

Community Development Authority of the City of Whitewater



Rules of Procedure



EST. 1972

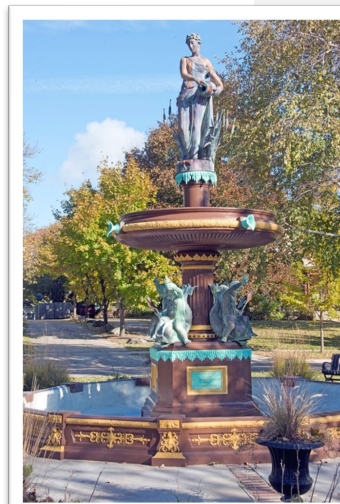
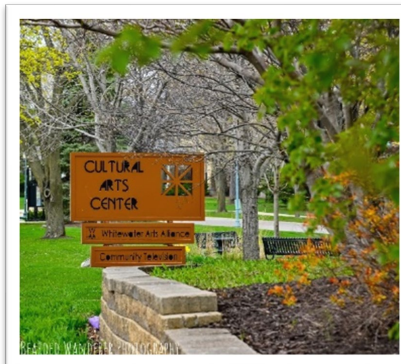
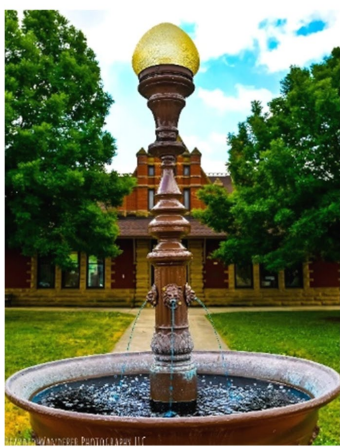


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1. OVERVIEW OF COMMUNITY ECONOMIC DEVELOPMENT

Community Economic Development (CED) or Local Economic Development (LED) is a community-driven process where communities identify and initiate their solutions to economic, social, and environmental issues to build healthy, economically viable communities. CED contains principles and goals based on a grassroots approach. This deliberate approach has a direct influence on the local economy and quality of life for its residents.

The CED process is committed to longitudinal methods that support the community. To be successful a Community Development Authority must be supported by key community leaders, social groups, organizations, its residents, and institutions that are committed to investing in the community for positive city-wide changes for the benefit of the entire community. Success depends on many things: people willing to get involved, knowledge and skill of the leaders, motivated and effective community and political leadership, community spirit, community culture, and entrepreneurial/community vitality and ingenuity.

2. WHITEWATER CDA MISSION

The Whitewater CDA is devoted to growing and sustaining our city's vibrant economy and providing an outstanding quality of life for its residences. We are dedicated to supporting the lifestyle needs, ideas, trends, and integrity of our 21-century community, workforce, and businesses through first-class assistance from the Whitewater CDA. The CDA is committed to maintaining an economically healthy community for its residents, and businesses while taking a steadfast approach to building an economically healthy community for its residents, and businesses while maintaining a steadfast focus on the quality of life for our citizens. The CDA focuses on quality business recruitment, retention, expansion, and housing.

3. POLICY STATEMENT

It is the policy of the Community Development Authority of the City of Whitewater (Whitewater CDA and/or CDA) to promote business sustainability and growth, housing and community development, and increased tax base throughout the entire City of Whitewater. In addition, the CDA is responsible for: providing and retaining gainful employment opportunities for citizens of the City and its region; quality attainable housing; and stimulating the flow of investment capital into the City. Further, the CDA and Common Council work together for the creation and management of Tax Incremental Districts, the general economic health of the city by preventing and eliminating blight, substandard, and deteriorated areas and properties through the utilization of all means appropriate. This encourages well-planned, integrated, stable, safe,

and healthful neighborhoods, the provision of healthful homes, a decent living environment, and adequate places of employment for the people of the City of Whitewater and the region.

4. CREATION BY CHARTER ORDINANCE

In July 1983, the City of Whitewater, pursuant to §66.4325 of the Wisconsin Statutes (entitled, "Housing and Community Development Authorities"), created a housing and community authority, which is known as the "Community Development Authority of the City of Whitewater" (Whitewater CDA). The Whitewater CDA is deemed to be a separate body politic as outlined in §66.4325, Wisconsin Statutes, and may act as an agent of the city in exercising necessary public powers and having all the powers, duties, and functions conferred on housing authorities, redevelopment authorities, and housing and community development authorities by applicable law. (Whitewater, 1983) (Appendix A)

5. DEFINITION

By Wisconsin Statute §66.1335 the Community Development Authority of the City of Whitewater is a separate body politic for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects, and housing projects. The city Ordinance creating the Housing and Community Development Authority also gives the Whitewater CDA authority to act as the agent of the city in planning and carrying out community development programs and activities approved by the City Manager and Common Council. The Community Development Authority of the City of Whitewater is authorized under the Federal Housing and Community Development Act of 1974 as an agent to perform all acts, except the development of the general plan of the city, which may be otherwise performed by the planning commission under Wisconsin Statutes §66.1105 (entitled, "Tax increment law"), §66.1301 (entitled, "Urban redevelopment") to §66.1329 (entitled, "Urban redevelopment; enforcement of duties"), §66.1331 (entitled, "Blighted area law") or §66.1337 (entitled, "Urban renewal"). (Legislature)

6. GENERAL RULES BY STATUTE, ORDINANCE, OR RESOLUTION

The Whitewater CDA shall be governed and controlled by: Statutes of the State of Wisconsin, and as the same may hereafter be amended; all ordinances of the City of Whitewater as they relate to the Whitewater CDA, and as such ordinances may hereafter be amended and adopted; and by the By-Laws and Rules of Procedure set forth herein. All provisions of the Wisconsin Statutes, ordinances, or resolutions of the City of Whitewater as may be enacted from time to time, shall take precedence over these By-Laws and Rules of Procedure.

7. WHITEWATER CDA GOVERNANCE

The Whitewater CDA is governed by a Board of Commissioners, for the economic benefit, and economic health of the entire City of Whitewater, its residents, and businesses. The Whitewater CDA is a separate body politic that operates at its discretion, except by statutory authority or identified matters that shall receive approval from the Common Council. The Whitewater CDA was created at the behest of the Common Council and operates for the welfare and benefit of the entire city.

8. WHITEWATER CDA POWERS, PURPOSE, DUTIES, AND AUTHORITY

POWERS. The Whitewater CDA shall have all powers, duties, and functions set out in Wis. Stat. §66.1201 (entitled “Housing authorities”) and §66.13333 (entitled “Blight elimination and slum clearance”) of the Wisconsin Statutes for housing and redevelopment authorities. As to all housing projects initiated by the Whitewater CDA, it shall proceed under §§66.1105 (entitled “Tax increment law”), 66.1301 (entitled “Urban redevelopment”) to 66.1329 (entitled “Urban redevelopment; enforcement of duties”), 66.1331 (entitled “Blighted area law”), 66.1333 (entitled “Blight elimination and slum clearance”) or 66.1337 (entitled “Urban renewal”) as determined appropriate by the Common Council on a project by project basis.

As to all Whitewater CDA programs and activities that are undertaken by the city under the Federal Housing and Community Development Act of 1974, the Whitewater CDA shall proceed under all applicable laws and ordinances not inconsistent with the laws of the State of Wisconsin. In addition, the Whitewater CDA shall act as agent of the City of Whitewater to perform all acts, except the development of the general plan of the city, which may otherwise be performed by the planning commission. Wisconsin Statutes §§66.1105 (entitled, “Tax increment law”), 66.1301 (entitled, “Urban redevelopment”) to 66.1329 (entitled, “Urban redevelopment; enforcement of duties”), 66.1331 (entitled, “Blighted area law”) or 66.1337 (entitled, “Urban renewal”). (Legislature).

PURPOSE. The Whitewater CDA is a municipal entity that strategizes to implement local initiatives and trends, address community topics and concerns, and pursue opportunities that support community-wide prosperity. We encourage residents, organizations, stakeholders, and the community to work together towards common goals. Our key functions are to support initiatives that foster affordable housing, household stability, entrepreneurship, innovation, business attraction, retention, and expansion, reinforce our vision, commit to our values, and carry out our mission.

DUTIES. The CDA shall exercise all powers conferred and perform all duties imposed by state statute, policies and/or local ordinances of the City of Whitewater. Further duties are to facilitate borrowing for infrastructure and acquisition costs related to redevelopment projects in the Tax Incremental Finance (TIF) Districts as well as reviewing and providing direction on specific redevelopment proposals in these areas. The CDA has the authority to sell and refinance debt relating to TIF Districts utilizing the issuance and sale of bonds.

AUTHORITY. The Whitewater CDA has the authority of Wisconsin Statute §66.1335. In addition to its statutory powers, the Whitewater CDA with Common Council approval is authorized, within the limits of funds available, and Common Council approval for such purposes, but are not limited, to:

1. Acquire land, buildings, or equipment.
2. Sell, lease, encumber, or retain and manage property acquired.
3. Issue bonds, incur debt, invest funds.
4. Hire third-party consultants.
5. Expenditure of funds over \$10,000 and expenditure of any funds not designated in a CDA account to follow city procurement process.
6. Exercise of eminent domain.
7. Amend, delete, or add to By-Laws and Rules of Procedures.
8. Prepare CDA budget for recommendation to Common Council.
9. Provide recommendations for inclusion in the City of Whitewater Comprehensive Plan and provide revisions.
10. Provide recommendations on redevelopment, and planning, and zoning.
11. Evaluate and prepare Tax Incremental District(s) (TID) project plans and financial projections. Prepare annual report of projections of TID expenditures, revenues, and other TID-related CDA programs or initiatives.
12. Prepare and implement Tax Increment District (TID) financial management guidelines.
13. Preparation and implementation of redevelopment assistance criteria, including the recommendation of developer agreements for specific projects.
14. Preparation and administration of the business and developer recruitment and retention assistance activities, as well as CDA-approved programs.
15. Act as City of Whitewater's Housing Authority.
16. The Whitewater CDA is a separate body-politic, which is integrated into the city's departmental structure. The CDA may call upon departmental support, board, commission, or agency of the City for assistance and cooperation in the performance of the Whitewater CDA's duties and functions. All-City departments, boards, commissions, and agencies are hereby authorized and directed to cooperate with and furnish assistance to the Whitewater CDA in the performance of the CDA's duties and functions.
17. Work with business, education, government, labor, and citizens to:
 - a. Retain and expand existing business and commercial enterprises within the City.
 - b. Recruit new businesses and encourage the expansion and diversification of business and commercial enterprises within the City to expand local employment opportunities and the tax base.
 - c. Foster and facilitate economic development activities through cooperative efforts with area organizations, adjoining municipalities, the county, and the state.
 - d. Assist new and existing businesses through programs and resources which facilitate quality growth and development within the City.
 - e. Publicize and promote the business, employment, residential, educational, and recreational opportunities available in the City.

- f. Foster, develop, and enhance a sense of community, a positive community image, and civic pride.
- 18. The Community Development Authority has the power to purchase and sell property with the consent of the City Council. With consent, the chair (or the chair's designee) shall have the power to sign all documents required for the purchase and sale of such property.
- 19. Prepare and periodically update an economic development plan and development strategy for use by the City Manager and Common Council. In formulating the said plan, the Whitewater CDA shall monitor and evaluate economic conditions in the City, identify economic problem areas, and prioritize any economic solutions identified.
- 20. Consider alternative approaches to improving economic deficiencies in the City in problem areas identified.
- 21. Recommend specific programs and projects to allocate available City resources among the elements of the City's economic development effort.
- 22. Recommend items for inclusion in the annual City budget to implement the development strategy adopted by the Common Council.

9. COMMISSIONER APPOINTMENTS, COMPOSITION, OCCURRENCE AND TERM

Pursuant to the City of Whitewater Charter Ordinance No. 5 (Appendix B), the Whitewater CDA is required to follow Wisconsin Statutes which require the composition of seven (7) members to its Board. Members of the Whitewater CDA Board shall consist of seven resident persons having sufficient ability and experience in the fields of urban renewal, community development, and housing, as commissioners of the Whitewater CDA. These persons shall be known as Commissioners of the Whitewater CDA. (Council, Charter Ordinance No. #5, 1983) (Appendix B)

APPOINTMENT. Common Council of the City of Whitewater shall appoint seven (7) “resident persons having sufficient ability and experience in the field of urban renewal, community development, and housing, as commissioner of the CDA (§66.1335 (2)).”

CRITERIA FOR THE APPOINTMENT. When considering applicants for appointment to the Whitewater CDA, the City manager will consult with the CDA Executive Director looking at a variety of factors that includes, but is not limited to the following:

1. **Availability:** Regular attendance at commission meetings is mandatory. If a commissioner member fails to attend three consecutive regular meetings or fails to attend at least three-fourths of the regular meetings during the preceding 12 months, s/he may be replaced.
2. **Training:** Economic Development 101 training for economic development commissioners. Commissioners must attend this course sometime within their first 6 months after appointment.
3. **Several Previous Terms (Incumbents):** No member of any commission (non-council member) can serve for more than one consecutive four (4) year term. If an applicant has fulfilled their first consecutive term, s/he must have been off said commission for one four (4) term before reapplying for an appointment. (§66.1335 (2b)).”

4. **Knowledge and Life Experience:** Relevant life experience, whether personal or professional, can provide added value to the composition of a commission and is often viewed favorably in the selection process.
5. **References:** References are an important resource in helping to identify applicant strengths and weaknesses as part of the selection process
6. **Residency:** The Whitewater CDA requires residence within the municipal limits of the City of Whitewater.

COMPOSITION. Two (2) of the commissioners shall be members of the Common Council and shall serve during their term of office as Council members. Five (5) of the commissioners shall be resident members of the public, and shall serve 4 years or until their successor(s) is appointed and qualifies (§66.1335 (2b)).” ((Council, Charter Ordinance No. #4, 1983) (Amended Charter Ordinance No. #4, 2021)).

OCCURRENCE. Individual commission appointments occur annually, typically at the first Common Council meeting following the Spring Election. However, due to unexpected vacancies or resignations, appointments can occur at any time throughout the year.

TERM. There are seven (7) seats on the Whitewater CDA Board of Commissioners. Two (2) Common Council members shall serve the Whitewater CDA Board, and are appointed annually during Common Council commission appointment. The two Common Council members may only serve during their term of Common Council office. Five (5) non-council members shall serve four (4) years and until their successors are appointed and qualified.

10. COMMISSIONER VACANCIES

VACANCIES. Vacancies on the board are never considered cause to delay program activities. On a seven-member Board, four Commissioners shall constitute a quorum to conduct business. The open seat shall be filled for the unexpired term and appointed during the normal selection period.

The process for filling commission vacancies is as follows:

- Vacancies are announced via the City website, social media, and the official newspaper before any appointment being made.
- A standard application form shall be provided in electronic and hard copy for use by all applicants (including incumbents wishing to be reappointed).
- Once applications are received, they are compiled by the City Clerk and delivered to the City Manager and Common Council President for review.
- The Whitewater CDA president, Executive Director, and City Manager review applications and arrange for face-to-face meetings with applicants. If schedules do not permit a face-to-face meeting, this step can be completed by phone or web conference.
- The Whitewater CDA President, CDA Executive Director, and City manager convene to discuss applicants and select candidates for recommendation to

the Common Council. Recommended appointments are placed on the agenda for the next Common Council meeting for approval.

- The Common Council deliberates on the recommended appointments and approves or denies the appointments.
- Individuals who have been successfully appointed to a commission are then contacted by the City Manager's designee and a date is set for orientation.
- The new commission member attends a commission member orientation as soon as possible following appointment.

11. COMMISSIONER COMPENSATION AND REIMBURSEMENT

The Commissioners shall receive no compensation for their services, but shall be entitled to reimbursement for their actual and necessary expenses, including reasonable local travel expenses incurred in the discharge of their duties.

Commissioners must receive prior approval from the Whitewater CDA Board for their reimbursable activities. Wisconsin Statute §66.1335 (2)(d)

12. COMMISSIONER ROLES

PRESIDING OFFICERS. The presiding officer of the CDA shall be designated as the chairperson and shall be elected annually by the CDA. To act in the absence of the chairperson, the CDA shall elect a vice-chairperson to preside at meetings. The presiding officer shall preside at all meetings of the CDA and shall have the right to vote and make motions; shall rule on matters of procedure, subject to appeal from such rulings by proper motion; shall conduct the meetings in accordance with the rules of the by-laws and appropriate laws, shall have such powers and duties as may be necessary for the conduct of orderly meetings, and such other powers and duties as herein assigned to her/him, or as may be assigned to her/him.

Chairperson and vice-chairperson are voted on by the majority vote of the commissioners at the first meeting in April annually. The Community Development Director shall not be a commissioner of the Whitewater CDA but shall act as its Executive Director (ED).

The Chairperson is granted governance of the following accepted board practices:

- **Facilitator** – The Chairperson must be viewed as a facilitator, rather than a controller, of Board Meetings. He or she begins the meetings on time, directs the Board through the agenda, and attempts to adjourn the meeting on schedule. As the facilitator, the Chairperson/President ensures that all Commissioners have the opportunity for fair participation, attempts to make sure all sides are heard, and moves the Board to act on the issues.
- **Liaison** – The Chairperson must be able to communicate the Board's needs and concerns to the ED and vice versa. In addition, the Chairperson/President offers personal support and counsel to the ED and acts as his/her sounding board.

- **Team-builder** – The Chairperson/President must foster structure among Commissioners. When this cooperation is endangered, he or she must mediate, counsel, and discipline fellow commissioners to keep the team intact to achieve needed cooperation. The Chairperson must mediate so that all work is directed to the mission of the agency.

VICE-CHAIRPERSON. The Whitewater CDA shall elect a vice-chairperson to act in the absence of the Chairperson and preside at the meeting. The vice-chairperson shall have the right to vote and make motions; shall rule on matters of procedure, subject to appeal from such rulings by proper motion; shall conduct the meetings by these rules; shall have such powers and duties as may be necessary for the conduct of orderly meetings; and such other powers and duties as assigned to the Chairperson, or as may be assigned to the Chairperson.

In the event of absence of the Chair and Vice-Chair, the longest-tenured Commissioner serving on the Whitewater CDA in attendance shall preside over the meetings.

TREASURER. The Whitewater CDA does not elect to hold a seat for Treasurer. This task is fulfilled by the City Finance Director.

SECRETARY. The Executive Director or designee shall serve the Whitewater CDA as its secretary. These duties include handling agendas, minutes, correspondence, and clerical work of the Whitewater CDA; to keep accurate notes of all matters coming before the Whitewater CDA; to receive and file all communications, applications, requests, and any documents directed to the Whitewater CDA; to mark each document so received with the official filing stamp of the Whitewater CDA; to publish or mail, as the case may be, all notices and advertisements required by law or as directed by the Whitewater CDA; to prepare, post to the City website, and mail when applicable to each member of the Whitewater CDA not later than the ~~Friday~~ Monday before the meeting, a completed board packet. The secretary may utilize such members of the City staff to accomplish these tasks.

Example of roles

OPERATION	BOARD ROLE	EXECUTIVE DIRECTOR ROLE
Day-to-Day Operations	No Role	Makes All Decisions
Budget	Approves	Develops & Recommends
Routine Monthly Expenditures	Monitors	Establishes & Carries Out
Development of Policy	Adopts & Monitors	Recommends & Carries Out
Billing, Credit, & Collections	Monitors	Recommends & Carries Out
Hires, Directs, & Evaluates Staff	Co-Approval	Recommendation to City Manager
Staff Grievances	Report to City Manager	None if pertains to ED, ED if other Staff
Staff Salaries	Co-Approval	Recommendation to City Manager
Evaluating Staff	Evaluates the Executive Director	Recommendation to City Manager

13. RESPONSIBILITIES AND EFFECTIVENESS OF COMMISSIONERS

RESPONSIBILITIES. The areas of responsibility for Commissioners include:

- Making decisions that are in the best interest of the Whitewater CDA, and serving as an advocate and steward for the Whitewater CDA, and City as a whole.
- Setting policy in partnership with Common Council for the operation of the Whitewater CDA. Policies are very important, as they will ensure that the Whitewater CDA is run in an effective, efficient, ethical, and legal manner. These policies will provide direction for the Whitewater CDA, reflect the values of the board, and comply with applicable federal, state, and local laws and regulations.
- Although a Commissioner does not have direct responsibility for the daily income and expenses, they do monitor the financials of the Whitewater CDA by reviewing monthly financial statements and have fiduciary duties to the CDA.
- Setting long and short-range goals with input from the ED and Common Council. These goals will determine the direction for the Whitewater CDA.

EFFECTIVENESS. The areas of effectiveness for Commissioners include:

- Demonstrate knowledge of the purpose, goals, policies, programs, services, financials, and needs of the Whitewater CDA.
- Be Informed: Endeavor to read the packet material provided before each meeting, keep informed on all local, state, and national developments of significance, and arrive at each meeting prepared to conduct CDA business in a meaningful manner.
- Avoid Gossip: Discourage and avoid the spread of gossip, which can undermine the public process, and damage CDA efforts.
- Maintain Confidentiality: Respect and maintain the confidentiality of information that cannot be disclosed (i.e. information from a closed or executive session) by not divulging said information at any time while outside of a closed or executive session. In all ways protect and maintain the security of confidential records.
- Seek No Personal Advantage: Public officials, especially those that are elected or appointed, stand as agents of the public purpose and should conduct themselves in an open, fair, and impartial manner. When it comes to municipal rules, laws, or services, do not seek special treatment for others, such as neighbors, friends, coworkers, employers, or family. Do not use the municipality or any part of a municipal program for personal advantage or for the advantage of others. Strive to live and serve in a manner that is above reproach and avoid the appearance of impropriety.
- Avoid making decisions or judgments based on information received solely from individuals or outside groups.
- Demonstrate knowledge of conducting a board meeting via Roberts Rules and knowledge of the Wisconsin Open Meetings Law (WI. Stat. 19.81-19.98)
- Deal honestly and fairly in all matters related to the Whitewater CDA
- Be an advocate in the entire community for the Whitewater CDA
- Commissioners should never discuss actions, decisions, staff, or any aspect of the Whitewater CDA negatively with outside individuals or groups.
- Refrain from getting involved with the day-to-day operations
- Uphold the Democratic Process: Perform duties with diligence and by the rules of order established by the Common Council, board, commission, or commission

conducting business. Recognize that the authority to take formal action to direct or recommend rests with the Common Council or its designated commission in legal session and not with any individual members of said bodies. Public officials may express opposition to an action made by their respective commission(s). However, do not publicly criticize individual commission members or the commission as a whole for said action when the action has been properly presented, voted on, and passed by a majority vote. Ensure that citizen involvement and citizen opinions regarding public policy issues are fully considered.

14. DISCOVERY

DISCOVERY. If the Board discovers something that the Executive Director is doing that they do not like, or if they have received a complaint, they should sit down and discuss this with him/her first. While the Commissioners should be sensitive to the public, they should not allow others to bypass the Executive Director. He/she, not the Commissioners, is ultimately responsible for the daily operations of the Whitewater CDA and should be given a chance to handle the issue at hand. This also pertains to staff issues. It is the responsibility of the Executive Director to oversee the daily operations of the department, to advise on the processes of hiring, terminating, supervising, evaluating, promoting, etc. the staff. All employee complaints, grievances, etc. should be brought to the Executive Director and not the Commissioners to be handled according to the City of Whitewater's established grievance policy.

The Commissioners and the Executive Director work as a team. It is the Board's responsibility to support the Executive Director and it is the Executive Director's responsibility to inform and advise the Board. The Commissioners provide support by providing direction and good policies. The Executive Director has the authority to carry out the Board's plans and is the manager of the operations.

15. COMMISSIONERS SHOULD NOT:

- Hold meetings individually with constituents. If either the staff or clients contact a commissioner, they should be reminded of the chain of command and be encouraged to talk with the Executive Director.
- Make deals on behalf of the Whitewater CDA.
- Contact vendors, contractors, or agents.
- Be a spectator at meetings; participation is required from all who sit on the Board.
- Interfere in the day-to-day operations of the Whitewater CDA.

- Criticize the Whitewater CDA operations or staff to the press or other outside individuals or groups. Any concerns should be discussed with the Executive Director and brought before the Board when applicable in closed sessions only.
- Discuss Whitewater CDA business outside of the Whitewater CDA board meeting.
- No Commissioner shall accept any gift(s) whether in the form of service, loan, item, or promise, from any person which may tend to impair his/her independence of judgment or action in the performance of his/her duties or provide in the discharge of his/her duties any improper favor, service, or item of value. (Gifts received by a Commissioner under unusual circumstances should be referred to the Ethics Commission within ten (10) days of receipt for recommended disposition.) EXCEPTION: Advertising or promotional items having a value of ten dollars (\$10.00) or less per gift are exempt.
- No Commissioner may solicit or accept, either directly or indirectly, from any person or organization, money, or anything of value if it could reasonably be expected to influence the Commissioner's official actions or judgments or be considered a reward for any action or inaction on the part of the Commissioner.
- A Commissioner is not to accept hospitality if, after consideration of the surrounding circumstances, it could reasonably be concluded that such hospitality would not be extended were it not for the fact that the guest, or a member of the guest's immediate family, was a Commissioner.
- Representing Private Interest Before City Agencies or Courts - No Commissioner shall appear on behalf of any private person (other than him or herself, his/her spouse, or minor children) before any City Agency, Board, Commission, or the Common Council if the Commissioner or any Board, Commission, or Commission of which the commissioner is a member has any jurisdiction, discretion, or control over the matter which is the subject of such representation.
- Ad Hoc Commission Exception – No violation of this Section shall exist, however, where an individual serve on an ad hoc commission charged with the responsibility or addressing an issue or topic in which that individual or the Commissioner or client of that individual, has an interest so long as the individual discloses to the ad hoc commission that such interest exists.
- Contracts with the City – No Commissioner who in his/her official capacity participates in the making of a contract in which he/she has a private pecuniary interest, direct or indirect, or performs regarding that contract with some function requiring the exercise of discretion on his/her part, shall enter into any contract with the City unless it falls within the confines of WI State Statutes or the following: The contract is awarded through a process of public notice and competitive bidding or the Common Council waives the requirement of this section after determining that this is the best interest of

the City to do so. Or, the contract is for the designation of a public depository of public funds.

- Any Commissioner who has a financial or personal interest in any proposed legislative action of the Common Council or any Board, Commission, or Commission upon which the Commissioner has any influence or input or of which the Commissioner is a member that is to make a recommendation or decision upon any item which is the subject of the proposed legislative action shall disclose on the records of the Common Council or the appropriate Board, or Commission the nature and extent of such interest.

16. COMMISSIONER'S FIDUCIARY DUTIES (Appendix E)

FIDUCIARY DUTIES. Not-for-profit Commissioners — whether compensated or not — have a fiduciary duty to protect the financial health and integrity of the Whitewater CDA. In general, a fiduciary has three primary responsibilities:

1. **Duty of Care.** Commissioners must exercise reasonable care in overseeing the organization's financial and operational activities. Although disengaged from day-to-day affairs, they should understand its mission, programs, and structure, make informed decisions, and consult others — including outside experts — when appropriate.
2. **Duty of loyalty.** Commissioners must act solely in the best interests of the organization and its constituents, and not for personal gain.
3. **Duty of obedience.** Commissioners must act by the organization's mission, charter and bylaws, and any applicable state or federal laws.

Commissioners who violate these duties may be held personally liable for any financial harm the organization suffers as a result.

One of the most challenging — but critical — components of fiduciary duty is the obligation to avoid conflicts of interest. In general, a conflict of interest exists when an organization does business with a Commissioner, an entity in which a Commissioner has a financial interest or another company or organization for which a Commissioner serves as a director or trustee. To avoid even the appearance of impropriety, the applicable nonprofit should also treat a transaction as a conflict of interest if it involves a Commissioner's spouse or other family members, or an entity in which a spouse or family member has a financial interest.

The key to dealing with conflicts of interest, whether real or perceived, is disclosure. The Commissioner involved should disclose the relevant facts to the board and abstain from any discussion or vote on the issue — unless the board determines that he or she may participate.

17. COMMISSIONER D & O INSURANCE

Refer to Appendix F.

18. NON-DISCLOSURE AGREEMENT

A non-disclosure agreement (NDA) is an agreement in contract law that certain information will remain confidential. As such, an NDA binds a person who has signed it and prevents them from discussing any information included in the contract with any non-authorized party. NDAs are commonly used to protect trade secrets, client information, and other sensitive or valuable information.

19. COMMISSIONER'S CODE OF ETHICS (Appendix G)

Because the City of Whitewater believes strongly in good government, the City Council has passed an ordinance that provides that the business of the City, and thus the conduct of its Commissioners, be ethical. This means that Whitewater CDA Commissioners must be impartial and responsible to the citizens of Whitewater and decisions and policies are best made through the proper channels of open government. This also means that public Commissioners should not use their positions for personal gain. The City of Whitewater wants its citizens to have confidence in the integrity of its government. The City of Whitewater has created an Ethics Commission that through due process handles complaints regarding ethics violations.

The following is a listing of guidelines that establish ethical standards for Commissioners:

1. Responsibility of Public Office - Commissioners are bound to uphold the law and to observe the highest standards of law in the exercise of the duties of their positions. They should faithfully discharge their duties without bias and they must put the public interest first at all times.
2. Dedicated Service- Commissioners should be loyal to the objectives expressed by the voters and the programs developed to attain these objectives. Commissioners shall adhere to the rules of work and performance established as the standard for their positions.
3. Fair and Equal Treatment – No Commissioner shall request or permit the unauthorized use of City-owned vehicles, equipment, materials, or property for personal convenience or profit. No Commissioner shall grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.
4. Conflict of Interest – No Commissioner shall in the discharge of their duties be involved in any business or transaction directly or indirectly in which they have a financial or personal interest.

When to Recuse Oneself

1. While the full code of ethics as outlined in the ordinance is at the end of this manual, the subject of recusing oneself is useful here, too. To recuse oneself from a discussion essentially means to remove oneself from the discussion to avoid a

conflict of interest.

2. Public officials should recuse themselves from the discussion when there is a clear conflict of interest. In such cases, recusal does not just mean abstaining from a vote but means instead stepping away from the discussion completely.

When a public official recuses himself or herself from discussion and action on a particular topic, the recusal is noted in the minutes of the meeting. In most cases, it is appropriate, though not required, for the recused public official to leave the room where public discussion is taking place to ensure that s/he cannot influence the discussion or final action in any way.

- Specific Conflicts Enumerated – No Commissioner shall engage in or accept private employment or render any service for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair the independence of judgment or action in the performance of official duties (unless otherwise permitted by law and unless disclosure is made as hereinafter provided).
- Disclosure of Confidential Information – No Commissioner shall without proper authorization, disclose confidential information concerning the property, government, or affairs of the City, nor shall such information be used to advantage the financial or other private interests of the commissioner or others.

20. REMOVAL OF COMMISSIONER

A Commissioner may be removed from office by a recommendation from the Whitewater CDA Board of Commissioners, and approved by the City of Whitewater Common Council for incompetency, inefficiency, failure to attend meetings, neglect of duty, or official misconduct, at the pleasure of, or malfeasance of office. The Commissioner shall be removed only after he/she has been notified in writing of the charge(s) at least 10 days before the hearing thereon, and has had an opportunity to be heard in person. In the event of the removal of any Commissioner, a record of the proceedings, together with the charge(s) and findings thereon, shall be filed in the office of the City Clerk. To the extent applicable, the provisions of Wisconsin Statute §17.12 (entitled, "Removal and suspension of city officers") relating to removal for cause shall apply to any such removal.

21. COMMISSION MEETINGS

All meetings of the Whitewater CDA shall be held in compliance with the provisions of the Open Meetings Law of the State of Wisconsin §19.81 (entitled, "Open meeting of governmental bodies") (General, 2019). The law intends to ensure that council action and deliberation is conducted openly. All regular and special meetings must be publicly noticed with an agenda that includes a specified time and date in advance of the meeting.

PACKET MATERIALS. In general, meeting materials are provided in advance of every meeting. Hard copies of meeting materials are usually distributed four days in advance of the meeting. Commissioners are expected to review meeting materials provided in the packet before the meeting so that they can more effectively contribute to the discussion for each item on the agenda.

RULES OF ORDER. *Robert's Rules of Order* serves as a general guideline for setting meeting procedures. Specific details regarding the conducting of meetings can be found in the Whitewater Municipal Code of Ordinances, Chapter 2.08.

SETTING THE AGENDA. The Executive Director or designee shall prepare the agenda with input from the chairperson. Commissioners may submit agenda item(s) at least five (5) days in advance of the scheduled publishing of the meeting. No other business shall be discussed at a meeting other than agenda items. The agenda is published the Friday preceding, and no later than the Monday before the regularly scheduled meeting.

REGULAR MEETINGS. Regular meetings are held monthly at a designated location as published. Meetings may be held virtually as needed. All meetings are open to the public, however certain agenda items may require closed session negotiations, which are not open to the public, and are labeled as such.

QUORUM. Four Commissioners shall constitute a quorum and the presiding officer shall be included in such a count to conduct its business and exercise its powers. Teleconferencing/virtual members shall be considered present and may count towards a quorum; and, teleconferencing/virtual members may participate in meeting discussion and vote. Action may be taken by the Whitewater CDA upon the affirmative vote of a majority of the Commissioners present at any meeting.

SPECIAL MEETINGS. Special meetings may be set at a regular meeting by the majority of the CDA, or the Chairperson whenever in their judgment such a meeting is necessary. The Chairperson shall call such a special meeting whenever they are requested to do so by at least four (4) members of the CDA in writing to the ED. Any business which could be done at a regular meeting may be done at such a special meeting.

When at all possible, municipal commissions, should endeavor to conduct business during regular meetings. However, circumstances may, at times, call for a meeting outside of the regular meeting schedule. These meetings are referred to as "special meetings." When circumstances warrant a special meeting, the staff person responsible for the Commission should work with the Commission Chairperson to establish a meeting time when a majority of Commission members can attend. Posting of the special meeting must comply with the requirements outlined in the Whitewater Transparency Enhancement Ordinance (Ord. 2.62) and Wisconsin Open Meeting laws.

If a minority of Commission members disagree with the calling of the special meeting, said Commission members can submit a written objection for the meeting record. Instead of submitting a written objection, language can be placed on the next regular

meeting agenda calling out the objection. This allows the objecting party an opportunity to voice their objection, which is then added to the minutes for the meeting.

CLOSED SESSION. The Board of Commissioners should never meet in closed sessions without the Executive Director present. The Executive Director is the link with the agency. She/he knows every aspect of the organization and should be involved in all decisions.

The notice provision in Wisconsin Statute §19.84 (entitled, “Public notice”) requires that, if the chief presiding officer of a governmental body is aware that a closed session is contemplated at the time he or she gives public notice of the meeting, the notice must contain the subject matter of the closed session. (General, 2019)

Procedure for Convening in Closed Session every meeting of a governmental body must initially be convened in open session. Before convening in closed session, the governmental body must follow the procedure outlined in Wisconsin Statute §19.85 (entitled, “Exemptions”) which requires that the governmental body pass a motion, by recorded majority vote, to convene in closed session. If a motion is unanimous, there is no requirement to record the votes individually. Before the governmental body votes on the motion, the chief presiding officer must announce and record in open session the nature of the business to be discussed and the specific statutory exemption which is claimed to authorize the closed session.

Stating only the statute section number of the applicable exemption is not sufficient because many exemptions contain more than one reason for authorizing closure. For example, Wisconsin Statute §19.85 (entitled, “Exemptions”) allows governmental bodies to use closed sessions to interview candidates for positions of employment, to consider promotions of particular employees, to consider the compensation of particular employees, and to conduct employee performance evaluations—each of which is a different reason that should be identified in the meeting notice and in the motion to convene into closed session. Similarly, merely identifying and quoting from a statutory exemption does not adequately announce what particular part of the governmental body’s business is to be considered under that exemption.

Enough specificity is needed in describing the subject matter of the contemplated closed meeting to enable the members of the governmental body to intelligently vote on the motion to close the meeting. If several exemptions are relied on to authorize a closed discussion of several subjects, the motion should make it clear which exemptions correspond to which subjects. The governmental body must limit its discussion in closed sessions to the business specified in the agenda. (General, 2019)

PUBLIC HEARINGS. The presiding officer shall announce immediately before each public hearing that no one will be heard unless he/she states his/her name and address. The presiding officer shall briefly explain the order of business. The presiding officer shall have the right before the hearing to announce that each person's statements shall be limited to a specified period, and that rebuttals shall be limited to a specified period, and the presiding officer shall

have the right to terminate any statement when the speaker's time has elapsed, or in the event of unnecessary repetition, or the event the statement is not material or germane.

Order of business: The Order of Business for holding public hearings shall be as follows:

- A. A brief statement by the chairperson as to the name of the applicant for relief, his/her address, the nature of the request, and how notice of the hearing was given.
- B. Presentation of the applicant of his/her request including any maps, documents, and the like, not previously filed.
- C. Statements of all other persons in favor of granting the request.
- D. Statements in rebuttal by persons opposing the request.
- E. Statements in rebuttal by the applicant and by other persons favoring the request.
- F. Statements in rebuttal by persons opposing the request.
- G. Statements and subsections by any persons not previously heard but only on matters not previously discussed.
- H. Closing of the hearing or, if necessary, adjournment of the hearing to a fixed future date.

WITHDRAWAL OF APPLICATION: At any time before a motion to grant or refuse a request, application, or petition, the applicant may withdraw his/her request, application, or petition and such withdrawal shall not entitle the applicant to a refund of whatever filing or publication fee may previously have been paid.

22. MEETING DEVICES

ELECTRONIC DEVICES. Electronic devices such as smartphones, tablets, Chromebooks, and laptops have become commonplace. The use of electronic devices during a public meeting is encouraged when the device is used as an alternative to printed materials, to look up information relevant to the discussion items, or a similar use that supports the discussion at hand. The use of electronic devices for other irrelevant uses is discouraged.

TAPE RECORDING AND VIDEOTAPING. The open meetings law grants citizens the right to attend and observe meetings of governmental bodies that are held in open sessions. The open meetings law also grants citizens the right to tape-record or videotape open session meetings, as long as doing so does not disrupt the meeting. The law explicitly states that a governmental body must make a reasonable effort to accommodate anyone who wants to record, film, or photograph an open session meeting, as long as the activity does not interfere with the meeting. In contrast, the open meetings law does not require a governmental body to permit the recording of an authorized closed session. If a governmental body wishes to record its closed meetings, it should arrange for the security of the records to prevent their improper disclosure. (General, 2019)

ELECTRONIC COMMUNICATIONS. Written communications transmitted by electronic means, such as email, instant messaging, blogging, or other social media, also may constitute a "convening of members," depending on how the two members of a governmental body larger

than four members may generally discuss the body's business without violating the open meetings law, features like "forward" and "reply to all" common in electronic mail programs deprive a sender of control over the number and identity of the recipients who eventually may have access to the sender's message. Moreover, it is quite possible that, through the use of electronic mail, a quorum of a governmental body may receive information on a subject within the body's jurisdiction on an almost real-time basis, just as they would receive it in a physical gathering of the members. (General, 2019)

23. BALLOTS, VOTES, PUBLIC COMMENTS, APPEARANCE, MEETING CONDUCT, ATTENDANCE, RECORDS, MINUTES

BALLOTS. No secret ballot may be used to determine any election or decision of a governmental body, except the election of officers of a body. For example, a body cannot vote by secret ballot to fill a vacancy on the Board. If a member of a governmental body requests that the vote of each member on a particular matter be recorded, a voice vote or a vote by a show of hands is not permissible unless the vote is unanimous and the minutes reflect who is present for the vote. A governmental body may not use email ballots to decide matters, even if the result of the vote is later ratified at a properly noticed meeting. The open meetings law requires a governmental body to create and preserve a record of all motions and roll-call votes at its meetings. This requirement applies to both open and closed sessions. Written minutes are the most common method used to comply with the requirement, but they are not the only permissible method. It can also be satisfied if the motions and roll-call votes are recorded and preserved in some other way, such as on a tape recording. As long as the body creates and preserves a record of all motions and roll-call votes, it is not required by the open meetings law to take more formal or detailed minutes of other aspects of the meeting. Other statutes outside the open meetings law, however, may prescribe particular minute-taking requirements for certain governmental bodies and officials that go beyond what is required by the open meetings law. (General, 2019)

VOTES. Provided a quorum is present and except as otherwise by law or these rules provided, the affirmative vote of a majority of the Board present shall be required to decide any matter up for consideration. If any member shall disqualify themselves to vote on any matter due to conflicts of interest or other reasons, they shall, nonetheless, be counted in determining whether a quorum is present, but the disqualification shall not decrease the number of votes required for passage of any motion, resolution, or the taking of any other action.

PUBLIC COMMENT. The presiding officer shall announce immediately before each meeting that no one will be heard unless they state their name and address. The presiding officer shall briefly explain the order of business. He/she shall have the right before the hearing to announce that each person's statement shall be limited to a specified period and that rebuttals shall be limited to a specified period, and they shall have the right to terminate any statement when the speaker's time has elapsed, or in the event of unnecessary repetition, or in the event the statement is not material or relevant.

APPEARANCE. All persons desiring to be heard shall be heard, in person or by an attorney. Withdrawal of Application. At any time before a motion to grant or refuse a request, application, or petition, the applicant may withdraw his/her request, application, or petition if applicable. Such withdrawal shall not entitle the applicant to a refund of whatever filing or publication fee he/she may have paid.

MEETING CONDUCT. Adhere to the established meeting procedures:

- Limit action on any new topic not on the agenda to the discussion, unless it is of an emergency nature. Only speak to items on the agenda.
- Keep the meeting focused and stay on time.
- Ask questions about topics being voted on.
- Suggest issues or topics be placed on the agenda for the next meeting.
- Be attentive
- Actively listen and participate
- Avoid surmising the opinions or ideas of private citizens
- Use Robert's Rules of Order.

MEETING ATTENDANCE AND PARTICIPATION. To ensure that voting members are well versed on the issues facing the Board, regular attendance is mandatory. If a Council member fails to attend three consecutive, regular meetings or fails to attend at least three-fourths of the regular meetings during the preceding twelve months, the board may request that the Common Council select another individual to serve out the commissioner's term.

MEETING RECORDS. Meetings of the Whitewater CDA are required to be video recorded per the Whitewater Transparency Enhancement Ordinance Ch 2.62. The meeting is broadcast live. In addition, the Whitewater CDA Administrative Assistant or designee, under the direction of the Executive Director, is responsible for maintaining meeting records by documenting the minutes of the proceedings at each public meeting.

MEETING MINUTES. The Administrative Assistant or designee shall take Minutes. Minutes will be ready in draft format seven (7) days after the close of the meeting.

24. DECISIONS

All final decisions by the Whitewater CDA shall be in writing and recorded as a part of the meeting Minutes of the CDA.

25. WHITEWATER CDA PERSONNEL

The economic development profession combines several professional disciplines including geography, business administration, public finance, political-economic, and urban planning. It requires a mixture of talents ranging from research, analysis, planning, organizing, and salesmanship. Practitioners in the field are often referred to as economic development generalists, officers, specialists, professionals, or simply economic developers.

The Whitewater CDA currently has two staff positions that facilitate the operations of the Whitewater CDA, an Executive Director (ED) and Administrative Assistant (AA).

Executive Director. The Executive Director is the chief administrative officer of the Whitewater CDA and shall direct, manage and supervise administrative operations, CDA Staff, programs, and technical activities.

The Executive Director is appointed by the City Manager after collaboration, discussion, and recommendation from the Whitewater CDA and Human Resources has been recognized. She/he is subject to the personnel policies of the City. The Whitewater CDA, in collaboration with City Council, shall approve the compensation of the Executive Director.

The CDA Director shall serve under the supervision of the City Manager, and receive direction and guidance from Whitewater CDA. The City Manager shall have the authority to discipline and terminate the ED after consultation and recommendation from the Whitewater CDA Board of Commissioners in a closed session.

Administrative Assistant. The Administrative Assistant shall perform such other duties and have such other powers and responsibilities necessary to complete the job. This position is under the direct supervision of the Executive Director and is not a direct report to the Whitewater CDA or City Manager.

26. EFFECTIVE BOARD & STAFF RELATIONS

People make it all happen. In local government, people are at the heart of the organization, both those that comprise the organization, and those that the organization serves. In the City of Whitewater, cooperation and communication between City employees and Commission members is expected and encouraged and can often result in better outcomes and a more rewarding experience for all involved.

To ensure that lines of positive communication remain open for all employees and volunteers, it is important to clarify some ground rules regarding communications as well as the role of staff members and Commission members.

EVERYONE IS EQUAL. All Commissioners are considered equal, including the Chairperson or president of the Commission. This means everyone on the Commission should receive the same information on a particular matter. When a staff member shares information related to the Commission business, Commissioners can be confident the same information is being shared with all Commissioners. No single member should receive “special” information on an issue. This also means that Commission members should expect the information they request on Commission business will be distributed to the entire Commission. This is the same for all Commissions.

USE OF STAFF RESOURCES. Staff time is limited. All positions within the City of Whitewater exist to provide and maintain high-quality municipal services, facilities, and infrastructure and to carry out organization priorities as determined by the Common Council. All Whitewater CDA Commissioners should be cognizant of this expectation when making requests for information about Whitewater CDA business. Requests for information are welcome and encouraged; however, all City Commissioners should first consult with the Whitewater CDA Executive Director when requests about Whitewater CDA business before requesting research that will consume significant staff time or otherwise divert limited resources to a project that falls outside of established City of Whitewater common priorities.

EMPLOYEE CONTACT LINE OF AUTHORITY. Unless otherwise established by state statute, city ordinance, or employment agreement, all employees ultimately report to and work for the City Manager at the behest of the Common Council, and operates for the welfare and benefit of the entire city. The City Manager works for and reports to the Common Council.

Commissioners are encouraged to learn about the role of each municipal department, ask the staff questions about municipal operations, and get to know employees.

While communication is encouraged, the responsibility to direct the work of municipal employees, as well as prescribing or exacting employee discipline, is strictly the responsibility of the city manager. Therefore, if a Commissioner has a concern related to the conduct or performance of an employee, that Commissioner should address it with the City Manager.

However, if the concern were related specifically to the conduct or performance of the City Manager, the Commissioner would be encouraged to bring it to the attention of the Common Council.

COMPLAINTS REGARDING EMPLOYEE BEHAVIOR. Citizen complaints regarding employee behavior or performance should always be referred to the City Manager for investigation and resolution.

LOBBYING COMMISSION MEMBERS. Just as Commissioners should avoid directing work or taking disciplinary action for employees, employees should refrain from any action or communication that is intended to “lobby” the support of Commission members for support of a particular project, budget request, or other initiatives. This holds for department directors, managers, and general employees. If a Commission member finds herself or himself in such a position, the Commission member is encouraged to direct the employee to her/his immediate supervisor and/or department director to address the issue. Commission members are encouraged to notify the City Manager so legitimate issues can be promptly addressed.

27. COMMUNICATING WITH THE PUBLIC

The life of a public official is just that, public. Though Commissioners should feel

comfortable speaking their minds and answering questions, what a Commissioner shares can have an impact on public perception of the entire municipal organization. With that in mind, here are some items to consider when communicating with residents regarding municipal issues.

REPRESENTING THE COMMISSION. No single Commissioner can individually commit the city as a whole, or their respective Commission to a position on an issue without a vote or consent of that Commission. It is inappropriate to commit to things the whole Commission may not be aware of or approve. Commission members should refer requests for official positions on an issue to staff for review and recommendation. The matter should then be added to an agenda to obtain the Commission's official position.

COMPLAINTS FROM CITIZENS. If a Commission member receives a complaint not related to employee behavior, he/she is encouraged to share the details of the complaint and complainant contact information with City staff so that any problems can be promptly addressed.

- 1. Report or Refer the Complaint:** Often the complainant is looking for an understanding ear and agreement from the Commissioner. While Commissioners are encouraged to be sensitive to the plight of the complainant, they should not attempt to promise a particular outcome or attempt an interpretation of the ordinance or policy related to the complainant's concern. Instead, Commission members should commit to passing along the information to the appropriate staff person for resolution.
- 2. Avoid Sharing at Meetings.** Avoid waiting to bring up citizen complaints until the next Commission meeting. While doing so may appear to be a manner of "holding government accountable" the reality is that bringing up complaints at a public meeting can deflate staff, embarrass, or annoy other Commission members, and ultimately damage the credibility of the organization. This is all in addition to making the complainant wait to have their concern heard, thus delaying resolution.
- 3. Avoid Private Disputes.** Occasionally, a Commissioner may be asked to get his/her Commission involved in what is purely a private dispute. These disputes typically include nuisance complaints, work hours for contractors, boundary line disputes, fence problems, and many other similar issues. Intercession in such matters is a drain on resources and will ultimately prove fruitless. If a Commissioner is unclear as to whether an issue is a private dispute or is within the City's jurisdiction, he/she should refer the issue to City staff so that a proper determination can be made and subsequently shared with the complainant.

MEDIA RELATIONS. Whitewater CDA Commissioners may be approached by the media and asked for commentary on a Whitewater CDA action or position on an issue. To the extent that the Common Council has taken an official action or position, the City Manager, or her/his designee will generally be the spokesperson. Whitewater CDA Commissioners however are permitted to share personal opinions with the media or reference previous public actions

taken.

REPRESENT GENERAL INTERESTS. As previously stated in this manual, Commission efforts should always focus on what is best for the city as a whole. Commissioners must be careful to represent the general interests of the Whitewater CDA/City and not special interest groups.

28. MUNICIPAL LIAISONS

The Whitewater CDA Executive Director works closely with all City departments for the benefit and advancement of economic development projects.

29. OUTSIDE ASSISTANCE

The Whitewater CDA may employ or seek advice from third-party technical experts, as required in the performance of its duties and functions, within the limits of the funds available.

30. FISCAL AFFAIRS AND FINANCIAL OVERSIGHT

The Whitewater CDA is funded by its defederalized funds, special revenue funds, the City general fund, and all statutory funds available to the CDA.

The Whitewater CDA Board of Commissioners is the legal recipient of all money awarded/provided to the Whitewater CDA. This fiscal responsibility is reflected in the contracts, budgets, audits, and other financial documents presented to them for authorization or rejection at regular board meetings. It is the Commissioner's responsibility to oversee continuing judicious handling of funds through careful reading of financial reports and votes that guarantee sound fiscal policies. Several administrative devices for measuring and evaluating the local programs are available to Commissioners: the budget, financial statements, and audit reports.

The City of Whitewater hires an auditor for all City financial records and funds. The Whitewater CDA may seek third-party and independent review/advice and/or assistance as recommended/directed by the Whitewater CDA Board of Commissioners.

Further, the City agrees to provide accounting and budgeting services to the Whitewater CDA at no cost to the CDA. Specifically, the City through its Finance Department shall assist the Whitewater CDA in preparing and maintaining its financial budget consistent with Governmental Accounting Standards Board (GASB) and shall maintain a system for the CDA consistent with the City's system for receipts and disbursements.

31. WHITEWATER CDA OPERATING BUDGET

A budget shall be prepared by the Whitewater CDA and is included in the City's proposed budget for final approval from the Common Council.

32. WHITEWATER CDA ANNUAL REPORT

An Annual Report shall be prepared/reviewed/approved by the Whitewater CDA Executive Director, which summarizes its activity for the preceding calendar year on or before April 15th of the following year.

33. AUTHORIZATION

The Whitewater CDA is authorized to act as the agent of the City in planning and carrying out community development programs and activities approved by the City Manager, and Common Council under the Federal Housing and Community Development Act of 1974 and as an agent to perform all acts, except the development of the general plan of the City, which may be otherwise performed by the plan commission under Sections 66.1301 to 66.1327(3), 66.1331, 66.1337 or 66.1105 of the Wisconsin Statutes. (Ord. 61-4684 §3, 1989.)

34. EVIDENCE OF AUTHORITY

A certified copy of this chapter shall be filed with the City of Whitewater Clerk's office and shall be prima facie evidence of the Whitewater CDA's right to transact business, and such chapter shall not be subject to challenge because of any technicality. In any suit, action, or proceeding commenced against the Whitewater CDA, a certified copy of such chapter shall be deemed conclusive evidence that the Whitewater CDA is established and authorized to transact business and exercise its powers hereunder and pursuant to § 66.1335, Wis. Stats.

35. SEVERABILITY

If any provision of this chapter is invalid or unconstitutional or if the application of this chapter to any person or circumstance is invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or applications of this chapter which can be given effect without the invalid or unconstitutional provisions or applications.

36. AMENDMENT OF BY-LAWS AND RULES OF PROCEDURES

These rules may be amended from time to time upon a concurring vote of a majority of all members of the Whitewater CDA and approval of the Common Council. The By-Laws and Rules of Procedure and subsequent amendments shall be effective after adoption upon filing with the

City Clerk. The general rules of procedure of the CDA shall be governed by Robert's Rules of Order where no specific statute, law, or ordinance controls.

The Whitewater CDA may adopt, amend, or repeal such bylaws or other rules or regulations not consistent with the applicable laws of this State and this Ordinance, as it deems necessary in the performance and function of its duties.

38. CONCLUSION

The purpose of this publication has been to provide Commissioners, including Common Council members, with helpful information that clarifies fundamental elements of serving in a public office for the Whitewater CDA. Commissioners ~~are encouraged~~ are expected to read this publication, the *Handbook for Wisconsin Municipal Officials*, produced by the League of Wisconsin Municipalities, and to become familiar with the Whitewater Municipal Code of Ordinances and should refer to the *Handbook for Wisconsin Municipal Officials* published by the League of Wisconsin Municipalities to gain further knowledge regarding the role of public officials in Wisconsin.

REFERENCES

Council, C. o. (1983). Charter Ordinance No. #4. (p. 1). Whitewater, Wisconsin: City Clerk.

Council, C. o. (1983). Charter Ordinance No. #5. Whitewater: City Clerk.

General, W. D. (2019). Wisconsin Open Meetings Law. *Attorney General Josh Kaul* (p. 49). Madison: Wisconsin Department of Justice.

Legislature, W. S. (n.d.). 66.1335 Housing and Community Development Authorities.

Whitewater, C. o. (1983). Resolution Creating the Community Development Authority. (p. 2). Whitewater: City of Whitewater Common Council.

APPENDIX

Appendix A

Council, Charter Ordinance No. #4, 1983

Appendix B

Council, Charter Ordinance No. #5, 1983

Appendix C

Council, Charter Ordinance No. #5, 1992

Appendix D

City Code of Ethics

Appendix E

Johnson Block Fiduciary Duties: What Your Commissioners Need to Know

Appendix F

Whitewater Liability Policies

Transparency Ordinance

https://dpi.wi.gov/pld/boards_directors/trustee_essentials_handbook

AMENDMENTS TO THIS DOCUMENT (IN ORDER OF MOST RECENT)

Created: September 2020

Reviewed: September 2021

Adopted:

By the Whitewater Community Development Authority: April 28, 2022

By the Whitewater ~~City~~Common Council: _____

REPOSITORY

The following pages are not related to this chapter (By Law and Rules of Procedure); they are simply a repository for CDA history, CDA policies, CDA programs, CDA financial awards, and resolution tracking.

HISTORY OF THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

1960. A private, non-profit stock corporation was formed called the Whitewater Development Corporation, also known as the Industrial Corporation. "Stocks" were sold for \$10.00 per share. Each person was advised that the money collected was strictly a donation to be used to promote and develop a parcel of land, so that a company could relocate to Whitewater. With the funds raised from donations, a 20-acre property was purchased and a company called Newport News was relocated here.

1968. Another 40-acre parcel was purchased by the Development Corp. and a street called Commercial Avenue was developed. This was the beginning of our current Business Park.

1970. The Development Corp. decided to deed the acquired land over to the City of Whitewater, and the City Council had to become very active in the development process. Buildings were built along Commercial Avenue in the 70's.

July 5, 1972. Resolution. Adopting the Housing Authority in pursuance of the Housing Authorities Law of the State of Wisconsin. (Appendix).

July 18, 1972. Resolution. Appointing Housing Authority members. (Appendix).

In 1979, the Whitewater Redevelopment Corporation was organized and existed under the laws of the State of Wisconsin, by Statute 66.405 (Urban Redevelopment Law).

1980. Due to the DNR Moratorium on sanitary sewer extensions, no new land could be purchased until our sewer system was expanded, so a new sewer plant was built. In the early 80's, an informal proposal for additional land acquisition was brought before the City Council. This precipitated a Council referendum creating an 18-month Moratorium on economic development activities, which virtually halted any development.

1981. A committee called the Economic Development Committee was formed to make recommendations to the Common Council regarding Whitewater's development activities. With the help of SEWRPC and Gordy Kacala, an Economic Development program was formulated to deal with development issues.

July 19, 1983. Charter Ordinance. An Ordinance Amending Resolution created the Community Development Authority. (Appendix).

1983. The City Council adopted a resolution creating the Community Development Authority (CDA), a non-profit, public development agency. The Chamber of Commerce allowed the CDA to share their office space.

July 19, 1983. Resolution. Whereas, ~~§66.4325~~, Wisconsin Statutes authorize any City to adopt a resolution creating Housing and Community Development Authority. This Resolution created the Authority with powers granted by ~~§ 566.40 to 664325~~. (Appendix).

~~November 15, 1983.~~ Resolution. Whereas: The Common Council of the City of Whitewater formally established a CDA pursuant to Wisconsin Statutes on July 19, 1983. (Appendix).

~~May 15, 1984.~~ CDA hired an administrative assistant and was setting up an office.

~~November 20, 1984.~~ Resolution. The CDA was approved to create the industrial park.

~~1984 & 1985.~~ Through efforts of CDA members and City Council directives, Whitewater was awarded a Block Grant to build the new water tower on the East side, and also a Community Development Block Grant for housing and economic development programs. A staff person, Lynn Burdick, was hired to help administer these grants funds. Two companies were awarded Urban Development Action Grant (UDAG) funds: Moksnes Manufacturing and Hawthorn Melody Incorporated.

~~March, 1985.~~ The Industrial Development Commission was formed.

~~Unknown date, 1985.~~ In a letter dated March 6, 1990, from the City Attorney, it is stated that Southeastern Wisconsin Regional Planning Commission (SEWRPC) created an "Overall Economic Development Plan which was adopted by the city in 1985.

~~1986.~~ Two other 40-acre parcels were purchased on the other side of Commercial Avenue to expand that area. A Tax Incremental Fund (TIF) District was formed and the Business Park was formally established. In September of 1986, Perlman Rocque, a larger company of approximately 100 employees' broke ground. An additional person, David Foster, was hired as the Economic Development Coordinator.

~~March 18, 1986.~~ Resolution. The CDS shall have complete discretionary control over its financial affairs, without necessitating further Council approval or action.

~~August 29, 1986.~~ Principles of Policy for Economic Development in Whitewater. (Appendix).

~~1987 to 1989.~~ Three other TIF Districts were created and allowed the city to further develop infrastructure in the Business Park. Other businesses, such as Polymer Technologies and Trostel Packings Ltd, began operations in Whitewater. The Economic Development and Housing Revolving Loan Funds were now revolving back in from previous loans. Other streets in the Business Park were developed: Universal Blvd and Executive Drive.

~~1989.~~ Budget Transfer Resolution.

~~September 11, 1989.~~ Resolution. CDA appointed David R. Foster to the Office of Director.

~~1990.~~ A Wisconsin Development Fund Grant was received to assist the building of the Super 8 Motel along Hwy. 12 East. City Council decides to develop a subdivision on the west side called "Mound Park Acres" and creates the Ad Hoc Housing Committee.

~~January 2, 1990. Memo. Memo to City Council from City Manager. (Appendix).~~

~~March 6, 1990. From City Attorney, Martin Harrison. The document is in response to a request from a commission of the City Council. Subject: City Attorney's advice and guidance concerning the interrelationship of the CDA, City Council, the City Manager, and the Economic Development Director. (Appendix). Resolve: "our CDA was created with the specific intent that it remains autonomous from the City Council." "...City Council has complete authority over the CDA...." "...The Executive Director is primarily accountable to the City Manager with respect to the duties and functions he/she is fulfilling in the City."~~

~~August 21, 1990. A Resolution adopting an Overall Economic Development Program (ODEP) Plan for the City of Whitewater. A resolution adopting the City of Whitewater Citizen Participation Plan.~~

~~January 15, 1991. An ordinance amending Chapter 7.04 and renaming to "Code of Ethics."~~

~~February 28, 1992. Policy Change. CDA Citizen Membership.~~

~~July, 1992. Resolution to indicate the City of Whitewater's support for a US Highway 12 bypass around Whitewater.~~

~~1994. CDA staff begin servicing its commercial and other interest-bearing loans using available computer software.~~

~~December 27, 1994. Revenue Agreement. The City acquired lands now known as Lot 3 of Certified Survey Map No. 2509 and has installed roadways and other utility infrastructure improvements.~~

~~1995. The CDA builds a "Spec" building to create flexible space for light industrial clients. The revolved UDAG funds were loaned to the CDA (itself) to pay for the 12,000 sq. ft. building. The results of this effort were that the CDA is able to generate income and satisfy the needs of its clients at the same time.~~

~~April 15, 1997. Staff recommendation to recognize the CDA's statutory power to acquire property via condemnation in formally approved redevelopment district.~~

~~May 20, 1997. Purchase of 52.5 acres from Irene Kreuger Estate Resolution.~~

~~December 5, 2000. Resolution modifying revenue agreement and approving sale by the CDA of property at 1215 East Universal Boulevard.~~

~~August 18, 2009. The City was awarded a grant from the United State Economic Development Authority (EDA) to assist in the funding of the Innovation Center located at 12221 Innovation~~

Drive, Whitewater, WI 53190. A \$750,000 payment was set to assist with the initial funding of the Innovation Center.

~~April 8, 2009.~~ Consideration of action on CDA request to increase their appropriation from TID 4 by \$15,000 marketing budget by \$15,000.

~~June 4, 2013.~~ CDA requests to purchase Whitewater Business Park properties.

~~November 16, 2020.~~ Counter Offer (1) to Vacant Land Offer to Purchase

~~December 15, 2020.~~ Policy 601.01 Appointment of Board, Commission, and Committee Members.

CDA POLICIES

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FDIC RULES	30
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GRANTING CDA DIRECTOR ACCESS TO ALL FINANCIAL RECORDS	32
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POLICY: TRANSFERS OF RESIDUAL EQUITY

POLICY: RELATIONSHIP BETWEEN THE CDA AND THE INNOVATION CENTER

POLICY: FDIC RULES

POLICY: REPAYMENT OF 2021 CDBG CLOSEOUT PROGRAM FUNDS

~~POLICY: GRANTING CDA DIRECTOR ACCESS TO ALL FINANCIAL RECORDS~~

~~POLICY: REAL PROPERTY POLICY~~

CDA PROGRAMS

CDA Action Fund: The original source of the funds in the CDA's Action Fund came from the January 2021 closeout of the Community Development Block Grant Fund administered by the WI Department of Administration. As a result of the close-out of the CDBG program, the City was required to return a portion of the funds in the CDBG fund and was able to retain a portion of those funds. Those funds then became the CDA's Action Fund which can be administered solely at the discretion of the CDA to provide funding for economic development, including business start-up and expansion. The CDA Action Fund is a revolving loan fund (RLF). When a business repays the loan to the community (both principal and interest), these funds go back into the Action Fund to make additional loans to businesses.

CDA Façade Loan Program. The Federal Government was the original source of the Façade Loan funds and is now under the auspices of the US Department of Agriculture and is governed by the USDA office in Steven's Point. As a revolving loan fund, loan repayments and interest received back into the fund are to be used to assist other businesses. An applicant is required to match the loan funds. The CDA Board is currently considering expanding this fund to include interior renovations and to include the entire City. Currently, funds are permitted to be used for exterior building façade repairs, such as painting, new siding, new windows, awnings, etc.

Capital Catalyst Program.

This program was designed to assist start-up and developing companies in their early growth. The Wisconsin Economic Development Corporation (WEDC) provides a matching grant to the CDA. To date, the CDA has applied for and received four grants totaling \$575,000 which the CDA is required to match 1:1. One-third of the funds are required to be awarded to businesses as a non-repayable grant in the amount of \$10,000. Loans can be awarded up to \$100,000 per loan with monthly payments required. The program is governed by and reported to the WEDC. Funds are permitted to be used by applicant for start-up related costs. Retail and hospitality related businesses are not permitted uses of the funds. Repaid funds are returned to the fund balance for additional funds with the program.

Community Development Block Grant (CDBG) RLF-Home Improvement Loans

This program assists home owners with certain repairs to maintain the home in a safe and sanitary condition. There is no interest due on this loan. The loan is not repaid until the home is sold, and the loan is limited to equity within the home. The CDA will file a Mortgage on the property, subordinate to the principal financing. This fund was created by the US Department of Housing and Urban Development (HUD) originally funded the program. As a Revolving Loan Fund (RLF), loan repayments are returned to the fund to be used to assist other homeowners. The applicant is not required to match the funds. MSA Professional Services administers the loan program on behalf of the City of Whitewater. Permitted uses include:

- New windows
- New siding
- Electrical upgrade
- Plumbing upgrades
- HVAC repairs/upgrade
- Other items as specific in the program.

CDA Affordable Housing Fund Program

In 2021, the City was able to take advantage of a Wisconsin Department of Revenue program which allowed the City to extend the closing of a Tax Incremental Financing District (TID) for one year and use those funds to create affordable housing opportunities. Under the leadership of City Manager John Weidl, the CDA created the Affordable Housing Fund Policy that is used to administer those funds.

1. ~~Community Development Block Grant (CDBG) Housing Program.~~
2. ~~Wisconsin Economic Development Authority Capital Catalyst Program.~~
3. ~~USDA Façade Program.~~
4. ~~Whitewater CDA UDAG Program.~~
5. ~~Community Development Block Grant Housing Program.~~

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FINANCIAL AWARDS

Prior to November 1983, Community Development Block Grant. Mentioned in updated Resolution document.

November 15, 1983. The City of Whitewater was awarded a Community Development Block Grant (CDBG) by a grant contract dated March 9, 1983 (Appendix)

January 17, 1985. Resolution. Authorizing the submission of a Small Cities Community Development Block Grant.

August 21, 1990. Resolution. Adopting the Overall Economic Development Program (OEDP). This plan allowed for receipt of funds from the Wisconsin Development Fund (WDF). (Appendix).

August 21, 1990. Resolution. WDF loan not to exceed \$200,000 to Whitewater Super 8 Motel. (Appendix).

CDA RESOLUTION TRACKING

Resolution Tracking

March 5, 1985. CDA Resolution. Whereas, the City of Whitewater CDA is a separate body politic created and existing pursuant to §66.4325 of the Wisconsin Statutes. Establishing a CDA employee and job description. (~~Appendix~~EXHIBIT A).

September 11, 1989. CDA Resolution. Whereas, establishing a position entitled “Economic Development Director of the City of Whitewater CDA.” (Appendix).

October 1, 1985. Resolution. The City of Whitewater was awarded an Urban Development Action Grant (UDAG) dated August 22, 1985. This Resolution delegates the CDA as the Administrator of the UDAG award. (~~Appendix~~EXHIBIT A).

EXHIBIT A

Council Resolution & Charter Ordinances



CITY OF WHITEWATER 7/19/

312 W. Whitewater Street
Whitewater, Wisconsin 53190

STATE OF WISCONSIN)
COUNTY OF WALWORTH) Ss.
CITY OF WHITEWATER)

I, Wava Jean Nelson, City Clerk of the City of
Whitewater, do hereby certify that the attached resolution
is a true and correct copy of the resolution adopted by
the Common Council of the City of Whitewater.

Wava Jean Nelson
Wava Jean Nelson, City Clerk

Dated at Whitewater, Wi. this 26th day of November, 1984.

CHARTER ORDINANCE 4

AN ORDINANCE AMENDING RESOLUTION WHICH CREATED
THE COMMUNITY DEVELOPMENT AUTHORITY

WHEREAS the City of Whitewater has by Resolution, adopted on the 19th day of July, 1983, created a Community Development Authority; and

WHEREAS the City Council has seen fit to exercise its home rule powers with respect to the number of members to serve on said Community Development Authority;

NOW, THEREFORE, the Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin does hereby ordain as follows:

SECTION 1: The Resolution passed by the Common Council of the City of Whitewater creating the Community Development Authority is hereby amended such that there shall now be eight (8) resident persons appointed to the Community Development Authority. One of such members shall be a member of the Whitewater Plan and Architectural Commission.

SECTION 2: This Ordinance shall not take effect until sixty (60) days after its passage and publication. If within such 60 days a petition, signed by a number of electors of the City equal to not less than seven percent (7%) of the votes cast therein for governor at the last general election, shall be filed in the office of the Clerk of the City demanding that such ordinance be submitted to a vote of the electorate, it shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon. Said petition and the proceedings for its submission shall be governed by s. 9.20(2) to (6) of the Wisconsin Statutes.

ADOPTED: November 15, 1988

CHARTER ORDINANCE NO. 5

AN ORDINANCE REPEALING EIGHT MEMBER COMPOSITION OF
THE COMMUNITY DEVELOPMENT AUTHORITY

WHEREAS, the City of Whitewater did see fit to exercise its home rule powers with respect to having eight persons comprise the membership of the Community Development Authority under Charter Ordinance No. 4;

NOW, THEREFORE, the Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, does hereby ordain as follows:

SECTION 1: Charter Ordinance No.4 passed by the Common Council of the City of Whitewater providing that there shall be eight persons appointed to the Community Development Authority is hereby repealed with respect to the number of members required to form the Authority. The City of Whitewater does elect to follow the Wisconsin State Statutes which require having seven members for the composition of the Community Development Authority as provided for under 66.4325(2) of the Wisconsin Statutes.

SECTION 2: The Common Council does, however, confirm that one of the members of the Community Development Authority shall be a member of the Whitewater Plan and Architectural Commission.

SECTION 3: This Ordinance shall not take effect until sixty (60) days after its passage and publication. If within such 60 days a petition, signed by a number of electors of the City equal to not less than seven percent (7%) of the votes cast therein for Governor at the last general election, shall be filed in the office of the Clerk of the City demanding that such ordinance be submitted to a vote of the electorate, it shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon. Said petition and the proceedings for its submission shall be governed by s. 9.20(2) to (6) of the Wisconsin Statutes.

ADOPTED: July 21, 1992

CHARTER ORDINANCE NO. 5

AN ORDINANCE REPEALING EIGHT MEMBER COMPOSITION OF
THE COMMUNITY DEVELOPMENT AUTHORITY

WHEREAS, the City of Whitewater did see fit to exercise its home rule powers with respect to having eight persons comprise the membership of the Community Development Authority under Charter Ordinance No. 4;

NOW, THEREFORE, the Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, does hereby ordain as follows:

SECTION 1: Charter Ordinance No.4 passed by the Common Council of the City of Whitewater providing that there shall be eight persons appointed to the Community Development Authority is hereby repealed with respect to the number of members required to form the Authority. The City of Whitewater does elect to follow the Wisconsin State Statutes which require having seven members for the composition of the Community Development Authority as provided for under 66.4325(2) of the Wisconsin Statutes.

SECTION 2: The Common Council does, however, confirm that one of the members of the Community Development Authority shall be a member of the Whitewater Plan and Architectural Commission.

SECTION 3: This Ordinance shall not take effect until sixty (60) days after its passage and publication. If within such 60 days a petition, signed by a number of electors of the City equal to not less than seven percent (7%) of the votes cast therein for Governor at the last general election, shall be filed in the office of the Clerk of the City demanding that such ordinance be submitted to a vote of the electorate, it shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon. Said petition and the proceedings for its submission shall be governed by s. 9.20(2) to (6) of the Wisconsin Statutes.

ADOPTED: July 21, 1992

ORDINANCE No. 7**AN ORDINANCE REPEALING CHARTER ORDINANCES 4 AND 5 AND AMENDING THE RESOLUTION WHICH CREATED THE COMMUNITY DEVELOPMENT AUTHORITY**

The Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, do ordain as follows:

WHEREAS the City of Whitewater by Resolution, adopted on the 19th day of July, 1983, created a Community Development Authority; and

WHEREAS the City Council chooses to exercise its home rule powers with respect to establishing the number of members to serve on said Community Development Authority;

NOW, THEREFORE, the Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin does hereby ordain as follows:

SECTION 1: The City of Whitewater elects to follow the Wisconsin State Statutes which require having seven members for the composition of the Community Development Authority as provided for under 66.1335(2) of the Wisconsin Statutes. There shall be no requirement that one of the members of the Community Development Authority be a member of the Whitewater Plan and Architectural Commission.

SECTION 2: Charter Ordinances 4 and 5 are hereby repealed.

SECTION 3: This Ordinance shall not take effect until sixty (60) days after its passage and publication. If within such 60 days a petition, signed by a number of electors of the City equal to not less than seven percent (7%) of the votes cast therein for governor at the last general election, shall be filed in the office of the Clerk of the City demanding that such ordinance be submitted to a vote of the electorate, it shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon. Said petition and the proceedings for its submission shall be governed by s. 9.20(2) to (6) of the Wisconsin Statutes.

Ordinance introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Majkrzak. AYES: Schreiber, Brown, Binnie, Majkrzak, Smith, Allen. NOES: None. ABSENT: McCormick. ADOPTED: August 3, 2021.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

EXHIBIT B

Johnson Block – Fiduciary Duties: What Your Commissioners Need to Know

FIDUCIARY DUTIES: WHAT YOUR BOARD MEMBERS NEED TO KNOW

By Johnson Block Posted June 23, 2019 In Financial News



Not-for-profit board members — whether compensated or not — have a fiduciary duty to the organization. Some states have laws governing the activities of nonprofit boards and other fiduciaries. But not all board members are aware of their responsibilities. To protect your nonprofit's financial health and integrity, it's important that you help them understand.

Primary responsibilities

In general, a fiduciary has three primary responsibilities:

Duty of care. Board members must exercise reasonable care in overseeing the organization's financial and operational activities. Although disengaged from day-to-day affairs, they should understand its mission, programs and structure, make informed decisions, and consult others — including outside experts — when appropriate.

Duty of loyalty. Board members must act solely in the best interests of the organization and its constituents, and not for personal gain.

Duty of obedience. Board members must act in accordance with the organization's mission, charter and bylaws, and any applicable state or federal laws.

Board members who violate these duties may be held personally liable for any financial harm the organization suffers as a result.

Avoiding conflicts

One of the most challenging — but critical — components of fiduciary duty is the obligation to avoid conflicts of interest. In general, a conflict of interest exists when an organization does business with a board member, an entity in which a board member has a financial interest, or another company or organization for which a board member serves as a director or trustee. To avoid even the appearance of impropriety, your nonprofit should also treat a transaction as a conflict of interest if it involves a board member's spouse or other family member, or an entity in which a spouse or family member has a financial interest.

The key to dealing with conflicts of interest, whether real or perceived, is disclosure. The board member involved should disclose the relevant facts to the board and abstain from any discussion or vote on the issue — unless the board determines that he or she may participate.

Meet obligations

Your donors, clients, employees and other stakeholders depend on the honesty and good faith of your board members. To ensure they'll make informed decisions and disclose any conflicts of interest, provide new members with a list of fiduciary duties. And regularly remind long-serving members, as appropriate. Contact us if you have any questions about fiduciary responsibilities.

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EXHIBIT C

Whitewater Liability Policies



December 7, 2020

Mr. Steve Hatton
City of Whitewater
312 W Whitewater Street
Whitewater, WI 53190

RE: CVMIC Liability Coverage

Policy Period: January 1, 2021 to January 1, 2022

Dear Steve:

We are pleased to provide your Liability Insurance policy for the period of January 1, 2021 to January 1, 2022. Our Summary of Insurance is included as a quick reference. Please refer to the actual policy for a complete statement of terms, conditions, exclusions and limitations, regarding your coverage. Please note: your premium invoice will be posted on CVMIC's secured website by mid-December.

Thank you for continuing to support CVMIC's Liability Insurance Program. If you have any questions, please contact us.

Yours truly,

CITIES AND VILLAGES MUTUAL INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "Kevin R. Wondra".

Kevin R. Wondra
Chief Executive Officer

cc: Ms. Susan Blankenburg – A.J. Gallagher



INSURANCE SUMMARY

Insured:	City of Whitewater
Type of Insurance:	Liability Insurance
Insurance Company:	Cities and Villages Mutual Insurance Company
Policy Number:	PEL145
Term:	January 1, 2021 to January 1, 2022
Description of Coverage:	This policy will indemnify you for losses in excess of the retention which you are legally obligated to pay by reason of liability imposed by law or liability assumed by contract for damages because of Bodily Injury, Personal Injury, Property Damage or Public Officials Errors & Omissions.
Limits of Liability:	\$5,000,000 Each Occurrence, less the Insured's retained limit.
Insured's Retention:	\$25,000 \$100,000
Definition of Insured:	<ol style="list-style-type: none">1. Any entity in Item I of the Declarations.2. Persons who are past, present or appointed officials, employees or volunteers of the Insured whether or not compensated while acting for or on the behalf of the Insured, including while acting on outside committees, agencies, districts, authorities, councils, commissions or boards at the direction of the Insured.3. Any and all commissions, agencies, redevelopment Agencies, districts, authorities, housing authorities, councils (including the governing councils) or similar entities coming under the Insured's direction or control for which the Insured's council members sit as the governing body.

While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policy, the event any differences between the policy and this summary occur, the policy provisions will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.

MAJOR EXCLUSIONS:**GENERAL EXCLUSIONS COVERAGES 1..2.:**

(NOT DETAILED LIST; REFER TO POLICY)

1. Contamination or alleged contamination of any environment by pollutants, unless caused by heat, smoke or fumes from a hostile fire.
2. Lead Exposure
3. Past salary or wages due because of discrimination, wrongful termination or violation of civil rights of any employee or official of the Insured.
4. Bodily Injury to an employee arising out of and in the course of his/her employment.
5. Any obligation under and workers' compensation or disability benefits law or any similar law.
6. Ownership or operation of any airport.
7. Ownership or operation of any hospital, clinic or facility; rendering of or failure to render professional services.
8. Rupture, bursting, overflow, seepage or release of water of any dams, with a capacity of more than 50 acre feet.
9. Intentional acts, unless committed solely for the purpose of protecting threatened life or property.
10. Property in the insured's care, custody or control; aircraft or watercraft larger than 26 feet in length.
11. Ownership, operation, use or maintenance of any aircraft.
12. Automobile liability arising from operations of any transit authority, transit system or fixed-route public transportation.
13. Failure to supply gas, water or electricity.
14. Eminent domain, condemnation proceedings or inverse condemnation.
15. Liability assumed under any contract where we are not allowed to participate in any arbitration or claims proceedings; professional services by an architect, engineer or surveyor.
16. Electrical power generator or distribution facilities
17. Ownership or operation of any chair lifts at ski facilities.
18. Liability from Nuclear Material.

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed policy and is not intended to reflect all the terms, conditions and exclusions of the policy. Moreover, the information contained in this document reflects coverage as of the effective date of the policy and may not include subsequent changes. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the actual policy. The insurance afforded by the listed policy is subject to all the terms, exclusions and conditions of such policy.

Summary prepared by Michael L. DeMoss

Prepared on April 7, 2005

19. Liability due to War.
20. Unlawful discrimination in any employee benefit plan.
21. Refund of taxes, fees or assessments.
22. Financial gain to which an individual was not legally entitled; or the willful violation of the penal code.
23. Estimates of costs or cost estimates or faulty preparation of bid specifications or plans.
24. Breach of contractual obligation; or failure to perform.
25. ERISA Liability.
26. COBRA Liability.
27. IRCA Liability.
28. Public Officials Errors and Omissions from Bodily Injury; Property Damage; Personal Injury.

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed policy and is not intended to reflect all the terms, conditions and exclusions of the policy. Moreover, the information contained in this document reflects coverage as of the effective date of the policy and may not include subsequent changes. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the actual policy. The insurance afforded by the listed policy is subject to all the terms, exclusions and conditions of such policy.

Summary prepared by Michael L. DeMoss

Prepared on April 7, 2005



**PUBLIC ENTITY LIABILITY
POLICY NO. PEL145**

DECLARATIONS

This will certify that the following INSURED is covered, in accordance with the terms and conditions of the policy of Public Entity Liability Insurance, by the CITIES AND VILLAGES MUTUAL INSURANCE COMPANY, hereinafter known as the MUTUAL.

1. INSURED: **City of Whitewater**
2. MAILING ADDRESS: **312 W Whitewater Street
Whitewater, WI 53190**
3. POLICY PERIOD: **From 1/1/21 to 1/1/22 12:01 A.M. Standard Time at the address of the
INSURED as stated above.**
4. MUTUAL'S LIMIT OF LIABILITY:

\$5,000,000 **Less INSURED's Retained Limit as ULTIMATE NET LOSS resulting from
any one OCCURRENCE because of BODILY INJURY or PROPERTY
DAMAGE or PERSONAL INJURY or PUBLIC OFFICIALS' ERRORS AND
OMISSIONS, or any combination thereof, during the POLICY PERIOD.**
5. INSURED'S RETAINED LIMIT:

\$ 25,000 **ULTIMATE NET LOSS resulting from any one OCCURRENCE because of
BODILY INJURY or PROPERTY DAMAGE or PERSONAL INJURY or PUBLIC
OFFICIALS' ERRORS AND OMISSIONS, or any combination thereof,
during the POLICY PERIOD.**

\$ 100,000 **ULTIMATE NET LOSS in the aggregate, resulting from all covered
OCCURRENCES during the POLICY PERIOD.**
6. CLAIMS ADJUSTING FIRM: **Cities and Villages Mutual Insurance Company
Allison C. DeFranze, Liability Claims Manager
9898 W. Bluemound Road
Wauwatosa, WI 53226-4319**
7. ANNUAL DEPOSIT PREMIUM: **\$57,010**

CVP (1-21)

8. ENDORSEMENTS ATTACHED TO POLICY AT INCEPTION:

Uninsured Motor Vehicle Endorsement - CVEDT UM (Adopted 1/21)
Dam Liability Endorsement Form - CVEDT 02 (Adopted 05/01)
Unmanned Aircraft Endorsement - CVEDT UA (Adopted 01/17)

Countersigned By:



(Authorized Representative)

The Declarations, Coverage Form CVP (1-21) and Endorsements are issued to, and form the complete, above-numbered policy.

THIS POLICY IS ASSESSABLE.

Annual Meeting of the Policyholders:

Date: October 2, 2021 Time: 8:00 AM Place: Blue Harbor Resort, Sheboygan, WI

CITIES AND VILLAGES MUTUAL INSURANCE COMPANY

PUBLIC ENTITY LIABILITY INSURANCE

(THIS POLICY IS ASSESSABLE)

Throughout this policy, words and phrases that appear capitalized have special meaning. They are defined in Section II - Definitions.

In consideration of the payment of the premium, the Cities and Villages Mutual Insurance Company, hereinafter known as the Mutual, agrees with the INSURED as follows:

SECTION I. - COVERAGES

This policy does not constitute a waiver of the statutory limitation of municipal tort liability under Section 893.80 of the Wisconsin statutes or any other statutory provision.

The Mutual will pay on behalf of the INSURED, the ULTIMATE NET LOSS in excess of the INSURED's Retained Limit stated in Item 5. of the Declarations, but not in excess of the Mutual's limit of liability stated in Item 4. of the Declarations, that the INSURED becomes legally obligated to pay by reason of liability imposed by law because of:

- A. BODILY INJURY or PROPERTY DAMAGE; and/or
- B. PERSONAL INJURY; and/or
- C. PUBLIC OFFICIALS' ERRORS AND OMISSIONS,

as those terms are herein defined and to which this policy applies, caused by an OCCURRENCE. The Mutual makes no warranty or representation, either express or implied, as to the adequacy of the coverage provided for in this policy for the needs of the INSURED.

SECTION II. - DEFINITIONS

- A. AIRCRAFT - means a vehicle designed for the transport of persons or property, principally in the air, or a device or machine that is intended to navigate in the air without an on-board pilot, also commonly referred to as a "drone."
- B. AUTOMOBILE - means a self-propelled land motor vehicle and/or a trailer or semi-trailer, including any attached machinery or equipment thereto, designed for travel on public roads and subject to motor vehicle registration but does not include MOBILE EQUIPMENT.
- C. BODILY INJURY - means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- D. CLAIM - means a demand or action against any INSURED to recover for losses or damages within or alleged to be within the scope of coverages set forth in this policy. Claims for injunctive relief, issuance of permits or licenses, or non-monetary forms of relief do not constitute a CLAIM as that term is used in this policy.
- E. COVERED INDIVIDUALS - means persons who are past or present elected or appointed officials, employees or volunteers of the MEMBER, whether or not compensated, while acting for or on behalf of the MEMBER, including while acting on outside committees, agencies, districts, authorities, councils, commissions or boards at the direction of the MEMBER.
- F. COVERED ULTIMATE NET LOSS - means, with respect to coverages afforded by this policy, as stated in Section I - COVERAGES, an amount by which the ULTIMATE NET LOSS not covered by other available insurance or self-insurance exceeds the INSURED's Retained Limit, stated in Item 5. of the Declarations. Such amount shall not, in any event, however, exceed the limit of liability stated in Item 4. of the Declarations.
- G. DEFENSE COSTS - means fees and expenses incurred by the Mutual or an INSURED caused by and relating to the adjustment, investigation, defense or appeal of a CLAIM, including attorney's fees, court costs and interest on judgments accruing after entry of judgment, all within the scope of coverage afforded by this policy. DEFENSE COSTS shall not include the office expense of the Mutual or INSURED nor expenses of a claims administrator engaged by the INSURED or the Mutual.
- H. FIRST NAMED INSURED - means the entity first named in Item 1. of the Declarations.
- I. FUNGI - means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by FUNGI, but does not include any FUNGI intended by an INSURED for consumption.

- J. INSURED - shall have the meaning as set forth in Section VI - ENTITIES OR PERSONS INSURED.
- K. INSURED CONTRACT - That part of any contract under which an INSURED assumes the tort liability of another party to pay for BODILY INJURY or PROPERTY DAMAGE. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- L. LEAD means: (A) an actual exposure or threat of exposure to the harmful properties of lead, (B) the presence of lead in any place, whether or not within a building or structure, (C) lead contained in any materials, or (D) lead compounds. LEAD means the metal in any form including, but not limited to, paint or similar products.
- M. MEMBER - means the entity named in Item 1. of the Declarations, including any and all commissions, agencies, redevelopment agencies, districts, authorities, housing authorities, councils (including the governing councils) or similar entities coming under the MEMBER's direction or control.
- N. MOBILE EQUIPMENT - means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, forklifts and other vehicles designed principally for use off public roads;
 2. Vehicles that travel on crawler treads;
 3. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted equipment of the following types: power cranes, shovels, loaders, diggers, drills, graders, scrapers, rollers;
 4. Vehicles not self-propelled, maintained to provide mobility to permanently attached equipment of the following types: air compressors, pumps and generators for spraying, welding, building cleaning, geophysical exploration, lighting and well servicing, and equipment to raise and lower workers.
- O. NUCLEAR MATERIAL- means Source Material, Special Nuclear Material, or Byproduct Material. Source Material, Special Nuclear Material and Byproduct Material have the meanings given to them by the Atomic Energy Act of 1954 and any law amendatory thereto.
- P. OCCURRENCE - means:
1. With respect to BODILY INJURY or PROPERTY DAMAGE, an accident or event, including continuous or repeated exposure to substantially the same general conditions, which results, during the POLICY PERIOD, in BODILY INJURY or PROPERTY DAMAGE neither expected nor intended from the standpoint of the INSURED.

2. With respect to PERSONAL INJURY and PUBLIC OFFICIALS' ERRORS AND OMISSIONS, respectively: an offense committed during the POLICY PERIOD, as described in the definition of those terms in this section.

Q. PERSONAL INJURY - means injury caused by or arising out of one or more of the following offenses:

1. False arrest, detention or imprisonment, malicious prosecution, or abuse of process;
2. Wrongful entry or eviction or other invasion of the right of private occupancy;
3. Publication or utterance of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, or oral or written publication of material that violates a person's right of privacy, infringement of copyright, title or slogan;
4. Discrimination based upon race, religion, nationality, national origin, color, creed, sex, sexual preference, handicap, age or employment;
5. Assault and battery.

R. POLICY PERIOD - means the period stated in Item 3. of the Declarations.

S. POLLUTANTS - means any of the following:

1. Any substance exhibiting any hazardous characteristics as defined by or identified on a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal, local, or foreign equivalent.
2. Any solid, liquid, gaseous, or thermal irritant, contaminant or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials. Waste includes materials to be recycled, reconditioned or reclaimed.
3. Any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, FUNGI, bacteria or virus, LEAD, and electric or magnetic or electromagnetic field radiation.

The term POLLUTANTS, as used herein, is not defined to mean potable water, agricultural water, water furnished to commercial users or water used for fire suppression.

T. PROPERTY DAMAGE - means:

1. Physical injury to tangible property, including all resulting loss of use to that property; or
2. Loss of use of tangible property that is not physically injured.

- U. PUBLIC OFFICIALS' ERRORS AND OMISSIONS - means an offense consisting of any actual or alleged misstatement or misleading statement or act or omission or neglect or breach of duty including misfeasance, malfeasance, or nonfeasance by COVERED INDIVIDUALS, individually or collectively, in the discharge of their duties for and/or on behalf of the MEMBER, or any matter claimed against them solely by reason of their being or having been public officials.
- V. SEXUAL ABUSE - means any actual, attempted or alleged criminal sexual conduct of a person, or persons acting in concert, regardless of whether criminal charges or proceedings are brought, which causes physical and/or mental injuries. SEXUAL ABUSE also includes actual, attempted or alleged: sexual molestation, sexual assault, sexual exploitation or sexual injury. Any or all acts of SEXUAL ABUSE shall be deemed to constitute intentional conduct by the perpetrator done with willful and conscious disregard of the rights or safety of others, or with malice, or conduct that is malicious, oppressive or in reckless disregard of the claimant's or plaintiff's rights.
- W. ULTIMATE NET LOSS - means the sum for which the INSURED is liable as damages, either by adjudication or by compromise, after making proper deduction for all recoveries and salvages, and also includes DEFENSE COSTS.

SECTION III. - DEFENSE AND SETTLEMENT

The Mutual shall have the right and duty to participate in the investigation, negotiation, settlement or defense of any CLAIM against an INSURED, where, in the opinion of the Mutual, such CLAIM may result in a COVERED ULTIMATE NET LOSS, even if any allegations are groundless, false or fraudulent. The INSURED shall fully cooperate in all matters pertaining to such CLAIM. After the amount of the INSURED's Retained Limit has been exhausted by payment of judgments, settlements and DEFENSE COSTS, the Mutual will pay any excess within its limit of liability, as stated in Item 4. of the Declarations.

No DEFENSE COSTS for which reimbursement will be sought by the INSURED shall be incurred on behalf of the Mutual without its consent, which shall not be unreasonably withheld.

The Mutual shall not be obligated to pay any judgment, settlement or DEFENSE COSTS, or to defend any suit after the applicable limit of the Mutual's liability has been exhausted by payment of judgments or settlements or DEFENSE COSTS or after such limit of the Mutual's liability has been tendered for settlements.

The Mutual, at its option, shall have the right, at its own expense, to negotiate the settlement of any CLAIM as it deems expedient, but the Mutual shall not commit the INSURED to any settlement without the FIRST NAMED INSURED's consent. If, however, the FIRST NAMED INSURED shall refuse to consent to any settlement recommended by the Mutual and shall elect to contest the CLAIM or continue any legal proceedings in connection with such CLAIM, then, subject to the limits of liability of the policy, the Mutual's liability for the CLAIM shall be limited to the amount of the ULTIMATE NET LOSS in excess of the INSURED's Retained Limit which the Mutual would have contributed to a settlement, had the FIRST NAMED INSURED consented to such settlement.

SECTION IV. - INSURED'S RETAINED LIMIT AND THE MUTUAL'S LIMIT OF LIABILITY

The Mutual's liability shall be only the ULTIMATE NET LOSS in excess of the INSURED's Retained Limit as specified in Item 5. of the Declarations; and then for an amount not exceeding the amount specified in Item 4. of the Declarations.

For the purpose of determining the Mutual's limit of liability and the INSURED's Retained Limit, with respect to any claim for BODILY INJURY or PROPERTY DAMAGE, all damages arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one OCCURRENCE. With respect to claims for PERSONAL INJURY and PUBLIC OFFICIALS ERRORS AND OMISSIONS, all damages arising out of any single offense shall be considered as arising out of one OCCURRENCE.

An OCCURRENCE taking place in more than one policy period insured by the Mutual shall be deemed to have taken place only during the first such policy period, and the Mutual's liability as a result of that OCCURRENCE shall be limited to the Mutual's liability under the policy for that policy period. This provision shall supersede any contrary provision in any prior policy issued by the Mutual.

SECTION V. - POLICY PERIOD AND TERRITORY

Each INSURED shall have coverage for all BODILY INJURY, PROPERTY DAMAGE, PUBLIC OFFICIALS' ERRORS AND OMISSIONS and PERSONAL INJURY which occur anywhere in the world during the POLICY PERIOD.

SECTION VI. - ENTITIES OR PERSONS INSURED

The INSUREDS covered by this policy are:

- A. Any entity named in Item 1. of the Declarations, also referred to as the MEMBER;
- B. Any COVERED INDIVIDUAL(S);
- C. Any individual who operates, manipulates, rides in, loads or unloads any AUTOMOBILE or MOBILE EQUIPMENT owned by, loaned to or leased by the MEMBER, while acting for or on behalf of the MEMBER, except:
 - 1. Any person or organization, or any agent or employee thereof, operating an AUTOMOBILE or MOBILE EQUIPMENT sales agency, commercial repair shop, commercial service station, commercial storage garage or commercial public parking place, with respect to an OCCURRENCE arising out of the operation thereof. This does not apply to parking garages or lots owned, operated or leased by the INSURED; or
 - 2. The owner or any lessee, other than the INSURED, of a hired AUTOMOBILE or MOBILE EQUIPMENT, or any agent or employee of such owner or lessee.

SECTION VII. - EXCLUSIONS

This policy does not apply to any liability arising out of or in any way connected with:

- 1. POLLUTANTS, including:
 - a. Contamination or alleged contamination of any environment by POLLUTANTS introduced at any time, anywhere, in any way, including, but not limited to, into or upon land, the atmosphere or any watercourse or body of water or aquifer. This exclusion applies whether or not the contamination is introduced into the environment intentionally or accidentally or gradually or suddenly and whether or

not the INSURED and/or any other person or organization is responsible for the contamination.

- b. Any obligation to defend any CLAIM against the INSURED and/or any other person or organization alleging BODILY INJURY, or PROPERTY DAMAGE, or PERSONAL INJURY or PUBLIC OFFICIALS' ERRORS AND OMISSIONS and seeking damages, if such CLAIM arises from BODILY INJURY, or PROPERTY DAMAGE, or PERSONAL INJURY or PUBLIC OFFICIALS' ERRORS AND OMISSIONS arising out of or in any way connected with the contamination or alleged contamination of any environment by POLLUTANTS introduced at any time, anywhere, in any way, including, but not limited to, into or upon land, the atmosphere or any watercourse or body of water or aquifer.
- c. Any governmental direction or request that the INSURED and/or any other person or organization test for, monitor, clean up, remove, remedy, contain, treat, detoxify or neutralize POLLUTANTS.
- d. Any loss, cost, or expense incurred by a governmental unit or other third party, including, but not limited to, the cost of investigation and monitoring, and attorney's fees relating to activities in connection with efforts to test for, monitor, clean up, remove, remedy, contain, treat, detoxify or neutralize POLLUTANTS.

This exclusion does not apply, however, to BODILY INJURY or PROPERTY DAMAGE caused by heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out where it is not intended to be.

Contamination includes any unclean, unsafe, damaging, injurious or unhealthful condition, either actual or potential, which arises out of the presence in the environment of any POLLUTANT, whether permanent or transient, including but not limited to sewer backups.

Environment includes any person, any man-made object or feature, animals, crops and vegetables, land, bodies of water, underground water, or water table or aquifer, air and any other natural feature of the earth and its atmosphere, whether or not altered, developed or cultivated.

It is the intent and effect of this exclusion to exclude any and/or all coverages afforded by this policy for any liability arising out of or in any way connected with the threatened, eventual, or actual discharge, dispersal, release or escape of POLLUTANTS whether such results from the INSURED's and/or any other person's or organization's activities, whether or not such is sudden, gradual, intended, foreseeable, expected, fortuitous, inevitable and whenever, wherever or however such may occur.

- 2. Loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

- a. With respect to any loss or damage subject to this exclusion, such exclusion supersedes any exclusion relating to POLLUTANTS.
 - b. This exclusion does not apply to loss or damage caused by or resulting from FUNGI. Such loss or damage is addressed in a separate exclusion in this Section.
3. The actual or alleged presence of or exposure to LEAD, including but not limited to any: (a) request, demand or order that any INSURED or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of LEAD, or (b) CLAIM by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of LEAD.
4. Sewer backups, whether or not the sewer backup is intentional or accidental or gradual or sudden and whether or not the INSURED and/or any other person or organization is responsible for the sewer backup.
5. FUNGI or bacteria, including:
 - a. The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any FUNGI or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to such injury or damage; or
 - b. Abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effect of FUNGI or bacteria, by any INSURED or by any other person or entity.

This exclusion does not apply to any FUNGI that are, are on, or are contained in, a good or product intended for bodily consumption.
6. Asbestos, including:
 - a. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos;
 - b. The use of asbestos in constructing or manufacturing of, or presence of asbestos in any good, product, or structure; or
 - c. The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos.
7. Any CLAIM for past salary, or wages due, because of discrimination or wrongful termination or violation of civil rights of any employee or official of the INSURED.

8. BODILY INJURY to:

- a. An employee of the INSURED arising out of and in the course of his/her employment by the INSURED; or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of actions of the employee arising out of and in the course of his/her employment by the INSURED.

This exclusion applies whether the INSURED may be liable as an employer or in any other capacity, except with respect to liability of others that the INSURED assumes under an INSURED CONTRACT provided that the BODILY INJURY occurs subsequent to the execution of the INSURED CONTRACT.

- 9. Any obligation for which the INSURED or any insurance company as its insurer may be held liable under any workers' compensation or disability benefits law or any similar law.
- 10. The ownership or operation of any airport.
- 11. The operation of any hospital, clinic, or established health care facility owned or operated by the INSURED due to:

- a. The rendering of or failure to render:
 - 1) Medical, surgical, dental, psychiatric, mental health services, X-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - 2) Any service or treatment conducive to health or of a professional nature or;
 - 3) Any cosmetic or tonsorial service or treatment.
- b. The furnishing of or dispensing of drugs or medical, dental, or surgical supplies or appliances.

This exclusion shall not apply, however, to liability arising out of the performance of occupational-related physical examinations, paramedic services, emergency care, immunization clinics, health and wellness clinics, T.B. treatment clinics, community health service clinics, or general public health nurse services.

- 12. The rupture, bursting, overflow, seepage or release of water of any dam(s). With respect to this exclusion, dam means a barrier built across a watercourse, preventing the flow of water, but this shall not include any body of water with a capacity of less than 50 acre feet of water.

13. Any illegal or wrongful act, committed intentionally, with knowledge of wrongdoing, unless committed solely for the purpose of protecting threatened life or property. This exclusion does not apply to false arrest, slander or assault and battery as described under PERSONAL INJURY.
14. Punitive damages, exemplary damages, statutory multiple damages, or other damages imposed by statute in excess of actual damages, whether arising out of the acts of the INSURED, INSURED's employees, or any other person.
15. PROPERTY DAMAGE to:
 - a. Property owned by the INSURED; or
 - b. Property rented to or leased to the INSURED where the INSURED has assumed liability for damages to or destruction of such property, unless the INSURED would have been liable in the absence of such assumption of liability;
 - c. AIRCRAFT in the INSURED's care, custody or control;
 - d. Watercraft exceeding 26 feet in length, in the INSURED's care, custody or control.
16. The ownership, operation, use, maintenance, or entrustment to others of any AIRCRAFT.
17. Any AUTOMOBILE in any way connected with the operation of any transit authority, transit system, or public transportation system owned or operated by the INSURED.
18. The failure to supply or provide an adequate supply of gas, water or electricity when such failure is a result of the inadequacy of the INSURED's facilities to supply or produce sufficient gas, water or electricity to meet the customary demand.
19. The operation of or the principles of eminent domain, condemnation, adverse possession, inverse condemnation, dedication by adverse use, takings, easements, annexations, real estate forfeitures, or any zoning, land use, and/or variance decisions, in each case by whatever name called and whether or not:
 - a. Damages are sought;
 - b. Diminution of property value, loss of use, and/or constitution or civil rights violations are alleged;
 - c. Such liability accrues directly against any INSURED or by virtue of any agreement entered into by or on behalf of the INSURED; or

- d. Such liability arises out of or in connection with the deliberate decision-making conduct of the MEMBER; a judicial, administrative, or legislative order; or the referendum or petition process.

This exclusion shall not apply to liability, loss, cost or expense arising from PROPERTY DAMAGE caused by earth movement, subsidence of land, or flooding, even though a legal theory upon which a claimant seeks recovery is the principle of inverse condemnation.

- 20. The design, construction, ownership, maintenance, operation or use of any electrical power generating or distribution facilities.
- 21. The design, construction, ownership, maintenance, operation or use of any chair lifts at ski facilities.
- 22. The hazardous properties of NUCLEAR MATERIAL.
- 23. War, whether or not declared, civil war, or revolution or to any act or condition incident to any of the foregoing.
- 24. Any employee benefit plan (whether the plan is voluntarily established by the INSURED or mandated by statute).
- 25. Refund of taxes, fees or assessments.
- 26. As respects liability of a COVERED INDIVIDUAL, liability arising out of or in any way connected with:
 - a. A COVERED INDIVIDUAL's obtaining remuneration or financial gain to which the COVERED INDIVIDUAL was not legally entitled; or
 - b. Willful violation of the penal code or ordinance committed by or with the knowledge or consent of any INSURED.
- 27. Estimates of probable costs or cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans.
- 28. Any written or oral contract or agreement.

This exclusion shall not apply to liability for BODILY INJURY or PROPERTY DAMAGE:

- a. Assumed in a contract or agreement that is an INSURED CONTRACT provided that BODILY INJURY or PROPERTY DAMAGE occurs subsequent to the execution of the contract or agreement; or
- b. That the INSURED would have in the absence of the contract or agreement.

29. As respects liability assumed by the INSURED under any INSURED CONTRACT:
- a. Liability arising or in any way connected with any arbitration proceeding wherein the Mutual is not entitled to exercise, with the INSURED, the INSURED's rights in the choice of arbitrators, and in the conduct of such proceedings.
 - b. If the party to be indemnified by the INSURED is an architect, engineer or surveyor, the liability of such indemnified party, or the indemnified party's agents or employees, arising out of or in any way connected with:
 - 1) The preparation or approval of contracts, maps, plans, drawings, opinions, reports, tests, surveys, change orders, designs or specifications or,
 - 2) The giving of or failure to give directions or instructions by the indemnified party, or the indemnified party's agents or employees, provided such giving or failure to give is the primary cause of injury or damage.
30. The Employee Retirement Income Security Act of 1974 (ERISA), and any law amendatory thereof, or under any state or local law regarding employee benefit plans.
31. Financial or investment obligations of the INSURED, including:
- a. The failure to pay any bond, interest on any bond, any debt, financial guarantee or debenture.
 - b. Whether directly or indirectly, the performance of assets or invested funds or the failure to invest any funds.
 - c. Any INSURED'S activities in an investing or fiduciary capacity, including with respect to any self-insurance fund, entitlement program, or employee benefit program. Employee benefit programs include pension, savings, and profit sharing plans, fringe benefit programs, retirement programs, incentive programs, prerequisite programs, and other benefits owed to any employee.
32. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), and any law amendatory thereof.
33. The Immigration Reform and Control Act of 1986 (IRCA), and any law amendatory thereof.
34. SEXUAL ABUSE. The intent of this exclusion is to eliminate coverage for any compensatory damages awarded because of conduct which is also the basis for an award of punitive damages, regardless of jurisdiction or venue. However,

where the MEMBER did not authorize, ratify, participate in, consent to, or have knowledge of such conduct by its past or present employee, elected or appointed official, or volunteer, and the claim against the MEMBER is based solely on its vicarious liability arising from its relationship with such employee, official, or volunteer, this exclusion does not apply to said MEMBER.

35. The following under Coverage C (PUBLIC OFFICIALS' ERRORS AND OMISSIONS):
- a. BODILY INJURY;
 - b. PROPERTY DAMAGE;
 - c. PERSONAL INJURY.
36. The design, construction, ownership, maintenance, operation or use of any water treatment plant or wastewater treatment plant.

The terms of any above exclusion in numbers 1-36, or the inapplicability of any exclusion to a particular loss, does not serve to create coverage for any loss that would otherwise be excluded under the Policy.

SECTION VIII. - CONDITIONS

A. PREMIUM AND AUDIT

The Premium designated in the Declarations as "Annual Deposit Premium" is a deposit premium only.

The Mutual may examine the INSURED's books and records at any reasonable time during the POLICY PERIOD and extensions thereof and within three years after the final termination of this policy, as far as they relate to the subject matter of this policy.

B. INSPECTIONS

The Mutual shall be permitted but not obligated to inspect the INSURED's property and operations at any reasonable time. Neither the Mutual's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the INSURED or others, to determine or warrant that such property or operations are safe.

C. DUTIES IN THE EVENT OF AN OCCURRENCE

The INSURED's duty in the event of an OCCURRENCE, CLAIM:

1. In the event of an OCCURRENCE reasonably likely to involve a COVERED ULTIMATE NET LOSS, written notice containing particulars sufficient to identify the INSURED and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured party(ies) and of available witnesses, shall be given by or for the INSURED to the Mutual or any of its authorized agents as soon as practicable.

2. If a CLAIM is made or brought against any INSURED, the INSURED shall be obligated to forward to the Mutual every demand, notice, summons or other process received by the INSURED or the INSURED'S representative.
3. The INSURED shall cooperate fully with the Mutual and, upon its request, assist in enforcing any right of contribution or indemnity against any person or organization who may be liable to the INSURED because of an OCCURRENCE with respect to which coverage is afforded under this policy; and the INSURED shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The INSURED shall not, except at its own cost, voluntarily make any payment, assume any obligation or incur any expense which is likely to result in an ULTIMATE NET LOSS that exceeds the INSURED's Retained Limit stated in Item 5. of the Declarations. In the event that the amount of ULTIMATE NET LOSS becomes certain, either through final court judgment or agreement among the INSURED, the claimant and the Mutual, then the Mutual shall pay on behalf of the INSURED the COVERED ULTIMATE NET LOSS.

D. BANKRUPTCY AND INSOLVENCY PROVISION

Bankruptcy or insolvency of the INSURED shall not relieve the Mutual of any of its obligations hereunder.

E. OTHER INSURANCE

If collectible insurance with any other insurer or other self-funding mechanism is available to the INSURED, coverage for a loss also covered hereunder (whether on a primary, excess or contingent basis) shall be in excess of, and shall not contribute with, such other insurance, provided that this clause does not apply with respect to excess insurance purchased with written consent of the MUTUAL specifically to be in excess of this policy, or to other insurance purchased with written consent of the MUTUAL which is intended to provide the remainder of the limit of liability stated in the Declarations of this policy when the insurance afforded under this policy provides less than 100 percent of the limit set forth in the Declarations.

If any INSURED has any insurance covering a loss within the INSURED's Retained Limit, as stated in Item 5. of the Declarations, and said insurance is exhausted, then amounts paid by said insurance for such loss, and amounts paid by the INSURED for such loss pursuant to any retained liability under said insurance, shall apply to satisfy the liability of the INSURED within the INSURED's Retained Limit for such loss.

F. EXTENDED OCCURRENCE

An OCCURRENCE taking place in more than one policy period insured by the Mutual shall be treated as a single OCCURRENCE taking place only during the first such policy period. This provision shall supersede any contrary provision in any prior policy issued by the Mutual.

G. ENDORSEMENTS TO THE POLICY

This policy contains all the agreements between the INSURED and the Mutual. Its terms and conditions may not be changed or waived except by an endorsement issued by the Mutual.

H. ACTION AGAINST THE MUTUAL

Any person or organization may sue the Mutual directly to recover damages allegedly caused by the INSURED, or join the Mutual as a defendant in a suit brought against the INSURED for damages. However, the Mutual will not be liable for damages that are in excess of the Mutual's Limit of Liability, it being agreed that nothing herein shall act to increase the Mutual's Limit of Liability. The INSURED shall not withhold all or any portion of the INSURED's premiums pending resolution of a dispute.

I. SUBROGATION

The Mutual shall be subrogated to the extent of any payment hereunder to all the INSURED's rights of recovery thereof, and the INSURED shall do nothing after loss to prejudice such right and shall do everything necessary to secure such right.

In case any reimbursement is obtained or recovery made by the INSURED or the Mutual on account of any loss covered by this policy, the amounts recovered shall be applied as follows:

1. The expenses of all such recovery proceedings shall be paid before any reimbursements are made. If there is no recovery in the proceedings conducted by the Mutual it shall bear the expenses thereof.
2. The highest layer of coverage shall be reimbursed first and, if there are sufficient recoveries, then the next-highest layer, until the INSURED'S Retained Limit is reimbursed or until all recoveries are used up.

J. ASSIGNMENT OF INTEREST

Assignment of interest under this policy shall not bind the Mutual unless and until its consent is endorsed hereon.

K. CROSS LIABILITY

In the event of ULTIMATE NET LOSS to one or more INSURED(S) for which another INSURED is or may be held liable, then this policy shall cover such INSURED against whom claim is made or may be made, the same as if separate policies had been issued to each INSURED, except that the limits of liability for all such INSURED(S) shall not exceed the limits of liability set forth in the policy Declarations.

L. ARBITRATION

It is understood and agreed that all disputes which may arise under, or in connection with, this policy, including any determination of the amount of loss, shall be settled by binding arbitration in accordance with the rules of the International Institute for Conflict

Prevention & Resolution (CPR) then in effect.

Before entering into arbitration, the INSURED and the Mutual shall first seek review of any dispute by the Mutual's Board of Directors. In the event that the INSURED is dissatisfied with the decision of the Board of Directors regarding the dispute, the INSURED and the Mutual shall then each appoint an arbitrator as set forth below. As soon as one party notifies the other of its demand for arbitration and names its arbitrator, the other party agrees to name its arbitrator within thirty (30) days of said notice. Within thirty (30) days of the naming of the second arbitrator, the two arbitrators will select a third arbitrator to be chairperson of the panel. All arbitrators must be present or former executives of an insurance company. None of the arbitrators shall be current or former officers or current or former employees of the parties to this policy. The three chosen arbitrators shall comprise the arbitrator panel for the purpose of this policy.

Each party to this policy shall submit its case with supporting documents to the arbitrator panel within thirty (30) days after appointment of the third arbitrator. However, the panel may extend this period for a reasonable time. Unless extended, the majority of the three arbitrators shall issue a written decision resolving the controversy before them within thirty (30) days of the time both are required to submit their case and related documentation. The arbitrators' written decision shall state the facts reviewed, conclusions reached and the reasons for these conclusions. Said decision shall be final and binding upon both parties in any court of competent jurisdiction.

Fees and expenses of each party's arbitrator shall be paid by those parties. All remaining costs of arbitration shall be shared equally by both parties.

M. CANCELLATION

If the INSURED fails to discharge when due any of its obligations in connection with the payment for this policy or any installment thereof, extension or credit, this policy may be cancelled by the Mutual by receipted delivery to the INSURED, at the address shown in the policy, of written notice when, not less than ten days thereafter, such cancellation shall be effective.

The Mutual may not otherwise cancel this policy unless, in the opinion of the Mutual, the INSURED has materially misrepresented the risk to the Mutual; or there is substantial change in the risk assumed by the Mutual (except to the extent the Mutual should have reasonably foreseen the change or contemplated the risk in underwriting the policy); or there is a substantial breach of contractual duties, conditions or warranties by the INSURED; or the INSURED has materially failed to comply with rules or policies governing the rights and responsibilities of members that have been duly adopted by the Mutual's Board of Directors.

The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period.

N. CONSENTS AND NOTICES

The FIRST NAMED INSURED is authorized to act on behalf of all Named INSUREDS and other INSUREDS with respect to the giving and receiving of any consent or notice under this policy, including Notice of Cancellation, and to receive any return premium that may become payable under this policy. The FIRST NAMED INSURED is responsible for the payment of all premiums.

O. NOTICE OF NON-RENEWAL

If the Mutual elects not to renew this policy, it shall mail to the FIRST NAMED INSURED, at the address shown in this policy, by receipted delivery, written notice not less than sixty days prior to the expiration date. This notice requirement does not apply if the MEMBER has insured elsewhere, has accepted replacement coverage, or has requested or agreed to non-renewal.

P. POLICY DIVIDENDS

The Mutual may pay dividends on this policy to the FIRST NAMED INSURED. The Mutual shall send a schedule explaining the basis for the dividend to the FIRST NAMED INSURED.

Q. RENEWAL WITH ALTERED TERMS

If the Mutual elects to renew this policy on less favorable terms or at higher premiums, it shall mail to the FIRST NAMED INSURED, at the address shown in this policy, by receipted delivery, written notice not less than sixty days prior to the expiration date. This notice requirement does not apply if the premium increase is less than 25% and is generally applicable to the class of business to which this policy belongs, or if it results from a change based on action by the INSURED that alters the nature or extent of the risk insured against.

ENDORSEMENT NO. 1
CITIES AND VILLAGES MUTUAL INSURANCE COMPANY
UNINSURED MOTOR VEHICLE ENDORSEMENT

In consideration of the premium charged, it is agreed that this policy is changed to include limited coverage for UNINSURED MOTOR VEHICLES, only as follows:

COVERAGE

1. The Mutual will pay the actual damages that the INSURED is legally entitled to recover from the owner or driver of an UNINSURED MOTOR VEHICLE, but not in excess of the Mutual's limit of liability set forth in paragraph 4 below. The damages must result from BODILY INJURY sustained by the INSURED and be caused by an OCCURRENCE. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the UNINSURED MOTOR VEHICLE.
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered auto is principally garaged, the Mutual will pay only after all liability bonds or policies have been exhausted by judgments or payments.
3. Any judgment for damages arising out of a suit brought without the Mutual's written consent is not binding on the Mutual.
4. This UNINSURED MOTOR VEHICLE coverage is limited and provides only \$25,000 per person and \$50,000 per OCCURRENCE.
 - a. Regardless of the number of policies involved, vehicles involved, persons covered, claims made, vehicles or premiums shown on the policy, or premiums paid, the Mutual will pay no more than these limits for UNINSURED MOTOR VEHICLE coverage for any one OCCURRENCE.
 - b. These limits for any one OCCURRENCE shall be reduced by any amounts paid:
 - i. With respect to the OCCURRENCE under any UNDERINSURED MOTOR VEHICLE coverage.
 - ii. By or on behalf of any person that may be legally responsible for the BODILY INJURY.
 - iii. Or payable for BODILY INJURY under any worker's compensation or disability benefits law or any similar law.

5. This UNINSURED MOTOR VEHICLE coverage does not apply to:
- a. Any liability for damages arising from the ownership, maintenance or use, by any owner or driver, of any UNDERINSURED MOTOR VEHICLE.
 - b. Any CLAIM or suit brought by an employee of a MEMBER or by an employee of any other entity named in Item One of the declarations, or by any others on the employee's behalf including spouses, children, estates or others in the right of the employee.
 - c. Benefit, directly or indirectly, any insurer or self-funded party under any worker's compensation or disability benefits law or any similar law.
 - d. Anyone using a vehicle without a reasonable belief that the person is entitled to use the vehicle.

DEFINITIONS

MOTOR VEHICLE means a self-propelled land motor vehicle:

- 1. Designed for travel on public roads and subject to motor vehicle registration under Wisconsin law, including trailers and semitrailers designed for use with such vehicles; and
- 2. Which is not a farm tractor, well driller, road machinery, or snowmobile.

UNINSURED MOTOR VEHICLE means a MOTOR VEHICLE:

- 1. For which no bodily injury liability insurance policy is in effect at the time of the OCCURRENCE and the owner or operator has not furnished proof of financial responsibility for the future under Wisconsin law; or
- 2. That is insured, but for which the liability insurer is declared insolvent by a court of competent jurisdiction before or after the OCCURRENCE; or
- 3. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an INSURED, a covered AUTOMOBILE, or a vehicle an INSURED is occupying.

UNDERINSURED MOTOR VEHICLE means a MOTOR VEHICLE:

- 4. To which a bodily injury liability insurance policy applies at the time of the OCCURRENCE; and
- 2. The limits under the bodily injury liability insurance policy are less than the amount needed to fully compensate the INSURED for the INSURED's damages.

It is further agreed that nothing herein shall act to increase the Mutual's Limit of Liability.

This endorsement is part of the Policy that takes effect on the effective date of the Policy unless another date is shown below.

All other terms and conditions remain unchanged.

Effective Date: **1/1/21**

Policy No: **PEL145**

Issued To: **City of Whitewater**



Authorized Representative



Disclosure No. 2

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0, and does not include any charges for the portion of losses covered by the United States government under the Act.

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER MY POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE, AND I HAVE BEEN NOTIFIED OF THE PORTION OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

Policyholder/Applicant's Signature

Print Name

Date

Cities and Villages Mutual Insurance Company
City of Whitewater
Liability Policy Number: **PEL145**

EXHIBIT D

Chapter 7.04 – Code of Ethics

Chapter 7.04 CODE OF ETHICS

Sections:

7.04.010 Declaration of policy.

The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, there is hereby established a code of ethics for all city officials and employees, whether elected or appointed, paid or unpaid, including members of boards, committees and commissions of the city. The purpose of this code is to establish guidelines for ethical standards of conduct for all such officials and employees by setting forth those acts or actions that are incompatible with the best interests of the city and by directing disclosure by such officials and employees of private financial or other interests in matters affecting the city. The provisions and purpose of this code and such rules and regulations as may be established are hereby declared to be in the best interests of the city.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.020 Definitions.

As used in this chapter:

- (a) "Public employee" means any person excluded from the definition of a public officer who is employed by the city.
- (b) "Financial interest" means any interest which shall yield, directly or indirectly, a monetary or other material benefit to the officer or employee or to any person employing or retaining the services of the officer or employee.
- (c) "Official" means all city officers as defined in Section 62.09 under Wisconsin Statutes and all members of boards and commissions and agencies established or appointed by the city manager or common council, whether paid or unpaid.
- (d) "Personal interest" means any interest arising from blood or marriage relationships or from close business or political associations, whether or not any financial interest is involved.
- (e) "Person" means any person, corporation, partnership or joint venture.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.030 Statutory standards of conduct.

There are certain provisions of the Wisconsin Statutes which should, while not set forth herein, be considered an integral part of any code of ethics. Accordingly, the provisions of the following sections of the Wisconsin Statutes, as from time to time amended, are adopted by reference and shall apply to public officials and employees whenever applicable to wit:

- (a) Sec. 946.10. Bribery of Public Officers and Employees.

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- (b) Sec. 946.11. Special Privileges from Public Utilities.
 - (c) Sec. 946.12. Misconduct in Public Office.
 - (d) Sec. 946.13. Private Interest in Public Contract Prohibited.
 - (e) Chapter 11. Campaign Financing.
 - (f) Chapter 19. Subchapter IV Open Meetings of Governmental Bodies.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.040 Responsibility of public office.

Public officials and employees hold office for the benefit of the public. They are bound to uphold the Constitution of the United States and the Constitution of this state; to observe the highest standards of law in the exercise of the powers and duties of their office; to impartially carry out the laws of the nation, state and city; to discharge faithfully the duties of their office regardless of personal considerations; and to recognize that the public interest must be their prime concern.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.050 Dedicated service.

All officials and employees of the City of Whitewater should be loyal to the objectives expressed by the electorate and the programs developed to attain these objectives. Appointive officials and employees shall adhere to the rules of work and performance established as the standard for their positions by the appropriate authority.

Officials and employees should not exceed their authority or breach the law or ask others to do so, and they should work in full cooperation with other public officials and employees unless prohibited from so doing by law or by officially recognized confidentiality of their work.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.060 Fair and equal treatment.

- (a) Use of Public Property. No official or employee shall request or permit the unauthorized use of city-owned vehicles, equipment, materials or property for personal convenience or profit.
- (b) Obligations to Citizens. No official or employee shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every other citizen.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.070 Conflict of interest.

- (a) Financial and Personal Interest Prohibited. No official or employee, whether paid or unpaid, shall engage in any business or transaction or shall act in regard to financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of official duties in the public interest contrary to the provisions of this chapter or which would tend to impair independence of judgment or action in the performance of official duties.
- (b) Specific Conflicts Enumerated.

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- (1) Incompatible Employment. No official or employee shall engage in or accept private employment or render service for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties, unless otherwise permitted by law and unless disclosure is made as hereinafter provided.
 - (2) Gifts and Favors.
 - (A) No official or employee shall accept any gift whether in the form of service, loan, thing or promise, from any person which may tend to impair his independence of judgment or action in the performance of his duties or grant in the discharge of his duties any improper favor, service or thing of value. EXCEPTION: Advertising or promotional items having a value of ten dollars or less per gift shall be exempt.
 - (B) No official or employee may solicit or accept, either directly or indirectly, from any person or organization, money or anything of value if it could reasonably be expected to influence the employee's official actions or judgments or be considered a reward for any action or inaction on the part of the official or employee.
 - (C) An official or employee is not to accept hospitality if, after consideration of the surrounding circumstances, it could reasonably be concluded that such hospitality would not be extended were it not for the fact that the guest, or a member of the guest's immediate family, was a city official or employee. Participation in celebrations, grand openings, open houses, informational meetings and similar events are extended from this prohibition. This paragraph further shall not be construed to prevent candidates for elective office from accepting hospitality from citizens for the purpose of supporting the candidate's campaign.
 - (D) Gifts received by an official or employee under unusual circumstances should be referred to the ethics board within ten days of receipt for recommended disposition.
 - (3) Representing Private Interests Before City Agencies or Courts. No official or employee shall appear on behalf of any private person (other than him or herself, his or her spouse or minor children) before any city agency, board, commission or the common council if the official or employee or any board, commission or committee of which the official or employee is a member has any jurisdiction, discretion or control over the matter which is the subject of such representation. However, members of the common council may appear before city agencies on behalf of constituents in the course of their duties as representatives of the electorate or in the performance of public or civic obligations.
 - (A) Ad Hoc Committee. EXCEPTION: No violation of this section shall exist, however, where an individual serves on an ad hoc committee charged with the responsibility of addressing an issue or topic in which that individual, or the employee or a client of that individual, has an interest so long as the individual discloses to the ad hoc committee that such interest exists.
 - (c) Contracts with the City. No city officer or employee who, in his capacity as such officer or employee, participates in the making of a contract in which he has a private pecuniary interest, direct or indirect, or performs in regard to that contract with some function requiring the exercise of discretion of his part, shall enter into any contract with the city unless it falls within the confines of Sec. 946.13, Wis. Stats. "Private Interest in Public Contract Prohibited," or the following:
 - (1) The contract is awarded through a process of public notice and competitive bidding or the common council waives the requirement of this section after determining that it is in the best interest of the city to do so.
 - (2) The provisions of this section shall not apply to the designation of a public depository of public funds.
 - (d) Disclosure of Interest in Legislation.

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- (1) Any member of the common council who has a financial interest or personal interest in any proposed legislation before the common council, shall disclose on the records of the common council, the nature and extent of such interest.
 - (2) Any other official or employee who has a financial interest or personal interest in any proposed legislative action of the common council or any board, commission or committee upon which the official or employee has any influence or input or of which the official or employee is a member that is to make a recommendation or decision upon any item which is the subject of the proposed legislative action shall disclose on the records of the common council or the appropriate board, commission or committee the nature and extent of such interest.

(Ord. 1529A §§ 1, 2, 2003; Ord. 1203(2/5/91) § 2(part), 1991).

7.04.075 Disclosure of confidential information.

No official or employee shall without proper legal authorization, disclose confidential information concerning the property, government or affairs of the city.

(Ord. 1529A § 1(part), 2003).

7.04.080 Ethics board.

- (a) There is hereby created an ethics board to consist of five members and one alternate, all residents of the city. Elected officials or employees will not be eligible for appointment. The city manager shall provide necessary staff assistance to the board. The city attorney shall routinely furnish the board whatever legal assistance is necessary to carry out its functions. However, if a possible, apparent, or actual conflict of interest involving the city attorney should occur, legal counsel shall be furnished the board through the city manager's appointment of other legal counsel after consultation with the chair of the ethics board.
- (b) The members of the ethics board shall be appointed by the city manager subject to confirmation by the common council. Terms of office shall be three years except that when the initial appointments are made, one member shall be appointed for one year, two for two years, and two for three years. The term of the alternate shall be for three years, except that the initial appointment shall coincide with the ending of the terms of the member appointed for one year.
- (c) The ethics board shall elect its own chair, vice-chair and secretary and shall develop written rules of procedure which shall be filed with the city clerk.
- (d) The ethics board may make recommendations to the common council with respect to amendments to the code of ethics ordinance.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.090 Duties of the ethics board.

- (a) Upon receipt at the city clerk's office of a notarized complaint in writing, which shall state the name of the elected or appointed official or employee alleged to have committed a violation of this chapter and which shall set forth the particulars thereof, the city clerk or designee shall distribute a copy of the complaint along with a copy of the code of ethics ordinance to the respondent within ten working days (i.e., Monday through Friday, excluding holidays). The city clerk or designee also shall send a copy of the complaint to each member of the ethics board. The information contained in the verified complaint shall be kept confidential until a proper disposition of the case occurs.

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- (b) The board shall meet in closed session and determine whether the complaint, if true, may constitute a violation of the chapter. If four or more of the members of the board vote to dismiss the verified complaint, a formal dismissal action adopted in open session shall be filed with the city clerk and a copy sent to the complainant and the respondent. If four or more members do not vote to dismiss, the action shall proceed as provided in subsection (c) of this section.
 - (c) If the action is not dismissed under subsection (b) of this section, the board shall make preliminary investigations with respect to the alleged violation of the ethics chapter. No preliminary investigation of the activities of any elected or appointed official or employee may be initiated unless such official or employee is notified in writing. The notice shall state the nature and purpose of this preliminary investigation. Information gathered during the preliminary investigation shall be kept confidential until a finding is made by the board.
 - (d) If, after the preliminary investigation, three or more of the members of the board vote in open session that no probable cause exists, the board shall issue a formal finding to that effect and dismiss the case. A copy of the formal finding shall be filed with the city clerk and a copy distributed to the complainant and the respondent.
 - (e) If the board is unable to come to a conclusion on the subject of probable cause, due to abstentions or the voting of "present," the board shall have further discussion and vote again. If the stalemate continues, the board shall treat it as a dismissal and proceed as in subsection (d) of this section.
 - (f) If, after the preliminary investigation, three or more of the members of the board vote that there is probable cause that a violation took place, the board shall file formal findings to that effect with the city clerk and proceed toward the conduct of a hearing. The vote shall be taken in open session.
 - (g) In the case of a probable cause finding, the board shall send a notice of due process rights and a notice of hearing on the matter to the respondent. The complainant shall also be notified of the hearing.
 - (h) The board shall then conduct a hearing on the verified complaint, which hearing shall be held not more than thirty days after such finding of probable cause. The board shall give the respondent at least twenty days notice of the hearing date. Such hearings shall be at open session unless the respondent petitions for a hearing closed to the public. The rules of criminal evidence shall apply to such hearings. All evidence considered by the board, including certified copies of records and documents, shall be fully offered and made part of the record. Every party shall be afforded adequate opportunity to rebut or offer countervailing evidence.
 - (i) During all stages of the proceeding conducted under this section, the elected or appointed official or employee whose activities are under investigation shall be entitled to be represented by counsel of his or her own choosing.
 - (j) The respondent or his/her attorney shall have an opportunity to examine all documents and records to be used at the hearing under subsection (g) of this section at a reasonable time before the date of the hearing; as well as during the hearing, to bring witnesses, to establish all pertinent facts and circumstances, and to question or refute any testimony or evidence, including opportunity to confront and cross-examine adverse witnesses.
 - (k) The board shall have the power to compel the attendance of witnesses and to issue subpoenas granted other boards and commissioners under Section 885.01(3) of the Wisconsin Statutes.
 - (l) Determination. Upon conclusion of the hearing the board shall make a decision agreed to by at least four members. It shall file the decision in writing within ten working days after the vote, signed by at least four participating board members stating findings of fact, conclusions of law concerning the propriety of the conduct of the elected or appointed official or employee, and if appropriate, referring the matter to the city council or other proper authority with a recommendation for censure or other disciplinary action. A member of council censured may be subject to recall pursuant to Section 9.10, Wisconsin Statutes, or any other legal

process authorized by law. If four or more members are not able to reach an agreement, the complaint shall be dismissed.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.100 Applicability of code.

This code shall be operative in all instances covered by its provisions except when superseded by an applicable statutory provision and statutory action is mandatory, or when the application of a statutory provision is discretionary, but determined by the ethics board to be more appropriate or desirable.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.110 Distribution of the code.

The city clerk shall provide copies of this code to elected and appointed officials covered by this chapter and shall keep at least one copy permanently on file for the use of the public.

(Ord. 1203(2/5/91) § 2(part), 1991).

7.04.120 Severability.

- (a) If any provision of this chapter is invalid or unconstitutional, or if the application of this chapter to any person or circumstances is invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or applications of this chapter which can be given effect without the invalid or unconstitutional provision or application.
- (b) This ordinance shall be in full force and effect from and after its passage and publication.

(Ord. 1203 (2/5/91) § 2(part), 1991).

7.04.130 Penalty for violations.

In addition to any other provisions relating to disciplinary action or censure, any person who violates any of the provisions of this chapter may forfeit and pay a penalty of not less than twenty-five dollars nor more than two hundred fifty dollars for the first offense, together with the costs of prosecution; and for the second and subsequent offenses, not less than fifty dollars nor more than two hundred fifty dollars, together with the costs of prosecution. If respondent fails to pay the penalty and costs within sixty days of imposition of the penalty, the city may collect the penalty by obtaining a judgment in the circuit court and collecting said judgment as provided by law.

(Ord. 1203(2/5/91) § 2(part), 1991).

EXHIBIT E

Chapter 2.62 Transparency Ordinance

Chapter 2.62 WHITEWATER TRANSPARENCY ENHANCEMENT ORDINANCE

Sections:

2.62.010 Purpose.

The purpose of this chapter is to maximize public awareness and participation in City of Whitewater Government.

(Ord. No. 1804A, § 1, 10-5-2010)

2.62.020 Posting requirements.

- (a) Agenda notices for all council, committee, commission and board meetings, requiring legal notice, shall be posted seventy-two hours in advance. If an agenda item is added between twenty-four and seventy-two hours prior to the meeting, it shall require an affirmative vote of a majority of the members voting to take up the matter.
- (b) All council, committee, commission and board agendas shall be posted online on the city website seventy-two hours in advance of the meeting.
- (c) All council, committee, commission and board packet materials, that can be reasonably scanned, shall be posted online twenty-four hours in advance of the meeting. The city shall provide an electronic notification feed alert, indicating that new information is available regarding an upcoming council, committee, commission or board meeting, to any party that has subscribed to the feed (requested notice from the city of the updated information).
- (d) All requests for proposals and requests for bids shall be posted online as soon as is practicable.
- (e) The council and all committee, commission and board meeting minutes shall be posted online within thirty days of the meeting. If the body does not meet within thirty days of the meeting, the minutes shall be posted within fourteen days of the next meeting.

(Ord. No. 1804A, § 1, 10-5-2010)

2.62.030 Information technology requirements.

Beginning December 1, 2010, city council, community development authority, plan commission and police commission meetings shall be videotaped, and the video shall be posted online.

(Ord. No. 1804A, § 1, 10-5-2010)

2.62.040 Meeting procedures.

- (a) All council, committee, commission and board meetings shall have a public input agenda item to allow citizens to make statements on matters that are not on the agenda.
- (b) All council, committee, commission and boards shall allow the public an opportunity to comment on substantive items on the meeting agenda. The council, committee, commission or board shall have the discretion to impose time limits and other reasonable procedural rules concerning the public comment.

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- (c) If the agenda for a council, committee, commission or board meeting includes staff reports or other reports, a specific description of the item to be reported on shall be listed on the agenda and said report(s) shall be limited to the specific items listed in the agenda.

(Ord. No. 1804A, § 1, 10-5-2010)

2.62.050 Failure to abide by chapter provisions does not cause actions to be invalid.

The failure by any council, committee, commission or board to adhere to the provisions of this chapter shall not cause any action by said council, committee, commission or board to be invalid.

(Ord. No. 1804A, § 1, 10-5-2010)

EXHIBIT F

Policy 501.04.10 – Procurement Policy

City of Whitewater Procurement Policy

General

The purpose of this policy is to provide guidance and procedures to be followed for procurement of goods and services for all City departments. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility in department operations.

Procedures

1. Procurements consist of the following major categories:
 - Goods (tangible items); e.g., equipment, supplies, vehicles
 - Utility Inventory Items
 - General Services; e.g., janitorial services, maintenance agreements
 - Professional Services: e.g., legal, engineering, architectural, auditing services
 - Construction of public buildings and improvements
2. Department heads have the responsibility for procurement in their individual departments.
3. The City Manager is responsible for supervising the procurement process.
4. The Finance Department is responsible to monitor compliance with City procurement policies and procedures.
5. When an emergency situation will not permit the use of the competitive processes outlined in this policy, the applicable Department Head and City Manager may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained.
6. By law (WI Stat 62.15 (12)), the City Manager and City Clerk sign contracts on behalf of the City. However, the Council hereby delegates the authority to approve and sign contracts to the applicable Department Head and/or, City Manager in accordance with the thresholds set forth below in the "Purchase of Goods" section. When Council Committee or Council approval is required the City Manager and Clerk shall sign such contracts.
 - The City Attorney's office should be consulted for a legal review of all contracts.
7. Change orders are required for changes in project scope for construction or similar contracts. Quantity changes are defined as increased quantities of bid items in a unit price contract.
 - Change orders can be approved by the Department Head and the City Manager for an amount up to \$10,000. The Department Head shall notify the Council in writing of such change orders.
 - Change orders in excess of the amount defined above require approval by the Common Council.
 - When project scope changes are necessary to prevent project delays the Department Head is delegated the authority to approve such change orders. The Department Head shall notify the City Manager and Council in writing of such change orders.
 - Quantity changes in unit price contracts can be approved for payment by the Department Head.
 - Any change order must be in compliance with the public bidding statutes and the applicable contract.

Purchase of Goods

1. Guidelines for approval authority of purchases when a specific item and dollar amount is not identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.
 - c. \$10,001 - \$25,000 – Department Head, City Manager, and Common Council approval is required. At least two quotes should be solicited. Documentation of quotes must be submitted to City Manager and Common Council for approval.
 - d. Over \$25,000 – Common Council approval is required prior to purchase. At least three quotes should be solicited.
 - e. Any purchase of goods for a public construction project must be reviewed in the context of the entire cost of the project to determine if the size of the contract requires public bidding for the purchase of the goods. The purpose of this provision is to make certain that the cost of the goods does not increase the total estimated cost of the public works project to be above the threshold that would require competitive bidding. For example, under current statutes, if the cost of goods was \$10,000 and it caused the overall estimated cost of the project to be \$27,000, it would cause the project to be subject to competitive bidding because the cost of the project would be greater than the \$25,000 bidding threshold.
2. Guidelines for approval authority of purchases when a specific item and dollar amount (e.g. capital equipment) is identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.
 - c. Over \$10,000 – Department Head and City Manager approval is required. At least three quotes should be solicited.
 - d. If the quote exceeds the dollar amount identified in the adopted budget the thresholds under "Purchase of Goods 1." apply.

The City Clerk will be given a copy of any signed contract(s).
3. In general, the lowest quote should be considered for procurements. However, price is not the sole consideration. Awards shall be made only to responsible vendors that (a) possess the potential ability to perform successfully under the terms and conditions of the proposed procurement, and (b) sell products that meet the specifications of the City.

It is the desire of the City to purchase from local vendors whenever possible. This can be accomplished by ensuring that local vendors are included in the competitive shopping process. The City has a responsibility to its residents however, to ensure that the maximum value is obtained for each public dollar spent. It is assumed that local vendors who wish to do business with the City will offer the lowest possible quote for the item being purchased.

4. Each Department Head is authorized to delegate authority up to \$5,000 to an employee of that department to make and approve purchases, upon the condition that the Department Head file written notice with the Finance Department of the individual to whom this authority has been delegated.

5. Sole source purchases are allowed in the following circumstances:
 - a. The item or service is only available from a single source;
 - b. After competitive procurement solicitations, competition is determined to be inadequate;
 - c. An alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs;
 - d. Standardization of a specific product or manufacturer will result in more efficient and economical operations;
 - e. The purchase is from another governmental body; or
 - f. The item is being purchased through a cooperative purchasing arrangement such as the V.A.L.U.E. group, State bid list, State of Wisconsin VendorNet or WPPI Joint Purchasing.

Approval of sole source purchases will be made in accordance with the dollar thresholds outlined above in "Purchase of Goods."

In circumstances of sole source purchases when the purchase is not via a cooperative arrangement, the department should use alternate means (such as verifying pricing with other customers) to establish that the price quoted is reasonable.

6. Use of Purchase Orders:
 - a. In general, purchase orders are not required for purchases. If the vendor requests or requires a purchase order one will be issued. Purchase orders are to be issued prior to obtaining the item.
 - b. Standard purchase orders are issued for one time acquisition of specific items. The receipt of these items might be spread out over a period of time but the purchase order is valid only for the items listed on it.
 - c. Blanket purchase orders are issued on an annual or other periodic basis to vendors with whom business is conducted continuously. Examples of these types of purchases include repair parts, library books or other materials/supplies for which exact quantities are not known.

Purchase of Utility Inventory

1. Inventory purchases are made for approved utility capital and maintenance infrastructure projects, developer capital projects and stock items. Special consideration for these types of purchases is warranted for operational efficiency purposes.
2. Each Utility Operations Manager is responsible for the oversight and coordination of utility inventory purchases.
3. Quotes shall be solicited as outlined above in the "Purchase of Goods" section.
4. The City Manager is delegated the authority to approve all utility inventory purchases over \$5,000.

Purchase of General Services

1. General services defined:
 - Standardized services that are differentiated mainly by price. The results of the services are generally the same each time they are provided regardless of the vendor and experiences gained from one project are directly applicable to another project. See definition below of professional services for distinction from general services.
 - Agreements for upkeep and maintenance of goods during ownership. Such agreements bind the manufacturer or service provider to maintain the goods for a certain period of time for a fee. Contracts may include the costs of servicing and/or materials. (e.g. software maintenance contracts, copy machine maintenance contracts, etc).
2. Where applicable, a competitive process for selection of vendors for contracts for general services should be used under the guidance outlined in the "Purchase of Goods" section above.
3. Purchase orders are not required for general services.

Purchase of Professional Services

1. Professional services defined:
 - Professional services are usually highly customized and differentiated on factors other than price, such as knowledge and expertise. The specific form of the services will vary according to the need of the customer. Experiences gained from one project provide insight into other projects, but are not directly applicable. Professional services are often performed by licensed individuals.
2. A qualifications based selection process shall be used in obtaining professional services. Selection for professional services should take into consideration the overall value of such contracts including:
 - Demonstrated competence, knowledge and qualifications in related services
 - Continuity of the various phases of a project
 - Operational efficiencies
 - Scope of services
 - Reasonableness of proposed fee
3. The normal purchasing policy thresholds outlined in the "Purchase of Goods 1." section above shall be used for retaining consultants for specific projects.
4. Professionals are sometimes retained for their expertise on an as needed basis to serve in an advisory role to the City vs. being retained for a specific project. In the circumstance where the specific scope of service or length of engagement cannot be determined and the purchasing policy thresholds therefore cannot be used to determine level of approval, the approval process is as follows:
 - All legal, planning, and engineering services require Common Council approval prior to retaining the professional.
 - The City Attorney, upon approval of the City Manager, may retain outside legal counsel to serve in an advisory role to the City Attorney in an amount not to exceed \$5,000.
 - For all other services identified in the approved budget, the Department Head and/or City Manager is delegated the authority to retain the professional (e.g. title searches, physicals, water testing...).
5. Some professional service industries do not customarily use contracts to formalize the relationship and scope of work between the consultant and their client. In such circumstances, the City encourages the use of scope of service proposals, memorandum of understandings or engagement letters where applicable.
6. Purchase orders are not required for professional services.


Construction of Public Buildings and Improvements

1. The provisions of Wisconsin Statutes s. 62.15 apply to procurements involving public construction and take precedence over any portion of this policy that may conflict with that statute. Approvals of construction contracts will be made in accordance with the dollar thresholds outlined above in the "Purchase of Goods 1." section.
2. For all public construction, the estimated cost of which exceeds \$5,000 but is not greater than \$25,000, the Director of Public Works shall give a Class 1 notice, under Chapter 985 Wis. Stats., of the intent to enter into a contract for the proposed construction before the contract is executed.

EXHIBIT G

Policy 501-01.2 – Real Property

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		Policy 501.01.2 Real Property			
Owner:	City Manager	Approving Position:	Common Council	Pages:	3
Issue Date:	9/7/21	Revision Date:		Review Date:	September 2022
Special Instructions:					

I. POLICY

The City of Whitewater and its sub-units (City), hold real property 'Property' for several limited purposes:

- A. to provide services;
- B. for parks/recreational activities;
- C. to foster economic development.

The City's investment in real property represents a significant commitment of finite public resources. The following Guidelines will be effective for real property acquisition, retention, tax status, and disposal.

II. GUIDELINES

A. Acquisition

1. Ultimate authority to approve property acquisition lies with the Common Council under its responsibility for fiscal oversight as a trustee of public funds unless otherwise specified in state Statute, City Ordinance, or by Council Resolution.
2. Requests to acquire property shall specify public purpose of the proposed purchase, anticipated ownership period, source(s) of funding, and annual budgetary impact (i.e., debt repayment, operations/maintenance, and property tax impacts).

B. Funding

1. Funding for property acquisition should be sourced from the segregated budgetary Fund(s) whose stated purpose is most closely served by the acquisition. Funds may be advanced among funds internally if required. Internal advances among funds should be repaid as soon as practical.
2. Impact on targeted Fund Balance or Undesignated Fund Balance levels, Debt Capacity and Credit Rating shall be considered in determining funding method.

3. Debt Policy dictates that use of debt financing will impact other Capital Improvement projects competing for funding.
 4. Advances among City funds shall not incur interest until repaid, unless otherwise specifically directed by Common Council resolution.
- C. Taxation, payment for Municipal services
1. General Property Taxes are one of the primary sources of revenue used to pay for local government services provided by the City, County(ies), School District, and Technical College(s).
 2. Properties held by the City and its subsets are exempt from property taxes under Wisconsin Statute 71.11(2) 'Municipal Exemption'
 3. As the City or its subsets acquire property that has previously been taxable, the Municipal Exemption reduces the tax base and associated tax revenue necessary to fund services to residents. These acquisitions also concentrate the tax burden on other property holders.
 4. Accordingly, the City will retain the Municipal Exemption for:
 - a. Property acquired for provision of government services;
 - b. Property acquired for park and recreational activities;
 - c. Property acquired for improvement and held for resale.
 5. The City waives the Municipal Exemption for:
 - a. Residential Property acquired and held to produce revenue. Revenue producing property shall be subject to the normal non-exempt property assessment and taxation treatment.
- D. Rental Revenue
1. Proceeds from the lease/rental of land held for economic development shall be held in a separate account in CDA Program Fund 910 for future land purchases. These funds shall be retained and be considered a designated fund balance to fund future land acquisitions. Expenditures from this account require action by the Common Council.
 2. Proceeds from the lease/rental of Residential Property that is subject to property taxes may be retained by the CDA Residential Rental Program in Fund 910.
- E. Disposition
1. Ultimate authority to approve sale of real property lies with the Common Council under its responsibility for fiscal oversight as a trustee of public funds unless otherwise specified in state Statute, City Ordinance, or by Council Resolution or formal agreement.
 2. Requests for approval to sell real property shall include:
 - a. Determination of value: provide basis used to conclude that offered or proposed sale amount represents fair market value and in the best interests of the City.

- b. Sale of real property at less than market value shall only occur if transaction provides offsetting value through one or more of the following:
 - 1) written commitment of buyer to deliver taxable property improvements;
 - 2) new employment opportunities;
 - 3) expansion of the tax base and corresponding support of providing municipal services;
 - 4) other offsetting economic benefits.
 - c. Recommendation of body responsible for Fund used to acquire/hold property (i.e., CDA, Parks and Recreation Board, Public Works Committee, etc.). CDA shall review and make recommendation for all property sales related to economic development.
 3. Proceeds from property sale/disposal shall, be used in order of application:
 - a. First, to pay expenses directly incurred in conjunction with the property sale;
 - b. Next, retire debt associated with acquisition;
 - c. Next, reimburse fund balances used for acquisition;
 - d. Next, be retained for future property acquisitions.
 4. Proceeds from the sale of land held for economic development shall be held in a separate account in CDA Program Fund 910 for future land purchases. These funds shall be retained and be considered a designated fund balance to fund future land acquisitions. Expenditures from this account require action by the Common Council.

III. PROCEDURE

IV. REPORTING

V. JOB AIDS