



Gary  
Rosemary  
Paul Z

## STANDING COMMITTEES OF THE CITY OF WEST ALLIS COMMON COUNCIL

### ADMINISTRATION & FINANCE

Chair: Kurt E. Kopplin  
Vice-Chair: Vincent Vitale  
Thomas G. Lajsic  
Richard F. Narlock  
Rosalie L. Reinke

### PUBLIC WORKS

Chair: Gary T. Barczak  
Vice-Chair: Martin J. Weigel  
Michael J. Czaplewski  
Daniel J. Roadt  
James W. Sengstock

### SAFETY & DEVELOPMENT

Chair: Thomas G. Lajsic  
Vice-Chair: Richard F. Narlock  
Kurt E. Kopplin  
Rosalie L. Reinke  
Vincent Vitale

### LICENSE & HEALTH

Chair: Michael J. Czaplewski  
Vice-Chair: James W. Sengstock  
Gary T. Barczak  
Daniel J. Roadt  
Martin J. Weigel

### ADVISORY

Chair: Rosalie L. Reinke  
Vice-Chair: Daniel J. Roadt  
Kurt E. Kopplin  
Richard F. Narlock  
Vincent Vitale



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2010-0218**

**Final Action:**

**Sponsor(s):** Administration & Finance Committee

OCT 05 2010

Resolution Authorizing the Issuance and Sale of Up to \$2,005,496 General Obligation Sewerage System Promissory Notes, Series 2010, and Providing for Other Details and Covenants With Respect Thereto.

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

WHEREAS, 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. 4638-04 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 of the Wisconsin Statutes, assigned No. S-2010-0460 and dated June 17, 2010, No. S-2010-0345 and dated April 26, 2010 and No. S-2009-0939 and dated February 16, 2010 by the DNR; and

WHEREAS, under the provisions of Section 67.12(12), Wisconsin Statutes, any municipality (as defined in Section 67.01(5), Wisconsin Statutes) may, by action of its governing body, issue promissory notes as evidence of indebtedness for any public purpose (as defined in Section 67.04(1)(b), Wisconsin Statutes) which promissory notes are general obligations of the municipality; and

WHEREAS, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell general obligation promissory notes of the Municipality, pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, to pay the cost of the Project; and

WHEREAS, such notes are to be issued for purposes of Sections 281.58, 281.59, 281.60 or 281.61, Wisconsin Statutes; and

WHEREAS, the only outstanding general obligations of the Municipality are an obligation, dated January 1, 1995, General Obligation Promissory Notes, dated March 1, 2002, Taxable General Obligation Refunding Bonds, dated August 1, 2002, General Obligation Refunding Bonds, dated August 1, 2002, General Obligation Corporate Purpose Bonds, Series 2004A, dated April 1, 2004, Taxable General Obligation Community Development Bonds, Series 2004B, dated April 1, 2004, General Obligation Refunding Bonds, Series 2004C, dated April 1, 2004, State Trust Fund Loan, dated October 26, 2005, State Trust Fund Loan, dated April 1, 2005, General Obligation Corporate Purpose Bonds, Series 2005A, dated May 1, 2005, General Obligation Corporate Purpose Bonds,

Series 2006A, dated May 1, 2006, General Obligation Refunding Bonds, Series 2006C, dated October 1, 2006, State Trust Fund Loan, dated July 26, 2006, Taxable General Obligation Land Remediation Promissory Notes, Series 2006, dated November 22, 2006, Taxable General Obligation Land Remediation Promissory Notes, dated April 11, 2007, General Obligation Corporate Purpose Bonds, Series 2007A, dated May 1, 2007, Taxable General Obligation Land Remediation Promissory Notes, dated January 23, 2008, General Obligation Corporate Purpose Bonds, Series 2008A, dated June 1, 2008, Taxable General Obligation Land Remediation Promissory Notes, dated June 11, 2008, Taxable General Obligation Land Remediation Promissory Notes, dated December 23, 2008, General Obligation Corporate Purpose Bonds, dated March 27, 2009, Taxable General Obligation Corporate Purpose Bonds, dated March 27, 2009, General Obligation Promissory Notes, dated April 1, 2009, State Trust Fund Loan, dated April 1, 2009, State Trust Fund Loan, dated January 14, 2010, State Trust Fund Loan, dated January 14, 2010, Taxable General Obligation Refunding Bonds, Series 2010A, dated March 29, 2010, General Obligation Refunding Bonds, Series 2010B, dated March 29, 2010, Taxable General Obligation Corporate Purpose Bonds, Series 2010C (Build America Bonds - Direct Payment), dated April 1, 2010, and State Trust Fund Loan, dated July 2, 2010, currently outstanding in an aggregate principal amount not exceeding \$78,565,008.

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 Chapter 67, Wisconsin Statutes;
- (b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Notes;
- (c) "Debt Service Fund" means the Debt Service Fund of the Municipality, which shall be the "debt service fund" as such term is defined in the Act;
- (d) "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 Notes are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;
- (e) "Fiscal Year" means the twelve-month period ending on each December 31;
- (f) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;
- (g) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;
- (h) "Municipality" means the City of West Allis, Milwaukee County, Wisconsin;
- (i) "Notes" means the \$2,005,496 General Obligation Sewerage System Promissory Notes, Series

2010, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;

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

(k) "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; and

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

Section 2. Authorization of the Notes 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 full faith and credit of the Municipality up to the sum of \$2,005,496; and fully registered general obligation promissory notes 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 Notes. The Notes shall be designated "General Obligation Sewerage System Promissory Notes, Series 2010" (the "Notes"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 2.400% 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 Note 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 Notes shall be payable commencing on May 1, 2011 and semiannually thereafter on May 1 and November 1 of each year. The Notes shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

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

The Notes 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 Notes 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 Notes 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 Note will be payable upon presentation and surrender of the Note to the Bond Registrar. Payment of principal on the Note (except the final maturity) and each installment of interest shall be made to the registered owner of each Note who shall appear on the registration books of the Municipality, maintained by

the Bond Registrar, on the Record Date and shall be paid by check or draft of the Municipality and mailed to such registered owner at his or its address as it appears on such registration books or at such other address may be furnished in writing by such registered owner to the Bond Registrar.

Section 5. Application of Note Proceeds; Borrowed Money Fund. The sale proceeds of the Notes (exclusive of accrued interest and any premium received, which shall be deposited in the Debt Service Fund) shall, forthwith upon receipt, be placed in and kept by the Treasurer as a separate fund to be known as the "General Obligation Sewerage System Promissory Notes, Series 2010, Borrowed Money Fund" (hereinafter referred to as the "Borrowed Money Fund"). Monies in the Borrowed Money Fund shall be used solely for the purposes for which borrowed or for transfer to the Debt Service Fund as provided by law. Moneys in the Borrowed Money 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 6. Tax Levy. (a) For the express purpose of paying interest on the Notes as it falls due and also to pay and discharge the principal thereof at maturity, the full faith, credit and taxing powers of the Municipality are hereby pledged and there is hereby levied upon all of the taxable property in the Municipality, in addition to all other taxes, a direct, annual irrevocable tax in an amount and at the times sufficient for that purpose. This tax shall be for the years 2010 through 2029, inclusive, and shall be in such amounts as are necessary to provide for payment of the principal of and interest on the Notes in 2011 through 2030, inclusive, when due.

Assuming the entire principal amount of the Notes is drawn, this tax will be in the following amounts:

Levy Year Amount

2010	\$ 48,666.70
2011	131,666.72
2012	131,642.38
2013	131,617.45
2014	131,591.91
2015	131,565.76
2016	131,538.99
2017	131,511.57
2018	131,483.49
2019	131,454.75
2020	131,425.31
2021	131,395.16
2022	131,364.30
2023	131,332.70
2024	131,300.33
2025	131,267.18
2026	131,233.25
2027	131,198.50
2028	131,162.90

2029 131,126.46

The actual tax carried onto the tax rolls each year shall equal the amount necessary to repay the actual principal amount drawn under the Notes, and any interest thereon, when due.

(b) The Municipality shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried into the tax rolls of the Municipality and collected as other taxes are collected, provided that the amount of tax carried into said tax rolls may be reduced in any year by the amount of any surplus money in the Debt Service Fund created in Section 7 hereof.

(c) If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the Municipality then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 7. Debt Service Fund. The proceeds of the taxes levied pursuant to Section 6 above, when collected by the Municipal Treasurer, and such further deposits as may be required by Section 67.11, Wisconsin Statutes, shall be placed and kept by the Municipal Treasurer as a separate fund irrevocably pledged for paying the principal of and interest on the Notes so long as any such Notes shall remain outstanding, to be known as the "General Obligation Sewerage System Promissory Notes, Series 2010 Debt Service Fund" (hereinafter referred to as "Debt Service Fund"). The accrued interest and any premium received at the time of delivery of the Notes shall be paid into the Debt Service Fund. Interest on or principal of the Notes falling due at any time when there shall be on hand in the Debt Service Fund insufficient funds for the payment of such principal and interest shall be paid promptly when due from other funds of the Municipality.

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 Notes 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 of the Wisconsin Statutes and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m) and 67.10(3), Wisconsin Statutes. All income derived from such investments shall be regarded as revenues of the Municipality. No such investment shall be in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder.

An officer of the Municipality charged with responsibility for issuing the Notes shall, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Notes are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder.

Section 9. Operation of Project; Municipality Covenants. It is covenanted and agreed by the Municipality with the owner or owners of the Notes, 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 10. Sale of Notes. The sale of the Notes to the State of Wisconsin Clean Water Fund Program for the purchase price of up to \$2,005,496 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 Notes as hereinabove provided, necessary to conclude delivery of the Notes to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Notes 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 Notes.

Section 11. Amendment to Resolution. After the issuance of any of the Notes, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Notes 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 Notes, 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 Notes then outstanding, exclusive of Notes held by the Municipality; provided, however, that no amendment shall permit any change in the pledge of tax revenues of the Municipality or the maturity of any Note issued hereunder, or a reduction in the rate of interest on any Note, 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 Notes 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 Note to which the change is applicable.

Section 12. Rebate Fund. Unless the Notes 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 Notes 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 Notes 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 Notes 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 Notes and may only be used for the payment of any rebate liability with respect to the Notes.

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

Section 13. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Notes, and after issuance of any of the Notes no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 11, until all of the Notes have been paid in full as to both principal and interest. The owner or owners of any of the Notes 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 take any and all actions necessary to carry out all of the provisions and agreements contained in this Resolution.

Section 14. Requirements of Municipality. The officers of the Municipality, staff of the Municipality, attorneys for the Municipality, financial consultants of the Municipality, or other agents or employees of the Municipality are hereby authorized to do all acts and things required of them by this Resolution for the full, punctual and complete performance of all of the provisions of this Resolution.

Section 15. Illegal or Invalid Provisions. In case any one or more of the provisions of this Resolution or any of the Notes shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Notes.

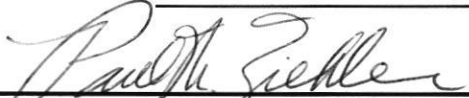
Section 16. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Clean Water Fund Program and to such other persons or entities as directed by the State of Wisconsin such ongoing disclosure 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 17. Conflicting Resolutions. All ordinances, 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.

ADMR.SaleRes.2005K CleanWtrFndLoan.100510


**ADOPTED**

OCT 05 2010

  
\_\_\_\_\_  
Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

**APPROVED**

10/6/10

  
\_\_\_\_\_  
Dan Devine, Mayor



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Milwaukee, Wisconsin 53202-4497  
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*Attorneys at Law in:*  
*Phoenix and Tucson, Arizona*  
*Naples and Tampa, Florida*  
*Chicago, Illinois*  
*Milwaukee and Madison, Wisconsin*

September 29, 2010

**VIA EMAIL AND UPS**

Mr. Gary A. Schmid, CPA  
Comptroller/Manager of Finance  
City of West Allis  
7525 West Greenfield Avenue  
West Allis, WI 53214

Re: Note Resolution - \$2,005,496 City of West Allis General Obligation Sewerage System Promissory Notes, Series 2010 (Clean Water Fund Loan) (the "Notes")

Dear Mr. Schmid:

Enclosed for consideration at the October 5, 2010 Common Council meeting are five copies of a **Resolution** authorizing the execution of the Financial Assistance Agreement and the issuance of the Notes to the State of Wisconsin Clean Water Fund Program. A copy of the draft Financial Assistance Agreement provided by DNR should be distributed to the Common Council along with the Resolution.

If you have not already done so, please include the title of this Resolution on the agenda for the meeting. Please then post the agenda in at least three public places and provide it to the official newspaper of the City (or if the City has no official newspaper, to a news medium likely to give notice in the area) and to any other requesting media at least twenty-four hours prior to the meeting (see Section 19.84(1)(b), Wisconsin Statutes). The enclosed **Certificate of Compliance with Open Meeting Law** must be completed in connection with the meeting at which this Resolution is adopted.

Unless the Common Council has adopted special rules regarding the adoption of borrowing resolutions, a vote of at least a majority of the members of the Common Council is necessary to adopt this Resolution. We have enclosed an **Excerpts of Minutes** form for you to complete which records the vote on the Resolution.

Please return five executed copies of the Resolution, and one copy of the Excerpts of Minutes and the Certificate of Compliance with Open Meeting Law to us so that we receive them no later than **Wednesday, October 13**. A copy of the Resolution should be incorporated into the minutes of the October 5, 2010 meeting.

We are also enclosing a **Municipal Information Questionnaire**. Please review, correct, if necessary, complete and return this questionnaire to us at your earliest convenience.

Mr. Gary A. Schmid, CPA  
September 29, 2010  
Page 2

Finally, we are enclosing a **Notice** regarding the adoption of the resolution authorizing the issuance and sale of the Notes. This Notice should be published as a class 1 notice in the City's official newspaper as soon as possible after adoption of the Resolution. Please forward an Affidavit of Publication for the Notice to us once it has been published.

If you have any questions regarding the enclosed, please do not hesitate to call me.

Very truly yours,

QUARLES & BRADY LLP



Rebecca A. Speckhard

RAS:TAB:tah  
Enclosures

cc: Mr. Paul M. Ziehler (w/enc. via email)  
Ms. Jeanette Wardinski (w/enc. via email)  
Mr. Michael G. Lewis (w/enc. via email)  
Mr. Peter C. Daniels (w/enc. via email)  
Scott Post, Esq. (w/enc. via email)  
Mr. Michael C. Harrigan (w/enc. via email)  
Mr. Aaron Heintz (w/enc. via email)  
Ms. Maureen Hubeler (w/enc. via email)

EXHIBIT A

(Form of Municipal Obligation)

REGISTERED  
NO. \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF WISCONSIN  
MILWAUKEE COUNTY  
CITY OF WEST ALLIS

REGISTERED  
\$ \_\_\_\_\_

GENERAL OBLIGATION SEWERAGE SYSTEM PROMISSORY NOTE, SERIES 2010

Final  
Maturity Date

Date of  
Original Issue

May 1, 2030

\_\_\_\_\_, 20\_\_

REGISTERED OWNER: STATE OF WISCONSIN CLEAN WATER FUND PROGRAM

FOR VALUE RECEIVED the City of West Allis, Milwaukee County, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, 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, 2011 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 2.400% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on May 1, 2011.

The principal amount evidenced by this Note 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, 2012 in an amount equal to an amount which when amortized over the remaining term of this Note plus current payments of interest (but only on amounts drawn hereunder) at Two and 400/1000ths percent (2.400%) 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 Note shall be payable only upon presentation and surrender of this Note at the office of the Municipal Treasurer. Principal hereof (except the final maturity) and interest hereon shall be payable by electronic transfer or by check or draft dated on or before the applicable payment date and mailed from the office of the Municipal Treasurer to the person in whose name this Note is registered at the close of business on the fifteenth day of the calendar month next preceding such interest payment date.

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

This Note 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 Note, 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 Note shall be issued to the transferee in exchange therefor. The Municipality may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest hereof and for all other purposes. This Note is issuable solely as a negotiable, fully-registered note, without coupons, and in denominations of \$0.01 or any integral multiple thereof.

This Note 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 67.12(12), Wisconsin Statutes, and a resolution adopted October 5, 2010, and entitled: "Resolution Authorizing the Issuance and Sale of Up to \$2,005,496 General Obligation Sewerage System Promissory Notes, Series 2010, and Providing for Other Details and Covenants With Respect Thereto". The principal of and interest on this Note are payable in lawful money of the United States of America as aforesaid, and for the prompt payment of the principal and interest on this Note, and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the Municipality are hereby irrevocably pledged.

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 Note have existed, have happened and have been performed in due time, form and manner as required by law; that the indebtedness of the Municipality, including this Note and the issue of which it is a part, does not exceed any limitation, general or special, imposed by law; and that a valid, direct, annual irrepealable tax has been levied by the Municipality sufficient to pay the interest on this Note when it falls due and also to pay and discharge the principal hereof at maturity.

IN WITNESS WHEREOF, the Municipality has caused this Note 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 WEST ALLIS, WISCONSIN

(SEAL)

By: \_\_\_\_\_  
Dan Devine  
Mayor

By: \_\_\_\_\_  
Paul M. Ziehler  
City Clerk

**COPY**

(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

---

COPY

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

---

Attorney to transfer said Note 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 Note in every particular, without alteration or enlargement or any change whatever.

Signature(s) guaranteed by

---



SCHEDULE A

\$2,005,496

CITY OF WEST ALLIS, WISCONSIN  
GENERAL OBLIGATION SEWERAGE SYSTEM PROMISSORY NOTES, SERIES 2010

<u>Amount of Disbursement</u>	<u>Date of Disbursement</u>	<u>Series of Notes</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

COPY

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Amount</u>
May 1, 2012	\$ 84,549.41
May 1, 2013	86,578.60
May 1, 2014	88,656.49
May 1, 2015	90,784.24
May 1, 2016	92,963.06
May 1, 2017	95,194.18
May 1, 2018	97,478.84
May 1, 2019	99,818.33
May 1, 2020	102,213.97
May 1, 2021	104,667.10
May 1, 2022	107,179.11
May 1, 2023	109,751.41
May 1, 2024	112,385.45
May 1, 2025	115,082.70
May 1, 2026	117,844.68
May 1, 2027	120,672.96
May 1, 2028	123,569.11
May 1, 2029	126,534.76
May 1, 2030	129,571.60

COPY



## State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor  
Matthew J. Frank, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX 608-267-3579  
TTY Access via relay - 711

September 24, 2010

MR. MICHAEL LEWIS, CITY ENGINEER  
CITY OF WEST ALLIS  
7525 W GREENFIELD AVENUE  
WEST ALLIS WI 53214

SUBJECT: Clean Water Fund Program, Project No. 4638-04  
Sanitary Sewer Relays in W. Beloit Rd. to W. Oklahoma Ave.  
Sanitary Sewer Relays in W. Rogers St. to S. 75<sup>th</sup> St.  
Sanitary Sewer Relays in S. 60<sup>th</sup> St. to W. Pierce St.  
Financial Assistance Agreement – October 27, 2010

Dear Mr. Lewis:

Your project manager prepared the following documents for your Clean Water Fund Program (CWFP) loan closing:

1. CWFP Loan Closing Schedule - Attachment 1
2. Financial Assistance Agreement Summary/Distribution Sheet - Attachment 2
3. Financial Assistance Agreement (FAA)

To close the loan on October 27, 2010, we need to follow the Loan Closing Schedule (Attachment 1).

The City of West Allis has three (3) working days upon receipt of wired CWFP funds to do one or more of the following:

1. Pay the project invoices identified in the CWFP disbursement request.
2. Reimburse an internal municipal account from which eligible project costs were paid. This reimbursement must adhere to current U.S. Treasury Regulations.
3. Disburse payments to the bank or financial institution for projects that are being refinanced.

Execution of the FAA creates a binding obligation in all respects. Any negotiation of terms and conditions or determinations must occur prior to adoption of the Municipal Obligation Resolution and execution of the enclosed document.

The Project Manager Summary Page (Exhibit F of the FAA) further explains certain assumptions and decisions affecting preparation of your FAA.

Please contact your project manager, Maureen Hubeler, at 608-266-0849 for further assistance with execution of the FAA, Request for Disbursement (Form 8700-215) and other CWFP closing documents.

Thank you for your interest in the Clean Water Fund Program.

Sincerely,



Mary Rose Teves, Director  
Bureau of Community Financial Assistance

MRT:mh

Attachments

cc: Rebecca Speckhard, Quarles & Brady - Milwaukee (w/attachments)  
Gary Schmid, City of West Allis (w/attachments)  
Aaron Heintz - DOA/10 - Electronic Copy  
Chuck Pape - SER/Waukesha -Electronic Copy

**ATTACHMENT #1**

Clean Water Fund Program Project No. 4638-04  
City of West Allis  
Sanitary Sewer Relays in W. Beloit Rd. to W. Oklahoma Ave.;  
W. Rogers to S. 75<sup>th</sup> St.;  
S. 60<sup>th</sup> St. to W. Pierce St.

Financial Assistance Agreement  
Closing Schedule

**By September 27, 2010:**

- Department of Natural Resources (DNR) project manager distributes Financial Assistance Agreement (FAA) to Quarles & Brady and municipality for review.

**By September 27, 2010:**

- Quarles & Brady distributes draft Municipal Obligation Resolution and other bond documents to the City of West Allis and Department of Administration (DOA) for review.

**On October 5, 2010:**

- Municipality holds properly noticed meeting at which time:
  1. Municipal Obligation Resolution is adopted.
  2. Bond related documents are signed by municipal officials
  3. DNR FAA is signed by municipal officials

NOTE: *Most documents must be signed by Highest Elected Official & Clerk/Secretary and some documents must have municipal seal applied.*

**By October 7, 2010:**

- 1. Municipality immediately returns FAA to DNR for countersigning by DNR.
  2. Municipality delivers signed & sealed Resolution & other bond documents to Quarles & Brady.

**By October 6, 2010:**

- Municipality submits Request for Disbursement (Form 8700-215) with supporting invoices for first loan disbursement.

**By October 22, 2010:**

- Quarles & Brady sends final signed and sealed bond documents and legal opinion to DOA.

**October 27, 2010:**

- Loan Closing Day. Quarles & Brady contacts DOA to confirm closing and DOA wire transfers the first loan disbursement to municipal bank account.

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EXHIBIT B	LOAN AMORTIZATION SCHEDULE
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EXHIBIT E	DISADVANTAGED BUSINESS ENTERPRISES CONTRACT UTILIZATION
EXHIBIT F	PROJECT MANAGER SUMMARY PAGE
EXHIBIT G	WAGE RATE COMPLIANCE CERTIFICATION

WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated October 27, 2010, 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 "Act"), and the City of West Allis, a municipality within the meaning of the Act, 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 has, pursuant to ss. 281.58 and 281.59, Wis. Stats., established the CWFP to be used in part for purposes of the Water Quality Act; and

WHEREAS, the State of Wisconsin has, 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 Act; and

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

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

WHEREAS, DOA has 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

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

WHEREAS, the Municipality certifies to the CWFP that it has created a dedicated source of revenue, which may constitute taxes levied by the Municipality with respect to a general obligation of the Municipality, for repayment of the Loan; and

WHEREAS, approval of facility plans or engineering reports, and Plans and Specifications for the Project has been obtained by the Municipality from DNR 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 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 ss. 281.58 and 281.59, Wis. Stats., as amended.

"Application" means the written application of the Municipality dated July 16, 2010, for financial assistance under the Act.

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

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

"Clean Water Act" means the federal Clean Water Act, 33 U.S.C. §§1250 et seq., as amended.

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

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

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

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

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

"FAA" means this Financial Assistance Agreement.

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

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

"Financial Assistance 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.

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

"Loan" means the loan or loans made by the CWFP to the Municipality pursuant to this FAA.

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

- (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,
- (e) outstanding principal balance.

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

- (a) the FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary action by the governing body of the Municipality, and the FAA has been duly executed and delivered by the Municipality;
- (b) the Municipal Obligations have been duly authorized, executed and delivered by the Municipality and sold to the CWFP;
- (c) each of the FAA and the Municipal Obligations constitutes a legal, valid and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);
- (d) the Municipal Obligations constitute general obligations of the Municipality, and the full faith and credit of the Municipality is pledged for the payment of principal thereof and interest thereon as and when it becomes due;
- (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.

"Municipality" means City of West Allis, a "municipality" within the meaning of the Act, 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 Cost eligible for CWFP financing.

"Plans and Specifications" means the Project design plans and specifications assigned No. S-2010-0460, dated June 17, 2010, No. S-2010-0345, dated April 26, 2010 and S-2009-0939, dated February 16, 2010; that have been approved by DNR, as the same may be amended or modified from time to time in accordance with this FAA.

"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. 4638-04 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 Act, 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 chs. NR 150 and NR 162, Wis. Adm. Code, the regulations of DNR, and ch. Adm. 35, Wis. Adm. Code, the regulations of DOA, adopted pursuant to and in furtherance of the Act, as such may be adopted or amended from time to time.

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

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

"Sewer Use Ordinance" means the ordinance, or other legislative enactments meeting the requirements of the Regulations, that is 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.

"Substantial Completion" means the point in time when Project construction has been completed and the treatment process operation has been initiated or is capable of being put into operation, or for collection system or storm water projects or portions of projects that provided little or no treatment, it means the point in time when wastewater or storm water conveyance has been initiated or is capable of being initiated.

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

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

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

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

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

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

- (a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.
- (b) All references herein to particular articles or sections are references to articles or sections of this FAA.
- (c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA nor shall they affect its meaning, construction or effect.
- (d) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this FAA refer to the FAA in its entirety and not the particular article or section of this FAA in which they appear, and 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 Act and the General Resolution and to use the proceeds thereof to provide funds for the making of the Loan to the Municipality to undertake and complete the Project.
- (b) The CWFP has complied with the provisions of the Act and has full power and authority to execute and deliver this FAA and to 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 ss. 281.58 and 281.59, Wis. Stats., the CWFP is authorized to execute and deliver the FAA and to take actions and make determinations that are required of the CWFP under the terms and conditions of the FAA.
- (e) The execution and delivery by the CWFP of this FAA and the consummation of the transactions contemplated by this FAA shall not violate any indenture, mortgage, deed of trust, note, agreement or other contract or instrument to which the State is a party or by which it is bound, or to the best of the CWFP's knowledge, any judgment, decree, order, statute, rule or regulation applicable to the CWFP, and 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) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the knowledge of the CWFP, threatened against or affecting the CWFP, or to the knowledge of the CWFP, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or which, in any way, could adversely affect the validity of this FAA or any agreement or instrument to which the State is a party and which is used or contemplated for use in consummation of the transactions contemplated by each of the foregoing.

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

- (a) The Municipality possesses the legal municipal form of a city under ch. 62, Wis. Stats. The Municipality is located within the State and is a "municipality" within the meaning of the Act, duly organized and existing under the laws of the State, and has full legal right, power and authority to:
  - (1) conduct its business and own its properties,
  - (2) enter into this FAA,
  - (3) adopt the Municipal Obligation Resolution,
  - (4) issue and deliver the Municipal Obligations to the CWFP as provided herein, and
  - (5) carry out and consummate all transactions contemplated by each of the aforesaid documents.
- (b) The Municipality's Project is a project that is necessary to prevent the applicant from significantly exceeding an effluent limitation contained in its WPDES Permit (compliance maintenance).

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

(d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of \$2,005,496, and has 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) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Municipality, threatened against 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 or 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 or 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 general obligations of the Municipality secured as set forth therein.

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

(j) The Municipality has full legal right and authority and all necessary permits, licenses and approvals (other than such permits, licenses, easements or approvals which are not, by their nature, obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the Project, to carry on its activities relating thereto, to undertake and complete the Project and to 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) Each of the facilities constituting a part of the Project is eligible for financing from the CFWP and the estimated cost of the Project is equal to or in excess of the principal amount of the Municipal Obligations. The Project is an eligible project under s. 281.58(7), Wis. Stats. Portions of the Project that are ineligible for financing from the CFWP are listed within the Project Manager Summary Page attached hereto as Exhibit F. The Municipality intends the Project to be and continue to be an eligible Project under the Act during 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 CFWP under the Act. All proceeds of any borrowing of the Municipality that have been spent and are being refinanced with the proceeds of the Loan 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 Bonds shall be used directly or indirectly by the Municipality as working capital or to finance inventory, as opposed to capital improvements.

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

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

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

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

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

Municipality adopted a reimbursement resolution pursuant to Treas. Regs. 26 CFR 1.150-2 stating its intent to reimburse other funds of the Municipality used to finance the Project, or subsequent to the issuance date of the Municipal Obligations.

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

(t) The Municipality has levied a tax that will generate annually sufficient revenue to pay the principal of and interest on the Municipal Obligations.

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

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

(w) The Municipality represents that it has submitted to DNR a bid tabulation for the Project, with a recommendation to DNR for review and concurrence. The expected or actual Substantial Completion date of the Project is November 19, 2011.

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

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

	Transportation	State-shared	Total
2008	\$ 2,245,132.39	\$ 8,523,921.80	\$ 10,769,054.19
2009	\$ 2,318,518.23	\$ 8,544,242.36	\$ 10,862,760.59

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

2010	\$ 2,352,173.30	\$ 8,266,800.51	\$ 10,618,973.81
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These are not the entire amounts of State aid distributed to the Municipality. Other State aid is subject to intercept on failure of the Municipality to make full Loan payments due the CWFP.

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

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



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

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

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 Loan made to the Municipality, the Municipality hereby agrees to sell to the CWFP Municipal Obligations in the aggregate principal amount of \$2,005,496. 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 two and 400/1000ths percent (2.400%) per annum, and interest shall accrue and be payable only on Loan proceeds actually disbursed, from the date of disbursement until the date such amounts are repaid. A description of how the interest rate was determined is included in the Project Manager Summary Page (Exhibit F).

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

(e) 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 Loan.

(f) 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. Loan Amortization Principal and interest payments on the Loan (and on the Municipal Obligations evidencing the Loan) 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 Loan is disbursed to the Municipality on October 27, 2010. It is understood that the actual amount of the Municipality's Loan payments shall be based on the actual date and amount of Loan disbursements for the Project. Notwithstanding the foregoing or anything in the Municipal Obligations, the Loan 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 Loan shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

Section 3.03. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements shall be a general obligation evidenced by issuance of general obligation bonds or notes pursuant to ch. 67, Wis. Stats. The security for the Municipality's obligation to meet the annual debt service requirements shall be the full faith and credit of the Municipality and an irrevocable levy of ad valorem taxes and may include revenues of the Municipality's Sewerage System which are appropriated and irrevocably deposited in the debt service fund for the Municipal Obligations. Pursuant to s. 67.05(10), Wis. Stats., the tax levy may be reduced by the amounts of revenues so deposited. The Loan is also secured as provided in Section 3.08 hereof.

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

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

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

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

Section 3.05. Sale and Redemption of Municipal Obligations

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

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

(c) Subject to subsection (a), the Municipality may prepay the Loan 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 Loan Proceeds

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

(b) The CWFP, through its agents or Trustee, plans to make disbursements of Loan proceeds 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.

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

(1) If the Loan proceeds are not yet fully disbursed, and CWFP funds were previously disbursed for non-CWFP funded Project Costs, the CWFP shall make necessary adjustments to future disbursements.

(2) If the Loan proceeds are fully disbursed, including disbursements for non-CWFP funded Project Costs, the Municipality agrees to repay to the CWFP an amount equal to the non-CWFP funded Project Costs within 60 days of notification by DNR or DOA. The CWFP shall then apply the amount it receives as a Loan prepayment.

(d) The CWFP or its agent shall disburse Loan proceeds 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.

(e) Disbursement beyond ninety-five percent (95%) of the principal amount of the Loan, 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) DNR certifies in writing to DOA the Municipality's compliance with all applicable requirements of this FAA; and

(4) the Municipality certifies in writing to DNR its compliance with the wage rate requirements. Certification must be as prescribed on Exhibit G.

(f) The following IRS Regulation applies to project expenditures. IRS Regulation 1.148-6(d)(1)(iii), which 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 Act or the Regulations;

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

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

(ii) Project work may be suspended.

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

(iv) Other administrative remedies may be pursued.

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

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

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

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

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

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

Section 3.08. Security for the Loan As security for the Loan hereunder, the Municipality hereby pledges the full faith and credit of the Municipality and an irrevocable levy of ad valorem taxes (which is a dedicated source of revenue), and is in accordance with the terms of the Municipal Obligation Resolution.

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 the Loan. The Municipality agrees to provide written evidence of insurance coverage to the CWFP upon request at any time during the term of the Loan.

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

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

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

Section 4.04. Completion of the Project

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

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

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

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

- (1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;
- (2) complete and deliver to DNR the completed Contract Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;

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

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

Section 4.05. Payment of Additional Project Costs

(a) In the event of revised eligibility determinations, cost overruns and amendments exceeding the Loan amount, the CWFP may allocate additional financial assistance to a 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 Act and Regulations. The allocation of additional financial assistance shall depend upon availability of funds and present value subsidy, pursuant to the Act and the Regulations.

(b) In the event that Loan proceeds are 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 Loan proceeds, and shall not be entitled to any reimbursement therefor from the CWFP, or the owners of any bonds, except from the proceeds of additional financing which may be provided by the CWFP pursuant to an amendment of this FAA or through a separate FAA.

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

ARTICLE V  
COVENANTS

Section 5.01. Application of Loan Proceeds The Municipality shall apply the proceeds of the Loan solely for Project Costs.

Section 5.02. Operation and Maintenance; Equipment Replacement Fund

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

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

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

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

(b) The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. All User Fees or other revenues specifically collected for the equipment replacement fund shall be deposited into the equipment replacement fund and used for replacement and major repair of equipment necessary for the operation of the Sewerage System. 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, approvals and this FAA, including without limitation, the Act, 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) and directions issued by the CWF. Without any request, the Municipality shall furnish to DOA, as soon as available and in any event within one hundred eighty (180) days after the close of each fiscal year, a copy of the audit report for such year and accompanying GAAP-based financial statements for such period, as examined and reported by such independent certified public accountants of recognized standing selected by the Municipality and reasonably satisfactory to DOA, whose reports shall indicate that the accompanying financial statements have been prepared in conformity with GAAP.



(b) The Municipality shall maintain a separate account that reflects the receipt and expenditure of all CWFP funds for the Project. All Loan proceeds 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 Loan, and shall produce, or cause to be produced, all records relating to any work performed under the terms of this FAA for examination at such times as may be designated by any of them or their authorized representatives, and shall permit extracts and copies of the Project records to be made by them or their authorized representatives, and shall fulfill information requests by them or their authorized representatives.

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

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

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

Section 5.09. Tax Covenants

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

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

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

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

Section 5.10. User Fee Covenant

(a) The Municipality hereby certifies that it has adopted and shall charge User Fees with respect to the Project in accordance with applicable laws and the Act 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.

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

Section 5.11. Notice of Impaired System The Municipality shall promptly notify DNR and DOA in the case of any material damage to or destruction of the Project or any part thereof, or 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, 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, 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 into all Project contracts which have yet to be executed the following provision: "In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical condition, developmental disability, or national origin. The contractor further agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor further agrees to take affirmative action to ensure equal employment opportunities for persons with disabilities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause."

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

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

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

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

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

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

Section 5.20. Rebates The Municipality agrees to pay to the CWFP any refunds, rebates, credits, or other amounts received for Project Costs that have already been funded by the CWFP. The CWFP shall then apply the amount it receives as a Loan prepayment.

Section 5.21. Maintenance of Legal Existence

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

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

- (1) the resulting, surviving or transferee legal entity is a legal entity established and duly existing under the laws of Wisconsin;
- (2) such resulting, surviving or transferee legal entity is eligible to receive financial assistance under the Act;
- (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 all laborers and mechanics employed by contractors and subcontractors funded directly by or assisted in whole or in part with funding under this Loan shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code.

ARTICLE VI  
MISCELLANEOUS

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

- (a) Department of Administration  
Office of Capital Finance  
Clean Water Fund Program  
101 East Wilson Street, 10th Floor  
Madison, WI 53702-0004  
Or  
P.O. Box 7864  
Madison, WI 53707-7864
- (b) Department of Natural Resources  
Bureau of Community Financial Assistance  
101 South Webster Street, 2nd Floor  
Madison, WI 53702-0005  
Or  
P.O. Box 7921  
Madison, WI 53707-7921
- (c) U.S. Bank Corp Trust  
Sharyl Saver EP-MN-WS3T  
60 Livingston Avenue  
St. Paul, MN 55101-2292
- (d) City of West Allis  
7525 W Greenfield Avenue  
West Allis, WI 53214

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 Loans 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 Act, 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 Act.

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

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

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

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

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

- (a) The CWFP and the Municipality may enter into an agreement to terminate this FAA at any time. The termination agreement shall establish the effective date of termination of this FAA, the basis for settlement of termination costs, and the amount and date of payment of any sums due either party.
- (b) If the Municipality wishes to terminate all or any part of the Project work unilaterally 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 above written.

CITY OF WEST ALLIS

By: *Dan Devine*  
Dan Devine  
Mayor

Attest: *Paul M. Ziehler*  
Paul M. Ziehler  
Clerk Treasurer

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

By: \_\_\_\_\_  
Authorized Officer

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES

By: \_\_\_\_\_  
Authorized Officer


Ann, 10/6/10  
Per Gary - he left  
3 unsigned signature  
pages because he  
believes they won't  
be needed. But  
do not discard.  
Thanks-  
Janet

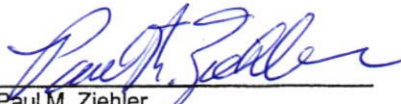
Section 6.12. Rescission The CWFP may rescind this FAA prior to the first disbursement of any funds hereunder if it determines that:

- (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 above written.

CITY OF WEST ALLIS

By:   
Dan Devine  
Mayor

Attest:   
Paul M. Ziehler  
Clerk Treasurer

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

By: \_\_\_\_\_  
Authorized Officer

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES

By: \_\_\_\_\_  
Authorized Officer



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 above written.

CITY OF WEST ALLIS

By: *Dan Devine*  
Dan Devine  
Mayor

COPY

Attest: *Paul M. Ziehler*  
Paul M. Ziehler  
Clerk Treasurer

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

By: \_\_\_\_\_  
Authorized Officer

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES

By: \_\_\_\_\_  
Authorized Officer

EXHIBIT A

PROJECT BUDGET SHEET SUMMARY

CITY OF WEST ALLIS  
 CWFP Project No. 4638-04

	Total	Ineligible Costs	Clean Water Fund Program
Force Account Work	\$286,100	\$35,900	\$250,200
Interim Financing Costs			
Facility Plan Preparation			
Plans/Specifications Preparation			
Land or Easement Acquisition			
Engineering/Construction Mgmt.			
Construction/Equipment	4,936,985	3,269,084	1,667,901
Contingency	83,395		83,395
Miscellaneous Costs			
CWFP Closing Costs	4,000		4,000
<b>TOTAL</b>	<b>\$5,310,480</b>	<b>\$3,304,984</b>	<b>\$2,005,496</b>

**City of West Allis, Wisconsin**  
**Project 4638-04 Clean Water Fund Program**  
**Loan Closing Date:**

**Exhibit B-1**

**October 27, 2010**

<u>Payment Date</u>	<u>Principal Payment</u>	<u>Interest Rate</u>	<u>Interest Payment</u>	<u>Principal &amp; Interest</u>	<u>Bond Year Debt Service</u>	<u>Calendar Year Debt Service</u>
1-May-11		2.400%	24,600.75	24,600.75	24,600.75	
1-Nov-11		2.400%	24,065.95	24,065.95		48,666.70
1-May-12	84,549.41	2.400%	24,065.95	108,615.36	132,681.31	
1-Nov-12		2.400%	23,051.36	23,051.36		131,666.72
1-May-13	86,578.60	2.400%	23,051.36	109,629.96	132,681.32	
1-Nov-13		2.400%	22,012.42	22,012.42		131,642.38
1-May-14	88,656.49	2.400%	22,012.42	110,668.91	132,681.33	
1-Nov-14		2.400%	20,948.54	20,948.54		131,617.45
1-May-15	90,784.24	2.400%	20,948.54	111,732.78	132,681.32	
1-Nov-15		2.400%	19,859.13	19,859.13		131,591.91
1-May-16	92,963.06	2.400%	19,859.13	112,822.19	132,681.32	
1-Nov-16		2.400%	18,743.57	18,743.57		131,565.76
1-May-17	95,194.18	2.400%	18,743.57	113,937.75	132,681.32	
1-Nov-17		2.400%	17,601.24	17,601.24		131,538.99
1-May-18	97,478.84	2.400%	17,601.24	115,080.08	132,681.32	
1-Nov-18		2.400%	16,431.49	16,431.49		131,511.57
1-May-19	99,818.33	2.400%	16,431.49	116,249.82	132,681.31	
1-Nov-19		2.400%	15,233.67	15,233.67		131,483.49
1-May-20	102,213.97	2.400%	15,233.67	117,447.64	132,681.31	
1-Nov-20		2.400%	14,007.11	14,007.11		131,454.75
1-May-21	104,667.10	2.400%	14,007.11	118,674.21	132,681.32	
1-Nov-21		2.400%	12,751.10	12,751.10		131,425.31
1-May-22	107,179.11	2.400%	12,751.10	119,930.21	132,681.31	
1-Nov-22		2.400%	11,464.95	11,464.95		131,395.16
1-May-23	109,751.41	2.400%	11,464.95	121,216.36	132,681.31	
1-Nov-23		2.400%	10,147.94	10,147.94		131,364.30
1-May-24	112,385.45	2.400%	10,147.94	122,533.39	132,681.33	
1-Nov-24		2.400%	8,799.31	8,799.31		131,332.70
1-May-25	115,082.70	2.400%	8,799.31	123,882.01	132,681.32	
1-Nov-25		2.400%	7,418.32	7,418.32		131,300.33
1-May-26	117,844.68	2.400%	7,418.32	125,263.00	132,681.32	
1-Nov-26		2.400%	6,004.18	6,004.18		131,267.18
1-May-27	120,672.96	2.400%	6,004.18	126,677.14	132,681.32	
1-Nov-27		2.400%	4,556.11	4,556.11		131,233.25
1-May-28	123,569.11	2.400%	4,556.11	128,125.22	132,681.33	
1-Nov-28		2.400%	3,073.28	3,073.28		131,198.50
1-May-29	126,534.76	2.400%	3,073.28	129,608.04	132,681.32	
1-Nov-29		2.400%	1,554.86	1,554.86		131,162.90
1-May-30	129,571.60	2.400%	1,554.86	131,126.46	132,681.32	131,126.46

Totals	2,005,496.00		540,049.81	2,545,545.81	2,545,545.81	2,545,545.81
--------	--------------	--	------------	--------------	--------------	--------------

Net Interest Rate	2.4000%
Bond Years	22,502.0740
Average Life	11.2202

The above schedule assumes full disbursement of the loan on the loan closing date.  
 17-Sep-10 Wisconsin Department of Administration

EXHIBIT C

FORM OF LOAN DISBURSEMENT TABLE

<u>Amount of Disbursement</u>	<u>Date of Disbursement</u>	<u>Series of Bonds</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____

EXHIBIT D

OPERATING CONTRACTS

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

EXHIBIT E

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

MANDATORY PROJECT CLOSEOUT DOCUMENT

Note: This form is authorized by s. NR 162.14(4)(b)4, Wis. Adm. Code. Receipt of this completed form by the Department is mandatory prior to receiving a final disbursement. The information printed on this form is taken from the completed Good Faith Certification Form 8700-294 and MBE/WBE/SBRA Contacts Worksheet Form 8700-294A. Any changes or additions made to the list of prime contractors and DBE subcontractors during the construction must be reflected on this form at closeout. Personal information collected on this form will be used for program administration and must be made available to requesters as required by Wisconsin Open Records Law (s. 19.31 – 19.39, Wis. Stats.).

Municipality Name: City of West Allis	Project Number: 4638-04	Loan/Grant Amount: \$ 2,005,496
Project Description: Sanitary Sewer Relays in W. Oklahoma, W. Rogers and S. 60 <sup>th</sup> St.		
Did the municipality satisfy the MBE/WBE/SBRA requirements? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no, refer to Exhibit F-Project Manager Summary Page.)		

Construction/Equipment/Supplies Contracts	DBE Type	Type of Product or Service *	Contract Estimate \$	Actual Amount Paid to MBE/WBE/SBRA Firm
				Municipality Completes at Project Closeout
Prime: Globe Contractors for W. Oklahoma Ave.	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input checked="" type="checkbox"/> N/A	Sewer Relays	1,148,253	
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Prime: Globe Contractors for W. Rogers St.	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input checked="" type="checkbox"/> N/A	Sewer Relays	3,077,231	
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
				Total MBE \$ _____
				Total WBE \$ _____
				Total SBRA \$ _____

Professional/Technical Services Contracts	DBE Type	Type of Product or Service *	Contract Estimate \$	Actual Amount Paid to MBE/WBE/SBRA Firm
				Municipality Completes at Project Closeout:
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> SBRA			
				Total MBE \$ _____
				Total WBE \$ _____
				Total SBRA \$ _____

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

Name of Person Completing This Form	Email Address	Phone Number
-------------------------------------	---------------	--------------

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

EXHIBIT F

PROJECT MANAGER SUMMARY PAGE

CITY OF WEST ALLIS  
CWFP Project No. 4638-04

1. Project Description: Three sanitary sewer relay projects are being combined into one loan:  
4638-04 W. Beloit Rd. to W. Oklahoma Ave.  
4638-05 W. Rogers St. to S. 75<sup>th</sup> St.  
4638-06 S. 60<sup>th</sup> St. to W. Pierce St.
2. Ineligibles: \$35,900 in Force Account for the inspection of the laterals past the connection point. Globe Contractors (4638-04) \$702,753 and Globe Contractors (4638-05) \$2,566,331 for laterals past the connection point.
3. Other Funding Sources: Internal funds for ineligible costs.
4. Composite Interest Rate for Compliance Maintenance or New/Changed Limits Project:

Total Eligible Costs	<b>\$2,005,496</b>
Total Requested Costs	<b>\$5,310,480</b>
Parallel Cost Percentage (PCP)	<b>100.00%</b>
<hr/>	
Maximum DBE Penalty = Total Eligible Costs X PCP X 8%	<b>\$160,440</b>
Actual DBE Penalty (If not applicable, penalty is \$0. Cannot exceed Maximum DBE Penalty.)	<b>\$0</b>
Septage Facility Costs at 0%	<b>\$0</b>
<hr/>	
Maximum Subsidized Rate Costs = (Total Eligible Costs X PCP) – Actual DBE Penalty	<b>\$2,005,496</b>
<hr/>	
Actual Subsidized Rate Costs (Note: Cannot exceed Maximum Subsidized Rate Costs, but may be less if not requesting Total Eligible Costs.)	<b>\$2,005,496</b>
Market Rate Costs = Total Requested Costs – Actual Subsidized Rate Costs	<b>\$0</b>
<hr/>	
Septage Facility Costs at 0%	<b>\$0</b>
<hr/>	
<b>Total Loan Amount = Actual Subsidized Rate Costs + Market Rate Costs</b>	<b>\$2,005,496</b>
<hr/>	
<b>Composite Interest Rate</b> = (Actual Subsidized Rate Costs/Total Loan Amount) X 2.400% + (Market Rate Costs/Total Loan Amount) X 4.000% + (Septage Facility Costs at 0%)	<b>2.400%</b>

5. Contingency Allowance: The Contingency allowance of \$83,395 is five percent of the amount of uncompleted construction work.
6. Equipment Replacement Fund: The Municipality shall establish an equipment replacement fund according to s. NR 162.08, Wis. Adm. Code, and maintain the equipment replacement fund as a separate fund of the Municipality. Annual deposits shall be made to the equipment replacement fund in amounts sufficient to meet the equipment replacement schedule developed by the Municipality. In reviewing the equipment replacement fund schedule in the CWFP application, the annual deposit is estimated at \$54,000.



EXHIBIT G

WAGE RATE COMPLIANCE CERTIFICATION

[To Be Prepared on Municipal Letterhead at Project Completion and Closeout]

The undersigned officials of the City of West Allis (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 4638-04 (the "Project"), the Municipality has met the requirements of the prevailing wage requirement of Davis-Bacon.

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

By: \_\_\_\_\_  
[Name of Highest Elected Official]

Dated as of: \_\_\_\_\_

Attest: \_\_\_\_\_  
[Name of Clerk or Secretary]

Dated as of: \_\_\_\_\_

## NOTICE

On October 5, 2010, a resolution was offered, adopted and approved by the City of West Allis, Milwaukee County, Wisconsin (the "Municipality"), whereby the Municipality authorized and directed the issuance and sale of up to \$2,005,496 General Obligation Sewerage System Promissory Notes, Series 2010. The closing on these Notes will be held on October 27, 2010. A copy of all proceedings had to date with respect to the authorization and sale of said Notes is on file and may be examined in the office of the City Clerk.

This Notice is given pursuant to Section 893.77, Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such municipal financing, for other than constitutional reasons, must be commenced within thirty (30) days after the date of publication of this Notice.

Dated: October 6, 2010.

CITY OF WEST ALLIS, WISCONSIN  
Paul M. Ziehler, City Clerk

Published: October 14, 2010



**CITY CLERK/TREASURER'S OFFICE**

414/302-8200 or 414/302-8207 (Fax)

[www.ci.west-allis.wi.us](http://www.ci.west-allis.wi.us)

**Paul M. Ziehler**

*City Admin. Officer, Clerk/Treasurer*

**Monica Schultz**

*Assistant City Clerk*

**Rosemary West**

*Treasurer's Office Supervisor*

October 12, 2010

Attorney Brian G. Lanser  
QUARLES & BRADY, LLP  
411 E. Wisconsin Ave.  
Milwaukee, WI 53202-4497

Dear Mr. Lanser:

Pursuant to your request of October 5, 2010, enclosed please find the following documents:

- Certificate of Compliance with Open Meeting Law,
- Five (5) executed copies of the Resolution no. R-2010-0218, and
- Excerpts of Minutes.

Thank you for your attention to this matter.

Sincerely,

Paul M. Ziehler  
City Administrative Officer  
Clerk/Treasurer

/amn  
enclosures

**CERTIFICATE OF COMPLIANCE WITH  
OPEN MEETING LAW PUBLIC NOTICE REQUIREMENTS**

I, Paul M. Ziehler City Administrative Officer, Clerk/Treasurer  
(name) (title)

of City of West Allis  
(official name of municipality)

hereby certify that:

1. **Meeting Date.** On the 5<sup>th</sup> day of October, 2010 a  
Common Council meeting was held commencing  
(County Board, Common Council, etc.)  
at 7:01 o'clock p.m. at West Allis City Hall, 7525 W. Greenfield Avenue.  
(location)

2. **Posting.** On the 1<sup>st</sup> day of October, 2010 at approximately  
3:00 o'clock p.m., I posted or caused to be posted a notice setting forth the time, date, place  
and subject matter (including specific reference to the borrowing) of said meeting in the  
following public places (attach an extra sheet if necessary):

- West Allis City Hall, 7525 W. Greenfield Avenue
- West Allis Police Department, 11301 W. Lincoln Avenue
- West Allis Public Library, 7421 W. National Avenue
- West Allis Senior Center, 7001 W. National Avenue

AND/OR

**Publication.** The \_\_\_\_\_  
(County, City, etc.)

caused a notice setting forth the time, date, place and subject matter (including specific reference  
to the borrowing) of said meeting to be published on the \_\_\_ day of \_\_\_\_\_, 20\_\_  
by the following news medium or media (attach an extra sheet if necessary):

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

(If notice was published rather than posted, attach copy  
of published notice).

3. **Notification of Media.** On the 1<sup>st</sup> day of October, 2010 at approximately 3:00 o'clock p.m., I communicated or caused to be communicated, the time, date, place and subject matter (including specific reference to the borrowing) of said meeting to those news media who have filed a written request for such notice, and to the official newspaper of the City of West Allis, or, if none exists, to a news medium (County, City, etc.)

likely to give notice in the area.

4. **Open Meeting Law Compliance.** Said meeting was a regular meeting of the (regular, special, adjourned annual, etc.) Common Council which was called, noticed, held and (County Board, Common Council, etc.) conducted in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and State statutes.

  
Name: Paul M. Ziehler  
Title: City Administrative Officer  
Clerk/Treasurer

Attest:

  
Name: Ann Marie Neff  
Title: Clerk Specialist

(SEAL)

(Note: Questions regarding this form or open meeting law compliance generally should be directed to local counsel or Quarles & Brady LLP.)

Excerpts of Minutes of Meeting  
of the  
Common Council of the  
City of West Allis

A meeting of the Common Council of the City of West Allis, Milwaukee County, Wisconsin, was duly called, noticed, held and conducted in the manner required by the Common Council and the pertinent Wisconsin Statutes on October 5, 2010. The Mayor called the meeting to order at 7:01 p.m.

The following members were present:

Aldersperson Barczak	Aldersperson Roadt
Aldersperson Czaplewski	Aldersperson Sengstock
Aldersperson Kopplin	Aldersperson Vitale
Aldersperson Lajsic	Aldersperson Weigel
Aldersperson Narlock	

The following members were absent:

Aldersperson Reinke

(Here occurred business not pertinent to the financing.)

The following resolution was then moved by Aldersperson Kopplin and seconded by Aldersperson Narlock:

RESOLUTION NO. R-2010-0218

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$2,005,496  
GENERAL OBLIGATION SEWERAGE SYSTEM PROMISSORY NOTES, SERIES 2010,  
AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT  
THERE TO

(A true copy of the resolution as adopted is attached hereto and incorporated herein by reference.)

Upon the vote being taken, the following voted

Aye: - 9	Aldersperson Barczak Aldersperson Czaplewski Aldersperson Kopplin Aldersperson Lajsic Aldersperson Narlock	Aldersperson Roadt Aldersperson Sengstock Aldersperson Vitale Aldersperson Weigel
----------	--	--

Nay: 0

Abstaining: 0

and the resolution was declared adopted.

(Here occurred business not pertinent to the financing.)

Upon motion made and seconded, the Common Council adjourned.

\*\*\*\*\*

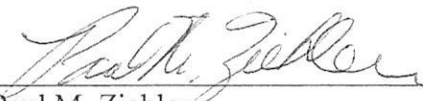
Certification of Minutes Excerpt

I, Paul M. Ziehler, am the duly qualified and acting City Clerk of the City of West Allis, Milwaukee County, Wisconsin.

I hereby certify that the foregoing is a true and correct excerpt of the official minutes of the Common Council meeting of October 5, 2010 with respect to Common Council action to authorize the issuance and sale of \$2,005,496 General Obligation Sewerage System Promissory Notes, Series 2010.

I further certify that the attached is a true and correct copy of the resolution adopted by the Common Council at such meeting.

IN WITNESS WHEREOF, I have executed this Certificate in my official capacity on October 5, 2010.

  
 Paul M. Ziehler  
 City Clerk

(SEAL)



# City of West Allis Meeting Minutes Common Council

7525 W. Greenfield Ave.  
West Allis, WI 53214

*Mayor Dan Devine, Chair  
Alderperson James W. Sengstock, Council President  
Alderpersons: Gary T. Barczak, Michael J. Czaplewski, Kurt E. Kopplin,  
Thomas G. Lajsic, Richard F. Narlock, Rosalie L. Reinke, Daniel J. Roadt,  
Vincent Vitale, and Martin J. Weigel*

---

Tuesday, October 5, 2010

7:01 PM

City Hall Common Council Chambers

---

## REGULAR MEETING

---

### A. CALL TO ORDER

*The meeting was called to order by Mayor Devine at 7:01 p.m.*

### B. ROLL CALL

Present: 9 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock, Ald. Vitale and Ald. Weigel  
Excused: 1 - Ald. Reinke

### C. PLEDGE OF ALLEGIANCE

*The Pledge of Allegiance was led by Ald. Lajsic.*

### D. PUBLIC HEARINGS

1. R-2010-0207 Resolution to approve the Year 2011 Operating Plan for the Downtown West Allis Business Improvement District and to adopt the Special Assessment Method as stated therein (Final).

Sponsor(s): Administration & Finance Committee

*Explanation by Patrick Schloss, Community Development Manager.*

*Appearances:*

*None.*

**Public Hearing Held**

### E. CITIZEN PARTICIPATION

*Gary Schachel, 8602 W. Beloit Rd., commented on his claim, file 2010-0603.*

*Kathy Paul, works at Badger Freight, 11139 W. Becher St., addressed the bad economy and the need for a tenant. She asked for consideration when a possible tenant's proposal is brought before the Common Council.*

### F. ANNOUNCEMENT OF RECESS MEETINGS OF STANDING COMMITTEES

*Mayor Devine announced that the following Committees would meet during recess:  
Administration & Finance, Public Works, Safety & Development, License & Health, and  
Advisory.*



### Passed The Block Vote

A motion was made by Ald. Czaplewski, seconded by Ald. Vitale, including all the preceding items marked as having been adopted on a Block Vote. The motion carried by the following vote:

**Votes:** Aye: 9 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock, Ald. Vitale and Ald. Weigel

No: 0

15. 2010-0560 2010-2011 Tavern Operator License application no. 11-546 of Jocelyn M. Domurat.

A motion was made by Ald. Czaplewski, seconded by Ald. Narlock, that this matter be Approved. The motion carried by the following vote:

**Votes:** Aye: 8 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock and Ald. Vitale

No: 1 - Ald. Weigel

### L. COMMON COUNCIL RECESS

A motion was made by Ald. Sengstock, seconded by Ald. Lajsic, that the Council recess until completion of Committee meetings. The motion carried unanimously.

*Thereupon, the Council took a recess at 7:22 p.m. Upon returning from recess at 7:51 p.m., and the roll call being taken, there were:*

Present: 9 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock, Ald. Vitale and Ald. Weigel

Excused: 1 - Ald. Reinke

### M. NEW AND PREVIOUS MATTERS

#### ADMINISTRATION & FINANCE COMMITTEE

##### New Matters for Introduction

16. R-2010-0218 Resolution Authorizing the Issuance and Sale of Up to \$2,005,496 General Obligation Sewerage System Promissory Notes, Series 2010, and Providing for Other Details and Covenants With Respect Thereto.

**Sponsor(s):** Administration & Finance Committee

**This Matter was Adopted on a Block Vote.**

17. 2010-0605 Communication from City Administrative Officer regarding request to fill two vacant positions in the Department of Public Works Water Division.

**This Matter was Approved on a Block Vote.**

18. 2010-0582 Comptroller/Manager of Finance submitting the report for the month of May, 2010, indicating the City of West Allis checks issued in the amount of \$2,517,059.03.

**This Matter was Placed on File on a Block Vote.**

19. 2010-0583 Comptroller/Manager of Finance submitting the report for the month of June, 2010, indicating the City of West Allis checks issued in the amount of \$1,981,602.91.

**This Matter was Placed on File on a Block Vote.**

20. 2010-0590 2011 City of West Allis Mayor's Recommended Budget.

*Held in Administration & Finance Committee during recess.*

**Passed The Block Vote**

A motion was made by Ald. Roadt, seconded by Ald. Vitale, including all the preceding items marked as having been adopted on a Block Vote. The motion carried by the following vote:

**Votes:** Aye: 9 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock, Ald. Vitale and Ald. Weigel  
No: 0

44. 2010-0599 Reappointment by Mayor Devine of Catherine Narloch as a member of the West Allis Block Grant Committee, under the guidelines of the ordinance pertaining to limitation on consecutive terms for members of boards and commissions, her two-year term to expire September 1, 2012.

A motion was made by Ald. Roadt, seconded by Ald. Barczak, that this matter be Approved. The motion carried by the following vote:

**Votes:** Aye: 9 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Lajsic, Ald. Narlock, Ald. Roadt, Ald. Sengstock, Ald. Vitale and Ald. Weigel  
No: 0

45. 2010-0598 Reappointments by Mayor Devine to the West Allis Block Grant Committee of Ald. Tom Lajsic, Ald. Vince Vitale, Diane Brandt, Michael Plicka, Jamie Vallejo, and Don Wadewitz, their two-year terms to expire September 1, 2012.

A motion was made by Ald. Roadt, seconded by Ald. Barczak, that this matter be Approved. The motion carried by the following vote:

**Votes:** Aye: 7 - Ald. Barczak, Ald. Czaplewski, Ald. Kopplin, Ald. Narlock, Ald. Roadt, Ald. Sengstock and Ald. Weigel  
No: 0  
Present: 2 - Ald. Lajsic and Ald. Vitale

**N. OTHER MATTERS RELATING TO THE AFFAIRS AND GOVERNMENT OF THE CITY WHICH MAY PROPERLY BE BROUGHT BEFORE THE COMMON COUNCIL**

*None.*

**O. ADJOURNMENT**

A motion was made by Ald. Sengstock, seconded by Ald. Lajsic, to adjourn at 8:00 p.m., with the next regularly scheduled meeting to be held on October 19, 2010, at 7:00 p.m. The motion carried unanimously.

*/s/ Paul M. Ziehler  
City Administrative Officer  
Clerk/Treasurer*



**CITY CLERK/TREASURER'S OFFICE**

414/302-8200 or 414/302-8207 (Fax)

[www.ci.west-allis.wi.us](http://www.ci.west-allis.wi.us)

**Paul M. Ziehler**

*City Admin. Officer, Clerk/Treasurer*

**Monica Schultz**

*Assistant City Clerk*

**Rosemary West**

*Treasurer's Office Supervisor*

November 3, 2010

Attorney Brian G. Lanser  
QUARLES & BRADY, LLP  
411 E. Wisconsin Ave.  
Milwaukee, WI 53202-4497

Dear Mr. Lanser:

Pursuant to your request of October 5, 2010, enclosed please find the following document:

- An Affidavit of Publication

Thank you for your attention to this matter.

Sincerely,

Paul M. Ziehler  
City Administrative Officer  
Clerk/Treasurer

/amn  
enclosures

