



WISCONSIN

Public Finance Professionals, LLC

155 South Executive Drive, Suite 211 | Brookfield, WI 53005
414-434-9644 | Fax 414-226-2014 | wipublicfinance.com

Municipal Advisory Agreement City of Sheboygan Water Utility, Wisconsin

\$411,593 Taxable Water System Revenue Bonds Series 2024 for LSL Replacements

Wisconsin Public Finance Professionals, LLC (“WPPF”) is a “municipal advisor” as defined by the Securities and Exchange Commission (“SEC”) Final Rule adopted September 18, 2013. WPPF is registered and regulated by the SEC and the Municipal Securities Rulemaking Board (“MSRB”). The City of Sheboygan (the “City”) Water Utility Board of Commissioners (the “Commissioners”) hereby retains WPPF to serve as its “Municipal Advisor” in accordance with the terms and conditions of this Municipal Advisory Agreement (“Agreement”) effective the date of execution (the “Effective Date”). As Municipal Advisor, WPPF has fiduciary duties, including a duty of care and a duty of loyalty and is required to act in the City’s best interests without regard to its own financial and other interests.

MSRB Rule G-10 and G-42 Notifications, Disclosures of Conflicts of Interest and Other Information

As a Municipal Advisor registered with the MSRB and the SEC, WPPF is required to provide certain notifications, disclosures and information to the City, in writing, no less than once each calendar year. Included on the last page of the Agreement are notifications and disclosures in accordance with MSRB Rule G-10 regarding a brochure available on the MSRB’s website at www.msrb.org that describes the protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority; and, disclosures in accordance with MSRB Rule G-42 related to conflicts of interest and other information. All municipal advisory services are performed by employees of WPPF. WPPF has no relationships with other firms, or employees of the City, that could present a real or perceived conflict of interest. Carol Ann Wirth is the responsible party for WPPF in its relationship with the City.

Scope of Municipal Advisory Services

WPPF is engaged by the City as its Municipal Advisor to provide certain services with respect to the State of Wisconsin’s Safe Drinking Water Loan for its lead service line replacement program (the “LSL Project”). The Safe Drinking Water Loan (“SDW Loan”) will be an approximately \$411,593 taxable water system revenue bond, series 2024, issued to the State of Wisconsin as a “direct borrowing” and not a municipal security. The Safe Drinking Water Loan Program is part of the Wisconsin Environmental Improvement Fund, a state revolving loan fund that combines federal capitalization grants with state funding to provide affordable financial assistance to municipalities.

(a) Services to be provided:

1. Attend meetings as requested by the Commissioners and/or the City
2. Review amortization period for SDW Loan to accommodate goals of the LSL Project
3. Review SDW Loan documents prepared by Bond Counsel and the State of Wisconsin Department of Administration

4. Verify coverage calculations for existing water utility revenue bonds and the SDW Loan
5. Coordinate information requests from Wisconsin Department of Administration (“DOA”), Department of Natural Resources (“DNR”), Commissioners, and the City.
6. Coordinate timeline with the Commissioners, the City, DOA, DNR and Bond Counsel for the preparation and adoption of Authorizing Resolution by Common Council
7. Coordinate and assist with execution of SDW Loan documents
8. Provide on-going assistance to the Commissioners, as requested, throughout the lending process and through closing of the SDW Loan.

(b) Limitations on Scope of Municipal Advisory Services. The Scope of Municipal Advisory Services is subject to the following limitations:

(i) The scope of services is limited solely to the services described herein and is subject to any limitations set forth within the description of the Scope of Municipal Advisory Services.

(ii) The Scope of Municipal Advisory Services does not include tax, legal, accounting or engineering advice with respect to the SDW Loan or in connection with any opinion or certificate rendered by counsel or any other person at closing; and, does not include review or advice on any feasibility study.

(iii) WFPF’s review of certain general factual information does not involve a recommendation particularized to specific needs, objectives or circumstances of any specific municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, and is not intended to be regarded as “advice” within the meaning of the SEC Exchange Act Rule 15Ba1-1(d)(1)(ii) or MSRB Rule G-42.

(c) Amendment to Scope of Municipal Advisory Services

The Scope of Municipal Advisory Services may be changed only by written amendment or supplement to the Scope of Municipal Advisory Services described herein. The parties agree to amend or supplement the Scope of Municipal Advisory Services described herein promptly to reflect any material changes or additions to the Scope of Municipal Advisory Services

Compensation - Fees and Expenses

WFPF fee for services performed under this Agreement shall be \$2,800. WFPF’s fee includes all necessary in-state travel and general out-of-pocket expenses. WFPF’s fee is due and payable upon the closing of the SDW Loan.

Term of this Engagement

The term of this Agreement begins on the date executed below and ends, unless earlier terminated as provided below, on December 31, 2024. This Agreement may be terminated with or without cause by either party upon the giving of at least sixty (60) days’ prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of termination, WFPF shall be paid in full for any services performed to the date of that termination at the normal hourly rates (\$195/hour professional staff, \$95/hour support staff), for time actually spent. WFPF may not assign this Agreement without the Commissioner’s prior written consent. The laws of the State of Wisconsin shall apply to this Agreement.

Limitation of Liability/Insurance

In the absence of intentional misconduct, bad faith, or reckless disregard of obligations or duties hereunder on the part of Municipal Advisor, and except for claims for damages covered under WPPF's professional general liability insurance policy required under this Agreement, Municipal Advisor shall have no liability to City for damages for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any financial or other damages resulting from City's election to act or not to act, as the case may be, contrary to any municipal advisory services provided by Municipal Advisor to the City. No recourse shall be had against Municipal Advisor for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of City arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the SDW Loan or otherwise relating to the tax treatment of the SDW Loan, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by the City of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor's fiduciary duty to City under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

WPPF maintains professional general liability insurance in the amount of \$1,000,000 per occurrence.

Authority

The undersigned represents and warrants that he/she has full legal authority to execute this Agreement on behalf of the City / Commissioners. The following individual has the authority to direct WPPF's performance of its activities under this Agreement: Joe Trueblood, Superintendent.

WISCONSIN PUBLIC FINANCE
PROFESSIONALS, LLC

By 

CITY OF SHEBOYGAN WATER UTILITY
BOARD OF COMMISSIONERS

By: _____

Title: _____

Date: _____

Cc: Meredith DeBruin, City Clerk
Kaitlyn Krueger, Finance Director

Wisconsin Public Finance Professionals, LLC

MSRB Rule G-10 Disclosure - Notifications

- Wisconsin Public Finance Professionals, LLC (“WPFP”) is a Municipal Advisor registered with the Municipal Securities Rulemaking Board (“MSRB”) and the Securities and Exchange Commission (“SEC”).
- The MSRB’s website address is as follows: www.msrb.org.
- A brochure is available on the MSRB website that describes protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority.

MSRB Rule G-42 Disclosure

1. Wisconsin Public Finance Professionals, LLC (“WPFP”) is an MSRB Registered Municipal Advisor that conducts all municipal advisory activities subject to the fiduciary standards of conduct.
2. The Form MA of WPFP along with the most recent Form MA-I for each MSRB associated person is posted in the Edgar Database located on the US Securities and Exchange Commission website (www.sec.gov/help/foia-docs-muniadvisorshtm.html) select EDGAR Company filings webpage, searching under the name “Wisconsin Public Finance Professionals, LLC.” If you require a hard-copy of any of these forms, please send a written request to the Firm’s Chief Compliance Officer’s attention at the address below.
3. To the best of our knowledge and belief, neither WPFP nor any associated person has any material undisclosed conflict of interest.
 - A. WPFP has no financial interest in, nor does WPFP receive any undisclosed compensation from, any firm or person that WPFP may use in providing any advice, service, or product to or on behalf of any WPFP client.
 - B. WPFP may pay contracted MSRB registered solicitors or other MSRB Registered Municipal Advisors directly or indirectly in order to obtain or retain an engagement to perform municipal advisory services for any municipal entity.
 - C. WPFP does not receive any payments from a third party to enlist WPFP’s recommendation of services, municipal securities transactions, or any municipal financial product or service.
 - D. WPFP does not have any undisclosed fee-splitting arrangements with any provider of investments or services to any municipal entity.
 - E. WPFP does not have any conflicts of interest arising from compensation for municipal activities to be performed that are contingent on the size or closing of any transaction for which WPFP is providing advice.
 - F. There is no other actual or potential conflict of interest that could reasonably be anticipated to impair WPFP’s ability to provide advice to any municipal entity in accordance with the standards of fiduciary conduct.
4. WPFP, “the Firm” nor any of its Associated Persons are not currently subject to or have been subject to any legal or disciplinary event that could be material to a client’s evaluation of the Firm or the integrity of its management or Associated Persons.

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