaw growth to 30 employee operation

## ADVISORY COMMITTEE

**SALLY CARSON**

Designer at Priority Sign, Inc.

**JON DOLSON**

Sheboygan County Clerk and  
former Historic Preservation  
Commission member

**PEGGY ROTHE**

Sales Specialist with  
American Family Insurance

**BILL THIEL**

Produce Manager at Wal-  
Mart and former 5th District  
Alderman



## DESIGN & CONSTRUCTION TEAM

In the appendix you will find the biographies and relevant experience of the design and construction team. The design and construction team currently consists of the staff of several local businesses, including Legacy Architecture, Inc., Jos. Schmitt Construction, and Quasius Construction, as well as, Madison-based, New Market Tax Credit specialist Jon Beck. In the future, the team will be expanded with suppliers and structural, civil, fire protection, plumbing, mechanical, and electrical engineers and/or design-build contractors. Except for the structural engineer and some specialty suppliers, all the other specialties will be hand selected from local businesses who have worked together on numerous occasions and have a proven track record of being able to quickly rehabilitate historic buildings.

Historic preservation is extremely labor intensive. As a rough rule of thumb, half of new construction expenditures go for labor and half for materials. In a typical historic preservation project, between 60 and 70 percent of the total cost goes toward labor. This has a very practical effect on the local economy. Labor - carpenters, electricians, plumbers, sheet metal workers, painters - is nearly always hired locally. Those individuals, in turn, spend their wages locally - at the barbershop, the restaurant, the auto dealer, and at the City of Sheboygan where they pay their taxes - further expanding The Armory Community Project's taxable value and economic impact.



**...A PROVEN TRACK  
RECORD OF BEING ABLE  
TO QUICKLY  
REHABILITATE HISTORIC  
BUILDINGS.**



# LEVEL OF INVESTMENT & FINANCIAL VIABILITY

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## PROJECT CONSTRUCTION BUDGET

Division 1 General Requirements / General Conditions	\$70,000
Division 2 Existing Conditions	\$15,000
Division 3 Concrete	\$50,000
Division 4 Masonry	\$0
Division 5. Metals	\$10,000
Division 6 Wood, Plastics & Composites	\$15,000
Division 7 Thermal & Moisture Protection	\$750,000
Division 8 Openings	\$250,000
Division 9 Finishes	\$400,000
Division 10 Specialties	\$15,000
Division 11 Equipment	\$700,000
Division 12 Furnishings	\$40,000
Division 13 Special Construction	\$0
Division 14 Conveying Equipment	\$100,000
Division 21 Fire Suppression	\$150,000
Division 22 Plumbing	\$275,000
Division 23 Heating, Ventilating & Air Conditioning	\$1,500,000
Division 26 Electrical	\$550,000
Division 27 Communications	\$10,000
Division 28 Electronic Safety & Security	\$10,000
Division 31 Earthwork	\$10,000
Division 32 Exterior Improvements	\$70,000
Division 33 Utilities	\$10,000
<hr/>	
Construction Subtotal	\$5,000,000
Construction & Design Contingency (10%)	\$500,000
Architectural & Engineering Fees (5%)	\$250,000
Tax Credit Consulting Fees	\$100,000
Miscellaneous Costs (1%)	\$50,000

**TOTAL PROJECT CONSTRUCTION BUDGET**

**\$5,900,000**



# STATUS OF ORGANIZATION

The Armory Community Project U.A. came together in 2017. It is an unincorporated non-profit association. David Gass of Rhode Dales, LLP has offered to assist us through the incorporation and 501(c)(3) process if we are successful in our RFP response efforts.

## FINANCIAL PROJECTIONS

### PROJECTED ANNUAL INCOME & EXPENSES

INCOME/EXPENSE	
INCOME	
ENDOWMENT	\$50,000
SITE BEVERAGE SALES	\$475,000
EVENT TICKETING & VENDOR FEES	\$70,000
EVENT SPONSORSHIP	\$100,000
MINI STORAGE LEASES	\$40,000
CORRIDOR CAFÉ LEASE	\$30,000
RATHSKELLER PUB LEASE	\$25,000
BUSINESS INCUBATOR LEASES	\$20,000
COMMERCIAL KITCHEN RENTALS	\$30,000
FACILITY RENTALS	\$25,000
 TOTAL INCOME	 \$865,000
DIRECT COSTS	
PROGRAMMING	\$100,000
COST OF GOODS SOLD	\$175,000
 TOTAL DIRECT COSTS	 \$275,000
 GROSS INCOME	 \$590,000
EXPENSE	
INSURANCE	\$25,000
MARKETING	\$70,000
PROFESSIONAL FEES	\$25,000
MAINTENANCE	\$50,000
SUPPLIES	\$50,000
COMMUNICATIONS	\$20,000
ELECTRIC	\$30,000
NATURAL GAS	\$50,000
WATER	\$10,000
WAGES	\$150,000
 TOTAL EXPENSE	 \$480,000
 NET UNRESTRICTED INCOME	 \$110,000



## SOURCES & USES

### SOURCES

State Historic Tax Credit / Building Naming Rights	\$1,150,000
Federal Historic Tax Credit / Building Naming Rights	\$1,150,000
Federal New Market Tax Credit / Building Naming Rights	\$2,300,000
Hall Naming Rights	\$750,000
Stage Naming Rights	\$500,000
Breakout Room Naming Rights	\$400,000
Kitchen Naming Rights	\$200,000
Miscellaneous Grants	\$100,000
Other Tax-Deductible Contributions	\$450,000

<b>TOTAL INITIAL CAPITAL SOURCES</b>	<b>\$7,000,000</b>
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### USES

Construction Budget	\$5,900,000
Endowment Fund	\$1,100,000

<b>TOTAL INITIAL CAPITAL USES</b>	<b>\$7,000,000</b>
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## External Financing

Should the proposed project be awarded, The Armory Community Project assumes the following external financing can be obtained:

- State Historic Tax Credits of \$1.15 million in 3-4 months
- Federal Historic Tax Credits of \$1.15 million in 3-4 months
- Federal New Market Tax Credits of \$2.3 million in 11 months
- Naming rights, grants, and other tax-deductible contributions of \$2.4 million in 12 months

## Statement Regarding Any Debarments, Suspensions, Bankruptcies, and/or Loan Defaults

The Armory Community Project and its agents do not have any debarments, suspensions, bankruptcies, and/or loan defaults.



# SUCCESSFUL EXAMPLES

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## **SIMILAR REDEVELOPMENT PROJECTS COMPLETED BY THE DESIGN & CONSTRUCTION TEAM**

In the appendix you will find similar redevelopment projects completed by the design and construction team. The design and construction team, including Legacy Architecture, Inc., Jos. Schmitt Construction, and Quasius Construction, as well as a Madison-based New Market Tax Credit specialist, Jon Beck, has worked on numerous award-winning redevelopment projects in the past and has a proven track record of being able to quickly rehabilitate historic buildings.

Their projects have had a significant and ongoing impact in the communities they've worked in. The rehabilitation of historic buildings certainly creates construction jobs, but the economic benefits of preserving historic resources go beyond the lot line of that building. The benefits accruing to a community are both direct and indirect. A few years ago, the Advisory Council on Historic Preservation identified some of those community benefits. The list included:

- new businesses formed
- private investment stimulated
- tourism stimulated
- increased property values
- enhanced quality of life, sense of neighborhood and community pride
- new jobs created
- compatible land-use patterns
- increased property and sales taxes
- pockets of deterioration and poverty diluted



# SIMILAR PROJECTS COMPLETED BY OTHER ORGANIZATIONS

## GOODMAN COMMUNITY CENTER



### MADISON, WI

In 2001, investors were exploring commercial redevelopment of the site of a "one-story production shed" in Madison, WI. Goodman Community Center was able to purchase the property at the end of 2005 and preserve the building and have it placed on the National Register of Historic Places in 2007. It is now operated as a community center.

## THE PALACE



### ST. PAUL, MN

The Palace Theatre has been a fixture in Saint Paul's cultural scene since 1916. Built as a vaudeville theater, thousands of performers graced the original Palace stage. The venue closed in 1977. The City of Saint Paul has given new life to the Palace Theatre, reviving it into a concert venue. When purchased in the fall of 2015, the building was in a state of deterioration so severe that without renovation, the building would have been condemned in the very near future.

## TRIBUNE BUILDING



### WISCONSIN RAPIDS, WI

The Tribune Building is a historic property along the Wisconsin River. It was purchased in 2012 by InCourage Community Foundation with the intent that residents would decide the building's future use(s). The Tribune will serve as a community accelerator – accelerating economic growth and opportunity, environmental sustainability, learning, creativity, and connections for community benefit.



# ORGANIZATIONAL OVERVIEW

## ARMORY COMMUNITY PROJECT U.A. UNINCORPORATED NONPROFIT ASSOCIATION

The Armory Community Project U.A. came together in 2017. It is an unincorporated non-profit association. David Gass of Rhode Dales, LLP has offered to assist us through the incorporation and 501(c)(3) process upon the success of our RFP response efforts.

We have also met with Tom Malmstadt, Executive Director of United Way of Sheboygan County to discuss the project and the idea of fiscal sponsorship. Fiscal sponsorship is an agreement between an established 501(c)(3) charity and a relatively new, unincorporated organization that lacks its own tax-exempt status but is interested in soliciting donations and grants. Under this arrangement, a tax-deductible contribution can be given using the sponsoring agent's exempt status. The fiscal agent for the organization then agrees to accept and be responsible for monies on behalf of the new, unincorporated organization. Such an arrangement will be utilized by The Armory Community Project in the interim between unincorporated non-profit status and official tax-exempt 501(c)(3) charitable organization status.

Born out of a shared desire to preserve Sheboygan's Armory and use it to support and help grow an active and thriving community. As a team, the Armory will be our first project of this nature, however, individually we have years of experience and success in similar projects. With our collective experience, we embody a wealth of relevant experience in architecture, rehabilitation, business management and ownership, government, and much more.

In the last nine weeks alone, The Armory Community Project has done a lot of work and will continue on this trajectory should the proposed project be awarded.

- Submitted a Letter to the Editor to The Sheboygan Press
- Interviewed by a local radio station
- Hosted two public meetings with over four dozen attendees
- Met with City of Sheboygan staff & elected officials
- Talked to and/or met with several aldermen

- Talked to Sheboygan County staff
- Formed an Advisory Committee
- Interviewed by The Sheboygan Press for an article
- Undertook a This Place Matters social media campaign
- Advanced a public Petition with several dozen signatures
- Developed a Facebook page
- Developed a website
- Talked to and/or met with numerous potential partner developers
  - HCI Properties, LLC
  - Gorman & Company
  - Oakbrook Corporation
  - T. Wall Enterprises
  - Paul Weaver
- Talked to and/or met with representatives of numerous local organizations
  - Boys & Girls Clubs of Sheboygan County
  - SEAS
  - Sheboygan County Interfaith Organization
  - Sheboygan County Historical Society
  - Sheboygan Yacht Club
  - United Way
  - Visit Sheboygan
  - YMCA
- Talked to and/or met with numerous designers and contractors
  - Abacus Architects, Inc.
  - A. Chappa Construction, LLC
  - Aldag Honold Mechanical, Inc.
  - Jos. Schmitt Construction, Inc.
  - Legacy Architecture, Inc.
  - Precision Roofing Services, Inc.
  - Quasius Construction, Inc.

### Organization

#### Mailing Address

605 Erie Avenue Suite 101  
Sheboygan, Wisconsin 53081

### Jennifer L. Lehrke

#### Authorized Agent

(920) 980.9420  
jlehrke@legacy-architecture.com

### Dane Schaefer

#### Authorized Agent

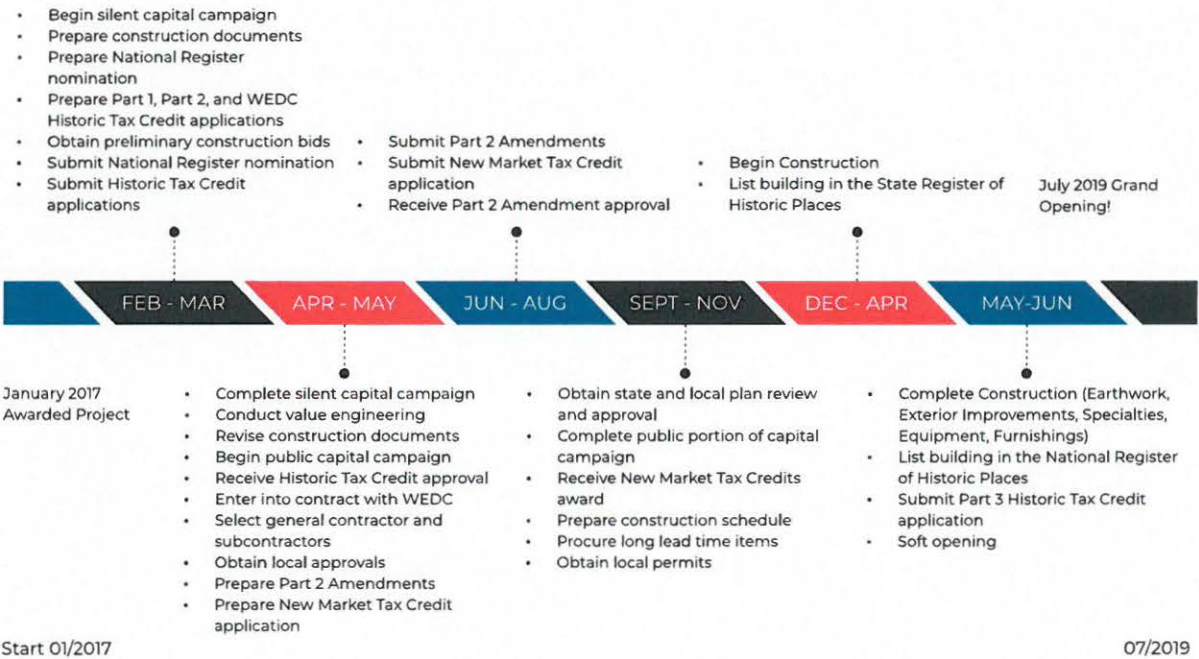
(920) 912.3638  
dschaefer@gmail.com



# SCOPE/PHASING

## PROJECT IMPLEMENTATION

The project implementation timeline illustrates key project milestones during the capital campaign, design, and construction phases. The timeline can vary depending upon many variables including overtime, productivity, size of project, location, season of year, contractor management, weather conditions, availability of skilled labor and building materials, owner's specific requirements, and the final scope of the project. The project implementation timeline provided below is made based on information available to The Armory Community Project. in the Fall/Winter of 2017, our assumed scope of work, and our professional judgment and expertise. While we exercised usual and customary professional care in our efforts to develop the project implementation timeline, we have no control over labor, equipment or materials, or over the contractor's method of scheduling. We make no warranty, expressed or implied, as to the accuracy of the project implementation timeline as compared to the actual timeline.





# PERFORMANCE STANDARDS

The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings promote responsible preservation practices and protect our Nation's cultural resources by providing a philosophical basis which can be used to make essential decisions about historic buildings.

The Standards are general and identify four treatment options suitable for all types of historic resources: Preservation, Rehabilitation, Restoration, and Reconstruction. Preservation requires the retention of the historic resource's form, features, and details which comprise the historic fabric as it was developed over time. Rehabilitation acknowledges the necessity of alterations and additions in the continued use of a historic resource while retaining as much of a historic resource's character as possible. Rehabilitation depicts a resource at a key point in its history, preserving historic materials from that time and removing any later alterations or additions. Primarily used for interpretive purposes, reconstruction recreates a missing historic resource based on historic evidence with new materials. The Armory Community Project will utilize a Rehabilitation approach to the performance standards for the construction work.

The Guidelines assist in applying the Standards to specific resource types, such as buildings, sites, structures, districts, and objects. They pertain to resources of all types and sizes and the work on both the interior and the exterior. They are laid out by treatment, then building materials and features, and by "Recommended" practices which are consistent with the Standards and "Not Recommended" practices which are not. However, they are not specific in and of themselves and may require the interpretation and advice of a qualified historic preservation professional experienced in working with historic resources. The Standards and Guidelines will provide the baseline performance standards for the construction work and are required for all Historic Tax Credit projects.

We believe that rehabilitating historic buildings is the grandest form of reduce, reuse, and recycle. From an environmental standpoint, The Armory Community Project will not be pursuing any third party green building certifications. However, members of our design and construction team have obtained LEED accreditation by the Green Building Certification Institute and have a commitment to provide environmentally responsible buildings. That training will affect the decision-making process and will contribute to the overall environmental "health" of the project. In addition, The Armory Community Project has already applied for Focus on Energy's Design Assistance Program, which provides design professionals, builders, developers, and building owners with energy-saving options for major renovation projects such as this and offers financial incentives to design teams and to building owners, which can be used to reduce the upfront cost of high efficiency measures that exceed Wisconsin energy code requirements.



# APPENDIX

01 | GORMAN & COMPANY RFP RESPONSE

02 | LEGACY ARCHITECTURE, INC. BIOGRAPHY & SUCCESSFUL EXAMPLES

03 | JONATHAN BECK BIOGRAPHY & SUCCESSFUL EXAMPLES

04 | QUASIUS CONSTRUCTION BIOGRAPHY & SUCCESSFUL EXAMPLES

05 | WISCONSIN HISTORICAL SOCIETY LETTER OF SUPPORT

06 | COMMUNITY PETITION





### Project Deliverables



This is a 40-unit market rate development, split evenly with 20 one-bedroom units and 20 two-bedroom units, with 40 spaces of underground parking and supplemental surface parking.

The sources we anticipate funding this development are as follows:

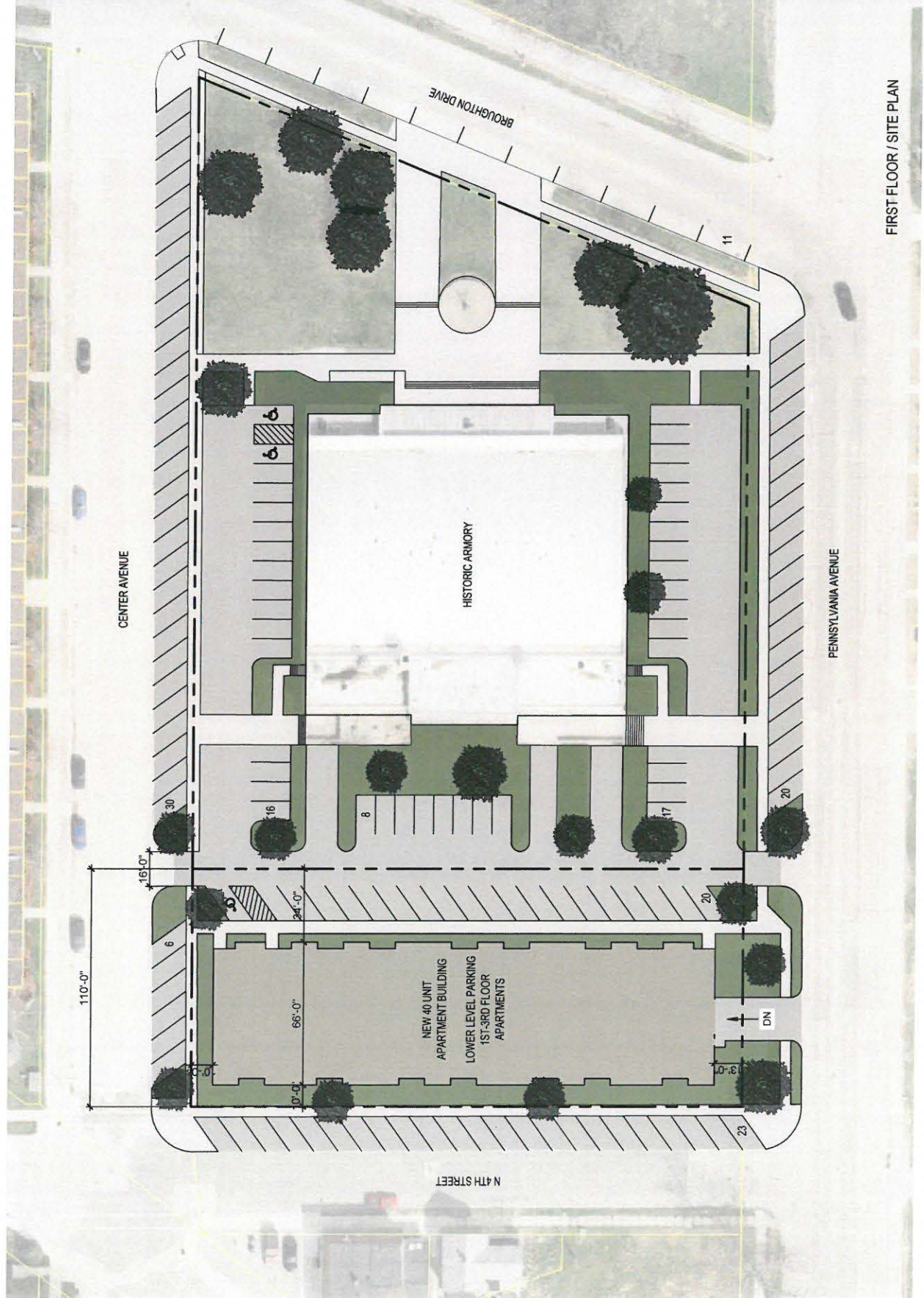
First Mortgage Debt	\$4,406,880
Private Equity*	\$1,620,441
Deferred Developer Fee	\$594,000
Total Development Cost	\$6,621,321

*\*this amount of private equity is contingent upon construction costs being as budgeted in the attached proforma after construction bids are put out to market. In the event construction costs exceed what is budgeted, other sources will need to be found for private equity that could include a developer funded TIF request*

We anticipate the land where this development occurred to be purchased from the City for \$1, and a development agreement would be signed with the City. This 40-unit market rate development would generate approximately \$80,000 a year in tax increment.

It is important to note that Gorman & Company, Inc. is a fully integrated firm, which performs its own architecture service on all projects.





FIRST FLOOR / SITE PLAN





## **Project Management**

### **Gorman & Company, Inc.**

Gorman & Company was formed in 1984 to develop high quality multi-family housing communities. From the mid-1990s through the present, Gorman & Company has assumed the role of working collaboratively with state and local governments, as well as non-profit organizations, on significant, complex revitalization efforts and we have become one of the most respected multifamily development firms in the nation. The firm has offices in Wisconsin, Illinois, Arizona, and Florida, as well as projects in six states. Gorman & Company, Inc. has in-house design and construction divisions that have successfully completed over \$350 million of new construction and major renovations. Its affiliated property management firm manages over three thousand units.

Gorman & Company's integrated functions, including architectural design and construction, allow us to "collaboratively" design and develop highly successful developments. All of the parties sit at the same table to program a development from concept thru final execution, and we often engage our public and non-profit partners, as well as the surrounding community, in a design charrette process. Of the over 70 projects that Gorman & Company has completed over the past 30 years, the company has never had a foreclosure, has never defaulted, and has never had the general partner replaced by the investor.

Gorman General Contractors, LLC serves as General Contractor on Gorman & Company, Inc. development projects. The company believes that the best way to ensure high quality and timely construction is to build our projects with our own construction company and our own architects. With accountability of design and construction remaining within the Gorman & Company, Inc. umbrella, it provides a greater attention to detail and we are better able to support each construction phase. Gorman has the ability to continually improve its construction practices with each successive development because everything is done in-house. Gorman & Company, Inc. has been serving as its own General Contractor for all construction projects for the last 18 years. Gary J. Gorman, who is the sole shareholder of Gorman & Company, Inc., is also the sole member of Gorman General Contractors, LLC. Because it continues to build superior relationships with strong subcontractors, Gorman General Contractors, LLC is able to achieve top quality results and often finishes its projects ahead of schedule and below budget. Gorman's construction team consists of project managers, on-site field superintendents, and a Director of Construction - all of whom daily oversee work in progress. When challenges arise on the job site, Gorman General Contractors is positioned to quickly resolve issues through close collaboration with its in-house architectural staff.

Gorman & Company formed its property management division in 1991. The property management division has earned high marks from local communities and state agencies for its professional criteria in resident selection, as well as its capacity to work with complicated



compliance issues. Gorman & Company, Inc. manages 38 apartment communities, 35 of which are affordable housing properties, totaling over 4,000 units in Wisconsin. Controlling our management company within the Gorman & Company, Inc. umbrella allows us to customize our tenant selection criteria to our specific target population while conforming to investor and Section 42 compliance regulations. The philosophy of the management division is to create an environment where regional managers are accountable for the operations of their portfolio, and property managers are expected to operate their property as a small business within authorized budgets and guidelines.

### **Key Staff**

#### **EDWARD (TED) MATKOM - WISCONSIN MARKET PRESIDENT**

Ted Matkom has held the role of Wisconsin Market President over the past six years with Gorman & Company and has also served as General Counsel for the past eight years. Ted has a wealth of experience in developing both residential and commercial real estate developments. Ted has served five years on the board of directors for Menomonee Valley Partners, the non-profit development entity designated to revitalize Milwaukee's Menomonee Valley industrial park. Ted has been President of The Corridor, Inc., a nonprofit organization that has been charged with helping to redevelop the "30th Street Corridor" in the heart of Milwaukee for the past three years. He has also been appointed for the past three years to the Board of Directors for the Milwaukee Area Workforce Investment Board, Inc. Ted has a Bachelor of Arts in International Relations and Political Science from the University of Wisconsin-Madison, and a Doctorate of Law from Marquette University.



#### **GARY J. GORMAN - PRESIDENT**

After completing his B.A. in Economics and Law Degrees from the University of Wisconsin at Madison, Mr. Gorman began his career as a practicing attorney focusing on representation of developers and real estate syndicators. In 1984 Mr. Gorman formed a firm for the purpose of developing and syndicating multifamily real estate projects. After the passage of the Tax Reform Act of 1986, Mr. Gorman specialized in the development of affordable multifamily rental communities utilizing the tax credit created by Section 42 of the 1986 Tax Reform Act. Mr. Gorman serves as a board member for Catholic Charities and Northern Bankshares, Inc. Mr. Gorman also serves as a member of the Steering Committee for the Housing Credit Group of National Association of Homebuilders (NAHB) and on the Advisory Board for the Federal Home Loan Bank of Chicago.





**TOM CAPP - CHIEF OPERATING OFFICER**

Tom Capp has directed Gorman & Company's real estate development since 1994. Under his direction, the company has focused on urban revitalization, mixed-income housing, historic preservation and the preservation of affordable housing. Mr. Capp has a degree in Economics and Political Science from the University of Illinois at Champaign-Urbana. Tom has served on many industry boards and commissions. He currently serves on the Board of Directors of the National Housing and Rehabilitation Association. In 2007 he was appointed by the White House as a Panel Expert for the Preserve America Summit, an initiative created by executive order to modernize our nation's approaches to historic preservation. He is a frequent speaker and presenter at conferences sponsored by state housing authorities, planning associations, and housing industry groups such as NCSHA, NH&RA, and IPED.



**RON SWIGGUM - DIRECTOR OF CONSTRUCTION**

Ron has over 16 years of experience in project management, encompassing cross-functional projects, price/cost management, budgetary and competitive estimating, coordination of design professionals, space planning, life cycle costing, contract administration, development and training of personnel, strategic business planning, risk management, proformas, staff leadership, P&L oversight, and customer relations. Ron recently directed construction for the largest "Green Communities" Public Housing Authority development to date east of the Mississippi River and is currently overseeing construction GC for an innovative "workforce housing" development in Monroe County, Florida (Florida Keys). Ron also served as Construction Project Manager for award winning Gorman & Company affordable housing development in Glendale, AZ.



**BEN MARSHALL - DIRECTOR OF ARCHITECTURE**

Ben has more than 16 years of experience in architectural design and construction administration. He is a registered Architect in Wisconsin and Arizona. His experience encompasses a wide range of commercial and residential building types. Since 2010, he has been the staff architect at Gorman and Company, Inc. specializing in multi-family housing and rehabilitation projects. Prior to joining Gorman and Company, Ben was with a firm recognized as a regional leader in the design of multi-family housing. He has been responsible for architectural design and construction administration for over 600 housing units in the past 7 years.





# Sheboygan

Level of Investment and Financial Viability  
December 27, 2017



**Sheboygan  
PROJECT ASSUMPTIONS**

**PROJECT INFORMATION**

Project Name	Sheboygan
City, State	Sheboygan, WI
Tenant Type	Family
Construction Type	
Transaction Type	
Number of Units	40
LP Formation:	
Month	1
Year	2019
Construction Start:	
Month	1
Year	2019
Construction Period:	12
Operations:	
Month	1
Year	2020
Targeted PIS Date:	
Month	1
Year	2020
Depreciation Start Month	1
Bonus Depreciation	TBD
Lease-Up Start Month	1
Absorption Rate (Months)	6
QRE Calculated	\$ -
Project Cost	\$ 6,621,321
Mini-Perm	\$ 4,406,880
Gap	1,620,441
SHTC Equity	\$ -
FHTC Equity	\$ -
Deferred Dev Fee	\$ 594,000

**FINANCING ASSUMPTIONS**

Construction Loan - (max)	\$ (0)
Construction Loan (necessary)	\$ (0)
Interest rate	4.50%
Term (months)	24
<b>Mini-Perm</b>	\$ 4,406,880
Interest Rate	4.50%
Amortization	30
Term	5
Start Month	10
Start Year	2020
<b>Gap</b>	\$ 1,620,441
<b>Deferred Developer Fee</b>	\$ 594,000
Interest Rate	0.00%

**SYNDICATION INFORMATION**

Entry Date:	01/01/2019
Investor Federal Tax Rate	25.00%
Federal Historic Capital	#DIV/0! 0
State Historic Capital	#DIV/0! 0
	#DIV/0! \$ -
<b>1st Contribution - Closing</b>	01/01/2019
	FHTC 20.00% \$ -
	SHTC 20.00% \$ -
<b>2nd Contribution - Completion/Cost Cert</b>	12/01/2019
	FHTC 60.00% \$ -
	SHTC 60.00% \$ -
<b>3rd Contribution - Perm Conversion</b>	10/01/2020
	Fed LIHTC 20.00% \$ -
	20.00% \$ -

Investor Federal Tax Rate	25.00%
Price Per Credit	
Federal Historic Rehab	\$ -
State Historic Rehab	\$ -

**Developer Fee Information**

Total Developer Fee	594,000
Developer Fee Deferred	594,000
Developer Fee Paid	-
1st Payment	0.00% \$ -
	01/01/2019
2nd Payment	0.00% \$ -
	12/01/2019
3rd Payment	0.00% \$ -
	10/01/2020

**OWNERSHIP INFORMATION**

<b>Percent of Ownership</b>	
General Partner	0.010%
Limited Partner - Fed	99.99%
	<u>100.00%</u>
<b>Cash Flow Distribution</b>	
General Partner	0.010%
Limited Partner - Fed	99.99%
	<u>100.00%</u>
<b>Income, Loss &amp; Credits</b>	
General Partner	0.01%
Limited Partner - Fed	99.99%
	<u>100.00%</u>
<b>Sale Proceeds Distribution</b>	
General Partner	90.00%
Limited Partner - Fed	10.00%
	<u>100.00%</u>

Max Loan Calculation	
Residential/other Income	612,000
Vacancy (@ 5%)	(30,600)
EGI	581,400
OPEX	250,884
NOI	330,516
DSCR	1.15
Max Annual Pmt	287,405
Max Loan	4,726,886
Fair Market Value	5,508,600
LTV Max (@ 80%)	80.00%
Max Loan	4,406,880
Mini-Perm Loan	4,406,880



**Sheboygan  
OPERATING ASSUMPTIONS**

**OPERATING EXPENSES**

	Annual Expense	Expense Per Unit	% Gross Potential Rent	% Annual Increase
<b>Administrative</b>				
Management Fee	\$ 34,884	\$ 872	5.82%	3.00%
Accounting/Legal	7,000	175	1.17%	3.00%
Misc. Administrative	12,000	300	2.00%	3.00%
Tax Credit Monitoring Fee	0	0	0.00%	3.00%
Payroll	20,000	500	3.33%	3.00%
<b>Subtotal Admin</b>	<b>73,884</b>	<b>1,847</b>	<b>153.93%</b>	<b>3.00%</b>
<b>Subtotal Admin. (Less MGMT Fee)</b>	<b>39,000</b>	<b>975</b>	<b>81.25%</b>	<b>3.00%</b>
<b>Maintenance</b>				
Grounds	7,500	188	1.25%	3.00%
Misc. Repairs and Maintenance	18,000	450	3.00%	3.00%
<b>Subtotal Maintenance</b>	<b>25,500</b>	<b>638</b>	<b>53.13%</b>	<b>3.00%</b>
<b>Operating</b>				
Electricity/Gas	10,000	250	1.67%	3.00%
Water/Sewer	15,000	375	2.50%	3.00%
Operations Payroll	15,000	375	2.50%	3.00%
Trash Removal	2,000	50	0.33%	3.00%
Snow Removal	1,500	38	0.25%	3.00%
Insurance	10,000	250	20.83%	3.00%
<b>Subtotal Operating</b>	<b>53,500</b>	<b>1,338</b>	<b>8.92%</b>	<b>3.00%</b>
<b>Real Estate Taxes</b>	<b>90,000</b>	<b>2,250</b>	<b>15.01%</b>	<b>3.00%</b>
<b>Total Annual Expense</b>	<b>242,884</b>	<b>6,072</b>	<b>40.50%</b>	<b>3.00%</b>
<b>Replacement Reserves*</b>	<b>8,000</b>	<b>200</b>	<b>1.33%</b>	<b>3.00%</b>
<b>Total Annual Expense w/ Reserves</b>	<b>250,884</b>	<b>6,272</b>	<b>41.83%</b>	

523 PUPM

**CASH FLOW DISTRIBUTION**

LP Asset Management Fee	\$ 5,000	Escalates 3% annually
Soft Loans	50%	available cash flows
GP Partnership Management Fee	100%	of remaining cash flow, non accruing

**RENT ROLL**

Beds	Baths	Units	Type	Square Feet	Monthly Net Rent	Monthly Utility	Monthly Gross Rent	Total Monthly Rent	Annual Income
1 Bedroom	1	20	Market	700	1,100	-	1,100	22,000	264,000
2 Bedroom	1	20	Market	1,000	1,300	-	1,300	26,000	312,000
		<b>40</b>		<b>34,000</b>				<b>48,000</b>	<b>576,000</b>

**Income**

Tenant Rents	\$ 48,000	
Parking Income	3,000	\$75/stall
<b>Monthly Rental Income</b>	<b>\$ 51,000</b>	
<b>Annual Gross Income</b>	<b>\$ 612,000</b>	

**Trends**

Rent Increases	2.00%
Other Income Increases	2.00%
Residential Vacancy Loss	5.00%



Sheboygan  
STATEMENT OF FORECASTED SOURCES AND USES

SOURCES OF FUNDS	Construction	Post Construction	Permanent					
Mini-Perm	4,342,026	64,854	4,406,880					
Gap	1,620,441	-	1,620,441					
Deferred Dev Fee	-	594,000	594,000					
Construction Loan	(0)	0	-					
<b>Total Sources Of Funds</b>	<b>\$ 5,962,467</b>	<b>\$ 658,854</b>	<b>\$ 6,621,321</b>					

USES OF FUNDS	Construction	Post Construction	Total Permanent		Building 27.5 Yr/SL	Personal Property 5 Yr/200%	Land Impr. 15 Yr/150%	Amortization	Non Depreciable/ Amortizable
<b>Acquisition &amp; Site Costs</b>									
Land Acquisition	1	-	1		-	-	-	-	1
Abatement & Demolition	-	-	-		-	-	-	-	-
<b>Construction Costs</b>									
Residential Construction	4,420,000	-	4,420,000		4,199,600	220,400	-	-	-
General Requirements	221,000	-	221,000	5%	221,000	-	-	-	-
Contractor Overhead	88,400	-	88,400	2%	88,400	-	-	-	-
On-site Improvements	-	-	-		-	-	-	-	-
Contractor Profit	221,000	-	221,000	5%	221,000	-	-	-	-
Construction Contingency	247,520	-	247,520	5%	247,520	-	-	-	-
<b>Engineering &amp; Architectural</b>									
Architect	148,512	-	148,512		148,512	-	-	-	-
Architect: Supervision	20,000	-	20,000		20,000	-	-	-	-
Survey & Engineering	50,000	-	50,000		50,000	-	-	-	-
<b>Construction Interest &amp; Fees</b>									
Construction Interest	240,000	-	240,000		240,000	-	-	-	-
Insurance	25,000	-	25,000		25,000	-	-	-	-
Title/Recording	15,000	-	15,000		15,000	-	-	-	-
Loan Origination Fee	59,000	-	59,000		59,000	-	-	-	-
<b>Permanent Financing</b>									
Perm Loan Fee	22,034	-	22,034		-	-	-	22,034	-
Title and Recording	15,000	-	15,000		-	-	-	15,000	-
Lender Inspection	12,000	-	12,000		-	-	-	12,000	-
<b>Soft Costs</b>									
Appraisal	6,000	-	6,000		6,000	-	-	-	-
Market Study	6,500	-	6,500		6,500	-	-	-	-
Environmental Assessments	8,000	-	8,000		8,000	-	-	-	-
GP Legal Fees	40,000	-	40,000		40,000	-	-	-	-
Cost Certification	-	-	-		-	-	-	-	-
Plan and Cost Review	7,500	-	7,500		7,500	-	-	-	-
Accounting	25,000	-	25,000		25,000	-	-	-	-
Initial Compliance Fee	-	-	-		-	-	-	-	-
Soft Cost Contingency	25,000	-	25,000		25,000	-	-	-	-
<b>Syndication Costs</b>									
Investor Fees	-	-	-		-	-	-	-	-
<b>Developer Fees / Reserves</b>									
Developer Fee	-	594,000	594,000		594,000	-	-	-	-
Lease-up Reserve	40,000	-	40,000		-	-	-	-	40,000
Operating Reserve	-	64,854	64,854		-	-	-	-	64,854
<b>Total Uses Of Funds</b>	<b>\$ 5,962,467</b>	<b>\$ 658,854</b>	<b>\$ 6,621,321</b>		<b>\$ 6,247,032</b>	<b>\$ 220,400</b>	<b>\$ -</b>	<b>\$ 49,034</b>	<b>\$ 104,855</b>



**Sheboygan**  
**FORECAST OF NET CASH FLOW FROM OPERATIONS**

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	TOTAL
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
<b>Income</b>																
Rental Income	\$ 465,600	\$ 587,520	\$ 599,270	\$ 611,256	\$ 623,481	\$ 635,951	\$ 648,670	\$ 661,643	\$ 674,876	\$ 688,373	\$ 702,141	\$ 716,184	\$ 730,507	\$ 745,117	\$ 760,020	\$ 9,850,608
Less: Vacancy	(23,280)	(29,376)	(29,964)	(30,563)	(31,174)	(31,798)	(32,433)	(33,082)	(33,744)	(34,419)	(35,107)	(35,809)	(36,525)	(37,256)	(38,001)	(492,531)
Other Income	29,100	36,720	37,454	38,203	38,968	39,747	40,542	41,353	42,180	43,023	43,884	44,761	45,657	46,570	47,501	615,663
Less: Vacancy	(1,455)	(1,836)	(1,873)	(1,910)	(1,948)	(1,987)	(2,027)	(2,068)	(2,109)	(2,151)	(2,194)	(2,238)	(2,283)	(2,328)	(2,375)	(30,783)
<b>Effective Gross Income</b>	<b>469,965</b>	<b>593,028</b>	<b>604,888</b>	<b>616,986</b>	<b>629,326</b>	<b>641,912</b>	<b>654,751</b>	<b>667,846</b>	<b>681,203</b>	<b>694,826</b>	<b>708,723</b>	<b>722,898</b>	<b>737,356</b>	<b>752,103</b>	<b>767,145</b>	<b>9,942,957</b>
<b>Expenses</b>																
Administrative	31,525	40,170	41,375	42,616	43,895	45,212	46,568	47,965	49,404	50,886	52,413	53,985	55,605	57,273	58,991	717,883
Maintenance	20,613	26,265	27,053	27,865	28,700	29,561	30,448	31,362	32,303	33,272	34,270	35,298	36,357	37,448	38,571	469,385
Operating Expenses	43,246	55,105	56,758	58,461	60,215	62,021	63,882	65,798	67,772	69,805	71,900	74,057	76,278	78,567	80,924	984,788
Real Estate Taxes	72,750	92,700	95,481	98,345	101,296	104,335	107,465	110,689	114,009	117,430	120,952	124,581	128,318	132,168	136,133	1,656,652
Management Fee	34,884	35,931	37,008	38,119	39,262	40,440	41,653	42,903	44,190	45,516	46,881	48,288	49,736	51,228	52,765	648,805
Reserve for Replacement	8,000	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751	11,074	11,406	11,748	12,101	148,791
<b>Total Operating Expenses</b>	<b>211,017</b>	<b>258,411</b>	<b>266,163</b>	<b>274,148</b>	<b>282,372</b>	<b>290,843</b>	<b>299,569</b>	<b>308,556</b>	<b>317,812</b>	<b>327,347</b>	<b>337,167</b>	<b>347,282</b>	<b>357,701</b>	<b>368,432</b>	<b>379,485</b>	<b>5,016,809</b>
<b>Net Operating Income</b>	<b>258,948</b>	<b>334,617</b>	<b>338,725</b>	<b>342,838</b>	<b>346,954</b>	<b>351,069</b>	<b>355,183</b>	<b>359,290</b>	<b>363,390</b>	<b>367,480</b>	<b>371,556</b>	<b>375,616</b>	<b>379,656</b>	<b>383,671</b>	<b>387,660</b>	<b>5,316,654</b>
<b>Debt Service</b>																
Mini-Perm	66,987	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	267,948	3,818,261
Interest-only - CDBG funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>66,987</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>267,948</b>	<b>-</b>
<b>DSCR</b>	<b>3.87</b>	<b>1.25</b>	<b>1.26</b>	<b>1.28</b>	<b>1.29</b>	<b>1.31</b>	<b>1.33</b>	<b>1.34</b>	<b>1.36</b>	<b>1.37</b>	<b>1.39</b>	<b>1.40</b>	<b>1.42</b>	<b>1.43</b>	<b>1.45</b>	

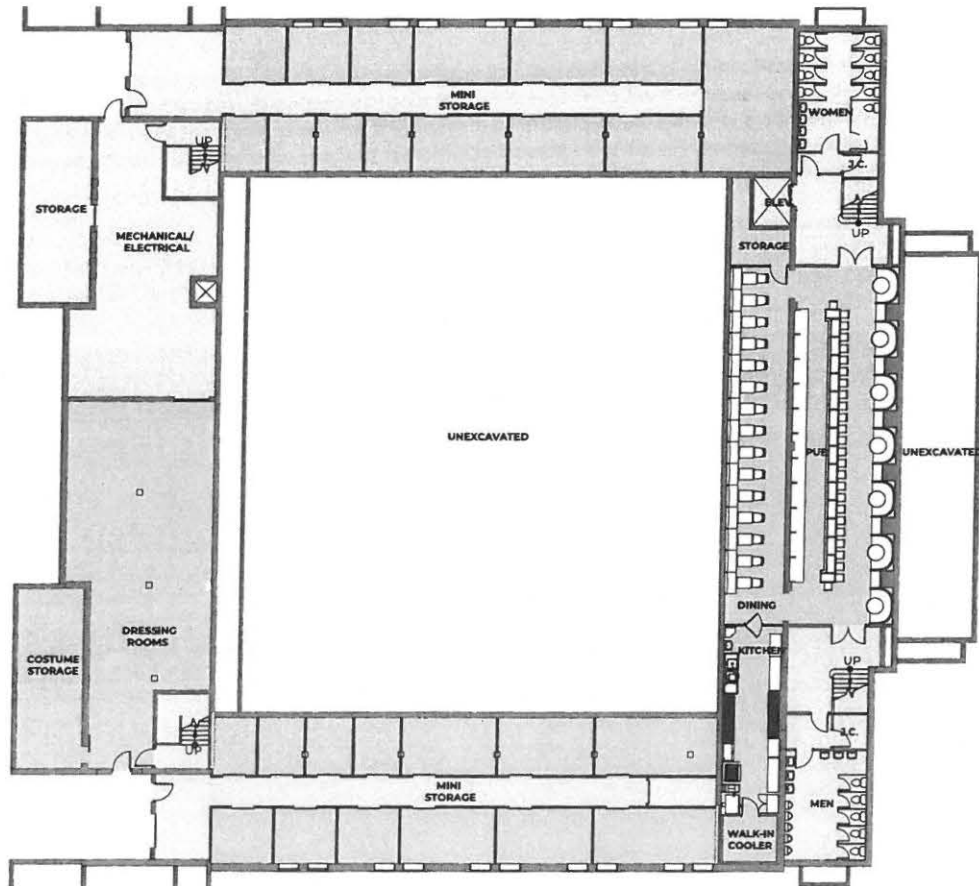


**Sheboygan  
LOAN AMORTIZATION**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Mini-Perm																
Principal	\$ 4,406,880															
Interest Rate	4.500%															
Months (amort)	360															
Months (term)	60															
Perm Conversion																
Month				10												
Year				2020												
Monthly Pmt							\$ 22,329									
Annual Pmt							\$ 267,948									
D.S. Constant							6.08%									
Months	0	3	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Cumulative (months)	0	3	15	27	39	51	63	75	87	99	111	123	135	147	159	171
Beginning Balance	\$ 4,406,880	\$ 4,406,880	\$ 4,389,405	\$ 4,317,509	\$ 4,242,311	\$ 4,163,657	\$ 4,081,391	\$ 3,995,345	\$ 3,905,346	\$ 3,811,213	\$ 3,712,755	\$ 3,609,774	\$ 3,502,062	\$ 3,389,402	\$ 3,271,566	\$ 3,148,317
Principal	-	17,475	71,896	75,199	78,653	82,267	86,046	89,999	94,133	98,458	102,981	107,712	112,660	117,836	123,249	128,911
Interest Incurred	-	49,512	196,052	192,750	189,295	185,682	181,902	177,949	173,815	169,490	164,967	160,236	155,288	150,112	144,699	139,037
Ending Balance	\$ 4,406,880	\$ 4,389,405	\$ 4,317,509	\$ 4,242,311	\$ 4,163,657	\$ 4,081,391	\$ 3,995,345	\$ 3,905,346	\$ 3,811,213	\$ 3,712,755	\$ 3,609,774	\$ 3,502,062	\$ 3,389,402	\$ 3,271,566	\$ 3,148,317	\$ 3,019,406
Total Payment	\$ -	\$ 66,987	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948	\$ 267,948



# CONCEPTUAL SITE PLAN & RENDERINGS



## BASEMENT FLOOR PLAN

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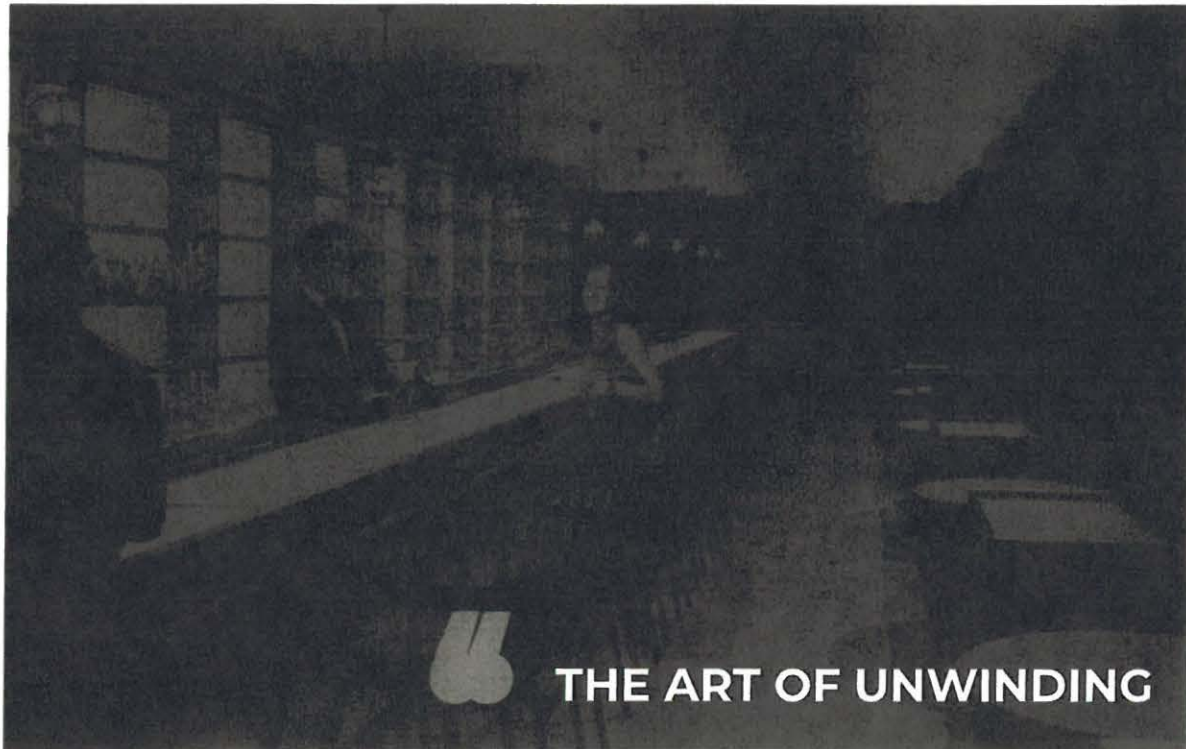
The basement will house the Rathskeller Pub, restrooms, mini storage, dressing rooms and storage for performances, and the mechanicals. The Rathskeller, which will be leased to a commercial tenant, is highlighted on the following page. Mini storage will be managed by the Armory Community Project and leased to the general public. Both represent part of The Armory Community Project's cost recovery plan and income generating potential.

# THE RATHSKELLER PUB

2,285 SF, \$12/SF RENT, \$2,285/MO. INCOME

The Pub will be leased to a for-profit entity. The ideal tenant will provide a quality, casual dining experience with a full menu of soups, small plates, entrees and desserts. It will offer seasonal outdoor patio seating shared with the Corridor Café. Patrons will enjoy a beer garden atmosphere with relaxed yard games adjacent to the patio on the front lawn, bringing nightlife to the lakefront. During large entertainment events, the Rathskeller will cater to those who want something beyond typical concession food and beverage options.

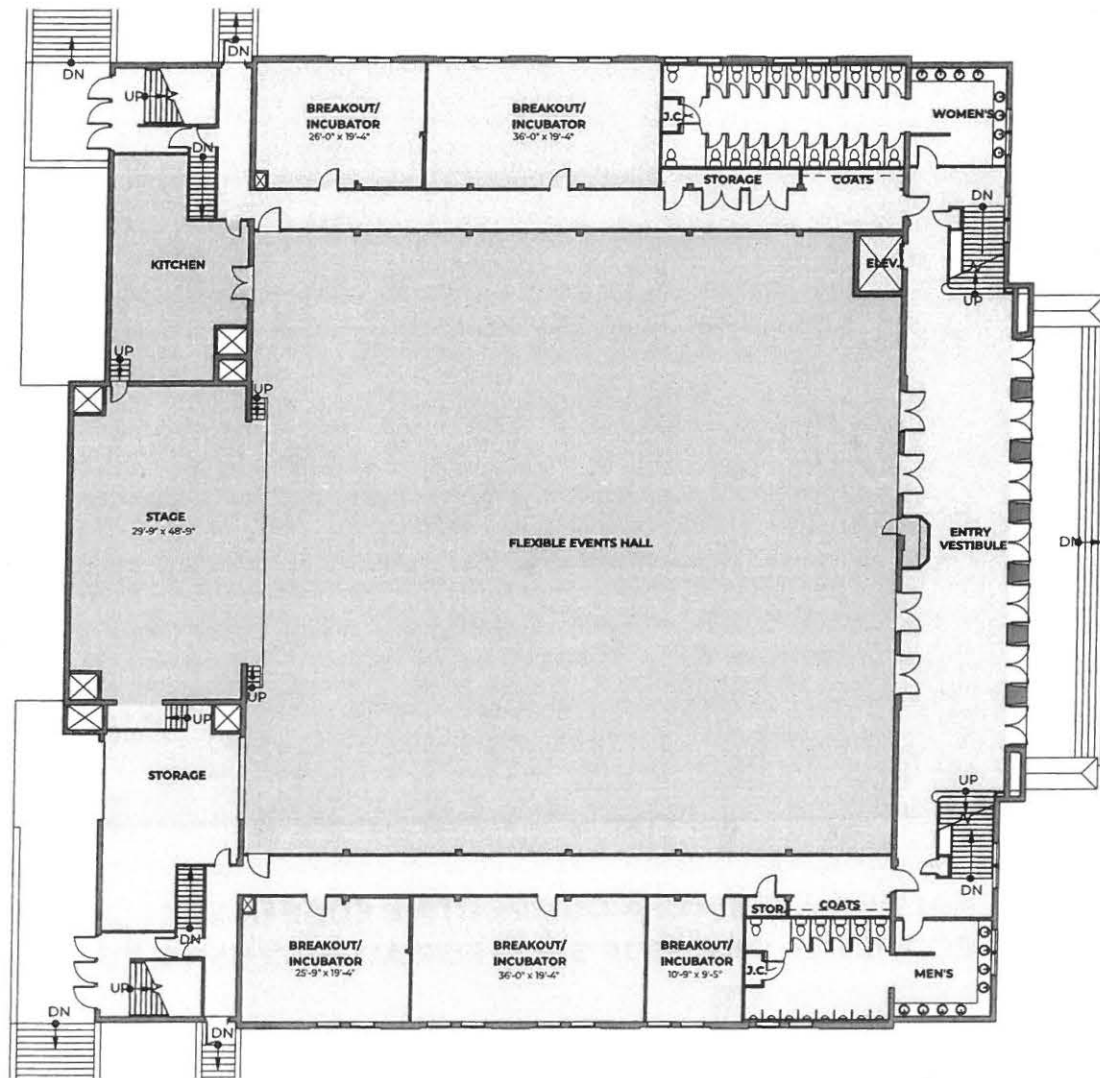
This concept was derived from local, regional, and national market research. According to the National Restaurant Association, 76% of Americans want to eat healthier than ever before, 70% of people are more likely to go to a restaurant that sells locally produced food, and 52% of Americans want to go to restaurants that support charity organizations and the local community. The Rathskeller will be a perfect example of all three of those features.



# MINI STORAGE

3,938 SF (NET), \$10.80/SF RENT, \$3,544/MO. INCOME

The Mini Storage area will be managed by The Armory Community Project as part of its income generating plan. There will be 28 units in seven different sizes, starting at 60 square feet and progressively increasing up to 400 square feet. The Mini Storage areas will be protected with security systems and entrance by passcode as well as security cameras. The units will be constructed of non-combustible materials with 13' high ceilings and will have smoke and fire sensors, fire sprinklers, and electricity. This operation will be well positioned as the closest storage facility for those residing in the Ellis District, the planned multi-family development to the west, and other upcoming multi-family developments to the south and two blocks to the west of the site.



## FIRST FLOOR PLAN

The first floor will feature a large flexible events hall and performance stage for corporate, dining, entertainment, recreation, and community events surrounded by collaborative, shared, recreational and commercial accelerator spaces. The hall, kitchen, and breakout/incubator rooms are highlighted on the following pages. All will be leased to the public and are indicative of The Armory Community Project's income generating potential and self-sustainability.

# ARMORY HALL



**THE HALL WILL CREATE A COMPETITIVE EDGE IN SHEBOYGAN BY BECOMING A ONE STOP SHOP FOR ALL-INCLUSIVE EVENTS.**

## FLEXIBLE SPACE

- Convention: meetings & conferences, trade shows & expos, fundraisers, swap meets, maker fairs.
- Entertainment: concerts, comedy, movies, shows, dinner theater
- Recreation: leagues (basketball, soccer, bean bag, kickball, dodgeball), dance, yoga, bounce houses
- Dining: banquets, weddings, food trucks nights, community dinners.

The Armory will offer a top-notch event experience with regular, high-quality, evening experiences as an entertainment hot spot for those searching for something to do that may otherwise travel to other cities for such enjoyment.

Armory Hall fills a void in the community not currently being met by other local venues. It offers a large space with breakout rooms for corporate events. It has a large capacity to host dining and entertainment events. It will host a multitude of recreational events, and it will do all of this in an accessible and affordable manner for all businesses, community members, and organizations.

The Armory Community Project will seek to utilize the event hall daily, with a variety of routine activities that occur weekdays during the day, Monday through Thursday evenings, Friday evenings, Saturday during the day, Saturday evenings, and Sundays. Programming and management of the space will be by The Armory staff.

VIII

R. C. No. \_\_\_\_\_ - 17 - 18. By FINANCE AND PERSONNEL COMMITTEE.  
April 16, 2018.

Your Committee to whom was referred Res. No. 173-17-18 by Alderpersons Donohue and Wolf authorizing the demolition of the Sheboygan Armory, a provision to return the site in its entirety to green space, and allowance for further development opportunities that may present in the future; recommends passing 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

Other Matters

73

Res. No. 173 - 17 - 18. By Alderpersons Donohue and Wolf. April 4, 2018.

A RESOLUTION to authorize the demolition of the Sheboygan Armory, a provision to return the site in its entirety to green space, and allowance for further development opportunities that may present in the future.

WHEREAS; The Sheboygan Armory in its present state is not suitable for commercial or other public use and;

WHEREAS; The City has made extended efforts to find a suitable, commercially viable project that is suitable for development of the property given its location in the center of the City's lakefront and;

WHEREAS; And as a result, two proposals have come before the Common Council, namely the Sheboygan Armory Project to refurbish and operate the Sheboygan Armory, and an apartment complex proposal by Scott Crawford LLC that requires the demolition of the Sheboygan Armory and;

WHEREAS; each proposal presents benefits to the community and;

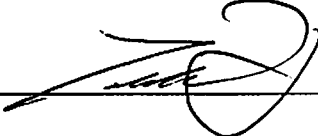
WHEREAS; each proposal also raises significant concerns regarding the economic viability of its specific proposal and;

WHEREAS; if the Armory building is razed, as previously authorized by actions of the Common Council, and restored to a neutral green space, the City will be in a position to consider further proposals for development of the site.

Finance +  
Personnel  
approve

RESOLVED: That the Sheboygan Armory be razed as previously authorized by the Common Council, and restored to green space.

AND BE IT FURTHER RESOLVED: That the City is authorized to consider other proposals for development of the site as may be presented in the future.



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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

VI

R. C. No. \_\_\_\_\_ - 17 - 18. By LAW AND LICENSING COMMITTEE. April 16, 2018.

Your Committee to whom was referred R. O. No. 325-17-18 by the City Clerk, submitting license applications for the period ending June 30, 2018, December 31, 2018 and June 30, 2019; recommends to refer to Licensing, Hearings, and Public Safety of the new council.

*R+H+PS  
2018-2019*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ 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.

9.2

R. O. No. 325- 17 - 18. By CITY CLERK. March 19, 2018.

Submitting various license applications for the period ending June 30, 2018, December 31, 2018 and June 30, 2019.

\_\_\_\_\_  
City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2087	Darling, Joann M.	1630 Cambridge Avenue
2102	Gonzalez, Brigitte A.	1334 Annie Court
2099	Hernandez, Gina M.	2208 S. 14 <sup>th</sup> Street
0699	Howell, Krista M.	1904A S. 14 <sup>th</sup> Street
2103	Murphy, Kevin P.	2803 Rolling Meadows Drive
2093	Ninnemann, Trisha L.	2543 Calumet Drive
2096	Torres, William	512 Wisconsin Avenue #4
2089	Wrench, Lindsay L.	6303 Deerpath Trail

TAXICAB DRIVERS LICENSE (December 31, 2018) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2092	Couch, Christopher A.	2043 Waverly Court
2090	Jackson, Nathan A.	2425 Songbird Court, Plymouth
2095	Venzke, Christopher M.	1445 S. 13 <sup>th</sup> Street

*Law + Licensing*  
 4-4-18 Hold T. Ninnemann (2093)  
 N Jackson (2090)  
 4-16-18 Hold Ninnemann + Jackson > Refer  
 to R.H.P.s of 2018/2019



R. C. No. \_\_\_\_\_ - 17 - 18. By LAW AND LICENSING COMMITTEE. April 16, 2018.

Your Committee to whom was referred R. O. No. 335-17-18 by the City Clerk, submitting license applications for the period ending June 30, 2018, December 31, 2018, April 14, 2019 and June 30, 2019; recommends to refer to Licensing, Hearings, and Public Safety of the new council.

*Full PS  
2018-2019*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ 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

R. O. No. 335 - 17 - 18. By CITY CLERK. April 4, 2018.

Submitting various license applications for the period ending June 30, 2018, December 31, 2018, April 14, 2019 and June 30, 2019.

\_\_\_\_\_  
City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2115	Baughman, Sarah E.	714A Huron Avenue
2106	Fenner, Robert	2602 Eisner Avenue
2120	Hoffman, Mary I.	1619 N. 17 <sup>th</sup> Street
2109	Horndasch, Nicholas P.	770 Main Street Apt.2, Belgium
2119	Leistekow, Megan B.	714 Huron Avenue
2122	Mueller, Alexandra A.	1516 Maryland Avenue
2121	Obranovich, Peter J.	601 David Avenue, Sheboygan Falls
2107	Samplawski, Cassondra A.	780 S. Pier Drive Unit 201
2116	Swita, Bradley R.	535 Petra Lane
2118	Woznicki, David A.	433 Center Avenue

TAXICAB DRIVERS LICENSE (December 31, 2018) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
8546	Frei, Dorris M.	1320 S. 16 <sup>th</sup> Street
1779	Jackson, Lawrence E.	3519 Saemann Avenue #3
2104	Johnson, Travis L.	1610 Blocki Court
0741	Sarabia, Jason J.	N1158 County Road I, Random Lake

COMMERCIAL QUADRICYCLE BUSINESS (December 31, 2018) (NEW)

<u>Name</u>	<u>Address</u>
Shebikin' Pedal Tours LLC	2205 S. 8 <sup>th</sup> Street

QUADRICYCLE DRIVER LICENSE APPLICATION (December 31, 2018) (NEW)

<u>Name</u>	<u>Address</u>
Vannieuwenhoven, Justin	2205 S. 8 <sup>th</sup> Street

*Rawt Licensing*  
*4-16-18*  
*Hbid #2122 (Mueller)*  
*#0741 (Sarabia)*  
*#2118 (Woznicki)*

CHANGE OF PREMISE

<u>No.</u>	<u>Name</u>	<u>Address</u>
1005	Al & Al's	1502 S. 12 <sup>th</sup> St. - One day event September 15, 2018 - Clara Ave. west of 12 <sup>th</sup> Street, south side of building and east of US Bank drive-through lanes.
1005	Al & Al's	1502 S. 12 <sup>th</sup> St. - Two day event October 5 & 6, 2018 - 12 <sup>th</sup> and Clara Intersection west 90' and 75' South on 12 <sup>th</sup> Street in current premise description.
1040	Brennans on Michigan	1101 Michigan Ave - One day event to be held May 6, 2018 - Include west and south parking lot in current premise description.
1089	Dave's Who's Inn Inc.	835 Indiana Avenue - One day event May 12, 2018 -East and south parking lot, ramp and drive way.

SIDEWALK CAFÉ LICENSE (RENEW) (April 14, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3129	Greece E Spoon	1217 N. 8 <sup>th</sup> Street
2604	Z Spot Espresso & Coffee	1024 Indiana Avenue
2742	8 <sup>th</sup> Street Ale Haus	1132 N. 8 <sup>th</sup> Street

VII

R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Gen. Ord. No. 25-17-18 by Alderperson Wolf amending the City's Snow Emergency and Winter Parking rules to provide for improved clearing of snow during snow emergencies and to improve efficiency in clearing streets all winter, given reductions in personnel and changes in procedures; recommends to refer to Public Works Committee of the new council.

*Public Works  
2018-2019*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

8.3

Gen. Ord. No. 25-17-18. By Alderperson Wolf. November 6, 2017.

AN ORDINANCE amending the City's Snow Emergency and Winter Parking rules to provide for improved clearing of snow during snow emergencies and to improve efficiency in clearing streets all winter, given reductions in personnel and changes in procedures.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Section 42-104 of the Municipal Code entitled "Emergency powers; parking restrictions during snow emergency" is hereby repealed and recreated in subsection (b) thereof so as to read as follows:

"Sec. 42-104. *Emergency powers; parking restrictions during snow emergency.*

. . .

(b) Whenever the powers conferred in this article are exercised because of a heavy snowstorm or blizzard, parking of vehicles on all city streets is completely prohibited during the period of the snow emergency."

Section 2. Section 118-242 of the Municipal Code entitled "No parking areas; exceptions for snow emergencies" is hereby repealed and recreated in subsection (a) thereof so as to read as follows:

"Sec. 118-242. *No parking areas; exceptions for snow emergencies.*

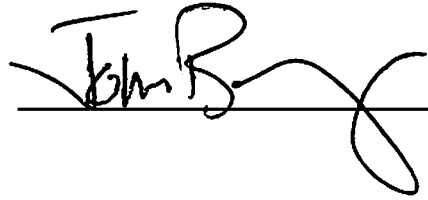
(a) During the winter season, between the hours of 12:00 midnight and 6:00 a.m., no owner or operator of any vehicle shall park or permit the vehicle to be parked:

- (1) On the even-numbered sides of the street (west and north sides) on odd-numbered days of the month, except that parking shall be permitted on the even-numbered side when the odd-numbered side is posted no parking.
- (2) On the odd-numbered sides of the street (east and south sides) on even-numbered days of the month, except that parking shall be permitted on the odd-numbered side when the even-numbered is posted no parking.

. . ."

*Public Works  
refer to Public Works  
2018-2019.*

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.



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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



R. C. No. \_\_\_\_\_ - 17 - 18. By PUBLIC WORKS COMMITTEE. April 16, 2018.

Your Committee to whom was referred Com. No. 6-17-18 presented to the Common Council by Alderperson Belanger submitting a communication from Jessica Jumes regarding vehicles that are racing east around the North Avenue curve; recommends referring to Public Works Committee of the new council.

*Public Works  
2018-2019*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

4.1

Com. No. 6 - 17 - 18. March 19, 2018.

Submitting a communication from Jessica Jumes regarding vehicles that are racing east around the North Avenue curve.

Presented to the Common Council by Alderperson John Belanger.  
Belanger

Public Works  
3.27.18 Hold.  
refer to Public Works  
2018. 2019.

**From:** Jessica Jumes [[jessicajumes@gmail.com](mailto:jessicajumes@gmail.com)]  
**Sent:** Monday, March 12, 2018 2:33 PM  
**To:** Alderperson Todd Wolf; Alderperson John Belanger  
**Subject:** North Avenue / Lake Area

Hi Todd and John!

I'm reaching out to see if there is any way you guys can help advocate for an adjustment on North Avenue. I live at 431 North Avenue and the major driving force for that specific home purchase was due to the amazing proximity to our beautiful lake! I walk and jog daily to take advantage of the beautiful location, but on a regular basis I need to dodge vehicles that are racing east around the North Avenue curve.

My neighbors to the East won't let their little girl bike around the block because of how dangerous that corner is, and the rest of us who walk or jog try to avoid it at all costs. Today was the final straw for me after 5 ½ years of consistently almost being hit by a car on that curve, so I decided to reach out :) It seems that the option of finding a way to get vehicles to slow down is a better choice than all of us avoiding a walking route that we purposely bought property near.

I've attached a map of the area I'm referring to – the pink circle is the general area/side of the street, and the green highlighting is the part of the street where cars seem to be going the fastest. While these cars are zooming around the curve and blindspot, they are also often times looking at the lake instead of the road which just doubles the danger. (Can't say I blame them for wanting to look at the lake though..;)

If you guys are able to look back into records of accidents, it seems that there is consistently someone who whips around the corner and gets into an accident (most recently with a tree). And remember, those actual accidents don't count the continuous near-misses that those of us who live here witness taking place.

Both sides of the street get significant pedestrian use from walkers, bikers, joggers, etc.. and I'm concerned that it is only a matter of time until the object being struck by a vehicle is a human instead of a tree. Given that we all know this is a concern and an issue, I thought I'd reach out to try to get ahead of anything ominous happening.

Kind regards,  
Jessica Jumes

II

Other Matters

R. O. No. 342-17 - 18. By CITY CLERK. April 16, 2018.

Submitting various license applications for the period ending June 30, 2018, December 31, 2018 and June 30, 2019.

\_\_\_\_\_  
City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2129	Bohara, Keshab	916 Mulberry Lane, Kohler
2134	Bukouricz, Jensen L.	W3718 South Drive, Plymouth
2138	Crary, Heather M.	3323 N. 13 <sup>th</sup> Street
2128	Dulmes, Kyle B.	3105 N. 25 <sup>th</sup> Street
2126	Engstrom, Fallyn	4014 N. 46 <sup>th</sup> Street
2139	Hinz, Matthew D.	830 N. Water Street #114
2132	Hoard, Stacey M.	708 Superior Avenue
2140	Mueller, Jonah P.	1719 Marvin Court
2127	Thao, Pangfoua C.	3722 Superior Avenue Apt. B1
2137	Wheeler, Michaela K.	2219 Terrace View Drive #3D
6521	Zillmer, Jennifer L.	4548 N. Evergreen Drive

SIDEWALK CAFÉ LICENSE (RENEW) (April 14, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3150	Craft 30	1015 S. 10 <sup>th</sup> Street

Refer to  
Hearings, Licensing,  
P.S. of new  
Council.