



*** All present are expected to conduct themselves in accordance with our City's Core Values ***

OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of:	FINANCE COMMITTEE
Date/Time:	Tuesday, July 14, 2015 at 5:30 PM
Location:	City Hall, 2nd Floor Board Room
Members:	David Oberbeck (C), Karen Kellbach, Dave Nutting, Bill Nagle, Robert Mielke

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

- 1 Public Comment on matters appearing on the agenda.
- 2 Minutes of previous meeting(s). (5/26/15 & 6/10/15)
- 3 Discussion and Possible Action regarding tax abatement request from Achieve Center of Marathon County - Carol Wesley
- 4 Discussion and Possible Action approving a two year contract for insurance broker consultant services - Hite
- 5 Discussion and Possible Action regarding 2015 budget modification for CVMIC Safety Grant Program - Hite
- 6 Discussion and possible action regarding sole source purchase for Contractual Services Cross Connection Compliance - Lindman
- 7 Discussion and possible action regarding the budget modification necessary to fund mall consulting services - JLL in the amount of \$24,000 - Schock
- 2014 8 Presentation of the 2014 audit - Schenck CPA's Jon Trautman/ Groat
- 2015 9 Discussion and possible action regarding the May 2015 General Fund Budget Report - Groat
- 10 Resolution Authorizing the Issuance and Sale of \$3,930,000 General Obligation Promissory Notes, Series 2015A - Elhers
- 11 Resolution Awarding the Sale of \$5,705,000 General Obligation Corporate Purpose Bonds, Series 2015B - Elhers
- 12 Resolution Awarding the Sale of \$2,655,000 Taxable General Obligation Community Development Bonds, Series 2015C - Elhers
- 13 Discussion and possible action regarding State Trust Fund Loan for 2015 Water and Sewer Capital Projects
- Agreements 14 Discussion and possible action regarding a five year parking lease with Compass Block 15 LLC for 60 stalls on the top floor of the Jefferson Parking Ramp with two five year renewal options
- 15 Consider authorizing execution of a five (5) year lease between the City of Wausau and Trolley Quarter Flats Limited Partnership ("Lessee") to provide additional parking for Lessee at City owned property at the Community Gardens
- 16 Request for room tax funding for the cost for insurance coverage of the Annual Labor Day Parade. (Randy Radtke - Marathon County Central Labor Council AFL-CIO)
- 17 Discussion and possible action regarding the execution of a one (1) year lease with Wausau Flying Service, Inc. for the location of a storage unit to accommodate camping and other related items for Boy Scouts of America, Troop 465 and Cub Scouts, Pack 465 at the Wausau Downtown Airport
- 2016 18 Update on 2016 Budget and Budget Projections - Groat
- 19 Discussion and Possible Action on the closure of TID #5 in 2016 - Groat
- 20 Procurement Policy Change - Groat
- 21 Update on 5 Year Financial Strategic Plan
- 22 Discussion and Possible Action regarding the July 28, 2015 meeting agenda item, " Developing a Sustainable Fiscal Plan - Balancing the 2016 Budget"
- 23 Update on the Finance Committee Meeting Schedule for 2015

David Oberbeck, Chair

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting, please notify Mary by calling (715)261-6645 or via email mgoede@mail.ci.wausau.wi.us

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 7/09/15 @ 2:00 PM

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, (Alderspersons: Wagner, Neal, Gisselman, Winters, Rasmussen, Abitz), *Tipple, *Jacobson, *Groat, Rayala, Department Heads

FINANCE COMMITTEE

Date and Time: Tuesday, **May 26, 2015** @ 5:30 pm., Board Room

Members Present: Winters, Kellbach, Nagle, Oberbeck

Members Excused: Nutting

Others Present: Groat, Jacobson, Giese, Hebert, Kerntop, Kujawa, Lindman, Tipple, Rasmussen, Mielke, Neal, Elizabeth Field, Dick Barrett, Lisa Barry

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Chairperson Winters.

Public Comment on matters appearing on the agenda.

None.

Minutes of previous meetings. (5/12/15)

Withdrawn.

Discussion and Possible Action regarding the Resolution Providing for the Sale of \$4,285,000 General Obligation Promissory Notes

AND

Discussion and Possible Action regarding the Resolution Authorizing \$5,705,000 General Obligation Bonds for Community Development Projects in Tax Incremental District Nos. 3 and 10 and Swimming Pool Project

AND

Discussion and Possible Action regarding the Resolution Authorizing \$2,655,000 Taxable General Obligation Bonds for Community Development Projects in Tax Incremental District Number 3

Groat stated at the last meeting they had reviewed the borrowing and reconciliation of what was included in the budget versus what we were proposing. This included not funding the placeholder we had put in for Thomas Street because the official map would be adopted late in the year and we would be able to proceed with land acquisition and reimburse ourselves from any 2016 borrowing. We had increased the borrowing by \$1 million for the Resurrection Church purchase; decreased TID #7 borrowing by \$305,000 for a delay in the stormwater project; and decreased TID #8 to reflect the funding needs. This resulted in a net reduction of about \$3.8 million in borrowing.

Groat stated the schedule for debt issuance was for Finance to consider the preliminary resolutions on May 26th and would forward to Council on June 10th. The final sale will be presented to Finance and Council on July 14th with tentative settlement on August 1st. Winters noted this was a total of \$12.4 million for all three resolutions.

Motion by Nagle, second by Oberbeck to approve the three borrowing resolutions above. Motion carried 4-0.

Discussion and Possible Action regarding Budget Modification to Restore Funding for the 2015 Street Seal Coat Project – Lindman

Groat reviewed that Mohelnitzky had explained at the last meeting the importance of chip/seal project extending the life of the newly overlaid streets, without which those streets degrade at a rapid pace and we end up spending more to replace them. She looked at what was used for winter maintenance in the first quarter of 2015 and added the fourth quarter of 2014. Based on that analysis we took \$80,000 from the salt budget; \$16,000 from natural gas; and savings from subscription services.

Motion by Nagle, second by Oberbeck to approve the budget modification to restore funding for the 2015 Street Seal Coat project. Motion carried 4-0.

Discussion and Possible Action on support of 1/2% Sales Tax Legislation - Groat

Held over to next meeting.

Discussion and Possible Action on Support of Increasing the Bank Qualified Limits to \$30,000,000 - Groat

Groat stated during the slowdown in the economy the US Government temporarily increased the limit to \$30 million with a built in sunset provision. Last year as well as this year, there is some desire from legislators to increase it

back up to \$30 million. She stated the benefit to the City of Wausau is to provide us flexibility; while we don't generally borrow more than \$10 million, there are instances that we do. She pointed out this year would be a good example, as well as the year we did the borrowing for the Jefferson Street ramp. Also, if we are doing a large refinancing plus borrowing we still have to live within that \$10 million. She explained "bank qualified" means when a bank holds your bonds they get a deduction for that interest, so they are willing to take a lower interest rate because they don't have to pay taxes on the income. She noted once you go over the \$10 million, none of it qualifies, so you have to stay under or the whole thing doesn't qualify.

Motion by Nagle, second by Oberbeck to approve the resolution supporting increasing the bank qualified limits to \$30,000,000. Motion carried 4-0.

Discussion and Possible Action regarding Reallocation of Capital Funds for the Fire Department - Kujawa

Kujawa explained that the purchase of new self-contained breathing apparatus (SCBA) came in just under \$60,000 less than initially expected. She requested to reallocate this money to the radio replacement project. The radio project was expected to be spread out over four years. This would allow for the project to be completed early. Plus, if the replacement radios are purchase by June 15, 2015 there would be a savings of \$500 per radio.

Motion by Nagle, second by Kellbach to approve the reallocation of Capital Funds for the Fire Department radio project. Motion carried 4-0.

Discussion and Possible Action regarding approving contract with Infovision Permitting and Inspection Software - Hebert

Bill Hebert stated an additional RFP was put out in the spring of 2014 which only brought three responses, with the most desirable being very costly and well above what was allocated. After failed negotiations, it was decided to re-post the RFP this January. He indicated they received six proposals from five vendors with better pricing quotes and a better product. The recommendation for Infovision falls within budget; offers unlimited amount of users; includes a licensing module that will help the Clerk's Office and our department for rental licensing; and provides for coordination of development projects among Engineering, Fire, Community Development, etc.

Motion by Kellbach, second by Nagle to approve a contract with Infovision Permitting and Inspection Software. Motion carried 4-0.

Discussion and Possible Action regarding supplemental funding for the Orthophotography project funded in the 2015 CIP budget - Kerntop

Dan Kerntop, GIS Analyst, explained this will be our fourth flight for 2015 seeking additional funding of \$13,800 for this project. He indicated they increased the resolution and collaborated with several communities, including Schofield, Rib Mountain, Rothschild and the Village of Weston for a minimum savings of at least 13%. This increased resolution will help with projects such as design, riverfront, Thomas Street and other activities going on in the city.

Lindman, Director of DPW, stated there is an RFP that went out and we need these funds to get that scope of services for 2015 completed and in 2016 there will be another set on the same RFP that will be completed. Winters questioned if he could find that \$13,800 in his budget to transfer to bail this project out. Groat stated they had preliminary discussions about using some of their extra funds from the street projects to fund this shortfall. She noted the budget policy provides the Mayor with the authority to do CIP transfers up to \$20,000 and then report it to the Finance Committee.

Discussion and possible action regarding the April 2015 General Fund Budget Report - Groat

Groat reviewed the April 2015 statement of revenues and expenditures. The narrative can be accessed online at: <http://www.ci.wausau.wi.us/Departments/Finance/MonthlyReports.aspx>

Discussion and Possible Action regarding proposed Procurement Policy language clarification regarding contract approval - Groat

Groat indicated this was basically a housekeeping change, by moving some language in item 2 to the introduction section, as well as a few word changes for clarity. Nagle was concerned the policy was getting too complicated and

did not was it to become cumbersome for staff. Jacobson indicated she was in agreement with the language changes for clarification.

Motion by Nagle, second by Kellbach to approve the changes to the Procurement Policy. Motion carried 4-0.

Discussion and Possible Action regarding approving Meetings Mean Business Agreement between the City of Wausau and Wausau/Central Wisconsin Convention and Visitors Bureau, Inc. - Jacobson

Jacobson presented a draft of the contract which provides for an additional one tenth of one percent of room tax to go to the CVB to help them start an initiative to attract additional conventions, expos and meetings to the area. She noted the term of the agreement is one year with an automatic one year renewal.

Motion by Nagle, second by Oberbeck to approve the one year Meetings Mean Business Agreement with the CVB. Motion carried 4-0.

Discussion and Possible Action regarding Room Tax Legislation - Groat

Groat stated she received an email from the League of Municipalities indicating that the Legislature was trying, in a somewhat non-transparent nature, to put through changes to the room tax law within the state budget deliberations. The proposal would take the room tax revenue control away from the city and put it with an independent body. It would eliminate the amount room tax funds that the city had gotten to retain and it would change the way it is allocated. She stated the Mayor and herself expressed their opposition to the Legislature and feel we should send a Council resolution reiterating that room tax should remain in the control of the city.

Motion by Nagle, second by Kellbach to approve the resolution regarding Room Tax Legislation. Motion carried 4-0.

Discussion and Possible Action regarding the 2016 Closure of TID #5

Held over until after the Committee of the Whole.

Discussion and Possible Action regarding report on 2014 Audit Status - Groat

Groat stated the RFP was put out in 2010 for a 5 year period of time and that period expires with the conclusion of the 2014 audit. She indicated Schenck had done preliminary field work in the fall of 2014 and are scheduled to come in next week to finish the audit. She noted our books are closed and the financial statements have been prepared and the due date of the report is June 30, 2015. Groat indicated she could prepare an RFP for consideration for the July or August Finance Committee meeting.

Discussion and Possible Action regarding 2016 Budget and CIP Status Report - Groat

Groat stated the departments now have their worksheets that they are working on that includes a 2016 budget and a 2017 plan. Based on the timing of information, their budget directive at this time was just cost to continue budget. She stated within the budget parameters we have provided an allotment for a 10.68% increase in health insurance; a 10% in dental; no change in the Wisconsin Retirement System; the union salary increases based on the contracts; and no non-rep increase for individuals. The operating budgets from the departments are due on July 10th and the CIP requests are due on June 1st but they were given an extension until June 8th to complete the status report. She suggested a Committee of the Whole meeting be held on June 23rd to review the CIP requests.

Discussion and Possible Action on Master List of Contracts - Groat

Groat stated currently the Clerk's Office maintains a spreadsheet of all of the contracts, which range from simple one page contracts for planter maintenance downtown, to complex contracts that fills volumes of folders, such as the Wausau Center Mall. She explained once a contract is executed it is turned into the Clerk's Office to be recorded on the spreadsheet and imaged. The management of the contracts has been decentralized, meaning the departments monitor contract compliance on an individual basis. She indicated there has been discussion with IT regarding implementing some workflow software for contract management that would assist us in all portions of the contract life cycle. A stumbling point has been that we mail out the contracts for signatures, which sometimes gets lost in their organization and don't come back. Some of this software allows for electronic signature creating a more streamlined, easy process. She indicated she submitted a request to CCIT in November and NCHC is also interested in participating as well. She noted the electronic imaging software also has a workflow component to it.

Discussion and Possible Action on the Strategic Planning Process - Tipple

Withdrawn

Inspection Complis Ticket Report (Hebert)

Hebert presented a table of citation data of property violations for committee review. Rasmussen commented she is getting positive feedback from people in the community and she is receiving a lot less complaints from her constituents. Discussion took place regarding compliance and the impact on blight in neighborhoods.

Suggestions for Future Agenda Items

Groat stated she would like to do an analysis and a presentation on the general fund; however, she will not be able to send it out in advance. She noted the Schierl project may be coming back to Finance after going to ED.

Adjournment

Motion by Kellbach, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:50 pm.

FINANCE COMMITTEE

Date and Time: Wednesday, June 10, 2015 @ 5:30 pm., Board Room
Members Present: Kellbach (VC), Nagle, Oberbeck, Nutting, Mielke
Others Present: Groat, Jacobson, Giese, Hebert, Lindman, Tipple, Neal

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Vice Chairperson Kellbach.

Select a Chairperson for the remainder of the 2014-2016 term.

Oberbeck nominated Karen Kellbach. Kellbach indicated she was not interested in serving as chairperson. The motion failed due to lack of a second. Mielke nominated David Oberbeck as chairperson, seconded by Nutting. Motion carried unanimously.

Oberbeck took over as presiding officer.

Public Comment

None.

Minutes of previous meeting(s). (5/12/15)

Oberbeck made a correction to the May 12, 2015 minutes; there was a correction on page three regarding the 2016 Budget Projections. The typo was corrected from \$11,446,464 to \$1,446,464.

Motion by Nutting, second by Nagle to approved the minutes from May 12, 2015 Finance Committee as corrected. Motion carried 5-0.

Consider Sole Source Purchase of portable radios - Police Department

Hardel stated the police department wants to transition to Motorola radios and purchase these radios locally. The service turnaround of these radios would be much quicker. Also, the police department is getting the same governmental rate that the state of Wisconsin is getting.

Motion by Nutting, second by Kellbach to approve the sole source purchase of portable radios.. Motion carried 5-0.

Discussion and possible action upon selection of successor trustee for Perpetual Care Fund of Wausau Cemetery Association.

Jacobson said this issue to select a successor trustee has been brought to committee previously once or twice and request for quotations was posted on the city's website and sent out to eleven firms providing financial planning of trust services. Only one quote was received and that was from Associated Bank. Associated Bank is charging an administrative fee to handle this fund and an additional \$500.00 annually to handle their tax preparation activities.

Motion by Nutting, second by Mielke to appoint Associated Bank as the successor trustee for perpetual care fund of Wausau Cemetery Association. Motion carried 5-0.

Discussion and Possible Action on the Potential Redevelopment Project for the property at 828 S. Third Avenue (Wausau World Market)

Stratz introduced ChengSou Her, Mai Her and Noah Her as investors intending to purchase the property and rehabilitate it to house the new Wausau World Market. Stratz stated Abby Bank is the major financier of this redevelopment project and we are also looking to the Hmong Chamber of Commerce. She indicated they were looking for TID #6 to be the gap financier. They requested \$100,000 – 15 year loan at the current interest rate and \$25,000 forgivable loan - \$5000 forgiven each year for 5 years – provided that the business meets the goals agreed upon in the development agreement. Stratz indicated that payments will be deferred until the project is complete, then the payments will be monthly for 15 years.

Motion by Nagle, second by Mielke to approve the potential redevelopment project as outlined in the staff memo. (*on file in the clerk's office*). Motion carried 5-0.

Discussion and possible action on the approval of the Project Plan for Amendment #4 to Tax Increment District #5

Groat stated this project plan was presented to the Committee of the Whole recently and we have been informing the ED Committee over the last several months that there was interest in moving Wausau Chemical off of the waterfront into the Business Campus so that we could redevelop the existing property. She noted the main facility was a superfund site along with the other three properties. She indicated there are substantial investments in the facility that are necessary due to the fact that this is a chemical company and the amount of regulatory oversight and changes needed to increase safety and environmental protection. The price of the new facility is estimated at approximately \$8.7 million and Wausau Chemical will contribute \$2.2 million with some equipment. The city's investment will be \$6.9 million in the existing facility along with donation of the property. They will donate their existing property on the east side river to the city, valued at \$1,020,000. The facility and our contribution is being funded through TID #5 and the eligible costs will be \$6.5 million for the contribution for the city, as well as \$400,000 of interest expense as we retire the debt over a five year period. The new building is anticipated to have an \$8 million value which will contribute about \$150,000 of taxes. She noted there will not be sufficient cash flow and it will be funded through existing increment that is coming into the district as well as any other income that the district currently receives on an annual basis.

Groat stated they have been working with Conestoga Rover which is the environmental company that has been working with the superfund site since its inception. They have been working with the EPA and the DNR to determine whether we could actually use that property for a higher and better use. She explained when they closed that superfund site it was for industrial use; they have done multiple borings on the property as well as inside the building to determine what level of pollution still exists in the soils. They have determined that it is totally feasible that we would be able to get that property up for residential or commercial use for a relatively small cost estimated at about \$30,000. She commented we look at this as a friendly condemnation; Wausau Chemical did not come to us, we approached them and introduced this idea.

Neal commented on the environmental aspect of having this facility literally feet from a major waterway that affects the whole state south of us. He felt this is not the place for that facility to be and removing it removes the potential risk of a catastrophe. Oberbeck noted the site we are going to move it to is also a wet area that feeds into our ecosystem. He stated we need to analyze how we handle TIF districts and how we are going to increase our operational budget to meet employee personnel expenses, health care and general operating expenses.

Werth commented there has been a major redevelopment of Athletic Park and Thrive Foodery has made an investment in that area. Wausau Chemical owns three other properties that surround the area and a growth of Wausau Chemical there would affect redevelopment of the other buildings.

Oberbeck felt they were asking the City of Wausau to build a chemical facility without any return on investment and questioned if we should be responsible for the building code of a specialized building and finance that cost. Groat pointed out in a condemnation we would be responsible.

Motion by Nagle, second by Nutting to approve the Project Plan for Amendment #4 to TID #5. Motion carried 4-1. (*Oberbeck was the dissenting vote.*)

Discussion and possible action on the proposed Development Agreement for the property located at Stewart Avenue and Third Avenue (Schierl)

Schock stated this project has continued to evolve and it is being changed significantly from when it was proposed following a response from the Labor Temple and neighborhood feedback. Andrew Halvorsen, representing Schierl, explained they would be abandoning the addition to the south side of the Stahmer Clinic, which allows us to go to 10 total beds on the property for the residential component of the project. This would allow us to build seven parking places on the south side of the building on the property, with 10 additional for a total of 17 specific residential spaces. He stated we have abandoned the street vacation and this will address the concerns of traffic flow and allow for greater on-street parking for the general public. He indicated the developer's agreement in terms of the financial impact is the same as it was before with a modification to the allocation period to January 2016.

Halvorsen stated if the development agreement is approved by Council they can move forward with engineering to bring forward the precise implementation plan and if approved, attempt to get building permits in mid-August to complete within the calendar year of 2015.

Groat stated the city would provide the \$275,000 loan to be paid from increment that we are currently collecting from the CVS development and our computer payments from the state. We would be receiving that back at the end of the 15 years and making five payments of \$57,500 as increment comes in.

Motion by Nagle, second by Nutting to approve Development Agreement for the property located at Stewart Avenue and Third Avenue (Schierl), subject to attorney review. Motion carried 4-1. (*Oberbeck was the dissenting vote.*)

Discussion and possible action on the Proposed Development for the property at 1212 North First Street (WOW)

Schock gave a summary of the Wausau On the Water project featuring an assortment of entertainment opportunities including an arcade, video games, pool tables, shuffle board, etc., along with a restaurant and patio with riverfront dining available. This project will have an additional expense of \$225,000-\$272,000 for pylons.

Motion by Nagle, second by Mielke to approve the agreement of the proposed development for the property at 1212 North First Street and the City would contribute up to \$275,000 for pylons adding additional support. Motion carried 5-0.

Discussion and Possible Action Regarding Transfer of Funds: Parks Lawn Mowing

Motion by Nagle, second by Mielke to allocate \$8,300 to the park mowing fund from the appropriate DPW account for part time staffing in the amount of \$7000 and overtime in the amount of \$1300, and return to previous mowing schedules; subject to Park Department discretion on transitional areas. Motioned carried 5-0.

Discussion and Possible Action Regarding Transfer of Funds: Tax Increment District Number Five - Wausau Chemical Developer Payment

Groat explained because this developer payment would be made in 2015 we have to do a budget modification. She stated we have a pretty strict deadline because of the expenditure period on TID #5 and because of the statutory regulations over tax increment districts this amendment must be adopted before July 8, 2015. She recommended they adopt the budget modification contingent upon approval of the project plan. She noted the funds would be coming from the State Trust Fund.

Motion by Nagle, second by Nutting to approve the transfer of funds TID #5 for Wausau Chemical Developer payment. Motion carried 4-1. (*Oberbeck was the dissenting vote.*)

Adjourn

Motion by Nagle, second by Nutting to adjourn. Motion passed unanimously. Meeting adjourned at 6:45 pm.



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: Abatement of Taxes Achieve Center of Marathon County

Purpose: To present a request from Carol Wesley, Executive Director, of the Achieve Center to have the City portion of Real Estate taxes abated.

Background: Achieve Center provides neuropsychological developmental and learning services for children, adults and their families.

Achieve Center purchased property within the City. While the organization maintains a tax exempt status with the IRS, they failed to timely file the necessary paperwork with the City Assessor which resulted in a tax bill for the Center. Subsequently, the necessary paperwork and exemptions have been filed. There is no provision within the State Statutes to write off the taxes.

Their total property tax bill is \$33,564.06:

- State of Wisconsin \$226.58
- Marathon County \$6,920.31
- City of Wausau \$12,118.78
- Wausau School \$12,744.41
- Northcentral Tech \$1,626.28

The Achieve Center has paid to date \$11,188.06 of the total property tax of \$33,564.06. That leaves a total of \$22,376.00 remaining due. Achieve Center requests the City of Wausau and Marathon County forgive their share of the tax, it would result in a remainder of \$14,597.27 due to the State of Wisconsin, Wausau School District, and Northcentral Technical College. Since a total of \$11,188.06 has previously been paid, the total remaining tax would be \$3,409.21. This amount is financially within the reach of the Achieve Center to pay. Thus, the Achieve Center would pay \$3,409.21 for a grand total of \$14,597.27 (\$11,188.06 previously paid + \$3,409.21 to be additionally paid) which would render the property tax paid in full.

In addition, Achieve Center proposes to initiate a program for the community related to neurotoxins, especially lead, affecting children in Marathon County, the Center remains interested and committed to this project.



Memorandum

From: Myla D. Hite, Human Resources Director
To: Finance Committee
Date: July 8, 2015
Subject: Authorization to Designate Agent/Broker of Record for Employee Insurance Benefits

Purpose: To obtain approval to designate Associated Financial Group Agent/Broker of Record.

Background: The former agent of record, The Horton Group, was initially retained as a consultant in 2012.

In an effort to contain costs, on September 8, 2014 the Human Resources Committee approved \$10,000 to participate in the exploration of joining in partnership with the North Central Wisconsin Public Employer Health Insurance Consortium, comprised of a coalition between Marathon County, North Central Health Care, Wausau School District and DC Everest School District.

After conducting a preliminary feasibility study, it became apparent that to retain the same level of benefits would likely result in a 21.4% cost increase representing approximately one-million four-hundred seventy five thousand and eighty-six dollars (\$1,475,086.00). Based upon this preliminary data, staff recommended the pursuit of other cost containment measures and the Human Resources Committee approved an RFP solicitation on May 11, 2015.

Eight vendors submitted proposals, as follows: AFG, Benefits, Inc, BSG, Cottingham & Butler, The Horton Group, M-3, Spectrum and Willis. Under the supervision of the HR Director, 3 evaluators (2 from HR Department 1 from Finance Department) reviewed the following criteria (see attached chart):

- Understanding of the work required;
- Qualifications of the Company
- Scope of Services
- Ability to work with and relationship with carriers
- Cost

While cost was not the only factor considered, the recommended vendor proposed the lowest fee.

Resource Impact: Savings of approximately \$14,000 per year. In 2014 the City paid a 6% commission fee (\$60,000) and negotiated this down to 5.5% in 2015 (\$52,000) thereby saving between \$6,000- \$14,000+ per year, with a new Commission rate set at 5%

Encls

Request for Proposal for Health Insurance Agent/Broker

	Possible Points	AFG	Benefits Inc	BSG	Cottingham & Butler	Horton	M-3	Spectrum	Willis
Understanding of the Work required	200	170	13.33	116.67	93.33	146.67	133.33	83.33	126.67
Qualifications of the Company	150	126.67	56.67	83.33	88.33	105	91.67	60	91.67
Scope of Services	200	168.9	62.23	102.23	104.45	113.34	106.68	68.89	120.01
Ability to work with /relationship with access to health insurance carriers	<u>150</u>	<u>120</u>	<u>10</u>	<u>45</u>	<u>72.5</u>	<u>90</u>	<u>92.5</u>	<u>40</u>	<u>75</u>
RFP Evaluation Subtotals	700	585.57	142.23	347.23	358.61	455.01	424.18	252.23	413.35
Costs		\$46,500	Standard Commission	\$70,350	N/A 24 Month Guarantee	\$48,000	\$8.00 PCEM +Net Commissions + 6% overall revenue	Standard Commission	\$54,000

Additional Cost Information from Proposals:

While cost was not the only consideration, the recommended Broker/Consultant represented the lowest fee. Other factors rated are provided in the chart.

AFG: Proposal costs are inclusive at a 5% commission rate. At current costs, equates to approximately \$46,500

Benefits, Inc: Proposal referenced “standard commission” (can range from 3%-8%) instead of providing a finite percentage fee. Unable to evaluate.

BSG: Proposal provided a flat fee with a built in yearly 3% increase after 2 years with additional pharmaceutical fees of .55 cents per member per year.

Cottingham and Butler: Provided a 24 month fee guarantee and failed to provide a fee breakdown. Referenced typical compensation as a “fee based retainer agreement and/or commissions paid by various insurance companies and vendors”. Unable to evaluate.

Horton: Flat rate of \$48,000. In 2014 received a 6% (\$60,000) commission from insurance vendors and in 2015 agreed to charge 5.5% commission which the proposal quoted at \$48,000 for 2015, however, through June the City has already paid \$26,272 – at this rate 2015 would cost \$52,544.

M-3: Consultant fee of \$8.00 per covered employee/per month with carrier commissions of 6% of overall revenues.

Spectrum: Proposal referenced a standard commission (can range from 3%-8%). Unable to evaluate.

Willis: Flat fee.

CITY OF WAUSAU HUMAN RESOURCES COMMITTEE

MINUTES OF OPEN SESSION

DATE/TIME: September 8, 2014 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen
MEMBERS ABSENT:
Also Present: Mayor Tipple, P. Burek, J. Coleman, J. Hardel, M. Hite, J. Kannenberg, G. Klein, E. Krohn, A. Lippert, J. Schara, G. Seubert, T. Pagryzinski

North Central Health Care Consortium (Hite).

Hite explained how the City recently became self-insured, and in order to leverage purchasing power, help reduce costs and provide consistent benefits, five entities including the City, Marathon County, Wausau School District, DC Everest School District and North Central Health Care are proposing to come together and issue a request for proposal for a consultant to come in and look at ways to leverage purchasing power. Rasmussen asked for an estimate on the cost of the RFP; Hite said the cost will be no more than \$10,000 per organization, and is likely to be closer to \$8000 per organization. This money is available from the insurance fund. **Motion by Rasmussen to direct Hite to continue with the North Central Health Care Consortium, second by Gisselman.**

CITY OF WAUSAU HUMAN RESOURCES COMMITTEE

MINUTES OF OPEN SESSION

DATE/TIME: May 11, 2015 at 4:30 p.m.
LOCATION: City Hall (407 Grant Street) – Board Room
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, D. Oberbeck, L. Rasmussen
MEMBERS ABSENT: W. Nagle
Also Present: Mayor Tipple, M. Groat, M. Hite, A. Jacobson, J. Kannenberg, G. Klein, E. Krohn, T. Kujawa, Nora Hertel (WDH), Pat Peckham (City Pages)

Discussion and Possible Action on the North Central Wisconsin Public Employer Health Insurance Consortium.

Hite gave an overview to the committee of the discussion last September to explore the possibility of participating in the North Central WI Public Employer Health Insurance Consortium. In the September meeting, Hite was given authority to spend up to \$10,000 for this process. To date, Wausau has spent \$5,500 as a participant. Hite explained that further exploration is needed by the consortium that would cost the City \$7,000 for a needed RFP, \$16,000 for a complete pharmacy benefits audit, and an on-going charge of \$3.50 per employee per month for charges through BSG. Hite presented two options to the committee: continue with the consortium and be approved for additional costs, or have staff explore options on their own and discontinue participation in the consortium. **Motion made by Rasmussen directing Hite to pursue 2016 options for budget as a stand-alone provider, and to have Hite construct an RFP for a new broker.** Second by Oberbeck. Further discussion took place regarding the pro's and con's of joining a consortium. Oberbeck believes that a smaller group will be able to make more changes. Rasmussen agreed, saying that the bigger you get, the harder it is to make changes. **Motion passes 4-0.**



CITY OF WAUSAU
SOLE SOURCE PURCHASE JUSTIFICATION
REQUIRED FORM PURCHASE OF GOODS OR SERVICES EXCEEDING \$5,000

Purchase of goods or services for no more than \$25,000 may be made without competition when it is agreed *in advance* between the Department Head and the Finance Director. Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation or aesthetics, or compatibility is an overriding consideration, the purchase is from another governmental body, continuity is achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, the purchase is more economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Finance Director who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

Ongoing Sole Source – 365 days One Time Sole Source Request

1. Provide a detailed explanation of the good or service to be purchased and vendor.

This purchase request is for professional services to initiate and manage the City's Cross Connection Control Program for Wausau Water Works. The WIDNR requires all municipalities to have a cross connection control program in place according to WIDNR regulations for all non-residential dwellings. It has been determined that it will take two full years for the City to come in compliance with the WIDNR regulations and therefore this request is for services to be provided up to two years. The contract would be written for one year with an option to renew the second year.

2. Provide a brief description of the intended application for the service or goods to be purchased.

Wausau Water Works has attempted to implement/enforce the cross connection program but it has been extremely time intensive and has realized the division does not have adequate staff resources to stay in compliance. This service will provide required inspections of all properties, detailed reports of findings, proper filing/archiving of all information, and necessary day-to-day administration of the program to stay in compliance with the WIDNR regulations.

3. State why other products or services that compete in the market will not or do not meet your needs or comply with your specifications.

Other entities providing these services were contacted or were attempted to be contacted. Two of the entities are no longer in business and one stated the program was too large for them to manage. The other closest entity capable of handling the program is in the State of Illinois and staff feels the City would be better served by a more local company and one that is familiar with WIDNR regulations.

4. Describe your efforts to identify other vendors to furnish the product or services.

Other entities providing these services were contacted or were attempted to be contacted. Two of the entities are no longer in business and one stated the program was too large for them to manage. The other closest entity capable of handling the program is in the State of Illinois and staff feels the City would be better served by a more local company and one that is familiar with WIDNR regulations.

5. How did you determine that the sole source vendor's price was reasonable?

City staff compared the vendor's costs with what it would cost the City to complete this work in house. City determined it would take two employees full time to complete inspections and administer the program; this would be a recurring event as each building needs to be inspected bi-annually with follow-up inspections to ensure compliance issues are addressed.

City Cost	
Employee 1 w/ benefits	\$70,720.00
Employee 2 w/ benefits	\$62,400.00
Total (1-year)	\$133,120.00
Total (2-years)	\$266,240.00

Consultant Cost	
Year 1	\$91,524.00
Year 2	\$91,524.00
Total (2-years)	\$183,048.00

Currently the City ordinance requires all of these non-residential buildings to complete their own inspections and at this time the City is only about 10% complete towards meeting compliance and there are over 1,300 buildings to inspect. Having one individual entity responsible for inspections will allow for consistency in the inspections and reporting.

6. Which of the following best describes this sole source procurement? Select all that apply.

- Product or vendor is uniquely qualified with capability not found elsewhere.
- Urgency due to public safety, serious financial injury or other. (explain)
- The procurement is of such a specialized nature that by virtue of experience, expertise, proximity or ownership of intellectual property
- Lack of acceptable quotes or bids.
- Product compatibility or the standardization of a product.
- Continuation of a phased project.
- Proposal development is uneconomical.

Department: Public Works and Utilities

Preparer: Eric Lindman, P.E.

Vendor Name: HydroCorp

Expected amount of purchase or contract: \$183,048.00

Department Head Signature: _____ Date: _____

Finance Director Signature: _____ Date: _____

Geier explained that a Neptune Gateway system is used for reading meters. Neptune radio boxes are also used, which were installed approximately eight years ago. Staff has been working the way through the process of bringing it up to a fixed network system. There has been a major investment made in the meter reading equipment. Establishing a policy that would not allow opting out of the electronic reading has been discussed. Allowing opting out would require staff to physically read the meters, which is what they are trying to get away from. The Gateway system is working very well and it has eliminated additional follow-ups, allowing staff to get caught up in other areas. The electronic meter reading does provide better customer service by being able to determine if there are issues with water leaks. She provided an example of a vacant property that had a leak and staff was able to pinpoint when the leak started. With the system, staff has also found meters that were running backwards. Mr. Force questioned if all meters in the City are being read electronically. Geier explained that all meters are read electronically, but approximately 75% are read through the Gateway system.

Motion by Mr. Rebman to establish a policy on opting out. Seconded by Mr. Force.

Mr. Force questioned the reason for the policy. Geier stated one person has asked to opt out. Mr. Force stated one approach would be to indicate that we have been doing this along. He suggested pointing out the advantages from time to time. Geier intended to do so, but wanted to make sure the system was up and running well. Mr. Force stated that sometimes the customer does not realize the advantages to them. Mr. Force did some research and could not find opt out policies in other communities but he did find statements that the information is not released, which may be something that should be pointed out. Geier stated Madison does charge a fee to opt out and Appleton has an opt out policy similar to what staff proposed. If the City would charge a fee, it would have to be approved by the Public Service Commission.

There being a motion and a second, motion to approve establishing a policy on opting out carried unanimously 3-0.

8) Discussion and possible action regarding the cross connection program.

Lindman explained that HydroCorp has provided a proposal and scope of work for a cross connection program. Boers indicated he met with HydroCorp and discussed the intricacies of a program. The program we currently have is not in compliance with the DNR. The issue has been mainly time and personnel. HydroCorp believes it would take a minimum of 25 to 30 hours a week to administer the program, which would include setting up the program, mailing letters, scheduling, answering phone calls and questions, information tracking, filing information with the State and DNR, letters of non-compliance, and backup notices. Inspections would also need to be done every other year to ten years depending upon the hazards and type of building. The current system requires the private companies to complete a survey and send in the information. This system has not been followed up with. If staff would administer the program it would take one full-time employee for inspections. There are 1,310 sites that need to be surveyed and kept track of. It would most likely take one employee a year to complete surveys of half of the sites. The cost of an employee with benefits would be approximately \$70,720. Another employee would be needed to cover the clerical work, which would cost approximately \$62,400 a year with benefits. A one year cost for the two employees would be \$133,120.

Mr. Rebman questioned the results received from the first mailing. Boers was not in charge of the program at that time, but judging by the records they have it was fairly poor with response approximately 33% and compliance less than 10%. Mr. Rebman questioned if HydroCorp completes the required plumbing work as well. Boers replied no and any work required would be at the cost of the owner.

Mayor Tipple questioned if this is the only company that does this type of program. Boers stated there are a couple of other companies. The cost provided by HydroCorp is \$91,524 annually.

Lindman explained that per the ordinance, businesses are responsible for completing their own inspections. Staff will look into if the City could provide the inspection service at a less cost to the owner. This would also help recover some of the cost of the program.

Mr. Force questioned the timeline. Boers indicated that we should be in compliance by the end of the year. But as long as there is a plan in place and action being taken, staff will work with the DNR regarding the compliance timeline.

Motion by Mr. Force to create a spec and bid out a cross connection program. Seconded by Mr. Rebman. Motion carried unanimously 3-0.

9) Monthly financial reports and ongoing tracking of the budget.

Swanborg pointed out that on the Water Utility side the change in net position on the income statement continues to run a deficit. The Sewer Utility is running a positive on the change in net position. This is why there are advance of funds going between water and sewer. The new water rates went into effect April 1 and will phase in over the three month billing cycle before seeing the total impact of the increased rates. This should help relieve the deficit position. The sewer advance to water at the end of December was \$720,000 which has grown to \$1,340,000. To make the statements more useful, staff is estimating annual payments and booking them. Therefore, last year will look higher because the estimates were not booked. Estimating the annual payments will provide a better picture of what to estimate at year end. She added that in April the current liabilities were reduced due to a principal payment made on a debt for both water and sewer.

Mr. Force stated the extension from sewer to water is over \$1 million. Swanborg explained that is cumulative to year to date, which is shown as a liability on the water side and a receivable on the sewer side. As the new rate structure comes in, it will show as a revenue and be available for operating. The water deficit will impact the borrowing decisions. As of now, sewer has a stronger financial position. Mr. Force questioned if the bonding agency looks at them separately. Swanborg confirmed and added it would be suggested that sewer seek borrowing funds and continue to advance funds to water. Mr. Force asked if the procedure of receiving bonding funds and transferring to another utility is acceptable. Swanborg will check into that but it has been a practice in the past.

10) Update on the process of offering the property owner to have their lead service line replaced using the City's contractor with expense billed to the property owner.

Lindman stated it was previously thought that the Utility had some responsibility of coordinating replacement. However, staff has since found out that the Utility only has the responsibility of notifying the home owners. The home owner could use the City's contractor, but it would be up to the owner to make the coordination.

11) Discussion on the Schedule of Rates brochure.

Mr. Force stated the Schedule of Rates brochure is well done from an engineering standpoint. He suggested revising the brochure to be more customer friendly by adding the typical residential meter size and location.

12) Discussion and possible action on Second Amendment to Water Tower Lease Agreement between Wausau Water Works and New Cingular Wireless PCS, LLC.

Jacobson stated that New Cingular has a contract beginning January 1, 2005 with two five year renewals. The last renewal happened January 1, 2015. She reminded the Commission that in August last year New Cingular wanted to renegotiate the length and term of the lease and reduce their rent payments. Jacobson then reviewed the lease and found that the proper written notice was not given by New Cingular to renegotiate the lease at the end of the renewal term. At that time the Commission directed Jacobson to write a letter indicating talks could continue but they are contractual obligated for another five years. Jacobson has received a letter indicating that they

SCOPE OF WORK

CROSS-CONNECTION CONTROL SERVICES

WAUSAU WATERWORKS

407 Grant Street
Wausau, WI 54403

May 8th, 2015

KEEPING DRINKING WATER SAFE FOR INDUSTRIES AND MUNICIPALITIES

For over 30 years, HydroCorp™ has been dedicated to safe drinking water for companies and communities across North America. Fortune 500 firms, metropolitan centers, utilities, small towns and businesses – all rely on HydroCorp to protect their water systems, averting backflow contamination and the acute health risks and financial liabilities it incurs.



CROSS-CONNECTION
CONTROL / BACKFLOW
PREVENTION

WATER SYSTEM
SURVEYS / AUDITS

PIPE SYSTEM MAPPING
AND LABELING

WATER SAMPLING
AND ANALYSIS / RISK
ASSESSMENTS

PROGRAM
AND PROJECT
MANAGEMENT

COMPLIANCE
ASSISTANCE /
DOCUMENTATION



MIDWEST OFFICE

2665 S. Moorland Rd. Suite 209
New Berlin, WI 53151
800.315.4305 TOLL FREE
262.264.6402 PHONE

PROJECT CONSULTANT: Gary McLaren
262.951.0059 CELL
gmclaren@hydrocorpinc.com EMAIL



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1. BACKGROUND

1.1. The HydroCorp Promise

HydroCorp is the Safe Water Authority.™ It is our duty to provide the most precise and comprehensive technical services in the industry. It also means delivering those services with expert knowledge, professionalism, and sensitivity to budgets and schedules – the highest standard of water safety oversight, combined with the highest value.

The Result – Your water system is compliant. Your risk and exposure are reduced. Your water – and your people – are protected.

1.2. Company Overview

- Founded in 1983 and incorporated in 1988.
- The firm has grown from two employees to a staff of over 40 full time associates in multiple states. Average tenure with the company is 7 years and employee turnover is less than 10%.
- HydroCorp Conducts over 25,000 on site, Cross-Connection Control Inspections **annually**.
- HydroCorp provided Cross-Connection Control Program Management Services to over 240 communities in several states including: Michigan, Wisconsin, Delaware, Maryland, Virginia, Florida and Minnesota. We still have our first customer!
- Our highly trained staff works in an efficient manner in order to achieve maximum productivity and keep program costs affordable. We have a detailed **system** and **process** that each of our field inspectors follow in order to meet productivity and quality assurance goals.
- Our municipal inspection team is committed to providing outstanding customer service to the water users in each of the communities we serve. We teach and train customer service skills in addition to the technical skills since our team members act as representatives of the community that we service.
- Our municipal inspection team has attended training classes and received certification from the following recognized Cross Connection Control Programs: UF TREEO, UW-Madison, USC – Foundation for Cross Connection Control and Hydraulic Research, American Backflow Prevention Association (ABPA), and American Society for Sanitary Engineering (ASSE). We invest heavily in internal and external training with our team members to ensure that each Field Service and Administrative team member has the skills and abilities to meet the needs of our clients.
- Our administrative staff can answer most technical calls related to the cross-connection control program and have attended basic cross-connection control training classes.
- HydroCorp staff and company are active members in many water industry associations including:
 - American Water Works Association (AWWA) | AWWA – Wisconsin Chapter
 - National Rural Water Association (NRWA) | Wisconsin Rural Water Association
 - American Public Works Association (APWA)
- HydroCorp is not a Plumbing Company and does not utilize existing staff to perform backflow prevention assembly testing, repair or plumbing related services.



1.3. Office Address & Contact Information

Regional Office:	HydroCorp – Midwest Office 2665 S. Moorland Rd., Suite 209 New Berlin, WI 53151
Contact:	Gary McLaren
Telephone:	800.315.4305 or 262.264.6401
Email:	gmlaren@hydrocorpinc.com
Corporate Office: (Remit to Address)	HydroCorp – Corporate Office 5700 Crooks Rd., Ste. 100 Troy, MI 48098
Telephone:	800.690.6651 or 248.250.5000
Legal Status:	S-Corporation, 1988 E.I.D. 38-2810008
	



WI Office (Above) Corporate Office (Below)





2. PROJECT WORK PLAN

2.1. Purpose of a Cross-Connection Control Program is to:

- Protect the water supply from backflow & public health and safety
- Comply with state and local regulations (DNR 810.15)
- Minimize risk and liability
- Eliminate hazardous cross-connections to the drinking water supply

A comprehensive Cross-Connection Control Ordinance and Plan is the foundation for a successful and defensible program. HydroCorp will work closely with **WAUSAU WATERWORKS** to develop and implement a program to meet the specific timeline guidelines established by the Utility and Wisconsin Department of Natural Resources (DNR). Further, HydroCorp will conduct the necessary detailed research of current State of Wisconsin Administrative Code related to Cross-Connection Control and Backflow Prevention associated with public water system requirements.

2.2. The objectives of this project will be met primarily by:

- Providing Cross-Connection Control Program Management, consultation and recommendations to **WAUSAU WATERWORKS**
- Developing a written comprehensive Cross-Connection Control Plan
- Inspecting facilities for cross connections or potential cross connections
- Corresponding directly with water customers
- Maintaining cross connection control records and program/inspection compliance documentation
- Notifying water customers of violations and corrective action instructions
- Providing public education

2.3. Examples of common Cross Connection Hazards:

- Garden Hose connections lacking backflow prevention devices
- Water Softener discharge lines directly connected to drain piping
- Boilers with missing or inappropriate backflow preventers
- Backflow Prevention Assemblies improperly installed or missing test documentation
- Toilets with faulty or unapproved anti-siphon valves
- Lawn Irrigation systems with missing or inappropriate backflow preventers
- Restaurant equipment with missing or inappropriate backflow preventers
- Dental office equipment with missing or inappropriate backflow preventers
- Fire Sprinkler systems with missing or inappropriate backflow preventers
- Chemical mixing systems in janitorial closets lacking appropriate backflow prevention devices



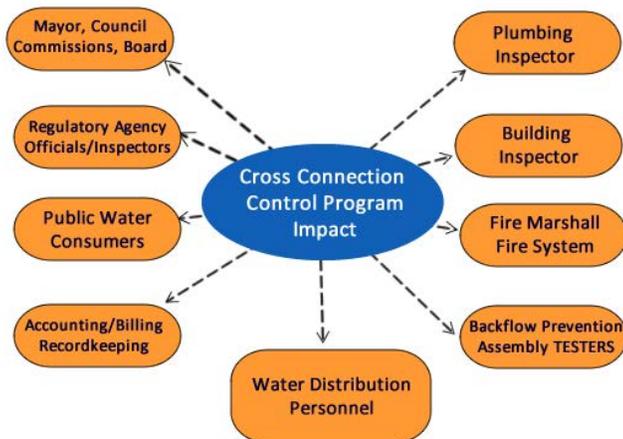
3. THE WRITTEN CROSS-CONNECTION CONTROL PROGRAM PLAN

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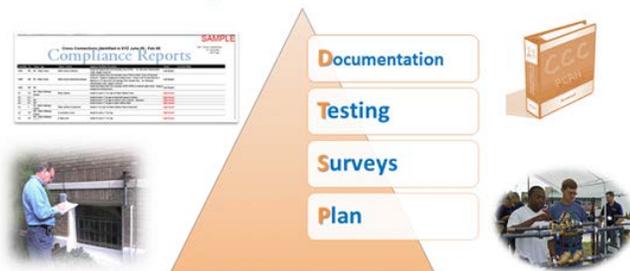
3.1. Stakeholders:

HydroCorp recognizes that many different stakeholders will be affected by a Cross-Connection Control Program. The following chart illustrates the various agencies, internal staff and external people that have an impact on overall program success and compliance.



HydroCorp strives to maintain a good working relationship and clearly communicate the goals of a Cross-Connection Control Program with all of the above stakeholders. We understand that our staff interaction in the community and with regulatory agencies is an extension of your positive community image. HydroCorp has maintained an excellent working relationship with local Mayors, City Managers, plumbing and building officials, health inspectors and others in order to provide them with a simple and clear understanding of the impact of a Cross-Connection Control program, regulations and the need to protect the drinking water supply from contamination.

Simple Equation for CCC Program Success Compliance = P+S+T+D



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3.2. Cross-Connection Control Plan Components:





4. CROSS CONNECTION INSPECTION PROCESS

4.1. Inspections/Surveys:

The water connections and plumbing systems of facilities connected to the public water distribution system shall be initially inspected for the presence of cross connections. As a result of the initial inspection, a detailed record of each facility shall be established. A representative of the water utility or their designated agent shall be responsible for inspections. Individuals responsible for conducting inspections shall have obtained sufficient training on cross connection rules, identification, and corrective actions.

Inspections shall consist of entering a facility from the point where water service enters the facility (usually the meter) and tracing the piping to each end point of use. Using standardized inspection forms, the inspector shall identify and note the location and nature of any direct and potential cross connections, location and details of backflow prevention devices, methods & assemblies, and other pertinent program information. Inspectors having proper identification shall be permitted to enter the building/premises at reasonable times for the purpose of cross connection inspections. If the inspector is refused proper access or if customer plumbing is untraceable, the Utility/City will assume a cross connection is present and take the necessary action to ensure the public water supply is protected.

The highest priority for inspections shall be placed on facilities that pose a high degree of hazard, that have a high probability that backflow will occur, or are known/suspected to have cross connections.

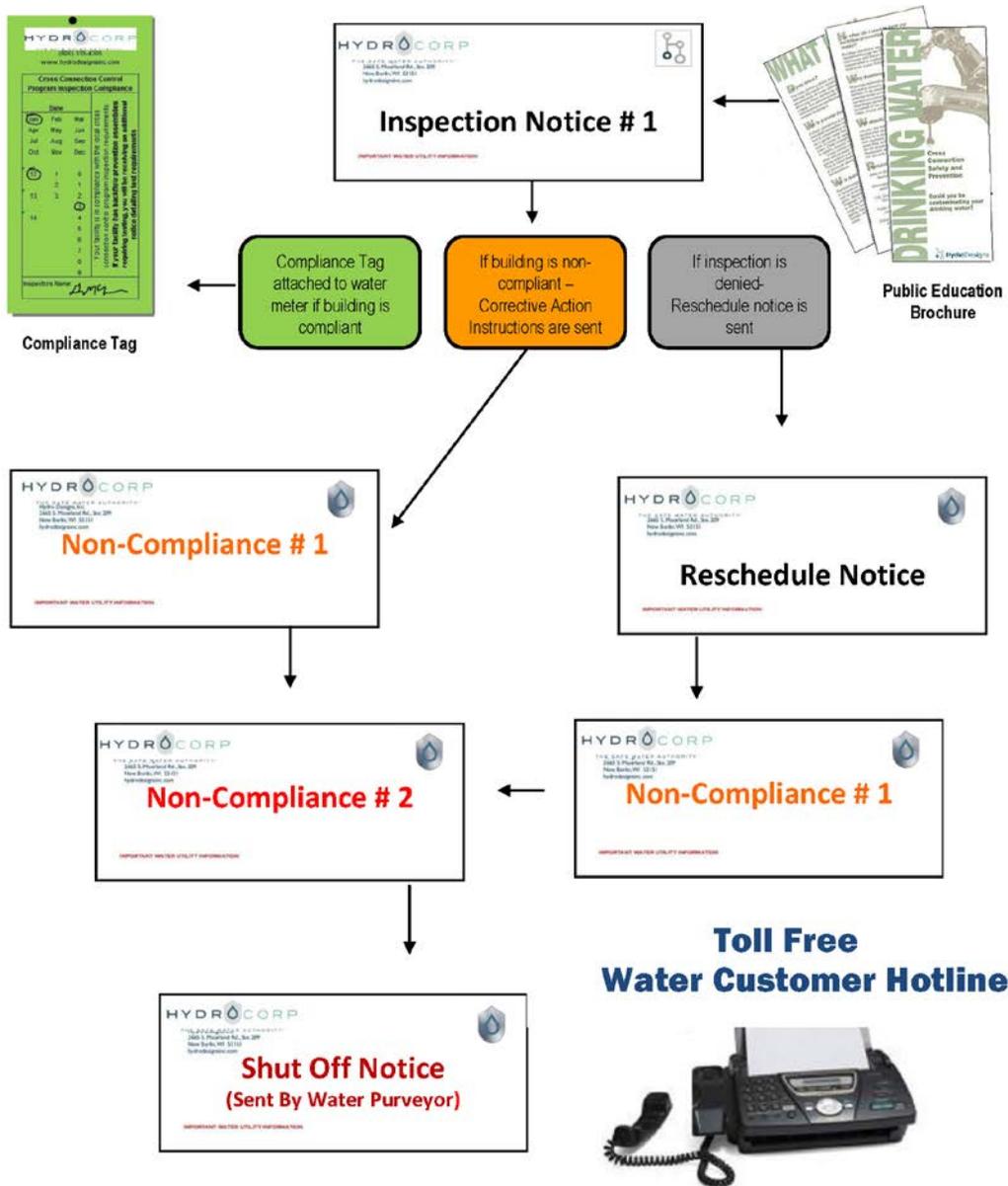
Once initial inspections are complete, a re-inspection frequency shall be determined for each account based on the degree of hazard/risk and potential for backflow in accordance with the requirements of the Utility/City Cross-Connection Control Plan. Upon request, HydroCorp will develop a Cross-Connection Control Plan specific to the Utility/City. The Plan will include detailed inspection frequency information and be submitted to the DNR for final approval.

4.2. Definitions:

- *Initial Inspection* – the first time a HydroCorp representative inspects a facility for cross connections. Degree of Hazard is assigned and/or verified during this facility visit. The Degree of Hazard will dictate future re-inspection frequency/schedule of facility, (facility will be either compliant or non-compliant after this inspection).
- *Compliance Inspection* – subsequent visit by a HydroCorp representative to a facility that was non-compliant during the *Initial Inspection* to verify that corrective action was completed and meets the program requirements.
- *Re-Inspection* – Revisit by a HydroCorp representative to a facility that was previously inspected. The re-inspection frequency/schedule is based on the degree of hazard assigned to the facility during the initial inspection (Re-Inspection cycle/frequency to be determined when Plan is developed).



4.3. Postal Notification Process:





5. WATER CUSTOMER CARE AND ADMINISTRATION PROCESS

5.1. Program Data:

The most critical element of a Cross-Connection Control Program is data integrity. Without accurate data, the Cross-Connection Control program will experience customer service, administrative, and reporting issues and also result in field survey inefficiencies.

5.2. Database Software:

HydroCorp utilizes XC2 Backflow Prevention Software (www.xc2software.com) to manage Cross-Connection Control Program data. All program data captured shall remain the property of the Utility/City. The Utility/City can access program data, information and reports on-line via a secure Virtual Private Network (VPN) connection to our database server. All of our Client Data is secured on our Application Server, which is behind both a Hardware and a Software Firewall. Standard reports include the following:

- Inspections scheduled, completed, overdue and compliance status
- Custom queries, data exports and reports as needed
- DNR Annual Report

5.3. Public Awareness Education

In the initial implementation phase of the Cross-Connection Control Program, Public Education on the topic should remain in the community spotlight. HydroCorp will provide a representative to participate/present at a town hall/public meeting engagement if requested. Press release information will be provided in digital format to the Utility/City for local distribution to local media resources & website if requested. Further, public education brochures will be available in electronic format for download and can be posted on Utility/City web site.





6. SCOPE OF WORK AND PROPOSED FEES/PROJECT COSTS:

6.1. Executive Summary

Based on your current program, HydroCorp™ will provide the following services to **WAUSAU WATERWORKS**. This project is a continued effort for an ongoing Cross-Connection Control Program and will provide **WAUSAU WATERWORKS** with the necessary data and information to maintain compliance with the Wisconsin Department of Natural Resources (DNR) Water Bureau Cross Connection Control Regulations. Once this project has been approved and accepted by **WAUSAU WATERWORKS** and HydroCorp, you may expect completion of the following elements within a **two (2)** year period. The components of the project include:

- A. Annually, perform a minimum of **781** initial inspections, compliance inspections, and re-inspections at individual industrial, commercial, institutional facilities and miscellaneous water users within the City served by the public water supply for cross-connections.
- B. Inspections will be conducted in accordance with the DNR Water Bureau Cross Connection Control regulations. Inspectors will survey all exposed piping and utilize Isolation/Point of Use inventory method of surveying as required by the State of Wisconsin Plumbing Code – SPS 382.41. HydroCorp will document all existing backflow prevention devices and assemblies and verify proper installation and/or suggest corrective actions if devices and/or assemblies need to be installed to prevent cross-connections. Documentation to include make, model, size, manufacturer, serial number, location and regulated object number if applicable. Facility “degree of hazard” and recommended re-inspection frequency will be determined after initial inspection.
- C. Perform administrative functions including: answering water user telephone calls, scheduling of inspections, mailing of all program notices, verification of corrective action(s) requirements, and general customer service and program education inquiries by an individual trained in Cross-Connection Control Program Management/Administration.
- D. Generate and document the required program data and compliance status using proprietary Software Data Management Program. Submit comprehensive management reports on a quarterly basis and prepare the State of Wisconsin, DNR Water Bureau Annual Cross Connection Control Program Activity Report.
- E. Conduct an annual review meeting to discuss overall program status and recommendations.
- F. Assist **WAUSAU WATERWORKS** with a community wide public relations program including general awareness brochures and web site cross connection control program overview content and resources.
- G. Provide ongoing support via phone, fax, internet, text or email.

Scope of work/project cost: \$7,627.00 per month | \$91,524.00 annually | \$183,048.00 total

Submitted by: HydroCorp – Midwest Regional Office | 2665 S. Moorland Rd., Suite 209 | New Berlin, WI 53151
Gary McLaren | 262-951-0059 | gmclaren@hydrocorpinc.com

Accepted by:

X _____
City/Utility Representative (Signature)

_____ Date

Printed Name / Title



Staff Report

From: Christian Schock
To: Finance Committee Members
Date: July 14, 2015
Re: Shopping Center Consultant

Purpose:

- The City is in the process of negotiating and responding to a recent proposal from CBL Associates, the owner of the Wausau Center Mall.

Previous Facts:

- The City led a process with stakeholders including the Wausau Region Chamber of Commerce, Marathon County, Central Wausau Progress and the Wausau River District to express support and resources for the reinvigoration of the Wausau Center Mall.
- The City previously solicited proposals through a public RFP process for a shopping center consultant/commercial retail expert which were received earlier this year but took no action at that time.

Current Considerations:

- The Economic Development Committee reviewed the 3 proposals submitted by: Rodenas Consulting, Jones Lang LaSalle (JLL), Place Dynamics and Stantec Consulting on July 7, 2015 and recommended JLL be contracted as needed by staff at a rate of \$4,000 per month of engagement, not to exceed 6 months to assist in the negotiation process.
- A budget modification is necessary to fund the project. Funds would come from the Economic Development Fund

Increase 125-225492190

\$24,000



Prepared for City of Wausau
Request for Proposal for Consultant Services –
Shopping Center Expert

January 5, 2015



Table of Contents

- I. Introduce the Firm
- II. Capabilities and Technical Experience
- III. Past Experience
- IV. Pricing
- V. References

Section I: Introduce the Firm

Identify your firm, contact name, address, telephone number and email address and a general profile of the firm.

JLL is pleased to respond to the request for proposal for "Consultant Services – Shopping Center Expert" for the City of Wausau. As a proven leader in the retail industry, we bring the experience, depth of services, brokerage network, flexibility and focus on providing strategic advice and identifying the right solution for our clients. Through our strong retail expertise and resources, we will successfully provide guidance to the City of Wausau on potential redevelopment opportunities for Wausau Center Mall.

Firm Name: Jones Lang LaSalle Incorporated

Contact: Larry Kilduff

Senior Vice President, Retail Market Lead, Chicago/Midwest

JLL

200 East Randolph Drive

Chicago, IL 60601

Tel 312 228 3493

larry.kilduff@am.jll.com

Firm overview

JLL (NYSE: JLL) is a professional services and investment management firm offering specialized real estate services to clients seeking increased value by owning, occupying and investing in real estate. With annual fee revenue of \$4.0 billion and gross revenue of \$4.5 billion, JLL has more than 200 corporate offices, operates in 75 countries and has a global workforce of approximately 53,000. On behalf of its clients, the firm provides management and real estate outsourcing services for a property portfolio of 3.0 billion square feet, and completed \$99.0 billion in sales, acquisitions and finance transactions in 2013. Its investment management business, LaSalle Investment Management, has \$53.0 billion of real estate assets under management. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

We provide a full range of integrated transaction, project management and property services locally, regionally and globally through our more than 200 wholly owned corporate offices in the Americas, EMEA and Asia Pacific operating regions. Our owned offices provide superior speed, consistency, control and quality through branded JLL corporate services provided everywhere we, and our clients, operate. We constantly reassess our service platform to remain responsive to and current on client needs, changes in the real estate business, and evolutions in the use of technology and space. Our real estate services include:

Core Services

- Agency leasing
- Capital markets
- Corporate finance
- Corporate solutions
- Development and asset
- Energy and sustainability services
- Facilities/property management
- Investment management
- Investment sales
- Lease administration
- Project and development services
- Real estate investment banking
- Strategic consulting
- Research
- Tenant representation
- Value recovery/receivership

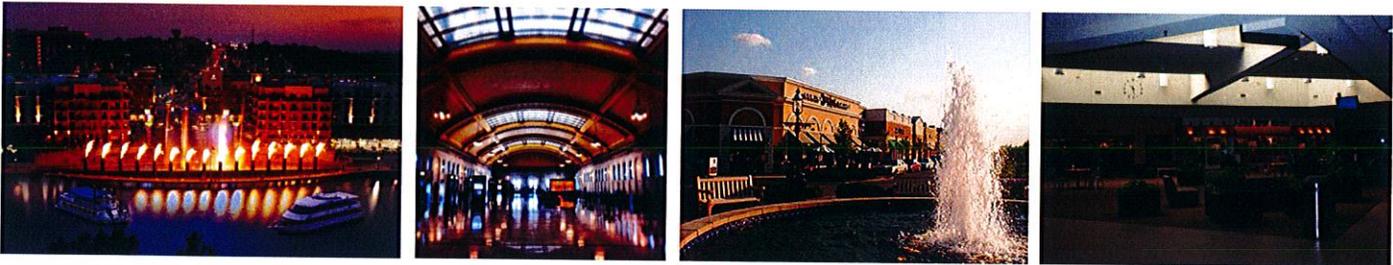
We offer these services on a global basis to occupiers and real estate investors for a variety of property types, including retail, offices, hotels, industrial, residential, hospitals, critical environments and data centers, sports facilities, cultural institutions and transportation centers. Individual regions and markets focus on different property types, depending upon local requirements and market conditions. We act for a broad range of clients that represent a wide variety of industries and are based in markets throughout the world.

Within JLL, we have 800+ dedicated retail experts who provide a full array of real estate services to investors, owners, developers and retailers including brokerage, property management, financial reporting, specialty leasing, marketing, research, consulting, investment sales, development and project management services. Our retail specialists provide independent and expert advice to clients, backed by industry-leading research, market knowledge, and retail experience that deliver maximum value.

Chicago/Midwest overview

The JLL global headquarters are located in Chicago, Illinois, which is also the home base for our Midwest Retail team. This group works in strong collaboration with our other key Midwest JLL offices including Milwaukee, Minneapolis, Indianapolis, St. Louis, Des Moines, Cincinnati and Cleveland.

The team currently consists of **69 associates** that oversee **41 properties** totaling over **6 million square feet** located in Illinois, Wisconsin, Minnesota, Ohio, Michigan, Missouri and Kentucky.

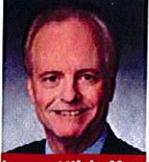


Representative Clients



Chicago/Midwest Core Team

Chicago/Midwest Retail Group – Leadership



Larry Kilduff

Retail Market Lead,
Chicago/Midwest
Tel +1 312 228 3493
larry.kilduff@am.jll.com



Lew Kornberg

Retail Brokerage Lead,
Chicago/Midwest
Tel +1 312 228 3607
lew.kornberg@am.jll.com

Chicago/Midwest – Management, Marketing & Capital Markets



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Regional Manager
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Mark McNeill

Regional Operations Manager
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Property Manager
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Rochelle McClure

Asst. Property Manager
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Carol O'Grady

Regional Marketing Manager
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carol.ogrady@am.jll.com



Becky Wells

Capital Markets
Tel +1 317 810 7009
rebecca.wells@am.jll.com

Chicago/Midwest – Agency Leasing Brokerage



Peter Caruso

Agency Leasing Lead
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Shanna Athas

Retail Brokerage
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Jose Gonzalez

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Brooke Burgoni

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Tricia Rhodes

Senior GIS Analyst
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Chicago/Midwest – Tenant Representation Brokerage



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Jason Trombley

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Daniel Grasso

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Heather Fay

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heather.church@am.jll.com



Shannon Wilson

GIS Analyst
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shannon.wilson@am.jll.com

Retail Overview

JLL Retail serves as the industry leader in retail real estate services. The firm's more than 800 dedicated retail experts in the U.S. provide a wide array of services for investors and retailers, including brokerage, property management, financial reporting, specialty leasing, marketing, research, consulting, investment sales, development and project management services. We deliver real estate services to more than 500 clients ranging from institutional clients and private investors to national and local retailers.

No matter your size, type or scope of operations, our experienced professionals will help you maximize the value of your retail real estate. We are committed to working in the best interests of our clients, anticipating their real estate and investment needs, creating effective solutions and delivering high-quality professional services.

Retail Investor Services

As the industry's largest third-party manager of retail real estate, JLL has strong expertise working with investors and owners of enclosed malls, lifestyle centers, grocery-anchored centers, power centers, street retail, mixed-use centers and transportation hubs. We successfully manage and lease a 69 million-square-foot portfolio of more than 450 properties across 36 states and the District of Columbia.

Our services include:

Property Management: Guided by a customized plan for every client's retail property, our property managers creatively seek alternative sources of income, aggressively manage operating costs and pursue expense reduction opportunities through national purchasing and service agreements. Additionally, we continue to focus on the development and implementation of energy and sustainability solutions for our clients.

Agency Leasing: Our leasing teams are located throughout the United States and provide results-driven, innovative leasing services for assets in a wide range of urban and suburban settings. We maintain a wide network of retail contacts, enabling us to capitalize on these relationships for the benefit of individual clients. Our team uses research-based tools that provide a strategic approach to leasing retail space.

Financial Reporting: Client accounting representatives assigned to each client ensures that ownership financial reports are accurate, timely, and customized to their individual information needs. In addition, we provide the proper level of control for the property's accounts payables and timely collection of accounts receivable. We are able to provide a knowledgeable perspective for real estate transactions.

Specialty Leasing: The specialty leasing team successfully develops and incubates innovative retail uses for short-term tenants, enhancing the property's tenant mix and generating additional revenue. Specialty leasing tenants enhance occupancy by filling common area locations such as RMUs (retail merchandising units) and kiosks, as well as vacant in-line stores. Additional income is generated through our ancillary income efforts, which includes sponsorships, advertising, product sampling and traffic-generating events.

What sets JLL apart

- **Leading retail service provider** in the United States and globally
- **Our people and our integrity** — an experienced quality team ready to deliver and execute
- Customized, team approach with **diverse expertise**
- **Local market depth and knowledge** combined with **national support**
- **Fully integrated** services platform
- Extensive network of **national and global retailer relationships**
- Our business is built on **client satisfaction**
- Our flexibility - we adapt to our **clients' needs**
- Our global **commitment to creating and contributing to a more sustainable environment**

Marketing: Our marketing strategies and initiatives are designed to support leasing, sales and revenue goals and ultimately, enhance the value of the property. We are thought leaders who stay on the forefront of trends and innovation, thereby serving as invaluable resources for property owners and retailers. In addition, marketing specialists create unique sales promotions, sponsorships and community initiatives designed to increase retail sales and customer loyalty.

Development and Project Management: Our retail development professionals provide solutions that successfully align ownership goals with market demand and retailer objectives. From renovations and expansions to ground-up developments to repositioning anchor stores and re-merchandising strategies, we create and execute a plan designed to maximize the potential of the asset.

Due Diligence and Consulting: Our highly experienced team of retail professionals provides due diligence services to assist owners in assessing the value of their potential investment by focusing on three main areas of review: economic, physical/engineering and leasing.

Capital Markets: From in-depth market analysis and portfolio structuring support to valuation and underwriting expertise, to investor intelligence and target marketing know-how, our investment sales professionals deliver the skills and depth of knowledge you need to succeed in today's complex environment.

Retailer Services

Brokerage: Our retail brokers are licensed, experienced professionals with your needs at the forefront. We'll help you identify and assess your location options, then negotiate the best lease structure on your behalf. We leverage our extensive local market knowledge and our comprehensive network of resources to provide the best solutions for our clients.

Corporate Transaction Management: Ideal of retailers with rapid expansion requirements – or those who just want a flexible outsourced option – we provide full program management, including development program consulting, market planning, broker management, site selection, document negotiation, data tracking and cycle-time reduction.

Portfolio Optimization: We'll centrally organize and manage all your lease data to identify opportunities to reduce occupancy costs, relocate, downsize or expand, and renew or restructure leases to boost your revenues and save money.

Site Consulting and Predictive Modeling: Our expert researchers will perform a custom statistical analysis to help you make intelligent transaction and development decisions, and improve store performance. You'll get access to a secure online portal where you can easily review the data and analysis when evaluating options.

Retail Multi-Site Project Management: With extensive experience in minimizing risk for our clients, we manage and consult on a wide range of multi-site retail development projects including renovations, rebranding, new construction, surveys, technology and equipment rollouts.

Strategic Consulting: We combine our leading-edge ideas with our knowledge of industry trends and best practices to identify the optimal solution for each client. This enables clients to maximize real estate value and position their properties to achieve overall business goals.

Section II: Capabilities and Technical Experience

Provide the qualifications of the consultant(s) that will be assigned to the City of Wausau and their experience with the shopping center industry. Submit a resume of the individual(s) who will manage and advise the city. The resume(s) should include relevant experience and indicate the nature and extent of the individual's involvement in similar work.

JLL has a 30-year history of serving retail clients. We have successfully managed and leased retail centers and consulted shopping center owners on redevelopments and repositioning in urban and suburban environments throughout the United States. As the industry's largest third-party manager of retail real estate, JLL has strong expertise working with investors and owners of enclosed malls, lifestyle centers, grocery-anchored centers, power centers, street retail, mixed-use centers and transportation hubs. Currently, we manage and lease a 69 million-square-foot portfolio of more than 450 properties across 36 states and the District of Columbia. JLL has more than 95 retail brokerage experts spanning more than 25 major markets, who provide strategic retail solutions for more than 500 clients.

Our proposed consulting team has extensive experience in the retail industry with a diverse background ranging from enclosed malls and redevelopments to new construction, mixed-use and neighborhood centers. With approximately 50 retail centers totaling six million square feet in the Midwest market, JLL's retail team has strong market knowledge and has successfully provided real estate services for owners and investors to help maximize value of their assets. Our strength is in providing our retail knowledge, strong retailer relationships, and experience that produces results for your mall.

Our local brokerage team has worked with all types of retailers from international to value-oriented and moderately-priced to upscale/ luxury, restaurateurs, entertainment, to grocery and anchor tenants. We engage in ongoing dialogue with the retailers and the brokerage community, resulting in strong relationships that deliver deals. We know how to evaluate and assess shopping centers to develop the right strategy and how to better position the center in the marketplace.

The table below highlights our team of retail experts who will provide consulting services to the City of Wausau. Detailed resumes of the proposed team are provided on the following pages.

Larry Kilduff will be the primary consultant for the City of Wausau and will call upon other support staff and expertise that could include the following key persons listed below. As you know, Mr. Kilduff has previously provided consulting support for the City of Wausau over the past five years.

Staff Member	Years Experience	Qualifications
<p>Larry Kilduff Retail Market Lead, Chicago/Midwest</p> 	<ul style="list-style-type: none"> ▪ 25 years 	<ul style="list-style-type: none"> ▪ Extensive experience and success in operations, asset management, acquisitions, development, government relations, financial modeling, leasing, site selection, dispositions and workouts ▪ He has developed budget plans and supervised economic and physical due diligence, market studies and entitlement confirmation ▪ His experience spans all types of retail centers including mixed-use projects, neighborhood and community centers, grocery-anchored centers and enclosed malls
<p>Peter Caruso Agency Leasing Lead</p> 	<ul style="list-style-type: none"> ▪ 8 years 	<ul style="list-style-type: none"> ▪ Has diverse real estate knowledge in property leasing, acquisition, due diligence, valuation, lease restructuring and tenant representation. ▪ He has wide reaching experience as a real estate advisor to retailers, attorneys, lenders and restructuring professional
<p>Donn Fuller Developer</p> 	<ul style="list-style-type: none"> ▪ 30 years 	<ul style="list-style-type: none"> ▪ Has worked on more than 25 development and redevelopment projects, totaling over \$1.5billion in value ▪ Provides development and repositioning expertise for enclosed malls in secondary and tertiary markets ▪ Has developed strong relationships with major department stores, anchors and big box tenants
<p>Carol O'Grady Regional Marketing Manager</p> 	<ul style="list-style-type: none"> ▪ 30 years 	<ul style="list-style-type: none"> ▪ Extensive background in retail marketing ▪ Has marketed regional malls, grand opening, redevelopments and grand re-openings

Larry Kilduff, CRX

Senior Vice President
Retail Market Lead, Chicago/Midwest

Current Responsibilities

Mr. Kilduff is the Retail Market Lead for the Chicago/Midwest Market. He is responsible for the oversight of all operational functions and collaborates with clients and client service teams to develop and implement strategies, which maximize asset value. Mr. Kilduff is also involved in business development efforts for investor and occupier clients seeking retail services in the Chicago/Midwest market.

Experience

Prior to being promoted to Retail Market Lead, Mr. Kilduff served as Regional Management Lead. In this role, he was responsible for client relationship management for retail properties in the Midwest. Mr. Kilduff has more than 25 years of experience and success in operations, asset management, acquisitions, development, government relations, leasing, site selection, dispositions and workouts. He has owned and operated two retail real estate development companies, The Kilduff Company and Meridian Properties, where he provided services for more than 50 properties totaling 3.2 million s.f. In his role, he developed budget plans and supervised economic and physical due diligence, market studies and entitlement confirmation. His experience spans all types of retail centers including mixed-use projects, neighborhood and community centers, grocery-anchored centers and enclosed malls.

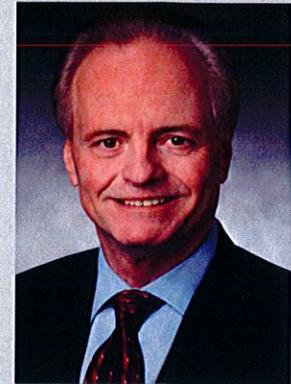
Additionally, he has worked with leading retailers including Wal-Mart, Target, Kmart, Sears, Bon-Ton, Kohl's and JCPenney. He has successfully collaborated with REITs and developers such as DDR, Weingarten Realty, Kimco, CBL & Associates and GGP on various retail projects. He has also overseen and advised on development and redevelopment projects totaling more than five million s.f. across the U.S.

Education and Affiliations

Mr. Kilduff holds an M.B.A. degree from the Lake Forest Graduate School. He is an active member of the International Council of Shopping Centers (ICSC) and has received numerous awards including the prestigious ICSC Trustee's Distinguished Service Award. He has also earned the designations of Certified Shopping Center Manager (CSM) and Certified Design, Development and Construction Professional (CDP) from ICSC.

Relevant Experience (Partial List)

Project Name	City, State	Involvement
Village of Matteson	Matteson, IL	On-going consultancy regarding the overall retail plan for the Village and specifically the re-purposing of the Lincoln Mall property
McCormick Place	Chicago, IL	Consultancy on the redevelopment in and around McCormick Place as to the types and amount of retail that would be a viable component of the redevelopment



Peter Caruso

Vice President, Agency Leasing Lead, Chicago/Midwest
Retail Brokerage

Current Responsibilities

Mr. Caruso is the Agency Leasing Lead for the Chicago/Midwest Market, where he is responsible for the administration and management of retail brokers and provides strategic planning and evaluation of remerchandising and redevelopment of properties. Mr. Caruso has strong knowledge of marketing, development and management to better assist clients in achieving their overall asset and corporate goals. His success and strong experience in agency leasing has enabled him to develop and maintain significant client relationships at the national, regional and local level.

Experience

Mr. Caruso has more than eight years of diverse real estate knowledge in property leasing, acquisition, due diligence, valuation, lease restructuring and tenant representation. He has wide reaching experience as a real estate advisor to retailers, attorneys, lenders and restructuring professionals. During his career, he has represented national retailers in rollouts throughout the Chicago MSA as well as lease-related services with local developers and institutional buyers. Previously, Mr. Caruso served as Vice President at Mid-America Real Estate Corporation where he focused primarily on landlord representation and agency leasing. In less than two years, Mr. Caruso helped build Mid-America's agency leasing portfolio to nearly 60 projects totaling five million square feet. His representative clients include Developers Diversified Realty, Acadia Realty Trust, Simon Property Group, Sterling Bay, Piedmont, Inland Real Estate, DAWM, Seritage Development (an affiliate of Sears/Kmart), TCF Bank, Aldi Corp., Fitness International, Wintrust and Kroger.

Education and Affiliations

Mr. Caruso earned a bachelor of science degree in business administration from DePaul University. He is an active member of the International Council of Shopping Centers (ICSC). Mr. Caruso holds a real estate license in the state of Illinois.

Relevant Experience (Partial List)



Donn Fuller

Senior Vice President, Developer
Retail

Current Responsibilities

Mr. Fuller is a Senior Vice President with the JLL retail development team. He is responsible for identifying accretive opportunities within the managed portfolio, implementing a strategy, and overseeing the successful completion of the project. His focus is working directly with clients to ensure that a value added approach is achieved to meet their investment objectives. Additionally, he is responsible for maintaining department store and big box relationships.

Experience

Mr. Fuller has more than 30 years of retail development and management experience. During his career, he has been responsible for directing the operations of more than 20 million square feet of commercial space, and over 25 development and redevelopment projects, totaling over one-half billion dollars in value. Prior to joining JLL Retail, Mr. Fuller held the position of Vice President of Asset Management and Development at General Growth Properties, where he was responsible for overseeing the asset management, business development and development activities for properties within the third-party division. Additionally, Mr. Fuller served as Vice President of Investments for The Weitzman Group, acquiring mixed-use properties and land for development. Before joining Weitzman, Mr. Fuller was responsible for the leasing, management and redevelopment of the ING/Clarion national retail portfolio.

Prior to ING/Clarion, Mr. Fuller served as Executive Vice President and Chief Operating Officer for MEPC American Properties, which was a subsidiary of London-based MEPC, plc, an international real estate development company. During his tenure with MEPC, Mr. Fuller oversaw the \$165 million development/redevelopment of Northridge Fashion Center (Northridge, CA).

Education and Affiliations

Mr. Fuller earned a bachelor of science degree in finance and accounting from Minnesota State University. He serves on a Retail Development Council for the Urban Land Institute and is a member of the National Association of Certified Public Accountants.



Representative projects:

- 2013 Chico Mall renovation
- 2006-2010 \$200M in renovations and redevelopments
- 2000-2003 Waterside Shops (sale)
- 1999-2000 North Michigan Avenue (theater negotiation)
- 1997-1998 Bakersfield, CA, (development)
- 1996-1998 Northridge Fashion Center (expansion)
- 1994-1995 Northridge Fashion Center (rebuilding)
- 1991-1992 Boulevard Mall (expanding and renovated)

Carol O'Grady

Vice President, Regional Marketing Manager
Retail, Chicago/Midwest

Current Responsibilities

Based in Chicago, Ms. O'Grady is a Regional Marketing Manager for JLL Retail and oversees consumer marketing for properties in the Midwest. Her responsibilities include the development and execution of marketing strategies to maximize sales, collaborating with leasing to enhance properties' merchandise mix and identifying new sources of alternative revenue. Ms. O'Grady coaches the field marketing employees to ensure that JLL best practices are being implemented. Additionally, Ms. O'Grady oversees Retail's strategic marketing efforts including sales programs, market research, development of national programs, and public relations and advertising initiatives.

Experience

Ms. O'Grady has an extensive background in retail marketing, with more than 30 years' experience in the shopping center industry. Ms. O'Grady has marketed super-regional malls, grand openings, redevelopments and grand re-openings. Significant projects she has worked on include the \$65 million redevelopment of Ford City, Chicago, Illinois; the opening of Bloomingdale's premiere location in Chicagoland; and the \$100 million redevelopment of Old Orchard Shopping Center in Skokie, IL.

Prior to joining Jones Lang LaSalle, she operated her own marketing consultant company for two years. She has also served as the Vice President of Marketing for General Growth Properties, Inc. where she was responsible for all marketing efforts of 37 shopping centers, and served as head of marketing for Equity Properties and Development Limited Partnership (EPDLP). Ms. O'Grady also worked as a Marketing Manager with Homart Development Co. for 12 years prior to joining EPDLP.

Education and Affiliations

Ms. O'Grady earned a bachelor of arts degree from St. Mary's University in Winona, Minnesota. Ms. O'Grady is an active member of the International Council of Shopping Centers (ICSC) and the National Retail Federation. She received her Certified Marketing Director (CMD) designation from ICSC and has won numerous awards including a CLIO and several MAXI's.

Relevant Experience (Partial List)

Project Name	City, State	Involvement
Village of Matteson	Matteson, IL	On-going consultancy regarding the overall retail plan for the Village and specifically the re-purposing of the Lincoln Mall property
McCormick Place	Chicago, IL	Consultancy on the redevelopment in and around McCormick Place as to the types and amount of retail that would be a viable component of the redevelopment

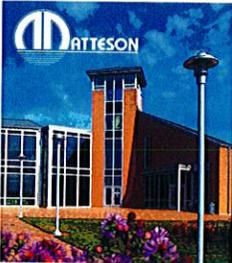


Section III: Past Experience

Describe previous experience assisting shopping centers with redevelopment and/or repurposing of vacated anchor space. Experience should include a track record of attracting new businesses.

Our Midwest team's diverse retail expertise will provide you with the right guidance and insight to succeed. We have assisted multiple shopping center clients on redevelopments, remarketing and repositioning of retail assets, and the replacement of anchor stores throughout the country. We create a customized approach that provides innovative value enhancement and preservation strategies that stay within ownership's financial goals and objectives.

Our redevelopment and repositioning programs have had a dramatic impact at many properties over the years, transforming some of them into the dominant centers within their trade areas, as well as enhancing long-term asset values. The following is a sampling of JLL's experience with redevelopment and repurposing of vacated anchor space.

Client	Situation
<p>Village of Matteson</p> 	<p>Location: Matteson, IL Size (s.f.): 50 acre site Property Type: Enclosed mall with lifestyle and entertainment center Services: Consultancy</p> <p>JLL works with the Village of Matteson to access the redevelopment and repurposing of the Lincoln Mall, an antiquated retail property within the Village. Additionally, JLL provides insight into the overall retail development for the entire Village (types and amount of retail needed to fulfill the needs of the Village and surrounding marketplace).</p>
<p>McCormick Place</p> 	<p>Location: Chicago, IL Size (s.f.): 2.6 million square feet Property Type: Convention Center, Hotel and Retail Development Services: Consultancy</p> <p>JLL worked with McCormick Place to identify the viability of retail to the redevelopment of the area in and around Chicago's convention center (third-largest convention center in the U.S.). The study provided detailed information, recommendations, strategies and timeline on the various locations for retail, types of retail, and the amount of retail to complement the project.</p>

Client	Situation
<p>Rosedale Center</p> 	<p>Location: Roseville, MN Size (s.f.): 1,149,487 Property Type: Enclosed mall with lifestyle and entertainment center Services: JLL worked with ownership to purchase the Mervyn's building and parcel, and created a redevelopment plan to add an entertainment and lifestyle component to the center. Provided development services for The Plaza at Rosedale Center addition of 182,100 square feet of stores, restaurants and the 14-screen AMC Theatres. Tenants for the lifestyle component include Granite City Food & Brewery, Panera Bread, Williams-Sonoma and Talbots, Borders, JoS. A. Bank, Ann Taylor Loft, DSW Shoes, Lucy, Chipotle, Potbelly Sandwich Works and a 60,000 s.f., 14-screen stadium-seating AMC Theatre</p>
<p>The Palms at Town & Country</p> 	<p>Location: Kendall, FL Size (s.f.): 735,000 s.f. Property Type: Power and lifestyle center Services: Provided leasing, management, marketing and construction management services to help ownership with Phase II of the redevelopment and repositioning of the existing site into an alluring retail, dining and entertainment center, now serving as the "Downtown Kendall" for the community. Negotiated deals with key, strong anchors – Dick's Sporting Goods (the first in Dade County) and Total Wine & More. Attracted key retailers and restaurateurs including Blue Martini, Cadillac Ranch, Haagen Dazs, Carmines La Trattoria, CG Burgers, and Nordstrom Rack</p>
<p>Burbank Town Center</p> 	<p>Location: Burbank, CA Size (s.f.): 1,200,00 s.f. Property Type: Enclosed mall Services: Completed the redevelopment of the mall exterior which included a new center name and streetscape facade featuring P.F. Chang's China Bistro and Pasta Po-odoro, which anchors a downtown Burbank redevelopment effort</p>
<p>Chico Mall</p> 	<p>Location: Chico, CA Size (s.f.): 505,180 s.f. Property Type: Enclosed mall Services: Completed an exterior renovation, upgraded the food court and common areas to increase shopper loyalty. Enhanced the merchandise mix by securing national tenants such as The Buckle, Justice Dick's Sporting Goods, Chipotle Mexican Grill, Maurices and Crazy 8.</p>

Client	Situation
<p>Town Center Plaza</p> 	<p>Location: Kennesaw, GA Size (s.f.): 220,969 s.f. Property Type: Power center Services: Created and implement a remerchandising plan to fill the numerous vacancies along with a building remodel, landscaping upgrades and parking lot improvements. Attracted Home Goods as a new anchor joining Marshall's and TJMaxx. Also, Off Broadway Shoes was added as a junior anchor along with inline retailers Motherhood Maternity, Dress Barn, Chicken Salad Chick, Gigi's Cupcake, School Box, Cricket Wireless complementing the existing merchandise mix. Due to the team's leasing success in securing strong national retailers, we were able to retain Catherine's, Men's Wearhouse, Subway and Sally Beauty. The center has been transformed into a primary shopping center for the community.</p>

Section IV: Pricing

Describe your fees and methodology for billing. Provide a schedule of hourly rates that will apply for additional services provided.

JLL proposed fee structure is based on the following scope of services outlined in the RFP.

- Assist and advise in ongoing negotiations with CBL with respect to requested financial assistance.
- Aid and assist the City on strategies to repurpose the mall as a whole as well as the currently vacated anchor space in Wausau Center Mall, incorporating an entertainment component at the center.
- Analyze, evaluate and recommend strategies to engage the community in discussion, such as a task force and/or public information session(s).

Consulting services

Service	Fee
Consulting Services	<ul style="list-style-type: none"> ▪ A monthly fee of \$4,000*
Reimbursable Expenses	<ul style="list-style-type: none"> ▪ All out-of-pocket expenses, if any, directly related to our engagement, including travel costs

*At least once a month, JLL shall invoice the City of Wausau for its fees, expenses and costs incurred during that month, including reimbursable expenses.

Additional services

As previously noted under the capabilities portion of this response (pages 3 and 4), full retail services are available for additional fees. The following outlines such proposed fee structure for additional services that JLL can provide to the City to help create and implement a redevelopment plan.

Development

Service	Fee
Development Management Services	<ul style="list-style-type: none"> ▪ 1.5% of total project costs. ▪ A monthly payroll reimbursement of the total development fee divided by the term of the development (determined by the scope). ▪ All project-related costs including but not limited to, copying charges, postage, outsourced administrative expenses, market research, architectural, engineering and legal costs ▪ Travel for the development team ▪ Reimbursable expenses, other than listed above, will be pre-approved by owner in writing
Plan Review and Tenant Coordination	<ul style="list-style-type: none"> ▪ \$3,500 for tenant construction costing more than \$100,000 ▪ \$1,500 for projects costing less than \$100,000 ▪ \$500 for sign review

Service	Fee
New Lease	<ul style="list-style-type: none"> ▪ 4% of the net rent, exclusive of Tenant Broker. ▪ 7% of the net rent, with Tenant Broker to be shared evenly between JLL and the Tenant Broker. JLL will generally be responsible for negotiating, contracting with and paying the Tenant Broker. ▪ Renewal lease transactions: 1/2 of the new lease rate.
Big Box Lease	<ul style="list-style-type: none"> ▪ New lease transactions of 20,000 SF or more, \$3.50 PSF exclusive of Tenant Broker. ▪ New lease transactions of 20,000 SF or more, \$7.00 PSF with Tenant Broker. ▪ Renewal lease transactions: 1/2 of the new lease rate.
Ground Lease	<ul style="list-style-type: none"> ▪ 4% of the net rent, exclusive of Tenant Broker. ▪ 6% of the net rent, with Tenant Broker to be shared evenly between JLL and the Tenant Broker. JLL will generally be responsible for negotiating, contracting with and paying the Tenant Broker. ▪ Renewal lease transactions: 1/2 of the new lease rate.
Property Sale	<ul style="list-style-type: none"> ▪ 4% of the Gross Proceeds, exclusive of Tenant Broker ▪ 6% of the Gross Proceeds, with Tenant Broker to be shared evenly between JLL and the Tenant Broker. JLL will generally be responsible for negotiating, contracting with and paying the Tenant Broker.
Department Stores (exclusive of outside broker)	<ul style="list-style-type: none"> ▪ \$2.50 per s.f. for new agreements ▪ \$30,000 per operating covenant extension ▪ \$0.75 per s.f. for recapture agreements ▪ \$0.75 per s.f. for lease extensions ▪ \$50,000 per department store for site plan approvals ▪ \$250 per hour for department store document audit
Rent Relief Negotiations	<ul style="list-style-type: none"> ▪ Same as a renewal lease transaction if additional term is added to the current lease.
Time of Payment	<ul style="list-style-type: none"> ▪ For new leases, 50% of the commission shall be due and payable upon execution of the lease by Owner and the Prospective Tenant; 50% of the commission shall be due and payable when Prospective Tenant opens for business or pays first month's rent, whichever is to happen first. ▪ For expansions and renewals, 100% of the commission shall be due and payable upon execution of the lease amendment or other definitive document evidencing such transaction by Owner and Tenant.
Lease Termination	<ul style="list-style-type: none"> ▪ The greater of \$3,500 or 4% of the buy-out payment for all leases where JLL is responsible for negotiating and documenting 1) an early lease termination or 2) a lease restructure where the client obtains unilateral termination rights.
Specialty Licensing/ Sponsorship	<ul style="list-style-type: none"> ▪ 12% of the deal revenue sourced by JLL
Reimbursable Expenses	<ul style="list-style-type: none"> ▪ All out-of-pocket expenses, if any, directly related to negotiating leases, including design and development, production and distribution costs for fact sheets, leasing brochures, other elements of leasing packages, property signage and other forms of advertising of space. ▪ Travel for the leasing team ▪ \$833 per month for trade shows

Service	Fee
Early Termination	<ul style="list-style-type: none">▪ Either party may terminate the contract upon 60 day's written notice; however, the client agrees to guarantee immediate payment to JLL for all leasing commissions and development fees due, plus provide for a 180 day protection period for any leasing deals in negotiation at the time of termination

Section V: References

Provide at least three references including a contact name, telephone number and email address.

The following references can be used to address our firm's capabilities.

Company	Contact	Telephone	Email Address
Lincoln Properties Group	Phil Pearson	+1 214 740 3368	ppearson@lpc.com
Ramsey County Regional Railroad Authority (RCRRA)	Jean Kreuger	+1 651 266 2784	jean.krueger@co.ramsey.mn.us
Deutsche Asset & Wealth Management	Kelly Shiffer	+1 214 740 7940	kelly.shiffer@db.com
LaSalle Hotels	Joanna Zook	+ 1 301 941 1521	jzook@lasallehotels.com

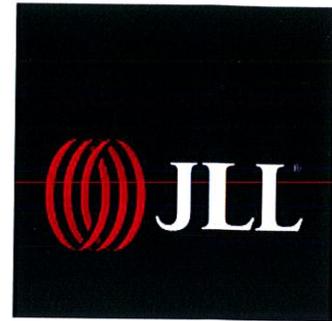
Summary

JLL is highly confident that its team, led by Larry Kilduff, will be able to successfully provide the expertise and thought leadership to guide the City of Wausau through the redevelopment opportunities presented by the vacant anchor space at Wausau Center Mall, the premiere shopping destination within the marketplace. It is our willingness to take on complex projects, hard work, resources and vision that will provide the best possible outcome, the continued growth of this viable retail location.

At JLL, Our culture is real and sets us apart from our competition. We live it, we share it, we embrace it, and our clients feel it every day. At its foundation, our unique brokerage culture is simple:

- We value **Integrity** above all else – always doing the right thing and winning with integrity
- **Teamwork** is the key to success – we work together to win and execute business
- We strive for **Excellence** in all we do – never settling for good, always striving for great

It would be our honor to provide consultant services to the City of Wausau and know that we will be able to fulfill the guidance the city is seeking to assist and advise in ongoing negotiations with CBL regarding their requested financial assistance, aid and assist on strategies to repurpose the mall, and to analyze the situation and provide recommended strategies to engage the community.



Contact information

Larry Kilduff

Senior Vice President,
Retail Market Lead, Chicago/ Midwest
200 East Randolph Drive
Chicago, IL 60601
+1 312 228 3493
larry.kilduff@am.jll.com

www.jllretail.com

Thank you



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: 2014 Audit

Purpose: To present the results of the 2014 Audit

Background: Jon Trautman, of Schenck CPA's will be attending the meeting to present the 2014 audit work. I copy of the financial statements were placed in each council members mailbox for distribution. In addition, I have attached a PowerPoint presentation that provides additional information regarding the yearend results.



City of Wausau

2014 FINANCIAL REPORT



GENERAL FUND ACTIVITIES



Administration – Council, Mayor, HR, Attorney, Assessor, Customer Service, CCITC



Public Safety – Police, Fire,



Refuse



Transportation – Street Maintenance, Inspections, Storm Water, Engineering, Planning and GIS, Street Lighting



Parks and Recreation

General Fund Balance History

Total Fund Balance

2010	\$9,262,995
2011	\$9,718,615
2012	\$9,981,845
2013	\$9,641,545
2014	\$9,443,494

Nonspendable:

Advances:

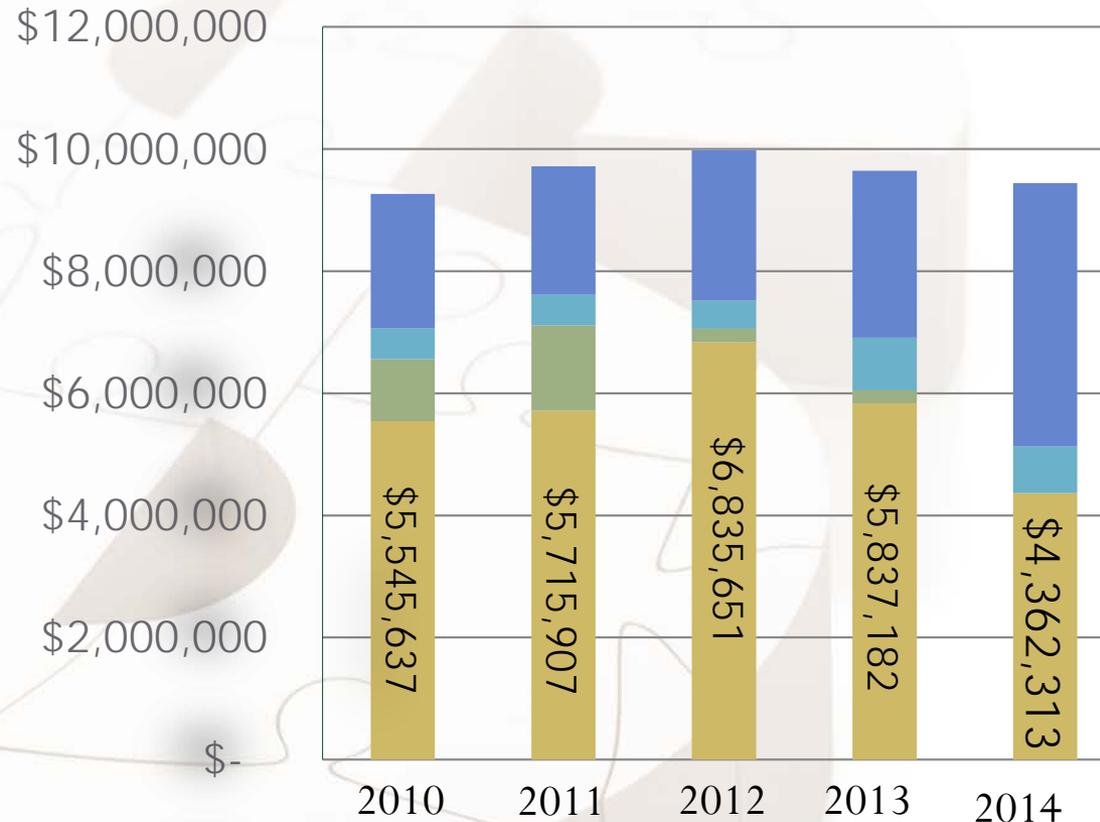
TID #3	\$1,419,107
TID #6	\$611,984
TID #7	\$1,776,943
TID #9	\$90,985

Inventory \$415,912

Committed:

Contingency	\$ 266,250
Commercial Rehab	
Fund	\$ 500,000

Per Fund Balance Policy expenditures should unassigned fund balance should be no less than 16.67% or expenditures or \$5,267,534



- Nonspendable
- Committed
- Assigned to Future Budget
- Unassigned

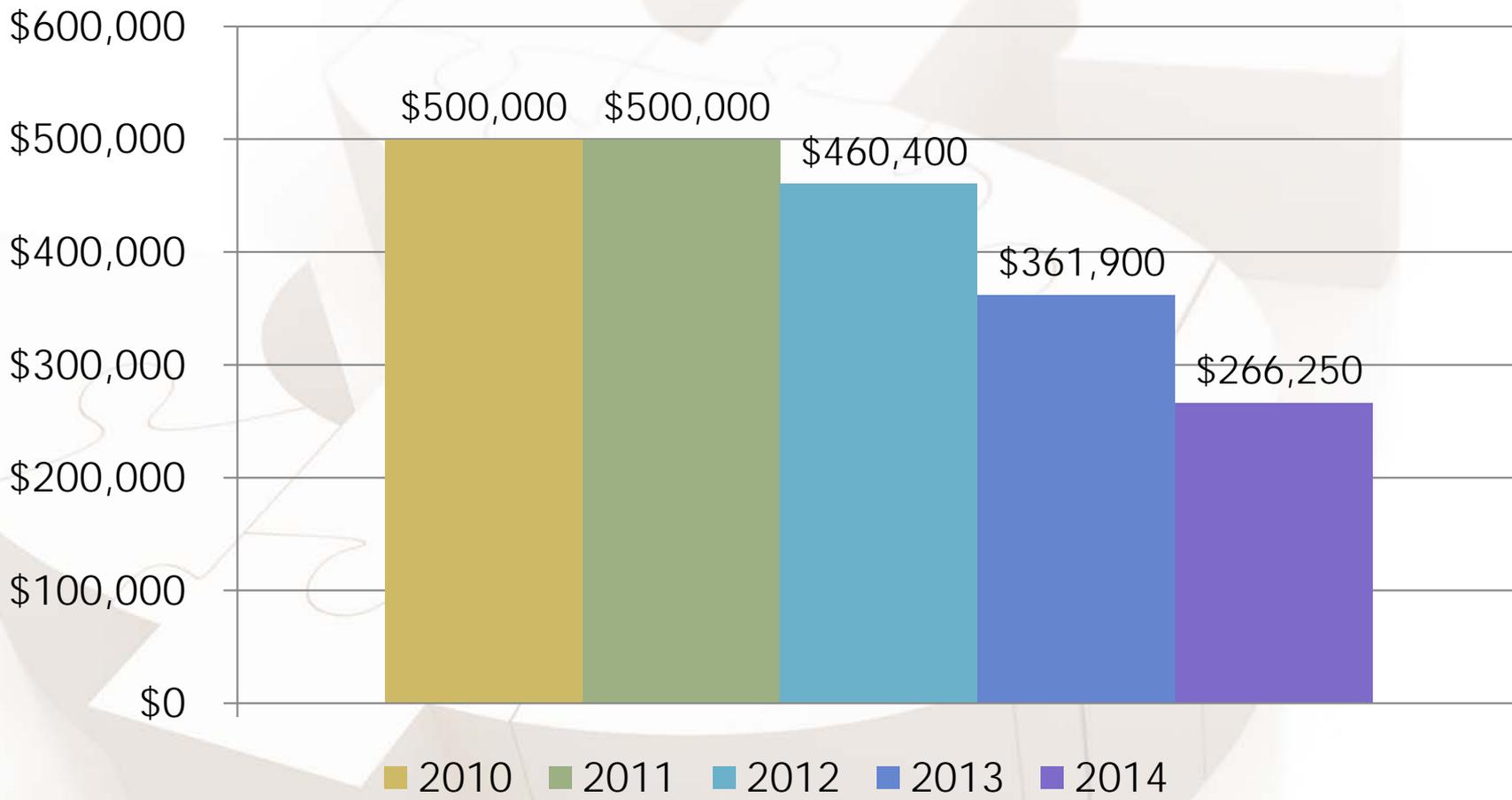


Advances to TID Funds History

	2010	2011	2012	2013	2014
TID 3			\$1,184,402	\$880,865	\$1,419,107
TID 4	\$1,447,489	\$1,037,208			
TID 5					
TID 6					\$611,984
TID 7	\$339,596	\$999,205	\$1,221,482	\$1,524,184	\$1,776,943
TID 8					
TID 9					\$90,985
TID 10					
TOTAL	\$1,787,085	\$2,036,413	\$2,405,884	\$2,405,049	\$3,899,019



Contingency Balance





2014 GENERAL FUND REVENUES

	2014 Budget	2014 Actual	Variance
Taxes	\$16,074,419	\$16,066,125	(\$8,294)
Intergovernmental Grants	8,071,044	8,097,414	26,370
Licenses and Permits	723,349	716,037	(7,312)
Fines and Forfeitures	405,000	355,105	(49,895)
Public Charges for Services	1,805,465	1,879,793	74,328
Intergovtl Charges	1,559,623	1,422,142	(137,481)
Commercial Revenue	312,000	531,589	219,589
Miscellaneous Revenue	373,510	440,875	67,365
Transfers In	<u>2,068,494</u>	<u>1,955,253</u>	<u>(113,241)</u>
Total	\$31,392,904	\$31,464,333	\$71,429



Property Tax Income

	2014	2013	Change
General Fund	\$15,843,883	\$15,570,606	\$273,277
Economic Dev Fund	50,000	-	50,000
Recycling Fund	497,750	473,462	24,288
Debt Service	4,088,000	4,088,000	-
Capital Projects Fund	371,080	337,345	33,735
Airport Fund	70,000	68,677	1,323
Transit Fund	679,289	679,289	-
Parking Fund	224,000	300,000	(76,000)
Total	21,824,002	\$21,517,379	\$306,623



2014 GENERAL FUND EXPENDITURES

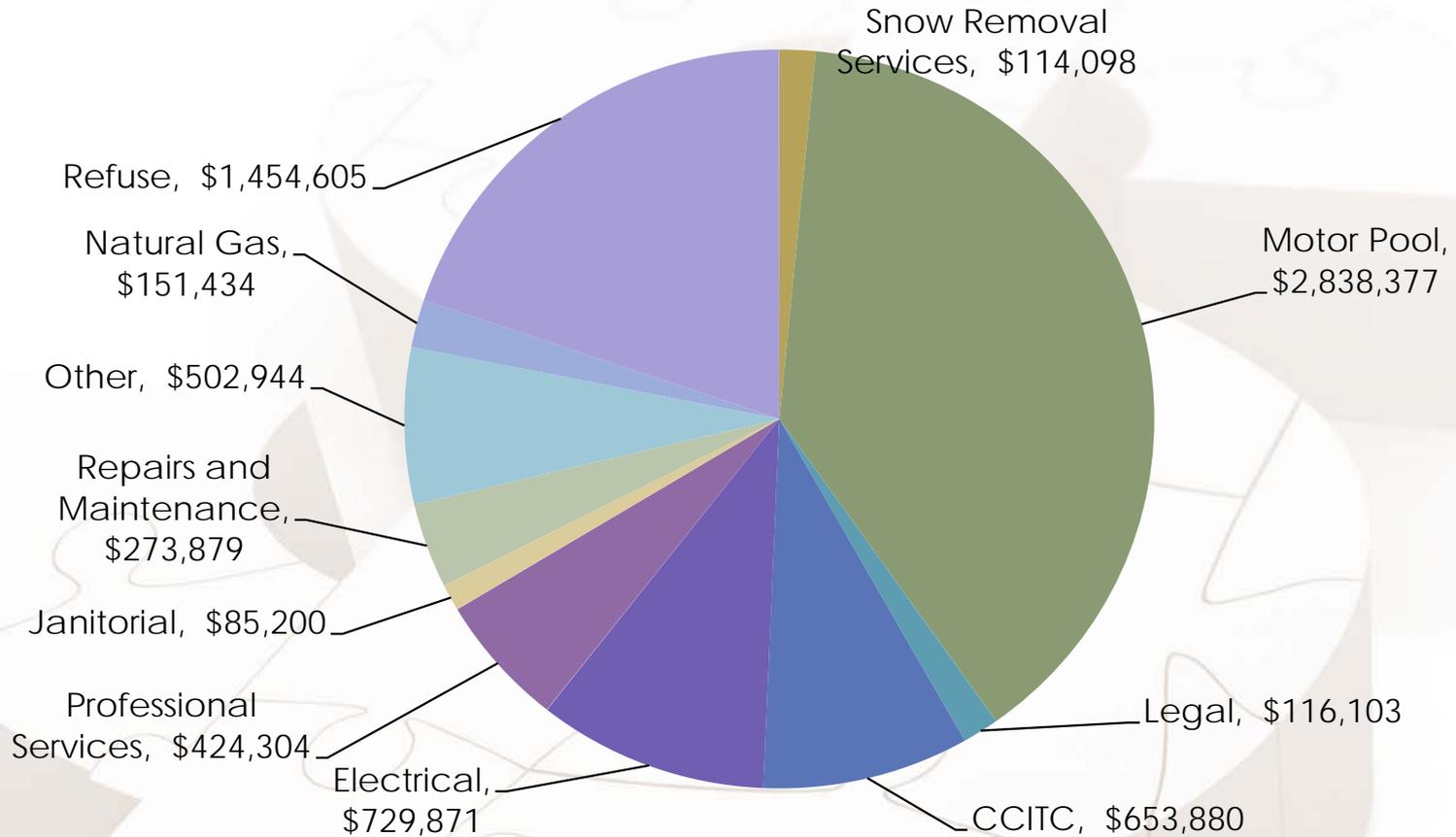
	2014 Budget	2014 Actual	Variance
General Government	\$4,130,112	\$4,067,801	62,311
Public Safety	15,475,239	15,604,592	(129,353)
Transportation/Streets	7,899,463	8,104,483	(205,020)
Sanitation/Health	1,481,300	1,490,395	(9,095)
Nat Resource/Parks	2,437,790	2,331,613	106,177
Transfers Out – Animal Control	<u>64,649</u>	<u>63,500</u>	<u>1,149</u>
Total	\$31,488,553	\$31,662,384	(173,831)



General Fund Salaries and Benefits

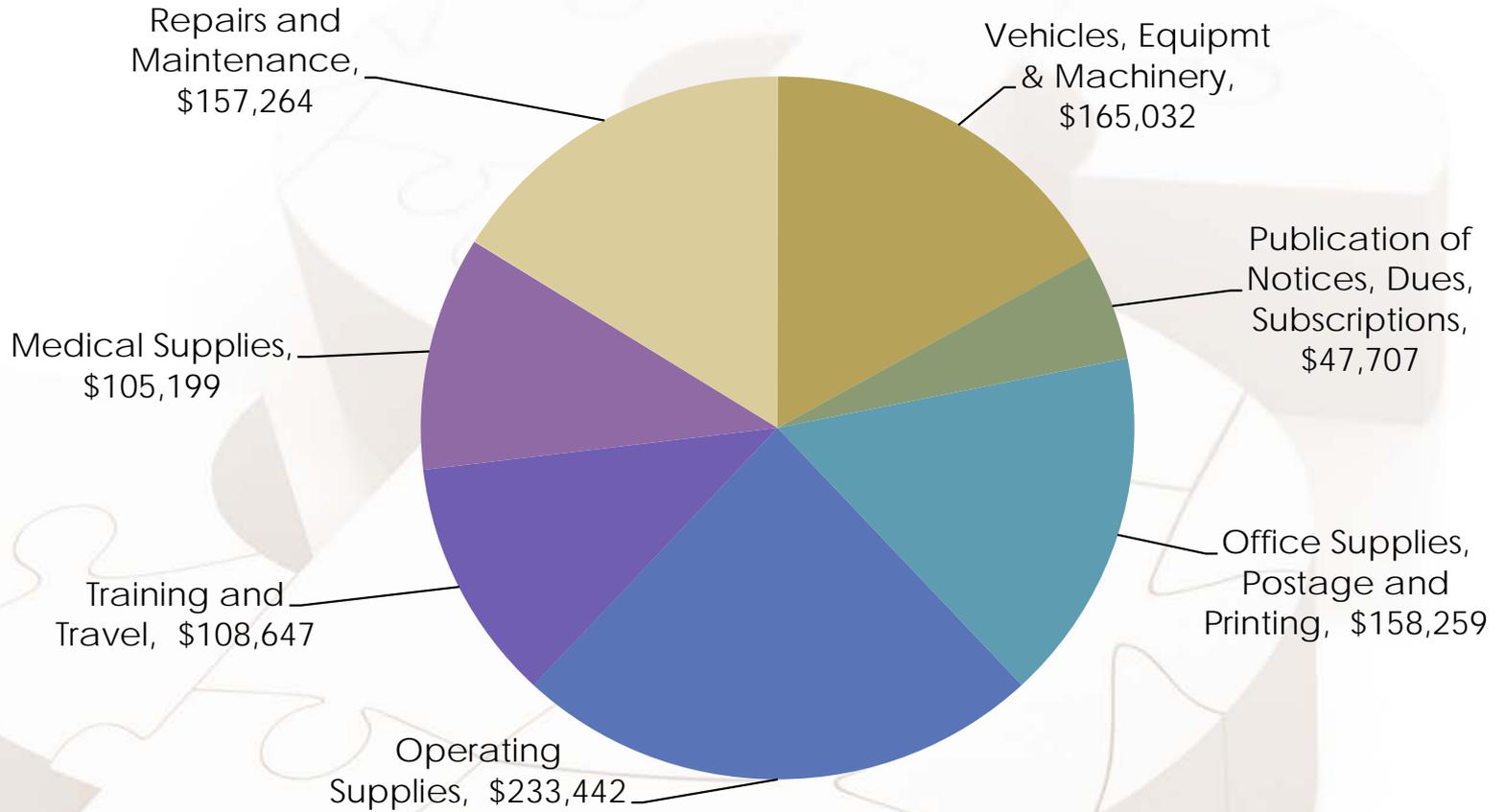
	2014 Budget	2014 Actual	Budget Variance
Salaries and Wages	\$15,474,231	\$15,602,265	(\$128,034)
FICA	954,066	877,362	76,704
Retirement - ER	1,516,046	1,510,656	5,390
Health Insurance	3,573,270	3,431,215	142,055
Dental Insurance	123,719	110,610	13,109
Workers Compensation	431,940	343,700	88,240
Life Insurance	5,633	4,112	1,521
Unemployment	1,271	4,459	(3,188)
TOTALS	\$22,080,176	\$21,884,379	\$195,797

General Fund Contractual Services



	2014 Budget	2014 Actual	2013 Actual
Contractual Services	\$6,913,326	\$7,344,695	\$6,686,829

General Fund Supplies and Expenses



	2014 Budget	2014 Actual	2013 Actual
Supplies and Expenses	\$1,055,845	\$975,550	\$1,030,901



General Fund Other Expenditures

	2014 Budget	2014 Actual	Budget Variance
Building Materials	\$783,785	\$677,787	\$105,998
Fixed Charges	343,221	368,002	(24,781)
Capital Outlay	151,901	156,176	(4,275)
Other	160,299	255,795	(95,496)



Special Revenue Funds

	Fund Balance December 31, 2014	2013	2012
HUD Mortgage Fund	18,865	13,954	1,240
Economic Development Fund	375,403	410,458	547,844
Room Tax Fund	89,436	130,525	87,604
EMS Grant Fund	11,237	53,257	48,565
Holtz Krause Fund	1,685,936	1,810,082	1,798,349
Other Grants and Special Purpose Accounts	593,115	570,085	637,988
Housing Stock Improvement Fund	633,390	-	-

- The City of Wausau maintains a number of Special Revenue Funds that account for activity where the revenue source is restricted for specific purposes. The funds above experienced an increase in fund balance from the prior year



Special Revenue Funds

	Fund Balance December 31, 2014	2013	2012
CDBG Grants Fund	1,226,588	1,218,804	\$1,273,995
DLAD Mortgage Program Fund	507,461	519,322	451,676
Federal Rent Rehabilitation Fund	344,865	349,147	349,525
WRRP Fund	1,337,190	1,106,167	1,050,943
HazMat Fund	94,079	90,898	132,991
Public Access Fund	5,764	3,643	572
Recycling Fund	2,701	-	-
Rental Licensing	13,489	-	-



Debt Service Fund

Debt Service Funds are used to account for governmental fund debt. Debt financed by the tax increment districts is funded through transfers into the Debt Service Fund

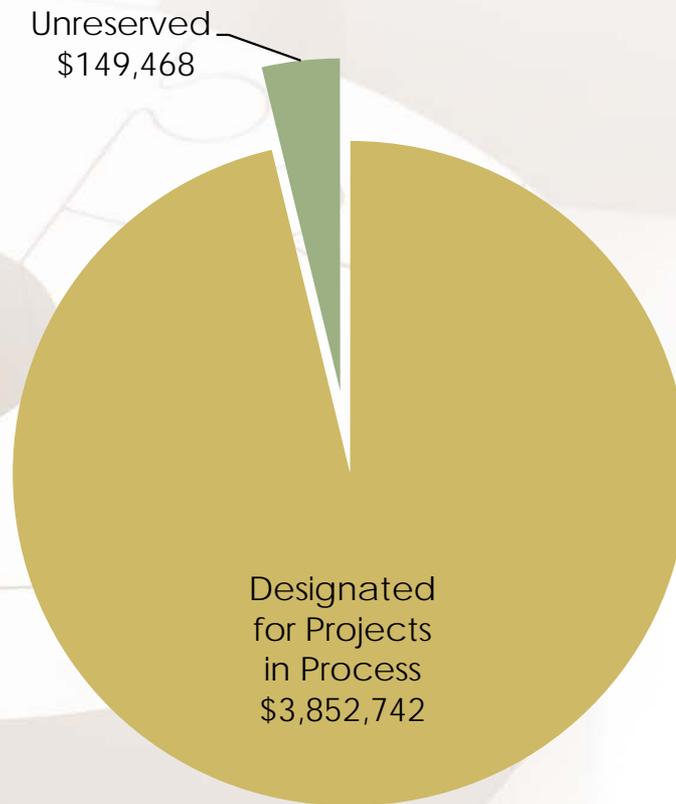
Revenues	
Taxes	\$4,088,000
Other Revenue	262,995
Issuance of Debt	2,450,000
Transfers In	<u>4,176,572</u>
Total Revenue	<u>10,977,567</u>
Expenditures	
Principal	9,799,708
Interest	<u>1,103,436</u>
Total Expenditures	<u>10,903,144</u>
Net Change in Fund Balance	74,423
Beginning Fund Balance	<u>666,846</u>
Ending Fund Balance	\$741,269



Capital Projects Fund

The Capital Projects Fund accounts for the annual CIP Plan. Revenues including Property Taxes, Debt Proceeds, Special Assessment Income, Grants and Transfers from Other Funds. At yearend, the Council considered a carryover resolution to complete projects in 2015 which were started in 2014.

**2014 Fund Balance -
\$4,002,210**





Tax Increment District Funds

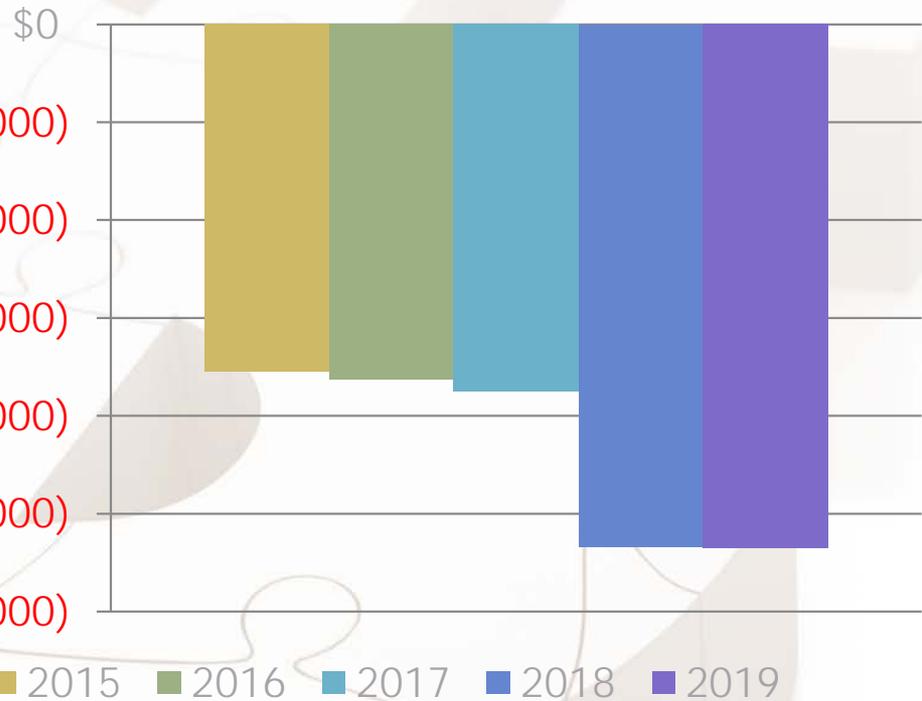
	Fund Balance December 31, 2014	2013	2012	2011
TID #2 - closed	\$-	\$261,676	\$-	\$-
TID #3	(3,248,091)	(2,105,440)	(1,132,734)	(2,828,726)
TID #4 - closed	-	-	(481,234)	(1,037,208)
TID #5	(198,888)	(309,353)	(841,371)	640,475
TID #6	(630,845)	(309,591)	1,015,973	1,870,897
TID #7	(1,776,943)	(1,524,184)	(1,222,334)	(999,205)
TID #8	105,706	(25,872)	(7,801)	-
TID #9	(90,985)	(9,872)	(139,167)	-
TID #10	69,627	(1,000)	-	-



TID #3

Current and Future Projects

- River Edge Trail
- Remediation (\$1,000,000)
- WOW
- Savo Supply (\$2,000,000)
- New Developments
- 1st Street (\$3,000,000)
- McClellan
- Wausau Club (\$4,000,000)
- Church Site
- Skywalk (\$5,000,000)
- Parking Ramp (\$6,000,000)



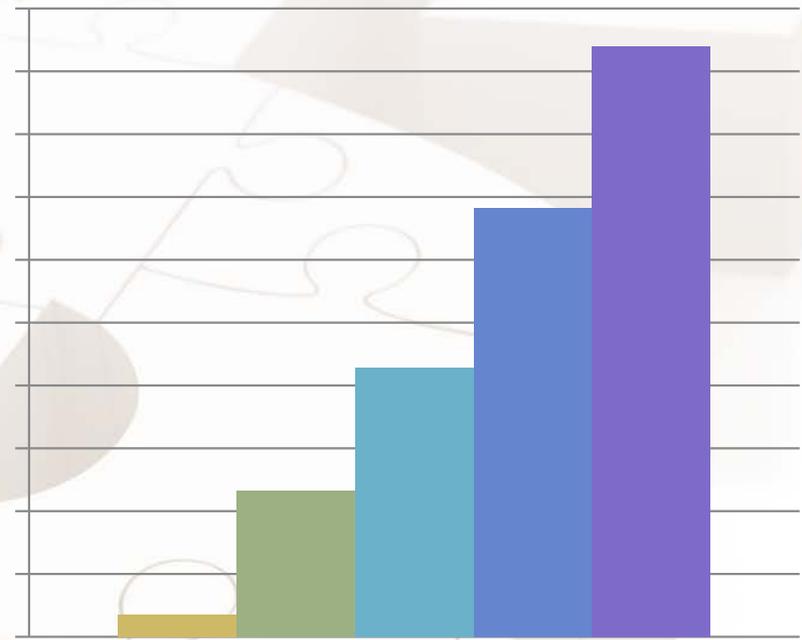
FUND DEFICIT



TID #5

Current/Future Projects
Wausau Window Wall
Composite Invision
Expenditure Period Closed
7/2015

\$5,000,000
\$4,500,000
\$4,000,000
\$3,500,000
\$3,000,000
\$2,500,000
\$2,000,000
\$1,500,000
\$1,000,000
\$500,000
\$-



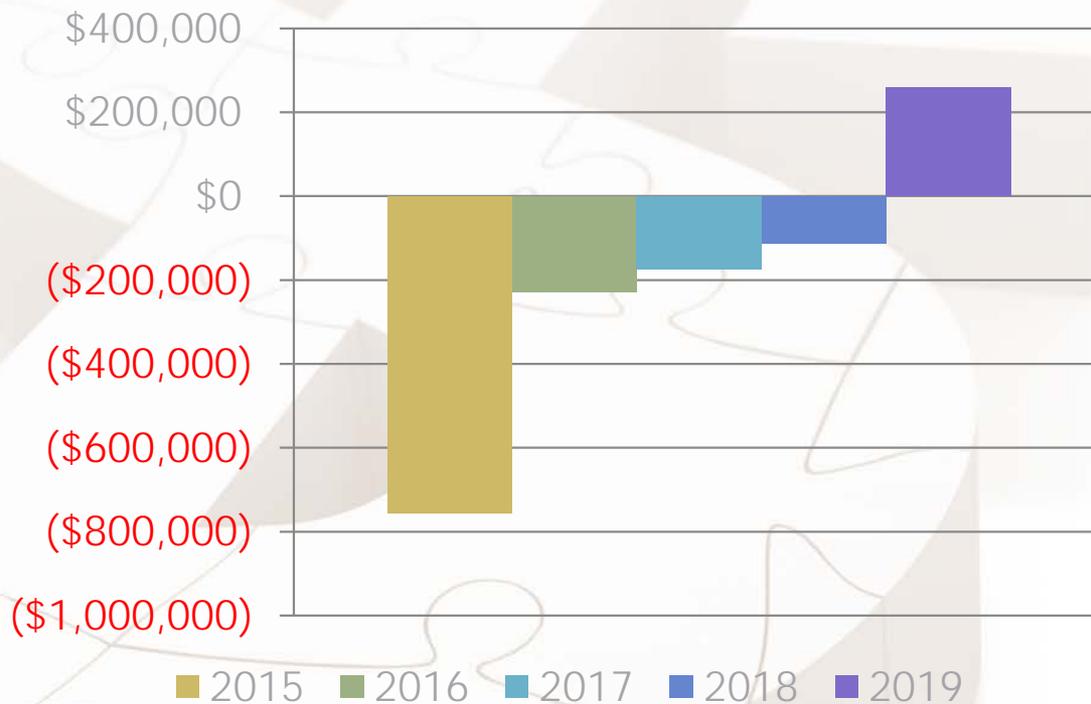
■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019

FUND BALANCE



TID #6

Current/Future Projects
Thomas Street
Developer Payments

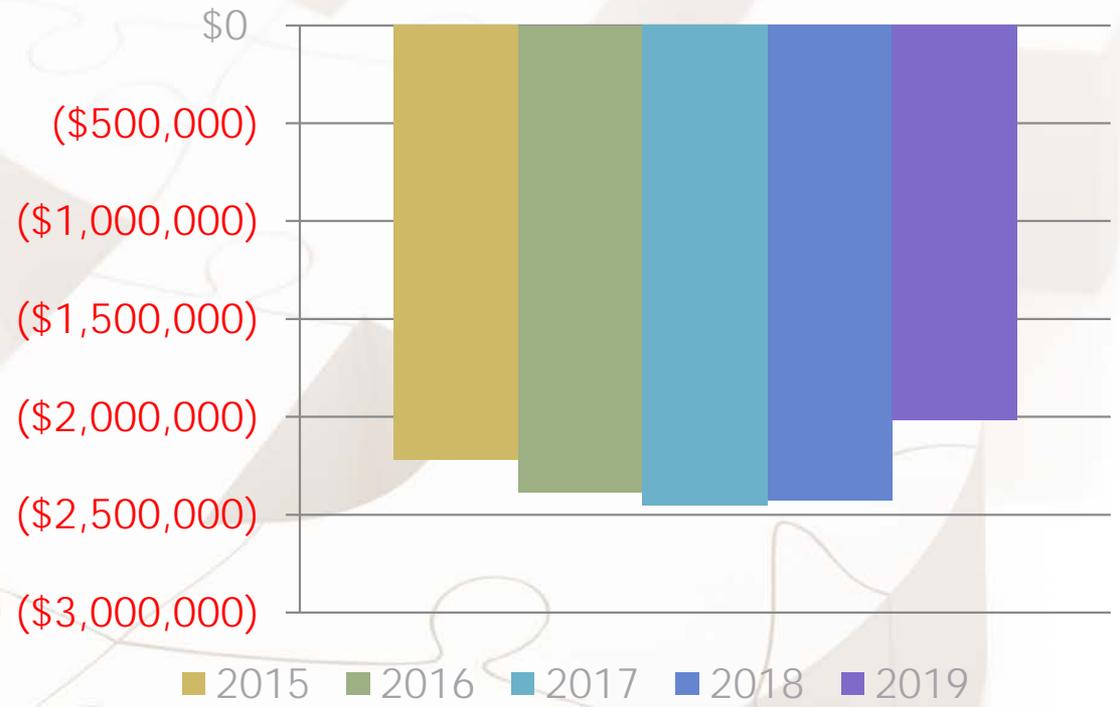


FUND BALANCE/ (DEFICIT)



TID #7

Current/Future Projects
New Development

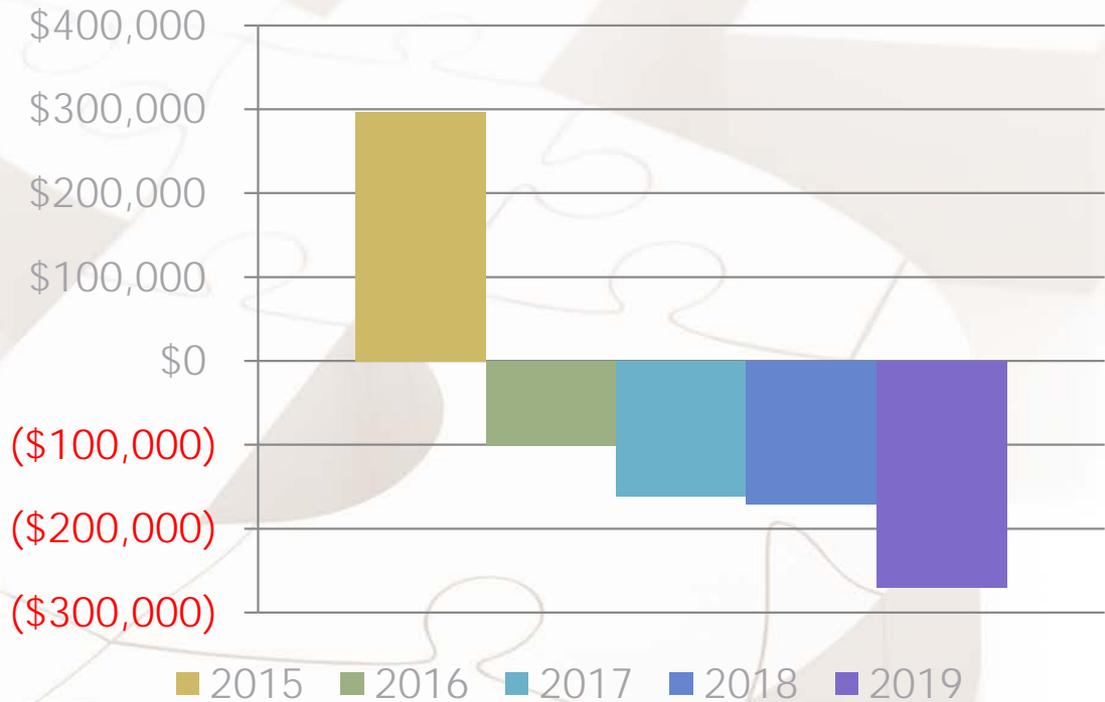


FUND (DEFICIT)



TID #8

Current/Future Projects
2nd Avenue & Clark
Schierl Project

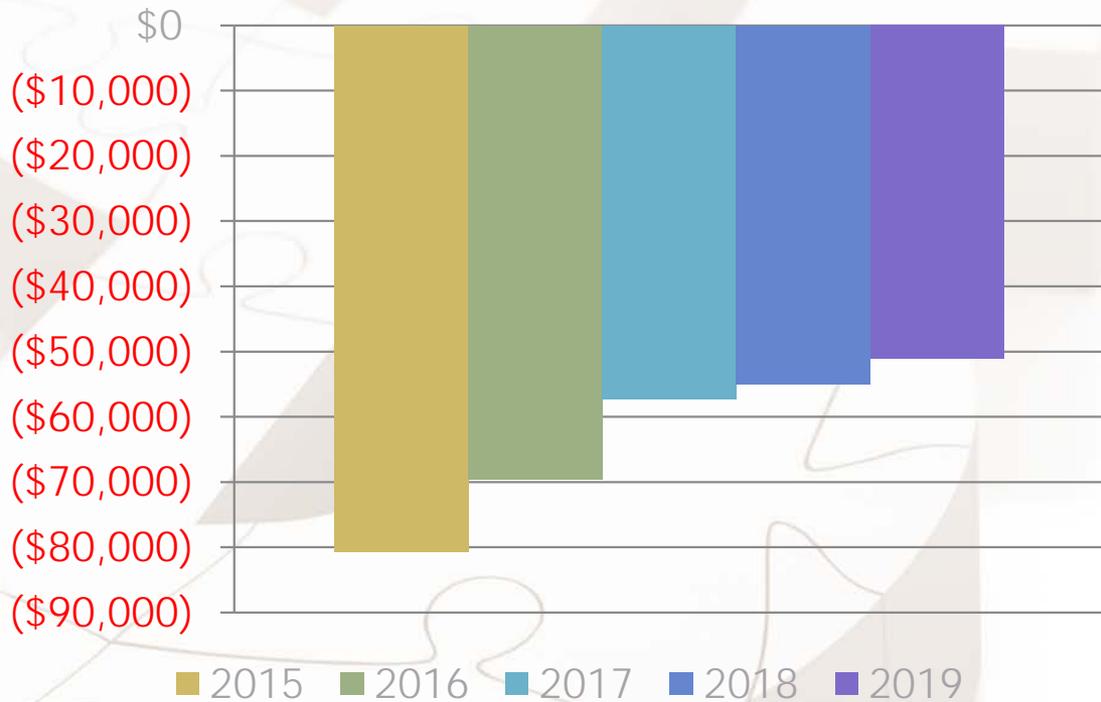


FUND BALANCE/(DEFICIT)



TID #9

Current/Future Projects
None

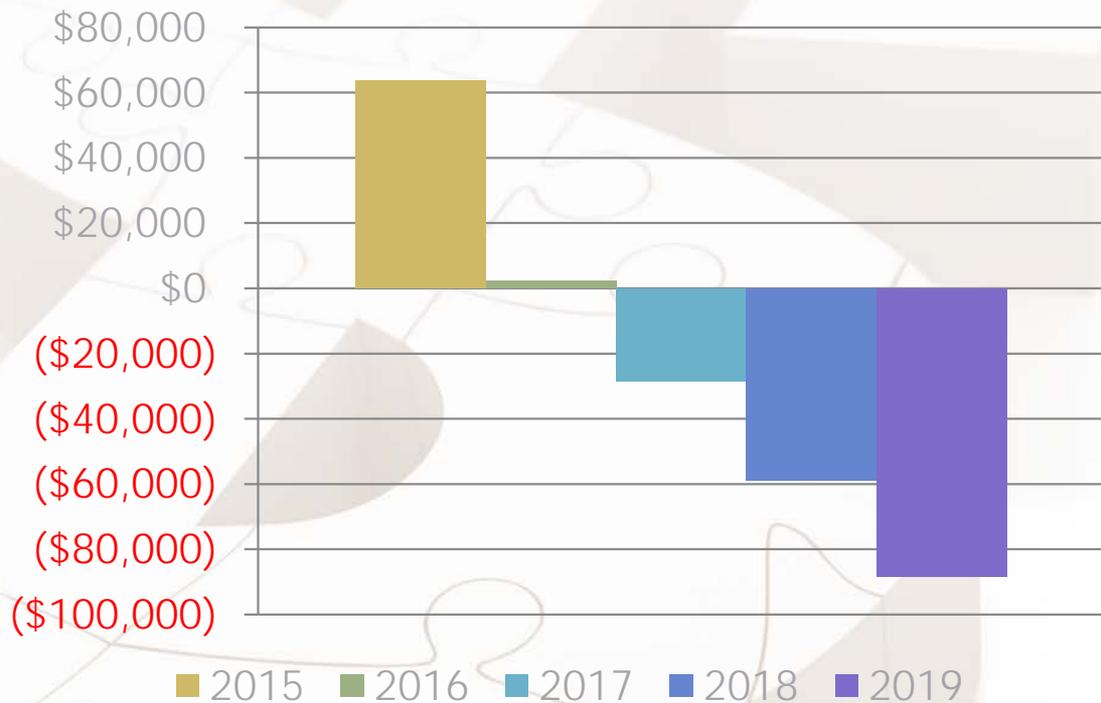


FUND / (DEFICIT)



TID #10

Current/Future Projects
None



FUND BALANCE / (DEFICIT)



Internal Service Funds

	Motor Pool	Insurance Fund	Employee Benefit Fund
Change in Net Assets	\$287,334	\$169,034	(\$392,291)
Unrestricted Net Position 12/31/2014	504,462	465,891	325,294
Unrestricted Net Position 12/31/2013	788,675	296,857	717,585



Enterprise Funds

	Water Utility	Wastewater Utility	Parking Fund	Metro Ride
Change In Net Position	(\$306,427)	\$901,525	(\$488,257)	(\$491,872)
Unrestricted Net Position 12/31/2014	431,801	2,461,789	652,365	304,205
Unrestricted Net Position 12/31/2013	1,152,406	2,450,052	544,808	229,303



Enterprise Funds

	Airport Fund	Animal Control Fund
Change in Net Position	(\$166,157)	(\$3,046)
Unrestricted Net Position 12/31/2014	17,683	17,186
Unrestricted Net Position 12/31/2013	55,142	20,232



Agency Funds

	<ul style="list-style-type: none">Funds Held for Others	
--	---	--

- \$406,736

- Entrepreneurial Center \$234,326
- Wausau Events \$112,545
- Main Street \$59,865



Economic Development

- Business Campus \$8 million
 - Four Facility Expansions
 - Relocation of Plant from Colorado
- Medical Facilities \$14 million
 - Two New Facilities
- Commercial Construction \$19.5 million
 - Seven Facilities
- Multi Family Housing \$ 9 million
 - 200 Units
- Redevelopment Projects
 - 4 Significant Projects
 - Riverfront RFP's this fall
 - Downtown Brownstone Project
 - Culinary School/Food Incubator/Public Market
- Athletic Park Improvements \$3 M



CITY OF WAUSAU 2015 BUDGET
GENERAL FUND STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
May 31, 2015
NARRATIVE

REVENUES

Below is a description of notable items.

Other Taxes – In 2014 the City received an omitted tax payment of \$42,340 which is not a regularly occurring payment.

Municipal Services – The City receives an annual payment for the state and this account will fall short of budget by \$10,990.

Other Grants – The 2014 included the tree grant the parks department received which is not a recurring grant. The balance of the short fall from 2014 YTD is due to the ending of the police department domestic violence abuse grant that ended June 2014.

Licenses – Last year the City had a significant number of the five year burning permits renew \$13,500. Fewer burning permit licenses will be expiring this year. The budget for burning permits is \$8,000 the actual revenue to date is \$10,453.

Permits – Building permits are showing a positive variance from 2014 but it is unknown at this time whether they will meet the budget projections. 2014 total revenue was \$181,803.

Fines, Forfeitures and Penalties – This revenue is down \$22,000 from the collections of May 2014. We dropped the 2015 budget as compared to the 2014 budget but this may not have been sufficient as the 2014 actual revenues were \$355,000. Based upon the past two year trends this revenue will fall short of budget by \$65,000.

Public Charges General Government – 2014 revenues included the fee for exempt not-for-profit reports which are a biennial filing. No budget problems are expected.

Public Charges Public Safety – Currently revenues looking good exceeding both 2014 and budget projections. Strong EMS Collections to date.

Public Charges Streets – 2015 revenues appear down from 2014 and represents a sidewalk shoveling charged to downtown property owners. The amount billed is down about \$10,000 from 2014 due to lack of snow.

Public Charges Recreation – it appears that 2015 revenues will lag 2014 revenues for winter recreation by about \$12,000. This is likely due to the cold weather, limited snow and the abrupt end to winter. Overall we did not meet the 2014 revenue budget of \$139,800 and could experience greater shortages in 2015 due to an increased budget. The unanticipated closing of Memorial Pool will also decrease revenues but expenses should also decrease mitigating the financial impact to the city.

Public Charges Public Areas – It appears the 2015 revenues could lag 2014 again due to the winter recreation program. In addition, this area contains a budget of \$60,000 for sponsorship revenue.

Intergovernmental Charges for Services – No expected budget difficulties expected at this time.

Interest on General Investments – The 2014 and 2015 interest reflects timing of maturities and related interest.

Miscellaneous Revenues – No expected budget difficulties expected at this time.

Other Financing Sources - No expected budget difficulties expected at this time. PILOT from the utility is being posted monthly in 2015 rather than at yearend.

EXPENSES

The budget to date appears in line with the budget with 37.4% of the budget spent and 41.7% of the year complete.

Unclassified – This account contains that tax payment to Sears for \$86,419.

Fire – May have a few line items with issues. Other professional services funds the billing costs for EMS which is a percent of revenues. Since revenues are running high this account will too.

Ambulance – Lab supplies are nearly exhausted.

Transportation and Streets – These accounts reflect the minimal snowfall in 2015. Expenses are \$485,000 less than 2014.

BUDGET RISKS - \$262,409

- Sponsorship Revenues \$60,000
- Municipal Service Revenues \$10,990
- Building Permit Revenue \$Unknown
- Fines and Forfeitures \$65,000
- Park Revenue \$15,000
- Tax Payments \$86,419
- EMS Lab Supplies \$25,000
- Ambulance Billing Costs will depend upon continued high collections

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL
Period Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget	2014 Actual
	Original	Final			
TAXES					
General property taxes	\$ 16,200,627	\$ 16,200,627	\$ 16,200,627	\$ -	\$ 15,817,883
Mobile home parking fees	28,000	28,000	14,448	(13,552)	10,180
Payments in lieu of taxes	115,000	115,000	29,081	(85,919)	1,424
Other taxes	67,709	67,709	31,490	(36,219)	78,182
Total Taxes	<u>16,411,336</u>	<u>16,411,336</u>	<u>16,275,646</u>	<u>(135,690)</u>	<u>15,907,669</u>
INTERGOVERNMENTAL					
State shared taxes	4,434,045	4,434,045	-	(4,434,045)	-
Expenditure restraint	771,566	771,566	-	(771,566)	-
Fire insurance tax	105,000	105,000	-	(105,000)	-
Municipal services	195,000	195,000	184,010	(10,990)	195,507
Transportation aids	2,541,749	2,541,749	1,268,658	(1,273,091)	1,187,528
Other grants	123,834	123,834	60,724	(63,110)	100,037
Total Intergovernmental	<u>8,171,194</u>	<u>8,171,194</u>	<u>1,513,392</u>	<u>(6,657,802)</u>	<u>1,483,072</u>
LICENSES AND PERMITS					
Licenses	175,531	175,531	115,751	(59,780)	126,348
Franchise fees	340,000	340,000	60,360	(279,640)	95,694
Permits	227,519	227,519	68,684	(158,835)	49,562
Total Licenses and Permits	<u>743,050</u>	<u>743,050</u>	<u>244,795</u>	<u>(498,255)</u>	<u>271,604</u>
FINES, FORFEITURES AND PENALTIES					
	<u>398,000</u>	<u>398,000</u>	<u>160,483</u>	<u>(237,517)</u>	<u>182,902</u>
PUBLIC CHARGES FOR SERVICES					
General government	67,300	67,300	29,227	(38,073)	34,987
Public safety	1,377,200	1,377,200	591,070	(786,130)	525,829
Streets and related facilities	79,971	79,971	73,881	(6,090)	84,284
Recreation	144,700	144,700	51,220	(93,480)	63,834
Public areas	159,479	159,479	18,988	(140,491)	31,393
Total Public Charges for Services	<u>1,828,650</u>	<u>1,828,650</u>	<u>764,386</u>	<u>(1,064,264)</u>	<u>740,327</u>
INTERGOVERNMENTAL CHARGES FOR SERVICES					
State and federal reimbursements	11,340	11,340	120	(11,220)	100
County and other municipalities	236,264	239,514	25,347	(214,167)	46,131
City departments	1,249,432	1,249,432	10,274	(1,239,158)	17,508
Total Intergovernmental Charges for Services	<u>1,497,036</u>	<u>1,500,286</u>	<u>35,741</u>	<u>(1,464,545)</u>	<u>63,739</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (Continued)
Period Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget	2014 Actual
	Original	Final			
COMMERCIAL					
Interest on general investments	\$ 260,000	\$ 260,000	\$ 71,649	\$ (188,351)	\$ 96,138
Interest on special assessments	15,000	15,000	199	(14,801)	38
Other interest	<u>19,000</u>	<u>19,000</u>	<u>17,557</u>	<u>(1,443)</u>	<u>16,826</u>
Total Commercial	<u>294,000</u>	<u>294,000</u>	<u>89,405</u>	<u>(204,595)</u>	<u>113,002</u>
MISCELLANEOUS REVENUES					
Rent of land and buildings	210,100	210,100	109,485	(100,615)	95,583
Sale of City property/loss compensation	12,500	12,500	13,418	918	8,063
Other miscellaneous revenues	<u>110,022</u>	<u>110,022</u>	<u>2,539</u>	<u>(107,483)</u>	<u>2,610</u>
Total Miscellaneous Revenues	<u>332,622</u>	<u>332,622</u>	<u>125,442</u>	<u>(207,180)</u>	<u>106,256</u>
OTHER FINANCING SOURCES					
Transfers in	<u>1,897,000</u>	<u>1,897,000</u>	<u>621,401</u>	<u>(1,275,599)</u>	<u>-</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES					
	<u>\$ 31,572,888</u>	<u>\$ 31,576,138</u>	<u>\$ 19,830,691</u>	<u>\$ (11,745,447)</u>	<u>\$ 18,868,571</u>

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
Period Ended May 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget	2014 Actual
	Original	Final			
GENERAL GOVERNMENT					
City Council	\$ 112,122	\$ 112,122	\$ 31,932	\$ 80,190	\$ 34,208
Mayor	203,263	203,263	77,875	125,388	90,795
City Promotion	124,600	124,600	46,370	78,230	71,395
Finance department	471,638	471,638	196,619	275,019	157,593
Data processing	696,369	696,369	306,610	389,759	330,322
City clerk/customer service	492,398	492,398	193,841	298,557	192,958
Elections	34,950	34,950	17,493	17,457	21,243
Assessor	595,907	595,907	210,694	385,213	223,893
City attorney	490,025	490,025	169,216	320,809	181,340
Municipal court	128,529	128,529	47,064	81,465	49,930
Human resources	293,937	293,937	116,004	177,933	138,951
City hall and other municipal buildings	321,523	321,523	115,460	206,063	120,849
Unclassified	32,000	135,192	105,499	29,693	5,326
Total General Government	3,997,261	4,100,453	1,634,677	2,465,776	1,618,803
PUBLIC SAFETY					
Police department	8,973,536	8,976,786	3,449,085	5,527,701	3,355,878
Fire department	3,431,816	3,431,816	1,449,867	1,981,949	1,408,146
Ambulance	2,991,652	2,991,652	1,104,778	1,886,874	1,217,375
Inspections and electrical systems	705,394	705,394	253,121	452,273	248,675
Total Public Safety	16,102,398	16,105,648	6,256,851	9,848,797	6,230,074
TRANSPORTATION AND STREETS					
Engineering	1,401,003	1,401,003	503,057	897,946	535,264
Department of public works	6,082,730	6,082,730	2,322,516	3,760,214	2,883,967
Total Transportation and Streets	7,483,733	7,483,733	2,825,573	4,658,160	3,419,231
SANITATION, HEALTH AND WELFARE					
Garbage and refuse collection	1,537,400	1,537,400	514,164	1,023,236	485,277
NATURAL RESOURCES/RECREATION					
Parks and recreation	2,452,096	2,452,096	606,990	1,845,106	640,615
TOTAL EXPENDITURES	\$ 31,572,888	\$ 31,679,330	\$ 11,838,255	\$ 19,841,075	\$ 12,394,000

CITY OF WAUSAU, WISCONSIN
GENERAL FUND
SUMMARY OF BUDGET MODIFICATIONS
Period Ended May 31, 2015

BUDGET REVENUES RECONCILIATION

2015 ADOPTED BUDGET	\$ 31,572,888
Budget modification for Police Department for sale of sniper rifle	<u>3,250</u>
2015 MODIFIED BUDGET	<u>\$ 31,576,138</u>

BUDGET EXPENDITURES RECONCILIATION

2015 ADOPTED BUDGET	\$ 31,572,888
Resolution 12-0313 Budget modification for settlement of tax claims by Sears Holdings Corporation	86,419
Budget modification for Police Department for use of sniper rifle proceeds for SWAT equipment	3,250
Resolution 15-0406 Budget modification for settlement of tax claim by Associated Bank	<u>16,773</u>
2015 MODIFIED BUDGET	<u>\$ 31,679,330</u>



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: Resolutions Awarding the Sale of 2015A, 2015B and 2015C Debt Issues

Purpose: To present the results of our competitively bid debt issuance

Background: On June 10th, 2015 the Common council authorized three resolutions directing staff to issue debt for our 2015 capital plan and TID district projects. Upon adoption of the resolution, I have worked with our Financial Advisors to prepare official statements and present the city's borrowings and financials to Moody's for a credit rating. The rating from Moody's is expected on Friday, July 10 and will be forwarded to the Common Council upon receipt. All council members should have also been provided electronic copies of the Official Statement directly from Elhers.

Elhers, assesses the financial markets and makes recommendations in an effort to position our debt to the underwriters in a manner that will generate wide interest in our bonds and achieve the lowest interest rate for the city. As they evaluated our issues they recommended that the City structure the issues to allow the underwriters the opportunity to add a premium to the issue. This premium allows the underwriters the ability to offer the city a low interest rate while increasing the interest paid to the bond holders. Since any premium offered is included in the computation for the bank qualified threshold of \$10,000,000; the City needed to reduce the principal amount of debt issued to accommodate the premium. Elhers recommended a premium of approximately \$355,000. After working with city staff it was determined that we reduce funding for the TID #8 2nd Avenue and Clark Street Project. Based upon my conversation with Eric Lindeman it is uncertain whether this project will be a go this year due to the significant utility work and the delay in design completion. Eric stated he had discussed this issue with Lisa Rasmussen, CISM chair. This reduction maintains \$1 million in the project borrowing for this street project and allows the city to take advantage of low rates, hedge against future interest rate increases and maximize our bank qualified issue. If in the remote situation the project goes in 2015 the city will reimburse the city in 2016. If the project is delayed until 2016 the City can evaluate the TID #8 increment and other revenues and expenses to determine if we need to borrow the additional funds in TID #8. By law, the City has the opportunity to modify the issue to a lesser amount during the process but we can't increase the amount without reconsidering the preliminary resolutions. Prior to authorizing the change, I obtained approval from the Finance Committee Chair. Below is a summary of the issues and the change:

	Authorized on June 10	Sale Amount	Difference
Taxable Bonds	\$2,655,000	\$2,655,000	\$0
Promissory Notes	\$4,285,000	\$3,930,000	\$355,000
Bonds	\$5,705,000	\$5,705,000	\$0

The sale of the issue will take place on July 14th. Results of the competitive sale will be tabulated by Elhers and they will present their recommendations to Finance and the Common Council that evening.

Based upon the market this week, we should receive favorable rates.



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Indianapolis
Madison
Milwaukee
Naples
Phoenix
Tampa
Tucson
Washington, D.C.

July 7, 2015

VIA EMAIL

Ms. Maryanne A. Groat, CPA
Finance Director/Treasurer
City of Wausau
407 Grant Street
Wausau, WI 54403

Re: City of Wausau - \$3,930,000 General Obligation Promissory Notes, Series 2015A; \$5,705,000 General Obligation Corporate Purpose Bonds, Series 2015B and \$2,655,000 Taxable General Obligation Community Development Bonds, Series 2015C

Dear Ms. Groat:

Attached is a draft of each of the **Award Resolutions** to be adopted in connection with the above-referenced financings. We have prepared the Resolutions with the information provided to us by Ehlers & Associates, Inc. ("Ehlers"). Please review them carefully.

It is our understanding that the Resolutions will be considered by the Common Council at its regular meeting on July 14, 2015 after the bid opening earlier that day.

If you have not already done so, please include the titles of the Resolutions 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 attached **Certificate of Compliance with Open Meeting Law** must be completed in connection with the meeting at which the Resolutions are 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 the Resolutions. We will provide you with an Excerpts of Minutes form for you to complete which records the vote on the Resolutions on the day of the meeting.

Ms. Maryanne A. Groat, CPA
July 7, 2015
Page 2

You will note in reviewing the Resolutions that some of the exhibits will be provided to the City on the day of sale. It is our understanding that Ehlers will provide this information to you and to us after the bid opening and prior to the meeting on July 14, 2015. We will review and confirm that information. We will email a final copy and Ehlers will deliver final copies of the Resolutions, including all exhibits, on the day of sale (July 14, 2015) prior to the meeting for the Common Council to review and approve. We will also provide hard copies of the complete finalized Resolutions at the time we send the closing documents.

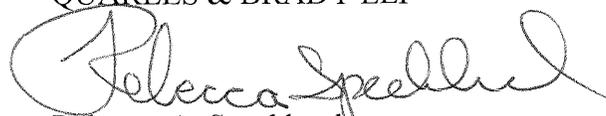
Following the adoption of the Resolutions, we request that you return two executed copies of the Resolutions, as well as two executed copies of the Certificate and Excerpts, to us for our review. All of these originally signed documents will be included in the closing transcripts. A copy of the Resolutions should be incorporated into the minutes of the July 14, 2015 meeting.

We are also attaching a **Municipal Information Questionnaire** and a **Private Activity and Other Tax Matters Questionnaires** (one for each tax-exempt issue). Please review, correct, if necessary, complete and return these questionnaires to us before the July 14, 2015 meeting. They contain information which will help us draft the closing documents which will be required in connection with this financing.

If you have any questions regarding the attached documents or any other matter, please do not hesitate to call me at (414) 277-5761 or Bridgette Keating at (414) 277-5790.

Very truly yours,

QUARLES & BRADY LLP



Rebecca A. Speckhard

RAS:BJK:TAB:meg
Enclosures
#940025.00009

cc: Ms. Toni Rayala (w/enc. via email)
Ms. Mary Goede (w/enc. via email)
Anne Jacobson, Esq. (w/enc. via email)
Mr. Phil Cosson (w/enc. via email)
Mr. James A. Mann (w/enc. via email)
Ms. Kathy Myers (w/enc. via email)
Ms. Sue Porter (w/enc. via email)
Ms. Mary Zywiec (w/enc. via email)
Mr. Brendan Leonard (w/enc. via email)
Mr. Peter Curtin (w/enc. via email)
Bridgette J. Keating, Esq. (w/enc. via email)

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE	
AUTHORIZING THE ISSUANCE AND SALE OF \$3,930,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2015A	
Committee Action:	Pending
Fiscal Impact:	
File Number:	15-0608
Date Introduced:	July 14, 2015

FISCAL IMPACT SUMMARY			
COSTS	<i>Budget Neutral</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Amount: To be determined on sale date</i>
SOURCE	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

RESOLUTION

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Wausau, Marathon County, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of Wisconsin Department of Transportation projects, street, sidewalk, storm sewer and other concrete improvements and extensions, acquiring fire equipment and a transit hoist, and providing financial assistance to Tax Incremental District No. 8 projects, such as street improvements and utility relocation and remediation (collectively, the "Project");

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

WHEREAS, cities are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, pursuant to a resolution adopted on June 10, 2015, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the general obligation promissory notes (the "Notes") to pay the cost of the Project;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on July 14, 2015;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Notes for public sale on July 14, 2015;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

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

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of THREE MILLION NINE HUNDRED THIRTY THOUSAND DOLLARS (\$3,930,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the note issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2015A"; shall be issued in the aggregate principal amount of \$3,930,000; shall be dated August 6, 2015; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on

April 1, 2016. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on April 1, 2023 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on April 1, 2022 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [If the Proposal specifies that any of the Notes are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.]

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2015 through 2024 for the payments due in the years 2016 through 2025 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

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

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct

from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$3,930,000 General Obligation Promissory Notes, Series 2015A, dated August 6, 2015" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued

have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures

appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by [_____, _____, _____, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes] **OR** [the City Clerk or City Treasurer] (the "Fiscal Agent"). [The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.]

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the

Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 17. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 20. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 21. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded July 14, 2015.

James E. Tipple
Mayor

ATTEST:

Toni Rayala
City Clerk

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

[EXHIBIT MRP

Mandatory Redemption Provision

The Notes due on April 1, _____, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on April 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
MARATHON COUNTY
NO. R-____ CITY OF WAUSAU \$_____
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2015A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
April 1, _____ August 6, 2015 _____% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$_____)

FOR VALUE RECEIVED, the City of Wausau, Marathon County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2016 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by [_____, _____, _____] **OR** [the City Clerk or City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$3,930,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin

Statutes, for public purposes including paying the cost of Wisconsin Department of Transportation projects, street, sidewalk, storm sewer and other concrete improvements and extensions, acquiring fire equipment and a transit hoist, and providing financial assistance to Tax Incremental District No. 8 projects, such as street improvements and utility relocation and remediation, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on June 10, 2015 and July 14, 2015. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on April 1, 2023 and thereafter are subject to redemption prior to maturity, at the option of the City, on April 1, 2022 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the resolution authorizing the Notes at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

[This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.]

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Wausau, Marathon County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF WAUSAU,
MARATHON COUNTY, WISCONSIN

By: _____
James E. Tipple
Mayor

(SEAL)

By: _____
Toni Rayala
City Clerk

[Date of Authentication: _____, 2015

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Wausau, Wisconsin.

_____,
_____, _____

By _____
Authorized Signatory]

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

[EXHIBIT F

Fiscal Agency Agreement

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE	
AWARDING THE SALE OF \$5,705,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2015B	
Committee Action:	Pending
Fiscal Impact:	
File Number:	15-0609
Date Introduced:	July 14, 2015

FISCAL IMPACT SUMMARY			
COSTS	<i>Budget Neutral</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Amount: To be determined on sale date</i>
SOURCE	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount: Annual Retirement</i>
	<i>TID Financed:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Amount: \$2,645,000</i>
	<i>TID Source: Increment Revenue <input checked="" type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/></i>		

RESOLUTION

WHEREAS, on June 10, 2015, the Common Council of the City of Wausau, Marathon County, Wisconsin (the "City") adopted initial resolutions authorizing the issuance of general obligation bonds in an amount not to exceed \$2,645,000 for the public purpose of paying the cost of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Incremental District Nos. 3 and 10; and in an amount not to exceed \$3,060,000 for the public purpose of paying the cost of swimming pool projects; (collectively, the "Initial Resolutions");

WHEREAS, pursuant to the provisions of Section 67.05, Wisconsin Statutes, within 15 days following the adoption of the Initial Resolutions, the City Clerk caused a notice to electors to be published in the Wausau Daily Herald, stating the purpose and maximum principal amount of the bond issues authorized by the Initial Resolutions and describing the opportunity and procedure for submitting a petition requesting a referendum on the bond issues authorized by the Initial Resolutions;

WHEREAS, no petition for referendum was filed with the City Clerk, and the time to file such a petition has expired;

WHEREAS, on June 10, 2015, the Common Council of the City also called for the general obligation bond issues authorized by the Initial Resolutions be combined, issued and sold as a single issue of bonds designated as "General Obligation Corporate Purpose Bonds" (the "Bonds") for the purpose of paying the cost of the projects described in the Initial Resolutions (collectively, the "Project");

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

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Bonds;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on July 14, 2015;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on July 14, 2015;

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation");

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference; and

[WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City that the Bonds be issued in the aggregate principal amount of \$5,705,000;]

WHEREAS, the Common Council now deems it to be necessary, desirable and in the best interest of the City that the Bonds be issued in the aggregate principal amount of \$_____ for the following purposes and in the following principal amounts: \$_____ providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Incremental District Nos. 3 and 10 and \$_____ swimming pool projects.

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

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Bonds set forth in Exhibit A

attached hereto as and for the details of the Bonds. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Award of the Bonds. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Corporate Purpose Bonds, Series 2015B"; shall be issued in the aggregate principal amount of \$5,705,000; shall be dated August 6, 2015; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2016. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds maturing on April 1, 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on April 1, 2023 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Bonds in such manner as the City shall direct.]

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and

resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2015 through 2034 for the payments due in the years 2016 through 2035 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

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

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$5,705,000 General Obligation Corporate Purpose Bonds, Series 2015B, dated August 6, 2015" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to

reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code

and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 12. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by [_____, _____, _____, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes] **OR** the City Clerk or City Treasurer] (the "Fiscal Agent"). [The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.]

Section 13. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 17. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 20. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 21. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded July 14, 2015.

James E. Tipple
Mayor

ATTEST:

Toni Rayala
City Clerk

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

[EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on April 1, _____, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on April 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT E

(Form of Bond)

REGISTERED	UNITED STATES OF AMERICA	DOLLARS
	STATE OF WISCONSIN	
	MARATHON COUNTY	
NO. R-____	CITY OF WAUSAU	\$_____
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2015B		

MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
April 1, _____	August 6, 2015	____%	_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$_____)

FOR VALUE RECEIVED, the City of Wausau, Marathon County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2016 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by [_____, _____, _____] **OR** [the City Clerk or City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$5,705,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin

Statutes, for the following public purposes: \$2,645,000 for providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Incremental District Nos. 3 and 10; and \$3,060,000 for swimming pool projects; all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on June 10, 2015 and July 14, 2015. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Bonds maturing on April 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on April 1, 2023 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the resolution awarding the Bonds at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

[This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.]

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Wausau, Marathon County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF WAUSAU,
MARATHON COUNTY, WISCONSIN

By: _____
James E. Tipple
Mayor

(SEAL)

By: _____
Toni Rayala
City Clerk

[Date of Authentication: _____, 2015

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned resolution of the City of Wausau, Wisconsin.

_____,
_____, _____

By _____
Authorized Signatory]

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

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

(Authorized Officer)

【EXHIBIT F

Fiscal Agency Agreement

(See Attached)】

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE	
AWARDING THE SALE OF \$2,655,000 TAXABLE GENERAL OBLIGATION COMMUNITY DEVELOPMENT BONDS, SERIES 2015C	
Committee Action:	Pending
Fiscal Impact:	
File Number:	15-0610
Date Introduced:	July 14, 2015

FISCAL IMPACT SUMMARY			
COSTS	<i>Budget Neutral</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> <i>Amount: principal and interest</i>
	<i>TID Source: Increment Revenue</i> <input checked="" type="checkbox"/>		

RESOLUTION

WHEREAS, on June 10, 2015, the Common Council of the City of Wausau, Marathon County, Wisconsin (the "City") adopted an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$2,655,000 for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Tax Incremental District No. 3 (the "Initial Resolution");

WHEREAS, pursuant to the provisions of Section 67.05, Wisconsin Statutes, within 15 days following the adoption of the Initial Resolution, the City Clerk caused a notice to electors to be published in the Wausau Daily Herald, stating the purpose and maximum principal amount of the bond issue authorized by the Initial Resolution and describing the opportunity and procedure for submitting a petition requesting a referendum on the bond issue authorized by the Initial Resolution;

WHEREAS, no petition for referendum was filed with the City Clerk, and the time to file such a petition has expired;

WHEREAS, the Common Council of the City called for the general obligation bonds authorized by the Initial Resolution to be designated as "General Obligation Community Development Bonds" (the "Bonds") for the purpose of paying the cost of the project described in the Initial Resolution (the "Project");

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

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Bonds on a taxable rather than tax-exempt basis;

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Bonds;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on July 14, 2015;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on July 14, 2015;

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

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

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Award of the Bonds. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted (subject to the condition that no valid petition for a referendum is filed by July 10, 2015 in connection with the resolution). The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable General Obligation Community Development Bonds, Series 2015C"; shall be issued in the aggregate principal amount of \$2,655,000; shall be dated August 6, 2015; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2016. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds maturing on April 1, 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on April 1, 2023 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Bonds in such manner as the City shall direct.]

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2015 through 2029 for the payments due in the years 2016 through 2030 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

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

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$2,655,000 Taxable General Obligation Community Development Bonds, Series 2015C, dated August 6, 2015" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account.

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above)

shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose for which the Bonds have been issued has been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose shall be deposited in the Debt Service Fund Account.

Section 8. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 9. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by [_____, _____, _____, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes] **OR** [the City Clerk or City Treasurer] (the "Fiscal Agent"). [The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.]

Section 10. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such

transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 11. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 12. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 13. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 14. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 15. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure

Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 16. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 17. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 18. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded July 14, 2015.

James E. Tipple
Mayor

ATTEST:

Toni Rayala
City Clerk

(SEAL)

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

[EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on April 1, _____, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on April 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on April 1, _____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
MARATHON COUNTY
NO. R-____ CITY OF WAUSAU \$_____
TAXABLE GENERAL OBLIGATION COMMUNITY DEVELOPMENT BOND,
SERIES 2015C

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
April 1, _____ August 6, 2015 _____% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$_____)

FOR VALUE RECEIVED, the City of Wausau, Marathon County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2016 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by [_____, _____, _____] **OR** [the City Clerk or City Treasurer] (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$2,655,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the purpose of paying the cost of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Tax Incremental District No. 3, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on June 10, 2015 and July 14, 2015. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Bonds maturing on April 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on April 1, 2023 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

【The Bonds maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the resolution awarding the Bonds at the redemption price of par plus accrued interest to the date of redemption and without premium.】

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

[This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.]

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Wausau, Marathon County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF WAUSAU,
MARATHON COUNTY, WISCONSIN

By: _____

James E. Tipple
Mayor

(SEAL)

By: _____

Toni Rayala
City Clerk

[Date of Authentication: _____, 2015

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned resolution of the City of Wausau, Wisconsin.

_____,
_____, _____

By _____
Authorized Signatory]

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

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

(Authorized Officer)

[EXHIBIT F

Fiscal Agency Agreement



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: State Trust Fund Loan of 2015 Water and Sewer Capital Projects

Purpose: To present a preliminary report to the Finance Committee regarding establishing a State Trust Fund Loan for the Water and Sewer Utility

Background: The Water and Sewer 2015 Capital Projects have been approved by the Utility Commission and are presented on the attached spreadsheet. In reviewing the utility cash positions it was determined that these projects should be funded with debt proceeds. In reviewing the borrowing options the Utility had the following options:

	OPTION DESCRIPTION	CONSIDERATIONS
Option 1	Piggy Back on the City's GO Issue	Not feasible due to the bank qualified limitations in 2015
Option 2	Issue Competitive Revenue Bonds	The Utility financial positions may not generate a favorable rating from Moodys which could result in higher interest rates. This process is expensive due to financial advisor fees, legal fees and time consuming. City is locked into a debt schedule.
Option 3	Issue a State Trust Fund Loan	The Utility financial position will not be rated. The process is inexpensive as no financial advisor or legal fess are paid. The City can payoff early or refinance annually with no restrictions or penalties.

The Utility Commission approved State Trust Fund financing. Staff will complete an application and bring the necessary documents to the Finance Committee and Common Council for approval.

PROJECTED 2015 PROJECT FUNDING SUMMARY
WATER & SEWER UTILITIES - CITY OF WAUSAU
As of June 2015

WATER PROJECTED FUNDING NEEDS		PLANNED SOURCE	BUDGET 2015	STATUS	BORROW	OPERATIONS	RPLC FUND
Based on Capital Projects Funding Anticipated							
2015	Water-Transp'n Equip-Pick Up	OPERTG	35,000	Approved in 2014		35,000	
2015	Water-Tools -Correlator	OPERTG	30,000	Approved		30,000	
2015	Water-Tools -Hydro Hammer	OPERTG	15,200	Approved		15,200	
2015	Water-Tools -Hurco (Additional & Replcmnt)	OPERTG	65,000	Approved	65,000		
2015	Water-Meter Replacement	OPERTG	50,000	Approved	50,000		
2015	Water-Hydraulic Model	OPERTG	45,000	Approved		45,000	
2015	Water-Quality Survey	OPERTG	20,000	Approved		20,000	
2015	Water-Brown St Water Tower Maint & Rpr	BORROW	125,000	Approved	125,000		
2015	Water-Office Furnishings	OPERTG	30,000			30,000	
2015	Water-Mains Rplmt DPW Proj A	BORROW	2,300	DPW Proj	2,300		
2015	Water-Mains Rplmt DPW Proj B	BORROW	235,800	DPW Proj	235,800		
2015	Water-Mains Rplmt DPW Proj D	BORROW	67,000	DPW Proj	67,000		
2015	Water-Mains Rplmt DPW Proj E	BORROW	365,800	DPW Proj	365,800		
2015	Water-Lateral Replacements	OPERTG	30,000			30,000	
2015	Water-Well Rehab Project	OPERTG	30,000	Approved		30,000	
WATER TOTAL			\$ 1,146,100		\$ 910,900	\$ 235,200	\$ -
Approved			\$ 415,200		\$ 240,000	\$ 175,200	
Need Approval			\$ 730,900		\$ 670,900	\$ 60,000	

SEWER PROJECTED FUNDING NEEDS		PLANNED SOURCE	BUDGET 2015	STATUS	BORROW	OPERATIONS	RPLC FUND
2015	Sewer -Rehab Digester Mixg/Htg	BRRW/EQ RPLC FND	1,100,000	Approved	600,000		500,000
2015	Sewer -Secondary Digester Mxg Sys	BRRW/EQ RPLC FND	500,000	Approved	200,000		300,000
2015	Sewer -Digester Gas Strg&Prsr Relief	BORROW	500,000		500,000		
2015	Sewer -Roofs/Grit Building Dome	BORROW	250,000		250,000		
2015	Sewer -MCC1 & Plant Wiring	BORROW	80,000	Approved	80,000		
2015	Sewer -Trailer Mounted Sewer Cleaner	BORROW	80,000	Approved	80,000		
2015	Sewer -RAS Pump Replacement	BORROW	75,000	Approved	75,000		
2015	Sewer -Sand Filter Rehab	OPRTG/EQ RPLC FND	50,000			40,000	10,000
2015	Sewer -Land Acquisition	BORROW	200,000		200,000		
2015	Sewer -Lift Stn Higgenbotham Addtn	BORROW	250,000		250,000		
2015	Sewer -Lift Ind Park, 3rd Pmp & Scrm	OPERTG	60,000			60,000	
2015	Sewer -Lift Stn Cleveland Ave (Engr only)	OPERTG	20,000	Approved		20,000	
2015	Sewer -Lift Stn 72nd Ave (Engr only)	OPERTG	20,000	Approved		20,000	
2015	Sewer -Lift Station Control Panel Upgrd	OPERTG	10,000			10,000	
2015	Sewer -Office Computer Equip	RPLC FND	12,000				12,000
2015	Sewer -Transportation Equipment	OPERTG	40,000			40,000	
2015	Sewer -Sewer Main Slip Lining	BORROW	325,000	Apprvd, DPW Proj	325,000		
2015	Sewer-DPW Project A	BORROW	50,200	DPW Proj	50,200		
2015	Sewer-DPW Project B	BORROW	148,500	DPW Proj	148,500		
2015	Sewer-DPW Project D	BORROW	67,400	DPW Proj	67,400		
2015	Sewer-DPW Project E	BORROW	253,000	DPW Proj	253,000		
SEWER TOTAL			\$ 4,091,100		\$ 3,079,100	\$ 190,000	\$ 822,000
Approved			\$ 2,719,100		\$ 1,360,000	\$ 40,000	\$ 800,000
Need Approval			\$ 1,372,000		\$ 1,719,100	\$ 150,000	\$ 22,000
WTR & SWR TOTAL			\$ 5,237,200		\$ 3,990,000	\$ 425,200	\$ 822,000

NOTE

Capital Projects Funding Requests for 2015 Reviewed and revised by Utilitiy Director and Staff May 2015



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: Compass Properties Parking Agreement

Purpose: To present to the Finance Committee the proposed parking agreement with Compass Properties

Background: Compass Properties has a possible downtown tenant who is seeking 60 stalls of inexpensive parking. Compass is proposing utilizing the roof top of the Jefferson Ramp to accommodate the parking and entering into a long term agreement with the City to secure such parking. The attached parking agreement utilizes the format established by Council as the standard parking agreement. The agreement terms are:

- \$5 per stall on the roof of the ramp
- Five year term at the \$5 per stall
- 2 five year renewal terms at fair market value

The recent parking study advocated discounted parking on the ramp roof and the city currently offers this rate to others including Collaborative Consulting.

CITY OF WAUSAU
PARKING SPACE LEASE AGREEMENT

This parking space lease agreement ("Lease") is made and entered into as of this ____ day of _____, 2015, by and between the CITY OF WAUSAU, WISCONSIN a Wisconsin municipal corporation, as "LESSOR" or "CITY", and COMPASS BLOCK 15 LLC whose address is _____, Wausau WI 54403, as LESSEE(s):

1. **LEASE.** Subject to the terms and conditions of this Agreement, CITY leases to LESSEE parking spaces to use in common with other Lessees and the public, sixty (60) unreserved permit parking spaces on the rooftop of the Jefferson Street Parking Ramp ("PARKING FACILITY"). LESSEE may use and occupy these unreserved permit parking spaces in the Parking Facility on the indicated dates at the indicated times for the parking rates stated below for the following express purposes and no other purpose: parking is for normal passenger vehicles only including pick-up trucks and passenger size vans provided they meet any height restriction of the PARKING FACILITY. The CITY shall in no manner be obligated to provide any particular parking space. This lease is transferable and may be assigned with prior written consent of the Lessor not to be unreasonably withheld. A map locating the eligible unreserved permit parking spaces is identified on the PARKING FACILITY map attached and referred to as Exhibit A.
2. **TERMS/DAYS/HOURS.** This lease shall be for the period beginning the ____ day of September, 2015, through the ____ day of September, 2020. LESSEE is authorized to park in the PARKING FACILITY:
 - Monday through Friday between the hours of 6:00 AM through 6:00 PM; or
 - Seven (7) days per week a week, twenty four hours per day; or
 - ____ days per week _____, between the hours of ____ through _____.
3. **PAYMENTS.** The lease rate shall be:
 - In ____ equal annual lease installments of _____ due on _____; or
 - In 60 monthly lease payment installments for 60 stalls at \$5.00 per stall.
4. **FINANCE CHARGES.** Fees/rents not paid within the terms of this agreement are subject to a 1½% per month finance charge.
5. **DURATION.** This lease shall be renewable on like-terms for two (2) additional five year terms upon at least 120 day notice to Lessor, prior to the end of the first lease term. The renewal rate shall be at fair market value.
6. **RULES.** By signature below, LESSEE expressly acknowledges receipt of PARKING FACILITY rules. LESSEE expressly agrees to provide a copy of said Rules to agents, employees, tenants or guests who utilize the PARKING FACILITY. LESSEE is solely responsible to the CITY for any violation of rules by LESSEE's users.
7. **VEHICLES PARKED AT OWNER'S RISK.** LESSEE understands and expressly

agrees that the CITY will not accept the vehicle in bailment or for safekeeping; nor shall the CITY be responsible for loss or damage to any vehicle or its contents by fire, vandalism, theft or any other cause, nor for loss, damage or injury by or to other customers or any other individual personal injury of any nature. LESSEE expressly acknowledges that the CITY shall have no duty to provide security, and expressly does not assume any obligation to provide for the security of the PARKING FACILITY or to protect individuals using the PARKING FACILITY, or vehicles or property in the PARKING FACILITY, from criminal activity.

8. **DAMAGED PROPERTY.** If LESSEE, or his/her guests or agents, damages any personal property at the PARKING FACILITY, or damages any PARKING FACILITY equipment, in addition to any liability LESSEE may have for any claims, losses or costs arising out of such damage, the CITY may terminate this Agreement.
9. **TERMINATION.** An event of default shall deemed to occur should any of the following events happen:
 - a. failure to timely pay fee or invoice;
 - b. repeated failure of LESSEE, or of his/her guests or agents, to obey the rules of the CITY concerning security, safety, or preservation of the CITY Parking Facilities, during the term of the agreement; or
 - c. failure of the LESSEE to comply with any other term or condition of this agreement, including any addenda or amendments hereto.

In the event of default, the CITY shall notify LESSEE in writing, and the CITY may terminate this agreement immediately upon notice to said LESSEE, without penalty or liability to the CITY.

10. **FORCE MAJEURE/OCCUPANCY DISRUPTION.** If the PARKING FACILITY or any portion thereof shall be destroyed or damaged by fire or other calamity, acts of God or other causes beyond the reasonable control of LESSEE or CITY, then this Agreement shall terminate upon at least five (5) days written notice, if practical, to the other party that an event of "Force Majeure" has occurred and prevented performance by the party experiencing the event of "Force Majeure". In the event of a termination by reason of "Force Majeure", the CITY shall not be liable or responsible to the LESSEE for any damages caused thereby and LESSEE waives all claims against the CITY for damages sustained by reason of such termination, except that any unearned portion of payments shall be abated or if previously paid refunded.
11. **PARKING FACILITY CLOSURE.** The CITY reserves the right to close the PARKING FACILITY for repairs and maintenance. When closing the PARKING FACILITY, the CITY shall seek to avoid any inconveniences to LESSEE. CITY will provide as much advance notice as is possible and will provide alternate parking during the closure period.
12. **RIGHT TO REMOVE.** The CITY reserves the right to remove or expel from the PARKING FACILITY any person engaging in or conducting him/herself in a manner disruptive, abusive or offensive to other patrons at or in the PARKING FACILITY. Neither the CITY nor any of its employees shall be liable to the LESSEE for any damages that may be sustained by LESSEE through the CITY's exercise of such right.

13. **NO ASSIGNMENT.** The LESSEE may not assign its rights, obligations or duties hereunder without first receiving written consent by the CITY of Wausau.

14. **NONWAIVER.** The CITY's acceptance of rent or failure to complain of any action, non-action or default of LESSEE, whether singular or repetitive, shall not constitute a waiver of any of the CITY's rights. If LESSEE's payment of any sum due the CITY is accompanied by written conditions or is represented by LESSEE to be a settlement or satisfaction of any obligation, the CITY may accept and deposit such moneys without being bound by such conditions or representations unless the CITY expressly agrees in a separate written instrument. The CITY's waiver of any right of the CITY, or any default of the LESSEE shall not constitute a waiver of any other right or constitute waiver of any other default or subsequent default.

15. **ATTORNEY FEES.** If the CITY is required to file suit to collect any amount owed it under this Agreement, CITY shall be entitled to collect reasonable attorney's fees for its prosecution of the suit.

16. **ENTIRE AGREEMENT/AMENDMENTS.** This agreement constitutes the entire Agreement between the parties, and supercedes any and all previous written or oral agreements or representations between the parties. This agreement may only be amended in writing signed by both parties.

17. **SEVERABILITY.** If any covenant, condition, provision, term or agreement of this Lease is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms and agreements of this Lease will not be affected by such holding, and will remain valid and in force to the fullest extent permitted by law.

18. **NOTICES.** Any notice under this Agreement shall be given by certified mail, overnight mail, or by personal delivery, and shall be effective upon receipt. Notice shall be sent to the address for the receiving party as designated herein: For LESSEE: As listed on page one of this Agreement. For CITY: City Clerk, City of Wausau, 407 Grant Street, Wausau, WI 54403.

IN WITNESS WHEREOF, this Agreement is executed to be effective on the ____day of _____, 2015.

LESSEE

CITY

By: _____

By: _____

Name: _____

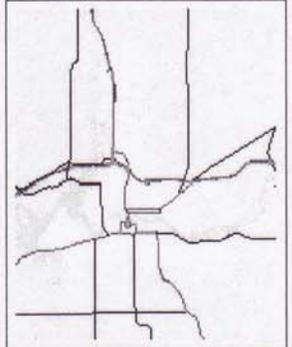
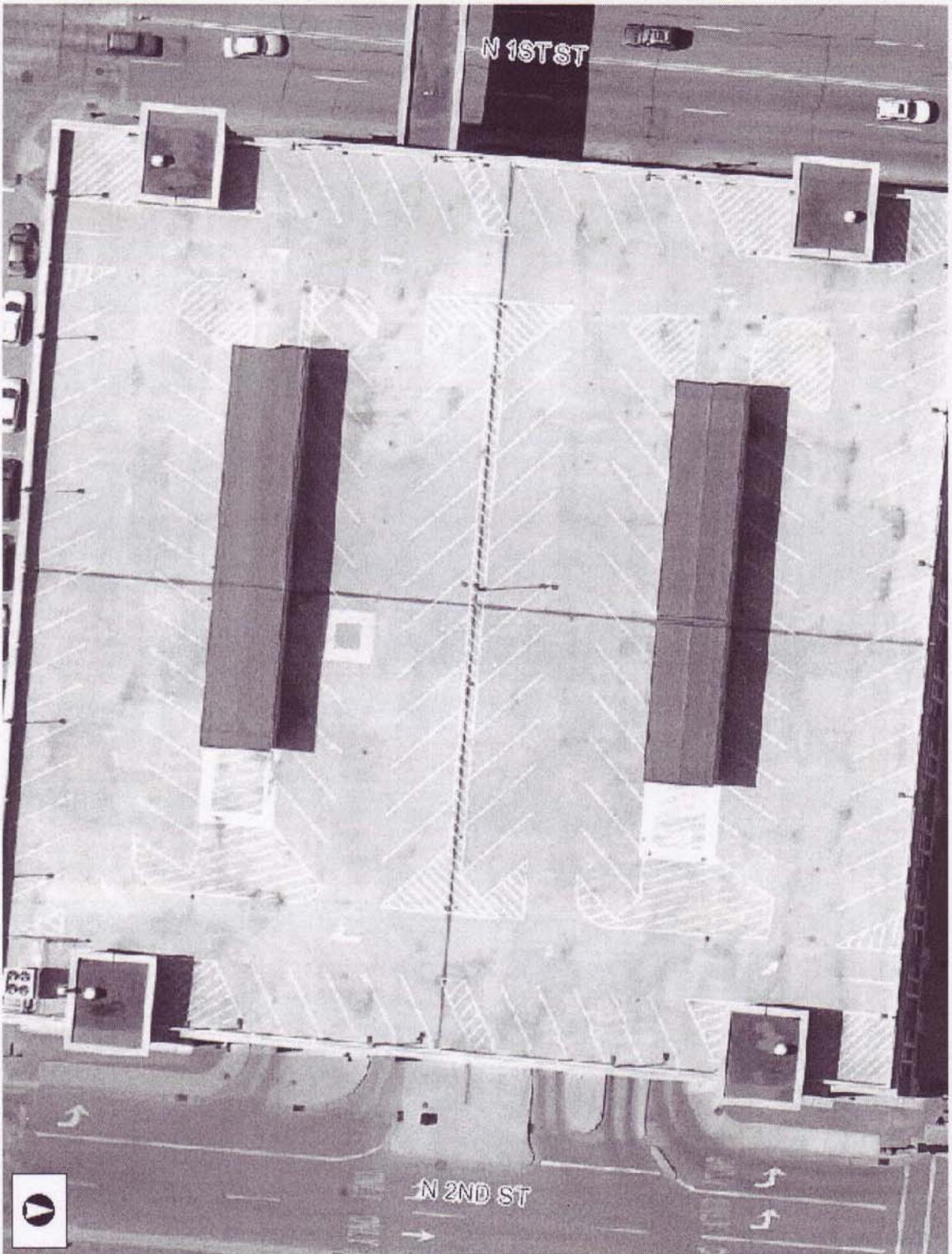
Name: _____

Title: _____

Title: _____



DPW Mapping System



Legend

- Railroad
- Bridge
- Overpass
- Stream - River
- Pond - Lake
- Wausau Wetland

Notes

Map Created: 6/30/2015

20.00 0 20.00 Feet



User_Defined_Lambert_Conformal_Conic

DISCLAIMER: The information and depictions herein are for informational purposes and Marathon County-City of Wausau specifically disclaims accuracy in this reproduction and specifically admonishes and advises that if specific and precise accuracy is required, the same should be determined by procurement of certified maps, surveys, plats, Flood Insurance Studies, or other official means. Marathon County-City of Wausau will not be responsible for any damages which result from third party use of the information and depictions herein or for use which ignores this warning.

THIS MAP IS NOT TO BE USED FOR NAVIGATION



COMMENTS REGARDING PROPOSED
LEASE WITH TROLLEY QUARTER FLATS LIMITED PARTNERSHIP

- Numerous parking issues have arisen concerning residents and/or guests of residents at the Trolley Quarter Flats apartments as a result of vehicles parking on North 1st Street during the winter when overnight street parking is prohibited. This has significantly hampered the ability of the Department of Public Works to clear the streets of snow in this area.
- Apparently, the Trolley Quarter Flats apartments were initially approved as an “Urban Living Plan” which permitted the development to have one parking space on site designated for each apartment unit. This apparently has not provided the parking needed by the residents and their guests at the apartment complex. Ordinarily, absent the “Urban Living Plan” designation, zoning would impose upon similar developments a requirement of one and a half (1 1/2) parking spaces per unit.
- A proposal has been discussed which would provide additional parking for the benefit of the Trolley Quarter Flats on City owned property at the Community Gardens located nearby. Specifically, the City would enter into a lease with the Trolley Quarter Flats Limited Partnership (“Partnership”) providing approximately eight (8) paved parking spaces on DeKalb Street between North 2nd Street and North 1st Street and approximately fourteen (14) paved parking spaces on the east side of North 1st Street between East Bridge Street and DeKalb Street.
- The cost of the City to pave these parking areas was estimated at \$5,500.00. This amount did not include estimates for the preparation work by the City. The cost of the preparation work has now been received and it is \$9,666.59. Together with \$5,500.00 for the estimated cost of the asphalt, the total estimate for the complete job is \$15,166.59.
- At the Parking and Traffic Committee meeting on Thursday, February 19, 2015, the Committee approved staff pursuing a five year lease with the Partnership based upon a \$2,500.00 one-time rental payment to the City from the Partnership with the City agreeing to prepare, pave and maintain the asphalt parking areas and the Partnership agreeing to be responsible for snow removal. At this time, however, the estimated cost for paving was \$5,500.00.
- This office was requested to prepare a lease between the City and the Partnership for the parking spaces. However, at this time, not only is the lease presented for approval, the matter is also being brought back to the Committee for its consideration due to the increase in the estimated project costs.

LEASE AGREEMENT

This Lease, made this ____ day of _____, 2015, (“Lease”), between the City of Wausau, a municipal corporation, located in Marathon County, Wisconsin (“Lessor”) and Trolley Quarter Flats Limited Partnership (“Lessee”).

WHEREAS, Lessor is the owner of record of certain property located in the City of Wausau bounded by Bridge Street on the north, North 1st Street on the west, North 2nd Street on the east and DeKalb Street on the south, (“Property”), and

WHEREAS, Lessee is the owner, lessor, and operator of certain residential apartment units located within the City of Wausau known as the Trolley Quarter Flats, and

WHEREAS, Lessee desires to lease from Lessor, and Lessor desires to lease to Lessee a portion of such Property owned by Lessor for the parking of motor vehicles.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Premises. The premises which are subject to this Lease consist of that portion of the Property depicted on Exhibit 1 attached hereto and made a part hereof (“Premises”) to be used as a parking lot for the parking of passenger type motor vehicles by residents of the Trolley Quarter Flats.
2. Term/Commencement. Lessor hereby leases to Lessee the Premises, for a term of five (5) years, commencing on July 1, 2015, and ending on June 30, 2020, subject to the termination provisions set forth in paragraph 9. The Lessee’s use of the Premises under this Lease is not exclusive and the Lessor shall have free use of and access to the Premises.
3. Rent. The rental for the use of the Premises shall be a one time payment of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00), to be paid by Lessee within five (5) business days of the execution of this Lease.

4. Use. Lessee shall use the Premises as a parking lot only, for the parking of passenger type motor vehicles and no other purpose. For purposes of this Lease, passenger type motor vehicles shall exclude motor trucks, truck-tractors, trailers, semitrailers, motor busses, any other vehicle or combination of vehicles having a gross weight as defined in Section 340.01 of the Wisconsin Statutes or registered weight in excess of eight thousand pounds, unregistered, unlicensed, junk or recreational vehicles. Passenger type motor vehicles shall include motor cycles. At no time shall Lessee permit any vehicle to remain on the Premises in any state of disassembly, disrepair or in the process of being stripped or dismantled.

5. Maintenance. The Lessor shall provide maintenance of the Premises' blacktop surfaces and stall lines in a clean and presentable manner at its cost and expense. The Lessee shall be responsible to remove accumulations of snow and ice and litter from the Premises and maintain the Premises in a safe and prudent manner. Lessee shall be responsible for salting or sanding of the Premises during snow and ice conditions to ensure safe and prudent footing. Snow and ice removal and salting or sanding shall be at Lessee's cost and expense. Lessee shall use due care in removing accumulations of snow and ice from the Premises to minimize wear and tear on paving.

6. Parking Enforcement. The Lessor shall have obligation to, or responsibility for, enforcing any parking restrictions on the Premises. Lessee may post no parking or other parking limitation signs on the Premises at its sole expense with the prior written approval of Lessor.

7. Insurance. Lessee shall maintain a general liability insurance policy in the amount of \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury and property damage. Such coverage shall be primary. Prior to execution of this Lease, Lessee shall furnish to Lessor a Certificate of Insurance and upon request, certified copies of the required insurance policies. The Certificate shall name Lessor, its employees, agents, representatives, and elected or appointed officials as additional insureds. The policy of insurance shall state that coverage shall not be cancelled by the insurer in less than thirty (30) days after the insured and Lessor have received written notice of such cancellation.

8. Indemnification and Release. Lessee shall defend, indemnify and hold harmless Lessor, its employees and agents from and against all liabilities, losses, judgments, actions, suits, obligations, debts, demands, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, of any kind or of any nature whatsoever which may be imposed, incurred, sustained or asserted against the

Lessor, its employees and agents by reason of any injury or death to any person, or loss, damage, or destruction of any property or loss of use thereof, or otherwise arising directly or indirectly as a result of Lessee's actions or omissions under this Lease

Lessee hereby releases the Lessor, its employees and agents from and against all liabilities, losses, judgments, actions, suits, obligations, debts, demands, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, which may arise directly or indirectly as a result of the actions or omissions of Lessee under this Lease.

9. Termination. Either party shall have the right to terminate this Lease for any reason upon thirty (30) days written notice to the other party. At the termination of this Lease, Lessee shall deliver the Premises to Lessor, its, agents, successors or assigns in as good condition as at the commencement of the term of this Lease, excepting ordinary wear and tear to the Premises, and will deliver peaceful and quiet possession to the Lessor. In the event the Premises become unusable as a parking lot due to fire, flood, or are so injured by the elements or any other cause as to be untenable and unfit for use as a parking lot, the Lessee may at its option terminate this Lease upon 10 days written notice. No refund of the rental payment shall be made to Lessee upon any termination of this Lease by Lessor or Lessee, regardless of the timing or reason for such termination.

10. Assignment and Sublease. The Lessee shall not assign the Lease, nor sublet the Premises or any part thereof, without the written consent of the Lessor.

11. Survival of Obligations. The obligations set forth in paragraph 8 shall survive the termination or expiration of this Lease.

12. Amendments. This Lease constitutes the entire agreement and understanding of the parties, and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or understandings of any kind not set forth herein. Any modification of or amendment to this Lease must be in writing and executed by both parties.

13. Notices. All notices required by this Lease to be in writing shall be deemed given upon receipt by a party and given either by personal delivery or prepaid, first class mail sent to Lessee, in care of the City Clerk, City Hall, 407 Grant Street, Wausau, Wisconsin 54403, and to Lessor in care of Trolley Quarter Flats Limited Partnership, _____.

Notices shall be effective upon delivery or refusal of delivery at the above specified address. Changes in respective address may be made from time to time by written notice.

14. Severability. If any portion of this Lease shall become illegal, null or void or against public policy, for any reason, or shall be held to be invalid or unenforceable by any court of competent jurisdiction, the remaining portions of this Lease shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

15. Waiver. The failure of either party to enforce any of the provisions of this Lease shall not be construed as a waiver of such provision or of the right of the party thereafter to enforce each and every such provision.

16. Authority to Bind. The undersigned General Partner of Lessee represents and warrants that he/she/it is fully authorized and empowered to enter into this Lease and that the performance of Lessee's obligations under this Lease will not violate any agreement between Lessee and any other person, firm, or organization.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties have caused this Lease to be executed on the date first above written.

CITY OF WAUSAU (LESSOR)

BY: _____
James E. Tipple, Mayor

Attest:

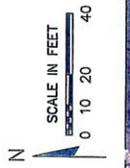
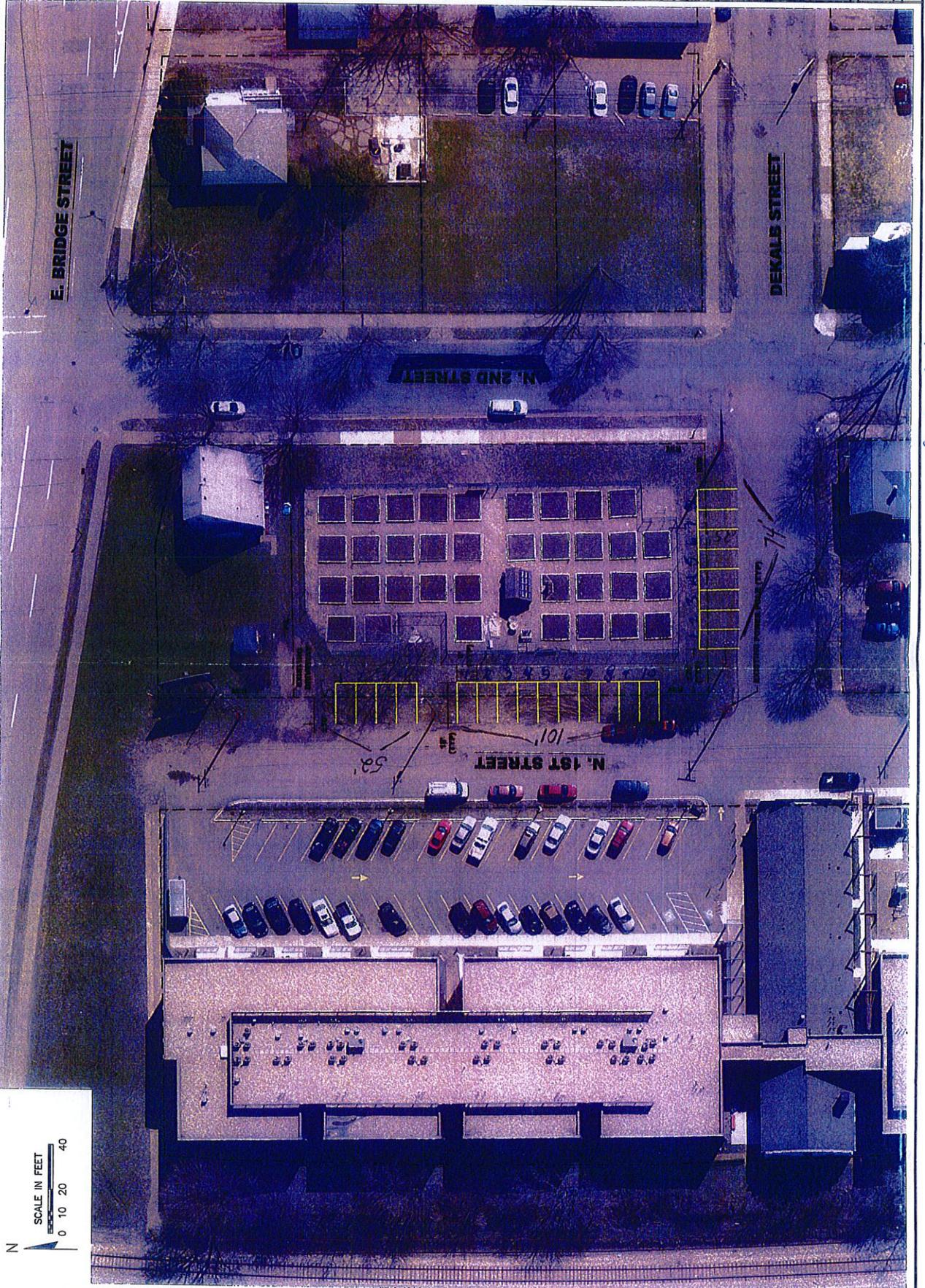
Toni Rayala, Clerk

TROLLEY QUARTER FLATS LIMITED
PARTNERSHIP (LESSEE)

BY: _____

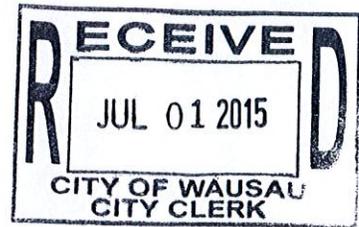
Name: _____

Its: General Partner _____



+ found w/ deliver amounts +

June 24, 2015



TO: Wausau Finance Committee

Subject: Hotel/Motel Room Tax

Each Year The Labor Council Hosts the Wausau Labor Day Parade In September. This year the parade will be on Sept. 7, 2015.

Labor Thanks You! For the support you have shown in previous years by helping offset some of the costs of the Labor Day Parade. We would like once again to request money from the Hotel/motel room tax to cover the cost of insurance. We look forward to hosting the parade again this year. The parade allows the public to enjoy spending time with family and friends while celebrating and recognizing the efforts of labor in central Wisconsin and across this great nation of ours.

The parade also brings many people from out of town, which many of them will shop at our local businesses which not only is good for businesses but also for the city of Wausau. The Marathon County Labor Council appreciates the city of Wausau's support for events such as the Labor Day Parade. We hope you accept our request once again for money from the hotel/motel room taxes.

If you have any questions regarding the 2015 Wausau Labor Day Parade please give me a call Randy Radtke @ 715-370-8908 or marathoncty@gmail.com.

Respectfully Yours,


Randy S. Radtke

President Marathon County Central Labor Council AFL-CIO



Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

COMMENTS REGARDING PROPOSED
LEASE WITH WAUSAU FLYING SERVICE, INC. AS SPONSOR FOR
BOY SCOUTS OF AMERICA, TROOP 465

- Boy Scout of America, Troop 465 (“Troop”) has been holding meetings at the Wausau Downtown Airport. The Troop leader, Jerry Kronschnabel has requested the Airport to permit the Troop to place a shed at the Airport in which to store camping equipment and related items. The Wausau Flying Service, Inc. is the sponsor of the Troop and so would be the responsible party under the Lease as Lessee, on behalf of the Troop.
- In speaking with the Wisconsin Bureau of Aeronautics (“BOA”), the representative expressed no concern over the Troop having its meetings in the Airport terminal building conference room in that typically Airport conference rooms are not in constant use and provided the use by the Troop (or other community organizations) is occasional and not continuing all day, every day, and aeronautical uses of the space take first priority.
- The BOA representative advised, however, that the placement and maintenance of a storage shed by the Troop at the Airport, is a different matter. The BOA did not support this extended use of Airport property for non-aeronautical purposes and expressed general and fairly strong disapproval. However, the representative indicated that if the City was strongly in support of permitting such a use by the Troop, he believed that it could be permitted if the lease was *very* short term, contained considerable protections for Airport use, priority of Airport use, and could be terminated or superseded for Airport purposes. Additionally, under no circumstances would the shed be permitted to be placed within the Airport security perimeter fence.
- Non-aeronautical use of airport property requires that “the airport owner must receive a benefit for the use of airport property and the value of that benefit must be equal to or more than the fair market value of similar, off-airport property.” Airport Leases: An Airport Owner and Management Reference Document, Wisconsin Department of Transportation, Bureau of Aeronautics, October 4, 2011, at p. 5. Therefore some rental rate must be charged for this non-aeronautical use, either in money or in kind services. It is proposed the rental rate be set similar to other “ground leases” at the Airport: \$.12 per square foot. Additionally, the Troop will perform community service type of activities for the benefit of the Airport such as clean-up after City events held at the Airport and outside spring clean-up of the grounds.

WHEREAS, the parties have negotiated a one (1) year lease to accommodate such use which provides for a monthly rental payment of \$0.12 per square foot and the provision of certain in-kind community service type of activities for the benefit of the Airport such as clean-up after City events held at the Airport and outside spring clean-up of the grounds, and other provisions for the protection of Airport activities; and,

WHEREAS, your Airport Committee, at their June 23, 2015, meeting, and the Finance Committee, at their _____, 2015, meeting recommend that a short, one (1) year lease, a copy of which is attached hereto and incorporated herein as "Exhibit 1," be approved.

NOW THEREFORE BE IT RESOLVED, by the Common Council of the City of Wausau, that the Mayor is hereby authorized and directed to execute the one (1) year lease agreement with Wausau Flying Service, Inc. for the location of a storage unit at the Airport for storage of camping equipment and other related items by Troop 465 a copy of which is attached hereto and incorporated herein as "Exhibit 1."

Approved:

James E. Tipple, Mayor

SHORT TERM LEASE AGREEMENT

THIS AGREEMENT OF LEASE, made this ____ day of _____ 2015 (“Lease”), between the City of Wausau, a municipal corporation, located in Marathon County, Wisconsin, (“Lessor”) and the Wausau Flying Service, Inc., a Wisconsin corporation, charter sponsor of Boy Scout of America, Troop 465 and Cub Scouts Pack 465, located in Marathon County, Wisconsin (“Lessee”).

WHEREAS, Lessor is the owner of certain premises depicted on Exhibit A (“Premises”) attached hereto and a made a part hereof, which is part of the Wausau Downtown Airport; and

WHEREAS, said Premises are presently not in use for airport purposes; and

WHEREAS, the Lessor desires to maintain and preserve these Premises for the future needs and development of the Wausau Downtown Airport; and

WHEREAS, the Lessee is the charter sponsor for Boy Scouts of America, Troop 465 and Cub Scouts, Pack 465 (collectively “Troop 465”); and

WHEREAS, Troop 465 holds regular meetings for the benefit of community youth at the Airport; and

WHEREAS, the Lessee and Troop 465 find it would be desirable to store a small amount of camping equipment and other related items in a storage unit to be located on Airport property and has requested the Lessor to accommodate such use; and

WHEREAS, the Lessor desires on a short term basis to facilitate the activities of the Lessee and Troop 465 for the benefit of community youth.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Term/Commencement. Subject to the termination provisions contained Section 12 of this Lease, Lessor hereby leases to Lessee the Premises for a term of one (1) year, commencing on September 1, 2015 and ending on August 30, 2016.
2. Fees. Lessee shall be pay to Lessor a monthly rental payment of \$0.12 per square foot for each square foot of shed space occupied under this Lease. Rent shall be payable in advance and is due on the first of each month. Additionally, Troop 465 shall perform in kind services for the Airport including assistance with clean-up after City events held at the Airport, outside spring clean-up of the grounds, and similar community type services.
3. Use. Lessee shall be permitted to place one, non-permanent storage shed (“Shed”) on the Premises. The Shed dimensions and appearance shall be substantially similar to that depicted in Exhibit B attached hereto and made a part hereof. Exact placement of the Shed shall be approved in advance by the City, and Lessee shall obtain all necessary permits required for the placement of the Shed and comply with all applicable municipal ordinances. Such Premises and Shed shall be used exclusively for storage of camping equipment and related items. No firearms, hazardous materials as defined under Wis. Stat. s. 299.01(6), or otherwise dangerous materials shall be permitted to be stored in the Shed, or otherwise stored on Airport property. Lessee’s use of the Premises shall not disrupt the operations or maintenance

of the Airport or use of the Airport by its lawful users. All costs related to the acquisition, placement and maintenance of the Shed shall be the sole expense of the Lessee.

4. Improvements. Lessee shall not be allowed to make any improvements to the Premises other than as set forth in Section 3 without the prior written consent of the Lessor.

5. Restrictions on Use.

A. Lessee expressly agrees to prevent any use of, or activities on the Premises which would interfere with or be a hazard to the flight of aircraft over the Premises, or to and from the Airport, or interfere with air navigation and communication facilities presently or in the future serving the Airport and specifically agrees not to permit the height of any structure, object of natural growth, or other obstruction to exceed height limits established in Title 49, Part 77 of the Code of Federal Regulations. All costs of complying with said height limits shall be borne by Lessee.

B. Lessee shall not create any hazard which would interfere with the use of or the safety of air traffic at the Wausau Downtown Airport or which is contrary to the regulations of the Federal Aviation Administration, the laws and regulations of the State of Wisconsin, and/or ordinances of the City of Wausau.

C. All use, occupancy, maintenance and operation of the Premises by Lessee and Lessee shall be in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, -Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended; and pursuant to Section 30, Civil Rights (49 U.S.C. 1730) of the Airport and Airway Development Act Amendments of 1976, as well as all other applicable federal, state and local laws, regulations, rules and ordinances.

6. Maintenance. Lessee shall maintain the Shed at its own expense, in a workmanlike state of maintenance and repair and shall otherwise keep the Shed in such condition as to exclude rodents. The exterior area of the Shed shall be maintained in a clean and sanitary condition free from any accumulation of rubbish or garbage.

7. Assignment. Lessee shall not sell or assign this Lease or sublet the Premises or any part thereof.

8. Subordination. This Lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States Government relative to the operation or maintenance of the Airport, the execution of which has been, or may be, required as a condition precedent to the expenditure of federal funds for the development of the Airport.

9. Air and Noise. Lessor reserves for the use and benefit of the public, the right of aircraft to fly in the airspace overlying the Premises, together with the right of aircraft to cause such noise as may be inherent in the operation of aircraft landing at, taking off from, or operating on or in the vicinity of the Airport, and the right to pursue all operations of the Airport.

10. Indemnification and Release. Lessee shall defend, indemnify and hold harmless Lessor, its employees, agents, and elected and appointed officials from and against all liabilities, losses, judgments, actions, suits, obligations, debts, demands, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, of any kind or of any nature whatsoever which may be imposed, incurred, sustained or asserted against the Lessor, its employees, agents, and/or elected or appointed

officials by reason of any injury or death to any person, or loss, damage, or destruction of any property or loss of use thereof, or otherwise arising directly or indirectly as a result of the acts or omissions of Lessee under this Lease.

Lessee hereby releases the Lessor, its employees, agents, and elected and appointed officials from and against all liabilities, losses, judgments, actions, suits, obligations, debts, demands, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, which may arise as a result of the acts or omissions of Lessee under this Lease.

Lessor shall have no responsibility or liability for the Shed or its contents, and no obligation to provide security for the Premises, the Shed or its contents.

11. Insurance. Lessee shall maintain on the Premises, the Shed, and its contents, at a minimum, fire and extended coverage insurance in an amount at least to the value of the improvements and contents, as well as liability coverage with a minimum combined single limit in an amount not less than \$1 million dollars of liability per occurrence for bodily injury and property damage. Lessee shall furnish the Lessor a Certificate of Insurance and upon request shall provide Lessor with certified copies of the required insurance policies. The Certificate of Insurance shall name the Lessor, its employees, agents, representatives, and elected and appointed officials as additional insureds. The policy of insurance shall state that coverage shall not be cancelled by the insurer in less than thirty (30) days after the insured and the City have received written notice of such cancellation.

12. Termination of Lease. Either party shall have the right to terminate this Lease upon thirty (30) days written notice to the other party, which will allow Lessee sufficient opportunity to remove the Shed and all equipment stored therein, and for any reason whatsoever, including but not limited to Lessor's determination, at its sole discretion, that the Premises are required for airport purposes. Upon expiration of this period, any improvements or equipment or personal property not removed by Lessee shall remain the property of the Lessor without any cost to or further action by Lessor. Upon such removal, Lessee shall repair and restore the Premises to a safe and sightly condition. Lessor shall additionally have the right to terminate this Lease immediately as a result of an order or ruling of the State of Wisconsin Bureau of Aeronautics or the FAA requiring termination.

13. Grant Assurance and State Aid. Upon request, Lessee shall comply or take all steps necessary to enable Lessor to comply with the requirements of current and future federal grant assurances and conditions of state aid.

14. Amendments. This Lease constitutes the entire agreement and understanding of the parties, and supersedes all offers, negotiations, and other agreements of any kind. There are no representations or understandings of any kind not set forth herein. Any modification of or amendment to this Lease must be in writing and executed by both parties.

15. Notices. All notices required by this Lease shall be in writing and personally delivered or sent First Class Mail to Lessor, in care of the City Clerk, City Hall, 407 Grant Street, Wausau, Wisconsin 54403, and to Lessee in care of John Chmiel, Wausau Flying Service, Inc., Wausau Municipal Airport, Woods Place, Wausau, WI 54401.

15. Survival. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with this Lease, as well as all continuing obligations will survive termination or expiration of this Lease.

16. Severability. If any portion of this Lease shall become illegal, null or void or against public policy, for any reason, or shall be held to be invalid or unenforceable by any court of competent jurisdiction, the remaining portions of this Lease shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

17. Waiver. The failure of either party to enforce any of the provisions of this Lease shall not be construed as a waiver of such provision or of the right of the party thereafter to enforce each and every such provision.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed on the date first above written.

CITY OF WAUSAU (Lessor)

BY _____
James E. Tipple, Mayor

Attest:

Toni Rayala, Clerk

WAUSAU FLYING SERVICE, INC.,
Charter Sponsor of Boy Scout of America, Troop 465
and Cub Scouts Pack 465 (Lessee)

BY _____

NAME: _____

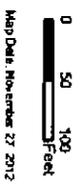
ITS: _____

NOTE:
 Gates 1 - 3 are drive through.
 Gates A - C are walk through.
 ALL gates require a card or code except #3 (yelp).

FAxed
 05/04/2015
 by *W* 1500
 715 261-0327

Wausau Downtown Airport

City of Wausau
 Marathon County Wisconsin



- Airport
- Buildings
- Parking Lots
- Fences

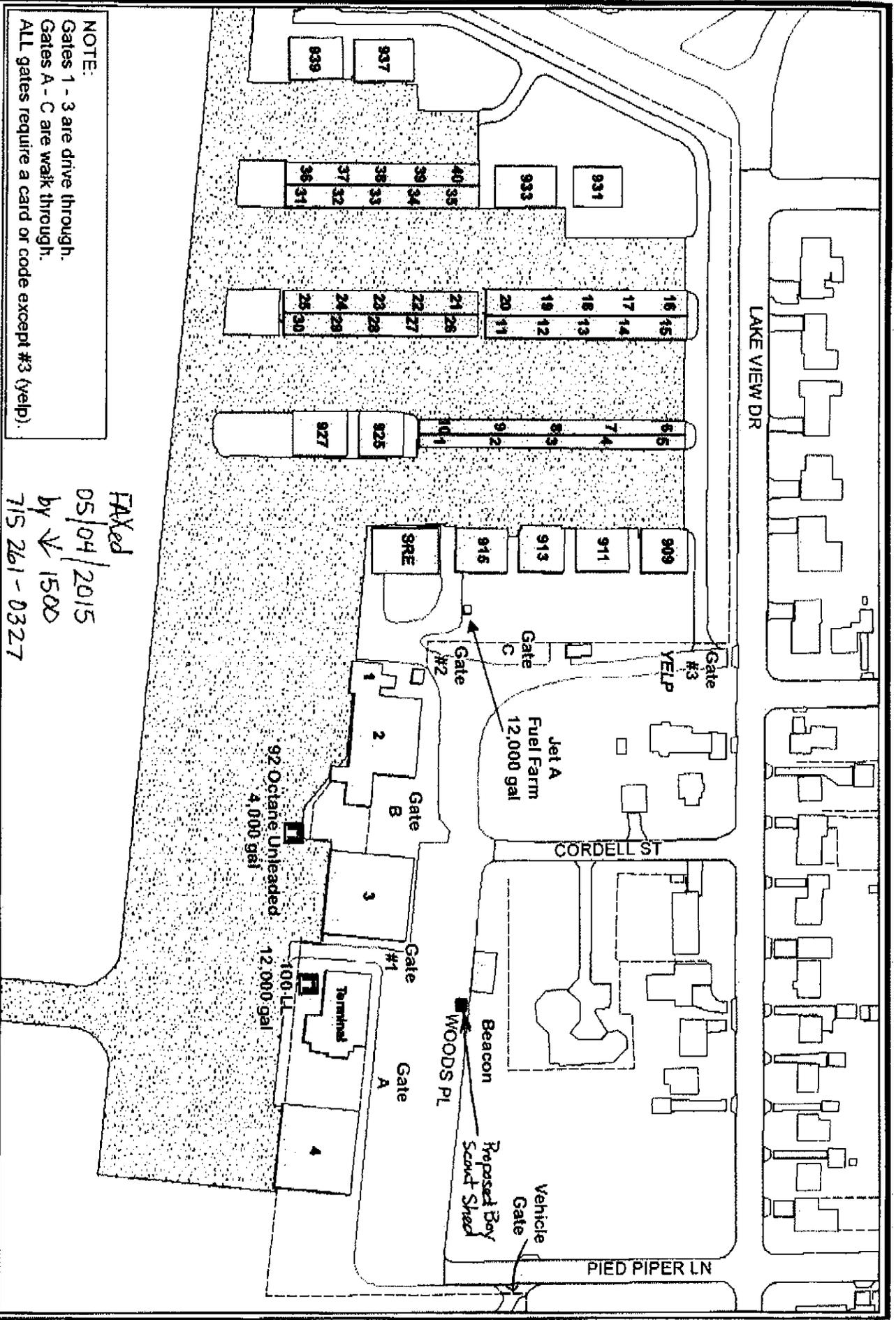
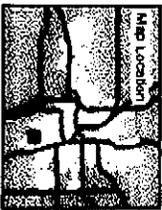
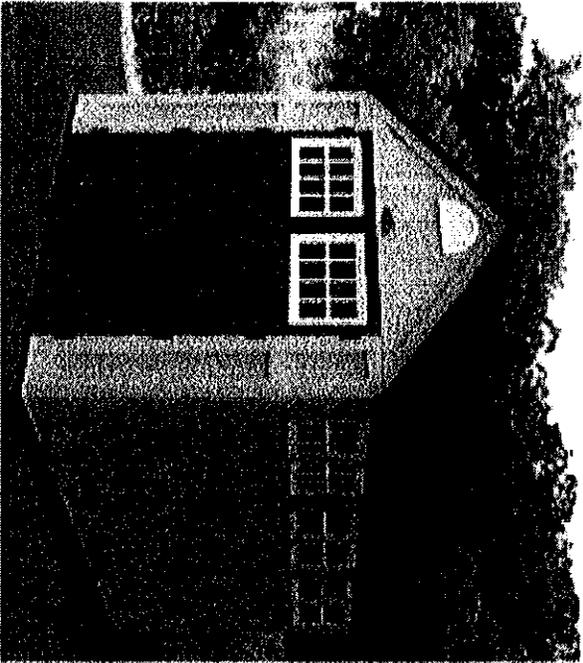


EXHIBIT A

Shed Choice 1



- External dimensions - 7 ft. 5-3/4 in. W x 10 ft. 8 in. D x 8 ft. 6-3/4 in. H
- Internal dimensions - 7 ft. 1/6 in. W x 10 ft. 3-1/8 in. D x 8 ft. 3-1/2 in. H
- Durable, 1-1/2 in. thick double wall construction
- 14 windows
- Robust double doors (60 in. W x 71 in. H) with articulating metal hardware
- Sturdy floor with reinforcement in tractor-wheel areas
- Functional vent
- Metal ridge beam provides roof support
- Color - Sand with Chocolate accents
- Made in the USA
- Weight: Approximately:550 pounds
- Shipping Dimensions: Approximately 37 x 48.63 x 86 inches. (LTL truck)

EXHIBIT B



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: 2016 Budget Progress Report

Department Operating Budgets

- Departmental Operating budgets are due date is July 10
- We received notice from the State regarding the 2016 Wisconsin Retirement Rates which are favorable to the budget. These rates have been updated into our payroll projections.

	<u>Percent of Salary</u>		
	<u>2016</u>	<u>2015</u>	<u>Change</u>
General	6.6	6.8	-0.2
Elected	7.8	7.7	0.1
Police	9.58	9.88	-0.3
Fire	13.38	13.48	-0.1

- We have updated the budget projections for a number of retirements that have been announced in the last 60 days.

CIP Budgets

- The CIP budget book was produced and posted on the City web site



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: July 8, 2015

SUBJECT: Closure of Tax Increment District Number Five

Purpose: To provide background information regarding the Status of Tax Increment District Number Five and the possible closure of the District

Background: Tax Increment District Five Expenditure Period ends today July 8, 2015 and the mandated closure date is 7/8/2020. Each year on May 15th, the City must fulfil regulatory reports with the State of Wisconsin that directs the continuation of the district and authorizes increment for the subsequent year. So, on May 15, 2015 the City of Wausau authorized the 2016 increment for the District and increment will be collected within the 2016 budget and levy.

At the end of this year, the district will have the outstanding debt obligation for 2016 and 2017 totaling approximately \$574,000. I have attached a copy of the TID #5 Annual Report. The last page of the report provides a projected cash flow for the district.

Based upon State law the City has the ability to consider the following options for the district:

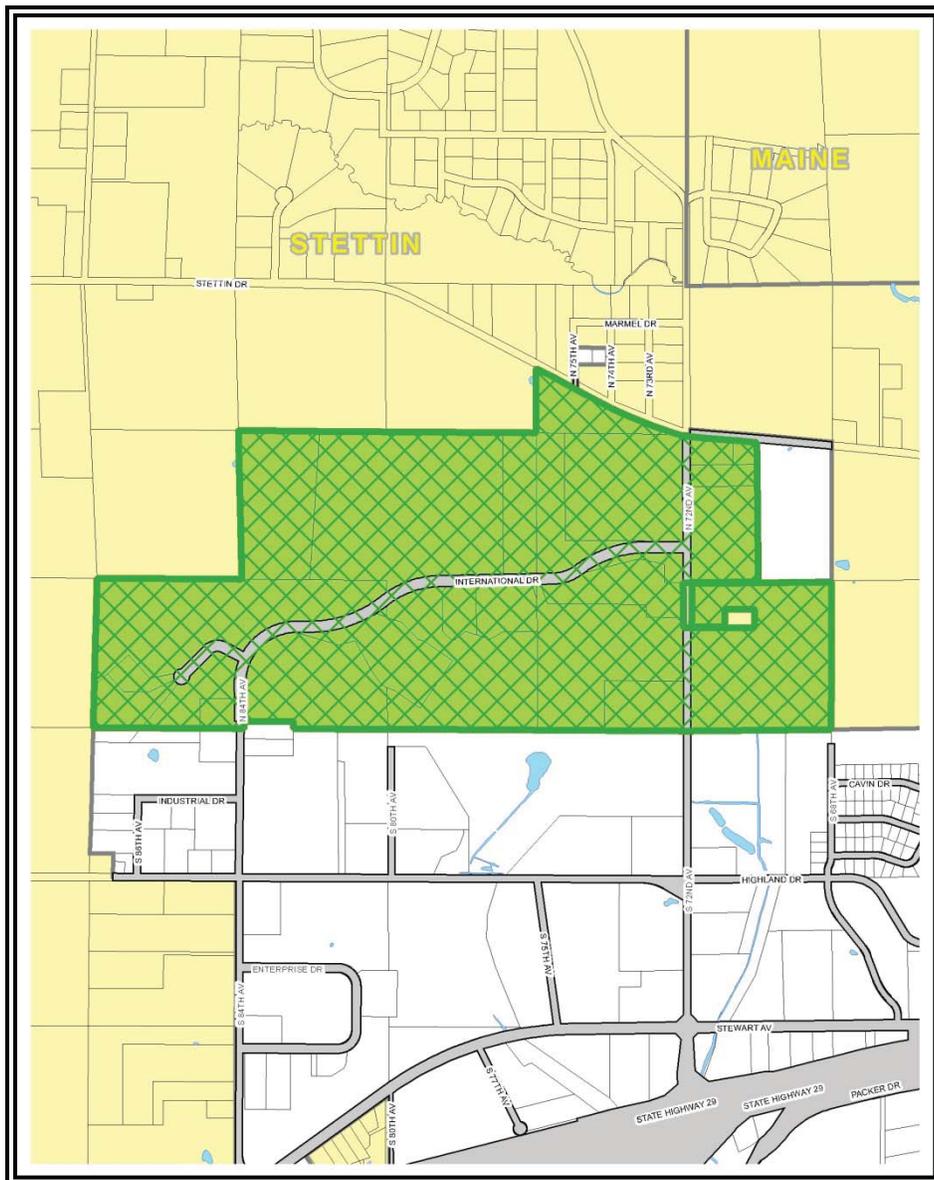
OPTION	IMPACT
Close the district after the retirement of the debt	The tax rate will decline for the 2018 budget and a portion of the increment will be made available to the operating budget
Close the district once increment is sufficient to retire all future debt	The tax rate will decline for the 2017 budget and a portion of the increment will be made available to the operating budget
Present a plan amendment to the Joint Review Board establishing the district as a donor district to eligible districts which would include: TID #3 or TID #8	Increment from the district would be directed to these other districts to pay for additional project costs, eliminate accumulated deficits and mitigate the city's risk of deficits
Present to the Common Council a resolution authorizing one year of increment to be used to fund housing stock improvements within the City	The District would remain open for one extra year and funds would be used to improve the City's housing stock

Based upon State law, the City has until May 15, 2016 to provide notice to the State regarding district closure

Recommendation: The City has made a significant investment in the Riverfront which has increased deficits within Tax Increment District Number Three. These deficits place a burden on the General Fund and are a financial risk to the community. In addition, the City is in preliminary discussions with mall owners, CBL, regarding redevelopment of the facility. I would recommend deferral on the decision to close the district until the Economic Development Committee and Finance Committee can fully evaluate the value of obtaining the necessary approvals for the district to serve as a donor district to TID #3 or facilitate mall redevelopment.

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT



WAUSAU FINANCE

December 31, 2014

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES AND NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS

For the Year Ended December 31, 2014
and From Date of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
PROJECT COSTS		
Capital expenditures	\$ -	\$ 3,253,119
Development grants	650,000	7,103,410
Administration	48,470	397,512
Professional services	20,335	47,313
Interest and fiscal charges	28,923	1,798,066
Debt issuance costs	-	82,525
	<u> </u>	<u> </u>
Total Project Costs	<u>\$ 747,728</u>	<u>\$ 12,681,945</u>
PROJECT REVENUES		
Tax increments	\$ 1,234,760	\$ 11,005,438
Special assessment taxes	-	48,466
Special assessment interest income	-	6,346
Investment income	-	17,359
Grant income	-	256,414
Miscellaneous income	125	3,009
Exempt computer aid	53,308	331,025
	<u> </u>	<u> </u>
Total Revenues	<u>\$ 1,288,193</u>	<u>\$ 11,668,057</u>
NET COST RECOVERABLE THROUGH TAX INCREMENTS		<u>\$ 1,013,888</u>
RECONCILIATION OF RECOVERABLE COSTS		
General obligation debt		\$ 815,000
Less: fund balance (Deficit)		<u>(198,888)</u>
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS		<u>\$ 1,013,888</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS

For the Year Ended December 31, 2014
and From Date of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
SOURCES OF FUNDS		
Tax increments	\$ 1,234,760	\$ 11,005,438
Special assessment taxes	-	48,466
Special assessment interest income	-	6,346
Grant income	-	256,414
Investment income	-	17,359
Exempt computer aid	53,308	331,025
Miscellaneous income	125	3,009
Proceeds from long-term debt	-	9,936,877
	<u>\$ 1,288,193</u>	<u>\$ 21,604,934</u>
USES OF FUNDS		
Capital expenditures	\$ -	\$ 3,253,119
Development grants	650,000	7,103,410
Administration	48,470	397,512
Professional services	20,335	47,313
Interest and fiscal charges	28,923	1,798,066
Debt issuance costs	-	82,525
Principal on long-term debt	430,000	9,121,877
	<u>\$ 1,177,728</u>	<u>\$ 21,803,822</u>
BEGINNING FUND BALANCE (DEFICIT)	<u>\$ (309,353)</u>	<u>\$ -</u>
ENDING FUND BALANCE(DEFICIT)	<u>\$ (198,888)</u>	<u>\$ (198,888)</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

DETAILED SUMMARY OF PROJECT COSTS

From Date of Creation Through December 31, 2014

	<u>Actual</u>	<u>Project Plan Estimate</u>
PROJECT COSTS		
Capital expenditures		
Street construction/improvements	\$ 1,619,682	\$ 2,956,390
Storm water drainage facilities	753,745	690,600
Land		30,000
Utility services construction	869,247	1,673,910
Site preparation	-	336,900
Building	10,445	800,000
Pedestrian Trail	-	250,000
Development grants	7,103,410	5,047,000
Administration	397,512	1,016,914
Professional services	47,313	166,800
Other Costs		250,000
Debt issuance costs	82,525	76,200
Interest and fiscal charges	<u>1,798,066</u>	<u>4,120,231</u>
TOTAL PROJECT COSTS	<u>\$ 12,681,945</u>	<u>\$ 17,414,945</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

ANNUAL SUMMARY OF PROJECT COSTS AND REVENUES From Date of Creation Through December 31, 2014

<u>PROJECT COSTS</u>	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006
Capital expenditures	\$ 471,299	\$ 143,719	\$ 1,000			\$ 205,105	\$ 1,497,660	\$ 616,676	\$ 25,936	
Administrative (In-house)		79,952		102	6,625		76,075	49,405		
Professional services										11,543
Development grants/Incentives										2,588,611
Interest and fiscal charges		38,895	26,835	23,955	20,955	17,895	14,775	153,268	142,289	133,864
Discount on long-term debt										
Debt issuance costs							9,706	28,659		
Refunds to overlying taxing jurisdictions	9,451									
Real property assembly costs										
Total Costs	<u>\$ 480,750</u>	<u>\$ 262,566</u>	<u>\$ 27,835</u>	<u>\$ 24,057</u>	<u>\$ 27,580</u>	<u>\$ 223,000</u>	<u>\$ 1,598,216</u>	<u>\$ 848,008</u>	<u>\$ 168,225</u>	<u>\$ 2,734,018</u>
PROJECT REVENUES										
Tax increments			\$ 235,626	\$ 299,260	\$ 337,279	\$ 339,040	\$ 379,179	\$ 505,905	\$ 478,079	\$ 474,090
Exempt computer aid				2,775	1,983	1,565		1,393	6,235	2,984
Intergovernmental grants									1,500	160,000
Other grants										
Special assessments & charges										
Interest on special assessments										
Investment income								11,421		
Transfer in from other funds										
Premium on long-term debt										
User fees										
Sale of Land										
Miscellaneous										
Others: Loan Repayments										
Total Revenues	<u>\$ 3,576</u>	<u>\$ -</u>	<u>\$ 235,626</u>	<u>\$ 302,035</u>	<u>\$ 339,262</u>	<u>\$ 340,605</u>	<u>\$ 379,179</u>	<u>\$ 518,719</u>	<u>\$ 485,814</u>	<u>\$ 637,074</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

ANNUAL SUMMARY OF PROJECT COSTS AND REVENUES
From Date of Creation Through December 31, 2014

<u>PROJECT COSTS</u>	11 2007	12 2008	13 2009	14 2010	15 2011	16 2012	17 2013	18 2014	Totals	Project Plan Estimate
Capital expenditures	\$ 3,277	\$ 6,250	\$ 39,473	\$ 17,292	\$ 257,197	\$ 25,000	17,934	48,470	\$ 3,292,592	\$ 6,987,800
Administrative (In-house)	37,276		17,945	17,292	18,104	28,332	17,934	48,470	397,512	1,016,914
Professional services	14,284						1,151	20,335	47,313	166,800
Development grants/Incentives	2,847,591	486,115		41,620		290,000	160,000	650,000	7,063,937	5,047,000
Interest and fiscal charges	128,701	133,958	313,910	286,678	152,428	142,089	38,648	28,923	1,798,066	4,120,231
Discount on long-term debt										
Debt issuance costs				34,709					82,525	76,200
Refunds to overlying taxing jurisdictions										
Real property assembly costs										
Total Costs	\$ 3,031,129	\$ 626,323	\$ 371,328	\$ 380,299	\$ 427,729	\$ 485,421	\$ 217,733	\$ 747,728	\$ 12,681,945	\$ 17,414,945
PROJECT REVENUES										
Tax increments	\$ 519,865	\$ 570,207	\$ 719,479	\$ 1,254,271	\$ 1,217,583	\$ 1,222,984	\$ 1,217,831	\$ 1,234,760	\$ 11,005,438	
Exempt computer aid	5,892	21,143	24,753	28,861	78,014	59,961	42,158	53,308	331,025	
Intergovernmental grants	94,914								256,414	
Other grants										
Special assessments & charges		19,386	9,693	19,387					48,466	
Interest on special assessments		3,490	2,617	239					6,346	
Investment income				907	1,455				17,359	
Transfer in from other funds										
Premium on long-term debt										
User fees										
Sale of Land								125		
Miscellaneous	2,884									
Others: Loan Repayments										
Total Revenues	\$ 623,555	\$ 614,226	\$ 756,542	\$ 1,303,665	\$ 1,297,052	\$ 1,282,945	\$ 1,259,989	\$ 1,288,193	\$ 11,668,057	\$ -

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 1 – Tax Increment District Information:

The **City of Wausau** Tax Incremental District Number Five (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called tax increment.

Project costs may not be incurred longer than 5 years prior to the mandated termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until 23 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

Project plan and district objectives are:

- Increase employment opportunities within the community,
- Increase the per capita income in the community,
- Increase the industrial property tax base,
- Increase the availability of properly located, adequately serviced industrial sites,
- Accommodate new industries and the expansion of existing industries in the industrial park.

	Creation Date	Last Date to Incur Project Costs	Final Dissolution Date
District # 5	7/8/1997	7/8/2015	7/8/2020

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 2 - Long-term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes borrowed to finance District expenditures will be retired by current available resources or by tax increments generated by the TIF fund. If those revenues are not sufficient, payments will be made by future tax levies.

	Original Amount		Balance 12/31/2014
	Borrowed	Repaid	
1997 General Obligation Note, Call date April 1, 2005	\$540,000	\$540,000	\$0
2003 General Obligation Note, Call date April 1, 2013	2,000,000	2,000,000	0
2004B General Obligation Note, Call date April 1, 2009	1,500,000	1,500,000	0
2007 State Trust Fund Loan, Call date annually March 15th	2,956,877	2,956,877	0
2007 State Trust Fund Loan, Call date annually March 15th	500,000	500,000	0
2010B Refunding Issue	2,440,000	1,625,000	815,000
Total	<u>\$9,936,877</u>	<u>\$9,121,877</u>	<u>\$815,000</u>

Aggregate maturities of all long-term debt relating to the District are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	260,000	21,028	281,028
2016	270,000	13,598	283,598
2017	285,000	4,774	289,774
	<u>\$ 815,000</u>	<u>\$ 39,400</u>	<u>\$ 854,400</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 3 - Valuation of District

Annual valuation and percentage change for the District is as follows:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
1997	105,900	-
1998	8,316,200	7752.88%
1999	10,622,200	27.73%
2000	11,962,200	12.62%
2001	12,263,000	2.51%
2002	13,872,700	13.13%
2003	18,785,600	35.41%
2004	17,650,900	-6.04%
2005	18,300,700	3.68%
2006	20,733,000	13.29%
2007	22,632,000	9.16%
2008	30,044,500	32.75%
2009	48,849,000	62.59%
2010	45,633,600	-6.58%
2011	45,419,600	-0.47%
2012	44,938,400	-1.06%
2013	44,916,500	-0.05%
2014	44,942,200	0.06%

NOTE 4 - Tax Increments

Annual tax increments generated by the District are as follows:

YEAR	TAX INCREMENT
1999	\$235,626
2000	299,260
2001	337,279
2002	339,040
2003	379,179
2004	505,905
2005	478,079
2006	474,090
2007	519,865
2008	570,207
2009	719,479
2010	1,254,271
2011	1,217,583
2012	1,222,984
2013	1,217,831
2014	1,234,760
	<u>\$11,005,438</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 4 - Tax Increments continued.

The amount to be generated in 2015 is \$1,185,556.

NOTE 5 - Amendment to District

In 2001, Tax Increment District Five was amended by the Wausau Common Council and Joint Review Board to expand the Wausau West Business and Industrial Park, modify the project plan and increase estimated project plan costs by \$1,844,525.

In 2007, Tax Increment District Five was amended by the Wausau Common Council and Joint Review Board to expand the Wausau West Business and Industrial Park and increased estimated project plan costs by \$8,631,000.

In September 2012, Tax Increment District Five was amended by the Wausau Common Council and Joint Review Board. This amendment provided for \$840,000 of additional project costs within ½ mile radius of the district's boundaries. Specifically, the project costs include development grants, incentives and revolving loan funds of \$590,000 and the construction of a pedestrian trail for \$250,000.

NOTE 6 – Developer Agreements

On September 13, 2005, the City of Wausau entered into a development agreement with Wausau Business Incubator, Inc. to construct, own, and operate a new incubator in Tax Increment District Number Five in exchange for a cash grant of \$3,250,000. This grant was funded by tax increment district funds of \$2,250,000 and grants of \$254,914 along with a federal grant of \$1,000,000 obtained by the City of Wausau Community Development Authority. This agreement was amended in 2007, 2010 and 2012 to provide additional funding for the facility in the amounts of \$500,000, 41,620 and \$290,000. Total expenses paid through December 31, 2012 are \$3,336,533.

On August 20, 2007 the City of Wausau entered into a development agreement with Scannell Properties #92 LLC to construct, own, and operate a manufacturing facility of approximately 370,000 square foot and a total value (including land) of approximately nineteen million dollars. In addition, the agreement provided for a facility workforce of 450 employees. In exchange for the development, the City of Wausau made a cash grant payment of an amount not to exceed \$2,957,000. Total grant payments were \$2,956,877.

The City of Wausau entered into a development agreement on September 11, 2007 with Polywood Fabrication (developer). The developer agreed to construct an 80,000 square foot manufacturing facility with an approximate value of \$3,000,000 along with retaining 200 full-time equivalent jobs and creating 100 new jobs within 60 months from the date of the agreement. In exchange for this development, the

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 6 – Developer Agreements continued

City agreed to make a maximum contribution of \$152,887 to reimburse the developer for costs of project improvements. The contributions along with interest at a rate of 5.00% will be paid out of tax increments or any other available funds. The Contribution remained outstanding at December 31, 2013.

The City of Wausau entered into a development agreement on February 13, 2007 with Packaging Tape, Inc. (developer). The developer agreed to construct a 3,000 square foot manufacturing facility with an approximate value of \$2,650,000 along with creating 12 new jobs within 60 months from the date of the agreement. In exchange for this development, the City agreed to make a maximum contribution of \$62,000 to reimburse the developer for costs of project improvements. The contributions along with interest at a rate of 5.00% will be paid out of tax increments or any other available funds. The Contribution remained outstanding at December 31, 2013.

The City of Wausau entered into a development agreement in November 2013 with Southern Stretch Forming – Wisconsin, Inc. Southern Stretch agreed to purchase 7555 Stewart Avenue, operate a manufacturing facility, purchase equipment with a total cost of \$250,000, invest in exterior improvements of \$25,000 and create nine full time jobs by November 30, 2018. In exchange for this development the City agreed to provide two separate grants totaling \$160,000. One grant of \$110,000 will be used to offset property acquisition and the second grant of \$50,000 will defray equipment costs.

The City of Wausau entered into a development agreement in November 2013 with CAG Industrial Inc. for the purpose of redeveloping 305 S 84th Avenue from a warehousing facility to manufacturing use for the start-up company, Ordered Motion Systems, Inc. In exchange for the City of Wausau's \$650,000 developer payment the developer and owner agreed to make improvements including: re-lamping, office upgrades, crane erection, loading dock building addition and expansion and rehabilitation of parking and driving surfaces. The total improvement budget presented was \$892,385. In addition, Ordered Motion, Systems, Inc. signed a ten year lease and executed a document acknowledging their expectation to create 25 FTE's by December 31, 2014 and 50 FTE's by December 31, 2018 and placing equipment within the property valued at \$3.9 million by January 1, 2019.

The City of Wausau entered into a development agreement with Apogee Wausau Group to relocate Colorado operations to the City of Wausau facility. The City of Wausau provided Apogee Wausau Group a developer payment of \$500,000 to offset relocation costs, manufacturing expansion and related product line start-up costs and losses. In exchange Apogee Wausau Group will move its Colorado operations to the City of Wausau and create 124 full time positions by June 1, 2017.

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

NOTE 6 – Developer Agreements continued

On January 27, 2015, the City of Wausau Common Council authorized the donation of 4.2 acres of City owned property located within Tax Increment District 5 along with a \$100,000 ten year forgivable equipment loan to Composite Envisions, LLC. This

A summary of development payments to date is as follows:

	<u>Authorized</u>	<u>Paid</u>
Wausau Business Incubator	\$3,336,533	\$3,336,533
Scannell, Wausau Window and Wall	2,957,000	2,956,877
Southern Stretch Forming - Wisconsin, Inc.	160,000	160,000
CAG, Industrial	650,000	650,000
Polywood Fabrication	152,887	-
Apogee Wausau Group	500,000	-
Composite Envisions, LLC	100,000	-
Packaging Tape, Inc.	62,000	-
	<u>\$7,918,420</u>	<u>\$7,103,410</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER FIVE

ANNUAL REPORT

CITY OF WAUSAU TAX INCREMENTAL DISTRICT NUMBER FIVE PROJECTED CASH FLOW

Year	USES OF FUNDS				SOURCES OF FUNDS				Annual Surplus (Deficit)	Cumulative Balance
	Total Annual Debt Service	Administrative, Organization & Discretionary Costs	Developer Incentives	Capital Expenditures	Debt Proceeds	Special Assessment Income	Tax Increment	Other Income		
ACTUAL										
1 1997	\$9,451			\$471,299	\$540,000			\$3,576	\$62,826	\$62,826
2 1998	\$38,895	\$79,952		\$143,719					(\$262,566)	(\$199,740)
3 1999	\$86,835			\$1,000					\$147,791	(\$51,949)
4 2000	\$83,955	\$102					\$235,626		\$217,978	\$166,029
5 2001	\$80,955	\$6,625					\$299,260		\$251,682	\$417,711
6 2002	\$77,895			\$205,105			\$337,279	\$1,983	\$57,605	\$475,316
7 2003	\$84,481			\$1,497,660	\$2,000,000		\$379,179	\$1,565	\$720,963	\$1,196,279
8 2004	\$272,815	\$76,075		\$616,676	\$1,500,000		\$505,905	\$12,814	\$1,079,823	\$2,276,102
9 2005	\$404,361	\$49,405		\$25,936			\$478,079	\$7,735	\$55,517	\$2,331,619
10 2006	\$398,510						\$474,090	\$162,984	(\$2,361,590)	(\$29,971)
11 2007	\$400,921	\$37,276	\$2,588,611	\$17,561	\$2,206,760		\$519,865	\$103,690	(\$473,034)	(\$503,005)
12 2008	\$400,352		\$486,115	\$6,250	\$1,250,117		\$570,207	\$21,143	\$971,626	\$468,621
13 2009	\$820,657	\$17,945		\$39,473			\$719,479	\$24,753	(\$121,533)	\$347,088
14 2010	\$3,719,878	\$17,292	\$41,620	\$257,197	\$2,440,000		\$1,254,271	\$29,768	(\$35,125)	\$311,963
15 2011	\$693,239	\$18,104					\$1,222,984	\$79,469	\$328,512	\$640,475
16 2012	\$2,421,459	\$28,332	\$290,000	\$25,000			\$1,217,831	\$59,961	(\$1,481,846)	(\$841,371)
17 2013	\$548,886	\$17,934	\$160,000	\$1,151			\$1,217,831	\$42,158	\$532,018	(\$309,353)
18 2014	\$458,923	\$48,470	\$650,000	\$20,335			\$1,234,760	\$53,433	\$110,465	(\$198,888)
ESTIMATED										
19 2015	\$281,028	\$40,000	\$650,000				\$1,185,556	\$161,042	\$375,570	\$176,682
20 2016	\$283,598	\$18,000					\$1,185,556	\$101,072	\$985,030	\$1,161,712
21 2017	\$289,774	\$18,000					\$1,185,556	\$101,072	\$978,854	\$2,140,566
22 2018		\$18,000					\$1,185,556	\$101,072	\$1,268,628	\$3,409,194
23 2019							\$1,185,556	\$101,072	\$1,286,628	\$4,695,822
24 2020							\$1,185,556	\$101,072	\$1,286,628	\$5,982,450
TOTAL	11,856,868	491,512	7,713,937	\$3,339,905	9,936,877	54,812	18,118,774	1,274,209		



TO: FINANCE COMMITTEE MEMBERS

FROM: MARYANNE GROAT

DATE: June 11, 2015

SUBJECT: Procurement Policy

Background Information

We would like to add services provided by Marathon County Landfill as purchases exempt from competitive purchasing requirements and sole source documentation.

Sole Source Exemptions: The following purchases are exempt from competitive purchasing requirements and sole source documentation:

1. Software maintenance and support services when procured from the proprietary owner of the software.
2. Original equipment manufacturer maintenance service contracts, and parts purchases when procured directly from the original manufacturer/authorized dealer or representative.
3. Insurance policy purchases and services through CVMIC and TMIC of Wisconsin
4. Property Insurance purchases from the Local Property Insurance Fund.
5. Utility Services and Charges.
6. [Marathon County Landfill](#)

CITY OF WAUSAU, WISCONSIN

PROCUREMENT POLICY

POLICY OBJECTIVE

The City of Wausau has adopted this procurement policy in order to provide City employees with uniform guidance in the purchase of supplies, equipment, services and property. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility and efficiency in departmental operations.

COVERAGE

This policy applies to the purchases of all departments and divisions of the City of Wausau. The provisions of Wisconsin Statutes s 62.15 and Wausau Municipal Code 12.08 apply to the procurement of public construction and take precedence over any portion of this policy that may conflict with that statute. Procurement activities for MetroRide are subject to the provisions of the Federal Transit Administration and take precedence over any portion of this policy which may conflict with their guidelines. More restrictive procurement procedures required by grants, aids, statutes or other external requirements or funding sources will take precedence.

GOALS

1. To encourage open and free competition to the greatest extent possible.
2. To receive maximum value and benefits for each public dollar spent.
3. To ensure that all purchases are made in compliance with federal, state and local laws.
4. To prevent potential waste, fraud, abuse and conflicts of interest in the procurement process.
5. To assure proper approvals are secured prior to the purchase and disbursement of public funds.

ETHICAL STANDARDS

1. All procurement shall comply with applicable federal, state and local laws, regulations, policies and procedures. Municipal Code 2.03 Code of Ethics for Public Officials and Employees provides general ethical standards and conduct expectations.
2. In general, employees are not to engage in any procurement related activities that would actually or potentially create a conflict of interest, or which might reasonably be expected to contribute to the appearance of such a conflict.
3. No employee shall participate in the selection, award or administration of a contract if a conflict of interest would be involved. Such a conflict would arise when the employee, any member of his immediate family, business partner or any organization that employs, or is about to employ, any of the above, has a financial interest or other interest in the firm selected for award.
4. To promote free and open competition, technical specifications shall be prepared to meet the minimum legitimate need of the City and to the extent possible, will not exclude or discriminate against any qualified contractors.
5. No employee shall solicit or accept favors, gratuities, or gifts of monetary value from actual or potential contractors or subcontractors.
6. Employees must maintain strict confidentiality in the procurement process and shall not impart privileged information to any contractors that would give them advantage over other potential contractors.
7. Personal purchases for employees by the City are prohibited. City employees are also prohibited from using the

City's name or the employee's position to obtain special consideration in personal purchases. Employee purchase programs may be established with vendors with prior approval from the Mayor, provided that the vendor provides similar programs to employees of other private entities.

GENERAL GUIDELINES

These general guidelines shall be adhered to as closely as possible by all departments in the procurement of goods and services.

1. Procurements are classified into the following two major categories:
 - Purchasing Goods is defined as equipment, furnishings, supplies, materials and vehicles or other rolling stock. The rental, leasing of these items is also considered to fall within this category and the cost shall be determined by considering the maximum total expenditure over the term of the agreement.
 - Purchase of Services is classified into additional categories of professional services, contractor services, construction services and combined goods and service contracts.
2. Buy Local - It is the desire of the City to purchase locally when possible. This can be accomplished by ensuring that local vendors who have goods or services available are included in the competitive solicitation process that will precede major purchases. It is also the desire of the City to purchase from disadvantaged enterprise businesses whenever possible as defined by Wisconsin Statute 84.06(1).
3. Cooperative Procurement Programs – Departments are encouraged to use cooperative purchasing programs sponsored by the State of Wisconsin or other jurisdictions. Purchases of goods and services secured through these programs are considered to have met the requirements of competitive procurement outlined in this policy. Additionally, if identical products can be obtained at a lower price than current cooperative purchasing contracts, no additional quotes are required.
4. Purchasing Oversight – Department heads have the responsibility for procurement issues in their individual departments. A department head is defined as the City employee having responsibility for the department on behalf of which moneys were appropriated in the City budget for purchases.
5. Emergencies – When an emergency situation does not permit the use of the competitive process outlined in the policy, the applicable department head, Finance Director and Mayor may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained and filed with the City Clerk. All emergency purchases exceeding \$50,000 shall require the Department Head to provide written notice to the Common Council.
6. Identical Quotes or Bids – If two or more qualified bids/quotes are for the same total amount or unit price, and quality or service is considered equal the contract shall be awarded to the local bidder. Where this is not practical the contract will be awarded by drawing lots in public.
7. Serial Contracting – No contract or purchase shall be subdivided to avoid the requirements of this policy. Serial contracting is the practice of issuing multiple purchase order to the same vendor for the same good or service in any 90 day period in order to avoid the requirements of the procurement policy.
8. Purchase Orders and Purchase Order Cover Sheet – Shall be issued for all purchases of goods and services in excess of \$5,000.
9. Policy Review – This policy will be reviewed by the Finance Committee every two years or sooner at the discretion of the Common Council.
10. Protest Procedures – Any interested party who wishes to protest at any point in the procurement process, evaluation, award, or post-award, may do so. An “interested party” must, however, be an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract. Protests must be submitted timely, in writing to the City Clerk, 407 Grant Street, Wausau WI 54403 but no later than five (5) working days following the City's procurement decision. The protest must contain a detailed statement of the grounds for the protest and any supporting documentation. Upon the receipt

of the written protest, the City Clerk will notify the City Attorney and Finance Director who will work to resolve the matter within five (5) working days. If the protester is not satisfied and indicates the intention to appeal to the next step the award will be temporarily suspended unless it is determined that: 1)the item to be procured is urgently required; 2) delivery or performance will be unduly delayed by failure to make the award promptly; 3) Failure to make the prompt award will otherwise cause harm to the City; or 4) The protest has no merit. If the protester wishes to appeal the decision of the City Attorney and Finance Director the matter will be forwarded to the City of Wausau Finance Committee and the Common Council for the ultimate local disposition.

PURCHASE OF GOODS

1. Purchase of Goods under \$5,000 – may be made based on the best judgment of the department head or division director. However, it is recommended that competitive quotes be obtained. Specific procurement documentation is not required.
2. Purchase of Goods \$5,000 to \$25,000 – requires department head approval PRIOR to placing the order and the issuance of a purchase order. The cost of the purchase must have been included within the approved department budget. The department **MUST** obtain (3) three written quotations, if possible. Quote summary, request for quote documentation and written quotes must be submitted to the Finance Department with the purchase order request. Purchase orders will not be processed without the proper documentation.
3. Purchase of Goods in excess of \$25,000 – a formal bid process is required.
 - a. Requests for such bids shall be formally noticed. All notices and solicitations of bids shall state the time and place of the bid opening.
 - b. All bids shall be submitted sealed to the City Official designated in the bid packet and shall have the bid name and date identified on the envelope.
 - c. All sealed bids shall be opened and recorded by the Board of Public Works. The department head shall be responsible for the preparation of all plans, bid specifications, notices and advertising. Prequalification of bidders may be done at the discretion of the department head. A tabulation of bids received shall be available for public inspection. The Board of Public Works shall have the authority to award the contract when the costs of the purchase have been included within the approved City budget. Purchases that do not meet this criteria and are not otherwise authorized by law, rule or regulation, shall be authorized separately by the Common Council. All bid documentation shall be placed on file with the City Clerk.
 - d. In general, the contract shall be awarded to the lowest priced responsible bid, taking into consideration the following factors: the qualities of the goods supplied, conformity with specifications, product compatibility, maintenance costs, vendor support and delivery terms. Written documentation or explanation shall be required if the contract is awarded to other than the lowest responsible bidder. This documentation will include a justification as to why it was in the City’s best interest to award the contract to other than the lowest responsible bidder.
4. Commodities \$5,000-\$50,000 – commodities subject volatile pricing such as fuel may through via written quotes. These purchases require department head approval prior to placing the order and the issuance of a purchase order. The cost of the purchase must have been included within the approved department budget. The department must obtain (3) written quotations, if possible. Quote summary, written quotes and any other available documentation must be submitted to the Finance Department with the purchase order request.
5. The department head shall administer the purchase.
6. The following items must be purchased using a centralized purchasing process:
 - a. Copiers - coordinated by the CCITC.
 - b. Computer hardware/software - coordinated by CCITC.
 - c. Cellular telephone, telephones, security cameras and similar communication and technology equipment – coordinated by CCITC.
 - d. Furniture – coordinated by Department of Public Works.
 - e. Office Supplies – coordinated by the Finance Department.
 - f. Janitorial Services – coordinated by Department of Public Works.
 - g. Vehicles and other rolling Stock – coordinated by Department of Public Works.
 - h. Facility Maintenance, Repair and Improvement – coordinated by Department of Public Works.
 - i. Procurement of Legal Services – coordinated by the City Attorney’s office.

PURCHASE OF SERVICES

Whenever practical the purchase of services should be conducted based upon a competitive process:

- Contractor services is defined as the furnishing of labor, time or effort by a contractor, usually not involving the delivery of specific goods or products other than those that are the end result of and incidental to the required performance. Examples of contractor service include: refuse and recycling collection, snow removal, EMS billing services, janitorial, elevator maintenance, mailing, or delivery services. Contractor services shall follow the competitive procurement policy for the Purchase of Goods subject to the same spending guidelines. The cost shall be determined by considering the maximum total expenditure over the term of the contract.
- Construction services is defined as substantial repair, remodeling, enhancement construction or other changes to any City owned land, building or infrastructure. Procedures found with in State of Wisconsin Statute 62.15 and Wausau Municipal Code 12.08 shall take precedence. In absence of guidance in these areas, construction services shall follow the competitive procurement policy for the Purchase of Goods subject to the same spending guidelines.
- Combined Goods and Services in situations where the purchase combines goods and services (exclusive of construction and contractor services), such as many technology projects, the purchase shall be treated as a purchase of professional services.
- Professional services is defined as consulting and expert services provided by a company, organization or individual. Examples of professional services include: attorneys, certified public accountants, appraiser, financial and economic advisors, engineers, architect, planning and design. Professional services are generally measured by the professional competence and expertise of the provider rather than cost alone.
 - a) If it is estimated that the service being solicited has a total cost of over \$25,000 a formal Request for Proposal shall be used to solicit vendor responses. The department head shall be responsible for the preparation of all Requests for Proposal specifications, notices and advertising. Prequalification of proposers may be done at the discretion of the department head. A formal RFP will not be required to solicit legal services for representation in a specific matter, regardless of cost. The City Attorney will consult with the Finance Committee if it is anticipated that expenses (fees and costs) in excess of \$25,000 for a single matter will be incurred. When retention of legal services to perform ongoing services in one type of matter, such as bond counsel or prosecution services, is required, the procurement policy, for professional services shall be followed.
 - b) The Purpose of an RFP is to solicit proposals with specific information on the proposer and the service offered which will allow the City to select the best proposal. The best proposal is not necessarily the proposal with the lowest cost.
 - c) Based upon the services or project and the magnitude of the outcome a selection committee may be advisable.
 - d) Requests for proposals shall be formally noticed. All notices and solicitations of proposals shall state the time and place of the proposal opening.
 - e) Information to be requested of the proposer should include: Years of experience in the area desired services, financial strength of the company, examples of similar services/projects completed, resumes of staff associated with the project/service, list of references, insurance information, In addition the proposal should provide information about the City, scope of services requested and desired outcomes or deliverables. The proposal should also identify evaluation factors and relative importance.
 - f) Establish selection criteria and include this information with the RFP. It is generally advisable to establish a numeric ranking matrix. This reduces the subjective nature of the rating process.

- g) Proposals should be solicited from an adequate number of qualified sources. Requests for proposal should be formally noticed. All notices and solicitations should provide the issue date, response due date, date and time of opening responses and a contact person.
 - h) Proposals shall be opened and recorded by the Board of Public Works. A tabulation of proposals received shall be available for public inspection. All proposal documentation shall be placed on file with the City Clerk. The Department Head and selection committee (if applicable) will then review the proposals and make a selection.
- Service contracts or agreements should be reviewed by the City Attorney and placed on file with the City Clerk.

SOLE SOURCE

Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. In advance of the purchase, the Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation, aesthetic purposes or compatibility is an overriding consideration, the purchase is from another governmental body, continuity achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Finance Director in advance of the purchase, who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

Sole Source Exemptions: The following purchases are exempt from competitive purchasing requirements and sole source documentation:

1. Software maintenance and support services when procured from the proprietary owner of the software.
2. Original equipment manufacturer maintenance service contracts, and parts purchases when procured directly from the original manufacturer/authorized dealer or representative.
3. Insurance policy purchases and services through CVMIC and TMIC of Wisconsin
4. Property Insurance purchases from the Local Property Insurance Fund.
5. Utility Services and Charges.
- 5-6. Marathon County Landfill

BUDGET

All purchases shall be made in accordance with the budget approved by the Common Council. The department head has the responsibility for managing departmental spending to ensure the line item budget is not overspent and for initiating Transfer of Funds Requests when appropriate.

CONTRACT AUTHORIZATION

The Mayor is authorized to enter into contracts on behalf of the City of Wausau without additional council approval if the contracts meet the following criteria:

1. Purchase of Goods – The City may purchase equipment, furnishings, goods, supplies materials and rolling stock when the costs of the same have been included in the approved City Budget.
2. Purchase of Services – The City may contract for the purchase of services without Council resolution when the following conditions have been met:
 - a) The funds for services are included in the approved City budget.

- b) The procurement for services complies with the procurement policy.
 - c) The City Attorney has reviewed and approved the form of the contract.
 - d) The contract complies with other laws, resolutions and ordinances.
 - e) The contract term meets one of the following criteria:
 - 1. The contract is for a period of one year or less, or
 - 2. The contract is for a specific project, or
 - 3. The contract is for a period of not more than three years and the annual average cost of the services does not exceed \$25,000.
3. The following contracts require council approval:
- (a) Collective Bargaining Agreements – Any contract between the City of Wausau and any collective bargaining unit representing City employees.
 - (b) Real Estate Purchases – Contracts for the sale or purchase of real estate where the City of Wausau is the proposed seller or purchaser. Council approval is **not** required for commencement of foreclosure action to collect a loan or other debt owed to the City when the debtor has failed to cure any default in payment of the loan or other obligation.
 - (c) Leases – Contracts for lease of real estate where the City is either a proposed landlord or a proposed tenant exclusive of airport hangar, parking stall rentals and short term park facilities rentals.
 - (d) Easements and Land Use Restrictions – Contracts for easements, restrictive covenants or other limitations which may be placed upon the use of any City-owned property.
 - (e) Intergovernmental Contracts in excess of \$5,000 – Contracts between the City of Wausau and other local, state or federal governments or agencies except, cooperative purchasing agreements.
 - (f) Development Agreements – Contracts for the provision of infrastructure, financial assistance or other incentives by the City for the benefit of a developer or business venture.
 - (g) City Services – Contracts whereby the City of Wausau agrees to provide services to another party.
 - (h) Managed competition, outsourcing contracts – Contracts for labor or personal services to be performed by persons who are not city employees for work that has been performed by city employees within the past five (5) years and the contract will result in the elimination of positions and the layoff of personnel.
4. The common council delegates contract approval to the department level for the following:
- (a) Community Development Housing and Commercial Development Loans and Grants issued from grants and related program income.

Contracts shall be signed by the Mayor and counter-signed by the City Clerk, City Finance Director and City Attorney. The City Finance Director shall certify that funds have been provided by the Council to pay the liability that may be incurred under the contract. The City Attorney shall approve the contract as to form and the City Clerk shall attest to the Mayor's signature. Contract change orders may be signed by the Board of Public Works as long as the change order does not materially change the work performed and funds are available within the budget. Purchase contracts for goods or services valued at \$5,000 or less may be signed by individual department directors as long as the purchase is provided in the budget.

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City of Wausau Capital Plan and Operating Budget Calendar

4/8/2015	Capital Improvement Plan process begins. Departments are directed to develop 5 year capital requests, rank their requests using the standard ranking matrix. Departments will also provide a status report on active projects
5/15/2015	Mayor requests 2016 budget proposals and 2017 plan from each department. Finance distributes budget forms and other materials to the Departments Budgets will represent cost to continue
6/1/2015	Capital plan requests, rankings and active project status reports due to Finance.
6/22/2015	CIP Committee deliberations begin
7/10/2015	Departmental budget submissions due. Budgets will be based upon Mayoral and Council priorities and directives.
7/10/2015	Mayor and Finance begin budget review process and develop budget recommendations for Finance Committee Consideration
7/13/2015	5:30 PM COW - CIP Presentations
7/14/2015	5:30 PM Finance Committee - Update on 2016 Budget Projections and Strategic Planning
7/28/2015	5:30 PM Finance Committee - Strategic Planning to address the 2016 Budget Projection
7/28/2015	7:00 PM COW - Review and recommendation of 2016 CIP project funding recommendations
8/11/2015	Finance Committee Meeting
8/24/2015	Finance Department Begins budget compilations
8/25/2015	Finance Committee Meeting
9/8/2015	Finance Committee Meeting
9/15/2015	Executive Budget distributed to Council and available to Public
9/23/2015	Finance Committee - 2016 Budget Review - Initial Presentation/Discussion
9/24/2015	Finance Committee - 2016 Budget Review - Budget Debate
9/29/2015	Finance Committee - 2016 Budget Review - Final Recommendations
9/22/2015	Finance Committee Meeting
10/6/2015	COW - Review Finance Committee Budget Recommendations

10/13/2015	Finance Committee Meeting - 2016 Budget Adjustments
10/27/2015	Finance Committee Meeting - Budget Modifications
11/3/2015	COW - Review and Modify Proposed 2016 Budget
11/10/2015	Finance Committee Meeting
11/10/2015	Public Hearing is held to obtain citizen input on the budget
11/17/2015	COW - Review and Modify 2016 Proposed Budget
11/24/2015	Finance Committee Meeting
11/24/2015	The budget is adopted by the Common Council
12/8/2015	Finance Committee Meeting
12/22/2015	Finance Committee Meeting