



Take notice that the City of Ashland Common Council will meet at 6:00 PM in the City Hall Council Chambers, 601 Main Street W. Ashland, WI to consider and act upon the following agenda.

To attend the meeting from your computer, tablet or smartphone:
<https://global.gotomeeting.com/join/500263957> Access Code: 500-263-957
Or dial in using your phone. United States (Toll Free): 1-877-309-2073
Please contact the Clerk's office if you require accommodations to attend the meeting.

Tuesday, July 14, 2026 Ashland City Council Meeting Agenda

1. CALL TO ORDER

A. Roll Call, Moment of Silence and Pledge of Allegiance

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

A. June 30, 2026 City Council and Committee of the Whole Meeting Minutes

4. CITIZEN PARTICIPATION PERIOD

5. MAYOR'S REPORT

A. Announcements

B. Appointments

6. ADMINISTRATOR'S REPORT

7. CONSENT AGENDA

A. Miscellaneous Minutes

8. OLD BUSINESS

- A. **Resolution Authorizing the Issuance and Sale of up to \$177,190 Sewerage System Revenue Bonds, Series 2026, and Providing for Other Details and Covenants with Respect Thereto, and Approval of Related Financial Assistance to Benefit Turner Road Lift Station Upgrades (*Public Works*) Roll**
- B. **Resolution Authorizing the Issuance and Sale of up to \$371,886 Water System Revenue Bonds, Series 2026, and Providing for Other Details and**

Covenants with Respect to, and Approval of Related Financial Assistance Agreement to Benefit the Chapple Avenue and Prentice Avenue Reconstruction-Watermain Projects *(Public Works)* Roll

- C. **Authorization to Perform Professional Engineering Services between Cedar Corporation and the City of Ashland for Curb Ramp Design for the 2027 3rd Street West Mill & Overlay Project** *(Public Works)* Roll
- D. **Authorization to Perform Professional Engineering Services between Cedar Corporation and the City of Ashland for Curb Ramp Design for the 2027 Beaser Avenue Mill & Overlay Project** *(Public Works)* Roll
- E. **Ordinance Creating Chapter 508 (2026-2044) Operation of Golf Carts** *(Police Department)* Roll
- F. **Ordinance to Amend Chapter 889 (2022-1963) Mobile Food Establishments, Concessions And Food Vendors to Align with Wisconsin State Statutes** *(Clerk)* Roll

9. NEW BUSINESS

- A. **Alcohol Beverage license Application for Class B Fermented Malt Beverages and Class C Wine for The Boathouse Cafe LLC dba The Boathouse Cafe at 620 Lake Shore Drive East, Agent Tony Eng** *(Clerk)* Voice

10. ADJOURNMENT

The City of Ashland does not discriminate on the basis of sex, race, creed, color, national origin, sexual orientation, age or disability in employment or provision of services, programs or activities.

Upon reasonable notice, the City of Ashland will accommodate the needs of disabled individuals or individuals with limited English proficiency. For additional information or to request this service, contact the City Clerk's Office at 715-682-7071 (not a TDD telephone number).

ASHLAND CITY COUNCIL MEETING MINUTES

1. CALL TO ORDER

The Tuesday, June 30, 2026 Ashland City Council meeting was called to order by Mayor Matt MacKenzie at 6:00 p.m.

A. **Roll Call, Moment of Silence and Pledge of Allegiance**

PRESENT: Kevin Seefeldt, Shawn Brede, Peter Levi, Andrew Goyke, Paul Vig, Charlie Ortman, Nancy Sztynдор

ALSO PRESENT: Mayor Matthew MacKenzie, City Administrator Brant Kucera, City Clerk Denise Oliphant, City Attorney Tyler Wickman, Public Works Director John Butler, Planning Director Steven Wiley, Fire Chief Stuart Matthias, Parks Director Catlyn Cornelius, Police Chief Brandon Marten, Utility Supervisor Brian Ledin, and other interested citizens.

2. APPROVAL OF AGENDA

A motion by Sztynдор, seconded by Goyke to approve the agenda as presented, carried unanimously by voice vote.

3. APPROVAL OF MINUTES

A. **June 9, 2026 City Council and Committee of the Whole Meeting Minutes**

A motion by Goyke and seconded by Sztynдор to approve the minutes, carried unanimously by voice vote.

4. CITIZEN PARTICIPATION PERIOD

The Clerk read the Rules for Citizen Participation, and the following offered their comments to the Council:

June Bavlnka, 2729 Lake Shore Drive East, #3, requested the City revisit the bike crossing at the east end of town near Walmart.

5. MAYOR'S REPORT

A. **Announcements**

Road construction projects continue on 13th Avenue East and Prentice Avenue. The Joint Review Board held a meeting on June 29, 2026 to review TIF Districts and financial status. Mac Kenzie commented on the progress on the boat launch project and thanked the Public Works Department for their continued efforts to keep this project going. There is a Primary Election on August 11, 2026 and absentee ballots have begun to be sent out. In-person absentee voting will begin in late July. The City's Fourth of July celebration includes a parade and fire run with fireworks to follow. Other activities include the Farmer's Market to be held on Saturday as well Concerts in the Park on Thursday in Pearson Park.

B. Appointments

A motion by Seefeldt, seconded by Szyndor to approve the Mayor's appointments, passed unanimously by voice vote. These include David Eades, a reappointment to the Board of Zoning Appeals to expire in June 2029, David Eades, appointment as an alternate member of the Board of Review, to expire June 2031, and Carl Doersch, a reappointment to the BART Board, term to expire July 2028.

6. ADMINISTRATOR'S REPORT

Kucera thanked the City staff who participated in a city-wide clean-up on June 19, 2026. Main Street west was resurfaced, and parking spaces were to be repainted in the near future. He received numerous requests from East Main Street merchants for flowers on their end of town.

7. PUBLIC HEARING

A. Public Hearing Regarding a request to vacate City Right-of-Way including undeveloped portions of 21st Avenue East and 7th Street East located east of the City of Ashland Public Works Facility and west of 22nd Street defined as follows:

A portion of 21st Ave. E. & 7th St. E. located adjacent to Blocks 88, 111 & 113 of Lake Shore Addition as located in portions of the SE ¼ - NW ¼ & NE ¼ - SW ¼, Section 34, Township 48 North, Range 4 West, City of Ashland, Ashland County, WI more particularly described as follows:

Commencing at the N ¼ corner of said section; Thence S00°23'35"W along the monumented east line of the NW ¼ a distance of 1,400.32 feet to the intersection with the northerly right of way of 7th St. E. which is the Point of Beginning; Thence S00°23'35"W and continuing along said monumented east line a distance of 78.28 feet to the intersection with the southerly right of way of 7th St. E.; Thence S57°51'37"W along said southerly right of way a distance of 107.35 feet; Thence N59°41'20"W a distance of 176.29 feet to the intersection with the west line of 21st Ave. E.; Thence N32°23'51"W along said west line a distance of 208.29 feet to the southerly right of way of 6th St. E.; Thence N57°47'15"E along said southerly right of way a distance of 60.00 feet to the intersection with the easterly right of way of 21st Ave. E.; Thence S32°23'51"E along said right of way a distance of 298.67 feet to the intersection with the northerly right of way of 7th St. E.; Thence N57°51'37"E along

said right of way a distance of 170.58 feet to the Point of Beginning. (*Planning and Development*) Roll

A motion by Seefeldt and seconded by Goyke to enter into Public Hearing was approved unanimously by roll call vote.

Wiley explained there were no comments received prior to the Public Hearing. It was made known that a Class III notice was posted in the City's official newspaper two times, posted at the Vaughn Public Library, Ashland County Court House, and at City Hall, as well as noticed by mail to affected homeowners. No citizens presented wished to comment.

A motion by Ortman and seconded by Sztynodor to move out of Public Hearing, was passed unanimously by voice vote.

8. CONSENT AGENDA

A. Miscellaneous Minutes

B. Restructuring Fleet Maintenance Manager Position (*Public Works*)

Butler introduced the item. A motion by Sztynodor, seconded by Seefeldt to advance the item to the next Council meeting for formal approval, passed unanimously by voice vote.

As Council did not feel enough time would allow, Goyke moved, seconded by Sztynodor to table the last agenda item to the next Committee of the Whole meeting. The motion carried unanimously by voice vote.

C. Application for an Alcohol Beverage License for Class B Fermented Malt Beverage and Class C Wine for Applicant Frankies Family Pizza LLC dba Frankie's Pizza at 1315 Front Street East, Ashland, and Agent Michael Welty (*Clerk*)

D. Application for an Alcohol Beverage License for Class B Fermented Malt Beverage and Class B Intoxicating Liquor for Applicant Tarasco LLC dba Tarasco Mexican Restaurant at 2320 Lake Shore Drive West, Ashland, and Agent Jose Alvarez (*Clerk*)

A motion by Ortman, seconded by Seefeldt to approve the consent agenda which included alcohol beverage licenses application for Frankie's Pizza and Tarasco Mexican Restaurant, the newly restructured Fleet Maintenance Manager position, and miscellaneous minutes. The motion passed unanimously by voice vote.

9. OLD BUSINESS

A. Professional Services Proposal from MSA Professional Services, Inc. to Complete the 2026 Comprehensive Plan Update (*Planning and Development*) Roll

A motion by Seefeldt, seconded by Goyke to accept the professional services proposal from MSA for \$63,000, passed unanimously by roll call vote.

10. NEW BUSINESS

- A. **Resolution to Discontinue Undeveloped Right of Way Located at that Portion of 21st Avenue East Adjacent to Parcel No. 201-03768-0000 and No. 201-03717-0000, and Undeveloped Right of Way Adjacent to Parcel No. 201-03717-0000 and No. 201-05077-0200** (*Planning and Development*) Roll
A motion by Ortman, seconded by Sztynдор to approve the resolution, passed unanimously by roll call vote.
File #17881
- B. **Resolution to Approve a Request to Transfer City-Owned Property Including a Portion of Parcel No. 201-03768-0000, Parcel No. 201-03717-0000, a Portion of Parcel # 201-03772-0000, a Portion of Parcel # 201-05077-0200, and Undeveloped Right-of-Way Areas between these Parcels and Combined via Certified Survey Map, Zoned Heavy Industrial (HI) and Public Institutional (PI), and Convey said Land Area to Bill Gast or Brian Olby** (*Planning and Development*) Roll
A motion by Ortman, seconded by Sztynдор to approve the resolution, passed unanimously by roll call vote.
File #17882
- C. **Resolution to Approve a Request for the City of Ashland to Acquire Parcel No. 201-004490-0000, No. 201-04498-0000, No. 201-04499-0000, and No. 201-04500-0000, Owned by the Willian and Ann Gast Trust; Applicant: City of Ashlan Planning and Development Department** (*Planning and Development*) Roll
A motion by Chrlie Ortman, seconded by Sztynдор to approve the resolution, passed unanimously by roll call vote.
File #17883
- D. **Ordinance to Amend Chapter 800 (1130) Ordinance to Amend the Official Zoning Map of the City of Ashland, Ashland City Ordinances, to Rezone Portions of Parcels No. 201-03768-0000 and No. 201-03772-0000, and Parcel No. 201-03717-0000 from Public Institutional (PI) to Heavy Industrial (HI), to be included as a combined parcel via Certified Survey Map** (*Planning and Development*) Roll
A motion by Ortman, seconded by Sztynдор to approve the ordinance, passed unanimously by roll call vote.
File #2026-2042
- E. **Consider a Resolution to Acknowledge Review of the 2025 Compliance Maintenance Annual Report (CMAR) for the Ashland Wastewater Utility Pursuant to the Requirements of NR 208, Wisconsin Administrative Code** (*Public Works*) Roll
A motion by Ortman, seconded by Vig to approve the resolution, passed unanimously by roll call vote.
File #17884

11. CLOSED SESSION - Council may reconvene in Open Session to take action on any item discussed during Closed Session.

A motion by Goyke and seconded by Sztynдор to enter into Closed Session and allow Chief Marten to remain, passed unanimously by roll call vote.

- A. **Pursuant WI Statute 19.85(1)(c): "Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility." (Fire Department)**
- B. **Return to Open Session (Voice)**
Goyke moved, seconded by Ortman to return to Open Session. The motion passed unanimously by voice vote.
- C. **Report of Action Taken During Closed Session**
Mac Kenzie reported there was no action taken during Closed Session.

A motion by Ortman, seconded by Goyke to accept the resignation agreement, passed unanimously by roll call vote.

12. ADJOURNMENT

A motion by Goyke and seconded by Seefeldt to adjourn was passed unanimously by voice vote.

Respectfully Submitted,

Denise Oliphant,
City Clerk

COMMITTEE OF THE WHOLE MEETING MINUTES

The Tuesday, June 30, 2026 City of Ashland Committee of the Whole Meeting was called to order by Council President Charlie Ortman at 7:00 PM.

1. **Roll Call**

PRESENT: Kevin Seefeldt, Shawn Brede, Peter Levi, Andrew Goyke, Paul Vig, Charlie Ortman, Nancy Sztynдор

ALSO PRESENT: Mayor Matthew MacKenzie, City Administrator Brant Kucera, City Clerk Denise Oliphant, City Attorney Tyler Wickman, Public Works Director John Butler, Police Chief Brandon Marten, and other interested citizens.

2. **Approval of Agenda**

A motion by Sztynдор, seconded by Seefeldt to approve the agenda, passed unanimously by voice vote.

3. **Council President's Report**

Ortman pointed out that he believed, under a tourism commission, tourism taxes may be able to be spent on highway crossings.

4. **Items for Discussion and Possible Action**

A. **Ordinance Amendments Regarding Vending Concessionaires in City Parks (*Mayor*)**

Mac Kenzie introduced the item as the current ordinance needs to be compliant with the State Statute regarding the age of vendors. After discussion, Council recommended making amendments to the ordinance and forward to the next Council agenda for formal approval.

B. **Review Draft Ordinance Creating Chapter 508 (2026-XXXX) Operation of Golf Carts (*Police Department*)**

Marten discussed the item with Council. Sztynдор moved, seconded by Vig to forward the ordinance amendment to the next Council agenda for formal approval. The motion passed unanimously by voice vote.

C. **Presentation, Discussion and Possible Action on Sewer Rates (*Public Works*)**

Butler offered a presentation and answered questions from Council. After discussion, Seefeldt moved, seconded by Sztynдор to forward the item to Council for formal approval of the second proposal made by Ehlers. The motion carried unanimously by voice vote.

D. **Contracts with Cedar Corporation for 2027 Mill & Overlay Projects (*Public Works*)**

Butler began discussion of this item. Sztynдор moved, seconded by Seefeldt, to forward the item to Council for formal approval. The motion carried unanimously by voice vote.

5. **Adjournment**

Goyke moved, seconded by Vig to adjourn. This motion carried unanimously by voice vote.

Respectfully Submitted,

Denise Oliphant,
City Clerk

Ref: 2026-135

COUNCIL AGENDA: 5.B.
(7/14/2026)

SUBJECT: Appointments

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Mayor

CLEARANCES: Mayor

EXHIBITS: 1. J Rupnik Volunteer form - redacted

**EXPENDITURES
REQUIRED:**

AMOUNT BUDGETED:

**APPROPRIATION
REQUIRED:**

**TREASURER'S
CERTIFICATE:** NA

COMPLIANCE WITH CHAPTER 51: Section 51.26 (b) of Chapter 51, Ashland City Ordinances, permits the Mayor and/or Clerk to schedule items directly for Council action. The Mayor and/or City Clerk has chosen to direct this item directly to Council pursuant to the authority granted to them in Chapter 51, Ashland City Ordinances.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN:

SUMMARY STATEMENT:

The Mayor is requesting approval of the following appointment:

Beautification Council
Jackie Rupnik, term to expire February 15, 2029

Find yourself next to the water.

A S H L A N D

City of Ashland, Wisconsin

601 Main Street West Ashland, WI 54806 www.coawl.org

OFFER TO VOLUNTEER FORM

I would like to be considered a nominee for the following committee or committees:

Ashland Beautification Council

Write a brief statement of education and training:

BS - Psychology, MS - Community Counseling

Biography: (Need a sense of who you are as an individual. For example, general background, work history, life experiences, volunteer activities, special interests, special skills, hobbies, personality, people skills, etc.)

Saron Lutheran Church Layman
Volunteer with Beautification - Ellis Ave &
some of the other gardens - plant a lot
of private garden for others -
work at NLC - 7 years -

Individual references/referred by (please include phone #):

Beth Ament -

Joyce Doglin -

Contact information:

Jackie Rupnik

Name (Please print)

Phone #

all ellis Ave Ashland WI 54806

Address

E

CITY OF ASHLAND
POLICE & FIRE COMMISSION MEETING

Monday, March 9, 2026 – 5:15 p.m.

Hybrid Meeting – Ashland Fire Dept. and GoTo Meeting

1. CALL TO ORDER:

Ed Monroe, President, called the meeting to order at 5:15 pm.

2 ROLL CALL:

Members Attended: Ed Monroe, Melissa O'Connor, Tom Tolliver, Matt Horning, Ron Sztynдор

Members Excused: Fire Chief Matthias

Others Attended: Police Chief Hagstrom, Cpt. Kurt Blakeman, Emily Hanson

3. APPROVAL OF AGENDA ITEMS:

A motion to approve the current agenda items was made by Ron Sztynдор, seconded by Tom Tolliver, and passed unanimously.

4. APPROVAL OF MINUTES FROM DECEMBER 8, 2025 MEETING:

A motion to approve the minutes from the previous meeting was made by Matt Horning, seconded by Ron Sztynдор, and passed unanimously.

5. POLICE DEPARTMENT BUSINESS:

Administrative Report

Chief Hagstrom went over the Police Department report that was emailed to the commission members and available at the meeting in hardcopy. The report consisted of statistics from December 1, 2025 through February 28, 2026. There was an average of 18.4 calls per day, there were 115 arrests, 9 emergency detentions and 42 reportable accidents.

Chief Hagstrom let the Commission know that he listed some patrol/investigation incidents that were more than just routine, along with situations where physical force was used.

Discussion regarding the proposed pipeline was had.

A motion to approve Chief Hagstrom's report was made by Ed Monroe, seconded by Ron Sztynдор, and passed unanimously.

6. FIRE DEPARTMENT BUSINESS:

Administrative Report

Cpt. Kurt Blakeman went over the Fire Department report that was emailed to the commission members and available at the meeting in hardcopy. The report consisted of statistics from December 1, 2025 through February 28, 2026. The department responded to 742 incidents.

CITY OF ASHLAND
POLICE & FIRE COMMISSION MEETING
Monday, March 9, 2026 – 5:15 p.m.
Hybrid Meeting – Ashland Fire Dept. and GoTo Meeting

A motion to approve the Fire Department's report was made by Ron Sztynдор, seconded by Tom Tolliver, and passed unanimously.

7. HIRING OF CHIEF OF POLICE:

Brandon Marten, a current Lieutenant with the Ashland Police Department, had been interviewed by the Commission on February 23, 2026. A motion was made to hire Mr. Marten as the Chief of Police, replacing a retiring Bill Hagstrom, by Matt Horning, seconded by Ron Sztynдор and passed with a unanimous roll call vote.

8. UPDATE ON SURVEY FOR RANK AND FILE OF OFFICERS:

It was suggested to include a place to put the employee's department on the survey, as well as their name but only if they choose to. It was decided to move forward with emailing the surveys out once the mentioned changes have been made.

9. NEXT REGULAR MEETING DATE:

The next regular meeting will be held on Monday, June 8, 2026 at 5:15 p.m. This will be a hybrid meeting; those that choose to attend in-person can do so at the Ashland Fire Department, and others will have the option to attend virtually via GoTo Meeting.

10. CLOSED SESSION:

A roll call vote was made to enter into closed session.

Ed Monroe, President, announced that they will enter into closed session per Wisconsin State Statute 19.85(1)(c). "To consider employment, promotion, compensation or performance evaluation data of any public employee over which the commission has jurisdiction or exercises responsibility."

Chief Hagstrom and Cpt. Kurt Blakeman attended the closed session due to their presence being necessary for the business at hand.

11. RETURN TO OPEN SESSION:

A motion to return to open session was made by Ron Sztynдор, seconded by Melissa O'Connor, and passed unanimously.

12. REPORT ACTION TAKEN IN CLOSED SESSION:

Probation and Personnel Reports were given by both Chief Hagstrom and Cpt. Blakeman. The reports were approved unanimously by the commission in closed session.

CITY OF ASHLAND
POLICE & FIRE COMMISSION MEETING

Monday, March 9, 2026 – 5:15 p.m.

Hybrid Meeting – Ashland Fire Dept. and GoTo Meeting

Sean Presnail was approved for promotion as he has completed all of his probationary requirements. A motion to reaffirm the business taken during closed session was made by Ron Sztynodor, seconded by Tom Tolliver, and passed unanimously.

13. ADJOURNMENT:

The Commission thanked Chief Hagstrom for his many years of service and wishes him well in his future endeavors.

A motion to adjourn the meeting was made by Ron Sztynodor, seconded by Matt Horning, and approved unanimously. Meeting was adjourned at 6:07 pm.

Respectfully Submitted
Emily Hanson, Admin Asst.

Ref: 2026-136

COUNCIL AGENDA: 8.A.
(7/14/2026)

SUBJECT: Resolution Authorizing the Issuance and Sale of up to \$177,190 Sewerage System Revenue Bonds, Series 2026, and Providing for Other Details and Covenants with Respect Thereto, and Approval of Related Financial Assistance to Benefit Turner Road Lift Station Upgrades (*Public Works*) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: Finance Director
Public Works Director
Approved by Council- various dates project contracts. See summary statement for details.

EXHIBITS:

1. Proposed Resolution No. 17885
2. State of WI Clean Water Fund Program - Financial Assistance Agreement

EXPENDITURES REQUIRED: N/A

AMOUNT BUDGETED: N/A

APPROPRIATION REQUIRED: N/A

TREASURER'S CERTIFICATE: N/A

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved for this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN: The proposed revenue bonds conform to the goals and community values identified in the City of Ashland's Comprehensive Plan.

SUMMARY STATEMENT:

The approval of the attached resolution and financial assistance agreement (FAA) is required to obtain Wisconsin Department of Natural Resources (WI DNR) Clean Water Loan Program (CWLP) financing needed to pay for the Turner Road Lift Station Upgrades Project, previously authorized by the Council.

At the May 13, 2025 meeting, the Council approved entering into an agreement with Ritola, Inc for construction of the project which was completed in Fall 2025. Council and/or City staff have also approved various agreements for professional services that are included in the FAA as well.

Costs eligible for WI DNR funding total \$506,258, with the WI DNR providing \$329,068 in principal forgiveness. The remaining \$177,190 will be financed by the City Sewer Utility at the CWLP subsidized rate of 1.419% with the balance to be amortized over a 20-year period. Repayment of this debt has been included in financial projections that informed the proposed sewer rate increases that were recently presented to Council.

Council is asked to approve the required resolution authorizing the issuance of Sewer System Revenue Bonds and the accompanying Financial Assistance Agreement for the financing of the above-described projects.

RESOLUTION NO. 17885

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$177,190 SEWERAGE SYSTEM REVENUE BONDS, SERIES 2026, AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT THERETO, AND APPROVAL OF RELATED FINANCIAL ASSISTANCE AGREEMENT

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

WHEREAS, pursuant to a resolution adopted by the Governing Body on December 9, 2014 (the "2014 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2014, dated December 23, 2014 (the "2014 Bonds") which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on November 15, 2016 (the "2016 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2016, dated December 14, 2016 (the "2016 Bonds") which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on July 31, 2018 (the "2018 Resolution"), the Municipality has heretofore issued its Sewerage System Mortgage Revenue Bonds, dated August 10, 2018 (the "2018 Bonds") which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on February 8, 2022 (the "2022 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2022, dated February 23, 2022 (the "2022 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on October 11, 2022 (the "2022B Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2022B, dated October 26, 2022 (the "2022B Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on June 25, 2024 (the "2024 Resolution"), the Municipality has heretofore issued its Sewerage System Revenue Bonds, Series 2024, dated July 10, 2024 (the "2024 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, the 2014 Bonds, the 2016 Bonds, the 2018 Bonds, the 2022 Bonds, the 2022B Bonds and the 2024 Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2014 Resolution, the 2016 Resolution, the 2018 Resolution, the 2022 Resolution, the 2022B Resolution and the 2024 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project")

assigned Clean Water Fund Program Project No. 4525-26 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans and specifications of the Project, or portions thereof, issued under Section 281.41, Wisconsin Statutes, assigned No. S-2025-0381 and dated June 13, 2025 by the DNR; and

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

WHEREAS, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell sewerage system revenue bonds of the Municipality payable solely from the revenues of the System, pursuant to the provisions of Section 66.0621, Wisconsin Statutes, to pay the cost of the Project; and

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

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

NOW, THEREFORE BE IT RESOLVED by the Governing Body of the Municipality that:

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

- (a) "Act" means Section 66.0621, Wisconsin Statutes;
- (b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;
- (c) "Bonds" means the \$177,190 Sewerage System Revenue Bonds, Series 2026, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;
- (d) "Bond Year" means the twelve-month period ending on each May 1;
- (e) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;
- (f) "Debt Service Fund" means the Debt Service Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;
- (g) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department

of Administration and the Municipality pursuant to which the Bonds are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;

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

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

(j) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from sewerage charges imposed by the Municipality, all payments to the Municipality under any wastewater treatment service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees, any tax incremental district revenues or other revenues of the Municipality appropriated by the Governing Body to the System pursuant to Section 9, and any special assessments levied and collected in connection with the Project;

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

(l) "Municipality" means the City of Ashland, Ashland and Bayfield Counties, Wisconsin;

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

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

(o) "Prior Bonds" means the 2014 Bonds, the 2016 Bonds, the 2018 Bonds, the 2022 Bonds, the 2022B Bonds and the 2024 Bonds, collectively;

(p) "Prior Resolutions" means the 2014 Resolution, the 2016 Resolution, the 2018 Resolution, the 2022 Resolution, the 2022B Resolution and the 2024 Resolution, collectively;

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

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

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

comprising part of or used or useful in connection with such sewerage system and including all appurtenances, contracts, leases, franchises, and other intangibles;

(t) "2014 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2014, dated December 23, 2014;

(u) "2014 Resolution" means a resolution adopted by the Governing Body on December 9, 2014 authorizing the issuance of the 2014 Bonds;

(v) "2016 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2016, dated December 14, 2016;

(w) "2016 Resolution" means a resolution adopted by the Governing Body on November 15, 2016 authorizing the issuance of the 2016 Bonds;

(x) "2018 Bonds" means the Municipality's Sewerage System Mortgage Revenue Bonds, dated August 10, 2018;

(y) "2018 Resolution" means a resolution adopted by the Governing Body on July 31, 2018 authorizing the issuance of the 2018 Bonds;

(z) "2022 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2022, dated February 23, 2022;

(aa) "2022 Resolution" means a resolution adopted by the Governing Body on February 8, 2022 authorizing the issuance of the 2022 Bonds;

(bb) "2022B Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2022B, dated October 26, 2022;

(cc) "2022B Resolution" means a resolution adopted by the Governing Body on October 11, 2022 authorizing the issuance of the 2022B Bonds;

(dd) "2024 Bonds" means the Municipality's Sewerage System Revenue Bonds, Series 2024, dated July 10, 2024; and

(ee) "2024 Resolution" means a resolution adopted by the Governing Body on June 25, 2024 authorizing the issuance of the 2024 Bonds.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of \$177,190; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Clean Water Fund Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Sewerage System Revenue Bonds, Series 2026" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 1.419% per annum; shall be issued in denominations of \$0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on November 1, 2026 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

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

Section 4. Form, Execution, Registration and Payment of the Bonds. The Bonds shall be issued as registered obligations in substantially the form attached hereto as Exhibit A and incorporated herein by this reference.

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

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

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

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

Section 6. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the

principal of and interest on the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created and established by a resolution adopted on September 29, 1998, continued by the Prior Resolutions and are hereby continued and shall be used solely for the following respective purposes:

- (a) Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund, the Reserve Account and the Surplus Fund in the amounts and in the manner set forth in Section 7 hereof and used for the purposes described below.
- (b) Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.
- (c) Debt Service Fund, which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due.
- (d) Reserve Account, established by the 2018 Resolution for the 2018 Bonds (the "Reserve Account"). The Reserve Account is not pledged to the payment of the principal of or interest on the Bonds, the 2014 Bonds, the 2016 Bonds, the 2022 Bonds, the 2022B Bonds or the 2024 Bonds and monies on deposit therein shall under no circumstances be used for that purpose.
- (e) Surplus Fund, which shall first be used whenever necessary to pay principal of, premium, if any, or interest on the Prior Bonds, the Bonds and Parity Bonds when the Debt Service Fund, including the Reserve Account shall be insufficient for such purpose, and thereafter shall be disbursed as follows: (i) at any time, to remedy any deficiency in any of the Funds provided in this Section 6 hereof; and (ii) money thereafter remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts created or continued in this section or to reimburse the general fund of the Municipality for advances made by the Municipality to the System.

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

- (a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and for the following month (after giving effect to available amounts in said Fund from prior deposits);
- (b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds

coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source);

- (c) to the Reserve Account, any amount required by the 2018 Resolution or a future resolution authorizing the issuance of Parity Bonds to fund the Reserve Account; and
- (d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

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

It is the express intent and determination of the Governing Body that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures, and the amounts deposited in the Reserve Account shall be sufficient to fund the Reserve Account for the 2018 Bonds and any Parity Bonds secured thereby.

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

Section 9. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing sewerage services for public purposes shall be charged against the Municipality and shall be paid in monthly installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the revenues derived from the System; that is to say, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the Municipality in each year shall be equal to an amount

which, together with other revenues of the System, will produce in each Fiscal Year Net Revenues equivalent to not less than the annual principal and interest requirements on the Prior Bonds, the Bonds, any Parity Bonds and any other obligations payable from the revenues of the System then outstanding, times the greater of (i) 110% or (ii) the highest debt service coverage ratio required with respect to any obligations payable from revenues of the System then outstanding. However, such payment out of the tax levy shall be subject to (a) approval of the Public Service Commission, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of the services rendered to the Municipality and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

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

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

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

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

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

may calculate would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

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

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

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

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Clean Water Fund Program for the purchase price of up to \$177,190 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

Section 13. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited by the Municipality into a special fund designated as "Sewerage System CWFP Project Fund." The Sewerage System CWFP Project Fund shall be used solely for the purpose of paying the costs of the Project as more fully described in the preamble hereof and in the Financial Assistance Agreement. Moneys in the Sewerage System CWFP Project Fund shall be disbursed within three (3) business days of their receipt from the State of Wisconsin and shall not be invested in any interest-bearing account.

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

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

Section 16. Rebate Fund. Unless the Bonds are exempt from the rebate requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Municipality shall establish and maintain, so long as the Bonds and any Parity Bonds are outstanding, a separate account to be known as the "Rebate Fund." The sole purpose of the Rebate Fund is to provide for the payment of any rebate liability with respect to the Bonds under the relevant provisions of the Code and the Treasury Regulations promulgated thereunder (the "Regulations"). The Rebate Fund shall be maintained by the Municipality until all required rebate payments with respect to the Bonds have been made in accordance with the relevant provisions of the Code and the Regulations.

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

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

Section 17. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 14, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to

enforce such owner's or owners' rights against the Municipality, the Governing Body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Municipality, its Governing Body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 18. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Clean Water Fund Program and to such other persons or entities as directed by the State of Wisconsin such ongoing disclosure regarding the Municipality's financial condition and other matters, at such times and in such manner as the Clean Water Fund Program may require, in order that securities issued by the Municipality and the State of Wisconsin satisfy rules and regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and as it may be amended from time to time, imposed on brokers and dealers of municipal securities before the brokers and dealers may buy, sell, or recommend the purchase of such securities.

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

Approved: July 14, 2026

Matthew MacKenzie
Mayor

Attest:

Denise Oliphant
City Clerk

EXHIBIT A

(Form of Municipal Obligation)

REGISTERED
NO. _____

UNITED STATES OF AMERICA
STATE OF WISCONSIN
ASHLAND AND BAYFIELD
CITY OF ASHLAND

REGISTERED
\$ _____
COUNTIES

SEWERAGE SYSTEM REVENUE BOND, SERIES 2026

Final
Maturity Date

May 1, 20__

Date of
Original Issue

_____, 20__

REGISTERED OWNER: STATE OF WISCONSIN CLEAN WATER FUND PROGRAM

FOR VALUE RECEIVED the City of Ashland, Ashland and Bayfield Counties, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed _____ DOLLARS (\$ _____) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2027 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 1.419% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on November 1, 2026.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2027 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at One and 419/1000ths percent (1.419%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

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

This Bond shall not be redeemable prior to its maturity, except with the consent of the registered owner.

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

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Sewerage System of the Municipality, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted July 14, 2026, and entitled: "Resolution Authorizing the Issuance and Sale of Up to \$177,190 Sewerage System Revenue Bonds, Series 2026, and Providing for Other Details and Covenants With Respect Thereto, and Approval of Related Financial Assistance Agreement" (the "Resolution") and is payable only from the income and revenues of the Sewerage System of the Municipality (the "Utility"). Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Special Redemption Fund," created by a resolution adopted by the Governing Body on September 29, 1998, and continued by the Resolution. The Bonds are issued on a parity with the Municipality's Sewerage System Revenue Bonds, Series 2014, dated December 23, 2014, Sewerage System Revenue Bonds, Series 2016, dated December 14, 2016, Sewerage System Mortgage Revenue Bonds, dated August 10, 2018, Sewerage System Revenue Bonds, Series 2022, dated February 23, 2022, Sewerage System Revenue Bonds, Series 2022B, dated October 26, 2022 and Sewerage System Revenue Bonds, Series 2024, dated July 10, 2024, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

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

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

CITY OF ASHLAND,
WISCONSIN

(SEAL)

By: _____
Matthew MacKenzie
Mayor

By: _____
Denise Oliphant
City Clerk

(Form of Assignment)

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

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

Please insert Social Security or other identifying number of Assignee

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

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

Dated: _____

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

Signature(s) guaranteed by

SCHEDULE A

\$177,190

CITY OF ASHLAND, WISCONSIN
SEWERAGE SYSTEM REVENUE BONDS, SERIES 2026

<u>Amount of Disburse- ment</u>	<u>Date of Disbursement</u>	<u>Series of Bonds</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Principal Amount</u>
May 1, 2027	\$7,724.02
May 1, 2028	7,833.62
May 1, 2029	7,944.78
May 1, 2030	8,057.51
May 1, 2031	8,171.85
May 1, 2032	8,287.81
May 1, 2033	8,405.41
May 1, 2034	8,524.69
May 1, 2035	8,645.65
May 1, 2036	8,768.33
May 1, 2037	8,892.76
May 1, 2038	9,018.94
May 1, 2039	9,146.92
May 1, 2040	9,276.72
May 1, 2041	9,408.35
May 1, 2042	9,541.86
May 1, 2043	9,677.26
May 1, 2044	9,814.58
May 1, 2045	9,953.85
May 1, 2046	10,095.09

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

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF ADMINISTRATION

and

CITY OF ASHLAND

\$506,258 With up to \$329,068 PRINCIPAL FORGIVENESS

FINANCIAL ASSISTANCE AGREEMENT

Dated as of July 22, 2026

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

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

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

Municipal Identification No. 02201
Clean Water Fund Program Project No. 4525-26

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WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated July 22, 2026, between the STATE OF WISCONSIN Clean Water Fund Program (the "CWFP"), by the Department of Natural Resources (the "DNR") and the Department of Administration (the "DOA"), acting under authority of ss. 281.58 and 281.59, Wis. Stats., as amended (the "Statute"), and the City of Ashland, a municipality within the meaning of the Statute, duly organized and existing under the laws of the State of Wisconsin (the "Municipality"); and

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

WHEREAS, the State of Wisconsin, pursuant to the Statute, established the CWFP to be used in part for purposes of the Water Quality Act; and

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

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

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

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

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

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

WHEREAS, the Municipality certifies to the CWFP that it has created a dedicated source of revenue, for repayment of the Municipal Obligations; and

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

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

ARTICLE I
DEFINITIONS; RULES OF INTERPRETATION

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

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

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

"Application" means the written application of the Municipality dated September 30, 2025, for financial assistance under the Statute.

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

"Build America, Buy America" means Title IX of the Infrastructure Investment and Jobs Act, Publ. L. No. 117-58, §§ 70901-52.

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

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

"CWFP" means the State of Wisconsin Clean Water Fund Program, established pursuant to the Statute, and managed and administered by DNR and DOA.

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

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

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

"FAA" means this Financial Assistance Agreement.

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

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

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

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

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

"Loan Disbursement Table" means the table with columns for inserting the following information for the portion of the Loan which is to be repaid with interest:

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

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

- (a) this FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary actions by the governing body of the Municipality, and this FAA has been duly executed and delivered by the Municipality;
- (b) the Municipal Obligations have been duly authorized, executed, and delivered by the Municipality and sold to the CWFP;
- (c) each of this FAA and the Municipal Obligations constitutes a legal, valid, and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);
- (d) the Municipal Obligations constitute special obligations of the Municipality secured as to payment of principal, interest, and redemption price by the pledged revenues as set forth therein;
- (e) interest on the Municipal Obligations is not included in gross income of the owners thereof for federal income taxation purposes under existing laws, regulations, rulings, and judicial decisions;
- (f) the Municipal Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code and the arbitrage regulations; and
- (g) the Municipal Obligations are not "private activity bonds" as defined in Section 141(a) of the Code.

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

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

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

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

"Parity Obligations" means the Municipality's \$592,610 Sewerage System Revenue Bonds, Series 2014, dated December 23, 2014; its \$274,826 Sewerage System Revenue Bonds, Series 2016, dated December 14, 2016; its \$960,000 Sewerage System Mortgage Revenue Bonds, dated August 10, 2018; its \$623,081 Sewerage System Revenue Bonds, Series 2022, dated February 23, 2022; its \$1,716,132 Sewerage System Revenue Bonds, Series 2022B, dated October 26, 2022; its \$1,097,053 Sewerage System Revenue Bonds, Series 2024, dated July 10, 2024; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.

"Plans and Specifications" means the Project design plans and specifications assigned No. S-2025-0381, approved by DNR on June 13, 2025, as the same may be amended or modified from time to time in accordance with this FAA.

"Principal Forgiveness" means Financial Assistance received in the form of forgiveness of Loan principal pursuant to the Act, Regulations, and this FAA of which no repayment thereof shall be required except as may be required pursuant to the Act, Statute, Regulations, or this FAA. The total amount of principal forgiveness available for this Project as of the date of this FAA is \$329,068. The applicable percentage of general principal forgiveness for this Project, as shown on the Final Funding List, is 65%.

"Program Resolution" means the Amended and Restated Program Resolution for State of Wisconsin Environmental Improvement Fund Revenue Obligations adopted by the State of Wisconsin Building Commission on February 15, 2017, as such may from time to time be further amended or supplemented by Supplemental Resolutions in accordance with the terms and provisions of the Program Resolution.

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

"Project" means the project assigned CWFP Project No. 4525-26 by DNR, described in the Project Manager Summary Page (Exhibit F), and further described in the DNR approval letter for the Plans and Specifications, or portions thereof, issued under s. 281.41, Wis. Stats.

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

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

"SDWLP" means the State of Wisconsin Safe Drinking Water Loan Program, established pursuant to ss. 281.59 and 281.61, Wis. Stats.

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

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

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

"State" means the State of Wisconsin.

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

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

"Supplemental Resolution" shall have the meaning set forth in the Program Resolution.

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

"User Charge System" means a system of charges meeting the requirements of s. NR 162.07, Wis. Adm. Code.

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

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

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

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

- (a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.
- (b) All references herein to particular articles or sections are references to articles or sections of this FAA.
- (c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA, nor shall they affect its meaning, construction, or effect.
- (d) The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms as used in this FAA refer to this FAA in its entirety and not the particular article or section of this FAA in which they appear. The term "hereafter" means after and the term "heretofore" means before the date of delivery of this FAA.
- (e) All accounting terms not otherwise defined in this FAA have the meanings assigned to them in accordance with generally accepted accounting principles, and all computations provided for herein shall be made in accordance with generally accepted accounting principles.

ARTICLE II

REPRESENTATIONS

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

- (a) The State is authorized to issue the Bonds in accordance with the Statute and the Program Resolution and to use the proceeds thereof to provide funds for the Financial Assistance provided to the Municipality to undertake and complete the Project.
- (b) The CWFP has complied with the provisions of the Statute and has full power and authority to execute and deliver this FAA, consummate the transactions contemplated hereby, and perform its obligations hereunder.
- (c) The CWFP is not in violation of any of the provisions of the Constitution or laws of the State which would affect its powers referred to in the preceding paragraph (b).
- (d) Pursuant to the Statute, the CWFP is authorized to execute and deliver this FAA and to take actions and make determinations that are required of the CWFP under the terms and conditions of this FAA.
- (e) The execution and delivery by the CWFP of this FAA and the consummation of the transactions contemplated by this FAA shall not violate any indenture, mortgage, deed of trust, note, agreement, or other contract or instrument to which the State is a party, or by which it is bound, or, to the best of the CWFP's knowledge, any judgment, decree, order, statute, rule, or regulation applicable to the CWFP; all consents, approvals, authorizations, and orders of governmental or regulatory authorities that are required for the consummation of the transactions contemplated thereby have been obtained.
- (f) To the knowledge of the CWFP, there is no action, suit, proceeding, or investigation at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the CWFP, or, to the knowledge of the CWFP, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or which, in any way, could adversely affect the validity of this FAA or any agreement or instrument to which the State is a party and which is used or contemplated for use in consummation of the transactions contemplated by each of the foregoing.

Section 2.02. Representations of the Municipality The Municipality represents, and warrants as of the date of this FAA, and with respect to paragraphs (n), (s), and (u), covenants throughout the term of this FAA, as follows:

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

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

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

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

(d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of \$177,190 and authorized the taking of any and all action as may be required on the part of the Municipality and its authorized officers to carry out, give effect to, and consummate the transactions contemplated by each of the foregoing.

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

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

- (1) affecting the creation, organization, or existence of the Municipality or the title of its officers to their respective offices;
- (2) seeking to prohibit, restrain, or enjoin the execution of this FAA or the issuance or delivery of the Municipal Obligations;
- (3) in any way contesting or affecting the validity or enforceability of the Municipal Obligation Resolution, the Municipal Obligations, this FAA, or any agreement or instrument relating to any of the foregoing or used or contemplated for use in the consummation of the transactions contemplated by this FAA; or
- (4) wherein an unfavorable decision, ruling, or finding could adversely affect the transactions contemplated hereby or by the Municipal Obligation Resolution or the Municipal Obligations.

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

the State or of the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its property is bound.

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

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

(j) The Municipality has full legal right and authority, and all necessary permits, licenses, easements, and approvals (other than such permits, licenses, easements, or approvals that are not by their nature obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the Project, carry on its activities relating thereto, undertake and complete the Project, and carry out and consummate all transactions contemplated by this FAA.

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

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

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

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

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

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

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

(r) Other than (1) "preliminary expenditures" as used in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding 20% of the principal amount of the Municipal Obligations, or (2) an amount not exceeding the lesser of \$100,000 or 5% of the principal amount of the Municipal Obligations,

all of the proceeds of the Bonds loaned to the Municipality (other than refunding proceeds, if any) shall be used for Project Costs paid by the Municipality subsequent to a date which is 60 days prior to the date on which the Municipality adopted a reimbursement resolution pursuant to Treas. Regs. 26 CFR 1.150-2 stating its intent to reimburse other funds of the Municipality used to finance the Project, or subsequent to the issuance date of the Municipal Obligations.

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

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

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

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

(w) The Municipality represents that it submitted to DNR a bid tabulation for the Project with a recommendation to DNR for review and concurrence. The actual Substantial Completion date of the Project was October 31, 2025.

(x) If the Municipality fails to make a principal repayment or interest payment after its due date, DOA shall place on file a certified statement of all amounts due under this section and s. 281.58 or 281.61 or s. 281.60, 2021 stats. After consulting DNR, DOA may collect all amounts due by deducting those amounts from any state payments due the municipality or may add a special charge to the amount of taxes apportioned to and levied upon the county under s. 70.60. If DOA collects amounts due, it shall remit those amounts to the fund to which they are due and notify DNR of that action.

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

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

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

(bb) The Municipality acknowledges that it is eligible to receive Financial Assistance in the form of a Loan of \$506,258 with Principal Forgiveness of \$329,068 for payment of Project Costs.

ARTICLE III

LOAN PROVISIONS

Section 3.01. Loan Clauses

(a) Subject to the conditions and in accordance with the terms of this FAA, the CWFP hereby agrees to make the Loan and the Municipality agrees to accept the Loan. As evidence of the portion of the Loan made to the Municipality remaining subsequent to the Principal Forgiveness, the Municipality hereby agrees to sell to the CWFP Municipal Obligations in the aggregate principal amount of \$177,190. The CWFP shall pay for the Municipal Obligations in lawful money of the United States, which shall be disbursed as provided in this FAA.

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

(c) The Loan shall bear interest at the rate of one and 419/1000ths percent (1.419%) per annum, and interest shall accrue and be payable only on Loan principal amounts actually disbursed on the Municipal Obligations, from the date of disbursement until the date such amounts are repaid or forgiven.

(d) Disbursements of Financial Assistance shall generally be made: first, in the form of a Loan disbursement on the Municipal Obligations, which must be at least 5% of the Municipal Obligation amount or an excess of \$50,000, whichever is less; second, in the form of Loan disbursements that include the applicable percentage of Principal Forgiveness up to \$329,068; and third, if the Principal Forgiveness cap has been reached, in the form of Loan disbursements on the Municipal Obligations. Principal Forgiveness will be applied at the time of Loan disbursement.

(e) The Department of Administration shall maintain a Loan Disbursement Table on its website <http://eif.doa.wi.gov/start.asp>. DOA shall make entries as each disbursement is made and as each principal amount is repaid; the CWFP and the Municipality agree that such entries shall be mutually binding.

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

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

Section 3.02. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements on the Municipal Obligations shall be a revenue obligation evidenced by issuance of revenue bonds pursuant to s. 66.0621, Wis. Stats. The security for the Municipality's obligation shall be a pledge of revenues to be derived from the Sewerage System, and the Municipality shall agree that, if revenues from the Sewerage System are insufficient to meet annual debt service requirements, the Municipality shall purchase sewerage services in amounts sufficient to meet annual debt service requirements as provided in and set forth in Section 9 of the Municipal Obligation Resolution. The annual revenues net of all current expenses shall be equal to not less than the annual principal and interest requirements on the Municipal Obligations, any Parity Obligations, and any other debt obligations payable from the revenues of the Sewerage System then outstanding, times the greater of (i) 110 percent or (ii) the highest debt service coverage ratio required with respect to any Parity Obligations, or any other debt obligations payable from the revenues of the Sewerage System then outstanding. As of the date of this FAA, the required debt service coverage ratio is 110 percent; however, this percentage is subject to change as outlined in the prior sentence. The Municipal Obligations are also secured as provided in Section 3.08 hereof.

Section 3.03. Municipal Obligations Amortization Principal and interest payments on the Municipal Obligations shall be due on the dates set forth in Exhibit B of this FAA. The payment amounts shown on Exhibit B are for informational purposes only and assume the full amount of the Municipal Obligations is disbursed and that the full amount of Principal Forgiveness available is applied to the Loan on July 22, 2026. It is understood that the actual amounts of the Municipality's Municipal Obligations payments shall be based on the actual dates and amounts of disbursements on the Municipal Obligations. Notwithstanding the foregoing or anything in the Municipal Obligations, the Municipal Obligations shall be for no longer than twenty (20) years from the date of this FAA and shall mature and be fully amortized not later than twenty (20) years after the original issue date of the Municipal Obligations. Repayment of principal on the Municipal Obligations shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

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

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

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

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

Section 3.05. Sale and Redemption of Municipal Obligations

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

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

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

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

Section 3.06. Disbursement of Financial Assistance

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

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

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

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

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

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

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

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

- (1) DNR is satisfied that the Project has been completed in accordance with the Plans and Specifications, DNR has approved all change orders relating to the Project, and DNR has determined that the Project is in compliance with the Municipality's WPDES Permit;
- (2) the Municipality certifies to DNR its acceptance of the Project from its contractors;
- (3) the Municipality certifies in writing to DNR its compliance with applicable federal requirements (certification must be as prescribed on Exhibit C); and
- (4) DNR certifies in writing to DOA the Municipality's compliance with all applicable requirements of this FAA.

(g) Treas. Regs. 26 CFR § 1.148-6(d)(1)(iii) applies to project expenditures. It states, in part, "An issuer must account for the allocation of proceeds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service".

Section 3.07. Remedies

(a) If the Municipality:

- (1) or any authorized representative is not complying with federal or state laws, regulations, or requirements relating to the Project, and following due notice by DNR the Project is not brought into compliance within a reasonable period of time; or
- (2) is not complying with or is in violation of any provision set forth in this FAA; or
- (3) is not in compliance with the Statute or the Regulations;

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

- (i) Progress payments or disbursements otherwise due the Municipality of up to 20% may be withheld.
- (ii) Project work may be suspended.
- (iii) DNR may request a court of appropriate jurisdiction to enter an injunction or afford other equitable or judicial relief as the court finds appropriate.
- (iv) Other administrative remedies may be pursued.

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

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

(2) Pursuant to s. NR 162.17(1), Wis. Adm. Code, if the Loan has not been fully disbursed, DNR may: declare the unpaid Loan balance due and immediately payable; increase the interest rate on the unpaid balance of the Loan to the market interest rate in effect on the date this FAA was executed; or immediately terminate this FAA and disburse no additional funds.

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

(4) In the case of a joint utility system, the CWFP may bill the users of the Sewerage System directly.

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

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

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

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

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

ARTICLE IV

CONSTRUCTION OF THE PROJECT

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

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

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

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

Section 4.04. Completion of the Project

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

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

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

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

- (1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;
- (2) complete and deliver to DNR the completed Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;
- (3) prepare and deliver to DNR the completed Federal Requirements Compliance Certification attached hereto as Exhibit C of this FAA;
- (4) obtain all required permits and authorizations from appropriate authorities for operation and use of the Project; and
- (5) submit to DNR a completed Operation and Maintenance Manual Certification Checklist form to be provided by DNR or obtained from DNR's website.

Section 4.05. Payment of Additional Project Costs

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

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

Section 4.06. No Warranty Regarding Condition, Suitability, or Cost of Project Neither the CWFP, DOA, DNR, nor the Trustee makes any warranty, either express or implied, as to the Project or its condition, or that it shall be suitable for the Municipality's purposes or needs, or that the Financial Assistance shall be sufficient to pay the costs of the Project. Review or approval of engineering reports, facilities plans, the Plans and Specifications, or other documents, or the inspection of Project construction by DNR, does not relieve the Municipality of its responsibility to properly plan, design, build, and effectively operate and

maintain the Project as required by laws, regulations, permits, and good management practices. DNR or its representatives are not responsible for increased costs resulting from defects in the Plans and Specifications or other Project documents. Nothing in this section prohibits a Municipality from requiring more assurances, guarantees, or indemnity or other contractual requirements from any party performing Project work.

ARTICLE V COVENANTS

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

Section 5.02. Operation and Maintenance; Equipment Replacement Fund

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

- (1) at all times operate the Project or otherwise cause the Project to be operated properly and in a sound and economical manner, including proper training of personnel;
- (2) maintain, preserve, and keep the Project or cause the Project to be maintained, preserved, and kept in good repair, working order, and condition; and
- (3) periodically make, or cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of the Project may be properly conducted in a manner that is consistent with the requirements of the WPDES Permit.

(b) So long as the Loan is outstanding, the Municipality shall not, without the approval of DNR, discontinue operation of, sell, or otherwise dispose of the Sewerage System or Project, except for portions of the Sewerage System sold or otherwise disposed of in the course of ordinary repair and replacement of parts.

(c) The Municipality shall establish an equipment replacement fund according to s. NR 162.07, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. All User Fees or other revenues specifically collected for the equipment replacement fund shall be deposited into the equipment replacement fund and used for replacement and major repair of equipment necessary for the operation of the Sewerage System, or for unexpected, unbudgeted costs incurred for continuing effective operations of the Sewerage System. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement itemized schedule developed by the Municipality or the percentage schedule option. The Project Manager Summary Page (Exhibit F) shall specify the required annual deposit or required minimum balance/percentage.

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

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

Section 5.05. Establishment of Project Accounts; Audits

(a) The Municipality shall maintain Project accounts in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets and directions issued by the CWFPP. Without any request the Municipality shall furnish to DOA as soon as available, and in any event within one hundred eighty (180) days after the close of each

fiscal year, a copy of the audit report for such year and accompanying GAAP-based financial statements for such period, as examined and reported by independent certified public accountants of recognized standing selected by the Municipality and reasonably satisfactory to DOA, whose reports shall indicate that the accompanying financial statements have been prepared in conformity with GAAP and include standards relating to the reporting of infrastructure assets.

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

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

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

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

Section 5.09. Tax Covenants

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

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

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

(d) The Municipality shall not use (directly or indirectly) the proceeds of the Bonds in any manner that would constitute an "advance refunding" within the meaning of Section 149(d)(2) of the Code or any successor provision. Without limiting the foregoing, any proceeds of the Bonds used to repay interim or other prior financing of Project Costs shall be applied within three (3) Business Days of receipt of the proceeds to the payment of principal of such financing.

Section 5.10. User Fee Covenant

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

(b) The Municipality covenants that it shall adopt and shall adequately maintain for the design life of the Project a system of User Fees with respect to the Project in accordance with s. NR 162.07, Wis. Adm. Code. The Municipality covenants that it shall review the User Charge System at least every two years and shall revise and charge User Fees with respect to the Project such that the revenues and funds described in paragraph (a) shall be sufficient to pay the costs described in paragraph (a).

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

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

Section 5.13. Nondiscrimination Covenant

(a) In connection with the Project, the Municipality agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but is not limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Municipality agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provision of the nondiscrimination clause.

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

(c) The Municipality shall follow all federal statutes and regulations prohibiting discrimination, without limitation, including the following:

(1) Age Discrimination Act, Pub. L. 94-135

(2) Equal Employment Opportunity, Executive Order 11246

(3) Section 13 of the Clean Water Act, Pub. L. 92-500

(4) Section 504 of the Rehabilitation Act, Pub. L. 93-112 supplemented by Executive Orders 11914 and 11250

(5) Title VI of the Civil Rights Act, Pub. L. 88-352

(6) Participation by Disadvantaged Business Enterprises in Procurement, s. NR 162.08(4) and s. NR 166.11(4) Wis. Adm. Code.

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

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

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

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

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

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

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

Section 5.21. Maintenance of Legal Existence

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

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

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

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

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

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

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

Section 5.23. American Iron and Steel The Municipality agrees to comply with the requirements for use of American Iron and Steel contained in section 608 of the Act for products used in the Project which are made primarily of iron and/or steel.

Section 5.24. Federal Single Audit At the time of signing of this FAA, the funds awarded to the Municipality for this Project are not considered to be subject to federal single audit requirements, but such consideration may change subsequent to this FAA if any changes are made to federal single audit requirements applicable to municipalities. If the Municipality is required to submit a Federal Single Audit, without any request the Municipality shall furnish to DOA, at doaeif@wisconsin.gov as soon as available, and in any event within 30 days after completion, the Federal Single Audit. Notification must include acknowledgement of any state revolving fund findings and/or resolution of prior year findings.

ARTICLE VI MISCELLANEOUS

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

- (a) DEPARTMENT OF ADMINISTRATION
OFFICE OF CAPITAL FINANCE
CLEAN WATER FUND PROGRAM
101 EAST WILSON STREET 10TH FLOOR
MADISON WI 53702-0004
OR
PO BOX 7864
MADISON WI 53707-7864
- (b) DEPARTMENT OF NATURAL RESOURCES
BUREAU OF COMMUNITY FINANCIAL ASSISTANCE
101 SOUTH WEBSTER STREET CF/2
MADISON WI 53702-0005
OR
PO BOX 7921
MADISON WI 53707-7921
- (c) US BANK CORP TRUST
DIANE PUTZEL EP-MN-WS3T
60 LIVINGSTON AVENUE
ST PAUL MN 55101-2292
- (d) CITY OF ASHLAND

601 MAIN STREET WEST
ASHLAND WI 54806

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

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

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

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

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

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

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

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

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

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

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

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

(b) If the Municipality wishes to unilaterally terminate all or any part of the Project work for which Financial Assistance has been awarded, the Municipality shall promptly give written notice to DNR. If the CWFP determines that there is a reasonable basis for the requested termination, the CWFP may enter into a termination agreement, including provisions for FAA termination costs, effective with the date of cessation of the Project work by the Municipality. If the CWFP

determines that the Municipality has ceased work on the Project without reasonable basis, the CWFP may unilaterally terminate Financial Assistance or rescind this FAA.

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

- (a) there has been substantial non-performance of the Project work by the recipient without justification under the circumstances;
- (b) there is substantial evidence this FAA was obtained by fraud;
- (c) there is substantial evidence of gross abuse or corrupt practices in the administration of the Project;
- (d) the Municipality has failed to comply with the covenants contained in this FAA; or
- (e) any of the representations of the Municipality contained in this FAA were false in any material respect.

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

CITY OF ASHLAND

By: _____
Matthew MacKenzie
Mayor

Attest: _____
Denise Oliphant
City Clerk

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

By: _____
Authorized Officer

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Officer

EXHIBIT A
PROJECT BUDGET SHEET

CITY OF ASHLAND
CWFP Project No. 4525-26

	Total Project Costs	Ineligible Costs Paid with Internal Funds	CWFP Total Award Amount for this Project
Force Account	0.00	0.00	0.00
Interim Financing	0.00	0.00	0.00
Preliminary Engineering	236,000.00	96,300.00	139,700.00
Land or Easement Acquisition	0.00	0.00	0.00
Engineering/Construction Mgmt.	14,946.00	0.00	14,946.00
Construction/Equipment	334,312.00	0.00	334,312.00
Contingency	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	0.00
Closing Costs	17,300.00	0.00	17,300.00
TOTAL	\$602,558.00	\$96,300.00	\$506,258.00
Principal Forgiveness Amount (A)			\$329,068.00
Net CWFP Loan Amount			\$177,190.00

A = General Principal Forgiveness is calculated and awarded up to 65% of the total "CWFP Principal Forgiveness Eligible Costs" for this Project.

City of Ashland , Wisconsin**Exhibit B**

Project 4525-26 Clean Water Fund Program

Loan Closing Date:

July 22, 2026

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-Nov-26	0.00	1.419%	691.44	691.44	0.00	691.44
1-May-27	7,724.02	1.419%	1,257.16	8,981.18	9,672.62	0.00
1-Nov-27	0.00	1.419%	1,202.36	1,202.36	0.00	10,183.54
1-May-28	7,833.62	1.419%	1,202.36	9,035.98	10,238.34	0.00
1-Nov-28	0.00	1.419%	1,146.78	1,146.78	0.00	10,182.76
1-May-29	7,944.78	1.419%	1,146.78	9,091.56	10,238.34	0.00
1-Nov-29	0.00	1.419%	1,090.41	1,090.41	0.00	10,181.97
1-May-30	8,057.51	1.419%	1,090.41	9,147.92	10,238.33	0.00
1-Nov-30	0.00	1.419%	1,033.25	1,033.25	0.00	10,181.17
1-May-31	8,171.85	1.419%	1,033.25	9,205.10	10,238.35	0.00
1-Nov-31	0.00	1.419%	975.27	975.27	0.00	10,180.37
1-May-32	8,287.81	1.419%	975.27	9,263.08	10,238.35	0.00
1-Nov-32	0.00	1.419%	916.46	916.46	0.00	10,179.54
1-May-33	8,405.41	1.419%	916.46	9,321.87	10,238.33	0.00
1-Nov-33	0.00	1.419%	856.83	856.83	0.00	10,178.70
1-May-34	8,524.69	1.419%	856.83	9,381.52	10,238.35	0.00
1-Nov-34	0.00	1.419%	796.34	796.34	0.00	10,177.86
1-May-35	8,645.65	1.419%	796.34	9,441.99	10,238.33	0.00
1-Nov-35	0.00	1.419%	735.00	735.00	0.00	10,176.99
1-May-36	8,768.33	1.419%	735.00	9,503.33	10,238.33	0.00
1-Nov-36	0.00	1.419%	672.79	672.79	0.00	10,176.12
1-May-37	8,892.76	1.419%	672.79	9,565.55	10,238.34	0.00
1-Nov-37	0.00	1.419%	609.70	609.70	0.00	10,175.25
1-May-38	9,018.94	1.419%	609.70	9,628.64	10,238.34	0.00
1-Nov-38	0.00	1.419%	545.71	545.71	0.00	10,174.35
1-May-39	9,146.92	1.419%	545.71	9,692.63	10,238.34	0.00
1-Nov-39	0.00	1.419%	480.81	480.81	0.00	10,173.44
1-May-40	9,276.72	1.419%	480.81	9,757.53	10,238.34	0.00
1-Nov-40	0.00	1.419%	414.99	414.99	0.00	10,172.52
1-May-41	9,408.35	1.419%	414.99	9,823.34	10,238.33	0.00
1-Nov-41	0.00	1.419%	348.24	348.24	0.00	10,171.58
1-May-42	9,541.86	1.419%	348.24	9,890.10	10,238.34	0.00
1-Nov-42	0.00	1.419%	280.54	280.54	0.00	10,170.64
1-May-43	9,677.26	1.419%	280.54	9,957.80	10,238.34	0.00
1-Nov-43	0.00	1.419%	211.88	211.88	0.00	10,169.68
1-May-44	9,814.58	1.419%	211.88	10,026.46	10,238.34	0.00
1-Nov-44	0.00	1.419%	142.25	142.25	0.00	10,168.71
1-May-45	9,953.85	1.419%	142.25	10,096.10	10,238.35	0.00
1-Nov-45	0.00	1.419%	71.62	71.62	0.00	10,167.72
1-May-46	10,095.09	1.419%	71.62	10,166.71	10,238.33	10,166.71
Totals	177,190.00		27,011.06	204,201.06	204,201.06	204,201.06

Net Interest Rate 1.4190%
Bond Years 1,903.5310
Average Life 10.7429

The above schedule assumes full disbursement of the loan on the loan closing date.

25-Jun-26 Wisconsin Department of Administration

Loan Payment Schedule Comments

Please review the preceding loan payment schedule. It shows the dates of your first interest and principal payments. The preceding loan payment schedule assumes you draw all the loan funds on the loan closing date. Borrowers often draw loan funds over time. Interest only accrues on the funds disbursed and only after the date of each disbursement.

You can view your payment schedule based on disbursements to date at <http://eif.doa.wi.gov/>. Select Loan Payment Schedule on the lower half of the page. You can also request loan payment information from doaeif@wisconsin.gov.

You can generate additional reports at <http://eif.doa.wi.gov/>.

<u>Available Report</u>	<u>Information Provided</u>
Auditor Verification Report	Information commonly requested by municipal auditors. Available for completed calendar years.
Loan Account History	Loan disbursements, principal payments, and loan balance.
Loan Payment Schedule	Future principal and interest payments for disbursements.
Payment History	Past principal and interest payments.
Disbursement History	Past loan and grant disbursements.

Use the Output to Excel button at the bottom of the page to create your report in Microsoft Excel. Find details on generating reports at <http://eif.doa.wi.gov/siteDescr.htm>.

The Environmental Improvement Fund sends invoices semi-annually. You will receive an invoice approximately 45 days prior to the due date. If you have multiple loans, we will send a single invoice showing the payment amount for each loan.

May 1: principal and interest payments due
November 1: interest payments due

For more information about your payment schedule, please email doaeif@wisconsin.gov. The first available staff will respond to your inquiry.

EXHIBIT C
FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

**[Prepare on Municipal Letterhead at Project
Completion and Closeout]**

The undersigned officials of the City of Ashland (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 4525-26 (the "Project"), the Municipality has met the prevailing wage rate requirements of the Davis-Bacon Act.

The Municipality further certifies that, after taking into account any national or project-specific waivers approved by the U.S. Environmental Protection Agency, DNR Project No. 4525-26 has met the requirements for the use of American Iron and Steel contained in section 608 of the Federal Water Pollution Control Act, as amended.

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

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

Dated as of: _____

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

Dated as of: _____

EXHIBIT D
OPERATING CONTRACTS

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

EXHIBIT E

UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE)

Notice: This form is authorized by ss. 281.58, 281.59, and 281.61, Wis. Stats. Submittal of a completed form to the DNR is mandatory prior to receiving a final disbursement. Dollar amounts listed on the form should only include amounts paid under the Financial Assistance Agreement. Information collected on this form will be used for administrative purposes and may be provided to requesters to the extent required by Wisconsin's Public Records Law [ss. 19.31–19.39, Wis. Stats.].

Municipality City of Ashland				Project Number 4525-26	
Project Description Improve Turner Rd Lift Station					
Are any DBEs expected to be utilized on the project? If yes, list below. Yes ☐ No ☒				Enter at Project Closeout	
DBE Firm	Indicate DBE Type	Construction or Non-construction*	Contract Estimate (\$)	Actual Amount Paid to the DBE (\$)	Certifying Agency or List
SAMPLE: ABC Engineering, LLC.	X MBE ☐ WBE ☐ Other	Non-construction	10,000	9,950	WisDOT
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
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	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				

* Construction costs include but are not limited to paving, excavation, HVAC, plumbing, electrical, carpentry, trucking, and equipment. Non-construction costs include but are not limited to professional services, engineering, land acquisition, and supplies.

I hereby certify that, to the best of my knowledge and belief, the information provided on this form is accurate and correct.

Signature of Municipal Representative		Date Signed
Name of Person Completing This Form	Email Address	Phone Number

EXHIBIT F
PROJECT MANAGER SUMMARY PAGE

CITY OF ASHLAND

CWFP Project No. 4525-26

1. Project Description: This Project consists of the rehabilitation of the Turner Road lift station in the Municipality. The existing lift station was converted to a submersible pump lift station configuration.
2. Ineligible Costs: The Project includes \$96,300.00 of ineligible engineering costs related to waste water treatment plant improvements unrelated to the Turner Road lift station Project.
3. Other Funding Sources: Internal municipal funds are paying for all \$96,300.00 of ineligible costs.
4. Miscellaneous Costs: There are no miscellaneous costs associated with this Project.
5. Contingency Allowance: No contingency allowance is included in the Project budget (Exhibit A) because Project construction work is complete. Contingency allowance is provided in a financial assistance agreement when construction contract change orders may still need to be financed with the Loan or one or more contract change orders were issued and approved on a project that is complete.
6. Equipment Replacement Fund: The Municipality shall establish an equipment replacement fund according to s. NR 162.07, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. The required minimum percentage shall be 20% resulting in a minimum balance of \$1,516,812.00. The Municipality has a maximum of three years from the first principal payment on the Loan to achieve the required minimum balance/percentage.
7. Disadvantaged Business Enterprise (DBE) Good Faith Effort: The Municipality and Ritola, Inc. made good faith efforts to meet DBE solicitation requirements during advertising and bidding. The Municipality made a good faith effort by including language in the bid ad encouraging DBEs to submit bids. Ritola Inc. made a good faith effort by directly contacting six DBEs for subcontract bids. Contractors are required to solicit for DBEs if they do any subcontracting. No DBEs were utilized during this Project.
8. Green Project Reserve: No GPR elements were identified during the review of this Project.
9. American Iron and Steel: This Project is subject to the use of American Iron and Steel (AIS) requirements of section 608 of the Act.
10. Principal Forgiveness: The Municipality is eligible to receive general Principal Forgiveness for this Project in an amount of up to 65% of the total Loan amount, as indicated on the State Fiscal Year 2026 CWFP Funding List. The CWFP awards \$329,068.00 in general Principal Forgiveness for the Project through this FAA. The CWFP will process all disbursements at a rate of 65% Principal Forgiveness up to the maximum of \$329,068.00.

Ref: 2026-137

COUNCIL AGENDA: 8.B.
(7/14/2026)

SUBJECT: Resolution Authorizing the Issuance and Sale of up to \$371,886 Water System Revenue Bonds, Series 2026, and Providing for Other Details and Covenants with Respect to, and Approval of Related Financial Assistance Agreement to Benefit the Chapple Avenue and Prentice Avenue Reconstruction-Watermain Projects (*Public Works*) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: Finance Director
Public Works Director
Approved by Council- various dates project contracts. See summary statement for details.

EXHIBITS:

1. Proposed Resolution No. 17886
2. State of WI Safe Drinking Water Loan Program - Financial Assistance Agreement

EXPENDITURES REQUIRED: N/A

AMOUNT BUDGETED: N/A

APPROPRIATION REQUIRED: N/A

TREASURER'S CERTIFICATE:

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved for this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN: The proposed revenue bonds conform to the goals and community values identified in the City of Ashland's Comprehensive Plan.

SUMMARY STATEMENT:

The approval of the attached resolution and financial assistance agreement (FAA) is required to obtain Wisconsin Department of Natural Resources (WI DNR) Safe Drinking Water Loan Program (SDWLP) financing needed to pay for the watermain portion of the following projects, previously authorized by the Council:

- Chapple Avenue Reconstruction State-contract with Jake's Excavating approved at the March 25, 2025 Council meeting
- Prentice Avenue Reconstruction Phase 2- contract with Jake's Excavating approved at the March 10, 2026 Council meeting

The Council and/or City staff has also approved various agreements for professional services that are included in the FAA as well.

Costs eligible for WI DNR funding total \$1,062,533, with the WI DNR providing \$690,647 in principal forgiveness. The remaining \$371,886 will be financed by the City Water Utility at the SDWLP subsidized rate of 1.485% with the balance to be amortized over a 30-year period. Repayment of this debt has been included in financial projections that informed the water user rate increases approved by the Public Service Commission (PSC) in Fall 2024.

Council is asked to approve the required resolution authorizing the issuance of Water System Revenue Bonds and the accompanying Financial Assistance Agreement for the financing of the above-described projects.

RESOLUTION NO. 17886

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$371,886 WATER SYSTEM REVENUE BONDS, SERIES 2026, AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT THERETO, AND APPROVAL OF RELATED FINANCIAL ASSISTANCE AGREEMENT

WHEREAS, the City of Ashland, Ashland and Bayfield Counties, Wisconsin (the "Municipality") owns and operates a water system (the "System") which is operated for a public purpose as a public utility by the Municipality; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2008, dated April 23, 2008 (the "2008 Bonds") pursuant to a resolution adopted by the Governing Body on April 15, 2008 (the "2008 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2009, dated April 22, 2009 (the "2009 Bonds") pursuant to a resolution adopted by the Governing Body on March 31, 2009 (the "2009 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Mortgage Revenue Bonds, dated December 23, 2016 (the "2016 Bonds") pursuant to a resolution adopted by the Governing Body on November 15, 2016 (the "2016 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Refunding Bonds, Series 2017A, dated May 11, 2017 (the "2017 Bonds") pursuant to a resolution adopted by the Governing Body on April 18, 2017 (the "2017 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2023B, dated December 28, 2023 (the "2023B Bonds") pursuant to a resolution adopted by the Governing Body on December 12, 2023 (the "2023B Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2024, dated July 10, 2024 (the "2024 Bonds") pursuant to a resolution adopted by the Governing Body on June 25, 2024 (the "2024 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2024B, dated October 9, 2024 (the "2024B Bonds") pursuant to a resolution adopted by the Governing Body on September 24, 2024 (the "2024B Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2025, dated October 22, 2025 (the "2025 Bonds") pursuant to a resolution adopted by the

Governing Body on September 30, 2025 (the "2025 Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the Municipality has heretofore issued its Water System Revenue Bonds, Series 2025C, dated December 23, 2025 (the "2025C Bonds") pursuant to a resolution adopted by the Governing Body on November 18, 2025 (the "2025C Resolution"), which are payable from the income and revenues of the System; and

WHEREAS, the 2008 Bonds, the 2009 Bonds, the 2016 Bonds, the 2017 Bonds, the 2023B Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds and the 2025C Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2008 Resolution, the 2009 Resolution, the 2016 Resolution, the 2017 Resolution, the 2023B Resolution, the 2024 Resolution, the 2024B Resolution, the 2025 Resolution and the 2025C Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project") assigned Safe Drinking Water Loan Program Project No. 4759-34 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans and specifications of the Project, or portions thereof, issued under Section 281.41, Wisconsin Statutes, assigned No. W-2025-0150 and dated March 14, 2025 and No. W-2025-0620 and dated June 15, 2025 by the DNR; and

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

WHEREAS, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell water system revenue bonds of the Municipality payable solely from the revenues of the System, pursuant to the provisions of Section 66.0621, Wisconsin Statutes, to pay the cost of the Project; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Municipality that:

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

- (a) "Act" means Section 66.0621, Wisconsin Statutes;
- (b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;
- (c) "Bonds" means the \$371,886 Water System Revenue Bonds, Series 2026, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;
- (d) "Bond Year" means the twelve-month period ending on each May 1;
- (e) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;
- (f) "Debt Service Fund" means the Water System Revenue Bond and Interest Special Redemption Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;
- (g) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department of Administration and the Municipality pursuant to which the Bonds are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;
- (h) "Fiscal Year" means the twelve-month period ending on each December 31;
- (i) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;
- (j) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from water charges imposed by the Municipality, all payments to the Municipality under any service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees, any tax incremental district revenues or other revenues of the Municipality appropriated by the Governing Body to the System pursuant to Section 9, and any special assessments levied and collected in connection with the Project;
- (k) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;
- (l) "Municipality" means the City of Ashland, Ashland and Bayfield Counties, Wisconsin;
- (m) "Net Revenues" means the Gross Earnings of the System after deduction of Current Expenses;

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

(o) "Prior Bonds" means the 2008 Bonds, the 2009 Bonds, the 2016 Bonds, the 2017 Bonds, the 2023B Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds and the 2025C Bonds, collectively;

(p) "Prior Resolutions" means the 2008 Resolution, the 2009 Resolution, the 2016 Resolution, the 2017 Resolution, the 2023B Resolution, the 2024 Resolution, the 2024B Resolution, the 2025 Resolution and the 2025C Resolution, collectively;

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

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

(s) "System" means the entire water system of the Municipality specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the extraction, collection, storage, treatment, transmission, distribution, metering and discharge of industrial and potable public water, including all improvements and extensions thereto made by the Municipality while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such water system and including all appurtenances, contracts, leases, franchises, and other intangibles;

(t) "2008 Bonds" means the Municipality's Water System Revenue Bonds, Series 2008, dated April 23, 2008;

(u) "2008 Resolution" means a resolution adopted by the Governing Body on April 15, 2008 authorizing the issuance of the 2008 Bonds;

(v) "2009 Bonds" means the Municipality's Water System Revenue Bonds, Series 2009, dated April 22, 2009;

(w) "2009 Resolution" means a resolution adopted by the Governing Body on March 31, 2009 authorizing the issuance of the 2009 Bonds;

(x) "2016 Bonds" means the Municipality's Water System Mortgage Revenue Bonds, dated December 23, 2016;

(y) "2016 Resolution" means a resolution adopted by the Governing Body on November 15, 2016 authorizing the issuance of the 2016 Bonds;

(z) "2017 Bonds" means the Municipality's Water System Revenue Refunding Bonds, Series 2017A, dated May 11, 2017;

(aa) "2017 Resolution" means a resolution adopted by the Governing Body on April 18, 2017 authorizing the issuance of the 2017 Bonds;

(bb) "2023B Bonds" means the Municipality's Water System Revenue Bonds, Series 2023B, dated December 28, 2023;

(cc) "2023B Resolution" means a resolution adopted by the Governing Body on December 12, 2023 authorizing the issuance of the 2023B Bonds;

(dd) "2024 Bonds" means the Municipality's Water System Revenue Bonds, Series 2024, dated July 10, 2024;

(ee) "2024 Resolution" means a resolution adopted by the Governing Body on June 25, 2024 authorizing the issuance of the 2024 Bonds;

(ff) "2024B Bonds" means the Municipality's Water System Revenue Bonds, Series 2024B, dated October 9, 2024;

(gg) "2024B Resolution" means a resolution adopted by the Governing Body on September 24, 2024 authorizing the issuance of the 2024B Bonds;

(hh) "2025 Bonds" means the Municipality's Water System Revenue Bonds, Series 2025, dated October 22, 2025;

(ii) "2025 Resolution" means a resolution adopted by the Governing Body on September 30, 2025 authorizing the issuance of the 2025 Bonds;

(jj) "2025C Bonds" means the Municipality's Water System Revenue Bonds, Series 2025C, dated December 23, 2025; and

(kk) "2025C Resolution" means a resolution adopted by the Governing Body on November 18, 2025 authorizing the issuance of the 2025C Bonds.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of \$371,886; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Safe Drinking Water Loan Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Water System Revenue Bonds, Series 2026" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 1.485% per annum; shall be issued in denominations of \$0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto

as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on November 1, 2026 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

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

Section 4. Form, Execution, Registration and Payment of the Bonds. The Bonds shall be issued as registered obligations in substantially the form attached hereto as Exhibit A and incorporated herein by this reference.

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

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

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

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

Section 6. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created and established by a resolution adopted on June 16, 1998 are hereby continued and shall be used solely for the following respective purposes:

- (a) Water System Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation

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

- (b) Water System Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.
- (c) Water System Revenue Bond and Interest Special Redemption Fund (the "Debt Service Fund"), which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due.
- (d) Water System Depreciation Fund, which shall be used to provide a proper and adequate depreciation account for the System. To the extent that the Depreciation Fund serves as a Bond Reserve Account for the 2016 Bonds, it is not pledged to the payment of principal of or interest on the 2008 Bonds, the 2009 Bonds, the 2017 Bonds, the 2023B Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds, the 2025C Bonds or the Bonds and moneys in the Depreciation Fund shall under no circumstances be used to pay principal on or interest on the 2008 Bonds, the 2009 Bonds, the 2017 Bonds, the 2023B Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds, the 2025C Bonds or the Bonds.
- (e) Market Reserve Account, which was created by the 2017 Resolution and shall be used to secure the payment of the principal and interest on the 2017 Bonds and the 2023B Bonds. The Market Reserve Account is not pledged to the payment of principal of or interest on the 2008 Bonds, the 2009 Bonds, the 2016 Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds, the 2025C Bonds or the Bonds and moneys in the Market Reserve Account shall under no circumstances be used to pay principal of or interest on the 2008 Bonds, the 2009 Bonds, the 2016 Bonds, the 2024 Bonds, the 2024B Bonds, the 2025 Bonds, the 2025C Bonds or the Bonds.
- (f) Water System Surplus Fund, which shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Debt Service Fund, the Depreciation Fund and the Market Reserve Account. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only as permitted and in the order specified in Section 66.0811(2), Wisconsin Statutes. Money thereafter remaining in the Surplus Fund may be transferred to any of the funds or accounts provided by this section.

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

- (a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and, if not needed to remedy a deficiency in the

Debt Service Fund, for the following month (after giving effect to available amounts in said Fund from prior deposits);

- (b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source);
- (c) to the Depreciation Fund/Bond Reserve Account, the amount determined by the Governing Body to constitute an adequate and reasonable depreciation account for the System and any amounts required by the 2016 Resolution;
- (d) to the Market Reserve Account, the amount required by the resolutions authorizing the 2017 Bonds, the 2023B Bonds and any Parity Bonds secured thereby; and
- (e) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

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

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

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

until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Section 9. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing water services for public purposes shall be charged against the Municipality and shall be paid in monthly installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the revenues derived from the System; that is to say, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the Municipality in each year shall be equal to an amount which, together with other revenues of the System, will produce in each Fiscal Year Net Revenues equivalent to not less than the annual principal and interest requirements on the Prior Bonds, the Bonds, any Parity Bonds and any other obligations payable from the revenues of the System then outstanding, times the greater of (i) 110% or (ii) the highest debt service coverage ratio required with respect to any obligations payable from revenues of the System then outstanding. However, such payment out of the tax levy shall be subject to (a) approval of the Public Service Commission, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of the services rendered to the Municipality and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

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

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

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

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

(1) The Net Revenues of the System for the Fiscal Year immediately preceding the issuance of such additional bonds must have been in an amount at least equal to the maximum annual interest and principal requirements on all bonds outstanding payable from the revenues of the System, and on the bonds

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

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

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

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

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Safe Drinking Water Loan Program for the purchase price of up to \$371,886 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

Section 13. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited by the Municipality into a special fund designated as "Water System SDWLP Project Fund." The Water System SDWLP Project Fund shall be used solely for the purpose of paying the costs of the Project as more fully described in the preamble hereof and in the Financial Assistance Agreement. Moneys in the Water System SDWLP Project Fund shall be disbursed within three (3) business days of their receipt from the State of Wisconsin and shall not be invested in any interest-bearing account.

Section 14. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except: (a) the Municipality may, from to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal

defect, or omission or procedural inconsistency of this Resolution; and (b) this Resolution may be amended, in any respect, with a written consent of the owners of not less than two-thirds (2/3) of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the Municipality; provided, however, that no amendment shall permit any change in the pledge of revenues derived from the System or the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

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

Section 16. Rebate Fund. Unless the Bonds are exempt from the rebate requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Municipality shall establish and maintain, so long as the Bonds and any Parity Bonds are outstanding, a separate account to be known as the "Rebate Fund." The sole purpose of the Rebate Fund is to provide for the payment of any rebate liability with respect to the Bonds under the relevant provisions of the Code and the Treasury Regulations promulgated thereunder (the "Regulations"). The Rebate Fund shall be maintained by the Municipality until all required rebate payments with respect to the Bonds have been made in accordance with the relevant provisions of the Code and the Regulations.

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

The Municipality may engage the services of accountants, attorneys or other consultants necessary to assist it in determining the rebate payments, if any, owed to the United States with

respect to the Bonds. The Municipality shall maintain or cause to be maintained records of determinations of rebate liability with respect to the Bonds for each computation date until six (6) years after the retirement of the last of the Bonds. The Municipality shall make such records available to the State of Wisconsin upon reasonable request therefor.

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

Section 18. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Safe Drinking Water Loan Program and to such other persons or entities as directed by the State of Wisconsin such ongoing disclosure regarding the Municipality's financial condition and other matters, at such times and in such manner as the Safe Drinking Water Loan Program may require, in order that securities issued by the Municipality and the State of Wisconsin satisfy rules and regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and as it may be amended from time to time, imposed on brokers and dealers of municipal securities before the brokers and dealers may buy, sell, or recommend the purchase of such securities.

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

Approved: July 14, 2026

Matthew MacKenzie
Mayor

Attest:

Denise Oliphant
City Clerk

EXHIBIT A

(Form of Municipal Obligation)

REGISTERED
NO. _____

UNITED STATES OF AMERICA
STATE OF WISCONSIN
ASHLAND AND BAYFIELD
CITY OF ASHLAND

REGISTERED
\$ _____
COUNTIES

WATER SYSTEM REVENUE BOND, SERIES 2026

Final
Maturity Date

May 1, 2056

Date of
Original Issue

_____, 20__

REGISTERED OWNER: STATE OF WISCONSIN SAFE DRINKING WATER LOAN
PROGRAM

FOR VALUE RECEIVED the City of Ashland, Ashland and Bayfield Counties, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed _____ DOLLARS (\$ _____) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2027 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 1.485% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on November 1, 2026.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2027 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at One and 485/1000ths percent (1.485%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

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

This Bond shall not be redeemable prior to its maturity, except with the consent of the registered owner.

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

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Water System of the Municipality, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted July 14, 2026, and entitled: "Resolution Authorizing the Issuance and Sale of Up to \$371,886 Water System Revenue Bonds, Series 2026, and Providing for Other Details and Covenants With Respect Thereto, and Approval of Related Financial Assistance Agreement" (the "Resolution") and is payable only from the income and revenues of the Water System of the Municipality (the "Utility"). Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Special Redemption Fund," created by a resolution adopted by the Governing Body on June 16, 1998, and continued by the Resolution. The Bonds are issued on a parity with the Municipality's Water System Revenue Bonds, Series 2008, dated April 23, 2008, Water System Revenue Bonds, Series 2009, dated April 22, 2009, Water System Mortgage Revenue Bonds, dated December 23, 2016, Water System Revenue Refunding Bonds, Series 2017A, dated May 11, 2017, Water System Revenue Bonds, Series 2023B, dated December 28, 2023, Water System Revenue Bonds, Series 2024, dated July 10, 2024, Water System Revenue Bonds, Series 2024B, dated October 9, 2024, Water System Revenue Bonds, Series 2025, dated October 22, 2025 and Water System Revenue Bonds, Series 2025C, dated December 23, 2025, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

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

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

(SEAL)

CITY OF ASHLAND,
WISCONSIN

By: _____
Matthew MacKenzie
Mayor

By: _____
Denise Oliphant
City Clerk

(Form of Assignment)

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

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

Please insert Social Security or other identifying number of Assignee

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

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

Dated: _____

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

Signature(s) guaranteed by

SCHEDULE A

\$371,886

CITY OF ASHLAND, WISCONSIN
WATER SYSTEM REVENUE BONDS, SERIES 2026

<u>Amount of Disburse- ment</u>	<u>Date of Disbursement</u>	<u>Series of Bonds</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Principal Amount</u>
May 1, 2027	\$ 9,929.62
May 1, 2028	10,077.07
May 1, 2029	10,226.72
May 1, 2030	10,378.58
May 1, 2031	10,532.71
May 1, 2032	10,689.12
May 1, 2033	10,847.85
May 1, 2034	11,008.94
May 1, 2035	11,172.42
May 1, 2036	11,338.33
May 1, 2037	11,506.71
May 1, 2038	11,677.58
May 1, 2039	11,850.99
May 1, 2040	12,026.98
May 1, 2041	12,205.58
May 1, 2042	12,386.84
May 1, 2043	12,570.78
May 1, 2044	12,757.46
May 1, 2045	12,946.90
May 1, 2046	13,139.17
May 1, 2047	13,334.28
May 1, 2048	13,532.30
May 1, 2049	13,733.25
May 1, 2050	13,937.19
May 1, 2051	14,144.16
May 1, 2052	14,354.20
May 1, 2053	14,567.36
May 1, 2054	14,783.68
May 1, 2055	15,003.22
May 1, 2056	15,226.01

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

Financial Assistance Agreement
Safe Drinking Water Loan Program
Form 8700-214 rev 7/25

STATE OF WISCONSIN SAFE DRINKING WATER LOAN PROGRAM
FINANCIAL ASSISTANCE AGREEMENT WITH PRINCIPAL FORGIVENESS

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF ADMINISTRATION

and

CITY OF ASHLAND

\$1,062,533 With up to \$690,647 PRINCIPAL FORGIVENESS

FINANCIAL ASSISTANCE AGREEMENT

Dated as of July 22, 2026

This constitutes a **Financial Assistance Agreement** under the State of Wisconsin's Safe Drinking Water Loan Program. This agreement is awarded pursuant to ss. 281.59 and 281.61, Wis. Stats. The purpose of this agreement is to award financial assistance from the Safe Drinking Water Loan Program. This agreement also discloses the terms and conditions of this award.

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

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

Municipal Identification No. 02201
Safe Drinking Water Loan Program Project No. 4759-34

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EXHIBIT H	BEST PRACTICES FOR LEAD SERVICE LINE REPLACEMENTS

WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated July 22, 2026, between the STATE OF WISCONSIN Safe Drinking Water Loan Program (the "SDWLP"), by the Department of Natural Resources (the "DNR") and the Department of Administration (the "DOA"), acting under authority of ss. 281.59 and 281.61, Wis. Stats., as amended (the "Statute"), and the City of Ashland, a municipality within the meaning of the Statute, duly organized and existing under the laws of the State of Wisconsin (the "Municipality"); and

WHEREAS, the United States, pursuant to the Federal Safe Drinking Water Act Amendments of 1996 (the "Act"), requires each state to establish a drinking water revolving loan fund to be administered by an instrumentality of the state before the state may receive capitalization grants for eligible projects from the United States Environmental Protection Agency (the "EPA"), or any successor which may succeed to the administration of the program established by the Act; and

WHEREAS, the State of Wisconsin, pursuant to the Statute, Wis. Stats., established the SDWLP to be used in part for purposes of the Act; and

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

WHEREAS, DNR and DOA have the joint responsibility to provide SDWLP financial assistance to municipalities for the construction of eligible drinking water projects, all as set forth in the Statute; and

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

WHEREAS, DNR determined that the Municipality and the Project are not ineligible for financial assistance under s. 281.61(2g), Wis. Stats.; and

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

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

WHEREAS, the Municipality certifies to the SDWLP that it has created a dedicated source of revenue, for repayment of the Municipal Obligations; and

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

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

ARTICLE I
DEFINITIONS; RULES OF INTERPRETATION

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

"Act" means the federal Safe Drinking Water Act, 42 U.S.C. 300f to 300j-26.

"American Iron and Steel" means the requirements for using American iron and steel as mandated under EPA's Drinking Water State Revolving Fund program.

"Application" means the written application of the Municipality dated June 27, 2025, for financial assistance under the Statute.

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

"Build America, Buy America" means Title IX of the Infrastructure Investment and Jobs Act, Publ. L. No. 117-58, §§ 70901-52.

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

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

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

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

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

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

"FAA" means this Financial Assistance Agreement.

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

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

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

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

"Lead Service Line" or "LSL" means (i) all or a portion of a water Service Line constructed of lead, and/or (ii) all or a portion of a water Service Line constructed of galvanized material that is or was downstream of lead.

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

"Loan Disbursement Table" means the table with columns for inserting the following information for the portion of the Loan which is to be repaid with interest:

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

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

- (a) this FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary actions by the governing body of the Municipality, and this FAA has been duly executed and delivered by the Municipality;
- (b) the Municipal Obligations have been duly authorized, executed, and delivered by the Municipality and sold to the SDWLP;
- (c) each of this FAA and the Municipal Obligations constitutes a legal, valid, and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);
- (d) the Municipal Obligations constitute special obligations of the Municipality secured as to payment of principal, interest, and redemption price by the pledged revenues as set forth therein;
- (e) interest on the Municipal Obligations is not included in gross income of the owners thereof for federal income taxation purposes under existing laws, regulations, rulings, and judicial decisions;
- (f) the Municipal Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code and the arbitrage regulations; and
- (g) the Municipal Obligations are not "private activity bonds" as defined in Section 141(a) of the Code.

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

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

"Municipality" means the City of Ashland, a "local governmental unit" within the meaning of the Statute, duly organized and existing under the laws of the State, and any successor entity.

"Parity Obligations" means the Municipality's \$585,778 Water System Revenue Bonds, Series 2008, dated April 23, 2008; its \$417,988 Water System Revenue Bonds, Series 2009, dated April 22, 2009; its \$1,883,000 Water System Mortgage Revenue Bonds, dated December 23, 2016; its \$3,315,000 Water System Revenue Refunding Bonds, Series 2017A, dated May 11, 2017; its \$1,585,000 Water System Revenue Bonds, Series 2023B, dated December 28, 2023; its \$847,920 Water System Revenue Bonds, Series 2024, dated July 10, 2024; its \$9,166,606 Water System Revenue Bonds, Series 2024B, dated October 9, 2024; its \$1,161,830 Water System Revenue Bonds, Series 2025, dated October 22, 2025; its \$85,672 Water System Revenue Bonds, Series 2025C, dated December 23, 2025 and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.

"Plans and Specifications" means the Project design plans and specifications assigned No. W-2025-0150, approved on March 14, 2025 and W-2025-0620, approved on June 15, 2025, as the same may be amended or modified from time to time in accordance with this FAA.

"Principal Forgiveness" means Financial Assistance received in the form of forgiveness of a portion of the Loan principal pursuant to the Act, Regulations, and this FAA of which no repayment thereof shall be required except as may be required per the Act, Statute, Regulations, or this FAA. The total amount of principal forgiveness available for this Project as of the date of this FAA is \$690,647. The applicable percentage of principal forgiveness for this Project, as shown on the Final Funding List, is 65%.

"Program Resolution" means the Amended and Restated Program Resolution for State of Wisconsin Environmental Improvement Fund Revenue Obligations adopted by the State of Wisconsin Building Commission on February 15, 2017, as such may from time to time be further amended or supplemented by Supplemental Resolutions in accordance with the terms and provisions of the Program Resolution.

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

"Project" means the project assigned SDWLP Project No. 4759-34, and No. 4759-32, by DNR, described in the Project Manager Summary Page (Exhibit F), and further described in the DNR approval letter(s) for the Plans and Specifications, or portions thereof, issued under s. 281.41, Wis. Stats.

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

"Regulations" means the Act; chs. NR 108, NR 150, NR 151, NR 166, NR 809, NR 810, and NR 811, Wis. Adm. Code, the regulations of DNR; and ch. Adm. 35, Wis. Adm. Code, the regulations of DOA, adopted pursuant to and in furtherance of the Statute, as such may be adopted or amended from time to time.

"SDWLP" means the State of Wisconsin Safe Drinking Water Loan Program, established pursuant to the Statute and managed and administered by DNR and DOA.

"Service Line" means the water service piping from the corporation stop of a municipally-owned water main or service line to the meter, isolation valve, or other water utility service terminal on the served property.

"Servicing Fee" means any servicing fee that may be imposed by DNR and DOA pursuant to s. 281.61(5)(b), Wis. Stats., which shall cover the estimated costs of reviewing and acting upon the Application and servicing this FAA, and which the Municipality is obligated to pay as set forth in Section 3.09 hereof.

"State" means the State of Wisconsin.

"Statute" means ss. 281.59 and 281.61, Wis. Stats., as amended.

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

"Supplemental Resolution" shall have the meaning set forth in the Program Resolution.

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

"User Fees" means fees charged or to be charged to users of the Project or the Water System of which the Project is a part pursuant to the Municipality's Water Rates or otherwise.

"Water Diversion Permit" means a DNR permit issued to the Municipality under s. 30.18(2), Wis. Stats., to divert water from a stream or lake in Wisconsin.

"Water Rates" means a charge or system of charges levied on users of a water system for the user's proportional share of the revenue requirement of a water system which consists of operation and maintenance expenses, depreciation, taxes, and return on investment.

"Water System" means all structures, conduits, and appurtenances by means of which water is delivered to consumers, except piping and fixtures inside buildings served and service pipes from buildings to street mains.

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

- (a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.
- (b) All references herein to particular articles or sections are references to articles or sections of this FAA.
- (c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA, nor shall they affect its meaning, construction, or effect.
- (d) The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms as used in this FAA refer to this FAA in its entirety and not the particular article or section of this FAA in which they appear. The term "hereafter" means after and the term "heretofore" means before the date of delivery of this FAA.
- (e) All accounting terms not otherwise defined in this FAA have the meanings assigned to them in accordance with generally accepted accounting principles, and all computations provided for herein shall be made in accordance with generally accepted accounting principles.

ARTICLE II REPRESENTATIONS

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

- (a) The State is authorized to issue the Bonds in accordance with the Statute and the Program Resolution and to use the proceeds thereof to provide funds for the Financial Assistance provided to the Municipality to undertake and complete the Project.
- (b) The SDWLP has complied with the provisions of the Statute and has full power and authority to execute and deliver this FAA, consummate the transactions contemplated hereby, and perform its obligations hereunder.
- (c) The SDWLP is not in violation of any of the provisions of the Constitution or laws of the State which would affect its powers referred to in the preceding paragraph (b).
- (d) Pursuant to the Statute, the SDWLP is authorized to execute and deliver this FAA, and to take actions and make determinations that are required of the SDWLP under the terms and conditions of this FAA.

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

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

(g) The Project is on the DNR funding list for the 2026 state fiscal year.

Section 2.02. Representations of the Municipality The Municipality represents, and warrants as of the date of this FAA, and with respect to paragraphs (n), (s), and (u), covenants throughout the term of this FAA, as follows:

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

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

(b) The Municipality is in compliance with its Water Diversion Permit (if any).

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

(d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of \$371,886 and authorized the taking of any and all action as may be required on the part of the Municipality and its authorized officers to carry out, give effect to, and consummate the transactions contemplated by each of the foregoing.

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

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

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

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

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

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

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

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

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

(j) The Municipality has full legal right and authority and all necessary permits, licenses, easements, and approvals (other than such permits, licenses, easements, or approvals that are not by their nature obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the Project, carry on its activities relating thereto, undertake and complete the Project, and carry out and consummate all transactions contemplated by this FAA.

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

(l) The Project is eligible under s. 281.61(2), Wis. Stats., for financing from the SDWLP, and the Project Costs are equal to or in excess of the principal amount of the Municipal Obligations. The Project has satisfied the requirements of the State Environmental Review Procedures contained in the Regulations. Portions of the Project that are ineligible for financing from the SDWLP are listed within the Project Manager Summary Page attached hereto as Exhibit F. The Municipality intends the Project to be eligible under the Statute throughout the term of this FAA.

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

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

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

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

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

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

(s) The Municipality represents that it has satisfied and shall continue to satisfy all the applicable requirements in ss. 281.61(4), (5), and (8m), Wis. Stats., and ch. NR 166, Wis. Adm. Code.

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

(u) The Municipality is in substantial compliance and shall remain in substantial compliance with all applicable conditions, requirements, and terms of financial assistance previously awarded through any federal construction grants program, the SDWLP, or the CWFP.

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

(w) The Municipality represents that it submitted to DNR a bid tabulation for the Project with a recommendation to DNR for review and concurrence. The actual Substantial Completion date of the Project was July 10, 2026.

(x) If the Municipality fails to make a principal repayment or interest payment after its due date, DOA shall place on file a certified statement of all amounts due under this section and s. 281.58 or 281.61 or s. 281.60, 2021 stats. After consulting DNR, DOA may collect all amounts due by deducting those amounts from any state payments due the municipality or may add a special charge to the amount of taxes apportioned to and levied upon the county under s. 70.60. If DOA collects amounts due, it shall remit those amounts to the fund to which they are due and notify DNR of that action.

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

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

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

(bb) The Municipality submitted a water rate application to the Public Service Commission. This water rate application is for Water Rates that shall generate sufficient revenues, together with other funds available to the Municipality, to pay all costs of operating and maintaining the facilities of the Municipality's entire Water System, in accordance with this FAA. The Municipality implemented the Water Rates upon the Wisconsin Public Service Commission's approval of the rate order.

(cc) The Municipality acknowledges that it is eligible to receive Financial Assistance in the form of a Loan of \$1,062,533 with Principal Forgiveness of \$690,647 for payment of Project Costs.

ARTICLE III LOAN PROVISIONS

Section 3.01. Loan Clauses

(a) Subject to the conditions and in accordance with the terms of this FAA, the SDWLP hereby agrees to make the Loan and the Municipality agrees to accept the Loan. As evidence of the portion of the Loan made to the Municipality remaining subsequent to the Principal Forgiveness, the Municipality hereby agrees to sell to the SDWLP Municipal Obligations in the aggregate principal amount of \$371,886. The SDWLP shall pay for the Municipal Obligations in lawful money of the United States, which shall be disbursed as provided in this FAA.

(b) Prior to disbursement, Loan proceeds shall be held by the SDWLP or by the Trustee for the account of the SDWLP. Earnings on undisbursed Loan proceeds shall be for the account of the SDWLP. Loan proceeds shall be disbursed only upon submission by the Municipality of disbursement requests and approval thereof as set forth in Section 3.05 hereof.

(c) The Loan shall bear interest at the rate of one and 485/1000ths percent (1.485%) per annum, and interest shall accrue and be payable only on Loan principal amounts actually disbursed on the Municipal Obligations from the date of disbursement until the date such amounts are repaid or forgiven.

(d) Disbursements of Financial Assistance shall generally be made: first, in the form of a Loan disbursement on the Municipal Obligations, which must be at least 5% of the Municipal Obligation amount or an excess of \$50,000, whichever is less; second in the form of Loan disbursements that include the applicable percentage of Principal Forgiveness up to \$690,647; and third, if the Principal Forgiveness cap has been reached, in the form of Loan disbursements on the Municipal Obligations. Principal Forgiveness will be applied at the time of Loan disbursement.

(e) The Department of Administration shall maintain a Loan Disbursement Table on its website <http://eif.doa.wi.gov/start.asp>. DOA shall make entries as each disbursement is made and as each principal amount is repaid; the SDWLP and the Municipality agree that such entries shall be mutually binding.

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

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

Section 3.02. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements on the Municipal Obligations shall be a revenue obligation evidenced by issuance of revenue bonds pursuant to s. 66.0621, Wis. Stats. The security for the Municipality's obligation shall be a pledge of revenues to be derived from the Water System, and the Municipality shall agree that, if revenues from the Water System are insufficient to meet annual debt service requirements, the Municipality shall purchase water services in amounts sufficient to meet annual debt service requirements as provided in and set forth in Section 9 of the Municipal Obligation Resolution. The annual revenues net of all current expenses shall be equal to not less than the annual principal and interest requirements on the Municipal Obligations, any Parity Obligations, and any other debt obligations payable from the revenues of the Water System then outstanding, times the greater of (i) 110 percent or (ii) the highest debt service coverage ratio required with respect to any Parity Obligations, or any other debt obligations payable from the revenues of the Water System then outstanding. As of the date of this FAA, the required debt service coverage ratio is 125 percent; however, this percentage is subject to change as outlined in the prior sentence. The Municipal Obligations are also secured as provided in Section 3.07 hereof.

Section 3.03. Municipal Obligations Amortization Principal and interest payments on the Municipal Obligations shall be due on the dates set forth in Exhibit B of this FAA. The payment amounts shown on Exhibit B are for informational purposes only and assume the full amount of the Municipal Obligations is disbursed and that the full amount of Principal Forgiveness available is applied to the Loan on July 22, 2026. It is understood that the actual amounts of the Municipality's Municipal Obligations payments shall be based on the actual dates and amounts of disbursements on the Municipal Obligations. Notwithstanding the foregoing or anything in the Municipal Obligations, the Municipal Obligations shall be for no longer than thirty (30) years from the date of this FAA and shall mature and be fully amortized not later than thirty (30) years after the original issue date of the Municipal Obligations. Repayment of principal on the Municipal Obligations shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

Section 3.04. Sale and Redemption of Municipal Obligations

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

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

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

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

Section 3.05. Disbursement of Financial Assistance

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

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

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

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

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

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

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

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

(1) DNR is satisfied that the Project has been completed in accordance with the Plans and Specifications, and DNR has approved all change orders relating to the Project;

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

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

(4) the Municipality furnishes reports and provides data and such other information as SDWLP may require prior to Project closeout; and

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

(g) Treas. Regs. 26 CFR § 1.148-6(d)(1)(iii) applies to project expenditures; it states, in part, "An issuer must account for the allocation of proceeds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service".

Section 3.06. Remedies

(a) If the Municipality:

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

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

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

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

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

(ii) Project work may be suspended.

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

(iv) Other administrative remedies may be pursued.

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

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

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

(3) In the case of a joint utility system, the SDWLP may bill the users of the Water system directly.

(4) The SDWLP may declare the principal amount of the Municipal Obligations immediately due and payable.

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

(6) The SDWLP may increase the interest rate set forth in Section 3.01 hereof to the market interest rate as defined in the Statute and Regulations.

Section 3.07. Security for the Municipal Obligations In accordance with the terms of the Municipal Obligation Resolution:

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

(b) other than as already pledged to the outstanding Parity Obligations the Municipality shall not pledge the revenues, except as provided in Section 11 of the Municipal Obligation Resolution, to be derived from the Municipality's Water Rates or other revenues pledged under Section 3.07(a) above, to any person other than the SDWLP, unless the revenues pledged to such other person meet the highest debt coverage ratio then applicable to the Municipality.

Section 3.08. Effective Date and Term This FAA shall become effective upon its execution and delivery by the parties hereto, shall remain in full force and effect from such date, and shall expire on such date as the Municipal Obligations shall be discharged and satisfied in accordance with the provisions thereof.

Section 3.09. Other Amounts Payable The Municipality hereby expressly agrees to pay to the SDWLP:

(a) such Servicing Fee as the SDWLP may impose pursuant to s. 281.61(5)(b), Wis. Stats., which shall be payable in semiannual installments on each interest payment date; such a Servicing Fee shall be imposed upon the Municipality after approval of a future Biennial Finance Plan by the State of Wisconsin Building Commission which contains a Servicing Fee requirement, schedule, and amount; and

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

Amounts paid by the Municipality pursuant to this Section 3.09 shall be deposited in the Equity Fund established pursuant to the Program Resolution.

ARTICLE IV CONSTRUCTION OF THE PROJECT

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

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

Section 4.02. Construction of the Project

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

(b) During construction of the Project, if the Municipality replaces a Lead Service Line in the Water System that results in creation of a partial Lead Service Line due to the private portion of the Service Line also containing lead, or containing galvanized iron or galvanized steel, the SDWLP shall not provide funding for the public Lead Service Line replacement until the private side of the Service Line has also been replaced.

(c) If a Lead Service Line, including both the public portion and the private portion of the line, cannot be replaced in its entirety all at one time, the Municipality shall supply water filters to any affected homes to minimize any harmful effects. The Municipality shall attempt to replace a

Service Line in its entirety within 45 days of the start of construction on the Lead Service Line. In no case shall the full replacement period exceed 180 days.

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

Section 4.04. Completion of the Project

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

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

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

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

- (1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;
- (2) complete and deliver to DNR the completed Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;
- (3) prepare and deliver to DNR the completed Federal Requirements Compliance Certification attached hereto as Exhibit C of this FAA;
- (4) certify compliance with Section 4.02 of this FAA; and
- (5) obtain all required permits and authorizations from appropriate authorities, if required, for operation and use of the Project.
- (6) document and deliver to DNR the following information regarding any Lead Service Lines that were encountered and replaced during the project:
 1. property address,
 2. property type (residential, school, daycare, commercial, other),
 3. original Service Line material,
 4. new Service Line material; and
 5. Service Line ownership (public, private, both).

Section 4.05. Payment of Additional Project Costs

(a) In the event of revised eligibility determinations, cost overruns, and amendments exceeding the Financial Assistance amount, the SDWLP may allocate additional financial assistance to the

Project. The allocation of additional financial assistance may be in the form of a loan at less than the market interest rate, which is established pursuant to the Statute and Regulations. The allocation of additional financial assistance shall depend upon availability of funds pursuant to the Statute and the Regulations.

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

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

ARTICLE V COVENANTS

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

Section 5.02. Operation and Maintenance

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

- (1) at all times operate the Project or otherwise cause the Project to be operated properly and in a sound and economical manner, including proper training of personnel;
- (2) maintain, preserve, and keep the Project or cause the Project to be maintained, preserved, and kept in good repair, working order, and condition; and
- (3) periodically make, or cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of the Project may be properly conducted in a manner that is consistent with the Project performance standards contained in the Application and the requirements of the Water Diversion Permit (if any).

(b) So long as the Loan is outstanding, the Municipality shall not, without the approval of DNR, discontinue operation of, sell, or otherwise dispose of the Water System or Project, except for portions of the Water System sold or otherwise disposed of in the course of ordinary repair and replacement of parts.

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

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

Section 5.05. Establishment of Project Accounts; Audits

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

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

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

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

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

Section 5.09. Tax Covenants

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

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

(c) The Municipality shall not directly or indirectly use, or permit the use of, any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds, or take any action, or omit to take any action, which use or action or omission would cause the Bonds to be "arbitrage

bonds" within the meaning of Section 148(a) of the Code or any successor provision. The Municipality hereby further covenants to ensure that all amounts actually received by such Municipality from the SDWLP are advanced within three Business Days to the entity submitting the invoice (or to reimburse the Municipality) to which each amount relates, and that all amounts actually received by such Municipality from the SDWLP shall not be invested in any interest-bearing account.

(d) The Municipality shall not use (directly or indirectly) the proceeds of the Bonds in any manner that would constitute an "advance refunding" within the meaning of Section 149(d)(2) of the Code or any successor provision. Without limiting the foregoing, any proceeds of the Bonds used to repay interim or other prior financing of Project Costs shall be applied within three (3) Business Days of receipt of the proceeds to the payment of principal of such financing.

Section 5.10. User Fee Covenant

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

(b) The Municipality covenants that it shall adopt, and adequately maintain for the design life of the Project, a system of User Fees with respect to the Project. The Municipality covenants that it shall, from time to time, revise and charge User Fees with respect to the Project such that the revenues and funds described in paragraph (a) shall be sufficient to pay the costs described in paragraph (a).

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

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

Section 5.13. Nondiscrimination Covenant

(a) In connection with the Project, the Municipality agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but is not limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Municipality agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provision of the nondiscrimination clause.

(b) The Municipality shall incorporate the following provision into all Project contracts which have yet to be executed: "In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical condition, developmental disability, or national origin.

The contractor further agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor further agrees to take affirmative action to ensure equal employment opportunities for persons with disabilities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause."

(c) The Municipality shall follow all federal statutes and regulations prohibiting discrimination, without limitation, including the following:

- (1) Age Discrimination Act, Pub. L. 94-135
- (2) Equal Employment Opportunity, Executive Order 11246
- (3) Section 13 of the Clean Water Act, Pub. L. 92-500
- (4) Section 504 of the Rehabilitation Act, Pub. L 93-112 supplemented by Executive Orders 11914 and 11250
- (5) Title VI of the Civil Rights Act, Pub. L 88-352
- (6) Participation by Disadvantaged Business Enterprises in Procurement, s. NR 162.08(4) and s. NR 166.11(4) Wis. Adm. Code.

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

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

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

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

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

Section 5.19. Rebates The Municipality agrees to pay to the SDWLP any refunds, rebates, credits, or other amounts received for Project Costs for which disbursement of funds has already been made by the SDWLP. The SDWLP shall then apply the amount it receives as a Loan prepayment or as a recovery of a Loan disbursement with Principal Forgiveness (if there is no outstanding principal balance for the Project).

Section 5.20. Maintenance of Legal Existence

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

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

- (1) the resulting, surviving, or transferee legal entity is a legal entity established and duly existing under the laws of Wisconsin;
- (2) such resulting, surviving, or transferee legal entity is eligible to receive financial assistance under the Statute;
- (3) such resulting, surviving, or transferee legal entity expressly assumes in writing all of the obligations of the Municipality contained in this FAA and the Municipal Obligations and any other documents the SDWLP deems reasonably necessary to protect its environmental and credit interests; and
- (4) the SDWLP consents in writing to such transaction, which consent may be withheld in the absolute discretion of the SDWLP.

Section 5.21. Wage Rate Requirements The Municipality represents that it shall comply with Section 1450(e) of the Act (42 USC 300j-9(e)), which requires that all laborers and mechanics employed by contractors and subcontractors funded directly by, or assisted in whole or in part with, funding under the Loan shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Section 5.22. American Iron and Steel The Municipality agrees to comply with requirements for use of American Iron and Steel contained in Public Law 115-141 for products used in the Project that are made primarily of iron and/or steel.

Section 5.23. Federal Single Audit At the time of signing of this FAA, the funds awarded to the Municipality for this Project are not considered to be subject to federal single audit requirements, but such consideration may change subsequent to this FAA if any changes are made to federal single audit requirements applicable to municipalities. If the Municipality is required to submit a Federal Single Audit, without any request the Municipality shall furnish to DOA, at doaeif@wisconsin.gov as soon as available, and in any event within 30 days after completion, the Federal Single Audit. Notification must include acknowledgement of any state revolving fund findings and/or resolution of prior year findings.

ARTICLE VI MISCELLANEOUS

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

- (a) DEPARTMENT OF ADMINISTRATION
OFFICE OF CAPITAL FINANCE
SAFE DRINKING WATER LOAN PROGRAM
101 EAST WILSON STREET 10TH FLOOR
MADISON WI 53702-0004
OR
PO BOX 7864
MADISON WI 53707-7864
- (b) DEPARTMENT OF NATURAL RESOURCES

BUREAU OF COMMUNITY FINANCIAL ASSISTANCE
101 SOUTH WEBSTER STREET CF/2
MADISON WI 53702-0005
OR
PO BOX 7921
MADISON WI 53707-7921

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

(d) CITY OF ASHLAND
601 MAIN STREET WEST
ASHLAND WI 54806

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

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

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

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

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

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

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

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

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

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

DOA, or the Trustee of opinions that may be required under the Program Resolution.

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

- (a) The SDWLP and the Municipality may enter into an agreement to terminate this FAA at any time. The termination agreement shall establish the effective date of termination of this FAA, the basis for settlement of termination costs, and the amount and date of payment of any sums due either party.
- (b) If the Municipality wishes to unilaterally terminate all or any part of the Project work for which Financial Assistance has been awarded, the Municipality shall promptly give written notice to DNR. If the SDWLP determines that there is a reasonable basis for the requested termination, the SDWLP may enter into a termination agreement, including provisions for FAA termination costs, effective with the date of cessation of the Project work by the Municipality. If the SDWLP determines that the Municipality has ceased work on the Project without reasonable basis, the SDWLP may unilaterally terminate Financial Assistance or rescind this FAA.

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

- (a) there has been substantial non-performance of the Project work by the recipient without justification under the circumstances;
- (b) there is substantial evidence this FAA was obtained by fraud;
- (c) there is substantial evidence of gross abuse or corrupt practices in the administration of the Project;
- (d) the Municipality has failed to comply with the covenants contained in this FAA; or
- (e) any of the representations of the Municipality contained in this FAA were false in any material respect.

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

CITY OF ASHLAND

By: _____
Matthew MacKenzie
Mayor

Signed by:
Denise Oliphant
Attest: _____
Denise Oliphant
City Clerk

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

By: _____
Authorized Officer

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Officer

EXHIBIT A
PROJECT BUDGET SHEET

CITY OF ASHLAND
SDWLP Project No. 4759-34

	Total Project Costs	Ineligible Costs Paid by WisDOT(B)	Ineligible Costs Paid with Internal Funds	SDWLP 4759-29 Portion of Project Costs (C)	SDWLP Total Award Amount for this Project
Force Account	0.00	0.00	0.00	0.00	0.00
Interim Financing	0.00	0.00	0.00	0.00	0.00
Preliminary Engineering	256,731.00	152,331.00	10,900.00	0.00	93,500.00
Land or Easement Acquisition	0.00	0.00	0.00	0.00	0.00
Engineering/Construction Mgmt.	217,397.00	92,357.00	18,472.00	0.00	106,568.00
Construction/Equipment	2,405,107.72	1,203,605.14	361,324.32	60,025.00	780,153.26
Contingency	22,587.99	0.00	0.00	0.00	22,587.99
Miscellaneous Costs	37,723.75	0.00	0.00	0.00	37,723.75
SDWLP Closing Costs	22,000.00	0.00	0.00	0.00	22,000.00
TOTAL	\$2,961,547.46	\$1,448,293.14	\$390,696.32	\$60,025.00	\$1,062,533.00
Principal Forgiveness Amount (A)					\$690,647.00
Net SDWLP Loan Amount					\$371,886.00

A = Principal Forgiveness is calculated and awarded up to 65% of the total SDWLP Principal Forgiveness Eligible Costs for this Project.

B = Combined WisDOT LRIP and STP-Urban grant coverage of budgeted contracts for both Chapple and Prentice construction projects.

C = The total award amount for SDWLP 4759-29 was \$800,322.00. Of this, \$60,025.00 is included in the total project costs for SDWLP 4759-34 as the Chapple Avenue LSL replacements were included in the same construction contract.

City of Ashland , Wisconsin
Exhibit B

Project 4759-34 Safe Drinking Water Fund Program

Loan Closing Date:

July 22, 2026

Payment Date	Principal Payment	Interest Rate	Interest Payment	Principal & Interest	Bond Year Debt Service	Calendar Year Debt Service
1-Nov-26	0.00	1.485%	1,518.69	1,518.69	0.00	1,518.69
1-May-27	9,929.62	1.485%	2,761.25	12,690.87	14,209.56	0.00
1-Nov-27	0.00	1.485%	2,687.53	2,687.53	0.00	15,378.40
1-May-28	10,077.07	1.485%	2,687.53	12,764.60	15,452.13	0.00
1-Nov-28	0.00	1.485%	2,612.70	2,612.70	0.00	15,377.30
1-May-29	10,226.72	1.485%	2,612.70	12,839.42	15,452.12	0.00
1-Nov-29	0.00	1.485%	2,536.77	2,536.77	0.00	15,376.19
1-May-30	10,378.58	1.485%	2,536.77	12,915.35	15,452.12	0.00
1-Nov-30	0.00	1.485%	2,459.71	2,459.71	0.00	15,375.06
1-May-31	10,532.71	1.485%	2,459.71	12,992.42	15,452.13	0.00
1-Nov-31	0.00	1.485%	2,381.50	2,381.50	0.00	15,373.92
1-May-32	10,689.12	1.485%	2,381.50	13,070.62	15,452.12	0.00
1-Nov-32	0.00	1.485%	2,302.14	2,302.14	0.00	15,372.76
1-May-33	10,847.85	1.485%	2,302.14	13,149.99	15,452.13	0.00
1-Nov-33	0.00	1.485%	2,221.59	2,221.59	0.00	15,371.58
1-May-34	11,008.94	1.485%	2,221.59	13,230.53	15,452.12	0.00
1-Nov-34	0.00	1.485%	2,139.85	2,139.85	0.00	15,370.38
1-May-35	11,172.42	1.485%	2,139.85	13,312.27	15,452.12	0.00
1-Nov-35	0.00	1.485%	2,056.90	2,056.90	0.00	15,369.17
1-May-36	11,338.33	1.485%	2,056.90	13,395.23	15,452.13	0.00
1-Nov-36	0.00	1.485%	1,972.71	1,972.71	0.00	15,367.94
1-May-37	11,506.71	1.485%	1,972.71	13,479.42	15,452.13	0.00
1-Nov-37	0.00	1.485%	1,887.27	1,887.27	0.00	15,366.69
1-May-38	11,677.58	1.485%	1,887.27	13,564.85	15,452.12	0.00
1-Nov-38	0.00	1.485%	1,800.57	1,800.57	0.00	15,365.42
1-May-39	11,850.99	1.485%	1,800.57	13,651.56	15,452.13	0.00
1-Nov-39	0.00	1.485%	1,712.57	1,712.57	0.00	15,364.13
1-May-40	12,026.98	1.485%	1,712.57	13,739.55	15,452.12	0.00
1-Nov-40	0.00	1.485%	1,623.27	1,623.27	0.00	15,362.82
1-May-41	12,205.58	1.485%	1,623.27	13,828.85	15,452.12	0.00
1-Nov-41	0.00	1.485%	1,532.64	1,532.64	0.00	15,361.49
1-May-42	12,386.84	1.485%	1,532.64	13,919.48	15,452.12	0.00
1-Nov-42	0.00	1.485%	1,440.67	1,440.67	0.00	15,360.15
1-May-43	12,570.78	1.485%	1,440.67	14,011.45	15,452.12	0.00
1-Nov-43	0.00	1.485%	1,347.33	1,347.33	0.00	15,358.78
1-May-44	12,757.46	1.485%	1,347.33	14,104.79	15,452.12	0.00
1-Nov-44	0.00	1.485%	1,252.61	1,252.61	0.00	15,357.40
1-May-45	12,946.90	1.485%	1,252.61	14,199.51	15,452.12	0.00
1-Nov-45	0.00	1.485%	1,156.48	1,156.48	0.00	15,355.99
1-May-46	13,139.17	1.485%	1,156.48	14,295.65	15,452.13	0.00
1-Nov-46	0.00	1.485%	1,058.92	1,058.92	0.00	15,354.57
1-May-47	13,334.28	1.485%	1,058.92	14,393.20	15,452.12	0.00
1-Nov-47	0.00	1.485%	959.91	959.91	0.00	15,353.11
1-May-48	13,532.30	1.485%	959.91	14,492.21	15,452.12	0.00
1-Nov-48	0.00	1.485%	859.44	859.44	0.00	15,351.65
1-May-49	13,733.25	1.485%	859.44	14,592.69	15,452.13	0.00
1-Nov-49	0.00	1.485%	757.47	757.47	0.00	15,350.16
1-May-50	13,937.19	1.485%	757.47	14,694.66	15,452.13	0.00
1-Nov-50	0.00	1.485%	653.98	653.98	0.00	15,348.64
1-May-51	14,144.16	1.485%	653.98	14,798.14	15,452.12	0.00
1-Nov-51	0.00	1.485%	548.96	548.96	0.00	15,347.10
1-May-52	14,354.20	1.485%	548.96	14,903.16	15,452.12	0.00
1-Nov-52	0.00	1.485%	442.38	442.38	0.00	15,345.54
1-May-53	14,567.36	1.485%	442.38	15,009.74	15,452.12	0.00
1-Nov-53	0.00	1.485%	334.22	334.22	0.00	15,343.96
1-May-54	14,783.68	1.485%	334.22	15,117.90	15,452.12	0.00
1-Nov-54	0.00	1.485%	224.45	224.45	0.00	15,342.35
1-May-55	15,003.22	1.485%	224.45	15,227.67	15,452.12	0.00
1-Nov-55	0.00	1.485%	113.05	113.05	0.00	15,340.72
1-May-56	15,226.01	1.485%	113.05	15,339.06	15,452.11	15,339.06
Totals	371,886.00		90,435.12	462,321.12	462,321.12	462,321.12
Net Interest Rate				1.4850%		
Bond Years				6,089.9107		
Average Life				16.3757		

The above schedule assumes full disbursement of the loan on the loan closing date.

25-Jun-26 Wisconsin Department of Administration

Loan Payment Schedule Comments

Please review the preceding loan payment schedule. It shows the dates of your first interest and principal payments. The preceding loan payment schedule assumes you draw all the loan funds on the loan closing date. Borrowers often draw loan funds over time. Interest only accrues on the funds disbursed and only after the date of each disbursement.

You can view your payment schedule based on disbursements to date at <http://eif.doa.wi.gov/>. Select Loan Payment Schedule on the lower half of the page. You can also request loan payment information from doaeif@wisconsin.gov.

You can generate additional reports at <http://eif.doa.wi.gov/>.

<u>Available Report</u>	<u>Information Provided</u>
Auditor Verification Report	Information commonly requested by municipal auditors. Available for completed calendar years.
Loan Account History	Loan disbursements, principal payments, and loan balance.
Loan Payment Schedule	Future principal and interest payments for disbursements.
Payment History	Past principal and interest payments.
Disbursement History	Past loan and grant disbursements.

Use the Output to Excel button at the bottom of the page to create your report in Microsoft Excel. Find details on generating reports at <http://eif.doa.wi.gov/siteDescr.htm>.

The Environmental Improvement Fund sends invoices semi-annually. You will receive an invoice approximately 45 days prior to the due date. If you have multiple loans, we will send a single invoice showing the payment amount for each loan.

- May 1: principal and interest payments due
- November 1: interest payments due

For more information about your payment schedule, please email doaeif@wisconsin.gov. The first available staff will respond to your inquiry.

EXHIBIT C

FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

**[Prepare on Municipal Letterhead at Project
Completion and Closeout]**

The undersigned officials of the City of Ashland (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 4759-34 (the "Project"), the Municipality has met the prevailing wage rate requirements of the Davis-Bacon Act.

The Municipality further certifies that, after taking into account any national or project-specific waivers approved by the U.S. Environmental Protection Agency, DNR Project No. 4759-34 has met the requirements for the use of American Iron and Steel mandated under EPA's Drinking Water State Revolving Fund Program.

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

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

Dated as of: _____

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

Dated as of: _____

EXHIBIT D
OPERATING CONTRACTS

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

EXHIBIT E

UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE)

Notice: This form is authorized by ss. 281.58, 281.59, and 281.61, Wis. Stats. Submittal of a completed form to the DNR is mandatory prior to receiving a final disbursement. Dollar amounts listed on the form should only include amounts paid under the Financial Assistance Agreement. Information collected on this form will be used for administrative purposes and may be provided to requesters to the extent required by Wisconsin's Public Records Law [ss. 19.31–19.39, Wis. Stats.].

Municipality City of Ashland				Project Number 4759-34	
Project Description Watermain Replacement - Chapple Avenue & Prentice Avenue Phase II					
Are any DBEs expected to be utilized on the project? If yes, list below. Yes ☒ No ☐				Enter at Project Closeout	
DBE Firm	Indicate DBE Type	Construction or Non-construction*	Contract Estimate (\$)	Actual Amount Paid to the DBE (\$)	Certifying Agency or List
<i>SAMPLE: ABC Engineering, LLC.</i>	<i>X MBE ☐ WBE ☐ Other</i>	<i>Non-construction</i>	<i>10,000</i>	<i>9,950</i>	<i>WisDOT</i>
Mavo Concrete Sawing Services, Inc.	X MBE ☐ WBE ☐ Other	Non-construction	\$4,500		
Utility Sales and Supply, Inc.	☐ MBE X WBE ☐ Other	Non-construction	\$18,552		
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				
	☐ MBE ☐ WBE ☐ Other				

* Construction costs include but are not limited to paving, excavation, HVAC, plumbing, electrical, carpentry, trucking, and equipment. Non-construction costs include but are not limited to professional services, engineering, land acquisition, and supplies.

I hereby certify that, to the best of my knowledge and belief, the information provided on this form is accurate and correct.

Signature of Municipal Representative		Date Signed
Name of Person Completing This Form	Email Address	Phone Number

EXHIBIT F

PROJECT MANAGER SUMMARY PAGE

CITY OF ASHLAND

SDWLP Project No. 4759-34

1. Project Description: This Project consists of two watermain replacements done in conjunction with road reconstruction projects in the 2025 and 2026 construction seasons including the original project number 4759-32. The Chapple Avenue work includes storm sewer replacement, watermain replacement and partial sidewalk replacement between 6th Street West and 11th Street West. The watermain replacements funded as part of this Project consist of approximately 16 feet of 12-inch diameter, and 1,740 feet of 8-inch diameter C900 PVC pipe. SDWLP funds are also included in the contract to cover 20% of the Municipality's share of eligible road costs. Lead Service Lines were replaced on Chapple Avenue at the same time, funded by SDWLP award no. 4759-29. Prentice Avenue Phase 2 water main replacements consist of approximately 1,760 feet of 8-inch diameter C900 DR18 pressure class 235 PVC pipe on Prentice Avenue.

All LSL replacements must result in complete removal of all lead components between the watermain and the connection point inside the building. Galvanized Service Lines, on the public or the private side, are considered lead for the purpose of determining whether a Lead Service Line has been completely replaced.

If a Lead Service Line, including both the public portion and the private portion of the line, cannot be replaced in its entirety at one time, resulting in a Service Line that is temporarily composed partially of lead, the water utility is required to provide the customer with point-of-use filtration during the time between replacements. Filters must be models that have been tested and certified to NSF/ANSI 53 for the reduction of lead. Filters must also be supplied for six months following full LSL replacements. Funding through this FAA shall not be disbursed for those lines until all lead components have been completely replaced, and such replacement is recommended to be completed within 45 days of the initial replacements of a portion of the Lead Service Line but should be replaced within 90 days, unless the public side of the Lead Service Line was replaced prior to participation in the LSL Replacement Program. Please refer to the LSL Replacement Best Practices document attached as Exhibit H.

2. Ineligible Costs: This Project has a total of \$1,899,014.46 in ineligible costs that are being paid with internal funds, SDWLP 4759-29, and WisDOT grants.

- ◆ \$163,231.00 of planning and design costs consisting of the stormwater portion of the Chapple Avenue design and the WisDOT and municipal portion of the Prentice Avenue road design.
- ◆ \$110,829.00 of construction management and engineering costs consisting of the WisDOT and municipal portions of the Prentice Avenue road construction management and state review.
- ◆ \$1,624,954.46 of construction costs related to stormwater, sanitary sewer, LSL replacement, and road reconstruction work along with a 1% DBE sanction described below.

3. Other Funding Sources: Costs not included in this Project are covered by a combination of internal funds, SDWLP 4759-29, and WisDOT grants:

- ◆ WisDOT STP-Urban and LRIP awards— \$1,448,293.14
- ◆ SDWLP 4759-29: \$60,025.00.
- ◆ Internal funds: \$390,696.32

4. Miscellaneous Costs: As shown in the Project Budget Sheet Summary (Exhibit A), SDWLP funding in the amount of \$37,723.75 is included in the Miscellaneous category for:

- ◆ Legal opinion on land ownership: \$2,000.00
- ◆ Bid advertising - \$1,500.00
- ◆ Easement recording: \$7,500.00
- ◆ Right of Way acquisition services: \$13,290.00
- ◆ Soil testing: \$13,433.75

5. Contingency Allowance: The Contingency allowance of \$22,587.99 is five percent of the amount of eligible construction work on the Prentice Avenue contract, still in progress at the time of budget finalization. The Municipality must obtain DNR construction management engineer (CME) approval of change orders prior to requesting reimbursement.
6. Disadvantaged Business Enterprise (DBE) Good Faith Effort: The Municipality and Jake's Excavating & Landscaping, LLC made good faith efforts to meet DBE solicitation requirements during advertising and bidding. The Municipality made a good faith effort by including DBE language in the bid advertising and proposal requirements, and by bidding the watermain portion of the Prentice Avenue portion of the project separately from the WisDOT bidding process specifically to incorporate DBE requirements. Jake's Excavating & Landscaping, LLC made a good faith effort by reaching out directly to DBEs for subcontracting for both the Chapple and Prentice Avenue construction projects. Contractors are required to solicit for DBEs if they do any subcontracting. Mavo Concrete Sawing Services, Inc. and Utility Sales and Supply, Inc. are both performing work on this Project as described in Exhibit E.

However, WisDOT removed all DBE language from their bidding process, so a sanction must be applied to the SDWLP-eligible portion of the contract. Given the Municipality's efforts, the sanction is set at 1% of the eligible contract (minus common costs also bid under the watermain contract) for a total of \$1,283.32 to be paid by the Municipality.
7. Green Project Reserve: No GPR elements were identified during the review of this Project.
8. American Iron and Steel: This Project is subject to the use of American Iron and Steel (AIS) requirements mandated under EPA's Drinking Water State Revolving Fund program.
9. Environmental Review: The Chapple Avenue portion of the Project received a Categorical Exclusion with construction requirements. Peregrine Falcons are known to nest in the area, so efforts were made to avoid disturbance during nesting season. They were also required to avoid impacts to the historic integrity of the NRHP-listed Chapple and MacArthur Residential Historic District. The Prentice Avenue portion of the Project received a categorical exclusion without construction requirements.
10. Principal Forgiveness: The Municipality is eligible to receive general Principal Forgiveness for this Project in an amount of up to 65% of the total Loan amount, as indicated on the State Fiscal Year 2026 SDWLP Funding List. The SDWLP awards \$690,647.00 in general Principal Forgiveness for the Project through this FAA. The SDWLP will process all disbursements at a rate of 65% Principal Forgiveness, up to the maximum of \$690,647.00.

EXHIBIT G
RESERVED

EXHIBIT H

BEST PRACTICES FOR LEAD SERVICE LINE REPLACEMENTS

Lead Service Line Replacement Requirements under the Lead & Copper Rule Revisions (LCRR).

1. **Notice and Public Education.** Provide notice to the owner of the affected service line as well as non-owner resident(s) served by the affected service line within 24 hours of completion of the replacement. The notice must include all the following information, in accordance with §141.85(a) of the LCRR.
 - Explain that consumers may experience a temporary increase of lead levels in their drinking water due to the replacement.
 - Provide information about the health effects of lead.
 - Provide information about actions consumers can take to minimize their exposure to lead in drinking water.
2. **Flushing Information.** Provide information about service line flushing before the replaced service line is returned to service.
3. **Filters.** Provide the consumer(s) with a pitcher filter or point-of-use device certified by an American National Standards Institute accredited certifier to NSF/ANSI 53 for the reduction of lead, six months of replacement cartridges, and instructions for use before the replaced service line is returned to service.
4. **Follow-up Sampling.** Offer to the consumer to take a follow up tap sample between three months and six months after completion of the replacement and provide the results of the sample to the consumer.

Ref: 2026-138

COUNCIL AGENDA: 8.C.
(7/14/2026)

SUBJECT: Authorization to Perform Professional Engineering Services between Cedar Corporation and the City of Ashland for Curb Ramp Design for the 2027 3rd Street West Mill & Overlay Project (*Public Works*) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: Public Works Director

EXHIBITS: 1. Authorization to Perform Professional Engineering Services

EXPENDITURES REQUIRED: \$52,225 Total Contract

AMOUNT BUDGETED: \$20,000 Fund 470 Street Improvements

APPROPRIATION REQUIRED: \$32,225 Fund 470 Street Improvements

TREASURER'S CERTIFICATE: The Treasurer's Office has certified that Cedar Corporation is in compliance with the provisions of Ordinance 923.10 Ashland City Ordinances.

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN: The proposed construction conforms to the goals and community values identified in the City of Ashland's Comprehensive Plan.

SUMMARY STATEMENT:

At the January 10, 2023 meeting, the City Council approved a State Municipal Agreement with the Wisconsin Department of Transportation (WI DOT) for the 3rd Street West Mill & Overlay

projects. At the November 14, 2023 meeting, the City Council approved a contract for design engineering with Cedar Corporation for the project from Ellis Avenue to Sanborn Avenue, including the parking lane.

The project has been in design for the past 2.5 years. A major issue that has come up is the need to replace curb ramps, which was discussed in detail with Councilors at their June 30, 2026 Committee of the Whole meeting, including the fact that the WI DOT is requiring the City to fund both the design and construction of the curb ramp replacement.

Cedar Corporation submitted a professional engineering services proposal totaling \$52,225 for design of the 3rd Street West curb ramps on a time-and-material basis. Niles Fetter, Civil Engineer-Streets, is working with Cedar Corporation and City crews to complete the work.

Approximately \$20,000 was included in the 2026 budget for the 3rd Street West curb ramp design work. The remaining \$32,225 is available in the fund balance for Capital Fund 470 Street Improvements based on a recent review of the fund balance by the Finance Director.

The Public Works Director is requesting Council approval of the design contract to allow work to proceed.

**Confirmation of Client Request for Services
between Cedar Corporation (ENGINEER)
and City of Ashland (CLIENT)**

Authorization to Perform Professional Engineering Services

ENGINEER is hereby authorized to proceed with the project listed below. The services are to be completed in a timely manner mutually agreeable with the CLIENT and ENGINEER.

Project: 3rd Street Curb Ramp Design for WisDOT ID 8995-00-17/18

Scope of Work: ENGINEER will complete field survey, curb ramp analysis, curb ramp design to provide plans for use by the CLIENT to construct curb ramps in advance of the WisDOT road project.

Method of Compensation: Work will be completed on a Time & Materials basis for \$52,225 not-to-exceed without prior approval of CLIENT.

The above cost includes \$25,615 of work and expenses already spent and billed to WisDOT for which ENGINEER will be billing the CLIENT for future WisDOT design work that equals that value.

Payments are due and payable thirty (30) days from the date of the ENGINEER's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate of one percent (1%) per month from invoice date.

Timetable: Work will be completed as quickly as possible so that the CLIENT can begin construction efforts in June 2026.

THIS AGREEMENT is hereby approved and executed this ____ day of June, 2026.

CITY OF ASHLAND

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CEDAR CORPORATION

By: William A. Betzig

Name: William Betzig, P.E.

Title: Sr. Project Manager

By: _____

Name: _____

Title: _____

2026 SCHEDULE OF HOURLY RATES

CLASSIFICATION	RATE
Architectural Associate	\$130 - \$145
Architectural Project Manager	\$150 - \$175
Community Specialist	\$145
Construction Manager	\$160 - \$175
Director	\$220
Engineer	\$125 - \$195
GIS Specialist	\$110 - \$145
Intern	\$95
Landscape Architect	\$155
Planner	\$115 - \$155
Principal	\$240
Project Assistant	\$95 - \$115
Project Manager	\$165 - \$215
Scientist / Geologist	\$105 - \$160
Senior Architect	\$190
Surveyor	\$120 - \$145
Technician	\$100 - \$145

Reimbursable Expenses (in addition to compensation for professional services if not included in contract):

Vehicle Mileage	\$0.72/mile
GPS/Robotic Survey Equipment	\$40/hour
Aerial Drone	\$350/hour
Hydrone	\$70/hour

Reimbursement expenses are subject to adjustment during the calendar year based on operating costs and the IRS standard mileage rate.

Field supplies are charged to the project at cost. Review fees required by approving authorities shall be paid directly by the Owner.

THIS RATE SCHEDULE, APPENDED TO ANY CONTRACT, IS SUBJECT TO ANNUAL ADJUSTMENT.

Attachment A - Standard Conditions

PART I - DESCRIPTION OF SERVICES

- 1.1 CEDAR CORPORATION** agrees to provide professional services for the PROJECT as more completely described in this Agreement.
- 1.2 CEDAR CORPORATION** agrees to provide all professional services within a reasonable period of time following the date of authorization to proceed by OWNER. If a special time schedule must be met for a PROJECT, it shall be specifically set forth in this Agreement.

PART II - CLIENT'S RESPONSIBILITIES

Client, at its expense, shall do the following in a timely manner so as not to delay the services,

- 2.1 INFORMATION/REPORTS.** Furnish Cedar Corporation with all reports, studies, site characterizations, regulatory orders, and similar information in its possession relating to the Project. Unless otherwise specified in Part I, Cedar Corporation may rely upon Client-furnished information without independent verification in performing the Service.
- 2.2 REPRESENTATIVE.** Designate a representative for the project who shall have the authority to transmit instructions, receive information, interpret and define Client's policies, and make decisions with respect to the services.
- 2.3 GIVE NOTICE.** Give prompt written notice to Cedar Corporation whenever Client observes or otherwise becomes aware of any defect in the Project or other event which may substantially affect performance of services under this Agreement.

PART III - BILLING, AND PAYMENT

- 3.1** Cedar Corporation will periodically bill the client with net payment due in 30 days. Unless Client provides Cedar Corporation with a written objection to the bill within 15 days of receipt, Client shall be deemed to accept the bill as submitted.
- 3.2** Where Client disputes some portion of the charges contained in Cedar Corporation's bill for

services, he shall make payment of that portion of the bill which is undisputed. In no case may Client elect to withhold payment to Cedar Corporation of the entire amount due.

- 3.3** If Client fails to make any payment due Cedar Corporation for services and expenses after receipt of Cedar Corporation's bill therefore, the amounts due Cedar Corporation shall bear interest from invoice date at the rate set forth in this agreement, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of Cedar Corporation. In addition Cedar Corporation may, after giving ten (10) days written notice to Client, suspend services under this agreement until paid in full all amounts due under this agreement. In the event Client does not pay, or does not pay timely, Cedar Corporation shall be entitled to collect from Client all amounts due plus expenses, including but not limited to attorney fees, incurred by Cedar Corporation in connection with collection efforts, in addition, the reasonable value of Cedar Corporation's time spent in connection with collection efforts, computed at Cedar Corporation's prevailing fee schedule.

PART IV - STANDARD TERMS AND CONDITIONS

- 4.1 STANDARD OF CARE.** Services shall be performed in accordance with the standard of professional practice ordinarily exercised by the applicable profession at the time and within the locality where the services are performed. Professional services are not subject to, and Cedar Corporation cannot provide any warranty or guarantee, either express or implied. Any such warranties or guarantees contained in any purchase orders, Client action, requisitions or notices to proceed issued by Client are specifically objected to by Cedar Corporation.
- 4.2 CHANGE OF SCOPE.** The Scope of Services set forth in this Agreement and in any addenda to the Agreement is based on facts known at the time of execution of this Agreement,

including, if applicable, information supplied by Client. For some projects involving conceptual or process development services, scope may not be fully definable during initial phases. As the project progresses, facts discovered may indicate that scope must be redefined.

- 4.3 SAFETY.** Cedar Corporation has established and maintains corporate programs and procedures for the safety of its employees. Unless specifically included as a service to be provided under this Agreement, Cedar Corporation specifically disclaims any authority or responsibility for general job site safety and safety of persons other than Cedar Corporation employees.
- 4.4 DELAYS.** If events beyond the control of Client or Cedar Corporation, including, but not limited to, fire, flood, explosion, riot, strike, war, process shutdown, act of god or the public enemy, and act or regulation of any government agency, result in delay to any schedule established in this Agreement or in any Addenda to this Agreement, then such schedule shall be amended to the extent necessary to compensate for such delay. In the event such delay exceeds 60 days, Cedar Corporation shall be entitled to an equitable adjustment in compensation.

- 4.5 TERMINATION.** Either party may terminate this Agreement at the end of the term hereof, or any extension thereof, upon 30 days written notice to the other party as provided at PART I above.

Also, this Agreement may be terminated by either party if the other party fails to fulfill its obligations under this Agreement through no fault of the terminating party. No such termination may be effected unless the other party is given not less than ten calendar day's written notice of intent to terminate and an opportunity for correcting the default and for consultation with the terminating party before termination. If Cedar Corporation terminates as a result of Client default or the Client terminates for cause,

Cedar Corporation shall be paid for services performed to the termination date including reimbursable expenses due. Upon receipt of the terminating action, Cedar Corporation shall promptly discontinue all services unless the notice directs otherwise, and upon receipt of final compensation make available to Client all appropriate documents prepared under the Agreement whether completed or in process.

- 4.6 OPINIONS OF PROBABLE CONSTRUCTION COST.** Any opinion of probable construction costs prepared by Cedar Corporation is supplied for the general guidance of the Client only. Since Cedar Corporation has no control over competitive bidding or market conditions, Cedar Corporation cannot guarantee the accuracy of such opinions as compared to contract bids or actual costs to Client.
- 4.7 RELATIONSHIP WITH CONTRACTORS.** Cedar Corporation shall serve as Client's professional representative for the services, and may make recommendations to Client concerning action relating to Client's contractors. However, Cedar Corporation specifically disclaims any authority to direct or supervise the means, methods, techniques, sequences or procedures of construction selected by Client's contractors.
- 4.8 CONSTRUCTION REVIEW.** For projects involving construction, Client acknowledges that under generally accepted professional practice, interpretations of construction documents in the field are normally required, and that performance of construction-related services by the design professional for the municipal project permits errors or omissions to be identified and corrected at comparatively low cost. Client agrees to hold Cedar Corporation harmless from any claims resulting from performance of municipal services by persons other than Cedar Corporation.
- 4.9 INSURANCE.** Cedar Corporation will maintain insurance coverage for Professional Liability, Comprehensive General,

Automobile, Workers Compensation, and Employer's Liability in amounts in accordance with applicable legal requirements as well as Cedar Corporation's business requirements. Certificates evidencing such coverage will be provided to Client upon request.

4.10 ALLOCATION OF RISKS. To the fullest extent permitted by law, Cedar Corporation shall indemnify and hold harmless, Client, Client's officers, directors, partners, and employees from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Cedar Corporation or Cedar Corporation's officers, directors, partners, employees, and Cedar Corporation's consultants in the performance and furnishing of Cedar Corporation's services under this Agreement.

To the fullest extent permitted by law, Client shall indemnify and hold harmless Cedar Corporation, Cedar Corporation's officers, directors, partners, employees, and Cedar Corporation's consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Client or Client's officers, directors, partners, employees, and Client's consultants with respect to this Agreement or the Project.

To the fullest extent permitted by law, Cedar Corporation's total liability to Client and anyone claiming by, through, or under Client for any cost, loss, or damages caused in part by the negligence of Cedar Corporation and in part by the negligence of Client or any other negligent entity or individual, shall not exceed the percentage share that Cedar Corporation's negligence bears to the total negligence of Client, Cedar Corporation, and all other negligent entities and individuals.

4.11 HAZARDOUS MATERIAL.

Hazardous materials may exist at a site where there is no reason to believe they could or should be present. Cedar Corporation and Client agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the Project scope of work. Cedar Corporation agrees to notify Client as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. Client acknowledges and agrees that it retains title to all hazardous material existing on the site and shall report to the appropriate federal, state or local public agencies, as required, any conditions at the site may present a potential danger to the public health, safety or the environment. Client shall execute any manifests or forms in connection with transporting or storage and disposal of hazardous materials resulting from the site or work on the site or shall authorize Cedar Corporation to execute such documents as Client's agent. Client waives any claim against Cedar Corporation and agrees to defend, indemnify, and save Cedar Corporation harmless from any claim or liability for injury or loss arising from Cedar Corporation's discovery of unanticipated hazardous materials or suspected hazardous materials.

4.12 ACCESS. Client shall provide Cedar Corporation safe access to any premises necessary for Cedar Corporation to provide the services.

4.13 REUSE OF PROJECT DELIVERABLES.

Reuse of any documents or other deliverables, including electronic media, pertaining to the project by Client for any purpose other than that for which such documents or deliverables were originally prepared, or alteration of such documents or deliverables without written verification or adaptation by Cedar Corporation for the specific purpose intended, shall be at the Client's risk. Further, all title blocks and the engineer's seal, if applicable, shall be removed if and when Client provides deliverables in electronic media to another entity. Client agrees that

relevant analyses, findings and reports provided in electronic media shall also be provided in "hard copy" and that the hard copy shall govern in the case of a discrepancy between the two versions, and shall be held as the official set of drawings, as signed and sealed. Client shall be afforded a period of thirty (30) days in which to check the hard copy against the electronic media. In the event that any error or inconsistency is discovered within such thirty (30) day period it shall be corrected at no additional cost to Client. Following the expiration of this thirty (30) day period, Client shall bear all responsibility for the care, custody and control of the electronic media. In addition, Client represents that it shall retain the necessary mechanisms to read the electronic media, which Client acknowledges to be of only limited duration. Client agrees to defend, indemnify, and hold harmless Cedar Corporation from all claims, damages, and expenses (including reasonable litigation costs), arising out of such reuse or alteration by Client or others acting through Client. Cedar Corporation agrees that all plans, engineering designs, electronic and computer data and imagery relating to Client's projects are the property of the Client and shall be presented to Client at no additional cost upon written request.

4.14 AMENDMENT. This Agreement, upon execution by both parties hereto, can be amended only by a written instrument signed by both parties.

4.15 ASSIGNMENT. Except for assignments (a) to entities which control, or are controlled by, the parties hereto or (b) resulting from operation of law, the rights and obligations of this Agreement cannot be assigned by either party without written permission of the other party. This Agreement shall be binding upon and inure to the benefit of any permitted assigns.

4.16 DISPUTE RESOLUTION. Parties shall attempt to settle disputes arising under this agreement by discussion between the parties senior representatives of management. If any dispute cannot be resolved in this manner within a reasonable length of time, parties agree to

attempt non-binding mediation or any other method of alternative dispute resolution prior to filing any legal proceedings. In the event any actions are brought to enforce this Agreement, the prevailing party shall be entitled to collect its litigation costs, including attorneys' fees from the other party.

4.17 NO WAIVER. No waiver by either party of any default by the other party in the performance of any particular section of this Agreement shall invalidate any other section of this Agreement or operate as a waiver of any future default, whether like or different in character.

4.18 NO THIRD-PARTY BENEFICIARY. Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party, including Client's municipal project contractors.

4.19 SEVERABILITY. The various terms, provisions and covenants contained in this Agreement or any addenda shall be deemed to be separate and severable, and the invalidity or unenforceability of any of them shall not affect or impair the validity or enforceability of the remainder.

4.20 AUTHORITY. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the party for whom they are signing.

4.21 OTHER. Cedar Corporation reserves the right to enter into agreements with other design professionals for portions of the work included under this Agreement. Where this subagreement would represent a major portion of the design work, Cedar Corporation shall receive approval of Client for this subagreement.

Ref: 2026-139

COUNCIL AGENDA: 8.D.
(7/14/2026)

SUBJECT: Authorization to Perform Professional Engineering Services between Cedar Corporation and the City of Ashland for Curb Ramp Desing for the 2027 Beaser Avenue Mill & Overlay Project (*Public Works*) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: Public Works Director

EXHIBITS: 1. Authorization to Perform Professional Engineering Services

EXPENDITURES REQUIRED: \$36,100 Total Contract

AMOUNT BUDGETED: \$20,000 Fund 470 Street Improvements

APPROPRIATION REQUIRED: \$16,100 Fund 470 Street Improvements

TREASURER'S CERTIFICATE: The Treasurer's Office has certified that Cedar Corporation is in compliance with the provisions of Ordinance 923.10 Ashland City Ordinances.

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN: The proposed construction conforms to the goals and community values identified in the City of Ashland's Comprehensive Plan.

SUMMARY STATEMENT:

At the January 10, 2023 meeting, the City Council approved a State Municipal Agreement with the Wisconsin Department of Transportation (WI DOT) for the Beaser Ave Mill & Overlay

project. At the November 14, 2023 meeting, the City Council approved contracts for design engineering for the project with Cedar Corporation for Beaser Ave from US2 to Maple Lane, excluding the parking lanes.

The project has been in design for the past 2.5 years. A major issue that has come up has been the need to replace curb ramps along Beaser Avenue, which was discussed in detail with Councilors at their June 30, 2026 Committee of the Whole meeting, including the fact that the WI DOT is requiring the City to fund both the design and construction of the curb ramp replacement.

Cedar Corporation provided a professional engineering services proposal of \$36,100 for design of the Beaser Avenue curb ramps on a time-and-material basis. Niles Fetter, Civil Engineer-Streets, is working with Cedar Corporation and City crews to complete the work.

Approximately \$20,000 was included in the 2026 budget for the Beaser Avenue curb ramp design work. The remaining \$16,100 is available in the fund balance for Capital Fund 470 Street Improvements based on a recent review of the fund balance by the Finance Director

The Public Works Director is requesting Council approval of the design contract to allow work to proceed.

**Confirmation of Client Request for Services
between Cedar Corporation (ENGINEER)
and City of Ashland (CLIENT)**

Authorization to Perform Professional Engineering Services

ENGINEER is hereby authorized to proceed with the project listed below. The services are to be completed in a timely manner mutually agreeable with the CLIENT and ENGINEER.

Project: Beaser Avenue Curb Ramp Design for WisDOT ID 8995-00-19/20

Scope of Work: ENGINEER will complete field survey, curb ramp analysis, curb ramp design to provide plans for use by the CLIENT to construct curb ramps in advance of the WisDOT road project.

Method of Compensation: Work will be completed on a Time & Materials basis for \$36,100 not-to-exceed without prior approval of CLIENT.

The above cost includes \$20,850 of work and expenses already spent and billed to WisDOT for which ENGINEER will be billing the CLIENT for future WisDOT design work that equals that value.

Payments are due and payable thirty (30) days from the date of the ENGINEER's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate of one percent (1%) per month from invoice date.

Timetable: Work will be completed as quickly as possible so that the CLIENT can begin construction efforts in June 2026.

THIS AGREEMENT is hereby approved and executed this ____ day of June, 2026.

CITY OF ASHLAND

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

CEDAR CORPORATION

By: William Betzig

Name: William Betzig, P.E.

Title: Sr. Project Manager

By: _____

Name: _____

Title: _____

2026 SCHEDULE OF HOURLY RATES

CLASSIFICATION	RATE
Architectural Associate	\$130 - \$145
Architectural Project Manager	\$150 - \$175
Community Specialist	\$145
Construction Manager	\$160 - \$175
Director	\$220
Engineer	\$125 - \$195
GIS Specialist	\$110 - \$145
Intern	\$95
Landscape Architect	\$155
Planner	\$115 - \$155
Principal	\$240
Project Assistant	\$95 - \$115
Project Manager	\$165 - \$215
Scientist / Geologist	\$105 - \$160
Senior Architect	\$190
Surveyor	\$120 - \$145
Technician	\$100 - \$145

Reimbursable Expenses (in addition to compensation for professional services if not included in contract):

Vehicle Mileage	\$0.72/mile
GPS/Robotic Survey Equipment	\$40/hour
Aerial Drone	\$350/hour
Hydrone	\$70/hour

Reimbursement expenses are subject to adjustment during the calendar year based on operating costs and the IRS standard mileage rate.

Field supplies are charged to the project at cost. Review fees required by approving authorities shall be paid directly by the Owner.

THIS RATE SCHEDULE, APPENDED TO ANY CONTRACT, IS SUBJECT TO ANNUAL ADJUSTMENT.

Attachment A - Standard Conditions

PART I - DESCRIPTION OF SERVICES

- 1.1 CEDAR CORPORATION** agrees to provide professional services for the PROJECT as more completely described in this Agreement.
- 1.2 CEDAR CORPORATION** agrees to provide all professional services within a reasonable period of time following the date of authorization to proceed by OWNER. If a special time schedule must be met for a PROJECT, it shall be specifically set forth in this Agreement.

PART II - CLIENT'S RESPONSIBILITIES

Client, at its expense, shall do the following in a timely manner so as not to delay the services,

- 2.1 INFORMATION/REPORTS.** Furnish Cedar Corporation with all reports, studies, site characterizations, regulatory orders, and similar information in its possession relating to the Project. Unless otherwise specified in Part I, Cedar Corporation may rely upon Client-furnished information without independent verification in performing the Service.
- 2.2 REPRESENTATIVE.** Designate a representative for the project who shall have the authority to transmit instructions, receive information, interpret and define Client's policies, and make decisions with respect to the services.
- 2.3 GIVE NOTICE.** Give prompt written notice to Cedar Corporation whenever Client observes or otherwise becomes aware of any defect in the Project or other event which may substantially affect performance of services under this Agreement.

PART III - BILLING, AND PAYMENT

- 3.1** Cedar Corporation will periodically bill the client with net payment due in 30 days. Unless Client provides Cedar Corporation with a written objection to the bill within 15 days of receipt, Client shall be deemed to accept the bill as submitted.
- 3.2** Where Client disputes some portion of the charges contained in Cedar Corporation's bill for

services, he shall make payment of that portion of the bill which is undisputed. In no case may Client elect to withhold payment to Cedar Corporation of the entire amount due.

- 3.3** If Client fails to make any payment due Cedar Corporation for services and expenses after receipt of Cedar Corporation's bill therefore, the amounts due Cedar Corporation shall bear interest from invoice date at the rate set forth in this agreement, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of Cedar Corporation. In addition Cedar Corporation may, after giving ten (10) days written notice to Client, suspend services under this agreement until paid in full all amounts due under this agreement. In the event Client does not pay, or does not pay timely, Cedar Corporation shall be entitled to collect from Client all amounts due plus expenses, including but not limited to attorney fees, incurred by Cedar Corporation in connection with collection efforts, in addition, the reasonable value of Cedar Corporation's time spent in connection with collection efforts, computed at Cedar Corporation's prevailing fee schedule.

PART IV - STANDARD TERMS AND CONDITIONS

- 4.1 STANDARD OF CARE.** Services shall be performed in accordance with the standard of professional practice ordinarily exercised by the applicable profession at the time and within the locality where the services are performed. Professional services are not subject to, and Cedar Corporation cannot provide any warranty or guarantee, either express or implied. Any such warranties or guarantees contained in any purchase orders, Client action, requisitions or notices to proceed issued by Client are specifically objected to by Cedar Corporation.
- 4.2 CHANGE OF SCOPE.** The Scope of Services set forth in this Agreement and in any addenda to the Agreement is based on facts known at the time of execution of this Agreement,

including, if applicable, information supplied by Client. For some projects involving conceptual or process development services, scope may not be fully definable during initial phases. As the project progresses, facts discovered may indicate that scope must be redefined.

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- 4.5 TERMINATION.** Either party may terminate this Agreement at the end of the term hereof, or any extension thereof, upon 30 days written notice to the other party as provided at PART I above.

Also, this Agreement may be terminated by either party if the other party fails to fulfill its obligations under this Agreement through no fault of the terminating party. No such termination may be effected unless the other party is given not less than ten calendar day's written notice of intent to terminate and an opportunity for correcting the default and for consultation with the terminating party before termination. If Cedar Corporation terminates as a result of Client default or the Client terminates for cause,

Cedar Corporation shall be paid for services performed to the termination date including reimbursable expenses due. Upon receipt of the terminating action, Cedar Corporation shall promptly discontinue all services unless the notice directs otherwise, and upon receipt of final compensation make available to Client all appropriate documents prepared under the Agreement whether completed or in process.

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- 4.9 INSURANCE.** Cedar Corporation will maintain insurance coverage for Professional Liability, Comprehensive General,

Automobile, Workers Compensation, and Employer's Liability in amounts in accordance with applicable legal requirements as well as Cedar Corporation's business requirements. Certificates evidencing such coverage will be provided to Client upon request.

4.10 ALLOCATION OF RISKS. To the fullest extent permitted by law, Cedar Corporation shall indemnify and hold harmless, Client, Client's officers, directors, partners, and employees from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Cedar Corporation or Cedar Corporation's officers, directors, partners, employees, and Cedar Corporation's consultants in the performance and furnishing of Cedar Corporation's services under this Agreement.

To the fullest extent permitted by law, Client shall indemnify and hold harmless Cedar Corporation, Cedar Corporation's officers, directors, partners, employees, and Cedar Corporation's consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of Client or Client's officers, directors, partners, employees, and Client's consultants with respect to this Agreement or the Project.

To the fullest extent permitted by law, Cedar Corporation's total liability to Client and anyone claiming by, through, or under Client for any cost, loss, or damages caused in part by the negligence of Cedar Corporation and in part by the negligence of Client or any other negligent entity or individual, shall not exceed the percentage share that Cedar Corporation's negligence bears to the total negligence of Client, Cedar Corporation, and all other negligent entities and individuals.

4.11 HAZARDOUS MATERIAL.

Hazardous materials may exist at a site where there is no reason to believe they could or should be present. Cedar Corporation and Client agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the Project scope of work. Cedar Corporation agrees to notify Client as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. Client acknowledges and agrees that it retains title to all hazardous material existing on the site and shall report to the appropriate federal, state or local public agencies, as required, any conditions at the site may present a potential danger to the public health, safety or the environment. Client shall execute any manifests or forms in connection with transporting or storage and disposal of hazardous materials resulting from the site or work on the site or shall authorize Cedar Corporation to execute such documents as Client's agent. Client waives any claim against Cedar Corporation and agrees to defend, indemnify, and save Cedar Corporation harmless from any claim or liability for injury or loss arising from Cedar Corporation's discovery of unanticipated hazardous materials or suspected hazardous materials.

4.12 ACCESS. Client shall provide Cedar Corporation safe access to any premises necessary for Cedar Corporation to provide the services.

4.13 REUSE OF PROJECT DELIVERABLES.

Reuse of any documents or other deliverables, including electronic media, pertaining to the project by Client for any purpose other than that for which such documents or deliverables were originally prepared, or alteration of such documents or deliverables without written verification or adaptation by Cedar Corporation for the specific purpose intended, shall be at the Client's risk. Further, all title blocks and the engineer's seal, if applicable, shall be removed if and when Client provides deliverables in electronic media to another entity. Client agrees that

relevant analyses, findings and reports provided in electronic media shall also be provided in "hard copy" and that the hard copy shall govern in the case of a discrepancy between the two versions, and shall be held as the official set of drawings, as signed and sealed. Client shall be afforded a period of thirty (30) days in which to check the hard copy against the electronic media. In the event that any error or inconsistency is discovered within such thirty (30) day period it shall be corrected at no additional cost to Client. Following the expiration of this thirty (30) day period, Client shall bear all responsibility for the care, custody and control of the electronic media. In addition, Client represents that it shall retain the necessary mechanisms to read the electronic media, which Client acknowledges to be of only limited duration. Client agrees to defend, indemnify, and hold harmless Cedar Corporation from all claims, damages, and expenses (including reasonable litigation costs), arising out of such reuse or alteration by Client or others acting through Client. Cedar Corporation agrees that all plans, engineering designs, electronic and computer data and imagery relating to Client's projects are the property of the Client and shall be presented to Client at no additional cost upon written request.

4.14 AMENDMENT. This Agreement, upon execution by both parties hereto, can be amended only by a written instrument signed by both parties.

4.15 ASSIGNMENT. Except for assignments (a) to entities which control, or are controlled by, the parties hereto or (b) resulting from operation of law, the rights and obligations of this Agreement cannot be assigned by either party without written permission of the other party. This Agreement shall be binding upon and inure to the benefit of any permitted assigns.

4.16 DISPUTE RESOLUTION. Parties shall attempt to settle disputes arising under this agreement by discussion between the parties senior representatives of management. If any dispute cannot be resolved in this manner within a reasonable length of time, parties agree to

attempt non-binding mediation or any other method of alternative dispute resolution prior to filing any legal proceedings. In the event any actions are brought to enforce this Agreement, the prevailing party shall be entitled to collect its litigation costs, including attorneys' fees from the other party.

4.17 NO WAIVER. No waiver by either party of any default by the other party in the performance of any particular section of this Agreement shall invalidate any other section of this Agreement or operate as a waiver of any future default, whether like or different in character.

4.18 NO THIRD-PARTY BENEFICIARY. Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party, including Client's municipal project contractors.

4.19 SEVERABILITY. The various terms, provisions and covenants contained in this Agreement or any addenda shall be deemed to be separate and severable, and the invalidity or unenforceability of any of them shall not affect or impair the validity or enforceability of the remainder.

4.20 AUTHORITY. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the party for whom they are signing.

4.21 OTHER. Cedar Corporation reserves the right to enter into agreements with other design professionals for portions of the work included under this Agreement. Where this subagreement would represent a major portion of the design work, Cedar Corporation shall receive approval of Client for this subagreement.

Ref: 2026-140

COUNCIL AGENDA: 8.E.
(7/14/2026)

SUBJECT: Ordinance Creating Chapter 508 (2026-2044) Operation of Golf Carts (*Police Department*) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: Police Department

CLEARANCES: Police Chief

EXHIBITS: 1. Proposed Ordinance No. 2026-2044

EXPENDITURES REQUIRED: NA

AMOUNT BUDGETED:

APPROPRIATION REQUIRED:

TREASURER'S CERTIFICATE: NA

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved for this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN:

SUMMARY STATEMENT:

On June 30, 2026, Council as Committee of the Whole reviewed a draft ordinance regarding the use of golf carts on City streets and avenues. Councilors added suggestions during their conversation such as a speed limit of 25 mph, no alcoholic beverage open container and an annual municipal registration fee of \$30.

Sequential Ordinance No 2026-2044

ORDINANCE TO CREATE CHAPTER 508 (2026-2044) OPERATION OF GOLF CARTS, ASHLAND CITY ORDINANCES

The Mayor and Common Council of the City of Ashland do ordain as follows:

SECTION I:

Chapter 508 (2026-2044) *shall be created to read as follows:*

508.01 Definitions

“Golf cart” means a vehicle whose speed attainable in one mile does not exceed 20 miles per hour on a paved, level surface, and that is designed and intended to convey one or more persons and equipment to play the game of golf in an area designated as a golf course. An ATV or UTV is not considered a golf cart.

508.02 Routes

The operation of a golf cart is allowed on all City streets that have a speed limit of 25 miles per hour or less, except the following:

- a. Main Street from Beaser Avenue to Stuntz Avenue
- b. U.S. Highway 2
- c. Ellis Avenue/State Highway 13 from U.S. Highway 2 to 11th Street
- d. Ellis Avenue/State Highway 13 south of 19th Street
- e. Sanborn Avenue/State Highway 112 south of 6th Street
- f. Binsfield Road
- g. 5th Street Corridor except between Stuntz Avenue and 11th Avenue East
- h. Lakefront walking trail

508.03 Registration

Prior to operating a golf cart on a City street, the golf cart shall be registered with the City Clerk. The annual registration fee shall be \$30.00.

508.04 Conditions

As a condition for the use of this route, the following conditions shall apply to all operators (and passengers where applicable):

- a) All operators shall possess a valid driver’s license.
- b) All operators and passengers under the age of 18 years shall wear a protective helmet.
- c) Headlamps shall be illuminated while operating a golf cart.
- d) Golf carts shall be operated on the far right side of the roadway surface.

- e) Golf carts shall not be operated at speeds in excess of 25 mph at any time.
- f) Golf carts operated on signed routes in the City of Ashland shall have stock unmodified exhaust systems.
- g) Golf carts shall not be allowed to operate within the City of Ashland between the hours of 10:00 p.m. and 6:00 a.m. Sunday through Thursday.
- h) Golf carts shall not be allowed to operate within the City of Ashland between the hours of 12:00 midnight and 6:00 a.m. Friday and Saturday.
- i) Golf carts shall be operated in single file and shall not be operated side by side.
- j) Every owner of a golf cart shall carry liability insurance on the golf cart operating in the City or be able to show proof of financial responsibility in the event of any accident with the golf cart
- k) No operator or passenger in a golf cart shall possess an open container of an alcoholic beverage.

508.05 Enforcement

This ordinance shall be enforced by any law enforcement officer of the City of Ashland, Ashland County, Wisconsin

508.06 Penalties

Any person who violates this section shall be subject to a penalty of not less than \$50.00 nor more than \$100.00 and the potential revocation of the golf cart's registration.

508.07 Sunset Clause

This ordinance shall expire one (1) year from the date of passage unless the Common Council votes to reauthorize the ordinance prior to that date.

SECTION II:

Effective Date. *This ordinance shall take effect on the day after publication.*

PASSED: July 14, 2026

PUBLISHED: July 23, 2026

ATTEST:

Alderperson

Denise Oliphant, City Clerk

Matthew MacKenzie, Mayor

APPROVED AS TO FORM:

Tyler Wickman, City Attorney

Ref: 2026-141

COUNCIL AGENDA: 8.F.
(7/14/2026)

SUBJECT: Ordinance to Amend Chapter 889 (2022-1963) Mobile Food Establishments, Concessions And Food Vendors to Align with Wisconsin State Statutes (Clerk) Roll

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: City Clerk

CLEARANCES: City Attorney

EXHIBITS: 1. Proposed Ordinance No. 2026-2043

EXPENDITURES REQUIRED: NA

AMOUNT BUDGETED:

APPROPRIATION REQUIRED:

TREASURER'S CERTIFICATE: NA

COMPLIANCE WITH CHAPTER 51: The Council as Committee of the Whole previously discussed and approved for this item to move forward to the Council for formal approval.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN:

SUMMARY STATEMENT:

Staff discussed with Council during their June 30, 2026 Committee of the Whole meeting, the need to make changes to Chapter 889 Mobile Concessions due to inconsistent language compared to the State Statute. It was recommended by the City Attorney to amend language referring to the age of a minor (15 vs. 18) in Chapter 889.04 Exceptions, and the approval authority for operating in a City park in Chapter 889.07.

The draft ordinance attached is more consistent with [WI Statute 66.0416](#) in that a minor is considered under the age of 18 years old. Also, any minor wishing to vend shall be done on private property only. Finally, anyone wishing to vend in any City of Ashland park premises requires approval of the City of Ashland Parks & Recreation Department.

Staff is asking for approval of the attached draft ordinance.

Sequential Ordinance No 2026-2043

ORDINANCE TO AMEND CHAPTER 889 (2022-1963) MOBILE FOOD ESTABLISHMENTS, CONCESSIONS AND FOOD VENDORS, ASHLAND CITY ORDINANCES

The Mayor and Common Council of the City of Ashland do ordain as follows:

SECTION I:

889.04 Exceptions Section (c) *shall be amended to read as follows:*

(c) Any person under the age of 18 years old who is operating a stand or other location, on a temporary or occasional basis, at which goods, other than potentially hazardous food, as defined in Wis. Stat. § 97.30(1)(bm), are sold in occasional sales, as defined in Wis. Stat. § 77.51(9), directly to consumers, on private property with the permission of the property owner or in the public right of way adjacent to the person's home. The police department may order such stand closed if there is reason to believe the stand poses a threat to health or safety, in which case the person may apply for a license under this chapter.

SECTION II:

889.07 Prohibited Practice Section (e) *shall be amended to read as follows:*

(e) No mobile concession or food vendor shall sell or offer to sell any goods, wares, merchandise or produce of any kind in any City of Ashland park premises, including parking lots associated therewith, without the prior written approval of the City of Ashland Parks & Recreation Department.

SECTION III

Effective Date. *This ordinance shall take effect on the day after publication.*

PASSED: June 30, 2026

PUBLISHED: July 9, 2026

ATTEST:

Charles Ortman, Council President

Denise Oliphant, City Clerk

Matthew MacKenzie, Mayor

APPROVED AS TO FORM:

Katie Posewitz, City Attorney

Ref: 2026-142

COUNCIL AGENDA: 9.A.
(7/14/2026)

SUBJECT: Alcohol Beverage license Application for Class B Fermented Malt Beverages and Class C Wine for The Boathouse Cafe LLC dba The Boathouse Cafe at 620 Lake Shore Drive East, Agent Tony Eng (*Clerk*) Voice

RECOMMENDATION: Approval

DEPARTMENT OF ORIGIN: City Clerk

CLEARANCES: Clerk

EXHIBITS:

1. Alcohol Beverage License Application - redacted
2. Alcohol Beverage Individual Questionnaire - redacted
3. Alcohol Beverage Appointment of Agent - redacted

EXPENDITURES REQUIRED: NA

AMOUNT BUDGETED:

APPROPRIATION REQUIRED:

TREASURER'S CERTIFICATE: The Treasurer's Office has certified that the Boathouse Cafe LLC is in compliance with the provisions of Ordinance 923.10 Ashland City Ordinances.

COMPLIANCE WITH CHAPTER 51: Section 51.26 (b) of Chapter 51, Ashland City Ordinances, permits the Mayor and/or Clerk to schedule items directly for Council action. The Mayor and/or City Clerk has chosen to direct this item directly to Council pursuant to the authority granted to them in Chapter 51, Ashland City Ordinances.

STATEMENT OF CONFORMANCE WITH COMPREHENSIVE PLAN:

SUMMARY STATEMENT:

The Clerk's office received an application from Manager and Agent Tony Eng for an alcohol beverage license for Class B Fermented Malt Beverages and Class C Wine, at 620 Lake Shore Drive East, Ashland (formerly Ashland Family Restaurant).

Plans for the Boathouse Café will be a family style restaurant serving breakfast, lunch and dinner from 6:00 am until 8:00 pm. The menu will consist of American style food, classic breakfast, burgers, sandwiches and comfort food. We are looking forward to serving the local population and the tourists.

Form
AB-200

Alcohol Beverage License Application

For Municipal Use Only	
Municipality	
License Period	2026-27

Application Type (check one)

☒ Initial (New) ☐ Renewal

License(s) Requested: (up to two boxes may be checked)

☐ Class "A" Beer \$ _____ ☒ Class "B" Beer \$ 100
☐ "Class A" Liquor \$ _____ ☐ Regular "Class B" Liquor \$ _____
☐ "Class A" Liquor (cider only) \$ _____ ☐ Reserve "Class B" Liquor \$ _____
☒ "Class C" Liquor (wine only) \$ 100 ☐ Above-Quota "Class B" Liquor \$ _____

Fees

License Fee(s)	\$
Background Check Fee	\$
Publication Fee	\$ <u>15</u>
Total Fees	\$

Part A: Premises/Business Information

1. Legal Business Name (individual name if sole proprietorship)

The Boathouse Cafe LLC

2. Business Trade Name or DBA

The Boathouse Cafe

3. FEIN

42-3037050

4. Wisconsin Seller's Permit Number

456-1032630315-02

5. Entity Type (check one)

☐ Sole Proprietor ☐ Partnership ☒ Limited Liability Company ☐ Corporation ☐ Nonprofit Organization

6. If the applicant business is an LLC, are the controlling members other LLCs or corporations? ☐ Yes ☐ No

If yes, the members, managers, officers and directors of those business entities must be listed in Part C and provide a Form AB-100.

7. State of Organization

WI

8. Date of Organization

9. Wisconsin DFI Registration Number

T121403

10. Premises Address

620 Lake Shore Drive East

11. City

Ashland

12. State

WI

13. Zip Code

54806

14. County

Ashland

15. Governing Municipality: ☒ City ☐ Town ☐ Village

of: Ashland

16. Aldermanic District

17. Premises Phone

715-292-3963

18. Premises Email

19. Website

20. Premises Description

Initial (New Applicants Only): Describe the building or buildings where alcohol beverages are produced, sold, stored, or consumed, and related records are kept. Describe all rooms within the building, including living quarters. Authorized alcohol beverage activities and storage of records may occur only on the premises described in this application. Attach a map or diagram and additional sheets if necessary.

Renewal Applicants Only: I am renewing a license and by checking the box following this statement, I affirm that I have reviewed the last issued license certificate and the premises description remains the same. ☐

Beer and wine will be stored in a glassdoor cooler in waitstaff area. Extra products will be stored in kitchen storage area.

21. Mailing Address (if different from premises address)

609 Chapple Ave

22. City

Ashland

23. State

WI

24. Zip Code

54806

Part B: Questions

1. Has the business (sole proprietorship, partnership, limited liability company, or corporation) been convicted of violating federal or state laws or local ordinances? Exclude traffic offenses unless related to alcohol beverages. ☐ Yes ☒ No
If yes, list the details of violation below. Attach additional sheets if necessary.

Law/Ordinance Violated

Location

Trial Date

Penalty Imposed

Was sentence completed? ☐ Yes ☐ No

Law/Ordinance Violated

Location

Trial Date

Penalty Imposed

Was sentence completed? ☐ Yes ☐ No

2. Are charges for any offenses pending against the business? Exclude traffic offenses unless related to alcohol beverages. ☐ Yes ☒ No
If yes, describe the nature and status of pending charges using the space below. Attach additional sheets as needed.

3. Is the applicant business or any of its officers, directors, members, agent, employees, owners, or other related individuals or entities a restricted investor with any interest in an alcohol beverage producer or wholesaler? .. ☐ Yes ☒ No
If yes, provide the name of the restricted investor and describe the nature of the interest.

4. Have the partners, agent, or sole proprietor satisfied the responsible beverage server training requirement for this license period? Submit proof of completion. ☒ Yes ☐ No

5. Is the applicant business indebted to any wholesaler beyond 15 days for beer or 30 days for liquor/wine? ☐ Yes ☒ No

6. Does the applicant business owe past due municipal property taxes, assessments, or other fees? ☐ Yes ☒ No

Part C: Individual Information

Check each box to attest that you have provided the appropriate supplementary information to complete your application. See the instructions for Part C of this application, beginning on page 2, to complete this section.

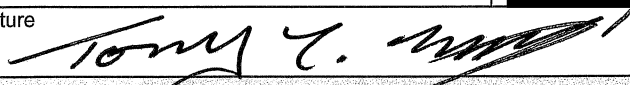
- ☒ I have accurately listed and provided contact and personal information for all required persons involved in the applicant business and any business identified in Part A, Question 6 using Form AB-200AA.
- ☒ I have provided an accurate Form AB-100 for each person listed in Form AB-200AA.
- ☒ (For corporations, limited liability companies, and nonprofit organizations only) I have provided an accurate Form AB-101 to appoint an agent on behalf of my business.
- ☒ I understand that my application is not complete until this supplementary paperwork is received by the municipal clerk where I am applying for an alcohol beverage license.

Part D: Attestation

One of the following must sign and attest to this application:

- sole proprietor • one general partner of a partnership • one corporate officer • one member of an LLC

READ CAREFULLY BEFORE SIGNING: Under penalty of law, I have answered each of the above questions completely and truthfully. I agree that I am acting solely on behalf of the applicant business and not on behalf of any other individual or entity seeking the license. Further, I agree that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another individual or entity. I agree to operate this business according to the law, including but not limited to, purchasing alcohol beverages from state authorized wholesalers. I understand that lack of access to any portion of a licensed premises during inspection will be deemed a refusal to allow inspection. Such refusal is a misdemeanor and grounds for revocation of this license. I understand that any license issued contrary to Wis. Stat. Chapter 125 shall be void under penalty of state law. I further understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Last Name Eng		First Name Tony		M.I. C.
Title CEO	Email [REDACTED]		Phone 715-292-3463	
Signature 			Date	

Part E: For Clerk Use Only

Date Application Was Filed With Clerk	License Number	Date License Granted	Date License Issued
Signature of Clerk/Deputy Clerk		Date Provisional License Issued (if applicable)	

AB-200AA

Instructions

*Status Definitions

This form is required supplemental material to Form AB-200, Alcohol Beverage License Application, for new and renewal applications.

The persons holding the following titles in the applicant business and any businesses referenced in Part A, Question 6, must provide contact and personal information to determine fitness to hold an alcohol beverage license under state law:

- Sole proprietor
- All partners of a partnership
- All officers, directors, and agent of a corporation or nonprofit organization
- All members or managers, and agent of a limited liability company

Contact and personal information for persons named above must be listed in the table below and submitted with this application. Attach additional sheets if necessary.

Each person holding a title named above must submit the most accurate Form AB-100 with this application.

Corporations, nonprofit organizations, and limited liability companies must submit the most accurate Form AB-101 with this application.

1. Legal Business Name (individual name if sole proprietorship)

The Boathouse Cafe LLC

2. Business Trade Name or DBA:

3. FEIN

Listing of Persons Involved in Applicant Business

[illegible]

Alcohol Beverage
Individual Questionnaire

Date

All individuals involved in the alcohol beverage business must complete this form, including:

- sole proprietor
- all officers, directors, and agent of a corporation or nonprofit organization
- all partners of a partnership
- members and agent of a limited liability company

Your alcohol beverage application is not complete until all required Individual Questionnaires are submitted.

Part A: Business Information

1. Legal Business Name (individual name if sole proprietor)

The Boathouse Cafe LLC

2. Business Trade Name or DBA

The Boathouse Cafe

3. Entity Type (check one)

☐ Sole Proprietor ☐ Partnership ☒ Limited Liability Company ☐ Corporation ☐ Nonprofit Organization

Part B: Individual Information

1. Last Name

ENG

2. First Name

Tony

3. M.I.

C.

4. Relationship to Business (Title)

CEO

5. Email

6. Phone

7. Home Address

609 Chapple Ave.

8. City

Ashland

9. State

WI

10. Zip Code

54806

11. Date of Birth

12. Driver's License/State ID Number

13. Driver's License/State ID State of Issuance

Part C: Address History

1. Do you currently live in Wisconsin? ☒ Yes ☐ No

If yes, provide the month and year when you permanently moved to Wisconsin

(MM/YYYY)

12/30/1980

2. List in chronological order all of your addresses within the last 5 years. Attach additional sheets if necessary.

Previous Address 1

City

State

Zip Code

same as above / still same address

Previous Address 2

City

State

Zip Code

Previous Address 3

City

State

Zip Code

Previous Address 4

City

State

Zip Code

Previous Address 5

City

State

Zip Code

3. List all states and counties you have lived in as an adult. Attach additional sheets if necessary.

State

County

State

County

State

County

State

County

*WI**Ashland*

State

County

State

County

State

County

State

County

Continued →

Part D: Criminal History

1. Have you ever been convicted of any offenses (excluding traffic offenses unless related to alcohol beverages) for violation of any federal, Wisconsin, or another state's laws or of any county or municipal ordinances? ☐ Yes ☒ No

If yes to question 1, please list details of each conviction below. Attach additional sheets as needed.

Law/Ordinance Violated	Location	Conviction Date
Penalty Imposed		Was sentence completed? ☐ Yes ☐ No
Law/Ordinance Violated	Location	Conviction Date
Penalty Imposed		Was sentence completed? ☐ Yes ☐ No
Law/Ordinance Violated	Location	Conviction Date
Penalty Imposed		Was sentence completed? ☐ Yes ☐ No

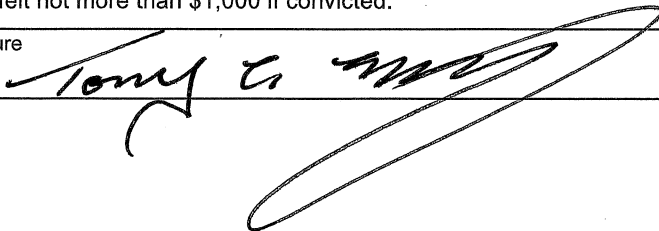
2. Are charges for any offenses currently pending against you (excluding traffic offenses unless related to alcohol beverages) for violation of any federal, Wisconsin, or another state's laws or any county or municipal ordinances? ☐ Yes ☒ No

If yes to question 2, describe nature and status of pending charges using the space below. Attach additional sheets as needed.

Part E: Attestation

READ CAREFULLY BEFORE SIGNING: Under penalty of law, I have answered each of the above questions completely and truthfully. I certify that I am not prohibited from participating in this business due to any involvement in another tier of the alcohol beverage industry as a restricted investor. I understand that any license issued contrary to Wis. Stat. Chapter 125 shall be void under penalty of state law. I further understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Signature



Date

6/24/26

Alcohol Beverage
Appointment of Agent

Date

Agent Type (check one)

☒ Original (no fee)☐ Successor (\$10 fee for municipal licensees only)

Part A: Business Information

1. Legal Business Name (individual name if sole proprietor)

The Boathouse Cafe LLC

2. Business Trade Name or DBA

The Boathouse Cafe

3. Entity Type (check one)

☒ Limited Liability Company☐ Corporation☐ Nonprofit Organization

4. Alcohol Beverage Business Authorization (check one)

☒ Municipal Retail License☐ State Permit

5. If successor agent, provide State Permit or Municipal Retail License Number

6. Describe the reason for appointing a successor agent, if successor is checked above.

Part B: Agent Information

1. Last Name

Eng

2. First Name

Tony

3. M.I.

C.

4. Email

5. Phone

6. Home Address

609 Chapple Ave.

7. City

Ashland

8. State

WI

9. Zip Code

54806

10. Date of Birth

11. Driver's License/State ID Number

12. Driver's License/State ID State of Issuance

Wisconsin

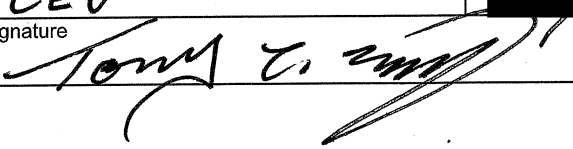
Part C: Agent Questions

1. Have you satisfied the responsible beverage server training requirement? ☒ Yes ☐ No
Submit proof of completion.2. Have you completed Form AB-100, *Alcohol Beverage Individual Questionnaire* (licensee) or
Form AB-300, *Alcohol Beverage Personal Questionnaire* (permittee)? ☒ Yes ☐ No3. Have you been a Wisconsin resident for at least 90 continuous days? ☒ Yes ☐ No
See instructions for exceptions.

Continued →

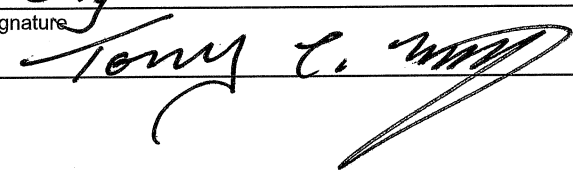
Part D: Business Attestation

READ CAREFULLY BEFORE SIGNING: I, the **Undersigned**, authorize the above-named individual to act for the above-named corporation, nonprofit organization, or limited liability company with full authority and control of the premises and of all alcohol beverage activities on such premises. I certify that I am authorized by the above-named entity to authorize this individual to act on behalf of the entity. If I am appointing a successor agent, I rescind all previous agent appointments for this premises. Further, I understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Last Name Eng	First Name Tony	M.I. C.
Title CEO	Email [REDACTED]	Phone [REDACTED]
Signature 		Date 6/24/26

Part E: Agent Attestation

READ CAREFULLY BEFORE SIGNING: I, the **Agent**, hereby accept this appointment as agent for the above-named corporation, nonprofit organization, or limited liability company and assume full responsibility for the conduct of all alcohol beverage activities on the premises for the above-named business. I further understand that I may be prosecuted for submitting false statements and affidavits in connection with this application, and that any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000 if convicted.

Last Name Eng	First Name Tony	M.I. C.
Signature 		Date 6/24/26