

**CITY OF HAYWARD  
SAWYER COUNTY, WISCONSIN  
REGULAR CITY COUNCIL MEETING  
Monday, August 14, 2023  
MINUTES**

The meeting was called to order by Mayor Gillis at 6:05 p.m.

**Roll Call**

Council Present: Mayor Gillis, Ald. Hand, Ald. Herrmann, Ald. Hofer, Ald. Kreyer, Ald. Miller, Ald. Nelson, Ald. Swan, Ald. Williamson

Others Present: Attorney Kelsey, Director McCue, Chief Clapero, Assistant Chief Wohling, Clerk Poppe, Deputy Clerk Metcalf, Stacy Clapero, Bradyen Clapero, Nash Clapero, Barb Hand, Heather Sheehan, Tucker Plumstead, Dave Schlabowske, Frank Zufall

**Pledge of Allegiance**

The Pledge of Allegiance was recited.

**Chequamegon Mountain Bike Festival – Request to stage the start of the 40<sup>th</sup> Annual Chequamegon 40 on Main Street on September 16, 2023**

A motion was made by Ald. Miller, seconded by Ald. Williamson to approve the request, as submitted by Peter Spencer in a letter dated August 8, 2023, to stage the start of the 40<sup>th</sup> Annual Chequamegon 40 on Main Street on September 16, 2023. Motion carried. A motion was then made by Ald. Nelson, seconded by Ald. Miller to have a representative from the Chequamegon 40 event appear at next month’s meeting to discuss the safety arrangements for the fountain on Main Street and the median on Hwy 77; suggesting the placement of padding and a flag person at each of the locations. Motion carried.

**Resolution No. 23-12: Approving the Issuance and Sale of a Health Care Facilities Revenue Bond, Series 2023A (Hayward Area Memorial Hospital Project)**

A motion was made by Ald. Nelson, seconded by Ald. Swan to waive the reading of Resolution No. 23-12: Approving the Issuance and Sale of a Health Care Facilities Revenue Bond, Series 2023A (Hayward Area Memorial Hospital Project). Motion carried. A motion was then made by Ald. Miller, seconded by Ald. Williamson to approve and adopt Resolution No. 23-12: Approving the Issuance and Sale of a Health Care Facilities Revenue Bond, Series 2023A (Hayward Area Memorial Hospital Project), as presented. Roll Call Vote: Ald. Hand – yes, Ald. Herrmann – yes, Ald. Hofer – yes, Ald. Kreyer – yes, Ald. Miller – yes, Ald. Nelson – yes, Ald. Swan – yes, Ald. Williamson – yes. Motion carried. Ayes (8), Nays (0).

RESOLUTION NO. 23-12

RESOLUTION APPROVING THE ISSUANCE AND SALE OF A \$3,200,000 HEALTH CARE FACILITIES REVENUE BOND, SERIES 2023A (HAYWARD AREA MEMORIAL HOSPITAL PROJECT)  
BE IT RESOLVED, by the Common Council of the City of Hayward, Wisconsin (the “City” or “Issuer”), as follows:

- Section 1. Definitions. The terms used in this Resolution, unless the context, use, or the rules of grammar indicate another or differing meaning or intent, have the meanings assigned below:
- a. Act: Wisconsin Statutes, Sections 66.0621, as amended.
  - b. Arbitrage and Tax Certificate: the Arbitrage and Tax Certificate by the Borrower and Endorsement to Arbitrage and Tax Certificate by the Issuer.
  - c. Assignment Agreement: the Assignment Agreement, dated the Closing Date, between the Issuer, the Town, the Borrower and the Lender, including any amendment thereof or supplement thereto.
  - d. Authorized Officers: the Mayor and City Clerk-Treasurer of the City, or the deputy or acting designee of either of them.
  - e. Bond Counsel: the law firm of Fryberger, Buchanan, Smith & Frederick, P.A. or any other firm of nationally-recognized bond counsel.
  - f. Bond Purchase Agreement: Bond Purchase Agreement to be entered into between the City, the Borrower and the Lender.
  - g. Bonds: together, the City Bond and the Town Bond.
  - h. Borrower: Medical Services, Inc., being (as represented to the City) a Wisconsin nonstock, nonprofit corporation and organization described in Section 501(c)(3) of the Code, the corporate offices of which are located at 11040 N. State Road 77, Hayward, WI 54843.

- i. Borrower Documents: the Notes, the Bond Purchase Agreement, the Town Bond Purchase Agreement, the Mortgage, the Assignment Agreement, the Arbitrage and Tax Certificate and the Disbursement Agreement.
- j. City: the City of Hayward, Wisconsin, a municipal corporation and political subdivision of the State.
- k. City Bond: the \$3,200,000 Health Care Facilities Revenue Bond, Series 2023A (Hayward Area Memorial Hospital Project), dated as of the Closing Date, issued by the City to evidence the loan of \$3,200,000 made by the Lender to the City.
- l. City Note: the Promissory Note dated as of the Closing Date, given by the Borrower to the City, and endorsed by the City in favor of the Lender in the principal amount of, bearing interest at the rate payable on, and payable at the times and in the amounts set forth in the City Bond.
- m. Closing Date: the date set forth on the cover page and in the initial paragraph of the Sale Agreement.
- n. Code: the Internal Revenue Code of 1986, as amended.
- o. Collateral: has the meaning assigned to such term in the Mortgage, as it or the Mortgage may be modified from time to time.
- p. Cooperation Agreement: the Cooperation and Authorization Agreement dated the Closing Date, between the City and Town, including any amendment thereof or supplement thereto.
- q. Disbursement Agreement: the Disbursement Agreement, dated the Closing Date, between the Borrower, the Lender and the Title Company, including any amendment thereof or supplement thereto.
- r. Documents: the Issuer Documents, the Borrower Documents and the other documents required for the issuance of the Bonds.
- s. Facility or Facilities: the Project and the Mortgaged Property.
- t. Governing Body: the Common Council of the City.
- u. Hospital: the 25 acute care bed hospital located at 11040 N. State Road 77, Hayward, Wisconsin.
- v. Issuer: the City.
- w. Issuer Documents: the Cooperation Agreement, the Sale Agreement, the Bond Purchase Agreement and the Assignment Agreement.
- x. Lender: Johnson Bank, a Wisconsin banking corporation, its successors and assigns with an office located in Hayward, Wisconsin.
- y. Mortgage: the Fourth Amended and Restated Construction Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement, dated the Closing Date, from the Borrower to the Lender, including any amendment thereof or supplement thereto.
- z. Mortgaged Property: the Real Property and Collateral.
- aa. Notes: the City Note and the Town Note.
- bb. Project: the construction, improving, renovating, furnishing and equipping a new approximately 28,419 square foot medical clinic facility to be attached to the western corner of the Borrower's existing facility located at 11040 N. State Highway 77 within the Town.
- cc. Real Property: that certain real property described on Exhibit A to the Mortgage and all present and future improvements, fixtures, leases, rents and other appurtenant rights.
- dd. Registrar: bond registrar and transfer agent for the Bonds.
- ee. Sale Agreement: the Sale Agreement to be entered into between the Issuer, the Town and the Borrower and acknowledged by the Lender.
- ff. State: the State of Wisconsin.
- gg. Title Company: Gowey Abstract & Title Company, 15846 E. Third Street, Hayward, WI 54843, as the title company and disbursing agent.
- hh. Town: the Town of Hayward, Wisconsin, a political subdivision duly organized and existing under the laws of the State.
- ii. Town Bond: the \$10,000,000 Health Care Facilities Revenue Bond, Series 2023A (Hayward Area Memorial Hospital Project), dated as of the Closing Date, issued by the Town to evidence the loan of \$10,000,000 made by the Lender to the Town.

- jj. Town Bond Purchase Agreement: the Bond Purchase Agreement to be entered into between the Town, the Borrower and the Lender.
- kk. Town Note: the Promissory Note dated as of the Closing Date, given by the Borrower to the Town, and endorsed by the Town in favor of the Lender in the principal amount of, bearing interest at the rate payable on, and payable at the times and in the amounts set forth in the Town Bond.

Section 2. Summary of the Issuer Documents. Bond Counsel has provided the following information relating to the Issuer Documents:

- a. The Sale Agreement to be entered into between the Issuer, the Town and the Borrower, pursuant to which the Borrower agrees to sell the Facility and related improvements to the Issuer for the aggregate principal amount not less than the principal amount of the City Bond and to apply the proceeds of the sale as provided therein. Pursuant to the Sale Agreement, the Borrower agrees to acquire the Project from the Issuer and for a price not less than the principal amount of the City Bond, or such lesser amount as is advanced from the proceeds of the City Bond and to pay the purchase price to the Issuer in installments with interest, including payment to the City, as provided in the Borrower's City Note in the amount of the City Bond. The City Note provides for payments in specified amounts and at specified times sufficient to pay in full when due the principal and purchase price of, and interest on, the City Bond. In addition, the Sale Agreement contains provisions relating to the Project, the payment by the Borrower of certain administrative and legal costs of the Issuer, the maintenance and operation of the Facilities and the Project, indemnification, insurance, and other agreements and covenants which are required or permitted by the Act and which the Issuer and the Borrower deem necessary or desirable for the financing of the Project and the security for the City Bond.
- b. An Assignment Agreement to be entered into between the Issuer, the Town, the Borrower and the Lender, pursuant to which the Issuer pledges and grants a security interest in all of their rights, title, and interest in the Sale Agreement (except for certain rights to reimbursement of certain costs and expenses and for indemnification) and the City Note to the Lender.
- c. In the Mortgage, the Borrower secures its obligations under the Sale Agreement, including the payment of amounts due under the Sale Agreement, by granting to the Lender a first mortgage interest in the Real Property described in the Mortgage and a security interest in the Collateral as described in the Mortgage.
- d. The Disbursement Agreement provides for the conditions precedent to disbursement of proceeds of the City Bond.
- e. The Cooperation Agreement sets forth the agreement of the City and the Town to issue the Bonds and the benefits to each as a result of such issuance.

Section 3. Recitals Regarding Proceedings.

- a. The Governing Body scheduled a public hearing on issuing the City Bond and the proposal to undertake and finance the Project in an amount not to exceed \$3,500,000.
- b. A notice of public hearing was published in the *Sawyer County Record*, the City's official newspaper, and a newspaper of general circulation, calling a public hearing on issuing the City Bond, the proposal to undertake and finance the Project.
- c. The City has held a public hearing on issuing the City Bond and the proposal to undertake and finance the Project on August 14, 2023, through its City Clerk-Treasurer as the designated hearing officer, and persons in attendance wishing to speak on issuing the City Bond and the proposal to undertake and finance the Project, if any, were given an opportunity to do so.
- d. Drafts of the Documents have been submitted to this City and are on file in the office of the City Clerk-Treasurer.

Section 4. Recitals Regarding the Borrower and the Project.

- a. The Borrower has agreed to pay any and all costs incurred by the City in connection with the issuance of the City Bond, whether or not the issuance is carried to completion.
- b. The Borrower has represented to the City that, to its knowledge, no public official of the City has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.

Section 5. Recitals Relating to the Joint Exercise of Powers.

- a. The Project is located within the jurisdiction of the Town and serves residents of the City.

Section 6. Findings. The Governing Body finds, determines and declares as follows:

- a. The acquisition of the Facilities from the Borrower by the City, the sale of the Facilities by the City to the Borrower and the financing of the costs of the Project is authorized by Wisconsin Statutes, Section 60.01(2)(b), and is a public purpose;

- b. The issuance and sale of the City Bond by the City, pursuant to the Act, is found to be in the best interest of the City and the City determines to issue the City Bond;
- c. The Facility will be operated for a public purpose; and
- d. The Project has an impact on and benefits the residents of the City.

Section 7. The Project and the City Bond.

- a. The Project is approved.
- b. The City authorizes the acquisition of the Facility from the Borrower for an acquisition price not less than the principal amount of the City Bond, the sale of the Facility back to the Borrower for a sale price not less than the principal amount of the City Bond and the financing of a portion of the Project pursuant to the terms and conditions set forth in the Sale Agreement.
- c. In order to provide for the financing, in part, of the Project, the City authorizes the issuance of the City Bond in a stated principal amount of not to exceed \$3,200,000, excluding any original issuance discount or premium and further authorizes the sale of the City Bond to the Lender for a price not less than the par amount of the City Bond, as provided herein.
- d. The City Bond must be in substantially the form submitted to the Governing Body, with appropriate variations, omissions and insertions permitted or required by this Resolution, and as may be necessary and appropriate and approved by Bond Counsel, Issuer's Counsel and the Borrower. The City Bond is incorporated by reference.
- e. The Authorized Officers are authorized and directed to execute, acknowledge and deliver the City Bond. The seal of the City may be omitted as allowed by law. The execution of the City Bond by the Authorized Officers is conclusive evidence of approval of the City Bond in accordance with the terms of this Resolution.
- f. The issuance of the City Bond by the City to finance the Project is approved.

Section 8. Future Amendments.

- a. After the adoption of this Resolution, but prior to the issuance and delivery of the City Bond to the Lender, the original aggregate principal amount of the City Bond, the maturity date of the City Bond, the principal amount of the City Bond due on each payment date, the interest rate of the City Bond prior to the first Adjustment Date (as defined in the City Bond), the date of the documents referenced in this Resolution and the City Bond, and the terms of redemption of the City Bond may be established or modified by the Borrower with the approval of the Authorized Officers; provided that the aggregate principal amount of the City Bond may not be increased from the amounts set forth in this Resolution, and the maximum interest rate of the City Bond will not exceed the lesser of 8% or the maximum rate permitted by law.
- b. The authority to approve, execute and deliver, on behalf of the Issuer, future amendments to financing documents entered into by the Issuer in connection with the issuance of the City Bond is delegated to the Authorized Officers, subject to the conditions established in the Assignment Agreement and Sale Agreement.
- c. The authorization given above is an authorization for the execution and delivery of any certificates and related items required to demonstrate compliance with the agreements being amended and the terms of this Resolution. The execution of any instrument by the Authorized Officers is conclusive evidence of the approval in accordance with the terms of this Resolution.

Section 9. Approval and Execution of Documents.

- a. The Issuer Documents and the City Bond are made a part of this Resolution and are approved in substantially the forms on file with the Governing Body. The Authorized Officers are authorized and directed to execute, acknowledge and deliver the Issuer Documents and City Bond with changes, insertions and omissions approved by Bond Counsel and Issuer's counsel.
- b. The Authorized Officers are authorized and directed to (i) execute and deliver all other documents which may be required under the terms of the Issuer Documents or the City Bond or by Bond Counsel; (ii) take any other action required or deemed appropriate on the advice of Bond Counsel for the performance of the City's duties necessary to carry out the purposes of the City Bond and the Issuer Documents; and (iii) furnish certified copies of this Resolution and all proceedings and records of the City relating to the City Bond, and any other affidavits and certificates required, in the opinion of Bond Counsel, to show the facts relating to the City respecting the City Bond, as the facts appear from the books and records in the City's custody and control or as otherwise known to them.
- c. The execution by the Authorized Officers of the Issuer Documents is conclusive evidence of their approval in accordance with the terms of this Resolution.

- Section 10. Absent or Disabled Officers. If any of the Authorized Officers or any other officers, employees or agents of the Issuer authorized to execute certificates, instruments, or other written documents on behalf of the Issuer:
- a. ceases to be an officer, employee or agent of the Issuer after he or she has executed any certificate, instrument or other written document, the validity or enforceability of the certificate, instrument or other written document signed by them is not affected; and
  - b. is unavailable to execute certificates, instruments or other written documents, the certificates, instruments or other written documents may be executed by the next highest-ranking officer, employee or agent of the unavailable officer, employee or agent; the person or person authorized under the rules of procedure or bylaws of the Issuer to act in the absence or on behalf of the unavailable officer, employee or agent; the deputy or assistant to the unavailable officer, employee or agent; or any other officer, employee or agent of the Issuer who, in the opinion of Bond Counsel, is authorized to sign the certificates, instruments or other written documents, with full force and effect.

Section 11. Registration.

- a. Registered Form. The City Bond must be issued only in fully registered form. The City Bond will be numbered R-1 and upward in denominations specified by the Lender.
- b. Registration, Transfer and Exchange. The City appoints the City Clerk-Treasurer as Registrar. The effect of registration and the rights and duties of the City with respect thereto are as follows:
  - i. *Register.* The Registrar must keep a bond register for the City Bond in which the Registrar provides for the registration of ownership of the City Bond and the registration of transfers and exchanges of the City Bond.
  - ii. *Transfer of City Bond.* Subject to the provisions of clause x of this subsection, upon surrender for transfer of the City Bond duly endorsed by the registered owner or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee, one new note in an aggregate principal amount equal to the then outstanding principal amount of the City Bond so surrendered and of like maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15<sup>th</sup> day of the month preceding each interest payment date until the next interest payment date.
  - iii. *Issuance of New City Bond.* Subject to the provisions of clause x of this subsection, the City, at the request and expense of the Lender, must issue a new bond in aggregate outstanding principal amount equal to that of the City Bond surrendered, and of like tenor except as to number, principal amount and the amount of the monthly installments payable under the surrendered City Bond, and registered in the name of the Lender or the transferee designated by the Lender.
  - iv. *Exchange of City Bond.* When the City Bond is surrendered by the registered owner for exchange the Registrar will authenticate and deliver one new bond in an aggregate principal amount equal to the then outstanding principal amount of the City Bond surrendered and of like maturity, as requested in writing by the registered owner or the registered owner's attorney.
  - v. *Cancellation.* A bond surrendered upon any transfer or exchange will be promptly canceled by the Registrar and thereafter disposed of as directed by the City.
  - vi. *Improper or Unauthorized Transfer.* When the City Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the City Bond so presented until the Registrar is satisfied that the endorsement on the City Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.
  - vii. *Persons Deemed Owners.* The City and the Registrar may treat the person in whose name a bond is registered in the bond register as the absolute owner of the City Bond, whether the City Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the City Bond and for all other purposes, and payment so made to a registered owner or upon the registered owner's order will be valid and effectual to satisfy and discharge the liability upon the City Bond to the extent of the sum or sums so paid.
  - viii. *Taxes, Fees and Charges.* The Registrar may impose a charge upon the registered owner sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to a transfer or exchange of the City Bond.
  - ix. *Mutilated, Lost, Stolen or Destroyed City Bond.* If the City Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new City Bond of like amount, number, maturity date, redemption privilege and tenor in exchange and in substitution for and upon cancellation of the mutilated City Bond or in lieu of or in substitution for any

bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar and the City in connection with replacing the destroyed, stolen or lost City Bond; and, in the case of the City Bond being destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to the Registrar that the City Bond was destroyed, stolen or lost, and of the ownership of the City Bond, and upon furnishing to the Registrar and the City of an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. The City Bond so surrendered to the Registrar will be canceled by the Registrar. If the mutilated, destroyed, stolen or lost City Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new City Bond prior to payment.

- x. *Limitation on Transfers.* The City Bond has been issued without registration under state or other securities laws, pursuant to an exemption; and accordingly the City Bond may not be assigned or transferred in whole or part, nor may a participation interest in the City Bond be given pursuant to any participation agreement, except in accordance with an applicable exemption from registration requirements. In no event may any participation interest in the City Bond be in an initial principal amount of less than \$100,000.

Section 12. Limitations.

- a. *Limitation on Payment of Principal and Interest.* The revenues and proceeds derived from the Issuer Documents are specifically pledged to the payment of the principal of and interest on the City Bond in the manner and to the extent specified in this Resolution, the City Bond and the Documents; and nothing in the City Bond, the Documents or this Resolution assigns, pledges or otherwise encumbers any other funds or assets of the City.
- b. *Limitation of Liability.* The City is not subject to any liability on the City Bond. No agreement, covenant, or obligation contained in this Resolution or in the Documents is an agreement, covenant or obligation of any member of the Governing Body, or of any officer, employee or agent of the City in that person's individual capacity. Neither the members of the Governing Body, nor any officer executing the City Bond or the Documents, is liable personally on the City Bond or subject to any personal liability or accountability by reason of the issuance of the City Bond or execution of the Documents.
- c. *Limitation on Rights Conferred.* Nothing in this Resolution or in the Documents will or is intended to be construed to confer upon any person (other than as provided in the City Bond, the Issuer Documents, and the other agreements, instruments and documents approved in this Resolution) any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision of this Resolution.
- d. *Limitation on Nature of Security.*
  - i. The City Bond is and will be a special limited obligation of the City.
  - ii. Notwithstanding anything contained in the Resolution, the City Bond or the Documents or any other document referred to in the Resolution, the City Bond or the Documents to the contrary, under the provisions of the Act, the City Bond may not be payable from nor charged upon any funds other than the revenue pledged to its payment under the Issuer Documents. No holder of the City Bond will ever have the right to compel any exercise of the taxing power of the City to pay the City Bond or the interest thereon, or to enforce payment of the City Bond against any property of the City except the portion of the Project mortgaged or otherwise encumbered under the provisions and for the purpose of the Act.
  - iii. The City Bond is not a debt of the City within the meaning of any constitutional or statutory limitation. However, nothing impairs the rights of the holder of the City Bond to enforce covenants made for the security of the City Bond as permitted under State law.

Section 13. Special Redemption Fund.

- a. *Fund Created.* In accordance with the Act, there is created a special fund in the treasury of the City to be identified as the "Series 2023A Special Redemption Fund" (the "Special Redemption Fund"). The Issuer may create a separate account for the City Note in the Special Redemption Fund. Pursuant to the City Note and the Assignment Agreement, payments by the Borrower on the City Note, including any prepayment of the City Note, will be paid directly to the Lender, but will be deemed to have been first deposited in the Special Redemption Fund. If, for any reason, the Borrower makes payments to the City with respect to the City Note, such payments will be deposited in the Special Redemption Fund and used solely for the payment of the principal of and interest on the City Bond. The Special Redemption Fund is set aside for the payment of the principal of and interest on the City Bond.
- b. *Revenues Pledged.* The City Bond, together with interest thereon, shall be payable only out of the Special Redemption Fund as provided herein, and the registered holder of the City Bond has a valid claim only against the Special Redemption Fund. The City pledges the Note Repayments as defined in the Sale Agreement (the "Revenues") to the Special Redemption Fund, which Revenues shall be used for no purpose other than to pay the principal of and interest on the City Bond as the same become due.

Section 14. Tax Covenants.

a. *General.*

- i. The City will require the Borrower to covenant and agree with the holders of the City Bond that the Borrower will (a) take all action on their part necessary to cause the interest on the City Bond to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the City Bond and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action which would cause interest on the City Bond to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the City Bond and investment earnings thereon on certain specified purposes.
- ii. The City in the Sale Agreement has required the Borrower to comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the City Bond, including, without limitation (i) requirements relating to temporary periods for investment, (ii) limitation on amounts invested at a yield greater than the yield on the City Bond, and (iii) if required, the rebate of excess investment earnings to the United States.

b. *Bank Qualification.* In order to qualify the City Bond as a “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

- i. based upon representations of the Borrower, the City Bond, when issued, will be a “qualified 501(c)(3) bond” under Section 145 of the Code;
- ii. the City designates the City Bond as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code;
- iii. the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) that will be issued by the City (including any subordinate entity of the City) during the calendar year in which the City Bond is issued will not exceed \$10,000,000; and
- iv. not more than \$10,000,000 of obligations issued by the City during the calendar year in which the City Bond is issued will be designated for the purposes of Section 265(b)(3) of the Code.

Section 15. Offering and Disclosure Materials. The City has not participated in the preparation of or reviewed any offering or disclosure materials with respect to the offer and sale of the City Bond and the City makes no representations or warranties regarding the necessity, sufficiency, accuracy, fairness, completeness or adequacy of any disclosure with respect to the offer and sale of the City Bond.

Section 16. Severability. If any provision of this Resolution is held or deemed to be or is, in fact, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering any other provision or provisions it contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Resolution contained do not affect the remaining portions of this Resolution.

Section 17. Certification of Municipal Obligations. The City Clerk-Treasurer is authorized and directed to give notice pursuant to Wisconsin Statutes, Section 893.77, subdivision 2, that the City has by this Resolution authorized issuance of the City Bond.

Section 18. Conditions Precedent. The City Bond shall not be delivered until the Borrower has agreed in writing to pay all of the City’s reasonable legal fees and out-of-pocket expenses relating to the financing.

Section 19. Compliance Policy. The Common Council has been provided with a Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures which applies to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the “Policy and Procedures”). The Common Council hereby approves the Policy and Procedures for the City Bond. The Clerk-Treasurer is designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

Section 20. Effective Date. This resolution takes effect immediately.

**A motion was made by Ald. Miller, seconded by Ald. Hofer to approve the following:**

1. **Minutes:** Police & Fire of 07/10; Public Works of 07/10; Finance of 07/10; Regular Council of 07/10 (abridged / unabridged); Joint Police & Fire and Personnel of 07/13; Special Council of 07/13 (abridged / unabridged)

**2. From Public Works of 08/14:**

- A. Entering into a Customer Value Agreement with Fabick Cat to perform preventative maintenance on the grader, loader and backhoe every 500 hours, up to 2,000 hours, for an amount of \$9,986.37.
- B. Information Only. Mayor Gillis informed the council members that there was no detection of PFOS or PFAS in any of the samples taken from each of the three City wells.
- C. The acceptance of the award of up to one million dollars in Community Development Block Grant funding for the Second Street Reconstruction Project
- D. Amendment #3 to the Agreement for Professional Services with Ayres Associates for the West 2<sup>nd</sup> Street CDBG Project to include final design & bidding services - \$55,200; Construction Administration Services - \$35,100; CDBG Administration - \$25,000; SDWLP & CWF Applications - \$20,000; SDWLP & CWF Administration - \$25,000; and Post-Construction Phase Service - \$8,000
- E. Information Only. The DNR approved a permit for the City to fill in the north corner of Shue's Pond, should the council decide to move forward with the extension of California Avenue.
- F. The payment of Pay Request No. 3, submitted by McCabe Construction in the amount of \$108,547.35 for the Smith Creek Culvert Project.
- G. Awarding the bid for the fine grading and paving of the municipal parking lot at the corner of Third Street & Dakota Avenue to Monarch Paving for an amount of \$76,495.24; to approve the renting of a bulldozer & operator to shape the parking lot; and to approve Director McCue hiring someone to perform the concrete work needed to complete the municipal parking lot reconstruction project.
- H. The quote submitted by SignArt in the amount of \$4,190 for a Kiosk to be located at the municipal parking lot at the corner of Third Street & Dakota Avenue; and the quote submitted by SignArt in the amount of \$2,486 for two municipal parking lot signs (BID to pay for one sign); and to approve the names Musky Lot and Loon Lot for each of the municipal parking lots.

**3. From Police & Fire of 08/14:**

- A. Information Only. Mayor Gillis informed the council members that Chief Clapero updated the committee members regarding the monthly call / department activity report.
- B. Authorizing the Chief of Police to charge for all officer hours worked, for all events in which the officer hours are deemed "extra" and in addition to the normally scheduled officer hours; hours to be billed at actual cost to include the hourly and / or overtime rate, social security, medicare, retirement, and workers compensation insurance; the rate will not include vacation, sick, or holiday pay nor health insurance costs, as these costs are the same regardless of whether or not an officer is working a special event

**4. From Finance of 08/14:**

- A. Information Only. The following Certificates of Deposit were opened on July 24, 2023: Fire Department Capital Projects - \$486,506.68 / 6 months / 4.95%; Buildings Capital Projects - \$154,726.49 / 6 months / 4.95%; Revaluation Capital Projects - \$100,000 / 9 months / 5.05%; Police Department Capital Projects - \$25,167.12 / 6 months / 4.95%; Water & Sewer #1 - \$500,000 / 9 months / 5.05%; Water & Sewer #2 - \$500,000 / 9 months / 5.05%; General City Second Street - \$500,000 / 6 months / 4.95%; and WWTP Equipment Replacement Fund - \$500,000 / 9 months / 5.05%.
- B. Payment of City General Fund checks numbered 36474 through 36560; Water & Sewer Fund checks numbered 11868 through 11895; and the July account transfers.

**5. The issuance of operator licenses (Regular: 06/30/2024) to: Michelle M Bonikowske; Dena C Waquie; Katrina R Cooper; Timmy A Cannon; Beth A Campbell; Rosemarie L McAllister; Levi M Meetz; Lisa J Wied; Scott C Wied; Benjamin J Retzlaff**

**Roll Call Vote:** Ald. Hand – yes; Ald. Herrmann – yes; Ald. Hofer – yes; Ald. Kreyer – yes; Ald. Miller – yes; Ald. Nelson – yes; Ald. Swan – yes; Ald. Williamson – yes. Motion carried. Ayes (8), Nays (0)

**Clerk's Report**

The American Birkebeiner Ski Foundation applied for a Temporary Class "B" Retailer's License for a Business After 5 event to be held on August 24, 2023.



**Public Comments**

Mike Swan questioned as to whether or not a grant could be obtained through the Community Development Block Grant (CDBG) program to build a new fire hall. Ald. Miller stated that grant funds for equipment are much easier to obtain than grant funds to build a new structure. Structures are normally funded by low interest loans through the USDA.

**Thank you & Presentation of Plaque to Chief Joel Clapero**

Mayor Gillis presented Chief Clapero with a plaque and thanked him for his 22 years of dedicated service to the City of Hayward and the community.

**Executive Session**

A motion was made by Ald. Miller, seconded by Ald. Williamson to go into executive session per §19.85(1)(g) conferring with legal counsel with respect to litigation in which the City is or is likely to become involved and per §19.85(1)(c) considering employment, promotion, compensation or performance data of any public employee over which the governmental body has jurisdiction or exercises responsibility. Roll Call Vote: Ald. Hand – yes; Ald. Herrmann – yes; Ald. Hofer – yes; Ald. Kreyer – yes; Ald. Miller – yes; Ald. Nelson – yes; Ald. Swan – yes; Ald. Williamson – yes. Motion carried. Ayes (8), Nays (0)

**Action from Executive Session**

No action taken.

**Adjournment**

A motion was made by Ald. Swan, seconded by Ald. Williamson to adjourn. The meeting was adjourned at 6:45 p.m.

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\*Gary Gillis, Mayor

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\*Lisa Poppe, City Clerk-Treasurer