

RESOLUTION NO. 11-12-19-02

RESOLUTION SUPPLEMENTING RESOLUTION NO. 1-26-93-1;
AUTHORIZING THE ISSUANCE AND SALE OF
\$5,175,000 WATER AND ELECTRIC SYSTEM
REVENUE REFUNDING BONDS, SERIES 2019B;
AND PROVIDING FOR THE PAYMENT OF THE BONDS AND
OTHER DETAILS AND COVENANTS WITH RESPECT THERETO

WHEREAS, the City of Waupun, Dodge and Fond du Lac Counties, Wisconsin (the "Municipality" or "City") owns and operates a water and electric system (the "System") which is operated for a public purpose as a public utility by the Municipality;

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality may, by action of its governing body, provide for the purchasing, acquiring, constructing, extending, adding to, improving, conducting, controlling, operating and managing a public utility or for the purpose of refunding outstanding municipal obligations issued for the above purposes ("System Costs") from the proceeds of bonds, which bonds are to be payable only from the revenues received from any source by such utility, including all rentals and fees ("Revenue Bonds");

WHEREAS, the Municipality has heretofore issued its Water and Electric System Revenue Bonds, dated March 1, 1993 (the "1993 Bonds") pursuant to Resolution No. 1-26-93-1 adopted on January 26, 1993 (the "Bond Resolution"), which 1993 Bonds are no longer outstanding;

WHEREAS, the Municipality has heretofore issued its Water and Electric System Refunding Revenue Bonds, Series 2014, dated August 1, 2014 (the "2014 Bonds") pursuant to Resolution No. 07-08-14-01 adopted on July 8, 2014 (the "2014 Resolution") as Revenue Bonds to pay System Costs and are payable from the income and revenues of the System;

WHEREAS, the Municipality has heretofore issued its Water and Electric System Revenue Bonds, Series 2016, dated April 14, 2016 (the "2016 Bonds") pursuant to Resolution No. 4-12-16-01 adopted April 12, 2016 (the "2016 Resolution") as Revenue Bonds to pay System Costs and are payable from the income and revenues of the System;

WHEREAS, the Municipality has heretofore issued its Water and Electric System Revenue Bonds, Series 2019, dated March 15, 2019 (the "Prior Bonds") pursuant to Resolution No. 03-12-19-01 adopted on March 12, 2019 (the "Prior Resolution") as Revenue Bonds to pay System Costs and are payable from the income and revenues of the System;

WHEREAS, the Common Council of the Municipality now deems it necessary, desirable and in the best interest of the Municipality to refund the mandatory redemption payments due in the years 2021-2026 of each of the 2014 Bonds and the 2016 Bonds (collectively, the "Refunded Obligations") with proceeds of Revenue Bonds for the purpose of restructuring its outstanding indebtedness;

WHEREAS, for the purpose of paying the cost of refinancing the Refunded Obligations (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding"), the Common Council deems it necessary, desirable and in the best interest of the Municipality to authorize and sell Revenue Bonds of the Municipality pursuant to the Act payable solely from the revenues of the System on a parity with the Prior Bonds;

WHEREAS, the Prior Resolution permits the issuance of additional bonds payable from revenues of the System on a parity with the Prior Bonds upon compliance with certain conditions;

WHEREAS, to the best of the City's knowledge, information and belief, the City complies with such conditions;

WHEREAS, other than the Prior Bonds, the Refunded Obligations and the portion of the 2014 Bonds and 2016 Bonds that are not being refunded (which portion the City has funds on hand to pay in full), no bonds or notes payable from the revenues of the System are now outstanding;

WHEREAS, the Common Council now deems it to be necessary, desirable and in the best interest of the Municipality to supplement the Bond Resolution, as amended by the Prior Resolution, to provide for the issuance and sale of Water and Electric System Revenue Refunding Bonds, Series 2019B (the "Bonds") on a parity with the Prior Bonds;

WHEREAS, pursuant to Resolution No. 10-08-19-01 adopted by the Common Council on October 8, 2019, the Municipality 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 November 12, 2019;

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 November 12, 2019;

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 Municipality that:

Section 1(a). Definitions. The definitions in the Bond Resolution, as amended by the Prior Resolution, apply to and are incorporated into this Resolution except as expressly amended below or unless the context expressly or by necessary implication requires otherwise. References in the Bond Resolution, as amended by the Prior Resolution, to "Bonds" and "Parity Bonds" shall apply to the Bonds being issued pursuant to this Resolution. All references to specific sections in the Bond Resolution, as amended by the Prior Resolution, also apply to the Bonds being issued pursuant to this Resolution unless otherwise amended herein.

Section 1(b). Additional and/or Amended Definitions. In addition to and/or in amendment of the terms defined in subsection (a) hereof, the following terms shall have the following meanings in this Resolution unless the context expressly or by implication requires otherwise:

"Annual Debt Service Requirement" means the total amount of principal and interest due on the Prior Bonds, the Bonds and any Parity Bonds in any Bond Year whether at maturity or pursuant to mandatory redemption thereof;

"Bonds" means the \$5,175,000 Water and Electric System Revenue Refunding Bonds, Series 2019B of the Municipality dated December 4, 2019, authorized to be issued by this Resolution;

"Bond Resolution" means Resolution No. 1-26-93-1 adopted by the Common Council on January 26, 1993, which authorized the 1993 Bonds;

"Bulk Power Supply Engineer" means a nationally recognized engineer, or firm of engineers selected by the Municipality and which has skill and expertise in the field of bulk power supply planning;

"Credit Obligation" means any obligation of the Municipality under a contract, lease, installment sales agreement or other instrument, including but not limited to any contract entered into with a municipal electric company pursuant to Section 66.0825(8), Wis. Stats., to make payments for property, services or commodities for the benefit or use of the electric utility portion of the System whether or not the same are made available, furnished or received, or any other obligation of the Municipality, under which the Municipality lends credit to or guarantees debts, claims or other obligations of any other person or entity for the purpose of obtaining property, services or commodities for the electric utility portion of the System or for the purpose of financing the initial costs of any project of any other person or entity from which property, services or commodities are intended to be obtained for the benefit or use of the electric utility portion of the System but only to the extent such obligation requires payment directly or indirectly from a designated fund or account provided for under this Resolution;

"Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents, replacements and capital expenditures. In the case of the electric utility portion of the System,

Current Expenses shall include, without intent to limit the foregoing, all costs of purchasing, producing and delivering electric power and energy and specifically fuel costs, costs of transmission service, reserve service, interchange service, and all other costs of purchased power, including obligations under the Power Supply Contract between the Municipality and WPPI, and all payments required by Credit Obligations;

"DTC" or "Depository" means The Depository Trust Company, New York, New York, or its nominee or successor which shall act as securities depository for the Bonds;

"Electric Utility" means the municipal electric utility which the Municipality owns and operates as part of the System;

"Parity Bonds" means any additional bonds issued pursuant to the Act and Section 9 of the Bond Resolution;

"Prior Bonds" means the Water and Electric System Revenue Bonds, Series 2019, dated March 15, 2019;

"Prior Resolution" means Resolution No. 03-12-19-01 adopted on March 12, 2019;

"Power Supply Contract" means the Long Term Power Supply Contract for Participating Members between the Municipality and WPPI and entered into under Section 66.0825(8), Wis. Stats.;

"Regulations" means the Regulations of the Commissioner of Internal Revenue Service;

"Reserve Requirement" means \$0 for the Prior Bonds and the Bonds; and

"WPPI" means WPPI Energy, a municipal electric company organized under Section 66.0825, Wis. Stats.

Section 2(a). Ratification of the Notice of Sale and Offering Materials. The Common Council 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 2(b). Authorization and Award of Bonds. For the purpose of paying the cost of the Refunding, the City shall borrow on the credit of the income and revenue of the System the sum of \$5,175,000 from the Purchaser in accordance with the terms and conditions of the Proposal. 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 applied in accordance with the Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 2(c). Terms of the Bonds. The Bonds shall be designated "Water and Electric System Revenue Refunding Bonds, Series 2019B"; shall be numbered from R-1 upward; shall be negotiable, fully-registered bonds of the Municipality in the denomination of \$5,000, or any whole multiple thereof; and shall be dated December 4, 2019. The Bonds shall bear interest at the rates per annum and shall mature on March 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference.

Interest on the Bonds shall be payable on March 1 and September 1 of each year, commencing September 1, 2020. 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 maturities is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule"), and is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

The Common Council hereby determines that the refunding of the Refunded Obligations is advantageous and necessary to the City.

Section 3. Redemption Provisions. The Bonds maturing on March 1, 2028 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on March 1, 2027 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.

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. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the Municipality nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund created and established pursuant to the Bond Resolution, as amended and supplemented by the Prior Resolution and this Resolution, and shall be a valid claim of any holder thereof only against said Special Redemption Fund and the revenues of the System pledged to such fund. Sufficient revenues are hereby pledged to said Special Redemption Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due. It is the express intent and determination of the Common Council that the amount of revenues to be set aside in the Special Redemption Fund shall be sufficient in any event to pay the principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds.

Section 6. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds, certain funds of the System have been created and established pursuant to Section 6 of the Bond Resolution which

shall be used solely for the purposes set forth in the Bond Resolution, as amended and supplemented in the Prior Resolution, as amended and supplemented as follows:

Subpart (ii) of Subparagraph (c) of Section 6 of the Bond Resolution is hereby amended and supplemented to read as follows:

(ii) No amount is required to be on deposit in the Reserve Account with respect to the Prior Bonds or the Bonds. The Reserve Account shall be used solely for the purpose of paying principal of or interest on any Parity Bonds secured by the Reserve Account at any time when there shall be insufficient money in the Interest and Principal Account. The Reserve Account shall be replenished in the manner specified in Section 7 hereof.

Section 7. Application of Revenues. After the delivery of the Bonds and any Parity Bonds, the entire gross earnings of the System have been and will continue to be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed in the Bond Resolution, as amended and supplemented by the Prior Resolution and this Resolution, in the order of priority and in the manner set forth in the Bond Resolution, as amended and supplemented by the Prior Resolution and this Resolution.

Section 8. Service to the Municipality. As stated in the Bond Resolution, the reasonable cost and value of services rendered to the Municipality by the System by furnishing water and electric service for public purposes, shall be charged against the Municipality and shall be paid by it in quarterly installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the revenues derived from the System, and out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The Bond Resolution, as amended and supplemented, provides that the reasonable cost and value of such service to the Municipality in any year shall be in an amount which, together with the other revenues of the System, will produce earnings equivalent to not less than 1.25 times annual principal and interest requirements on the Prior Bonds, the Bonds and any Parity Bonds then outstanding after deduction of all operation and maintenance expenses of the System but before deduction of depreciation charges or local tax equivalents. All other provisions of Section 8 of the Bond Resolution still apply and are incorporated into this Section 8.

Section 9. Credit Obligations.

(a) To the extent permitted by law, the Municipality may undertake any Credit Obligation which directly or indirectly requires payments from the Water and Electric System Operation and Maintenance Fund, but only if it shall first obtain an opinion of a Bulk Power Supply Engineer to the effect that: (i) the property, services or commodities to be furnished pursuant to such Credit Obligation may be used beneficially by the Municipality to meet the power and energy requirements of the electric utility portion of the System; and (ii) the obtaining of such property, services or commodities is technically and economically justifiable in accordance with prudent municipal utility management practice.

(b) To the extent permitted by law, the Municipality may undertake any Credit Obligation that directly or indirectly requires payments from the Water and Electric

System Surplus Fund, subject to any prior use of such monies for the benefit of the Bonds pursuant to Section 7 of the Bond Resolution, without meeting the requirements of subsection (a).

(c) The Bulk Power Supply Engineer may, in making all estimates required to be made or necessary to render any opinion required under this Section, rely upon estimates supplied by other engineers or information supplied by other persons, including an authorized representative of the Municipality, who the Bulk Power Supply Engineer believes to be qualified and to have access to the necessary information to make such estimates and to provide such information.

Section 10. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited and applied as follows:

(a) to the Interest and Principal Account of the Special Redemption Fund, the amount of any accrued interest received from the sale of the Bonds; and

(b) to the "Refunding Fund", a special fund hereby created to accomplish the Refunding and established by the Escrow Agreement defined below. Any balance remaining in said Refunding Fund after paying said costs (including paying legal, financing and other professional fees) shall be transferred to the Special Redemption Fund for use in payment of principal of or interest on the Bonds.

Section 11. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Sections 6 and 10 hereof which are not immediately needed for the respective purposes thereof, may be invested in legal investments subject to the provisions of Sec. 66.0603(1m), Wisconsin Statutes, until needed. All income derived from such investments shall be credited to the fund or account from which the investment was made. A separate banking account is not required for each of the funds and accounts established under this Resolution; however, the monies in each fund or account shall be accounted for separately by the Municipality and used only for the respective purposes thereof. The proceeds of the Bonds shall be used solely for the purposes for which they are issued but may be temporarily invested until needed in legal investments. 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.

An officer of the Municipality, charged with the responsibility for issuing the Bonds, shall, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code or the Regulations.

Section 12. Compliance with Federal Tax Laws. (a) The Municipality represents and covenants that the projects financed by the Bonds and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Bonds or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The Municipality 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 Municipality 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 the Bonds to be arbitrage bonds 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 Municipality charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the Municipality certifying that the Municipality can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The Municipality 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 Municipality 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.

The foregoing covenants shall remain in full force and effect, notwithstanding the defeasance of the Bonds, until the date on which the Bonds have been paid in full.

Section 13. 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 14. Redemption of Refunded Obligations. The Refunded Obligations are hereby called for prior payment and redemption on March 1, 2020 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to take all actions necessary for the redemption of the Refunded Obligations on their redemption date. All actions heretofore taken by the officers and agents of the City to effectuate the redemption of the Refunded Obligations are hereby ratified and approved.

Section 15(a). Escrow Agent; Escrow Agreement; Escrow Account. Zions Bancorporation, National Association, 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 (the "Escrow Agreement") (such form to be approved by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the Common Council of the Escrow Agreement), with the Escrow Agent, for the purpose of effecting the provisions of this Resolution.

The Bond proceeds 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.

Section 15(b). SLGS Subscriptions. The Escrow Agent, Ehlers and Ehlers Investment Partners, LLC are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and/or solicit and accept bids for other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the Refunding.

Section 16. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the Municipality by the manual or facsimile signatures of the Mayor and the City Clerk, authenticated by its Fiscal Agent (defined below), if required, sealed with its official or corporate seal 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 office but, unless the Municipality 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 delivery of the Bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until such delivery. The aforesaid officers are hereby authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the Closing. The Municipality hereby authorizes the officers and agents of the Municipality 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 17. 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, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 18. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the City Clerk or City Treasurer (the "Fiscal Agent").

Section 19. 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 20. 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 Municipality at the close of business on the Record Date.

Section 21. Resolution a Contract. The provisions of this Resolution, together with the Bond Resolution as amended by the Prior Resolution, shall constitute a contract between the Municipality and the owner or owners of the Bonds, and any Parity Bonds and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 14 of the Bond Resolution, until all of the Bonds and any Parity Bonds have been paid in full as to both principal and interest. The holder or holders of any Bonds or any Parity Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce his or their rights against the Municipality, the Common Council thereof, and any and all officers and agents thereof, including, but without limitation, the right to require the Municipality, its Common Council and other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution and the Bond Resolution as amended by the Prior Resolutions.

Section 22. 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 Old National Bank at Closing for further distribution as directed by Ehlers.

Section 23. 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 or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 24. 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 25. 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 Bonds in the Record Book.

Section 26. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, 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 Bond 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 Bonds 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 Bond provided herein.

Section 27. Ratification of Bond Resolution. Except as expressly amended and supplemented by the provisions of the Prior Resolutions and this Resolution, the provisions of the Bond Resolution shall remain in full force and effect.


Section 28. Conflicting Resolutions, Resolutions, Severability, Closing and Effective Date. All prior resolutions (other than the Bond Resolution and Prior Resolution), 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 they 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 appropriate officers and agents of the Municipality are hereby directed and authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the closing of this transaction. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Section 29. Closing; Professional Services. The officers of the City 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 of the Bonds. 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.

Adopted and recorded this 12th day of November, 2019.


Julie J. Nickel
Mayor

Attest:


Angela J. Hull
City Clerk

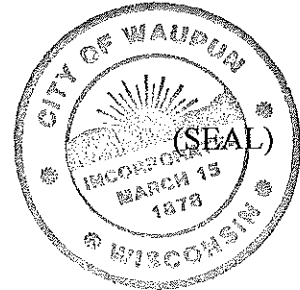


EXHIBIT A

Notice of Sale

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

(See Attached)

NOTICE OF SALE

\$5,405,000* WATER AND ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 2019B CITY OF WAUPUN, WISCONSIN

Bids for the purchase of \$5,405,000* Water and Electric System Revenue Refunding Bonds, Series 2019B (the "Bonds") of the City of Waupun, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on November 12, 2019, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

PURPOSE

The Bonds are being issued pursuant to Section 66.0621, Wisconsin Statutes, to provide funds for the purpose of current refunding certain outstanding obligations payable from the revenues of the City's Water and Electric System (the "Water and Electric System") as more fully described herein. The Bonds are not general obligations of the City but are payable only from and secured by a pledge of income and revenue of the Water and Electric System. The Bonds are being issued on a parity with the City's outstanding Water and Electric System Revenue Bonds, Series 2019, dated March 15, 2019.

DATES AND MATURITIES

The Bonds will be dated December 4, 2019, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

| <u>Year</u> | <u>Amount*</u> | <u>Year</u> | <u>Amount*</u> | <u>Year</u> | <u>Amount*</u> |
|-------------|----------------|-------------|----------------|-------------|----------------|
| 2021 | \$520,000 | 2025 | \$570,000 | 2029 | \$420,000 |
| 2022 | 535,000 | 2026 | 585,000 | 2030 | 425,000 |
| 2023 | 550,000 | 2027 | 400,000 | 2031 | 435,000 |
| 2024 | 560,000 | 2028 | 405,000 | | |

ADJUSTMENT OPTION

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing September 1, 2020, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2024 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The may select City officers or a bank or trust company to act as paying agent (the "Paying Agent"). If a bank or trust company is selected, the City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after March 1, 2028 shall be subject to optional redemption prior to maturity on March 1, 2027 or on any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about December 4, 2019, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding special obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement.

SUBMISSION OF BIDS

Bids must not be for less than \$5,337,437 nor more than \$5,729,300 plus accrued interest on the principal sum of \$5,405,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$108,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of

the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

Kathy Schlieve, City Administrator
City of Waupun, Wisconsin

EXHIBIT B

Bid Tabulation

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

(See Attached)



BID TABULATION

\$5,405,000* Water and Electric System Revenue Bonds, Series 2019B

City of Waupun, Wisconsin

SALE: November 12, 2019

AWARD: PIPER JAFFRAY

Rating: Moody's Investor's Service "A2"

Tax Exempt - Bank Qualified

| NAME OF BIDDER | MATURITY (March 1) | RATE | REOFFERING YIELD | PRICE | NET INTEREST COST | TRUE INTEREST RATE |
|--|-----------------------|--------|---------------------|----------------|-------------------------|--------------------------|
| PIPER JAFFRAY Minneapolis, Minnesota | 2021 | 3.000% | 1.450% | \$5,551,052.35 | \$660,915.37 | 2.0371% |
| | 2022 | 3.000% | 1.500% | | | |
| Cantor Fitzgerald | 2023 | 3.000% | 1.550% | | | |
| | 2024 | 3.000% | 1.600% | | | |
| | 2025 | 3.000% | 1.650% | | | |
| | 2026 | 3.000% | 1.750% | | | |
| | 2027 | 3.000% | 1.900% | | | |
| | 2028 | 2.000% | 2.000% | | | |
| | 2029 | 2.000% | 2.100% | | | |
| | 2030 | 2.125% | 2.150% | | | |
| | 2031 | 2.125% | 2.200% | | | |
| BANKERS BANK Madison, Wisconsin | | | | \$5,415,056.10 | \$654,780.30 | 2.0405% |
| BOK FINANCIAL SECURITIES, INC. Milwaukee, Wisconsin | | | | \$5,716,490.40 | \$686,964.19 | 2.0842% |
| D.A. DAVIDSON Denver, Colorado | | | | \$5,575,751.25 | \$687,239.71 | 2.1092% |
| FIRST BANKERS' BANC SECURITIES, INC. St. Louis, Missouri | | | | \$5,646,857.70 | \$718,178.55 | 2.1757% |

* Subsequent to bid opening the issue size was decreased to \$5,175,000.
 Adjusted Price - \$5,314,796.41 Adjusted Net Interest Cost - \$636,633.90 Adjusted TIC - 2.0378%

| NAME OF BIDDER | MATURITY (March 1) | RATE | REOFFERING YIELD | PRICE | NET INTEREST COST | TRUE INTEREST RATE |
|--|-----------------------|------|---------------------|----------------|-------------------------|--------------------------|
| BAIRD Milwaukee, Wisconsin | | | | \$5,663,162.15 | \$720,600.97 | 2.2007% |
| HUTCHINSON, SHOCKEY, ERLEY & CO. Chicago, Illinois | | | | \$5,694,971.05 | \$729,947.60 | 2.2172% |
| FTN FINANCIAL CAPITAL MARKETS Memphis, Tennessee | | | | \$5,586,917.42 | \$746,333.02 | 2.2818% |
| BERNARDI SECURITIES, INC. Chicago, Illinois | | | | \$5,669,252.55 | \$785,693.28 | 2.3849% |

EXHIBIT C

Winning Bid

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

(See Attached)

BID FORM

The Common Council
City of Waupun, Wisconsin

November 12, 2019

RE: \$5,405,000* Water and Electric System Revenue Refunding Bonds, Series 2019B (the "Bonds")
DATED: December 4, 2019

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ 5,551,052.35 (not less than \$5,337,437 nor more than \$5,729,300) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

| | | | | | | | | |
|--------------|-------|------|--------------|-------|------|--------------|-------|------|
| <u>3.000</u> | % due | 2021 | <u>3.000</u> | % due | 2025 | <u>2.000</u> | % due | 2029 |
| <u>3.000</u> | % due | 2022 | <u>3.000</u> | % due | 2026 | <u>2.125</u> | % due | 2030 |
| <u>3.000</u> | % due | 2023 | <u>3.000</u> | % due | 2027 | <u>2.125</u> | % due | 2031 |
| <u>3.000</u> | % due | 2024 | <u>2.000</u> | % due | 2028 | | | |

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2024 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$108,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about December 4, 2019.

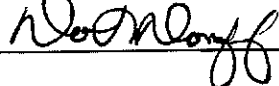
This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Bonds within 24 hours of the bid acceptance.

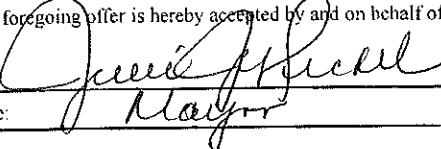
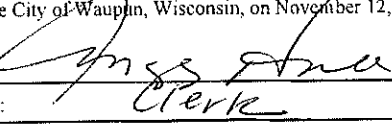
This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds.
YES: NO:

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: Piper Jaffray By: 
Account Members: Cantor Fitzgerald

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from December 4, 2019 of the above bid is \$ 660,915.36 and the true interest cost (TIC) is 2.03713 %.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Waupun, Wisconsin, on November 12, 2019.
By:  Title: Mayor
By:  Title: Clerk

* Subsequent to bid opening the issue size was decreased to \$5,175,000.
Adjusted Price - \$5,314,796.41 Adjusted Net Interest Cost - \$636,633.90 Adjusted TIC - 2.0378%

EXHIBIT D-1

Pricing Summary

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

(See Attached)

City of Waupun, Wisconsin

\$5,175,000 Water and Electric System Revenue Refunding Bonds, Series 2019B

Issue Summary

Dated: December 4, 2019 Winning Bidder: Piper Jaffray

Pricing Summary

| Maturity | Type of Bond | Coupon | Yield | Maturity Value | Price | Dollar Price |
|--------------|---------------|--------|--------|-----------------------|----------|-----------------------|
| 03/01/2021 | Serial Coupon | 3.000% | 1.450% | 490,000.00 | 101.899% | 499,305.10 |
| 03/01/2022 | Serial Coupon | 3.000% | 1.500% | 500,000.00 | 103.293% | 516,465.00 |
| 03/01/2023 | Serial Coupon | 3.000% | 1.550% | 515,000.00 | 104.565% | 538,509.75 |
| 03/01/2024 | Serial Coupon | 3.000% | 1.600% | 535,000.00 | 105.717% | 565,585.95 |
| 03/01/2025 | Serial Coupon | 3.000% | 1.650% | 550,000.00 | 106.750% | 587,125.00 |
| 03/01/2026 | Serial Coupon | 3.000% | 1.750% | 570,000.00 | 107.359% | 611,946.30 |
| 03/01/2027 | Serial Coupon | 3.000% | 1.900% | 385,000.00 | 107.407% | 413,516.95 |
| 03/01/2028 | Serial Coupon | 2.000% | 2.000% | 395,000.00 | 100.000% | 395,000.00 |
| 03/01/2029 | Serial Coupon | 2.000% | 2.100% | 405,000.00 | 99.162% | 401,606.10 |
| 03/01/2030 | Serial Coupon | 2.125% | 2.150% | 410,000.00 | 99.769% | 409,052.90 |
| 03/01/2031 | Serial Coupon | 2.125% | 2.200% | 420,000.00 | 99.255% | 416,871.00 |
| Total | - | - | - | \$5,175,000.00 | - | \$5,354,984.05 |

Bid Information

| | |
|---------------------------------------|----------------|
| Par Amount of Bonds | \$5,175,000.00 |
| Reoffering Premium or (Discount) | 179,984.05 |
| Gross Production | \$5,354,984.05 |
| Total Underwriter's Discount (0.777%) | \$(40,187.64) |
| Bid (102.701%) | 5,314,796.41 |
| Total Purchase Price | \$5,314,796.41 |
| Bond Year Dollars | \$30,815.63 |
| Average Life | 5.955 Years |
| Average Coupon | 2.5195994% |
| Net Interest Cost (NIC) | 2.0659451% |
| True Interest Cost (TIC) | 2.0378694% |

EXHIBIT D-2

Debt Service Schedule

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

(See Attached)

City of Waupun, Wisconsin

\$5,175,000 Water and Electric System Revenue Refunding Bonds, Series 2019B

Issue Summary

Dated: December 4, 2019 Winning Bidder: Piper Jaffray

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|--------------|-----------------------|----------|---------------------|-----------------------|--------------|
| 12/04/2019 | - | - | - | - | - |
| 09/01/2020 | - | - | 103,824.06 | 103,824.06 | 103,824.06 |
| 03/01/2021 | 490,000.00 | 3.000% | 69,993.75 | 559,993.75 | - |
| 09/01/2021 | - | - | 62,643.75 | 62,643.75 | 622,637.50 |
| 03/01/2022 | 500,000.00 | 3.000% | 62,643.75 | 562,643.75 | - |
| 09/01/2022 | - | - | 55,143.75 | 55,143.75 | 617,787.50 |
| 03/01/2023 | 515,000.00 | 3.000% | 55,143.75 | 570,143.75 | - |
| 09/01/2023 | - | - | 47,418.75 | 47,418.75 | 617,562.50 |
| 03/01/2024 | 535,000.00 | 3.000% | 47,418.75 | 582,418.75 | - |
| 09/01/2024 | - | - | 39,393.75 | 39,393.75 | 621,812.50 |
| 03/01/2025 | 550,000.00 | 3.000% | 39,393.75 | 589,393.75 | - |
| 09/01/2025 | - | - | 31,143.75 | 31,143.75 | 620,537.50 |
| 03/01/2026 | 570,000.00 | 3.000% | 31,143.75 | 601,143.75 | - |
| 09/01/2026 | - | - | 22,593.75 | 22,593.75 | 623,737.50 |
| 03/01/2027 | 385,000.00 | 3.000% | 22,593.75 | 407,593.75 | - |
| 09/01/2027 | - | - | 16,818.75 | 16,818.75 | 424,412.50 |
| 03/01/2028 | 395,000.00 | 2.000% | 16,818.75 | 411,818.75 | - |
| 09/01/2028 | - | - | 12,868.75 | 12,868.75 | 424,687.50 |
| 03/01/2029 | 405,000.00 | 2.000% | 12,868.75 | 417,868.75 | - |
| 09/01/2029 | - | - | 8,818.75 | 8,818.75 | 426,687.50 |
| 03/01/2030 | 410,000.00 | 2.125% | 8,818.75 | 418,818.75 | - |
| 09/01/2030 | - | - | 4,462.50 | 4,462.50 | 423,281.25 |
| 03/01/2031 | 420,000.00 | 2.125% | 4,462.50 | 424,462.50 | - |
| 09/01/2031 | - | - | - | - | 424,462.50 |
| Total | \$5,175,000.00 | - | \$776,430.31 | \$5,951,430.31 | - |

Yield Statistics

| | |
|-----------------------------------|-------------|
| Bond Year Dollars | \$30,815.63 |
| Average Life | 5.955 Years |
| Average Coupon | 2.5195994% |
| Net Interest Cost (NIC) | 2.0659451% |
| True Interest Cost (TIC) | 2.0378694% |
| Bond Yield for Arbitrage Purposes | 1.8992718% |
| All Inclusive Cost (AIC) | 2.3218715% |

IRS Form 8038

| | |
|---------------------------|-------------|
| Net Interest Cost | 1.8841066% |
| Weighted Average Maturity | 5.912 Years |

EXHIBIT E

(Form of Bond)

| | | |
|--------------|-----------------------------------|----------|
| REGISTERED | UNITED STATES OF AMERICA | DOLLARS |
| | STATE OF WISCONSIN | |
| | DODGE AND FOND DU LAC COUNTIES | |
| NO. R- _____ | CITY OF WAUPUN | \$ _____ |
| | WATER AND ELECTRIC SYSTEM REVENUE | |
| | REFUNDING BOND, SERIES 2019B | |

| | | | |
|----------------|-------------------------|----------------|--------|
| MATURITY DATE: | ORIGINAL DATE OF ISSUE: | INTEREST RATE: | CUSIP: |
| March 1, _____ | December 4, 2019 | _____ % | _____ |

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
 (\$ _____)

FOR VALUE RECEIVED, the City of Waupun, Dodge and Fond du Lac Counties, 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), solely from the fund hereinafter specified, 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 shall be payable semi-annually on March 1 and September 1 of each year commencing on September 1, 2020 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 the City Clerk or City Treasurer (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.

The Bonds maturing on March 1, 2028 and thereafter are subject to redemption prior to maturity, at the option of the City, on March 1, 2027 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.

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.

This Bond is one of an issue aggregating \$5,175,000, issued for the purpose of paying the cost of refunding obligations of the City issued to finance additions, improvements and extensions to the City's Water and Electric System, pursuant to (i) Article XI, Section 3, of the Wisconsin Constitution; (ii) Section 66.0621, Wisconsin Statutes, acts supplementary thereto; (iii) a resolution adopted January 26, 1993, as amended and supplemented (the "Bond Resolution"); and (iv) a Resolution adopted November 12, 2019 entitled: "Resolution Supplementing Resolution No. 1-26-93-1; Authorizing the Issuance and Sale of \$5,175,000 Water and Electric System Revenue Refunding Bonds, Series 2019B; and Providing for the Payment of the Bonds and Other Details and Covenants With Respect Thereto" (the "Resolution"). This Bond is payable only from the income and revenues of said Water and Electric System. Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Special Redemption Fund", created by the Bond Resolution and continued by the Resolution. The Bonds are issued on a parity with the City's Water and Electric System Revenue Bonds, Series 2019, dated March 15, 2019. This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or provision.

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, 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.

It is hereby certified, recited and declared that all conditions, things and acts required by law to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said City from the operation of its Water and Electric System has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the City of Waupun, Dodge and Fond du Lac Counties, 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 WAUPUN,
DODGE AND FOND DU LAC COUNTIES,
WISCONSIN

By: _____
Julie J. Nickel
Mayor

(SEAL)

By: _____
Angela J. Hull
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 «F10_85» 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)