

**Valbridge Property Advisors | Milwaukee
Valuation Services Agreement**

December 17, 2025

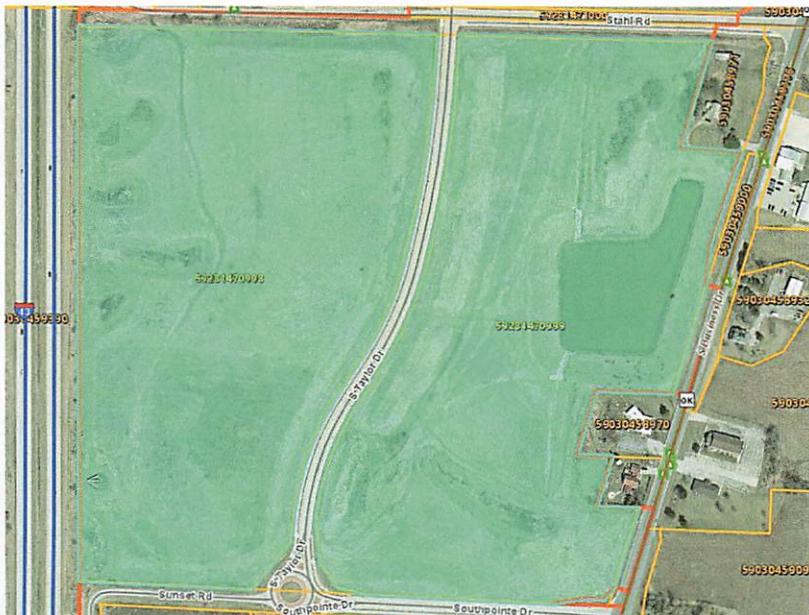
Ms. Kaitlyn Krueger, Finance Director
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081

RE: Authorization & Engagement for Appraisal Report of:
62.35 acres of City of Sheboygan vacant land with Tax Key Numbers of 59281470998 & 59281470999

Dear Ms. Krueger:

Valbridge Property Advisors | Milwaukee is pleased to present the following proposal. This proposal is for a narrative appraisal report of the subject property listed above and shown below.

This letter, together with the attached Standard Terms and Conditions, will form our agreement for services regarding the subject property ("Agreement"). If this Agreement is acceptable, please sign this letter, or have an authorized person affiliated with your organization sign. Please retain a copy for your records and return a signed copy to us, along with any specified retainer. We look forward to working with you on this assignment.



Specifications of the Appraisal

Client Name:	City of Sheboygan ("Client")
Subject Property:	As detailed on prior page
Property Type:	Vacant Land
Interest to be Valued:	Fee Simple
Intended Use:	Internal purposes
Property Type:	Vacant Land
Interest to be Valued:	Fee Simple
Intended Use:	Internal purposes, to be specified by client upon engagement
Intended User(s):	The intended users are the City of Sheboygan and their designated representatives. The appraisal will be for sole use and benefit of the Client and identified intended user(s). No other users are intended or authorized, and no other parties should use or rely on the appraisal or any content in the appraisal report for any purpose without the written consent of Valbridge Property Advisors Milwaukee. However, given the client and the intended use, it is understood that the appraisal will likely be shared with others and at some point be considered a public document.
Type(s) of Value:	As Is Market Value The definition of the type of value will be stated in the report. Valbridge Property Advisors Milwaukee is not responsible for determining whether the type of value stated for this assignment is appropriate for Client's intended use, as that determination may be a legal matter or the subject of Client's internal requirements. A current (As Is) value is not a prediction of any future value or a representation of the price the property may be sold for in distress or foreclosure. If a different type of value is necessary, please inform us prior to executing this Agreement.
Date(s) of Value:	A date coinciding with a site inspection Valbridge Property Advisors Milwaukee is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use, as that determination may be a legal matter.
Anticipated Scope of Work:	Valuation Approach(es):

All Applicable Approaches (most likely only the Sales Comparison Approach)

Level of Inspection:

In-person site visit

Hypothetical Conditions, Special/Extraordinary Assumptions: Approved Hypothetical Conditions; Extraordinary Assumptions may be added if needed during development of the appraisal and, if applicable, will be disclosed in the report.

Report Option and Format: Appraisal Report

Delivery Date: Verbal Value by January 7, 2026
Written Report by January 9, 2026

Valbridge Property Advisors | Milwaukee will use its best efforts to deliver the appraisal report no later than such date. Delivery of the report is contingent on Valbridge Property Advisors | Milwaukee's timely receipt of information and documentation from Client and other parties, as well as access to the property if necessary for the scope of work. In the event of a delay, Valbridge Property Advisors | Milwaukee will inform Client as soon as reasonably practicable.

Prior Services Regarding Subject Property (USPAP Disclosure): The undersigned has performed no prior services regarding the subject property within the three-year period immediately preceding this agreement.

Appraisal Fee: \$4,200

Retainer Fee \$0

Payment Terms: Payment due within 45 days upon Client's receipt of the report

If the client requests a draft, payment is due upon delivery of the draft. The balance of the professional fees is due upon completion. Interest to accrue at 1.0% per month (12.0% annum) on all amounts not paid within 30 days. Additional professional fees incurred for time committed subsequent to the production of the Final Report, will be billed separately.

Should additional consulting services, such as additional analysis or testimony work, be requested or required, we will charge based on hourly rates for the additional time. The current hourly rate for additional valuation consulting services

is \$325 per hour plus out of pocket expenses.
Appraisal/support staff are billed at lower rates.

Make Checks Payable To:

Vitale Realty Advisors, LLC
12660 W. North Avenue, Suite 10
Brookfield, WI 53005

Send Payment To:

Please reference the appraised property address with payment.

If ACH is preferred, please request instructions

Property Documentation.

Client agrees to provide accurate documentation and information as requested by Valbridge Property Advisors | Milwaukee to complete the appraisal. Delays in receipt of the documentation or in property access may result in Valbridge Property Advisors | Milwaukee being unable to deliver the appraisal report on the agreed-upon delivery date.

**MATERIALS & INFORMATION REQUESTED
FOR APPRAISAL ASSIGNMENT**

- An intended use of the Appraisal Report must be stated in the report. Please specify the reason for obtaining the appraisal
- If available, a survey of the subject property (otherwise I will use maps available from the Sheboygan GIS)
- Business park information, including restrictions and covenants
- Historical lot sale information for past business park lots
- Historic and/or projected development costs for improving the raw land into developed business park sites (if available)
- I would like to have an updated discussion on the business park with someone from the City, ideally on December 30. I am not sure if that would be Taylor Zeinert or someone else, but if you can provide their general availability during the week of December 29th, that would be appreciated



City of Sheboygan
December 17, 2025

Standard Terms and Conditions and Assumptions/Limiting Conditions.

The services performed under this Agreement will be subject to the attached Standard Terms and Conditions, which are incorporated into and form a material part of this Agreement. The appraisal will also be subject to the assumptions and limiting conditions stated within the report.

The fee and timing terms included in this proposed engagement letter are valid for three business days from the date of this letter. If the client executes this engagement after three days, Valbridge Property Advisors shall have the discretion to contact the client within one business day to present a revised fee and/or timing quote.

By: Vitale Realty Advisors, LLC,
d.b.a. Valbridge Property Advisors | Milwaukee

Mark J. Sch

Matthew J. Gehrke, MAI
Director
Wisconsin Certified General Appraiser
License #1234-10, Expires 12-14-2027
mgehrke@valbridge.com

Dated: December 17, 2025

Agreed and accepted on behalf of Client:

By:

Katzky

Client Name: City of Sheboygan

Title: Finance Director

Dated: 12/17/2025

STANDARD TERMS AND CONDITIONS FOR SERVICES AGREEMENT

1. **“Personnel.”** When capitalized, the term “Personnel” refers to all employees, partners, owners, shareholders, members, officers, directors or independent contractors of the respective party.
2. **Responsibility for Services.** Valbridge Property Advisors | Milwaukee is solely responsible for the services provided under this Agreement and the work product of its appraisers. Valbridge Property Advisors | Milwaukee is an independently owned and operated franchisee member firm of Valbridge Property Advisors Franchising System, LLC, which is a subsidiary of Valbridge Property Advisors, Inc. (both collectively referred to below as “VPA”). VPA and its subsidiaries (including Valbridge Property Advisors Franchising System, LLC, Data Appraise Systems, LLC, and Valbridge Property Advisors Data Solutions, LLC) do not perform valuation services, are not being engaged to provide any services under this Agreement and have no responsibility concerning or liability for the services of Valbridge Property Advisors | Milwaukee or any appraisal or other work product.
3. **Appraisal Fee Changes.** The appraisal fee is based on an understanding of the assignment as outlined in the specifications for the appraisal. Changes in the scope of work or unanticipated matters concerning the property may result in a higher fee and will be billed at Valbridge Property Advisors | Milwaukee’s regular hourly rates. If Client places the assignment “on hold” and then reactivates the assignment, an additional charge may apply due to the inefficiency created. If Client cancels the assignment prior to completion, Client agrees to pay for Valbridge Property Advisors | Milwaukee’s costs and time incurred at its regular hourly rates prior to its receipt of written notice of such cancellation.
4. **Services Performed on an Hourly Basis.** If this assignment includes a provision for services performed on an hourly billing basis, the hourly rates for such services are subject to periodic adjustment to current rates. Valbridge Property Advisors | Milwaukee will provide 30 days’ notice to Client prior to any rate increases. If Client chooses not to consent to the increased rates, Client may terminate the Agreement by written notice effective when received by Valbridge Property Advisors | Milwaukee. If this assignment includes a provision for services performed on an hourly billing basis, Client acknowledges that Valbridge Property Advisors | Milwaukee has not committed to any total fee amount to be incurred by Client under this Agreement.
5. **Intended Users and Uses of Appraisal.** In accordance with applicable professional appraisal standards, each appraisal report will identify the client, any additional intended users, and the intended use(s) of the appraisal. Valbridge Property Advisors | Milwaukee shall have no responsibility, obligation or liability to any party who is not identified as the client or as an additional intended user in the appraisal report or for any uses of an appraisal that are not identified in the report. Any party who is not the client or an intended user is not entitled to use or rely on the appraisal without the express written consent of Valbridge Property Advisors | Milwaukee, notwithstanding that such a party may receive a copy of the report for compliance or informational purposes.
6. **Independence of Appraisal Services.** The services performed under this Agreement will be delivered in a manner that is independent, impartial and objective. Valbridge Property Advisors | Milwaukee’s fees and Client’s obligation to pay are not contingent on the value of the property, any other assignment results, the funding of any loan, or the outcome of any dispute or litigation. Any opinions expressed about the potential outcome of a matter or case are not guarantees of the outcome.
7. **Confidentiality.** Valbridge Property Advisors | Milwaukee and its Personnel will comply with all confidentiality duties imposed by applicable law and professional standards. Client agrees that Valbridge Property Advisors | Milwaukee may disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, to third parties as required by law or as necessary for compliance with professional standards. Client further consents to and authorizes Valbridge Property Advisors | Milwaukee to disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, as reasonably necessary to defending or responding to threatened or actual legal or regulatory actions or for insurance coverage of such matters.

8. **Testimony in Court or Other Proceedings.** Unless otherwise stated in this Agreement, Client agrees that Valbridge Property Advisors | Milwaukee's engagement under this Agreement does not include Valbridge Property Advisors | Milwaukee's or its Personnel's participation in or preparation for any oral or written testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment. Client will not designate or disclose Valbridge Property Advisors | Milwaukee or any of its Personnel as an expert witness in any court, arbitration or other proceeding without the prior written consent of Valbridge Property Advisors | Milwaukee.
9. **Subpoenas and Testimony.** In the event that Valbridge Property Advisors | Milwaukee or any of its Personnel is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to the appraisal or services under this Agreement, whether in court, deposition, arbitration or any other proceeding, Valbridge Property Advisors | Milwaukee shall provide notice thereof to Client and Client agrees that Valbridge Property Advisors | Milwaukee or any of its Personnel may disclose such information as required to comply with such process and to compensate Valbridge Property Advisors | Milwaukee for the reasonable time incurred in connection with preparation for and provision of such testimony and/or documents at Valbridge Property Advisors | Milwaukee's rates in effect at that time and reimburse its reasonable actual expenses.
10. **Withdrawal Prior to Completion.** Valbridge Property Advisors | Milwaukee may terminate its rendition of services for the assignment(s) contemplated under this Agreement and withdraw without penalty or liability before completion or reporting of the appraisal in the event that it determines, at its sole discretion, that incomplete information was provided to Valbridge Property Advisors | Milwaukee prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to Valbridge Property Advisors | Milwaukee's analysis or reporting, that conditions of the subject property render the original anticipated scope of work inappropriate, that Valbridge Property Advisors | Milwaukee becomes aware that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement.
11. **Third-Party Beneficiaries of Agreement.** The Personnel of Valbridge Property Advisors | Milwaukee, VPA, its subsidiaries and their Personnel, and each franchisee and licensee of VPA assisting or providing any services in connection with the services to be provided under this Agreement and each of such franchisee's and licensee's Personnel (each a "**Third-Party Beneficiary**") shall each be an express third-party beneficiary of this Agreement and entitled to all of the rights and protections of and applicable to Valbridge Property Advisors | Milwaukee, and the limitations applicable to the Client, set forth herein (including, without limitation, the provisions regarding Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, Unauthorized Use or Publication, No Responsibility for Certain Conditions and Arbitration). Without limiting the foregoing, although VPA and its subsidiaries will provide no services under this Agreement, in the event of any legal claim or dispute, the following protections and limitations shall apply for the benefit of each Third-Party Beneficiary: Responsibility for Services, Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, No Responsibility for Certain Conditions and Arbitration, and no waiver, modification or amendment of such provisions shall apply to any Third-Party Beneficiary, unless such waiver, modification or amendment is in writing and executed by such Third-Party Beneficiary. There are no other third-party beneficiaries of this Agreement or the services performed under this Agreement.
12. **No Unauthorized Use or Publication.** No part of an appraisal report or the opinions or conclusions stated in a report may be published or used in any advertising materials, property listings, investment offerings or prospectuses, or securities filings or statements without Valbridge Property Advisors | Milwaukee's prior written authorization. If Client publishes or uses the report or Valbridge Property Advisors | Milwaukee's work product without such authorization or provides the report or other work product for unauthorized use or

publication, Client agrees to indemnify and hold Valbridge Property Advisors | Milwaukee and its Personnel harmless from and against all damages, liabilities, losses, causes of actions, expenses, claims and costs, including attorneys' fees, incurred in the investigation and/or defense of any claim arising from or in any way connected to the unauthorized use or publication.

13. **No Responsibility for Certain Conditions.** Notwithstanding that a report may comment on, analyze or assume certain conditions, unless otherwise stated in the report, Valbridge Property Advisors | Milwaukee and its Personnel shall have no responsibility for investigating and shall have no responsibility or liability for matters pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) flood zones, earthquake zones, surveys, property lines or boundaries pertaining to the property; (c) the property's compliance with local, state or federal zoning, planning, building, occupancy permits, disability access, life safety and environmental laws, regulations and standards; (d) building permits and planning approvals for improvements on the property; (e) structural or mechanical soundness or safety; (f) contamination, mold, pollution, asbestos, storage tanks, subsoil conditions, animal or vermin infestations and hazardous conditions affecting the property; and (f) other conditions and matters for which real estate appraisers are not customarily deemed to have professional expertise. Unless otherwise noted, the appraisal will value the property as though free of pollution, hazardous materials or other contamination of any kind. Valbridge Property Advisors | Milwaukee will conduct no hazardous materials or contamination inspection of any kind.
14. **Maximum Time Period for Claims and Proceedings.** Unless the time period is shorter under applicable law and except for claims for indemnification pursuant to Section 19, each claim, cause of action, or other proceeding concerning or relating to this Agreement, or the services or the results of the services provided hereunder (each being a "Claim") between Client and Valbridge Property Advisors | Milwaukee shall be filed (whether in court or in an applicable arbitration tribunal), within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall: (a) not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages, and (b) apply to all non-criminal claims or causes of action of any type, except for intentional fraud or intentionally wrongful conduct.
15. **Mutual Limitations of Liability.** Professional standards for the performance of real estate appraisals require that appraisers perform their services independently, impartially, and objectively. Clients and other users of appraisals often have separate legal or regulatory obligations imposed on them in relation to the appraisal process. The provisions of this section are designed to assure that an appraiser can render appraisal services in compliance with professional standards for reasonable compensation and to assure that clients and users can comply freely with their own professional and legal obligations, and any modifications hereof must be in writing and signed by the parties.
 - a. **Limitations of Liability.** To the fullest extent permitted by applicable law, the maximum liability of Valbridge Property Advisors | Milwaukee and its Personnel to Client or to any third-party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) and of Client to Valbridge Property Advisors | Milwaukee for any Claim shall be limited to the total compensation actually paid to Valbridge Property Advisors | Milwaukee for the appraisal or other services that are the subject of the Claim.
This limitation of liability extends to all types of Claims, whether in contract or tort, but excludes: (i) claims/causes of action for intentionally fraudulent or criminal conduct, intentionally caused injury, or unauthorized use or publication of the appraisal or work product or (ii) claims/causes of action by Valbridge Property Advisors | Milwaukee for the collection of unpaid compensation for the appraisal or other services (for which the maximum recovery shall be the total amount unpaid and owing to Valbridge Property Advisors | Milwaukee, plus applicable interest and late charges), or (iii) claims, causes of action, or other proceedings by Valbridge Property Advisors | Milwaukee or its Personnel

against Client in accordance with Section 19 (each an "Indemnification Claim"), or for publication of any report other than as may be expressly permitted by this Agreement (each a "Publication Claim").

b. **No Special or Consequential Damages.** Except in the case of an Indemnification Claim or a Publication Claim, neither Valbridge Property Advisors | Milwaukee/its Personnel nor Client shall be liable to one another or to any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) claiming by or through any of them or as a result of an appraisal or the matters set forth in this Agreement for special or consequential damages, including, without limitation, loss of profits, prospective business opportunities, or damages caused by loss of use of any property, regardless of whether arising from negligence or a breach of this Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.

c. **Application to Other Parties.** The limitations of liability in this section shall also apply to Claims against a Third-Party Beneficiary.

16. **No Assignment of Claims.** No rights under this Agreement and no Claim may be assigned by any party, except: (i) if set forth in the scope of services or (ii) with regard to the collection of a bona fide existing debt for payment for the services.

17. **Internal Compliance Reviews.** The appraisal or other work product and files may be disclosed to and subject to evaluation by Valbridge Property Advisors, Inc. for internal compliance purposes. Such evaluations do not establish any responsibility to Client or any other parties. Client consents to disclosure of information relating to the appraisal for that purpose.

18. **Arbitration.** Except for the Claims described hereinbelow, each Claim shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The place of arbitration shall be a mutually agreed location within the state in which the subject property is located. This arbitration requirement shall not apply to any Indemnification Claim, Publication Claim, or any Claim for monetary damages under \$5,000, or for collection of amounts due pursuant to this Agreement and not timely or fully paid.

19. **Indemnification.** Client will defend, indemnify and hold Valbridge Property Advisors | Milwaukee and its Personnel (each being an "**Indemnified Party**") harmless from and against any liabilities, damages, obligations, costs, and expenses (including attorneys' fees) arising out of or suffered by an Indemnified Party from or in connection with any claim, cause of action, or other proceeding brought by a third party (a "**Third-Party Action**") where such Third-Party Action arises in connection with, results from, or is based in whole or in part upon: (a) publication of the appraisal report or all or any part of its content in a manner inconsistent with the terms of this Agreement, (b) use or reliance on the appraisal by a person, entity, or association not identified as an intended user, unless Valbridge Property Advisors | Milwaukee has consented in writing to adding such person as an intended user, (c) Client's provision of inaccurate information or documentation, (d) Client's provision of an incomplete copy of the appraisal report to any person, entity, or association, or (e) Client's use or provision of the appraisal for a purpose other than its identified intended use.

20. **Governing Law and Jurisdiction.** This Agreement and each Claim shall be governed by the law of the state in which Valbridge Property Advisors | Milwaukee's office performing the assignment is located, exclusive of that state's choice of law rules. Client and Valbridge Property Advisors | Milwaukee agree that, except for Indemnification Claims and Publication Claims, each Claim and each legal proceeding to enforce an arbitration award entered pursuant to the arbitration provision of this Agreement, shall be brought in a state or federal court having jurisdiction over the location of the Valbridge Property Advisors | Milwaukee's office performing the assignment, and the parties hereby waive any objections to the personal jurisdiction or venue of such court.

21. **Severability.** If any provision of this Agreement is held, in whole or part, to be void, unenforceable, or invalid for any reason, the remainder of that provision and the remainder of the entire Agreement shall be severable and remain in full force and effect.
22. **Execution of Agreement.** Execution of this Agreement and delivery of an executed copy by any party by electronic means will be as effective as delivery of a manually executed copy by such party. In the event that any or all off services described in this Agreement are performed at Client's request or direction, but prior to or without Client's execution of the Agreement, the terms and conditions of this Agreement, including Client's obligation to pay, shall still apply.
23. **Entire Agreement and Modifications.** This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this agreement will be binding on the parties. This Agreement may only be modified by a subsequent agreement of the parties in writing signed by all the parties.
24. **Survival.** Sections 2, 5 through 10, and 12 through 23 of these Terms and Conditions shall survive and continue to be applicable after completion of the services described herein.

CITY OF SHEBOYGAN TERMS

The City's standard terms and conditions supersede any conflicting provisions within the contract

CITY OF SHEBOYGAN STANDARD CONTRACT TERMS GENERAL SERVICE AGREEMENT (NON-CONSTRUCTION)

1. **STANDARD OF CARE.** Contracting Party agrees that the performance of services pursuant to the terms and conditions of this Agreement shall be performed in a manner consistent with the degree and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances providing like services. Upon notice to Contracting Party, Contracting Party will, without additional compensation, correct or replace any and all Services not meeting the Standard of Care. Contracting Party agrees to follow all applicable federal, state, and local laws, regulations, and ordinances, and all provisions of this Agreement.
2. **FULLY QUALIFIED.** Contracting Party represents that all personnel engaged in the performance of the services set forth in this Agreement shall be fully qualified and shall be authorized or permitted under state and local law to perform the services.
3. **SCOPE OF WORK.** Contracting Party agrees to provide all labor, materials, equipment, transportation, appliances, and services necessary to complete all work identified or reasonably inferred from the Scope of Work document attached and/or incorporated into the Agreement. Contracting Party shall be responsible for obtaining all applicable permits and paying applicable permit fees prior to commencement. The scope of work set forth in this Agreement is based on facts known at the time of Agreement execution. As the project progresses, if facts are discovered that suggest a change of scope is warranted, the parties shall provide a written amendment to the Agreement before such change is recognized.
4. **MEANS AND METHODS.** Contracting Party shall be solely responsible for all means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under this Agreement. Contracting Party must employ, as much as possible, such methods and means in carrying out the work as will minimize disruption to City operations. Unless specifically included as a service to be provided under this Agreement, the City specifically disclaims any authority or responsibility for general job site safety, or the safety of persons or property.
5. **APPROPRIATION OF FUNDS.** Notwithstanding any other provision of the Agreement and pursuant to Wis. Stat. § 65.06(1), if funds for the continued fulfillment of this Agreement by the City are at any time not forthcoming or are insufficient, through failure of any entity, including the City itself, to appropriate funds or otherwise, then the City shall have the right to terminate this Agreement without penalty. The City agrees that it will make its best effort to obtain sufficient funds for the Agreement to meet its obligations hereunder in full.
6. **SCHEDULE OF PAYMENTS.** The City shall remit payment to Contractor within not less than thirty (30) days of itemized invoice receipt. Such itemization shall include labor costs, the Contracting Party's direct expenses, including subcontractor costs, the hours worked by Contracting Party's staff and the amount of work completed as a percentage of the work to be performed. The City shall not make payment for any unauthorized work or expenses. The City may withhold payment, in whole or in part, to the extent necessary to protect itself from a loss on account of defective work; evidence indicating the probable filing of claims by other parties against Contract that may adversely affect the City; failure of Contractor to make payments due to subcontractors, material supplies, or employees; damage to the City or a third party from acts arising out of this Contract. The submission of any request for payment shall be deemed a waiver and release by Contractor of all liens and claims with respect to the work and period to which such payment request pertains except as specifically reserved and noted on such request.

Partial payment made under this Agreement is not evidence of the proper performance by Contractor either in whole or in part, and no payment made by the City shall be construed to be an acceptance of defective or improper work.

7. **TAXES, SOCIAL SECURITY, INSURANCE, AND GOVERNMENT REPORTING.** Personal income tax payments, social security contributions, insurance, and all other governmental reporting and contributions required as a consequence of the Contracting Party receiving payment under this Agreement shall be the Contracting Party's sole responsibility. The City is a tax-exempt entity and as such, shall not be required to pay sales tax by execution of a contract.
8. **INSURANCE.** Contracting Party shall, at its sole expense, obtain and maintain in effect at all times during this Agreement, insurance coverage, as applicable, consistent with that set forth in Exhibit A.
9. **INDEMNIFICATION & HOLD HARMLESS.** To the extent authorized by law, Contractor hereby agrees to indemnify, defend, and hold harmless the City of Sheboygan, its elected and appointed officials, officers, employees, agents, representatives, and

authorized volunteers from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, interest, defense costs, attorneys' fees, costs, and expenses of whatsoever kind or nature in any manner directly or indirectly caused, occasioned, or contributed to in whole or in part or claimed or alleged to be caused, occasioned, or contributed to in whole or in part, by reason of any act, omission, fault, or negligence, whether active or passive of Contractor or its agents or anyone acting under its direction or control or on its behalf arising out of, or in connection with, or relating to this Agreement. Contractor's aforesaid indemnity and hold harmless agreement shall not be applicable to any liability caused by the willful misconduct of the City of Sheboygan, its elected and appointed officials, officers, employees, agents, representatives, or authorized volunteers. Nothing in this Agreement shall be construed as the City of Sheboygan waiving its statutory limitation and/or immunities as set forth in the applicable Wisconsin Statutes or other applicable law. This indemnity provision shall survive the termination or expiration of this Agreement.

10. **TERMINATION FOR CAUSE.** If, through any cause, the Contracting Party shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contracting Party shall violate any of the covenants, agreements, or stipulations of this Agreement, the City of Sheboygan shall thereupon have the right to terminate this Agreement by giving written notice to the Contracting Party of such termination and specifying the effective date, at least ten (10) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports or other material related to the services performed by the Contracting Party under this Agreement for which compensation has been made or may be agreed to be made shall, at the option of the City, become the property of the City. Notwithstanding the foregoing, the Contracting Party shall not be relieved of liability to the City for damages sustained by the City by virtue of this Agreement by the Contracting Party, and the City may withhold any payments to the Contracting Party for the purpose of setoff until such time as the exact amount of damages due to the City from the Contracting Party is determined.
11. **TERMINATION FOR CONVENIENCE.** The City may terminate this Agreement at any time and for any reason by giving written notice to the Contracting Party of such termination and specifying the effective date, at least ten (10) days before the effective date of such termination. If this Agreement is terminated by the City pursuant to this provision, Contracting Party will be paid an amount which bears the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of the Contracting Party covered by this Agreement, less payments for such services as were previously made. The value of the services rendered and delivered by Contracting Party will be determined by the City.
12. **USE OF CITY PROPERTY.** Any property belonging to the City being provided for use by the Contracting Party shall be used in a responsible manner and only for the purposes provided in this Agreement. No changes, alterations, or additions shall be made to the property unless otherwise authorized by this Agreement.
13. **INDEPENDENT CONTRACTOR.** The parties, their employees, agents, volunteers, and representative shall be deemed independent contractors of each other and shall in no way be deemed as a result of this Agreement to be employees of the other. The parties, their employees, agents, volunteers, and representatives are not entitled to any of the benefits that the other provides for its employees. The parties shall not be considered joint agents, joint ventures, or partners.
14. **JURY TRIAL WAIVER.** The parties hereby waive their respective rights to a jury trial on any claim or cause of action based upon or arising from, or otherwise related to this Agreement. This waiver of right to trial by jury is given knowingly and voluntarily by the parties and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue. Each party is hereby authorized to file a copy of this section in any proceeding as conclusive evidence of this waiver by the other party.
15. **SEVERABILITY.** The provisions of this Agreement are severable. If any provision or part of this Agreement or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.
16. **ASSIGNMENT, SUBLET, AND TRANSFER.** Contracting Party shall not assign, sublet, or transfer its interests or obligations under the provisions of this Agreement without the prior written consent of the City. This Agreement shall be binding on the heirs, successors, and assigns of each party hereto. Contracting Party shall provide not less than forty-five (45) days advance written notice of any intended assignment, sublet or transfer.
17. **NO WAIVER.** The failure of any party to insist, in any one or more instance, upon performance of any of the terms, covenants, or conditions of this Agreement shall not be construed as a waiver, or relinquishment of the future performance of any such term, covenant, or condition by any other party hereto but the obligation of such other party with respect to such future performance shall continue in full force and effect.

18. **GOOD STANDING.** Contracting Party affirms that it is a company duly formed and validly existing and in good standing under the laws of the State of Wisconsin and has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business. Contracting Party is duly licensed or qualified to do business and is in good standing in the State of Wisconsin and in all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition.

19. **CONFLICTS OF INTEREST.** Contracting Party covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contracting Party further covenants that in the performance of this Agreement no person having any conflicting interest shall be employed. Any interest on the part of Contracting Party or its employee must be disclosed to the City.

20. **IMPLEMENTATION SCHEDULE AND TIME OF THE ESSENCE.** Any and all phases and schedules which are the subject of approvals, or as set forth herein, shall be governed by the principle that time is of the essence, and modification or deviation from such schedules shall occur only upon approval of the City. The City Administrator, or in their absence, the Council President, shall have the ability to postpone any deadline listed herein, up to a maximum of ninety (90) days.

21. **ACCESS TO RECORDS & OPEN RECORDS LAWS.** Contracting Party, at its sole expense, shall maintain books, records, documents and other evidence pertinent to this Agreement in accordance with accepted applicable professional practices. The City, or any of its duly authorized representatives, shall have access, at no cost to the City, to such books, records, documents, papers or any records, including electronic records, of Contracting Party which are pertinent to this Agreement, for the purpose of making audits, examinations, excerpts and transcriptions. Contracting Party understands that the City is bound by the Wisconsin Public Records Law and, as such, this Agreement is subject to that law. Contractor acknowledges that it is obligated to assist the City in retaining and producing records that are subject to Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of the contract, and that Contractor must defend and hold the City harmless from liability under that law. Except as otherwise authorized, those records shall be maintained for a period of seven (7) years after receipt of Final Payment under the Agreement.

22. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreements and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

23. **SURVIVAL.** All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination for any reason.

CITY OF SHEBOYGAN INSURANCE REQUIREMENTS
GENERAL SERVICE AGREEMENT
(NON-CONSTRUCTION)

The Service Provider shall not commence work until proof of insurance required has been provided in writing to the applicable department before the contract or purchase order is considered for approval by the City of Sheboygan.

It is hereby agreed and understood that the insurance required by the City of Sheboygan is primary and non-contributing coverage and that any insurance or self-insurance maintained by the City of Sheboygan, its officers, councilmembers, agents, employees or authorized volunteers will not contribute to coverage of any loss. All insurance shall be in full force prior to commencing work and remain in force until the entire job is completed and the length of time that is specified, if any, in the contract or listed below whichever is longer.

1. COMMERCIAL GENERAL LIABILITY INSURANCE

Commercial General Liability coverage at least as broad as Insurance Services Office Commercial General Liability Form CG 00 01, including coverage for Products Liability, Completed Operations, Contractual Liability, and Explosion, Collapse, Underground coverage with the following minimum limits and coverage:

Each Occurrence limit	
\$1,000,000	
Personal and Advertising Injury limit	\$1,000,000
General aggregate limit (other than Products—Completed Operations) per project	
\$2,000,000	
Products—Completed Operations aggregate	\$2,000,000
Fire Damage limit — any one fire	\$50,000
Medical Expense limit — any one person	\$5,000

2. BUSINESS AUTOMOBILE COVERAGE Automobile Liability coverage at least as broad as Insurance Services Office Business Automobile Form, with minimum limits of \$1,000,000 combined single limit per accident for Bodily Injury and Property Damage, provided on a Symbol #1—“Any Auto” basis.

3. WORKERS COMPENSATION AND EMPLOYERS LIABILITY – as required by Wisconsin State Statute or any Workers Compensation Statutes of a different state. Also, if applicable to the work coverage must include Maritime (Jones Act) or Longshore & Harbor Worker's Compensation Act coverage.

Must carry coverage for Statutory Workers Compensation and an Employers Liability with limits of:

\$100,000 Each Accident
\$500,000 Disease Policy Limit
\$100,000 Disease – Each Employee

Employer's Liability limits must be sufficient to meet umbrella liability insurance requirements

4. UMBRELLA LIABILITY providing coverage at least as broad as all the underlying liability policies with a minimum limit of \$2,000,000 each occurrence and \$2,000,000 aggregate, and a maximum self-insured retention of \$25,000. The umbrella must be primary and non-contributory to any insurance or self-insurance carried by City of Sheboygan.

5. **AIRCRAFT LIABILITY**, if the project work includes the use of, or operation of any aircraft or helicopter, then Aircraft Liability insurance must be in force with a limit of \$5,000,000 per occurrence for Bodily Injury and Property Damage including Passenger liability and including liability for any slung cargo.
6. **UNMANNED AIRCRAFT LIABILITY** – if the project work includes the use of, or operation of any unmanned aircraft then unmanned aircraft liability insurance must be carried with a limit of \$1,000,000 per occurrence for bodily injury liability, property damage liability and invasion of privacy liability.
7. **WATERCRAFT LIABILITY** – if the project work includes the use or operation of any watercraft, watercraft liability insurance must be carried with a limit of \$1,000,000 per occurrence for bodily injury liability and property damage liability.
8. **SERVICE PROVIDER'S EQUIPMENT OR PROPERTY** – The Service Provider is responsible for loss and coverage for these exposures. The City of Sheboygan will not assume responsibility for loss, including loss of use, for damage to property, materials, tools, equipment, and items of a similar nature which are being either used in the work being performed by the Service Provider or are to be built, installed, or erected by the Service Provider. This includes but not limited to property owned, leased, rented, borrowed, or otherwise in the care, custody or control of the Service Provider.
9. **PRODUCTS - COMPLETED OPERATIONS LIABILITY** - Products – Completed Operations coverage must be carried for a minimum of three years after acceptance of completed work
10. **LIQUOR LIABILITY** – If the services rendered involve providing alcohol for consumption by others, liquor liability insurance must be carried with a limit of \$1,000,000 per occurrence.

INSURANCE REQUIREMENTS FOR ALL SUBSERVICE PROVIDERS

All subservice providers shall be required to obtain the above coverages as applicable. This insurance shall be as broad and with the same limits and coverages (including waivers of subrogation) as those required per Contractor requirements.

APPLICABLE REQUIREMENTS AND PROVISIONS FOR LIABILITY INSURANCE OF SERVICE PROVIDER & SUBSERVICE PROVIDERS

- A. **Primary and Non-contributory requirement** – all insurance must be primary and non-contributory to any insurance or self-insurance carried by the City of Sheboygan.
- B. **Acceptability of Insurers** – Insurance is to be placed with insurers who have an *A.M. Best* rating of no less than A and a Financial Size Category of no less than Class VII, and who are authorized as an admitted insurance company in the state of Wisconsin.
- C. **Additional Insured Requirements** – The following must be named as additional insureds on all Liability Policies for liability arising out of service work- the City of Sheboygan, and its officers, council members, agents, employees and authorized volunteers. On the Commercial General Liability Policy, the additional insured coverage must be as broad as ISO form CG 20 26 07 04 and also include Products – Completed Operations additional insured coverage as broad as ISO form CG 20 37 07 04 or their equivalents for a minimum of 3 years after acceptance of work. This does not apply to Workers Compensation Policies and Professional Liability Policies.
- D. **Waivers of Subrogation** - All contractor and subcontractor liability, workers compensation, and property policies, as required herein, must be endorsed with a waiver of subrogation in favor of the City of Sheboygan, its officers, council members, agents, employees, and authorized volunteers.
- E. **Deductibles and Self-Insured Retentions** – Any deductible or self-insured retention in the contractor's policy must be declared to the City of Sheboygan and satisfied by the contractor.
- F. **Evidence of Insurance** – Prior to execution of the agreement, the Service Provider shall file with the City of Sheboygan a certificate of insurance (Acord Form or equivalent for all coverages) signed by the insurer's representative evidencing the coverage required by this agreement. In addition, form CG 20 10 07 04 for ongoing work exposure and form CG 20 37 07 04 for products-completed operations exposure must also be provided or its equivalent on the Commercial General Liability coverage.

G. Limits and Coverage—The insurance requirements under this Agreement shall be the greater of the minimum limits and coverage specified herein, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits. No representation is made that the minimum insurance requirements stated hereinabove are sufficient to cover the obligations of Contractor under this Agreement.

H. Claims Made Coverage—If any coverage is maintained on a claims-made basis, the following shall apply:

- I. The retroactive date must be shown and must be before the date of the contract or the beginning of the contract services.
- II. Insurance must be maintained, and evidence of insurance must be provided for a minimum of three years after completion of the contract services.
- III. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the contract, Contractor must purchase an extended reporting period for a minimum of three years after completion of the contracted services.

I. Cancellation/Non-Renewal— No policy of insurance required to be maintained hereunder shall be cancelled, non-renewed, or voided without 30 days prior written notice to the City of Sheboygan except where cancellation is due to the non-payment of premiums, in which event, 10-days prior written notice shall be provided.