

**CITY OF MERRILL  
COMMON COUNCIL  
TUESDAY, AUGUST 13, 2013  
7:00 P.M.  
CITY HALL COUNCIL CHAMBERS**

**AGENDA**

- 130810** Silent Prayer
- 130815** Pledge of Allegiance
- 130820** Roll Call
- 130830** Minutes of July 9<sup>th</sup>, 2013 Common Council meeting
- 130840** Revenue & Expense Report – July 2013
- 130860** Communications and Petitions
- 130861** Claim filed by Quicksilver Broadcasting LLC, for water damage that occurred at 120 South Mill Street on January 23<sup>rd</sup>, 2013. The City's insurance carrier recommends that the claim be denied. The basis for their recommendation is that the insurance company's investigation found no negligence on the City of Merrill.
- 130862** Employee Recognition
  - Patrick R. Wunsch, 15 years (Police Department)
  - Kurt J. Perra, 15 years (Police Department)
  - Christine R. Brahos, 15 years (Police Department)
- 130880** Housing Authority – No Action
- 130890** Committee of the Whole – No Action
- 1308100** Community Development Committee – No Action
- 1308110** Parks and Recreation Commission – Met on August 7<sup>th</sup>, no minutes yet
- 1308120** Board of Public Works

**1308121** The Board recommends approving the bid of \$109,829 from Quality Concrete for the M-2-2013 Sidewalk Maintenance Project.

**1308130** Health and Safety Committee

**1308131** The Committee recommends approving the applications from Blastomycosis Fighting Fund for three temporary Class "B" (picnic) licenses to sell fermented malt beverages during a softball tournament/fundraiser at Ott's Park, August 23-25, 2013. Approval would be contingent upon Blastomycosis Fighting Fund submitting an enforcement/compliance plan to the Police Department and upon the Police Chief approving the plan.

**1308132** Consider the application from the Fraternal Order of Eagles for a temporary Class "B" (picnic) license to sell fermented malt beverages at the Eagles Fair Stand (Lincoln County Fairgrounds) during Labor Day festivities, September 2nd, 2013. (Alderman Caylor is bringing this application directly to the Common Council).

**1308140** Personnel and Finance Committee

**1308141** The Committee recommends approving, as presented, the School Resource Officer Memorandum of Understanding with Merrill Area Public Schools for 2014-2018, pending approval of the Memorandum of Understanding by Merrill Area Public Schools.

**1308150** Water and Sewage Disposal Committee – No Action

**1308160** City Plan Commission – No Action

**1308170** Transit Commission – No Action

**1308180** Library Board – No Action

**1308185** Redevelopment Authority – No minutes submitted

**1308200** Enrichment Center Committee on Aging – No minutes submitted

**1308210** Airport Commission – No minutes submitted

**1308230** Placing Committee Reports on File

**1308240** Mayor's Appointments

Tony Kusserow, to the Transit Commission, term to expire May 1<sup>st</sup>, 2015

Jill Laufenberg, to the Redevelopment Authority, term to expire September 20<sup>th</sup>, 2018

## **ORDINANCES**

- 1308250** An Ordinance amending Code of Ordinances Chapter 10, to change from a municipal court to a joint municipal court (being brought directly to the Common Council by Mayor Bialecki)
- 1308251** An Ordinance related to the salary for the elected Street Commissioner (from July 23<sup>rd</sup>, 2013 Personnel and Finance Committee meeting)
- 1308252** An Ordinance related to the salary for the elected City Clerk (from July 23<sup>rd</sup>, 2013 Personnel and Finance Committee meeting)

## **RESOLUTIONS**

- 1308260** A Final Resolution of intent to exercise special assessment powers by police power under Section 66.0703 of the Wisconsin State Statutes (from July 9<sup>th</sup>, 2013 Common Council meeting)
- 1308261** A Resolution approving a Conditional Use Permit for construction of a duplex to be licensed and operated as an Adult Family Home on Eugene Street in Merrill, Wisconsin (from August 6<sup>th</sup>, 2013 City Plan Commission meeting)
- 1308262** A Resolution approving a Preliminary Plat of Wittman Heights Subdivision Addition in the City of Merrill by the City of Merrill (from August 6<sup>th</sup>, 2013 City Plan Commission meeting)
- 1308263** A Resolution awarding the sale of \$4,290,000 General Obligation Corporate Purpose Bonds, Series 2013A (from July 9<sup>th</sup>, 2013 Common Council meeting)
- 1308264** A Resolution authorizing the issuance and sale of \$2,890,000 General Obligation Promissory Notes, Series 2013B (from July 9<sup>th</sup>, 2013 Common Council meeting)
- 1308270** Mayor's Communications
- 1308280** Public Comment Period
- 1308999** Adjournment

William N. Heideman, CMC, WCMC  
City Clerk

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130880

**REGULAR MONTHLY MEETING OF THE HOUSING AUTHORITY  
COMMISSIONERS OF THE CITY OF MERRILL, WISCONSIN**

**Wednesday, July 10, 4:01 P.M. Jenny Towers Library, Merrill, WI**

**PRESENT:** Chairman Kathy Colclasure, Denise Humphrey, Paul Wagner, Amanda Kostman, Richard Wiessinger, Rob Norton (Ex-Officio), LaDonna Fermanich and Kay Tautges.

**PUBLIC HOUSING - PARK PLACE and WESTGATE MEETING** called to order by Chairman Kathy Colclasure. Motion to approve today's agenda and minutes of June 12<sup>th</sup>, 2013 meeting. Wagner/Kostman. Motion passed unanimously.

Discussion and motion to approve Checks #21272 thru #21306 and Billings to date for June 2013 with attached list of expenditures: Humphrey/Wiessinger. Passed unanimously by roll call vote: Kostman - aye, Colclasure - aye, Wagner - aye, Wiessinger - aye and Humphrey - aye.

Move-ins and Move-outs for June 2013: Motion to accept report and place on file. Kostman/Humphrey. Motion passed unanimously.

Report on Park Place Investments: LaDonna reported that all funds were pulled out of the Vanguard account and placed at Lincoln Community Bank in accordance with the current Investment Policy. Based on recent financial advice that our funds were not in a HUD preferred investment with Vanguard and the compounded losses in excess of \$20,000 for the second month in a row, LaDonna and Kathy felt that immediate action needed to be taken to prevent any further losses. The initial investment placed in the Vanguard fund was \$1,107,062.11. The closing amount of \$1,099,370.16 was withdrawn from the account for an overall loss of \$7691.95. Plans are to transfer all funds into an ICS (Insured Cash Sweep) at River Valley Bank where they can be placed into money markets which are held by a single entity but individually FDIC insured through separate financial institutions. Funds can be withdrawn at any time without penalty or delay much like our BMO investments.

Approval of Resolution No. 366 "Liquidation & Transfer of Vanguard Investments Funds": After review of the Resolution and further discussion, a motion was made to approve Resolution No. 366 as required by RVB and most other financial institutions when opening a new account. Humphrey/Wiessinger. Passed unanimously by roll call vote: Kostman - aye, Colclasure - aye, Wagner - aye, Wiessinger - aye and Humphrey - aye.

Discussion of current Investment Policy: As part of LaDonna's request to begin reviewing policy on a more frequent basis, the current Investment Policy was scheduled for review. As stated in the policy, the Executive Director will notify Board Members of any actions taken. Also in accordance with the investment policy, Commissioners see no need for Resolutions to be made in regard to reinvestment activity, however, the financial institutions may require it, especially if opening a new account is involved. A motion to change item number 6 of the Investment Policy to state, "As a general rule, no less than one but not more than two months of planned expenditures will be retained in the checking account balance for contingencies over and above currently planned expenditures." Kostman/Wagner. Passed unanimously. The revised Investment Policy will be brought back to the Board in the form of a resolution for formal approval at the August meeting. Commissioners asked LaDonna to send future policies to be reviewed and any notes regarding proposed changes prior to meeting dates.

Report and Approval of Westgate Improvements Bid: LaDonna reviewed the bids received for the Westgate Apartment Interior Upgrades and Exterior Lighting Replacement project. There were 3 bids for doors/attics and one bid for the electrical work. J&J Lee Construction was the lowest Interior Upgrade bid. However, an error

was found in that bid. Initially, the bid from J&J came in at \$95,429.00. This bid did not include the right closet doors. With the correction made, J&J's bid would remain as the low bid at \$103,401.00. Overall, the project will cost more than what is covered by grant money. LaDonna recommended that operating subsidy funds be used to pay for costs over and above the grant money allotted. Motion to accept a corrected bid from J&J Lee Construction and accept the bid from Lu the Lite Electric and to continue with the project even though it is over budget. Kostman/Wagner. Passed unanimously.

Report on Public Housing Training: LaDonna gave Commissioners an overview of her training. She gained new references/resources and has set some new goals in regard to what she has learned. She will be investigating where to obtain additional training for herself, Lynn and Kay to insure program compliance in regards to rentals and leasing.

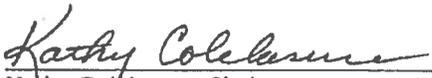
HUD Vacancy Update/Discussion: The monthly progress report was handed out and reviewed. LaDonna will give Commissioners a list of web sites of local HA's who have completed similar renovations.

For the Good and Betterment of the Public Housing Program:

1. Commissioner Items/Comments: None.
2. Executive Director's Report: LaDonna shared a "Lease Lesson" handout which she posted to educate and remind tenants of what their lease allows. It is her plan to highlight different areas of the lease and post these throughout the year. LaDonna also came across a Commissioner Handbook and plans to review and share pertinent information with Commissioners in the future.
3. Public Comment Period: None

The next regular meeting of the Commissioners of the Housing Authority will be held on August 14, 2013, 4:00 p.m., Jenny Towers Library, 711 E. 1<sup>st</sup> Street, Merrill, WI.

Motion to adjourn at 5:14 P.M. and open Section-8 Housing - Jenny Towers Meeting. Wagner/Kostman. Motion passed unanimously.

  
Kathy Colclasure, Chairman

  
Kay Tautges, Recording Secretary

  
LaDonna Fermanich, Executive Director

**REGULAR MONTHLY MEETING OF THE HOUSING AUTHORITY  
COMMISSIONERS OF THE CITY OF MERRILL, WISCONSIN**

Wednesday, July 10, 2013, 5:14 P.M., Jenny Towers Library, Merrill, WI 54452

PRESENT: Chairman Kathy Colclasure, Amanda Kostman, Denise Humphrey, Paul Wagner, Richard Wiessinger, Rob Norton (Ex-Officio), LaDonna Fermanich and Kay Tautges.

**SECTION-8 HOUSING - JENNY TOWERS and SCATTERED SITES MEETING** called to order by Chairman Kathy Colclasure. Motion to approve minutes of June 12, 2013 meeting and today's agenda: Wiessinger/Kostman. Motion passed unanimously.

Discussion and motion to approve Checks #16421 thru #16499 and Billings to date for June 2013 with attached list of expenditures: Wagner/Kostman. Passed unanimously by roll call vote: Colclasure-aye, Kostman-aye, Humphrey-aye, Wiessinger-aye, and Wagner-aye.

Report on transition from BMO to RVB: LaDonna reported that so far everything has gone very well. After we are sure that all of our business transactions have gone smoothly and are completed accurately, we will look at how to begin the process of rent collection through automatic deductions.

Discussion and Approval of Move-ins and Move-outs for June 2013: Motion to accept report and place on file. Kostman/Humphrey. Motion passed unanimously.

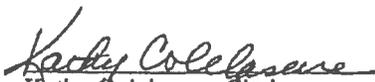
Report on Jenny Tower Investments: LaDonna reported that the BMO Harris Bank Trust Investment lost \$18,565.72 during the past month. BMO informed MHA that some loss is to be expected due to the recent increase in the interest rate which overall has had an impact the market.

For the Good and Betterment of the Section-8 Housing Program:

1. Commissioner Items/Comments – None.
2. Executive Director's Report – LaDonna expressed that she has a lot on her plate right now. She wanted Commissioners to understand that she has issues and requests coming at her from HUD, staff, tenants, board members, developers, and numerous outside forces and asks that the Board trust her to set the priorities as to which she must address first. That means that some questions and requests will be hard to get to on an immediate basis. Commissioners asked how they could provide help and offered some suggestions. LaDonna will consider suggestions made.
3. Public Comment - None.

The next regular meeting of the Commissioners of the Housing Authority will be held on Wednesday, August 14, 2013, 4:00 p.m. Jenny Towers Library, 711 E. 1<sup>st</sup> Street, Merrill, WI.

Motion to adjourn at 5:40 P.M.: Kostman/Wagner. Motion passed unanimously.

  
Kathy Colclasure, Chairman

  
Kay Tautges, Recording Secretary

  
LaDonna Fermanich, Executive Director

130890

**City of Merrill  
Committee of the Whole/Tourism Commission  
(joint meeting)  
Tuesday, July 9, 2013 at 5:30 P.M.  
City Hall Common Council Chambers  
1004 East First Street**

Committee of the Whole members present (9 of 9): Mayor Bill Bialecki, Alderman Chris Malm (First District), Alderman Steve Hass (Second District), Alderman Ryan Schwartzman (Third District), Alderwoman Kandy Peterson (Fourth District), Alderman John Burgener (Fifth District), Alderman Dave Sukow (Sixth District), Alderman Rob Norton (Seventh District) and Alderwoman Anne Caylor (Eighth District).

Tourism Commission members present: Parks & Recreation Director Dan Wendorf, Jim Arndt, Russ Grefe and Lauren O'Day.

Other attendees: City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director/Treasurer/Comptroller/RDA Secretary Kathy Unertl, Collin Lueck (Foto-News), Debbie Kinsey, Cheryl Skoug, Duane Pfister and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

**Call to order**

Mayor Bialecki called the meeting to order at 5:30 P.M.

**Discuss referral from Common Council re: Room tax increase**

Information was in the meeting packet.

At a meeting on May 28<sup>th</sup>, 2013, the Personnel and Finance Committee recommended an increase in the lodging room tax from 4% to 8%. At a meeting on June 11<sup>th</sup>, 2013, the Common Council referred that recommendation to a joint meeting of the Committee of the Whole and Tourism Commission.

Russ Grefe had submitted information that was included in the meeting packet. He questioned the suggestion from City staff that the City portion of the potential increased revenue generated by a room tax rate increase could be used to purchase additional directional signs. He also raised concerns related to the City staff position on room tax rates in neighboring locales. In his opinion, it appears that many of the neighboring municipalities that are comparable in size to Merrill currently have a rate of 4%.

Mayor Bialecki reported that the concept to increase the room tax percentage originated at a recent forum held at the Eagles Club.

Russ Grefe stated that, in his opinion, room tax revenue should be used to increase the number of overnight visits. He does not think increased signage would do that.

City Administrator Johnson inquired as to the present uses of the room tax revenue. Russ Grefe reviewed the current uses for the revenue (Barley Fest, Fair, Rodeo, etc.).

Alderman Malm asked what the increase in revenue would be if the rate were increased from 4% to 8%. Russ Grefe estimated that the increase would be approximately \$4 per visit for each night.

A possible compromise to increase the room tax rate to 6% was suggested and discussed.

Mayor Bialecki reported that the Chamber of Commerce has sought more and better directional signage in the City, to assist visitors in finding their way around town. He suggested that increasing the room tax would result in more revenue, which could be used to enhance signage.

Alderman Malm speculated that, if a room tax increase would result in a decrease in overnight stays, it would hurt the local businesses. Russ Grefe stated that much of business at the lodging establishment that he manages is generated by local businesses (Church Mutual, Weinbrenner, Russ Davis Wholesale, etc.).

Debbie Kinsey stated that, as the owner of a lodging establishment, she would not have a problem with an increase. However, based on her involvement with the Tourism Commission, she is more hesitant to favor an increase. She is definitely not in favor of increasing it to 8%, but suggested that it could be increased to 6%, followed by an evaluation of the effect of that compromise increase. Lauren O'Day stated that she was not in favor of an increase at this time.

Alderwoman Caylor stated that she had previously requested that, before any increase is considered, a plan for the increased revenue should be prepared and presented for consideration. To date she has not seen such a plan. Alderman Hass agreed with this. Alderman Sukow also concurred, stating that a plan, including potential direction signage, should be prepared and considered before any increase is considered.

Alderman Hass suggested that consideration of changing the room tax rate could be part of the 2014 budget process, along with consideration of the use(s) for the City's portion of any increased revenue potentially realized as a result of changing the rate. Until that time, he recommended that the rate remain at 4%.

No action taken at this time.

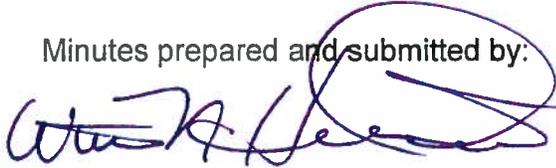
**Public Comment**

None.

**Adjournment**

Motion (Hass/Caylor) to adjourn. Carried. Adjourned at 6:20 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

130890

**City of Merrill  
Committee of the Whole  
Tuesday, July 30, 2013 at 5:30 P.M.  
City Hall Common Council Chambers  
1004 East First Street**

Committee of the Whole members present (7 of 9): Mayor Bill Bialecki, Alderman Chris Malm (First District), Alderman Steve Hass (Second District), Alderman Ryan Schwartzman (Third District), Alderman John Burgener (Fifth District), Alderman Rob Norton (Seventh District) and Alderwoman Anne Caylor (Eighth District). Alderwoman Kandy Peterson (Fourth District) and Alderman Dave Sukow (Sixth District) had excused absences.

Other attendees: City Administrator Dave Johnson, City Attorney Tom Hayden, Building Inspector/Zoning Administrator Darin Pagel, City Hall Maintenance Supervisor Ramona Pampuch, Fire Chief Dave Savone, Treasurer/Finance Director Kathy Unertl, Lincoln County Economic Development Director Jack Sroka, Brian Arndorfer, Duane Pfister and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

**Call to order**

Mayor Bialecki called the meeting to order at 5:30 P.M.

**Update on Tax Increment District (TID) plans, schedule Common Council meeting**

Information was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl reviewed proposed adjustments to the following Tax Increment Districts: TID #3, TID #4, TID #5, TID #6, TID #7, TID #8 and TID #9 (a new "blight" TID). These proposed adjustments are currently being prepared for Redevelopment Authority and Common Council review.

No action was taken.

A special Common Council meeting was tentatively scheduled for Tuesday, September 24<sup>th</sup>, 2013 at 7:00 P.M. The purpose of the meeting would be to consider various TID boundary and plan amendments.

**Report and discussion on employee compensation**

Information was in the meeting packet.

It has been suggested that, in light of the fact that the Finance Director is no longer responsible for the Information Technology Department, the salary for the Finance Director position should be reduced. City Administrator Johnson recommended that the salary remain the same. Alderman Hass noted that, in the past, in cases when job responsibilities were reduced, compensation was also reduced.

City Administrator Johnson distributed information on current City positions and compensations. He also stated that he is proposing two new part-time (20/hour per week) positions. One would be an office support position in the Fire Department and the other would be an office support position in the Street Department.

Alderman Norton stated that he would be in favor of comparing City salaries with other municipalities that are similar to Merrill and direct City Administrator Johnson to submit this information to a future Committee of the Whole meeting. City Administrator Johnson responded that he would gather this comparative information as soon as possible.

No action taken.

### **Public Comment**

None.

### **Motion to convene in closed session**

Motion (Hass/Schwartzman) to convene in closed session pursuant to Wisconsin State Statutes 19.85(1)(e) for deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, pertaining to the demolition bid for the Lincoln House, 120 South Mill Street and pursuant to Wisconsin State Statutes 19.85(1)(e) for deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to consider property title transfer to City of Merrill/Redevelopment Authority to facilitate demolition and site redevelopment in TID #8 (West Main Street) and pursuant to Wisconsin State Statutes 19.85(1)(e) for deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to consider purchase of property in TID #5 for regional stormwater drainage and potential TID #8 development incentives to facilitate redevelopment of a vacant manufacturing site located in TID #8. Carried 4-2 on roll call vote. Voting No – Alderman Malm and Alderman Norton.

**Closed session #3 – Potential City purchase, property development in TID #8**

The closed session portion of the meeting began at 6:08 P.M. Attending: Bialecki, Malm, Hass, Schwartzman, Burgener, Norton, Caylor, Johnson, Hayden, Unertl, Sroka, Arndorfer and Heideman.

Mayor Bialecki requested that the order of considering the closed session items be changed and that the third closed session listed on the agenda be considered first. Without objection, it was so ordered.

Lincoln County Economic Development Director Sroka and Brian Arndorfer gave a presentation on a potential development opportunity in TID #8.

No action was taken.

At the conclusion of this closed session, Lincoln County Economic Development Director Sroka and Brian Arndorfer departed.

**Closed session #1 – Discuss bid for demolition of Lincoln House**

This closed session began at 7:18 P.M. The minutes of this closed session will be filed separately and confidentially. No action was taken.

**Closed session #2 – Consider potential transfer of property in TID #8 to City**

This closed session began at 7:28 P.M. The minutes of this closed session will be filed separately and confidentially. No action was taken.

**Closed session #4 – Strategy for upcoming police & fire union negotiations**

This closed session began at 7:34 P.M. The minutes of this closed session will be filed separately and confidentially. No action was taken.

**Adjournment**

Motion (Caylor/Hass) to adjourn. Carried. Adjourned (from closed session) at 7:52 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

**City of Merrill  
Committee of the Whole  
(Joint meeting with City Plan Commission)  
Tuesday, August 2, 2011 at 5:30 P.M.  
City Hall Common Council Chambers, 1004 East First Street**

Committee of the Whole members present (9 of 9): Mayor Bill Bialecki, Alderman Don Heyel (First District), Alderman Steve Hass (Second District), Alderman Ryan Schwartzman (Third District), Alderwoman Kandy Peterson (Fourth District), Alderman John Burgener (Fifth District), Alderman Dave Sukow (Sixth District), Alderman Jeremy Thompson (Seventh District) and Alderwoman Anne Caylor (Eighth District).

City Plan Commission members present, in addition to any listed above: Melissa Schroeder, Pete Lokemoen and Ken Maule.

Others present included: City Attorney Tom Hayden, Street Commissioner Richard Lupton, Fire Chief Bob Odegard, Engineer Assistant George Schau, Finance/Technology Director Kathy Unertl, Mike Drury, Josh Klug, Megan Klug, Steve Hintze, Tom Wistein, Bill Zeitz, Kortney Pike and City Clerk Bill Heideman.

**Call to order**

Mayor Bialecki called the meeting to order at 5:30 P.M.

**Consider Land Use USA Plan**

Engineer Assistant Schau distributed copies of the future land use area map. If the plan is adopted, it would be incorporated into the Comprehensive Plan, and could be used as a planning tool for the future.

Finance/Technology Director Unertl noted that the plan has not been considered or adopted yet. The Common Council is of the opinion that the City Plan Commission should review the plan and provide input. Pete Lokemoen remarked that the plan can be used as a tool for planning, but it should be "taken for what it is".

The plan includes a recommendation to enter a boundary agreement with the Town of Pine River. Mayor Bialecki reported that City staff has had several meetings with Town of Pine River officials to discuss a potential boundary agreement.

It was suggested that the plan be placed on the agenda of the September City Plan Commission meeting. Without objection, it was so ordered.

**Adjourn City Plan Commission portion of meeting**

By consensus, the City Plan Commission portion of the meeting was adjourned at 5:42 P.M. The Committee of the Whole meeting continued.

**Smith Center, garage tornado damage reconstruction bids (amended agenda)**

This was part of an amended agenda.

Bids have been received for the Smith Center and storage garage tornado damage reconstruction project. Finance/Technology Director Unertl reported that the amounts of the bids were wide-ranging. City staff is recommending that all bids be rejected and rebid.

Motion (Sukow/Peterson) to reject all bids on the Smith Center and storage garage tornado damage reconstruction project, and do a rebidding. The new bids would be considered at the August 9<sup>th</sup>, 2011 Committee of the Whole meeting. Carried.

**Reconsider lifting hiring freeze to fill vacant firefighter-paramedic position**

At a meeting on July 12<sup>th</sup>, 2011, the Committee of the Whole considered a request to lift the hiring freeze to fill a vacant firefighter/paramedic position. A motion to lift the hiring freeze was defeated at that meeting. The Common Council met later that same evening and took no action on the request.

Based on the potential for significantly increased overtime costs if the position is not filled, City staff is requesting reconsideration of the request to lift the hiring freeze to fill the position.

Fiscal information related to filling/not filling the position was in the meeting packet. Finance/Technology Director Unertl provided additional details to that information.

Representing the Fire Department, Steve Hintze and Mike Drury gave a presentation on the Fire Department. Topics included:

- Personnel & Staffing
- Fire & Ambulance Runs
- How Fire Department is reducing overtime
- Standard Operating Guidelines
- Ambulance Response types

Steve Hintze urged the committee to keep safety in mind whenever Fire Department staffing levels are being considered.

Motion (Caylor/Peterson) to table. Motion failed 2-6 on roll call vote. Voting Yes – Alderwoman Peterson and Alderwoman Caylor.

Motion (Burgener/Schwartzman) to reconsider lifting the hiring freeze to fill a vacant firefighter/paramedic position, replacing an employee who resigned effective June 3<sup>rd</sup>, 2011. Motion to reconsider carried 6-2 on roll call vote. Voting No – Alderman Thompson and Alderwoman Caylor.

**110891**

Motion (Hass/Burgener) to lift the hiring freeze to fill a vacant firefighter/paramedic position, replacing an employee who resigned effective June 3<sup>rd</sup>, 2011. Carried 6-2 on roll call vote. Voting No – Alderman Thompson and Alderwoman Caylor.

**Public Comment**

None.

**Motion to convene in closed session**

Motion (Hass/Heyel) to convene in closed session pursuant to Wisconsin State Statutes 19.85(1)(e) for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to consider a potential boundary agreement with Town of Pine River. Carried 8-0 on roll call vote.

Convened in closed session at 7:24 P.M. Attending the closed session: Bialecki, Heyel, Hass, Schwartzman, Peterson, Burgener, Sukow, Thompson, Caylor, Hayden, Unertl, Schau and Heideman.

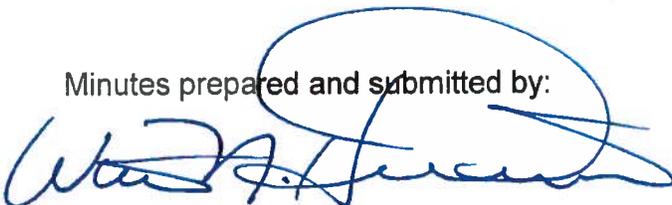
**Closed session – Consider boundary agreement with Town of Pine River**

Discussion was held on a potential boundary agreement with the Town of Pine River.

**Adjournment**

Motion (Hass/Caylor) to adjourn. Carried. Adjourned (from closed session) at 8:11 P.M.

Minutes prepared and submitted by:



William N. Heideman, WCMC  
City Clerk

1308100

**COMMUNITY DEVELOPMENT COMMITTEE MINUTES**  
**August 7, 2013, City Hall, Merrill, WI**

Present: Ron Peterson, Ryan Schwartzman, Pete Koblitz, Daniel Schneider and Nancy Kwiesielewicz.

Others Present: Shari Wicke, Community Development Program Administrator.

The meeting was called to order at 8:00 a.m. Mr. Schwartzman made a motion to approve the minutes of the previous meeting; seconded by Mr. Schneider. The motion carried.

Shari Wicke presented the request from Legends of Merrill and had discussion with the committee.

Mr. Schneider made a motion to approve \$100 per month between June 1 and September 30 and \$400 per month beginning October 1, and ending May 31; seconded by Ms. Kwiesielewicz, motion carried. Mr. Schwartzman abstained from voting.

No public comment.

There being no further business to discuss, Mr. Schwartzman made a motion to adjourn; seconded by Mr. Koblitz. The motion carried. Adjournment was at 8:15a.m.

Respectfully submitted,  
Shari Wicke

1308120

**City of Merrill  
Board of Public Works  
Wednesday, July 24, 2013 at 5:30 P.M.  
City Hall Basement Conference Room, 1004 East First Street**

Members Present (5 of 5): Mayor Bill Bialecki (Chairperson), Street Commissioner Richard Lupton, Alderman Steve Hass, Alderman John Burgener and Alderman Chris Malm.

Others Present Included: City Administrator Dave Johnson, City Attorney Tom Hayden, Building Inspector/Zoning Administrator Darin Pagel, Finance Director/Treasurer/Comptroller/RDA Secretary Kathy Unertl, Transit Director Rich Grenfell, Alderwoman Kandy Peterson, Alderman Dave Sukow, Alderman Rob Norton, Alderman Ryan Schwartzman, Eric Malm, Gene Bebel, Judy Woller, Mark Gebert, Lisa Gebert, Rickey Scott, Jim Wedemeyer, Phil Valitchka, Duane Pfister and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

**Call to order**

Mayor Bialecki called the meeting to order at 5:33 P.M.

**Vouchers**

The vouchers were in the meeting packet.

Motion (Hass/Burgener) to approve the vouchers, as presented. Carried.

**Petition to restore three parking spots in 100 block of Scott Street**

Information was in the meeting packet.

At a meeting on April 24<sup>th</sup>, 2013, the Board of Public Works considered an ordinance to delete two-hour parking in the 100 block of North Scott Street. After discussion at that meeting, the board recommended approval of the ordinance, with the amendment that two-hour parking would still be allowed on the west side of the 100 block of North Scott Street.

At a meeting on May 14<sup>th</sup>, 2013, the Common Council adopted the ordinance. The result was the loss of three parking spots.

A petition, signed by twelve merchants from either the 800 block of East First Street or the 700 block of East Second Street, has now been received. The petition requests that the three parking spots be restored, in order to encourage people to do business in this area.

Alderman Hass stated that consideration of removing the parking spots had been properly placed on the agendas of both the Board of Public Works and the Common Council, and that those agendas were properly posted. Therefore, it is his opinion that there is no need to revisit the issue. Alderman Burgener agreed.

No action was taken.

### **Consider request from Mark Raymer for angle parking on Pine Street**

This has been an ongoing issue, and was part of an amended agenda. Mark Raymer has submitted a request for the installation of six parking spots (angle parking) on North Pine Street, at 1502 West Main Street.

At a Board of Public Works meeting on June 24<sup>th</sup>, 2013, a decision was made to schedule a meeting of "interested" parties at the site to discuss and conduct testing related to the request. The following were asked to attend: Mark Raymer, Street Commissioner Lupton, Fire Chief Savone and City Administrator Johnson.

It was reported that the meeting had not yet occurred, but had been scheduled for July 30<sup>th</sup>. Therefore, consideration of the request will continue at the August Board of Public Works meeting.

No action was taken at this time.

### **River District Development Foundation - Alternate route to Council Grounds**

This was part of an amended agenda. Information was made available at the time the amended agenda was posted.

The River District Development Foundation of Merrill is proposing a temporary alternate route for the River Bend Trail, from Main Street to Council Grounds State Park.

Alderman Hass suggested that the River District Development Foundation of Merrill schedule a public hearing on the alternate route.

Mayor Bialecki suggested that all residents who live along the proposed alternate route be notified personally of any meetings and/or hearings associated with the alternate route.

It was suggested that the meetings/hearings could be held at the Smith Center in the Merrill Area Recreational Complex (MARC), since many residents who would be affected live near that facility. Mayor Bialecki stated that he was in favor of the river trail project, but not at City expense.

Phil Valitchka asked that the Board of Public Works co-host any meetings, given the fact that the route would affect City streets.

Judy Woller urged the Board of Public Works to co-host any meetings held, to demonstrate that the City is a partner in the trail development process.

A public informational meeting will be scheduled to provide input to the public, answer their questions and address concerns.

No action was taken at this time.

#### **Clarify vouchers to be included in Board of Public Works meeting packets**

Finance Director/Treasurer/Comptroller/RDA Secretary Unertl had requested that this item be placed on the agenda. She is seeking clarification on which vouchers should be included in future Board of Public Works packets.

Mayor Bialecki responded that vouchers related to Parks and Recreation projects should be reviewed by the Parks and Recreation Commission. He also asked that a description of the project be indicated on the voucher, rather than just a project number or general geographic description. The Board of Public Works does not need to see vouchers related to the utilities, unless they involve street projects that the Board of Public Works also oversees.

No action was necessary, requested or taken.

#### **Consider 2013 sidewalk project bids**

The bids for the 2013 sidewalk project were opened on July 23<sup>rd</sup>, 2013. Building Inspector/Zoning Administrator Pagel distributed information on the bids. Two bids were received. Building Inspector/Zoning Administrator Pagel recommends approving the bid of \$109,829 from Quality Concrete.

Alderman Malm suggested that, because only two bids were received, it might be beneficial to do some research to determine the reason(s) that no other potential bidders submitted bids.

**1308121**

Motion (Hass/Burgener) to approve the bid of \$109,829 from Quality Concrete for the M-2-2013 Sidewalk Maintenance Project. Carried.

**Monthly report - Street Commissioner**

The report was in the meeting packet.

**Monthly report – Exterior Maintenance**

The report was in the meeting packet.

**Monthly report – Northwinds Inspection**

The report was in the meeting packet.

**Monthly report – City Hall Maintenance Supervisor**

No report submitted.

**Monthly report from contracted engineering firms**

No report(s) submitted.

**Place monthly reports on file**

Motion (Hass/Malm) to place the monthly reports on file. Carried.

**Next meeting**

Wednesday, August 28<sup>th</sup>, 2013 at 5:30 P.M.

**Public Comment**

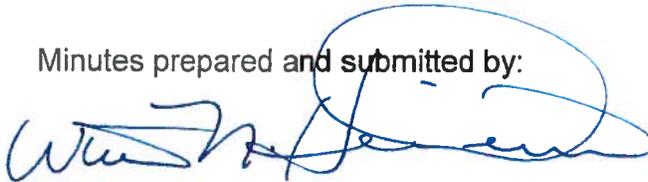
Rickey Scott, owner of Skipper's Restaurant, stated that, if people had known earlier that consideration was being given to removing three parking spaces on Scott Street, people would have attended meetings to voice their opinion before a decision was made. He also stated that Skipper's has added parking spaces, therefore the City removal of other spaces is counterproductive to his efforts to increase parking. He questioned the necessity of two bus stops within a block of each other, and suggested that there are alternate methods available to provide the handicapped access to a particular business.

Mark Gebert stated that he and his wife enjoy walking to Skipper's in the summer, but during winter they prefer to drive there. He surmised that people are only going to walk so far to get to a business, and if they are forced to park some distance away from the business, they will instead go elsewhere. Therefore, it is his opinion that the removal of the three parking spaces hurts the business community in that area.

**Adjournment**

Motion (Hass/Burgener) to adjourn. Carried. Adjourned at 6:20 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

1308130

**City of Merrill  
Health and Safety Committee  
Monday, July 22, 2013 at 5:00 P.M.  
City Hall Basement Conference Room, 1004 East First Street**

Voting Members Present (3 of 3): Alderwoman Anne Caylor (Chairperson), Alderwoman Kandy Peterson and Alderman Dave Sukow.

Others Present: City Administrator Dave Johnson, Fire Chief Dave Savone, Police Chief Ken Neff, Alderman Steve Hass, Paul Closer, Gail Closer and City Clerk Bill Heideman. Deputy Health Officer Norbert Ashbeck had an excused absence.

**Call to order**

Alderwoman Caylor called the meeting to order at 5:00 P.M.

**Nuisance complaints and exterior maintenance report**

The report was in the meeting packet. Alderwoman Caylor noted that a couple of the cases are now approaching the 60 day mark.

**Vouchers**

The vouchers were in the meeting packet. Police Chief Neff and Fire Chief Savone answered questions on the vouchers.

Motion (Sukow/Peterson) to approve the vouchers, as presented. Carried.

**Picnic license applications (3) from Blastomycosis Fighting Fund for fundraiser**

Blastomycosis Fighting Fund, Inc. has submitted applications and paid the fee for three temporary Class "B" (picnic) licenses to sell fermented malt beverages at Ott's Park during a softball tournament/fundraiser, August 23-25, 2013.

Representing Blastomycosis Fighting Fund, Paul and Gail Closer explained that the organization is attempting to raise funds to help pay for costly medications used to treat Blastomycosis in animals. Their goal is to eventually raise \$50,000.

Police Chief Neff stated that, before he would recommend approval, he wants to see and review a plan illustrating how sales of alcohol will be handled and monitored.

**1308131**

Motion (Peterson/Sukow) to approve the applications from Blastomycosis Fighting Fund for three temporary Class "B" (picnic) licenses to sell fermented malt beverages during a softball tournament/fundraiser at Ott's Park, August 23-25, 2013. Approval would be contingent upon Blastomycosis Fighting Fund submitting an enforcement/compliance plan to the Police Department and upon the Police Chief approving the plan.  
Carried.

**Other beer and/or liquor license applications**

None.

**Consider authorization to purchase incident command vehicle for Fire Dept.**

Information was in the meeting packet.

Fire Chief Savone is requesting authorization to purchase an incident command vehicle at a cost, including equipment, not to exceed \$35,000. Equipment used during a major incident would remain in the vehicle at all times, eliminating the need to transfer equipment during major incidents.

Fire Chief Savone is proposing that the vehicle be purchased using funds from the 2% fire dues account. Fire Chief Savone reported that the account currently has a balance of approximately \$50,000, and that an additional estimated \$20,000 will be added to the account shortly.

Alderwoman Caylor raised concerns related to the number of incidents in which the vehicle would be used. She said she is hesitant to spend \$35,000 for a vehicle that would be used approximately 15 times annually.

Alderwoman Peterson raised the possibility of purchasing a vehicle using grant funding. Fire Chief Savone said, as far as grants are concerned, the purchase of incident vehicles is a low priority.

Alderwoman Caylor and Alderman Sukow stated that they were not comfortable with recommending the purchase at this time. They suggested that the purchase be considered as part of the 2014 budget process, perhaps as part of the capital budget.

Motion (Sukow/Peterson) to refer to the 2014 City budget process.  
Carried.

### **Status report and potential steps to address train whistle noise at night**

Alderman Sukow had requested that this item be placed on the agenda. This has been an ongoing issue.

Alderman Sukow stated that he continues to receive complaints regarding the train whistle noise during evening hours. City Administrator Johnson stated that he has contacted railroad representatives in Chicago to obtain more information, but to date they have not responded to his request.

It appears that there are two possible solutions at this time. One solution would be to install lights and controls at the two intersections that are currently uncontrolled. This option, however, would be quite costly. The other option would be to close the street at the uncontrolled intersections. A decision to close street(s) would fall under the jurisdiction of the Board of Public Works.

City Administrator Johnson stated that he would again contact railroad representatives to obtain more information. The committee agreed that no action can or should be taken until this additional information is obtained and analyzed.

This item will be placed on the August meeting agenda. No action was taken at this time.

### **Monthly Report – Fire Chief Savone**

The report was in the meeting packet. Fire Chief Savone gave a verbal mid-year fiscal report.

The new cardiac monitors are now in service. Northcentral Technical College has purchased and picked up the "old" ones.

Fire Chief Savone reported that he has applied for and received several grants to be used for various expenses.

Interviews for the firefighter/paramedic position were conducted earlier in the day. Fire Chief Savone noted that he was impressed with the quality of the candidates.

There was no need for additional manpower during the fair.

### **Monthly Report – Police Chief Neff**

The report was in the meeting packet. Police Chief Neff reported that the department staffing is now back at full-strength.

The Community Night Out is currently being publicized. It will be held at Normal Park on August 7<sup>th</sup>.

The new squad car is being readied for service.

**Monthly Report – Lincoln County Humane Society**

The report was in the meeting packet. Alderwoman Peterson answered questions on the report.

**Suggestion received by City Administrator re: Licensed golf carts on city streets**

City Administrator Johnson stated that he has received a suggestion that the City could increase revenue by allowing and licensing the use of golf carts on city streets. He was told that this had previously been considered and, at that time, it was determined that it would not be practical.

**Place monthly reports on file**

Motion (Sukow/Peterson) to place the monthly reports on file. Carried.

**Schedule next meeting**

Monday, August 26<sup>th</sup>, 2013 at 4:30 P.M.

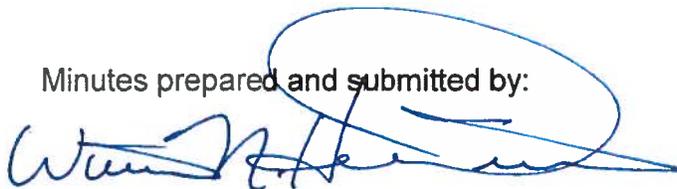
**Public Comment**

None.

**Adjournment**

Motion (Sukow/Peterson) to adjourn. Carried. Adjourned at 5:59 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

1308140

**City of Merrill  
Personnel and Finance Committee  
Tuesday, July 23, 2013 at 5:15 P.M.  
Basement Conference Room at City Hall, 1004 East First Street**

Voting Members Present (3 of 3): Alderman Steve Hass (Chairperson), Alderwoman Anne Caylor and Alderman Ryan Schwartzman

Others Present Included: Mayor Bill Bialecki, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director/Treasurer/Comptroller/RDA Secretary Kathy Unertl, Street Commissioner Richard Lupton, Library Director Stacy Stevens, Alderman Dave Sukow, Alderwoman Kandy Peterson, Roger Drewek, Duane Pfister, Michael Caylor Jr. and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

**Call to order**

Alderman Hass called the meeting to order at 5:15 P.M.

**Consider refund for tax penalty (1007 St. Paul Drive)**

Information was in the meeting packet.

The taxpayer who was assessed the penalty has requested that this item be removed from the agenda. Without objection, it was so ordered. No action was taken.

**Vouchers**

The vouchers were in the meeting packet.

Motion (Schwartzman/Caylor) to approve the vouchers. Carried.

**Consider voucher for Ruder-Ware for outside legal expenses**

Information was in the meeting packet.

At a meeting on June 24<sup>th</sup>, 2013, the Personnel and Finance Committee referred one voucher to the July 9<sup>th</sup>, 2013 Common Council meeting for discussion. The voucher is for \$590 (Ruder Ware, LLSC for Outside Legal Expense, Invoice #171562).

At the Common Council meeting on July 9<sup>th</sup>, 2013, a motion to charge the voucher to the Mayor's account was defeated. Therefore, the account from which to pay the voucher remains undetermined at this time.

Motion (Caylor/Schwartzman) to designate that the Tax Increment District (TID) #3 account be used to pay the voucher. Carried.

No Common Council action on the motion is necessary.

**Consider M.O.U. with firefighters re: Special Services Rates**

A copy of the proposed Memorandum of Understanding was in the meeting packet. The Memorandum of Understanding relates to special services rates paid to EMS workers when an outside agency contracts with Lincoln County EMS for dedicated ambulance standby services.

City Administrator Johnson stated that City staff recommends that the Memorandum of Understanding be approved.

Alderman Hass stated that he was not comfortable recommending approval at this time. Alderman Schwartzman agreed with Alderman Hass. After discussion, it was agreed that, prior to consideration of a Memorandum of Understanding, the committee would like to see a clarified policy related to staffing and handling of calls during these types of situations.

City Administrator Johnson will relay the committee's concerns to Fire Chief Savone.

No action was taken at this time.

**Consider M.O.U. with MAPS re: School Resource Officer 2014-2018 contract**

A copy of the proposed Memorandum of Understanding and related information were in the meeting packet.

It was noted that there are no changes from the current contract, including the language related to cost sharing.

**1308141**

Motion (Caylor/Schwartzman) to approve, as presented, the School Resource Officer Memorandum of Understanding with Merrill Area Public Schools for 2014-2018, pending approval of the Memorandum of Understanding by Merrill Area Public Schools. Carried.

**Review and discuss tax settlement (2012 tax levy/2013 collection)**

Information was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl provided additional verbal information. No action taken.

No action taken.

**Review non-lapsing account as of June 30<sup>th</sup>, 2013**

Information was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl provided additional verbal information.

No action taken.

**Finance Director mid-year fiscal status report**

Information was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl provided additional verbal information.

No action taken.

**Consider 2014 budget request to Lincoln County for T.B. Scott Free Library**

Information was in the meeting packet.

Library Director Stevens reported that the amount being requested from both Lincoln County and the City of Merrill are unchanged from the 2013 budget.

Alderman Hass and Alderwoman Caylor expressed their appreciation for the work done in maintaining the 2014 budget at the same level as the 2013 budget.

Motion (Caylor/Schwartzman) to forward the 2014 T.B. Scott Free Library Budget, as presented, to Lincoln County for their consideration. Carried.

**Consider 2014 budget request to Lincoln County for Ambulance/EMS**

Information was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl reported that the Lincoln County portion of the proposed 2014 is \$1,000 more than the Lincoln County portion of the 2013 budget.

Motion (Caylor/Schwartzman) to forward the 2014 Ambulance/EMS Budget, as presented, to Lincoln County for their consideration. Carried.

**Consider 2014 elected officials compensation – Alderpersons**

Information was in the meeting packet.

Alderwoman Caylor and Alderman Hass stated that they are in favor of a slight increase, in light of the fact that the compensation was last adjusted for the terms beginning in April of 2004.

City Administrator Johnson reported that, based on his research, some other municipalities are paying their alderpersons more than the City of Merrill and some are paying less.

Mayor Bialecki stated his opinion that the President of the Common Council should receive more compensation than the other alderpersons, based on additional responsibilities and duties. Alderman Schwartzman and Alderwoman Caylor agreed.

Motion (Caylor/Schwartzman) to recommend, for the aldermanic term beginning in 2014, increasing the annual compensation for the alderperson serving as the Common Council President by \$520 and increasing the annual compensation for the other alderpersons by \$260, and refer these recommendations to the 2014 City budget process. Carried.

### **Consider 2014 elected officials compensation – Mayor**

Information was in the meeting packet.

Alderman Hass stated that there is a great deal of responsibility associated with being mayor.

City Administrator Johnson reported that, based on his research, other municipalities are paying their mayor in a range from \$5,000 into the low \$20,000 range.

Motion (Caylor/Schwartzman) to recommend, for the mayoral term beginning in 2014, increasing the annual compensation for the Mayor from \$12,600 to \$18,000, and to refer the recommendation to the 2014 City budget process. Carried.

### **Consider 2014 elected officials compensation – Street & Weed Commissioner**

Historical Information on compensation for the position was in the meeting packet. City Administrator Johnson reported that it was impossible to compare the salary to those of other municipalities, because, to his knowledge, the City of Merrill has the only elected Street and Weed Commissioner.

Motion (Caylor/Schwartzman) to draft an ordinance stipulating that for the term from May 1<sup>st</sup>, 2014 to April 30<sup>th</sup>, 2018, the elected Street and Weed Commissioner would receive the same annual compensation adjustment percentages as those received by other City non-union employees. Carried.

An ordinance on the recommendation will be on the August 13<sup>th</sup>, 2013 Common Council meeting agenda.

### **Consider 2014 elected officials compensation – City Clerk**

Historical information on compensation for the position was in the meeting packet.

Motion (Caylor/Schwartzman) to draft an ordinance stipulating that for the term from May 1<sup>st</sup>, 2014 to April 30<sup>th</sup>, 2018, the elected City Clerk receive the same annual compensation adjustment percentages as those received by other City non-union employees. Carried.

An ordinance on the recommendation will be on the August 13<sup>th</sup>, 2013 Common Council meeting agenda.

**Consider 2014 elected officials compensation – Municipal Judge**

Note: Consideration of the Municipal Judge salary was delayed and will be included in an ordinance establishing a joint City of Merrill – City of Tomahawk Municipal Court.

**Monthly Report – Municipal Court**

The report was in the meeting packet.

**Monthly Report – Finance Director/Treasurer/Comptroller/RDA Secretary Unertl**

The report was in the meeting packet. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl reported that she is currently focusing primarily on fiscal issues.

**Monthly Report – City Attorney Hayden**

The report was in the meeting packet.

**Monthly Report – City Clerk Heideman**

The report was in the meeting packet.

**Monthly Report – City Administrator Johnson**

The report was in the meeting packet.

**Monthly Report – Building/Zoning Permits**

The report was in the meeting packet.

**Place monthly reports on file**

Motion (Caylor/Schwartzman) to place the monthly reports on file. Carried.

**Next meeting**

Tuesday, August 27<sup>th</sup>, 2013 at 5:15 P.M.

**Public Comment**

Michael Caylor Jr. stated that he was pleased with the decision to recommend an increase in the mayoral salary. In his opinion, a higher salary will increase the chances that qualified leaders will seek the office.

**Motion to convene in closed session**

Motion (Schwartzman/Caylor) to convene in closed session pursuant to Wisconsin State Statutes 19.85(1)(c) to consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility, to continue conducting annual performance evaluation of City Administrator Johnson. Carried 3-0 on roll call vote.

**Closed session – Continue and complete City Administrator evaluation**

Convened in closed session at 6:10 P.M. Attending: Hass, Caylor, Schwartzman, Johnson, Bialecki, Peterson, Sukow and Heideman. The annual performance evaluation of City Administrator Johnson, which began at the April 23<sup>rd</sup>, 2013 meeting, was continued and completed.

**Adjournment**

Motion (Caylor/Schwartzman) to adjourn. Carried. Adjourned (from closed session) at 6:25 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

1308150

**City of Merrill  
Water & Sewage Disposal Committee  
Wednesday, July 24, 2013 at 5:00 P.M.  
Basement Conference Room, City Hall, 1004 East First Street**

Members Present (3 of 3): Alderman John Burgener (Chairperson), Alderwoman Kandy Peterson and Alderman Rob Norton.

Others Present: Mayor Bill Bialecki, City Administrator Dave Johnson, Utility Superintendent Kim Kriewald, Finance Director/Treasurer/Comptroller/RDA Secretary Kathy Unertl, City Attorney Tom Hayden, Alderman Dave Sukow, Steve Blake and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

**Call to order**

Alderman Burgener called the meeting to order at 5:00 P.M.

**Vouchers**

The vouchers were in the meeting packet.

Motion (Peterson/Norton) to approve the vouchers as presented.  
Carried.

**Consider water rate increase request study and PSC information**

Information was in the meeting packet.

Finance Director/Treasurer/Comptroller/RDA Secretary Unertl reported that the current return on water is currently less than 3%. A water rate increase would be beneficial in order to pay for the debt service (Safe Drinking Water Loan Program), which funded the major water treatment improvements. Finance Director/Treasurer/Comptroller/RDA Secretary Unertl recommends approving the study, to be prepared by John Mayer, at a cost not to exceed \$8,200.

Motion (Norton/Peterson) to approve the preparation of a water rate increase request study, at a cost not to exceed \$8,200. The study would be prepared by John A. Mayer, Utility Rate Consultant. Carried.

Note: Per City Attorney Hayden, no Common Council action on the motion is necessary.

**Consider water bill adjustment for Jim Janikowski @ 200 Lake Street**

No information related to this request was in the meeting packet. Information was distributed to committee members after the meeting packet has been published, but before the meeting.

On behalf of Jim Janikowski, Ed Miller has requested an adjustment for the water/sewer bill for the service address of 200 Lake Street.

Current City policy allows for a one-time per property, per owner adjustment to bills when leaking toilets and/or broken pipes result in a bill that is 50% or more over the average usage. In this case, an inspection did not reveal any leak(s) or broken pipes.

City Administrator Johnson noted that, if circumstances do not dictate a reduction, the City is under no obligation to approve a reduction. Alderman Burgener responded that one-time reductions have historically been granted.

Motion (Burgener/Norton) to approve, per City policy, a reduction of the water/sewer bill of Jim Janikowski, service address of 200 Lake Street. Per the Water/Sewer department, the amount of the reduction would be \$438.81. Carried.

Note: Per City Attorney Hayden, no Common Council action on the motion is necessary.

**Consider water bill adjustment for Steve Blake @ 1005 South Center Avenue**

No information related to this request was in the meeting packet. Information was distributed to committee members after the meeting packet has been published, but before the meeting.

Steve Blake has requested an adjustment for the water/sewer bill for the service address of 1005 South Center Avenue. He explained that extensive remodeling is currently being done at that service address. He speculated that the high usage reflected on the bill was caused by a toilet that "hung up" for some time. No leaks were detected.

Motion (Burgener/Norton) to approve, per City policy, a reduction of the water/sewer bill of Steve Blake, service address of 1005 South Center Avenue. Per the Water/Sewer department, the amount of the reduction would be \$497.92. Carried.

Note: Per City Attorney Hayden, no Common Council action on the motion is necessary.

**Consider generator equipment at Wastewater Treatment Plant**

Information was in the meeting packet.

Utility Superintendent Kriewald reported that the bids were opened on June 27<sup>th</sup>, 2013. It was expected that bids would be received from three firms, but only Cummins N Power submitted. Their bid was for \$106,900 for a diesel fuel generator and \$153,400 for a natural gas generator.

Becher-Hoppe analyzed the bids and recommends approval of the \$106,900 bid for a diesel fuel generator.

Motion (Norton/Burgener) to approve the base bid of \$153,400 from Cummins N Power for natural gas based engine generator equipment for the Wastewater Treatment Plant. Carried.

Note: Per City Attorney Hayden, no Common Council action on the motion is necessary.

**Operations Report**

The report was in the meeting packet.

**Public Comment**

None.

**Next meeting**

Wednesday, August 28<sup>th</sup>, 2013 at 5:00 P.M.

**Adjournment**

Motion (Peterson/Norton) to adjourn. Carried. Adjourned at 5:30 P.M.

Minutes prepared and submitted by:



William N. Heideman, CMC, WCMC  
City Clerk

**ACTIONS AT AUGUST 6<sup>TH</sup> CITY PLAN COMMISSION MEETING**

*The following actions were taken at the August 6<sup>th</sup>, 2013 City of Merrill City Plan Commission meeting.*

*A complete set of minutes from the August 6<sup>th</sup>, 2013 City Plan Commission meeting will be provided in a future Common Council meeting packet.*

**Conditional Use Permit for Our Way Inc. (Julie Weber)**

Motion (Schroeder/Lokemoen) to approve the Conditional Use Permit application submitted by Our Way Inc. (Julie Weber), for a duplex on Eugene Street, to be licensed and operated as an Adult Family Home. Carried.

A resolution on the Conditional Use Permit will be on the August 13<sup>th</sup>, 2013 Common Council meeting agenda.

**Preliminary Plat for Wittman Heights Subdivision**

Motion (Maule/Lokemoen) to approve the Preliminary Plat for Wittman Heights Subdivision, located on Alexander Street and on the corner of Alexander Street and Jackson Street. Carried.

A resolution on the Preliminary Plat will be on the August 13<sup>th</sup>, 2013 Common Council meeting agenda.

1308170

Transit Meeting  
July 29, 2013

Present; Mr. Steve Willis, Mr. Gordon Geiger, Mr. Rick Blake – Chair Proxy, Ms. Susan Kunkel and Rich Grenfell – Transit Administrator.

Absent: Ms. Judith Blennert – Chairperson

A motion to approve the minutes of the May 20, 2013 meeting was made by Ms. Kunkel and seconded by Mr. Geiger. C.U.

Transit Commission recognized Ms. Judith Blennert for her dedication to and leadership of the Merrill Transit Commission and the Merrill Transit System. Ms. Blennert served a total of 17 years; (9) as a member and an additional (8) as Chairwoman. A motion to respectfully recognize Ms. Blennert was made by Mr. Geiger and seconded Ms. Kunkel. C.U. The Commission unanimously elected Mr. Rick Blake as our new Chairman.

The Commission reviewed the 2013 Second Quarter stats; All stats remained positive. Slight changes offset each other with no significant impact. Disabled and adult ridership still increasing, while student and elderly slightly decreasing. Again, reflecting the demographic changes in our transit dependent population. A motion to place the report on file was made by Mr. Willis and seconded by Ms. Kunkel. C.U.

The Commission reviewed the conditions to employ a person with disabilities for the maintenance of the bus storage facility and was informed that Ryan Teske will be hired for the position on 8/1/13. No action required.

Administrator's Report;

All Transit employees received 1-hr of ergonomics and lifting training on 7/16/13. The transit-specific training was provided by the City's Worker's Comp provider.

The Transit Administrator received a formal letter from the USDOT Federal Transit Administration, concluding that there were no findings of discrimination in the Merrill Transit System's service levels or fare structure for the disabled.

The Commission was informed that all (4) recommendations from the 2011-2012 TMI Safety Audit were successfully implemented and the 2013 Audit revealed (1) recommendation; create a GHS Global Harmonization System and training for all employees for the usage and handling of products used for servicing and cleaning the buses. TMI will be providing a training disc for all transit properties.

Transit Coordinator, Cheri Reinhardt is near completion of the required office skills training set forth in her 2013 annual performance review.

No Public Comment.

A motion to adjourn was made by Ms. Kunkel and seconded by Mr. Geiger

Next transit meeting Monday, August 19, 2013.

**T. B. Scott Free Library Board of Trustees  
REGULAR MEETING  
July 17<sup>th</sup>, 2013**

**Minutes**

**1. Opening**

Vice-President Gene Bebel called the Regular Meeting of the Board of Trustees to order at 4:06 p.m. in the Library Board Room. Present: Katie Breitenmoser (4:07-), Paul Gilk, Richard Mamer (-5:15), Tim Meehean, and Vickie Yelle. Excused: Mike Geisler, Chris Malm and Jim Wedemeyer. Also present: Don Litzer (4:07-), Linda Schuster (-4:40) and Adam L. from MP3.

Correspondence received: a thank you letter from Ronald Siewert and family for the Memorial Book donation in memory of Belva Siewert-former library employee.

There was no public comment.

**2. Consent Items**

M Meehean/S Mamer/C to approve the minutes of the June meeting as printed.

M Mamer/S Meehean/C to accept the Monthly Revenue and Expense Printouts and Monthly Statistical Report for June as printed.

**3. Reports/Discussion Items/Action Items**

**A. Endowment Fund Report:** Mr. Mamer presented the report. M Meehean/S Yelle/C to accept the report as presented.

**B. Youth Services Programming Request:** Ms. Schuster presented a request to initiate a 1000 Books Before Kindergarten program. M Meehean/S Yelle/C to fund the program from the Endowment Fund in an amount not to exceed \$11,000, based on the written proposal with the addition of giving one free book at the start of the program and one after every 100 books read. Ms. Schuster also briefly reported on Youth Services activities.

**C. 2014 Preliminary Budget:** M Meehean/S Mamer/C to approve the budget with a total \$1,500 less than presented. The board directed that the funding request to both the City of Merrill and Lincoln County be the same as last year. An anticipated decrease in library fines/fees revenue results in the budget reduction. While the board recognizes the existing funding agreement, the submitted request acknowledges fiscal and economic conditions affecting both entities.

**D. Discussion: Advocacy Action Plan:** Mr. Gilk requested that the discussion be moved to the August agenda to facilitate greater board input.

**E. Trustee Essential #3-Bylaws:** Ms. Stevens reviewed the bylaw basics, specific legal requirements, and crafting board bylaws as outlined in the Trustee Essential #3. Current board bylaws were presented.

**F. Reports from Friends/WVLS Representative:** The Friends discussed the upcoming annual October book sale at their last meeting on July 11<sup>th</sup>. There was no report from the Lincoln County WVLS Representative.

**4. Forthcoming Events & Library Director Report**

- Summer Reading Programs continue.
- Ms. Stevens reported a strong community response for the upcoming Long Range Planning Committee meetings and requested a board volunteer for the Planning Committee.
- Work is being done on the leak in the entryway area, staff will continue to monitor.
- The tree near the staff parking lot remains a concern; the board directed the staff to engage a tree service to develop strategies for prolonging the life of the tree.
- Stephen and Nancy Shields & family were present with the donation of the 1570-vintage antique map on July 6<sup>th</sup>. A press release was submitted to local media.
- An update was given on the recently enacted state budget provision affecting residency requirements for municipal employees.
- Ms. Stevens updated the board on the anticipation of library involvement in educating the public about the upcoming Federal Affordable Health Care Program.

**5. Adjournment:**

The meeting adjourned at 5:25 p.m. The next regularly scheduled meeting of the Board of Trustees will be held on August 21<sup>st</sup> at 4:00 p.m. in the Library Board Room.

Stacy D. Stevens, Secretary

ZONING BOARD OF APPEALS MINUTES  
August 6, 2013, 7:00 p.m.

PRESENT: Chairman Pete Lokemoen, Dean Haas, Ron Burrow, Bill Schneider, Mark Peterson, Zoning Administrator Pagel.

Absent: Jim Koebe,

Chairman Lokemoen called the meeting to order at 7:00 pm.

Motion to approve the May 7, 2013 minutes Mr. Schneider ; seconded by Mr. Haas, and carried.

Chairman Lokemoen explained the process for the hearing. Zoning Administrator Pagel explained the request for variance for 819 N. State Street.

Steve Robinson, Attorney for Mr. Malone spoke in favor of the variance and handed out an estimate for repair of the foundation and timeframe for correcting other issues. Mr. Malone spoke in favor saying the previous tenant damaged the property and he would like to clean it up, fix it, and make it attractive for the neighborhood.

Dennis Robinson, 816 N State, spoke in opposition stating several problems with the property and would like to see it removed.

Robert Klimek, 821 N State, reiterated some of the problems with the property and would like to see it removed.

Chairman Lokemoen read a petition which included the above neighbors along with the owners at 812 and 813 N State St. wanting to see the property removed.

Motion to close the hearing Mr. Haas, second Mr. Peterson, and carried.

The Board then discussed along with the Building Inspector and the Owner the items that needed to be corrected (foundation, windows, siding, roof) along with timeframes for completing the work. Mr. Malone said he would like to have a year to complete the entire remodel job but could complete the things on his list by the end of September. The Board deliberated the proposal further. After a long discussion,

Motion to deny the variance with a November 1, 2013 date for complete removal of the house and accessory building by Mr. Schneider, seconded Mr. Haas, and carried unanimously.

With no other business, Motion to adjourn Mr. Haas, second Mr. Schneider, and carried.

Meeting Adjourned 7:45 pm. Darin Pagel, Recording Secretary.

## Police & Fire Commission Meeting Minutes 4/25/13

Meeting called to order at 5:15pm by President Kurt Helmstadter

Present: Kurt Helmstadter, Carol Holz, Don Heyel., Mike Ravn, David Hayes, Dave Johnson, Ken Neff, Bob Akey for Dave Savone

David Hayes attended first meeting as new Commission member.

Minutes from the previous meeting were approved.

Officers were elected.

Kurt H. was nominated for President, moved by Don H., seconded by Carol H.

Don H. was nominated for Vice-President, moved by Mike R., seconded by Carol H.

David Hayes was nominated for Secretary, moved by Mike R., seconded by Don H.

Report by City Administrator Johnson

- New fire station progressing well
- Chief and new fire fighters working out well

Discussion of potential disposition of existing fire station when new station is completed.

Discussion of siren noise at NTC and steps being taken to alleviate noise.

Discussion on communication between Police Fire Departments.

Report by Chief Neff

- Eligibility list is exhausted.
- Two new police officers are working out well.
- PD is now doing loss prevention assessment for local businesses.

Discussed Police Department crime prevention initiative.

Adjourn 5:56, moved by Mike R., seconded by Carol H.

1308250

**CITY OF MERRILL**  
1004 EAST FIRST STREET  
MERRILL, WI 54452-2586

AN ORDINANCE: By the Mayor  
Re: Amending Chapter 10, from a Municipal Court  
to a Joint Municipal Court

ORDINANCE NO. 2013-

Introduced: August 13, 2013

1st Reading: \_\_\_\_\_

2nd Reading: \_\_\_\_\_

3rd Reading: \_\_\_\_\_

Committee/Commission Action:

**DIRECTLY BY MAYOR**

## AN ORDINANCE

The Common Council of the City of Merrill, Wisconsin, does ordain as follows:

**Section 1.** Chapter 10, of the Code of Ordinances for the City of Merrill is amended as follows:

**Sec. 10-19. – Joint Municipal Court Created.**

Pursuant to the authority granted by Chapter 755 of the Wisconsin Statutes, there is hereby created and established a joint municipal court to be designated "Municipal Court for the City of Merrill and the City of Tomahawk" said court to become operative and functional on May 1, 2014.

**Sec. 10-20. – Municipal Judge.**

**(a) Qualifications:** The municipal court shall be under the jurisdiction of, and presided over, by a municipal judge, who resides in either the City of Merrill or the City of Tomahawk.

**(c) Oath and Bond:** The municipal judge shall, after election or appointment to fill a vacancy, take and file the official oath as prescribed in Wis. Stats. § 757.02(1), and at the same time execute and file an official bond in the amount of \$1,000.00. The municipal judge shall not act until the oath and bond have been filed, as required by Wis. Stats. § 19.01(4)(c), and the requirements of Wis. Stats. § 755.03(2), have been complied with.

**(d) Salary:**

- (1) The salary of the municipal judge shall be fixed by the common councils of the municipalities that are parties to the agreement, which shall be in lieu of fees and costs. The municipal judge shall be entitled to mileage reimbursement, per city personnel policies, and considered a parttime employee working under 600 hours annually. No salary shall be paid for any time during the term where the municipal judge has not executed the official bond or official oath, as required by Wis. Stats. § 755.03, and filed pursuant to Wis. Stats. § 19.01(4)(c).
- (2) The municipalities may, by separate ordinance or resolution, allocate funds for the administration of the municipal court pursuant to Wis. Stats §66.0301.

**Sec. 10-21. - Elections.**

The city clerk shall comply with Wis. Stats. §§ 5.58(1c), 5.60(1)(b), 5.60(2), 7.10(1)(a), 7.60(4)(a) and 8.10(6)(bm), to provide for the election of a municipal judge under Wis. Stats. § 755.01(4). Such municipal judge shall be elected at large in the spring election for a term of four years commencing on May 1. All candidates for the position of municipal judge shall be nominated by nomination papers, as provided in Wis. Stats. § 8.10, and selection at a primary election, if such is held, as provided in Wis. Stats. § 8.11. The common council shall provide for a primary election in the event that more than two candidates file nomination papers for such position of municipal judge, as provided in Wis. Stats. § 8.11(1)(a), and such primary election shall be held on the third Tuesday of February as provided in Wis. Stats. § 5.02(22). In the event of any vacancy in the office of municipal judge, the common council may appoint as municipal judge a resident of the cities, otherwise qualified under this section upon the recommendation of the mayors. Such appointment is subject to the requirements of Wis. Stats. § 8.50(4)(fm). A municipal judge so appointed shall serve until the next spring election.

**Sec. 10-22. - Jurisdiction.**

- (a) The municipal court shall have such jurisdiction over incidents occurring on or after May 1, 2014 as provided in Article VII, §14 of the Wisconsin Constitution, by Wis. Stats. §§ 755.045, 755.05, and as otherwise provided by state law. In addition, it shall have exclusive jurisdiction over actions in the municipalities that are parties to the agreement seeking to impose forfeitures for violations of municipal ordinances, resolutions and by-laws.
- (b) The municipal judge may issue civil warrants to enforce matters under the jurisdiction of the municipal court under Wis. Stats. §755.045(2), §66.0119.

- (c) The municipal court has jurisdiction over juvenile offenders when a municipality that is party to the agreement enacts an ordinance under the authority of Wis. Stats. §938.17(2)(cm).

**Sec. 10-23. - Court hours.**

- (a) Hours: The municipal court shall be open at such location and at such times as determined by the governing bodies of the municipalities that are parties to the agreement and the municipal judge.
- (b) Employees: The Judge shall, in writing, appoint such clerks and deputy clerks as are authorized and funded by the City Council of the municipalities that are parties to the agreement.

**Sec. 10-24. – Collection of forfeitures and costs**

The municipal judge may impose punishment and sentences, as provided by Wis. Stats. ch. 800, and 938 and as provided in the ordinances of the municipalities that are parties to the agreement. All forfeitures, fees, penalty assessment and costs, in addition to forfeitures imposed to cover the city's administrative charges, shall be paid to the treasurer of the municipality within which the case arose within seven days after receipt of the money by the municipal court . At the time of the payment, the municipal court shall report to the treasurer the title of the action, the nature of the offenses and the total amount of the forfeiture, fees, penalty assessment and costs, if any.

**Sec. 10-25. - Contempt procedure.**

- (a) The municipal judge may impose a sanction authorized under Wis. Stats. § 800.12(2), for contempt of court, as defined in Wis. Stats. § 785.01(1), in accordance with the procedures under Wis. Stats. § 785.03.
- (b) The municipal judge may impose a forfeiture for contempt under Wis. Stats. § 800.12(1), in an amount not to exceed \$50.00 or, upon nonpayment of the forfeiture, plus costs, fees, and surcharges imposed under Wis. Stats. ch. 814, a jail sentence not to exceed seven days.

**Sec. 10-26. – Abolition**

The municipal Court hereby established shall not be abolished while the §755.01(4) agreement is in effect.

**Section 2. Severability.** In the event any section, subsection, clause, phrase or portion of this ordinance is for any reason held illegal, invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding

shall not affect the validity of the remainder of this ordinance. It is the legislative intent of the Common Council that this ordinance would have been adopted if such illegal provision had not been included or any illegal application had not been made.

**Section 3. Repeal and Effective Date.** All ordinances or parts of ordinances and resolutions in conflict herewith are hereby repealed. This ordinance shall take effect from and after its passage and publication.

Moved by: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Approved: \_\_\_\_\_  
Published: \_\_\_\_\_

Approved:

\_\_\_\_\_  
William R. Bialecki,  
Mayor

Attest:

\_\_\_\_\_  
William N. Heideman, City Clerk

1308251

**CITY OF MERRILL**  
1004 EAST FIRST STREET  
MERRILL, WI 54452-2586

AN ORDINANCE: By Personnel and Finance  
Committee  
Re: Salary for Elected Street Commissioner

ORDINANCE NO. 2013-  
Introduced: August 13, 2013  
1st Reading: \_\_\_\_\_  
2nd Reading: \_\_\_\_\_  
3rd Reading: \_\_\_\_\_  
Committee/Commission Action:  
**COMMITTEE OF THE WHOLE**

**AN ORDINANCE**

The Common Council of the City of Merrill, Wisconsin, does ordain as follows:

**Section 1. Street Commissioner.** Pursuant to Wis. Stat. Sec. 62.09(6)(b), Sec. 2-109(b)(2) of the Code of Ordinances for the City of Merrill is amended to provide the annual salary for the elected Street Commissioner shall be increased to **\$70,127.49** effective May 1, 2014, annually from **\$69,433.16**. **Effective May 1, 2015, and each year thereafter, the annual salary for the Street Commissioner shall be increased by the same percentage amount afforded all non-union city employees.** The elected Street Commissioner shall **also** be entitled to all fringe benefits afforded all non-union city employees as permitted by law.

**Section 2. Severability.** In the event any section, subsection, clause, phrase or portion of this ordinance is for any reason held illegal, invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remainder of this ordinance. It is the legislative intent of the Common Council that this ordinance would have been adopted if such illegal provision had not been included or any illegal application had not been made.

**Section 3. Repeal and Effective Date.** All ordinances or parts of ordinances and resolutions in conflict herewith are hereby repealed. This ordinance shall take effect on May 1, 2014.

Moved by: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Approved: \_\_\_\_\_  
Published: \_\_\_\_\_

Approved: \_\_\_\_\_  
William R. Bialecki, Mayor  
Attest: \_\_\_\_\_  
William N. Heideman, City Clerk

1308252

**CITY OF MERRILL**  
1004 EAST FIRST STREET  
MERRILL, WI 54452-2586

AN ORDINANCE: By Personnel and Finance  
Committee  
Re: Salary for Elected City Clerk

ORDINANCE NO. 2013-  
Introduced: August 13, 2013  
1st Reading: \_\_\_\_\_  
2nd Reading: \_\_\_\_\_  
3rd Reading: \_\_\_\_\_  
Committee/Commission Action:  
**COMMITTEE OF THE WHOLE**

**AN ORDINANCE**

The Common Council of the City of Merrill, Wisconsin, does ordain as follows:

**Section 1. City Clerk.** Pursuant to Wis. Stats. Sec. 62.09(6)(b), Sec. 2-109(b)(1) of the Code of Ordinances for the City of Merrill is amended to provide the annual salary for the elected City Clerk shall be increased to **\$54,339.47** effective May 1, 2014, annually from **\$53,801.46. Effective May 1, 2015, and each year thereafter, the annual salary for the City Clerk shall be increased by the same percentage amount afforded all non-union city employees.** The elected City Clerk shall **also** be entitled to all fringe benefits afforded all non-union city employees as permitted by law.

**Section 2. Severability.** In the event any section, subsection, clause, phrase or portion of this ordinance is for any reason held illegal, invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remainder of this ordinance. It is the legislative intent of the Common Council that this ordinance would have been adopted if such illegal provision had not been included or any illegal application had not been made.

**Section 3. Repeal and Effective Date.** All ordinances or parts of ordinances and resolutions in conflict herewith are hereby repealed. This ordinance shall take effect on May 1, 2014.

Approved:

Moved by: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Approved: \_\_\_\_\_  
Published: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki, Mayor

Attest:

\_\_\_\_\_  
William N. Heideman, City Clerk

RESOLUTION NO. \_\_\_\_\_

**FINAL RESOLUTION OF INTENT TO EXERCISE SPECIAL ASSESSMENT  
POWERS BY POLICE POWER UNDER SECTION 66.0703 OF THE  
WISCONSIN STATUTES**

WHEREAS, the Board of Public Works of the City of Merrill, Wisconsin held a Public Hearing in the City Hall, Merrill, Wisconsin, for the purpose of hearing all persons interested in the matters contained in the preliminary resolution of the City of Merrill, of its intent to exercise special assessment powers pursuant to Police Power under Sec. 66.07 Wis. Stats., all as set forth below, and the reports of the Engineering Department mentioned therein on the following proposed projects and other matters, to-wit:

Preliminary Resolution of June 11, 2013, a copy of which is attached hereto, on which a hearing was held on the 26<sup>th</sup> day of June, 2013;

NOW THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13<sup>th</sup> day of August, 2013, to complete the following public works projects in the City of Merrill:

1. Sidewalk maintenance pursuant to sidewalk inspection program. Sidewalk maintenance area is generally confined to the First Ward and Second Ward East of Center Avenue.
  - a) Isolated sidewalk requested or needed.
  - b) Driveway approaches requested or needed.
  - c) Curb and gutter requested or needed.

NOW THEREFORE, BE IT FURTHER RESOLVED, by the Common Council of the City of Merrill, Wisconsin,

1. That the reports of the City Engineering Department pertaining to construction of said improvements, including the plans and specifications are hereby adopted and approved.
2. That the Board of Public Works shall cause the improvements to be made by City employees or it may advertise and let any part or all of the same out on bids.
3. That payment for said improvements be made by assessing the costs to the property benefited as indicated in said report, as an exercise of the Police Power.

4. Those benefits shown on the reports are true and correct, having been determined on a reasonable basis and are hereby confirmed.
5. That the assessments for all projects included in said reports are hereby combined as a single assessment but any interested property owner shall be entitled to object to each assessment separately or any assessment jointly for any purpose or purposes.
6. The assessment against any parcel may be paid in cash not later than November 1 of the year such improvements are made, or in installments as provided by City Ordinance, and if not so paid, shall be extended upon the tax roll as a delinquent tax against said parcel and all proceedings in relation to the collection, return and sale of property for the delinquent real estate taxes shall apply to such assessment except otherwise provided by Statute.
7. The City Clerk is directed to publish this resolution as a Class 1 notice in the official newspaper.
8. The Clerk is further directed to mail a copy of this resolution and a statement of the final assessment against the property to every property owner whose name appears on the assessment roll whose post office address is known or who can with reasonable diligence be ascertained.

Recommended by Board of Public  
Works

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

1308261

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR  
CONSTRUCTION OF A DUPLEX TO BE LICENSED AND OPERATED AS AN  
ADULT FAMILY HOME ON EUGENE STREET IN MERRILL, WISCONSIN**

WHEREAS, Our Way, Inc. has requested a conditional use permit pursuant to the Merrill Zoning Code Chapter 113, Article IV for the purpose of constructing a duplex to be licensed and operated as an Adult Family Home on the following described property:

Lots One (1), Two (2), and Three (3) in Block Two (2), Sunset Estates, in the City of Merrill, Lincoln County, Wisconsin; and

WHEREAS, the City Plan Commission scheduled a hearing on the application on August 6, 2013, due public notice having been given and opportunity given to those interested to speak on the application; and,

WHEREAS, the City Plan Commission has reviewed the Application, found that it does meet the requirements of Merrill Zoning Code Chapter 113, Article IV and has recommended approval of said application;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13<sup>th</sup> day of August, 2013, that a conditional use permit shall be issued to Our Way, Inc. for the purpose of constructing a duplex to be licensed and operated as an Adult Family Home on the above described property.

Recommended by: City Plan  
Commission

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION APPROVING A PRELIMINARY PLAT OF WITTMAN HEIGHTS SUBDIVISION ADDITION IN THE CITY OF MERRILL BY THE CITY OF MERRILL**

WHEREAS, the City of Merrill ("The Applicant") has applied for preliminary approval of a subdivision plat pursuant to Code of Ordinances Sec.111-114 for land located in part of Lot 1 and all of Lot 2 of certified survey map number 2318, recorded in Volume 13, on pages 27 and 28, as document number 491253, in Lincoln County Register of Deeds Office, located in part of Government Lot 3, Section 15, and part of Government Lot 1, Section 16, all in Township 31 North, Range Six East, City of Merrill, Lincoln County, Wisconsin; and

WHEREAS, The City Plan Commission considered the application at a hearing, duly noticed, and scheduled on August 6, 2013; and

WHEREAS, The City Plan Commission recommends approval of the preliminary plat subject to certain conditions;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13<sup>th</sup> day of August, 2013, that:

1. The Common Council Adopts the City Plan Commissions findings and incorporates them into this resolution.
2. The proposed preliminary plat of Wittman Heights Subdivision presented by City of Merrill and prepared by Joshua Prentice for REI and involving a subdivision plat pursuant to Code of Ordinances Sec.111-114 for land located in part of Lot 1 and all of Lot 2 of certified survey map number 2318, recorded in Volume 13, on pages 27 and 28, as document number 491253, in Lincoln County Register of Deeds Office, located in part of Government Lot 3, Section 15, and part of Government Lot 1, Section 16, all in Township 31 North, Range Six East, City of Merrill, Lincoln County, Wisconsin is hereby approved.

BE IT FURTHER RESOLVED That the applicant, City of Merrill is directed to prepare the final plat in accordance with the requirements of Chapter 111 of the Code of Ordinances of the City of Merrill and present the final plat for review by the City Plan Commission.

Recommended by: City Plan  
Commission

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

1308263

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AWARDING THE SALE OF \$4,290,000  
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2013A**

WHEREAS, on July 9, 2013, the Common Council of the City of Merrill, Lincoln County, Wisconsin (the "City") adopted initial resolutions entitled: "Initial Resolution Authorizing \$235,000 General Obligation Bonds for Community Development Projects in Tax Incremental Districts No. 5 and 6"; "Initial Resolution Authorizing \$50,000 General Obligation Bonds for Improvements to Parks and Public Grounds"; "Initial Resolution Authorizing \$320,000 General Obligation Bonds for Street Improvement Projects"; "Initial Resolution Authorizing \$345,000 General Obligation Bonds to Acquire a Fire Engine"; "Initial Resolution Authorizing \$3,315,000 General Obligation Bonds for Constructing an Engine House"; and "Initial Resolution Authorizing \$25,000 General Obligation Bonds for Airport Projects" (collectively, the "Initial Resolutions");

WHEREAS, pursuant to the provisions of Section 67.05, Wisconsin Statutes, within 15 days following the adoption of the Initial Resolutions, the City Clerk caused a notice to electors to be published in the Merrill Courier, stating the purpose and maximum principal amount of the bond issues authorized by the Initial Resolutions and describing the opportunity and procedure for submitting a petition requesting a referendum on the bond issues authorized by the Initial Resolutions;

WHEREAS, to date, no petition for referendum has been filed with the City Clerk, and the time to file such a petition has expired;

WHEREAS, on July 9, 2013, the Common Council of the City also adopted a resolution entitled: "Resolution Providing for the Sale of Not to Exceed \$4,290,000 General Obligation Corporate Purpose Bonds", providing that the general obligation bond issues authorized by the Initial Resolutions be combined, issued and sold as a single issue of bonds designated as "General Obligation Corporate Purpose Bonds" (the "Bonds") for the purpose of paying the cost of the projects described in the Initial Resolutions (the "Project");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Bonds;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on August 13, 2013;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on August 13, 2013;

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13<sup>th</sup> day of August, 2013, that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Award of the Bonds. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Corporate Purpose Bonds, Series 2013A"; shall be issued in the

aggregate principal amount of \$4,290,000; shall be dated September 4, 2013; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on the dates and in the principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2014. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds maturing on November 1, 2023 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on November 1, 2022 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2013 through 2032 for the payments due in the years 2014 through 2033 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$4,290,000 General Obligation Corporate Purpose Bonds, Series 2013A, dated September 4, 2013" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account

shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an

appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 12. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.

Section 13. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 17. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection

with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Recommended by:

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

EXHIBIT A  
Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on the dates below (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on the respective amount of Term Bonds on the dates specified below:

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

EXHIBIT E  
(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
LINCOLN COUNTY  
NO. R-\_\_\_\_ CITY OF MERRILL \$\_\_\_\_\_  
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2013A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST  
RATE: CUSIP:  
November 1, \_\_\_\_\_ September 4, 2013 \_\_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
(\$\_\_\_\_\_)

FOR VALUE RECEIVED, the City of Merrill, Lincoln County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2014 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$4,290,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the following public purposes: \$235,000 for

community development projects in the City's TID No. 5 and TID No. 6; \$50,000 for park projects; \$320,000 for street improvement projects; \$345,000 for acquisition of a fire engine; \$3,315,000 for construction of a fire engine house; and \$25,000 for airport improvements, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on July 9, 2013 and August 13, 2013. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Bonds maturing on November 1, 2023 and thereafter are subject to redemption prior to maturity, at the option of the City, on November 1, 2022 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the resolution awarding the Bonds at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Merrill, Lincoln County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF MERRILL,  
LINCOLN COUNTY, WISCONSIN

By: \_\_\_\_\_  
William R. Bialecki  
Mayor

(SEAL)

By: \_\_\_\_\_  
William N. Heideman  
City Clerk

ASSIGNMENT

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

\_\_\_\_\_

(Name and Address of Assignee)

\_\_\_\_\_

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

(e.g. Bank, Trust Company or Securities Firm) (Depository or Nominee Name)

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

\_\_\_\_\_

(Authorized Officer)

## EXHIBIT F

### FISCAL AGENCY AGREEMENT

THIS AGREEMENT, made as of the 4th day of September, 2013 between the City of Merrill, Wisconsin ("Municipality"), and Bond Trust Services Corporation, Roseville, Minnesota, a wholly owned subsidiary of Ehlers & Associates, Inc. ("Bank" or "Fiscal Agent"), a corporation duly organized and existing as a limited purpose trust company under the laws of the State of Minnesota, Section 48A.03 and authorized by the Department of Financial Institutions of the State of Wisconsin to operate in Wisconsin pursuant to Wisconsin Statutes Section 223.12.

#### WITNESSETH:

WHEREAS, the Municipality has duly authorized the issuance of its \$4,290,000 General Obligation Corporate Purpose Bonds, Series 2013A, dated September 4, 2013 (the "Obligations") pursuant to the applicable provisions of the Wisconsin Statutes and the resolutions adopted by the Municipality on July 9, 2013 and August 13, 2013 (collectively, the "Resolution"); and

WHEREAS, the Municipality is issuing the Obligations in registered form pursuant to Section 149 of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder; and

WHEREAS, pursuant to the Resolution and Section 67.10(2), Wisconsin Statutes the Municipality has authorized the appointment of the Fiscal Agent as agent for the Municipality for any or all of the following responsibilities: payment of principal and interest on, registering, transferring and authenticating the Obligations as well as other applicable responsibilities permitted by Section 67.10(2), Wisconsin Statutes.

NOW, THEREFORE, the Municipality and the Fiscal Agent hereby agree as follows:

#### I. APPOINTMENT

The Fiscal Agent is hereby appointed agent for the Municipality with respect to the Obligations for the purpose of performing such of the responsibilities stated in Section 67.10(2), Wisconsin Statutes as are delegated herein or as may be otherwise specifically delegated in writing to the Fiscal Agent by the Municipality.

#### II. INVESTMENT RESPONSIBILITY

The Fiscal Agent shall not be under any obligation to invest funds held for the payment of interest or principal on the Obligations.

#### III. PAYMENTS

At least one business day before each interest payment date (commencing with the interest payment date of May 1, 2014 and continuing thereafter until the principal of and interest on the Obligations should have been fully paid or prepaid in accordance with their terms) the Municipality shall pay to the Fiscal Agent, in good funds immediately available to the Fiscal

Agent on the interest payment date, a sum equal to the amount payable as principal of, premium, if any, and interest on the Obligations on such interest payment date. Said interest and/or principal payment dates and amounts are outlined on Schedule A which is attached hereto and incorporated herein by this reference.

#### IV. CANCELLATION

In every case of the surrender of any Obligation for the purpose of payment, the Fiscal Agent shall cancel and destroy the same and deliver to the Municipality a certificate regarding such cancellation. The Fiscal Agent shall be permitted to microfilm or otherwise photocopy and record said Obligations.

#### V. REGISTRATION BOOK

The Fiscal Agent shall maintain in the name of the Municipality a Registration Book containing the names and addresses of all owners of the Obligations and the following information as to each Obligation: its number, date, purpose, amount, rate of interest and when payable. The Fiscal Agent shall keep confidential said information in accordance with applicable banking and governmental regulations.

#### VI. INTEREST PAYMENT

Payment of each installment of interest on each Obligation shall be made to the registered owner of such Obligation whose name shall appear on the Registration Book at the close of business on the 15<sup>th</sup> day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Fiscal Agent mailed to such registered owner at his address as it appears in such Registration Book or at such other address as may be furnished in writing by such registered owner to the Fiscal Agent.

#### VII. PAYMENT OF PRINCIPAL AND NOTICE OF REDEMPTION

(a) Principal Payments. Principal shall be paid to the registered owner of an Obligation upon surrender of the Obligation on or after its maturity or redemption date.

**Term Bonds** [The Obligations due on November 1, 20\_\_ and November 1, 20\_\_ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from deposits which are required to be made in amounts sufficient to redeem on November 1 of each year the respective amount of Term Bonds specified on the attached Schedule MRP.

The Municipality hereby directs and the Fiscal Agent hereby agrees to select the Term Bonds to be redeemed on the dates set forth above and to give notice of such redemption as set forth in substantially the form attached hereto as Schedule B by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Obligation selected to be redeemed, in whole or in part, at the address shown on the registration books as of the Record Date.

The Municipality, in accordance with Section III hereof, shall make payments sufficient for the Fiscal Agent to pay the amounts due on the Term Bonds subject to mandatory redemption.]

(b) Official Notice of Redemption. In the event the Municipality exercises its option to redeem any of the Obligations, the Municipality shall, at least 35 days prior to the redemption date, direct the Fiscal Agent to give official notice of such redemption by sending an official notice thereof by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission at least 30 days prior to the date fixed for redemption to the registered owner of each Obligation to be redeemed in whole or in part at the address shown in the Registration Book. Such official notice of redemption shall be dated and shall state (i) the redemption date and price; (ii) an identification of the Obligations to be redeemed, including the date of original issue of the Obligations; (iii) that on the redemption date the redemption price will become due and payable upon each such Obligation or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (iv) the place where such Obligations are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Fiscal Agent. **Term Bonds** [Official notice of the redemption of Obligations subject to mandatory redemption shall be given in the same manner.]

(c) Additional Notice of Redemption. In addition to the official notice of redemption provided in (b) above, further notice of any redemption shall be given by the Fiscal Agent on behalf of the Municipality to the Municipal Securities Rulemaking Board and The Depository Trust Company of New York, New York but neither a defect in this additional notice nor any failure to give all or any portion of such additional notice shall in any manner defeat the effectiveness of a call for redemption.

Each further notice of redemption given hereunder shall be sent at least 30 days before the redemption date by registered or certified mail, overnight delivery service, facsimile transmission or email transmission and shall contain the information required above for an official notice of redemption.

(d) Redemption of Obligations. The Obligations to be redeemed **Term Bonds** [at the option of the Municipality] shall be selected by the Municipality and, within any maturity, shall be selected by lot by the Depository described in Section VIII hereof. **Term Bonds** [Obligations subject to mandatory redemption shall be selected as described in (a) above.] The Obligations or portions of Obligations to be redeemed shall, on the redemption dates, become due and payable at the redemption price therein specified, and from and after such date such Obligations or portions of Obligations shall cease to bear interest. Upon surrender of such Obligations for redemption in accordance with the official notice of redemption, such Obligations shall be paid by the Fiscal Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Obligation, there shall be prepared for the registered owner a new Obligation or Obligations of the same maturity in the amount of the unpaid principal. Each check or other transfer of funds issued in payment of the redemption price of Obligations being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Obligations being redeemed with the proceeds of such check or other transfer.

## VIII. UTILIZATION OF THE DEPOSITORY TRUST COMPANY

The Depository Trust Company's Book-Entry-Only System is to be utilized for the Obligations. The Fiscal Agent, as agent for the Municipality, agrees to comply with the provisions of The Depository Trust Company's Operational Arrangements, as they may be amended from time to time referenced in the Blanket Issuer Letter of Representations executed by the Municipality. The provisions of the Operational Arrangements and this Section VIII supersede and control any and all representations in this Agreement.

## IX. OBLIGATION TRANSFER AND EXCHANGE

The Fiscal Agent shall transfer Obligations upon presentation of a written assignment duly executed by the registered owner or by such owner's duly authorized representative. Upon such a transfer, new registered Obligation(s) of the same maturity, in authorized denomination or denominations in the same aggregate principal amount for each maturity shall be issued to the transferee in exchange therefor, and the name of such transferee shall be entered as the new registered owner in the Registration Book. No Obligation may be registered to bearer. The Fiscal Agent may exchange Obligations of the issue for a like aggregate principal amount of Obligations of the same maturity in authorized whole multiples of \$5,000.

The Obligations shall be numbered R-1 and upward. Upon any transfer or exchange, the Obligation or Obligations issued shall bear the next highest consecutive unused number or numbers.

The Municipality shall cooperate in any such transfer, and the appropriate officers of the Municipality are authorized to execute any new Obligation or Obligations necessary to effect any such transfer.

## X. STATEMENTS

The Fiscal Agent shall furnish the Municipality with an accounting of interest and funds upon reasonable request.

## XI. FEES

The Municipality agrees to pay the Fiscal Agent fees for its services hereunder in the amounts set forth on Schedule [B/C] hereto.

## XII. MISCELLANEOUS

(a) Nonpresentment of Checks. In the event the check or draft mailed by the Fiscal Agent to the registered owner is not presented for payment within five years of its date, then the monies representing such nonpayment shall be returned to the Municipality or to such board, officer or body as may then be entitled by law to receive the same together with the name of the registered owner of the Obligation and the last mailing address of record and the Fiscal Agent shall no longer be responsible for the same.

(b) Resignation and Removal; Successor Fiscal Agent. (i) Fiscal Agent may at any time resign by giving not less than 60 days written notice to Municipality. Upon receiving such

notice of resignation, Municipality shall promptly appoint a successor fiscal agent by an instrument in writing executed by order of its governing body. If no successor fiscal agent shall have been so appointed and have accepted appointment within 60 days after such notice of resignation, the resigning fiscal agent may petition any court of competent jurisdiction for the appointment of a successor fiscal agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor fiscal agent. The resignation of the fiscal agent shall take effect only upon appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(ii) The Fiscal Agent may also be removed by the Municipality at any time upon not less than 60 days' written notice. Such removal shall take effect upon the appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(iii) Any successor fiscal agent shall execute, acknowledge and deliver to Municipality and to its predecessor fiscal agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor fiscal agent shall become effective and such successor fiscal agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor, with like effect as if originally named as fiscal agent herein; but nevertheless, on written request of Municipality, or on the request of the successor, the fiscal agent ceasing to act shall execute and deliver an instrument transferring to such successor fiscal agent, all the rights, powers, and trusts of the fiscal agent so ceasing to act. Upon the request of any such successor fiscal agent, Municipality shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor fiscal agent all such rights, powers and duties. Any predecessor fiscal agent shall pay over to its successor fiscal agent any funds of the Municipality.

(iv) Any corporation, association or agency into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor fiscal agent under this Agreement and vested with all the trusts, powers, discretions, immunities and privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(v) Any successor fiscal agent shall be qualified pursuant to Sec. 67.10(2), Wisconsin Statutes, as amended.

(c) Termination. This Agreement shall terminate on the earlier of (i) the payment in full of all of the principal and interest on the Obligations to the registered owners of the Obligations or (ii) five years after (aa) the last principal payment on the Obligations is due (whether by maturity or earlier redemption) or (bb) the Municipality's responsibilities for payment of the Obligations are fully discharged, whichever is later. The parties realize that any funds hereunder as shall remain upon termination shall, except as may otherwise by law, be turned over to the Municipality after deduction of any unpaid fees and disbursements of Fiscal Agent or, if required by law, to such officer, board or body as may then be entitled by law to receive the same. Termination of this Agreement shall not, of itself, have any effect on

Municipality's obligation to pay the outstanding Obligations in full in accordance with the terms thereof.

(d) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement, being duly authorized so to do, each in the manner most appropriate to it, on the date first above written.

CITY OF MERRILL, LINCOLN  
COUNTY, WISCONSIN

By \_\_\_\_\_  
William R. Bialecki  
Mayor

(SEAL)

\_\_\_\_\_  
William N. Heideman  
City Clerk

BOND TRUST SERVICES  
CORPORATION, ROSEVILLE,  
MINNESOTA  
Fiscal Agent

(SEAL)

By \_\_\_\_\_  
Paying Agent Administrator

Attest \_\_\_\_\_  
Paying Agent Administrator

SCHEDULE A

Debt Service Schedule  
\$4,290,000 General Obligation Corporate Purpose Bonds, Series 2013A  
of the City of Merrill, Wisconsin  
dated September 4, 2013

(SEE ATTACHED)

[SCHEDULE MRP

Mandatory Redemption Provision

The Obligations due on November 1, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on November 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

[SCHEDULE B

NOTICE OF MANDATORY SINKING FUND REDEMPTION\*

City of Merrill, Wisconsin  
General Obligation Corporate Purpose Bonds, Series 2013A  
Dated September 4, 2013

NOTICE IS HEREBY GIVEN that a portion of the Bonds of the above-referenced issue which mature on November 1, 20\_\_ shall be subject to mandatory sinking fund redemption on November 1 of the year set forth below, in the amount set forth below, at a redemption price equal to One Hundred Percent (100%) of the principal amount redeemed plus accrued interest to the date of redemption.

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>
November 1, ____	\$_____	_____

Such portion of the Bonds will cease to bear interest on the redemption date set forth above.

BY THE ORDER OF THE  
COMMON COUNCIL

CITY OF MERRILL, WISCONSIN

Dated: \_\_\_\_\_

\* To be provided by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 55 Water Street, 50<sup>th</sup> Floor, New York, New York 10041-0099, not less than thirty (30) days nor more than sixty (60) days prior to the call date. At least thirty (30) days prior to the call date notice shall also be provided to the Municipal Securities Rulemaking Board.]

SCHEDULE [B/C]

1308264

**RESOLUTION NO.**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
\$2,890,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2013B**

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Merrill, Lincoln County, Wisconsin (the "City") to raise funds for public purposes, including financing City Hall improvements, street improvements, park improvements, a portion of the new fire engine house and acquiring a telephone system (collectively, the "Project"), and refinancing certain outstanding obligations of the City, specifically, the callable portion of the General Obligation Refunding Bonds, dated March 15, 2001 (the "Refunded Obligations") (hereinafter the refinancing of a portion of the Refunded Obligations shall be referred to as the "Refunding"), and there are insufficient funds on hand to pay said cost;

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to refund the Refunded Obligations for the purpose of achieving debt service savings;

WHEREAS, cities are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes and to refinance their outstanding obligations;

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the general obligation promissory notes (the "Notes") to pay the cost of the Project and the Refunding;

WHEREAS, Ehlers, in consultation with the officials of the City, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on August 13, 2013;

WHEREAS, the City Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Notes for public sale on August 13, 2013;

WHEREAS, the City has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. Ehlers has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13<sup>th</sup> day of August, 2013, that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The Common Council of the City hereby ratifies and approves the details of the Notes set forth in Exhibit A attached hereto as and for the details of the Notes. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the City and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization and Award of the Notes. For the purpose of paying the cost of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of TWO MILLION EIGHT HUNDRED NINETY THOUSAND DOLLARS (\$2,890,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the note issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2013B"; shall be issued in the aggregate principal amount of \$2,890,000; shall be dated September 4, 2013; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on the dates and in the principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest is payable semi-annually on May 1 and November 1 of each year commencing on

May 1, 2014. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on November 1, 2021 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on November 1, 2020 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If the Proposal specifies that any of the Notes are subject to mandatory redemption, the terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2013 through 2022 for the payments due in the years 2014 through 2023 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$2,890,000 General Obligation Promissory Notes, Series 2013B, dated September 4, 2013" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money

remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund.

The proceeds of the Notes (the "Note Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. Note Proceeds to be used for the Project shall be deposited in the Borrowed Money Fund. Note proceeds to be used for the Refunding shall be deposited in the Escrow Account, as provided in Section 19 hereof. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Notes or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit F and incorporated herein by this reference.

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept

by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to the Escrow Agent or KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 17. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the

Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Escrow Agent; Escrow Agreement; Escrow Account. U.S. Bank National Association, St. Paul, Minnesota, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations (the "Escrow Agent").

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit G (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the Common Council of any such modifications), with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Note Proceeds allocable to refunding the Refunded Obligations, other than any premium not used for the Refunding and accrued interest which shall be deposited in the Debt Service Fund Account created above, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Note Proceeds and any other necessary funds allocable to refunding the Refunded Obligations to the Escrow Account, the taxes heretofore levied to pay debt service on the Refunded Obligations shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the Refunded Obligations, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The refunding escrow account created by

the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the Refunded Obligations. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 20. Escrow Investments. The Escrow Agent and Ehlers are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the Refunding.

Section 21. Redemption of the Refunded Obligations. The Refunded Obligations are hereby called for prior payment and redemption on November 1, 2014 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice.

Section 22. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 23. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 24. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Recommended by:

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

EXHIBIT A

Notice of Sale

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT C

Winning Bid

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-1

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Resolution.

(See Attached)

EXHIBIT MRP

Mandatory Redemption Provision

The Notes due on the dates listed below (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem the respective amount of Term Bonds on the dates specified below:

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
LINCOLN COUNTY  
NO. R-\_\_\_\_ CITY OF MERRILL \$\_\_\_\_\_  
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2013B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST  
RATE: CUSIP:  
November 1, \_\_\_\_\_ September 4, 2013 \_\_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
(\$\_\_\_\_\_)

FOR VALUE RECEIVED, the City of Merrill, Lincoln County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2014 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$2,890,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including financing City Hall

improvements, street improvements, park improvements, a portion of the new fire engine house and acquiring a telephone system and refunding certain outstanding obligations of the City, all as authorized by resolutions of the Common Council duly adopted by said governing body at meetings held on July 9, 2013 and August 13, 2013. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Notes maturing on November 1, 2021 and thereafter are subject to redemption prior to maturity, at the option of the City, on November 1, 2020 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the resolution authorizing the Notes at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, upon surrender of this Note together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Merrill, Lincoln County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF MERRILL,  
LINCOLN COUNTY, WISCONSIN

By: \_\_\_\_\_  
William R. Bialecki, Mayor

(SEAL)

By: \_\_\_\_\_  
William N. Heideman, City Clerk

ASSIGNMENT

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

\_\_\_\_\_

(Name and Address of Assignee)

\_\_\_\_\_

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

(e.g. Bank, Trust Company  
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Officer)

## EXHIBIT F

### FISCAL AGENCY AGREEMENT

THIS AGREEMENT, made as of the 4th day of September, 2013 between the City of Merrill, Wisconsin ("Municipality"), and Bond Trust Services Corporation, Roseville, Minnesota, a wholly owned subsidiary of Ehlers & Associates, Inc. ("Bank" or "Fiscal Agent"), a corporation duly organized and existing as a limited purpose trust company under the laws of the State of Minnesota, Section 48A.03 and authorized by the Department of Financial Institutions of the State of Wisconsin to operate in Wisconsin pursuant to Wisconsin Statutes Section 223.12.

#### WITNESSETH:

WHEREAS, the Municipality has duly authorized the issuance of its \$2,890,000 General Obligation Promissory Notes, Series 2013B, dated September 4, 2013 (the "Obligations") pursuant to the applicable provisions of the Wisconsin Statutes and the resolutions adopted by the Municipality on July 9, 2013 and August 13, 2013 (collectively, the "Resolution"); and

WHEREAS, the Municipality is issuing the Obligations in registered form pursuant to Section 149 of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder; and

WHEREAS, pursuant to the Resolution and Section 67.10(2), Wisconsin Statutes the Municipality has authorized the appointment of the Fiscal Agent as agent for the Municipality for any or all of the following responsibilities: payment of principal and interest on, registering, transferring and authenticating the Obligations as well as other applicable responsibilities permitted by Section 67.10(2), Wisconsin Statutes.

NOW, THEREFORE, the Municipality and the Fiscal Agent hereby agree as follows:

#### I. APPOINTMENT

The Fiscal Agent is hereby appointed agent for the Municipality with respect to the Obligations for the purpose of performing such of the responsibilities stated in Section 67.10(2), Wisconsin Statutes as are delegated herein or as may be otherwise specifically delegated in writing to the Fiscal Agent by the Municipality.

#### II. INVESTMENT RESPONSIBILITY

The Fiscal Agent shall not be under any obligation to invest funds held for the payment of interest or principal on the Obligations.

#### III. PAYMENTS

At least one business day before each interest payment date (commencing with the interest payment date of May 1, 2014 and continuing thereafter until the principal of and interest on the Obligations should have been fully paid or prepaid in accordance with their terms) the Municipality shall pay to the Fiscal Agent, in good funds immediately available to the Fiscal Agent on the interest payment date, a sum equal to the amount payable as principal of, premium, if any, and interest on the Obligations on such interest payment date. Said interest and/or principal payment dates and amounts are outlined on Schedule A which is attached hereto and incorporated herein by this reference.

#### IV. CANCELLATION

In every case of the surrender of any Obligation for the purpose of payment, the Fiscal Agent shall cancel and destroy the same and deliver to the Municipality a certificate regarding such cancellation. The Fiscal Agent shall be permitted to microfilm or otherwise photocopy and record said Obligations.

#### V. REGISTRATION BOOK

The Fiscal Agent shall maintain in the name of the Municipality a Registration Book containing the names and addresses of all owners of the Obligations and the following information as to each Obligation: its number, date, purpose, amount, rate of interest and when payable. The Fiscal Agent shall keep confidential said information in accordance with applicable banking and governmental regulations.

#### VI. INTEREST PAYMENT

Payment of each installment of interest on each Obligation shall be made to the registered owner of such Obligation whose name shall appear on the Registration Book at the close of business on the 15<sup>th</sup> day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Fiscal Agent mailed to such registered owner at his address as it appears in such Registration Book or at such other address as may be furnished in writing by such registered owner to the Fiscal Agent.

#### VII. PAYMENT OF PRINCIPAL AND NOTICE OF REDEMPTION

(a) Principal Payments. Principal shall be paid to the registered owner of an Obligation upon surrender of the Obligation on or after its maturity or redemption date.

**Term Bonds** [The Obligations due on November 1, 20\_\_ and November 1, 20\_\_ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from deposits which are required to be made in amounts sufficient to redeem on November 1 of each year the respective amount of Term Bonds specified on the attached Schedule MRP.

The Municipality hereby directs and the Fiscal Agent hereby agrees to select the Term Bonds to be redeemed on the dates set forth above and to give notice of such redemption as set forth in substantially the form attached hereto as Schedule B by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Obligation selected to be redeemed, in whole or in part, at the address shown on the registration books as of the Record Date.

The Municipality, in accordance with Section III hereof, shall make payments sufficient for the Fiscal Agent to pay the amounts due on the Term Bonds subject to mandatory redemption. ]

(b) Official Notice of Redemption. In the event the Municipality exercises its option to redeem any of the Obligations, the Municipality shall, at least 35 days prior to the redemption date, direct the Fiscal Agent to give official notice of such redemption by sending an official notice thereof by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission at least 30 days prior to the date fixed for redemption to the registered owner of each Obligation to be redeemed in whole or in part at the address shown in the Registration Book. Such official notice of redemption shall be dated and shall state (i) the redemption date and price; (ii) an identification of the Obligations to be redeemed, including the date of original issue of the Obligations; (iii) that on the redemption date the redemption price will become due and payable upon each such Obligation or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(iv) the place where such Obligations are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Fiscal Agent. **Term Bonds** [Official notice of the redemption of Obligations subject to mandatory redemption shall be given in the same manner.]

(c) Additional Notice of Redemption. In addition to the official notice of redemption provided in (b) above, further notice of any redemption shall be given by the Fiscal Agent on behalf of the Municipality to the Municipal Securities Rulemaking Board and The Depository Trust Company of New York, New York but neither a defect in this additional notice nor any failure to give all or any portion of such additional notice shall in any manner defeat the effectiveness of a call for redemption.

Each further notice of redemption given hereunder shall be sent at least 30 days before the redemption date by registered or certified mail, overnight delivery service, facsimile transmission or email transmission and shall contain the information required above for an official notice of redemption.

(d) Redemption of Obligations. The Obligations to be redeemed **Term Bonds** [at the option of the Municipality] shall be selected by the Municipality and, within any maturity, shall be selected by lot by the Depository described in Section VIII hereof. **Term Bonds** [Obligations subject to mandatory redemption shall be selected as described in (a) above.] The Obligations or portions of Obligations to be redeemed shall, on the redemption dates, become due and payable at the redemption price therein specified, and from and after such date such Obligations or portions of Obligations shall cease to bear interest. Upon surrender of such Obligations for redemption in accordance with the official notice of redemption, such Obligations shall be paid by the Fiscal Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Obligation, there shall be prepared for the registered owner a new Obligation or Obligations of the same maturity in the amount of the unpaid principal. Each check or other transfer of funds issued in payment of the redemption price of Obligations being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Obligations being redeemed with the proceeds of such check or other transfer.

#### VIII. UTILIZATION OF THE DEPOSITORY TRUST COMPANY

The Depository Trust Company's Book-Entry-Only System is to be utilized for the Obligations. The Fiscal Agent, as agent for the Municipality, agrees to comply with the provisions of The Depository Trust Company's Operational Arrangements, as they may be amended from time to time referenced in the Blanket Issuer Letter of Representations executed by the Municipality. The provisions of the Operational Arrangements and this Section VIII supersede and control any and all representations in this Agreement.

## IX. OBLIGATION TRANSFER AND EXCHANGE

The Fiscal Agent shall transfer Obligations upon presentation of a written assignment duly executed by the registered owner or by such owner's duly authorized representative. Upon such a transfer, new registered Obligation(s) of the same maturity, in authorized denomination or denominations in the same aggregate principal amount for each maturity shall be issued to the transferee in exchange therefor, and the name of such transferee shall be entered as the new registered owner in the Registration Book. No Obligation may be registered to bearer. The Fiscal Agent may exchange Obligations of the issue for a like aggregate principal amount of Obligations of the same maturity in authorized whole multiples of \$5,000.

The Obligations shall be numbered R-1 and upward. Upon any transfer or exchange, the Obligation or Obligations issued shall bear the next highest consecutive unused number or numbers.

The Municipality shall cooperate in any such transfer, and the appropriate officers of the Municipality are authorized to execute any new Obligation or Obligations necessary to effect any such transfer.

## X. STATEMENTS

The Fiscal Agent shall furnish the Municipality with an accounting of interest and funds upon reasonable request.

## XI. FEES

The Municipality agrees to pay the Fiscal Agent fees for its services hereunder in the amounts set forth on Schedule [B/C] hereto.

## XII. MISCELLANEOUS

(a) Nonpresentment of Checks. In the event the check or draft mailed by the Fiscal Agent to the registered owner is not presented for payment within five years of its date, then the monies representing such nonpayment shall be returned to the Municipality or to such board, officer or body as may then be entitled by law to receive the same together with the name of the registered owner of the Obligation and the last mailing address of record and the Fiscal Agent shall no longer be responsible for the same.

(b) Resignation and Removal; Successor Fiscal Agent. (i) Fiscal Agent may at any time resign by giving not less than 60 days written notice to Municipality. Upon receiving such notice of resignation, Municipality shall promptly appoint a successor fiscal agent by an instrument in writing executed by order of its governing body. If no successor fiscal agent shall have been so appointed and have accepted appointment within 60 days after such notice of resignation, the resigning fiscal agent may petition any court of competent jurisdiction for the appointment of a successor fiscal agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor fiscal agent. The resignation of the fiscal agent shall take effect only upon appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(ii) The Fiscal Agent may also be removed by the Municipality at any time upon not less than 60 days' written notice. Such removal shall take effect upon the appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(iii) Any successor fiscal agent shall execute, acknowledge and deliver to Municipality and to its predecessor fiscal agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor fiscal agent shall become effective and such successor fiscal agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor, with like effect as if originally named as fiscal agent herein; but nevertheless, on written request of Municipality, or on the request of the successor, the fiscal agent ceasing to act shall execute and deliver an instrument transferring to such successor fiscal agent, all the rights, powers, and trusts of the fiscal agent so ceasing to act. Upon the request of any such successor fiscal agent, Municipality shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor fiscal agent all such rights, powers and duties. Any predecessor fiscal agent shall pay over to its successor fiscal agent any funds of the Municipality.

(iv) Any corporation, association or agency into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor fiscal agent under this Agreement and vested with all the trusts, powers, discretions, immunities and privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(v) Any successor fiscal agent shall be qualified pursuant to Sec. 67.10(2), Wisconsin Statutes, as amended.

(c) Termination. This Agreement shall terminate on the earlier of (i) the payment in full of all of the principal and interest on the Obligations to the registered owners of the Obligations or (ii) five years after (aa) the last principal payment on the Obligations is due (whether by maturity or earlier redemption) or (bb) the Municipality's responsibilities for payment of the Obligations are fully discharged, whichever is later. The parties realize that any funds hereunder as shall remain upon termination shall, except as may otherwise by law, be turned over to the Municipality after deduction of any unpaid fees and disbursements of Fiscal Agent or, if required by law, to such officer, board or body as may then be entitled by law to receive the same. Termination of this Agreement shall not, of itself, have any effect on Municipality's obligation to pay the outstanding Obligations in full in accordance with the terms thereof.

(d) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement, being duly authorized so to do, each in the manner most appropriate to it, on the date first above written.

CITY OF MERRILL, LINCOLN COUNTY,  
WISCONSIN

By \_\_\_\_\_  
William R. Bialecki  
Mayor

(SEAL)

\_\_\_\_\_  
William N. Heideman  
City Clerk

BOND TRUST SERVICES CORPORATION,  
ROSEVILLE, MINNESOTA  
Fiscal Agent

(SEAL)

By \_\_\_\_\_  
Paying Agent Administrator

Attest \_\_\_\_\_  
Paying Agent Administrator

SCHEDULE A

Debt Service Schedule  
\$2,890,000 General Obligation Promissory Notes, Series 2013B  
of the City of Merrill, Wisconsin  
dated September 4, 2013

(SEE ATTACHED)

[ SCHEDULE MRP

Mandatory Redemption Provision

The Obligations due on November 1, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on November 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on November 1, \_\_\_\_\_

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

[SCHEDULE B

NOTICE OF MANDATORY SINKING FUND REDEMPTION\*

City of Merrill, Wisconsin  
General Obligation Promissory Notes, Series 2013B  
Dated September 4, 2013

NOTICE IS HEREBY GIVEN that a portion of the Notes of the above-referenced issue which mature on November 1, 20\_\_ shall be subject to mandatory sinking fund redemption on November 1 of the year set forth below, in the amount set forth below, at a redemption price equal to One Hundred Percent (100%) of the principal amount redeemed plus accrued interest to the date of redemption.

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>
November 1, ____	\$_____	_____

Such portion of the Notes will cease to bear interest on the redemption date set forth above.

BY THE ORDER OF THE  
COMMON COUNCIL

CITY OF MERRILL, WISCONSIN

Dated: \_\_\_\_\_

---

\* To be provided by registered or certified mail, facsimile transmission, overnight express delivery or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 55 Water Street, 50<sup>th</sup> Floor, New York, New York 10041-0099, not less than thirty (30) days nor more than sixty (60) days prior to the call date. At least thirty (30) days prior to the call date notice shall also be provided to the Municipal Securities Rulemaking Board.]

SCHEDULE [B/C]

## EXHIBIT G

### ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 4th day of September, 2013 by and between the City of Merrill, Wisconsin (the "City") and U.S. Bank National Association, St. Paul, Minnesota, a national banking association with trust powers (the "Escrow Agent").

### RECITALS

The City has duly issued General Obligation Refunding Bonds, dated March 15, 2001 (the "Prior Issue").

The City has duly authorized and sold and is delivering this day its \$2,890,000 General Obligation Promissory Notes, Series 2013B, dated September 4, 2013 (the "Refunding Obligations") for the purpose of providing funds sufficient to refund the 2015 through 2020 maturities of the Prior Issue (hereinafter the portion of the Prior Issue being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding").

The Refunded Obligations mature and bear interest on the dates and in the amounts shown on Exhibit A-1.

In order to accomplish the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the principal of and interest on the Refunded Obligations.

To accomplish the Refunding, the Escrow Agent has been appointed depository of a portion of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunded Obligations until the Refunded Obligations are paid in full.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Authorizing the Issuance and Sale of \$2,890,000 General Obligation Promissory Notes, Series 2013B" (the "Resolution") adopted by the Common Council of the City on August 13, 2013.

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$\_\_\_\_\_ being a portion of the proceeds of the Refunding Obligations [(the "Bond Proceeds") and \$\_\_\_\_\_ from funds of the City (the "Funds") for a total of \$\_\_\_\_\_.]

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of Merrill Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$\_\_\_\_\_ to be used to purchase \$\_\_\_\_\_ aggregate principal amount of other United States government securities described on the attached Exhibit B-1 (the "Securities");

b) \$\_\_\_\_\_ to be used to establish a beginning cash balance in the Escrow Account [(\$\_\_\_\_\_ from Bond Proceeds and \$\_\_\_\_\_ from Funds)]; and

c) \$\_\_\_\_\_ to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay.

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the Securities, and the Escrow Agent shall not sell or otherwise dispose of the Securities.

[In addition to the foregoing, the Escrow Agent is hereby directed to reinvest excess investment proceeds accruing in the years \_\_\_\_\_ to \_\_\_\_\_ in SLGs as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Reinvestment Date</u>	<u>Maturity Date</u>
\$_____	0.00%	_____	_____
_____	0.00	_____	_____

The Escrow Agent is hereby directed to submit the subscription for these SLGs on behalf of the City, at least seven (7) days in advance of the date of reinvestment (or such other period of time in advance of the date of reinvestment as is then required by law or regulation) and such subscription shall be in accordance with then applicable law and regulations. The City will cooperate with the Escrow Agent as necessary to allow any subscriptions to be made as described herein.

If SLGs with an interest rate of 0.00% are not available at the time such Escrow Account monies are to be reinvested, the Escrow Agent is hereby directed to reinvest such Escrow Account monies on behalf of the City in direct obligations of the United States of America ("U.S. Government Obligations"), or hold such monies uninvested, as directed by the City, upon the Escrow Agent's receipt, at the expense of the City, of (i) an opinion of the bond counsel for the Refunding Obligations or other nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such transaction would not cause any of the Refunded Obligations or any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income tax regulations thereunder (the "Regulations") and (ii) a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. Government Obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purposes, be sufficient at all times to pay, when due, the principal of and interest on the Refunded Obligations.]

The Escrow Account cash flow [(taking into account any reinvestments)] prepared by the Accountant defined below is set forth on Exhibit D-1.

Except [for the foregoing or] as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the payment of the Refunded Obligations in the amounts set forth on the attached Exhibit A-1 by depositing such amounts with the fiscal agent for the Refunded Obligations on or before the dates such amounts are due.

Barthe & Wahrman, A Professional Association, Bloomington, Minnesota, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Ehlers & Associates, Inc., any bond insurer for the Refunding Obligations, any bond insurer for the Refunded Obligations, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1. Based upon the summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of principal and interest, when due, on the Refunded Obligations.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing appropriate notice (in substantially the form attached hereto as Exhibit E-1) in the manner and at the times set forth on Exhibit E-1, and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees within ten business days after the closing for the Refunding Obligations to provide a Notice of Advance Refunding and Redemption, in substantially the form attached hereto as Exhibit F-1, to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations, and to any others as described in Exhibit F-1. In addition, if the Refunded Obligations are subject to the continuing disclosure requirements of SEC Rule 15c2-12, the Notice of Advance Refunding and Redemption should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at [www.emma.msrb.org](http://www.emma.msrb.org).

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited hereunder, all investments and all interest thereon and profits therefrom, at all times in a special fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured by the deposit in a

Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder, such property shall be and remain the property of the City. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, as escrow agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its willful misconduct. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City.

d) Resignations; Successor Escrow Agent. The Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor escrow agent of comparable qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on

the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City of the sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed and the Escrow Agent hereby covenants and agrees, to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the **if Reinvestment Section stays in, use this option** [Code or any Regulations promulgated or proposed thereunder.] **OR if Reinvestment Section is deleted, use this option** [Internal Revenue Code of 1986, as amended (the "Code") or any Regulations promulgated or proposed thereunder (the "Regulations").]

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Section 1 hereof. Said prohibition on reinvestment shall continue unless and until the City requests that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an opinion by an independent certified public accounting firm that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, any required interest payments on the Refunding Obligations and all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City for deposit in the account designated "Debt Service Fund Account for \$2,890,000 General Obligation Promissory Notes, Series 2013B, dated September 4, 2013" created by the Resolution and used solely to pay the principal of and interest on the Refunding Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Governing Law. This Escrow Agreement shall be construed, interpreted and governed by and under the laws of the State of Wisconsin.

f) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF MERRILL,  
LINCOLN COUNTY, WISCONSIN

By: \_\_\_\_\_  
William R. Bialecki  
Mayor

(SEAL)

By: \_\_\_\_\_  
William N. Heideman  
City Clerk

U.S. BANK NATIONAL ASSOCIATION,  
ST. PAUL, MINNESOTA, as Agent

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(SEAL)

And: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Security Advice Waiver:

The City acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the City the right to receive brokerage confirmations of the security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the City with periodic cash transaction statements that include the detail for all investment transactions made by the Escrow Agent for all current and future accounts.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information

that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

(Refunded Obligations)

EXHIBIT A-1

\$2,885,000

CITY OF MERRILL, WISCONSIN  
GENERAL OBLIGATION REFUNDING BONDS  
DATED MARCH 15, 2001

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
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(See Attached)

\* To be called for prior payment at 100% on November 1, 2014.

Bond Registrar  
or Fiscal Agent: Wells Fargo Bank Minnesota, N.A.

Depository: The Depository Trust Company  
New York, New York

EXHIBIT B-1

U.S. TREASURY SECURITIES

(State and Local Government Series)

For Delivery September 4, 2013

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Coupon Rate</u>	<u>Cost</u>
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(See Attached Subscription Forms)

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent, U.S. Bank National Association, St. Paul, Minnesota	\$ _____
Escrow Verification, Barthe & Wahrman, A Professional Association, Bloomington, Minnesota	_____
Legal Opinion, Quarles & Brady LLP, Milwaukee, Wisconsin	_____
Rating Fee, Standard & Poor's, New York, New York	_____
Financial Advisor, Ehlers & Associates, Inc., Roseville, Minnesota	_____
Fiscal Agent, Bond Trust Services Corporation, Roseville, Minnesota	_____
Bidding Agent, Ehlers Investment Partners	_____
Total:	\$ _____

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

EXHIBIT E-1

NOTICE OF CALL\*

Regarding

CITY OF MERRILL  
LINCOLN COUNTY, WISCONSIN  
GENERAL OBLIGATION REFUNDING BONDS  
DATED MARCH 15, 2001

NOTICE IS HEREBY GIVEN, pursuant to the applicable provisions of the governing documents of the above captioned Bonds (the "Bonds"), that the herein described Bonds are called for redemption prior to their maturity and will be redeemed on November 1, 2014 (the "Redemption Date"). Redemption will be made by payment of the principal amount of each such Bond, together with interest accrued to the Redemption Date. From and after November 1, 2014, interest on the Bonds shall cease to accrue and any lien or interest in or to any pledge of security or collateral for the Bonds hereby called shall also cease and become null on the Redemption Date.

<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>CUSIP</u>	<u>Price</u>
11/01/15	\$230,000	4.85%	590230KX5*	100.00%
11/01/16	245,000	4.90	590230KY3*	100.00
11/01/17	255,000	4.95	590230KZ0*	100.00
11/01/18	265,000	5.00	590230LA4*	100.00
11/01/19	280,000	5.05	590230LB2*	100.00
11/01/20	295,000	5.10	590230LC0*	100.00

Payment of Bonds called for redemption will be made upon presentation and surrender of such Bonds. In the case of any registered Bonds to be redeemed in part only, upon presentation of such Bond for redemption, there will be issued in lieu of the unredeemed principal portion a new bond(s) equal to such unredeemed portion.

Called Bonds should be presented as follows:

IF BY REGISTERED  
OR CERTIFIED MAIL

Wells Fargo Bank Minnesota, N.A.  
Corporate Trust Operations  
Corporate Trust Services  
12<sup>th</sup> Floor  
MAC N9303-121  
P.O. Box 1517  
Minneapolis, MN 55480

IF BY HAND OR  
OVERNIGHT MAIL

Wells Fargo Bank Minnesota, N.A.  
Northstar East Building  
Corporate Trust Operations  
MAC N9303-121  
608 2<sup>nd</sup> Avenue South  
6th & Marquette Avenue  
Minneapolis, MN 55479

IF IN PERSON

Northstar East Building  
Corporate Trust Services  
12<sup>th</sup> Floor  
608 2<sup>nd</sup> Avenue South  
Minneapolis, MN

Registered or certified insured mail is suggested when submitting Bonds for payment. Wells Fargo policy does not allow Corporate Trust Services to hold any securities longer than 30 days. Please do not submit your securities more than 30 days in advance.

When inquiring about this redemption, please have the Bond number available. Please inform the customer service representative of the CUSIP number(s) of the affected Bonds. Customer Service can be reached at 612-667-9764 or Toll Free 800-344-5128.

IMPORTANT NOTICE

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of those provisions should submit a completed IRS Form W-9 when presenting their certificates for payment. If you request payment of principal and/or interest via wire transfer, please be advised there is a \$25.00 fee that will be deducted from your payment.

By: Wells Fargo Bank Minnesota, N.A.  
as Paying Agent/Registrar

Dated: \_\_\_\_\_, \_\_\_\_\_

The Paying Agent/Registrar shall not be responsible for selection or use of the Cusip Number, nor is any representation made as to their correctness in the redemption notice or on any Bond(s). They are included solely for the convenience of the holders.

\*DENOTES FULL CALL OF CUSIP

\_\_\_\_\_

This notice is to be given to Wells Fargo Bank Minnesota, N.A., the registrar and fiscal agent for the Bonds, at least 45 days prior to November 1, 2014, the Redemption Date, with the direction to give notice to the registered owner of the Bonds, the Depository Trust Company (DTC), at least 30 days before the Redemption Date in accordance with DTC's Operational Arrangements and to the MSRB. Notice shall also be provided to Financial Guaranty Insurance Company, or any successor, the bond insurer of the Bonds.

In addition, if the Bonds are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at [www.emma.msrb.org](http://www.emma.msrb.org).

EXHIBIT F-1\*

NOTICE OF ADVANCE REFUNDING AND REDEMPTION  
OF THE GENERAL OBLIGATION REFUNDING BONDS, DATED MARCH 15,  
2001  
OF THE CITY OF MERRILL, WISCONSIN (THE "BONDS")

Notice is given that the Bonds described below (the "Refunded Obligations"), of the City of Merrill, Wisconsin (the "City") have been advance refunded by the City pursuant to an Escrow Agreement dated the 4th day of September, 2013 between the City and U.S. Bank National Association, St. Paul, Minnesota (the "Escrow Agent").

<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>CUSIP</u>	<u>Price</u>
11/01/15	\$230,000	4.85%	590230KX5**	100.00%
11/01/16	245,000	4.90	590230KY3**	100.00
11/01/17	255,000	4.95	590230KZ0**	100.00
11/01/18	265,000	5.00	590230LA4**	100.00
11/01/19	280,000	5.05	590230LB2**	100.00
11/01/20	295,000	5.10	590230LC0**	100.00

The City has instructed the Escrow Agent to call the Refunded Obligations for redemption on November 1, 2014. The City has irrevocably deposited United States government securities and cash in escrow with the Escrow Agent in an amount which, together with investment income on it, is sufficient to pay the interest on the Refunded Obligations up to and including November 1, 2014 and to redeem the Refunded Obligations on November 1, 2014 at a price of par plus accrued interest to November 1, 2014. Interest on the Refunded Obligations will cease to accrue on November 1, 2014.

Dated: September 4, 2013.

U.S. Bank National Association  
as Escrow Agent

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\* Within ten business days after the closing for the Refunding Obligations, notice shall be provided to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations and to the MSRB. Notice shall also be provided to Financial Guaranty Insurance Company, or any successor, the bond insurer of the Bonds.

\*\* Indicates refunding of full CUSIP.

In addition, if the Refunded Obligations are subject to the continuing disclosure requirements of SEC Rule 15c2-12 effective July 3, 1995, this Notice should be filed

electronically with the MSRB through the Electronic Municipal Market Access (EMMA) System website at [www.emma.msrb.org](http://www.emma.msrb.org).