

**MINUTES
CITY OF JEFFERSON COMMON COUNCIL
CITY HALL COUNCIL CHAMBERS
WEDNESDAY SEPTEMBER 5, 2023**

The Tuesday, September 5, 2023 meeting of the City of Jefferson Common Council was called to order at 7:00 p.m. by Mayor Oppermann. Member's present were: Ald. Neils, Ald. Schroeder, Ald. Tully, Ald. Mattke, Ald. Teeter, Ald. Lares and Ald. Stone. Absent: Ald. Beyer. Also present were: City Administrator Freitag, Attorney Rogers, City Director of Public Works Clark, City Clerk/Deputy Treasurer Copsey and Police Chief Richter.

PUBLIC PARTICIPATION

Olivia Nicolas, from Rock River Dental Clinic would like the council to reconsider the decision to discontinue the use of fluoride in the drinking water.

Mike Bender, N1655 Poeppel Road, and is also a dentist in the area, would like the council to be informed of the positives to use fluoride in the drinking water.

PRESENTATION: GENERAL PURPOSE FINANCIAL STATEMENTS AND UTILITY PURPOSE FINANCIAL STATEMENTS

Jodi Dobson and Vasvi Joshi, Baker Tilly went over the city's General Purpose Financial Statements and Utility Financial Statements.

DISCUSSION: 2ND ANNUAL WISCO CHASING REGATTA

City Administrator Freitag went over a brochure on the 2nd annual WISCO Chasing Regatta that will be held on October 1, 2023. It will take place at Rock River Landing Park.

APPOINTMENTS BY MAYOR AND CONFIRMED BY CITY COUNCIL

Library Board.....Rebecca Condon, School Representative (7/1/2024)
Library Board.....Elizabeth Pizano, Community Member (7/1/2026)

Ald. Schroeder, seconded by Ald. Lares moved to approve the appointments to the Library Board. On call of the roll, Motion carried unanimously.

AN ORDINANCE TO AMEND SECTION 300-10.31 OF THE MUNICIPAL CODE OF THE CITY OF JEFFERSON RELATED TO REZONING

(To be introduced by Ald. Mattke for a first reading.)

**CITY OF JEFFERSON
ORDINANCE #7-23**

The Common Council of the City of Jefferson, Wisconsin, do ordain as follows:

Section 1. Section 300-19 B. of the Zoning map, City of Jefferson, Wisconsin, which is herein made a part, is amended to change district boundaries of 200 Pitzner Parkway SMU Suburban Mixed Use to the zoning designation of UMU Urban Mixed Use.

Description:

Lot 1. CSM 5618 recorded in Volume 31 of Certified Surveys on Page 195 as Document No. 1353548, being a part of the Southwest ¼ of the Southeast ¼ of Section 3, Township 6 North, Range 14 East, in the City of Jefferson, Jefferson County, Wisconsin.

Parcel #: 241-0614-0343-006

Address: 200 Pitzner Parkway

Proposed Permanent Zoning Designation: UMU Urban Mixed Use

Section 2. This ordinance shall take effect and be in full force after passage and publication as provided by law and notification and attestation of the district boundary changes incorporated herein the zoning map, City of Jefferson.

AN ORDINANCE TO AMEND SECTION 265-19 OF THE MUNICIPAL CODE OF THE CITY OF JEFFERSON THAT WAS ADOPTED ON APRIL 11, 2023.

(To be introduced by Ald. Lares for a first reading.)

**CITY OF JEFFERSON
ORDINANCE #8-23**

WHEREAS, the City of Jefferson (the City) has previously adopted several ordinances regulating the use and operation of all-terrain vehicles (ATVs) and utility-terrain vehicles (UTVs), the latest version of which was adopted on April 11, 2023; and

WHEREAS, the City finds that the use of ATVs and UTVs have not been problematic for the safety and well-being of the citizens of the City and, therefore, the use of these vehicles can be expanded as set forth below.

NOW THEREFORE, the Common Council of the City of Jefferson does hereby ordain as follows:

Section 8(G) – No person shall operate an all-terrain/utility terrain vehicle in the City between the hours of 10 P.M. and **8:00** 5:00 A.M.

The following portion of Section 265-19 is hereby repealed:

~~Section 12 – Sunset Provision. Ordinance 265-19 as modified herein shall terminate six months at 11:59 PM after adoption unless extended by the Common Council of the City of Jefferson.~~

Section 14 – Effective Date. This ordinance shall take effect after passage, publication, and attestation as required by law.

Section 15 – Legal Effect. All provisions of the existing 265-19 that are not in conformity herein are hereby repealed. All other provisions are reaffirmed.

AN ORDINANCE TO AMEND SECTION 90-16 OF THE MUNICIPAL CODE OF THE CITY OF JEFFERSON CONCERNING THE CREATION OF A TOURISM COMMISSION AND THE DISPOSITION OF ROM TAX PROCEEDS

(To be introduced by Ald. Tully for a first reading.)

**CITY OF JEFFERSON
ORDINANCE NO. 9-23**

The Common Council of the City of Jefferson, Wisconsin (the City) hereby ordains as follows:

Section 1. The terms and provisions of §90-16 of the City’s Municipal Code are negated and abrogated in their entirety and replaced as set forth below.

Section 2. A Tourism Commission is hereby created and shall consist of five members who shall be appointed by the Mayor, with the approval of the Common Council. This entity shall be known as the Jefferson Tourism Commission (the Commission).

(A) The Commission membership will consist as follows:

(1) A representative of the local hotel, motel in lodging industry;

(2) The Mayor and a Common Council member of the City;

(3) Two citizen representatives who are residents of the City.

(B) Ex Officio Members – The City’s financial director and the Executive Director(s) of the organization(s) with whom the Commission contracts to perform tourism promotion shall be ex-officio non-voting members of the Commission.

(C) Each member’s term on the Commission will be for a one-year term at the pleasure of the Common Council, and members may serve multiple terms.

(D) Officers – The Commission shall elect, from among its members, a chairperson, a vice chairperson, and a secretary.

- (E) Meetings – The Commission shall hold meetings not less than quarterly.
- (F) Procedure – Four members shall constitute a quorum. Action shall be by majority of those present and voting. The Commission shall adopt rules of procedure for governing the conduct of its meetings.
- (G) Powers and Duties – The Commission shall be responsible for the coordination of tourism promotion and tourism development within the City and for ensuring that all room tax dollars it receives from the City, per state statutes, is spent on tourism promotion and development. The Commission shall contract with tourism entities as defined in Wis. Stat. § 66.0615 for tourism promotion services. “Tourism promotion and tourism development” means any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a room tax may be imposed, that are owned by different persons and located within the City in which a tax under this section is in effect; or, if at any time the City has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:
 - (1) Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.
 - (2) Transient tourist informational services.
- (H) Record – The Commission shall keep a written record of its proceedings to include all actions taken, a copy of which shall be filed with the City Clerk.
- (I) Reports – The Commission shall prepare and timely file all reports as required under the statute and/or by the City.
- (J) Compensation – The Commission members shall serve without compensation.
- (K) Confidentiality of Information Provided by Lodging Facilities – Pursuant to Wis. Stat. § 66.0615(3), any information provided by the City regarding room tax payment shall be confidential except for persons using the information in the discharge of their duties imposed by law or of the duties of their office or by order of a court.

Section 3. Seventy percent of the room tax collected under the City’s room tax shall be forwarded to the Jefferson Tourism Commission to be used for promoting tourism. Twenty-five percent of the tax shall be used by the City for civic promotion. Five percent of the tax shall remain with the owner of the entity that collected the tax.

- Section 4.** The Jefferson Tourism Commission shall also develop policies and procedures to enhance tourism in the City, including a marketing plan which will be updated as needed. Said Commission shall make available to the City, proof of any expenditures or other actions taken by the Commission. Said Commission may contract with a non-profit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development with the express purpose of fulfilling the goals set forth herein.
- Section 5.** Neither the City nor the Jefferson Tourism Commission may use the room tax revenue to construct or develop a lodging facility.
- Section 6.** The definitions set forth in §66.0615(1) Wisconsin Statutes are adopted herein in their entirety.
- Section 7.** This ordinance shall take effect after the passage, publication, and attestation as required by law.

CONSENT AGENDA

(To be introduced by Ald. Schroeder.)

CITY OF JEFFERSON RESOLUTION NO. 37

BE IT RESOLVED, by the Common Council of the City of Jefferson, Wisconsin that the consent agenda for September 5, 2023, is hereby adopted.

- A. Vouchers Payable for September Payables in the amount of \$290,059.46.
Payroll Summary for August 25, 2023, in the amount of \$194,173.72.
- B. Council Minutes from August 15, 2023, of the Common Council.
- C. Gemuetlichkeit Days 2023 Subsidy. (Tabled.)
- D. Licenses as Approved by the Regulatory Committee:
 1. Operator's Licenses.
 2. Sales of Goods in the ROW- Friends of the Library.
 3. Sales of Goods in the ROW- Brookstein for G-Days.
 4. Temporary Class B Picnic License- St. John the Baptist Fall Festival.
 5. Temporary Class B Picnic License- Fall Car Show & Swap Meet, Jefferson Fair Grounds.

Ald. Schroeder, seconded by Ald. Mattke moved to approve Resolution No. 37. On call of the roll, Motion carried unanimously with Ald. Lares abstaining from the minutes.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$2,198,379 SEWERAGE, WATER AND ELECTRIC SYSTEM REVENUE BONDS, SERIES 2023,

**AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT
THERETO**

(To be introduced by Ald. Neils.)

**CITY OF JEFFERSON
RESOLUTION NO. 38**

WHEREAS, the City of Jefferson, Jefferson County, Wisconsin (the "Municipality") owns and operates its public utility system, a public utility which includes its Sewerage System, Water System and Electric System (collectively, the "System") which is operated for a public purpose by the Municipality; and

WHEREAS, pursuant to Resolution No. 76 adopted by the Governing Body on November 27, 2012 (the "2012 Resolution"), the Municipality has heretofore issued its Sewerage, Water and Electric System Revenue Bonds, Series 2012B, dated December 12, 2012 (the "2012 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to Resolution No. 25 adopted by the Governing Body on June 21, 2016 (the "2016 Resolution"), the Municipality has heretofore issued its Taxable Sewerage, Water and Electric System Revenue Refunding Bonds, Series 2016A, dated July 26, 2016 (the "2016 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, pursuant to a resolution adopted by the Governing Body on July 20, 2021 (the "2021 Resolution"), the Municipality has heretofore issued its Sewerage, Water and Electric System Revenue Bonds, Series 2021B, dated August 11, 2021 (the "2021 Bonds"), which are payable from the income and revenues of the System; and

WHEREAS, the 2012 Bonds, the 2016 Bonds and the 2021 Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2012 Resolution, the 2016 Resolution and the 2021 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project") assigned Safe Drinking Water Loan Program Project No. 5463-06 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans and specifications of the Project, or portions thereof, issued under Section 281.41, Wisconsin Statutes, assigned No. W-2022-0698 and dated November 17, 2022 by the DNR; and

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

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

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

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

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

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

- (a) "Act" means Section 66.0621, Wisconsin Statutes;
- (b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;
- (c) "Bonds" means the \$2,198,379 Sewerage, Water and Electric System Revenue Bonds, Series 2023, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;
- (d) "Bond Year" means the twelve-month period ending on each May 1;
- (e) "Bulk Power Supply Engineer" means a nationally recognized engineer, or firm of engineers selected by the Municipality and which has skill and expertise in the field of bulk power supply planning;
- (f) "Credit Obligation" means any obligation of the Municipality under a contract, lease, installment sales agreement or other instrument, including but not limited to any contract entered into with a municipal electric company pursuant to Section 66.0825(8), Wisconsin Statutes, to make payments for property, services or commodities for the benefit or use of the Electric System portion of the System whether or not the same are made available, furnished or received, or any other obligation of the Municipality, under which the Municipality lends credit to or guarantees debts, claims or other obligations of any other person or entity for the purpose of obtaining property, services or commodities for the Electric System portion of the System or for the purpose of financing the initial costs of any project of any other person or entity from which property, services or commodities are intended to be obtained for the benefit or use of the Electric System portion of the System but only to the extent such obligation requires payment directly or indirectly from a designated fund or account provided for under this Resolution;
- (g) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance, audits, the wholesale purchase of electrical power and obligations under the Power Supply Contract between the Municipality and WPPI, and all payments required by Credit Obligations, to the extent provided in Section 11A of this Resolution, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;
- (h) "Debt Service Fund" means the Sewerage, Water and Electric System Mortgage Revenue Bond and Interest Special Redemption Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;
- (i) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department of

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

- (j) "Fiscal Year" means the twelve-month period ending on each December 31;
- (k) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;
- (l) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from sewerage, water and electric charges imposed by the Municipality, all payments to the Municipality under any service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees, any tax incremental district revenues appropriated by the Governing Body to the System, and any special assessments levied and collected in connection with the Project;
- (m) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;
- (n) "Municipality" means the City of Jefferson, Jefferson County, Wisconsin;
- (o) "Net Revenues" means the Gross Earnings of the System after deduction of Current Expenses;
- (p) "Parity Bonds" means bonds payable from the revenues of the System other than the Bonds but issued on a parity and equality with the Bonds pursuant to the restrictive provisions of Section 11 of this Resolution;
- (q) "Power Supply Contract" means the Long Term Power Supply Contract for Participating Members between the Municipality and WPPI entered into under Section 66.0825(8), Wis. Stats;
- (r) "Prior Bonds" means the 2012 Bonds, the 2016 Bonds and the 2021 Bonds, collectively;
- (s) "Prior Resolutions" means the 2012 Resolution, the 2016 Resolution and the 2021 Resolution, collectively;
- (t) "Project" means the Project described in the preamble to this Resolution. All elements of the Project are to be owned and operated by the Municipality as part of the System as described in the preamble hereto;
- (u) "Record Date" means the close of business on the fifteenth day of the calendar month next preceding any principal or interest payment date;
- (v) "System" means the entire sewerage system, water system and electric system of the Municipality specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the extraction, collection, treatment, storage and distribution of water; generation, acquisition and distribution of electricity; and collection, transmission, treatment and disposal of domestic and industrial sewerage and waste, including all improvements and extensions thereto made by the Municipality while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such sewerage system, water system and electric system and including all appurtenances, contracts, leases, franchises, and other intangibles;

(w) "2012 Bonds" means the Municipality's Sewerage, Water and Electric System Revenue Bonds, Series 2012B, dated December 12, 2012;

(x) "2012 Resolution" means Resolution No. 76 adopted by the Governing Body on November 27, 2012, authorizing the issuance of the 2012 Bonds;

(y) "2016 Bonds" means the Municipality's Taxable Sewerage, Water and Electric System Revenue Refunding Bonds, Series 2016A, dated July 26, 2016;

(z) "2016 Resolution" means Resolution No. 25 adopted by the Governing Body on June 21, 2016 authorizing the issuance of the 2016 Bonds;

(aa) "2021 Bonds" means the Municipality's Sewerage, Water and Electric System Revenue Bonds, Series 2021B, dated August 11, 2021;

(bb) "2021 Resolution" means a resolution adopted by the Governing Body on July 20, 2021 authorizing the issuance of the 2021 Bonds; and

(cc) "WPPI" means WPPI Energy, a municipal electric company organized under Section 66.0825, Wis. Stats.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of \$2,198,379; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Safe Drinking Water Loan Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Sewerage, Water and Electric System Revenue Bonds, Series 2023" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 2.145% per annum; shall be issued in denominations of \$0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on May 1, 2024 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

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

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

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

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

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

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

Section 6. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created and established by Resolution No. 88 adopted by the Governing Body on November 2, 1993 are hereby continued and shall be used solely for the following respective purposes:

- (a) Sewerage, Water and Electric System Revenue Fund (the "Revenue Fund"), into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Funds, the Debt Service Fund, the Depreciation Funds and the Surplus Fund in the amounts and in the manner set forth in Section 7 hereof and used for the purposes described below.
- (b) Sewerage, Water and Electric Systems Operation and Maintenance Funds (the "Operation and Maintenance Funds"), which shall be used for the payment of Current Expenses.
- (c) Sewerage, Water and Electric System Mortgage Revenue Bond and Interest Special Redemption Fund (the "Debt Service Fund"), which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due. The Reserve Account continued within the Debt Service Fund by the 2016 Resolution and 2021 Resolution is not pledged to the payment of principal of or interest on the Bonds and moneys in the Reserve Account shall under no circumstances be used to pay principal of or interest on the Bonds.

- (d) Sewerage, Water and Electric Systems Depreciation Funds (the "Depreciation Funds"), which shall be used to provide proper and adequate depreciation accounts for the System.
- (e) Surplus Fund, which shall first be used whenever necessary to meet requirements of the Operation and Maintenance Funds including the one month reserve, the Debt Service Fund, the Reserve Account and the Depreciation Funds. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts provided for in this section or used for additions and improvements to the System.

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

- (a) to the Operation and Maintenance Funds, in amounts equal to the estimated Current Expenses for such month and, if not needed to remedy any deficiency in the Debt Service Fund, for the following month (after giving effect to available amounts in said Fund from prior deposits);
- (b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source), and any amount required by the 2016 Resolution, 2021 Resolution or a future resolution authorizing the issuance of Parity Bonds to fund the Reserve Account established therein;
- (c) to the Depreciation Funds, amounts determined by the Governing Body to be sufficient to provide a proper and adequate depreciation accounts for the System; and
- (d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

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

The Gross Earnings deposited in each Operation and Maintenance Fund and Depreciation Fund shall be derived only from the component of the System to which the Fund relates (i.e., the Sewerage System, the Water System or the Electric System) and shall be used only to pay costs related to that component of the System.

It is the express intent and determination of the Governing Body that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures, and to fund the Reserve Account as required by the 2016 Resolution and 2021 Resolution. Obligations of the Municipality under the Power Supply Contract between the Municipality and WPPI in any event shall be payable prior to payments to the Debt Service Fund.

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

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

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

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

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

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

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

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

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

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

Section 11A. Credit Obligations.

(a) To the extent permitted by law, the Municipality may undertake any Credit Obligation which directly or indirectly requires payments from the Electric System

Operation and Maintenance Fund, but only if it shall first obtain an opinion of a Bulk Power Supply Engineer to the effect that: (i) the property, services or commodities to be furnished pursuant to such Credit Obligation may be used beneficially by the Municipality to meet the power and energy requirements of the electric utility portion of the System; and (ii) the obtaining of such property, services or commodities is technically and economically justifiable in accordance with prudent municipal utility management practice.

(b) To the extent permitted by law, the Municipality may undertake any Credit Obligation that directly or indirectly requires payments from the Surplus Fund, subject to any prior use of such monies for the benefit of the Bonds pursuant to Section 6 of this Resolution without meeting the requirements of subsection (a).

(c) The Bulk Power Supply Engineer may, in making all estimates required to be made or necessary to render any opinion required under this Section, rely upon estimates supplied by other engineers or information supplied by other persons, including an authorized representative of the Municipality, who the Bulk Power Supply Engineer believes to be qualified and to have access to the necessary information to make such estimates and to provide such information.

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Safe Drinking Water Loan Program for the purchase price of up to \$2,198,379 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

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

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

in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

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

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

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

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

Section 17. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be

made, except as provided in Section 14, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Municipality, the Governing Body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Municipality, its Governing Body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

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

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

Passed: September 5, 2023

Approved: September 5, 2023

Dale W. Oppermann
Mayor

Attest:

Sarah L. Copsey
City Clerk

EXHIBIT A

(Form of Municipal Obligation)

REGISTERED
NO. _____

UNITED STATES OF AMERICA
STATE OF WISCONSIN
JEFFERSON COUNTY
CITY OF JEFFERSON

REGISTERED
\$ _____

SEWERAGE, WATER AND ELECTRIC SYSTEM REVENUE BOND, SERIES 2023

Final
Maturity Date

May 1, 2043

Date of
Original Issue

_____, 20__

REGISTERED OWNER: STATE OF WISCONSIN SAFE DRINKING WATER LOAN PROGRAM

FOR VALUE RECEIVED the City of Jefferson, Jefferson County, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed _____ DOLLARS (\$ _____) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2024 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 2.145% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on May 1, 2024.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2024 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at Two and 145/1000ths percent (2.145%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

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

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

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

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Water System of the Municipality, which is a part of the Municipality's public utility system, a public utility that includes its Sewerage System, Water System and Electric System (collectively, the "Utility"). This Bond is issued pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted September 5, 2023, and entitled: "Resolution Authorizing the Issuance and Sale of Up to \$2,198,379 Sewerage, Water and Electric System Revenue Bonds, Series 2023, and Providing for Other Details and Covenants With Respect Thereto" and is payable only from the income and revenues of the Utility. The Bonds are issued on a parity with the Municipality's Sewerage, Water and Electric System Revenue Bonds, Series 2012B, dated December 12, 2012, Taxable Sewerage, Water and Electric System Revenue Refunding Bonds, Series 2016A, dated July 26, 2016 and Sewerage, Water and Electric System Revenue Bonds, Series 2021B, dated August 11, 2021, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

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

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

CITY OF JEFFERSON,
WISCONSIN

(SEAL)

By: _____
Dale W. Oppermann
Mayor

By: _____
Sarah L. Copsey
City Clerk

(Form of Assignment)

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

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

Please insert Social Security or other identifying number of Assignee

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

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

Dated: _____

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

Signature(s) guaranteed by

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Principal Amount</u>
May 1, 2024	\$ 89,179.03
May 1, 2025	91,091.92
May 1, 2026	93,045.84
May 1, 2027	95,041.68
May 1, 2028	97,080.32
May 1, 2029	99,162.70
May 1, 2030	101,289.73
May 1, 2031	103,462.40
May 1, 2032	105,681.67
May 1, 2033	107,948.54
May 1, 2034	110,264.04
May 1, 2035	112,629.20
May 1, 2036	115,045.10
May 1, 2037	117,512.81
May 1, 2038	120,033.46
May 1, 2039	122,608.18
May 1, 2040	125,238.13
May 1, 2041	127,924.48
May 1, 2042	130,668.47
May 1, 2043	133,471.30

Ald. Neils, seconded by Ald. Mattke moved to approve Resolution No. 38. On call of the roll, motion carried unanimously.

RESOLUTION REQUESTING EXEMPTION FROM COUNTY LIBRARY TAX

(To be introduced by Ald. Stone.)

**CITY OF JEFFERSON
RESOLUTION NO. 39**

WHEREAS, the Jefferson County Board has established a county library service and levies a county library tax as authorized under Section 43.57 (3) of the Wisconsin Statutes, and

WHEREAS, Section 43.64 (2) (b) of the Wisconsin Statutes provides that a village or city is exempt from the county library tax if it levies a tax for public library service and appropriates and expends for a library fund as defined by s.43.52 (1) during the year for which the county tax levy is made a sum at least

equal to the county library tax rate in the prior year multiplied by the equalized valuation of the property in the city or village for the current year, and

WHEREAS, the city of Jefferson will, in 2024, appropriate and expend an amount in excess of that calculated above,

NOW THEREFORE BE IT RESOLVED that the city of Jefferson hereby requests of the Jefferson County Board of Supervisors that the city of Jefferson be exempted from the payment of any tax for the support of the County Library Service as provided in Section 43.64 (2).

BE IT FURTHER RESOLVED that copies of this resolution be forwarded by the city clerk to the following parties:

ADMINISTRATOR
Jefferson County Library Council
Dwight Foster Public Library
209 Merchants Avenue
Fort Atkinson, WI 53538

COUNTY CLERK
311 S. Center Street, Room 109
Jefferson, WI 53549

Ald. Stone, seconded by Ald. Schroeder moved to approve Resolution No. 39. On call of the roll, motion carried unanimously.

RESOLUTION AUTHORIZING DEVELOPER’S AGREEMENT BETWEEN CITY OF JEFFERSON, GREMAR LLC, AND KUEHN ENTERPRISES, LLC

(To be introduced by Ald. Teeter.)

**CITY OF JEFFERSON
RESOLUTION NO. 40**

WHEREAS, Greomar, LLC, (the “Company”) and Kuehn Enterprises, LLC (the “Owner”) have previously entered into an Agreement in which the Company will purchase approximately 28.14 acres of undeveloped land from Kuehn Enterprises; and

WHEREAS, the Company intends to subdivide the Property and construct residential units upon same; and

WHEREAS, the City desires to encourage economic development, especially the creation of new residential housing; and

WHEREAS, the City has negotiated a Developer’s Agreement with the Company and Owner regarding the development of the subject Property, including the use of Tax Increment District #7 funds to finance construction of a water main which will loop the water system constructed to serve building improvements constructed within the boundaries of the Tax Increment District; and

WHEREAS, said water main loop will be partially constructed on the Property to be purchased by the Company from the Owner; and

WHEREAS, the City, once having received written notification from the Company that it has successfully closed with the Owner and that it has obtained the necessary financing for the Project, will take all necessary steps to construct a water main and all necessary water laterals to the individual parcels and hydrants from the present water main on Golf Drive south to East Clancy Street. The City's obligation to go forward is contingent with the Owner and the Company providing the City with a permanent right of way required to construct the water main improvement. The parties to this Agreement agree that the City's construction costs will not exceed \$550,000; and

NOW, THEREFORE BE IT RESOLVED, that the Common Council of the City of Jefferson, Wisconsin does herein approve a Developer's Agreement between the City of Jefferson, Greinar, LLC, and Kuehn Enterprises, LLC regarding the extension of a water main on Golf Drive south to East Clancy Street at an estimated cost not to exceed \$550,000. Said water main improvement is to be financed with TID #7 fund balance. The City Administrator is authorized to execute any documents associated with this Project on behalf of the City of Jefferson upon the review and consent of the City Attorney.

Ald. Teeter, seconded by Ald. Mattke moved to approve Resolution No. 40. On call of the roll, Motion carried unanimously.

Ald. Neils, seconded by Ald. Lares moved to adjourn the Jefferson Common Council Meeting at 7:55 p.m., carried unanimously on a voice vote.