



FINANCE COMMITTEE MEETING AGENDA

MONDAY, JANUARY 23, 2023 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

By Phone or GoToMeeting: Members of the media and the public may attend by calling:

+1 (571) 317-3122 **Access Code:** 153-925-469 or <https://www.gotomeet.me/EMcFarland>

All public participants' phones will be muted during the meeting except during the public comment period.

1. CALL TO ORDER

2. REVIEW AND APPROVE MINUTES

A. Minutes of January 9, 2023

3. BUSINESS

- A. Review and take action: hire Mindy Fry to fill the open vacancy of Records Clerk/Specialist in the Police Department at Grade G Step 4 [\$23.35/hr.]
- B. Discuss and take action: 2023 Capital Funds Reassignment for Borrowing
- C. Review and take possible action: Award City of Watertown Contract #9-22, Riverside Park Restroom Structure, to Ray Stadler Const. Co., Inc. for \$1,154,800.00
- D. Review and take possible action: Change Order No. 1 to Contract #9-22 with Ray Stadler Const., Co. Inc. reducing contract amount by \$62,260.00 to a contract price of \$1,092,540.00
- E. Review and take action: update to the Employee Handbook of Policies and Procedures for the Achievement Recognition Award Program
- F. Discuss and approve: opening of BMO money market account
- G. Review and take potential action: Transfer responsibility of Riverfest Celebration
- H. Convene into closed session per Wis. Stat. Sec. 19.85(1)(g) to confer with legal counsel of the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. (K. Lambrecht v. City of Watertown)
- I. Reconvene into open session
- J. Convene into closed session per Wis. Stat. Sec. 19.85(e) for 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. (First Amendment of Development Agreement and Purchase Agreement between Riverhouse on the Rock LLC fka Main Street Watertown LLC and the City of Watertown)
- K. Reconvene into open session
- L. Convene into closed session per Wis. Stat. Sec. 19.85(e) for 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. (Assignment and Assumption of Substitute Development Agreement between Watertown Square LLC and the City of Watertown)
- M. Reconvene into open session
- N. Convene into closed session per Wis. Stat. Sec. 19.85(1)(g) to confer with legal counsel of the governmental body who is rendering oral or written advice concerning strategy to be adopted

by the body with respect to litigation in which it is or is likely to become involved. (668 Johnson Street and 621 Bernard Street)

O. Reconvene into open session

4. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at mdunneisen@CityofWatertown.org, phone 920-262-4006

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only



FINANCE COMMITTEE MEETING MINUTES

MONDAY, JANUARY 09, 2023 AT 5:30 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

Members present: Mayor McFarland, Alderpersons Bartz, Davis, Lampe, and Ruetten

Others present: Finance Director Mark Stevens, Attorney Steven Chesebro, Andrew Beyer

1. **Call to order.** Mayor McFarland called the meeting to order at 5:30 p.m.
2. Review and approve: A motion to accept the **minutes of the December 12, 2022**, meeting was made by Ald. Reutten, seconded by Ald. Lampe, and approved unanimously by voice vote.

A motion to accept the **minutes of the December 20, 2022**, meeting was made by Ald. Reutten, seconded by Ald. Lampe, and approved unanimously by voice vote.
3. Mr. Brad Viegut (Managing Director, Baird) presented a summary of the **2023 financing proposal of \$3,995,000 General Obligation Promissory Notes**. The estimated interest rate was 3.49% the presentation was made, but is likely closer to 3.20% as of the meeting. The recommendation is to schedule payments over eight years, as has been the City's recent practice. With the incorporation of future borrowing assumptions, including an estimated \$11 million (amortized over twenty years), the impact on the levy due to debt shows a mill rate maintained at the current \$2.55 for five years with decreases in the future. Ald. Lampe made the motion, supported by Ald. Bartz, to recommend the sale of approximately \$3,995,000 General Obligation Promissory Notes to the City Council, and approved unanimously by voice vote.
4. The city submitted a Highway Safety Improvement Program (HSIP) application to WisDOT for **Welsh Road safety improvements** that was approved. The total estimated cost is \$198,715 with 90% granted, scheduled for WI FY2024. The city's portion is 10% of eligible improvements and 100% of non-participating construction costs and preliminary engineering/plan development. A motion to recommend acceptance of this agreement was made by Ald. Davis, seconded by Ald. Ruetten, and approved unanimously by voice vote.
5. The city submitted three BIL grant applications to WisDOT for road reconstruction. Rated as highest priority, the **Dewey Avenue request** (E. Main to Division) was successful. The total estimated cost is \$1,804,952 with 80% granted, scheduled for WI FY 2026. The city's portion is 20% of eligible reconstruction costs and 100% of non-participating construction costs, preliminary engineering/plan development, and non-participating water main expenses. A motion to recommend acceptance of this agreement was made by Ald. Bartz, seconded by Ald. Ruetten, and approved unanimously by voice vote.
6. The Engineering Division seeks approval to accept a WI DNR Urban Nonpoint Source and Stormwater Grant **award of \$150,000 for the design and construction of a bioswale at the yard waste site**, helping toward meeting the total maximum daily load (TMDL) goals. WDNR will pay 41.2% of the project, up to \$150,000. The grant expires at the end of 2024. A motion to accept this grant was made by Ald. Ruetten, seconded by Ald. Davis, and approved unanimously by voice vote.
7. The Engineering Division seeks approval to accept a WI DNR Urban Nonpoint Source and Stormwater Grant **award of \$49,785 for the installation of deep catch basins in the 2023 street project area**. These basins include 36-inch-deep sumps that will remove total suspended soils.

WDNR will pay 50.0% of the project, up to \$49,785. The grant expires at the end of 2024. A motion to accept this grant was made by Ald. Davis, seconded by Ald. Bartz, and approved unanimously by voice vote.

8. Ald. Lampe provided updates on **Riverfest transition** plans:
 - a. Group of volunteers is working to incorporate into a non-profit organization
 - b. Reach-out has been initiated with entertainment groups
 - c. Draft of transfer of responsibilities and remaining fund balance is underway with Mr. Chesebro
 - d. The group understands it would be working under special event permitting
 - e. The individuals are discussing coverage of liability insurance as a separate entity
9. Mr. Chesebro presented a modified **service agreement between Watertown Humane Society and the City of Watertown**. Key changes:

- a. Section 1.2 rate of payment change
- b. Section 4.9 reservation of four kennels for use by the City with two available to WHS for short-term use
- c. Removal of language for services to individuals to drop off animals (not city-related)

Ald. Ruetten made the motion, seconded by Ald. Lampe, to approve the agreement as presented, and the committee approved unanimously by voice vote.

10. Mr. Stevens provided a memo indicating an opportunity to transition to a new insurance carrier for **cyber liability coverage**. LWMMI, our current liability insurance carrier, is now providing a cyber liability product to municipalities that have incorporated enhanced IT practices. The offering is re-insured by a large cyber insurance company, Tokio Marine. Ald. Davis motioned, supported by Ald. Bartz, to transition from Chubb to LWMMI effective February 1, 2023, and the committee approved unanimously by voice vote.

Our insurance broker also suggested the City contemplate **water main breakage coverage**. The committee directed Mr. Stevens to interact with Water Manager Hartz for further consideration.

11. Mr. Stevens presented a list of the **unclaimed funds (outstanding checks)** from two years ago. This information is required to be submitted to the respective counties for further attempt to find owners.
12. Ald. Ruetten, supported by Ald. Bartz, motioned to convene into **closed session** per Wis. Stat. Sec. 19.85(1)(g) to confer with legal counsel of the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved (J. Thompson v. City of Watertown). The committee unanimously approved through a roll call vote.
13. The committee reconvened into open session.
14. Adjournment. Ald. Ruetten moved to approve adjournment at 6:33, seconded by Ald. Bartz, and carried by unanimous voice vote.

Respectfully submitted,

Mark Stevens, Finance Director

Note: These minutes are uncorrected, and any corrections made thereto will be noted in the proceedings at which these minutes are approved.

To: Finance Committee
From: Mark Stevens
Date: January 23, 2023
RE: Capital Funds Reassignment or Borrowing Request

Two projects have modified in their scope and needs since the budget was presented and approved for Capital Improvements and borrowing:

- 911 system rebuild
- Riverside restroom replacement

911 System Rebuild

Our Vesta 9-1-1 system is a back-up for Jefferson County. The County was pursuing a grant for an upgrade that included Watertown's equipment, but the State didn't approve our portion. An amount of \$50,000 is included in the borrowing resolution. The total of the project is \$127,561; **\$77,561** additionally is needed.

Riverside Restroom Replacement

The 2022 borrowing for this project was \$720,000. Preliminary work (demo, utilities connections, some material purchasing) was started. The Jan 1 carry-over balance is estimated at \$600,000. The initial bid results for construction exceeds the remaining funds by approximately **\$491,000**.

Possible sources/options for affording additional \$569,000:

- ARPA- \$297,000 unassigned
- Fund 05 Fund Balance- \$70,000 unrestricted (accumulation of interest earnings)
- Fund 05- Annual Street- \$580,000 balance *
- Adjust 2023 borrowing request, reducing Annual Street assignment and assigning to the two projects
- Increase borrowing resolution from \$3,995,000 to \$4,554,000
- Rebid restroom project, hoping for improved pricing (at least two-month delay)

* Reasoning for \$580,000 Annual Street balance...

- The remaining balance of 2021 was unknown at the time of the 2022 borrowing
- Geotextile fabric wasn't installed under some streets because of supply chain issues
- Planned roadway projects didn't move forward (e.g. E Horseshoe Rd resurfacing- no signed agreement with project sponsor)
- City crews completed portions of bid work that resulted in savings

Watertown
2023 Capital Project List for Borrow Request

Rev
 1/19/2023

Acct #	Dept	Item	Cost
05-51-71-70	Municipal Building	Chiller system (Trane rebuild)	111,497
05-52-11-70	Police	Marked patrol equipped (2)	125,000
		Unmarked SUV	30,000
05-52-13-70	Dispatch	911 System rebuild (AT&T- same service as Jeff Cty)	50,000
05-52-31-70	Fire	Hurst battery extrication tools	60,000
		High pressure air bag lift system	10,000
		Station design & construction documents	600,000
		Outfit command car	40,740
05-52-51-70	Emergency Gov't	Tornado siren	26,000
05-54-11-70	Street	Hot box	30,000
		Vehicle (supervisor)	55,000
		Truck: one ton w/ flatbed body	75,000
		Shared w/ Solid Waste [17-58-17-60]	(37,500)
		Fuel tank and pump replacement	65,000
		Shared w/ Solid Waste (\$21,500) [17-58-17-60] & Storm Water (\$21,500) [16-58-16-60]	(43,000)
05-54-24-70	Traffic Signals	Main St signal upgrade	25,000
05-54-42-70	Street Lighting	Chadwick Drive (4)	32,000
05-54-53-70	Airport	Runway crack filling	20,000
05-55-20-70	Recreation	Quarry Study (67% city shared w/ 33% StormWtr)	80,000
05-55-22-70	Aquatic Center	Slides replacement	137,600
05-55-24-70	Senior/Community Ctr	Terrace retaining wall	75,000
05-55-41-70	Park	Riverside Park repairs	87,400
		Supervisor vehicle	36,000
		Riding lawnmower	115,000
05-58-11-22	Bike Lane/Markings	TAP Grant: bike/pedestrian master plan (20% city portion)	20,000

Acct #	Dept	Item	Cost
05-58-11-40	Bridges	Bridge inspection	15,000
		Bridge maintenance	10,000
		Main St Bridge: design	115,000
		Main St Bridge: non-eligible modifications design	25,000
		Cady Street Bridge: rehab	100,000
		TAP Grant: Tivoli Island bridge study (20% city portion)	6,400
05-58-11-41	Seawall		50,000
05-58-11-69	Annual Streets	S Washington St reconstruction	655,000
		Emmet St reconstruction	296,000
		W Madison St reconstruction	259,000
		W Milwaukee St reconstruction	162,000
		N Fourth St resurfacing (2022 BIL)	115,000
		Sr Ctr parking lot resurfacing	115,000
		Street patching	15,000
		Work shared with Stormwtr, Water, WW utilities	(200,000)
		2024-25 design work (25% of est \$200K cost w/ utilities)	50,000
		Main St design work (75% of est \$40K cost w/ 25% storm)	30,000
		Dewey Ave design (BIL) (75% of est \$160K cost w/ 25% storm)	120,000
		Welsh Rd (near bypass) HSIP design	31,200
05-58-11-73	Sidewalk		50,000
05-58-11-92	Seal Coating	Pavement marking	25,000
		Crack sealing and seal coating	125,000
Total			3,995,337

Possible Modifications

05-52-13-70	Dispatch	911 System rebuild (AT&T- same service as Jeff Cty)	77,561
05-55-41-70	Park	Riverside Park repairs	481,000
05-58-11-69	Annual Streets	Reduction due to 12/31/22 balance	(558,561)
Net Change: 01/23/23			-

[illegible]

MEMO

TO: Mayor McFarland and Committee Members
FROM: Andrew M. Beyer, P.E.
DATE: January 19, 2023
RE: Finance Committee Meeting of January 23, 2023

- Review and take possible action: Award City of Watertown Contract #9-22, Riverside Park Restroom Structure, to Ray Stadler Const. Co., Inc. for \$1,154,800.00

BACKGROUND

Review and take possible action: Award City of Watertown Contract #9-22, Riverside Park Restroom Structure, to Ray Stadler Const. Co., Inc. for \$1,154,800.00

The City of Watertown Parks Department and Engineering Division publicly opened bids for the rebid 2022 Riverside Park Restroom Project on November 29, 2022. Three bids were received. Pending available funding, the Parks Department and Engineering Division are recommending awarding the project to the lowest responsive & responsible bidder, Ray Stadler Const., Co. Inc., in the amount of \$1,154,800.00 with a mandatory forthcoming change order to reduce the contract amount within available City budget. A bid tab and draft resolution are attached.

Attached:

- Bid tab
- Draft resolution



Riverside Park Restroom (#8332682)
Owner: City of Watertown
Solicitor: City of Watertown, WI
11/29/2022 10:00 AM CST

						Ray Stadler Const., Co. Inc.		JH Hassinger, Inc.		Harmony Construction Management	
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Base Bid A: Site Work							\$81,800.00		\$30,000.00		\$134,100.00
	1A	1A	Furnishing and installing all materials, equipment, tools and labor for Site Grading, Bioretention Facility Construction, Asphalt Paving, Topsoil, Seed, and Mulch, Erosion Control, Traffic Control, Final Site Cleaning according to the plans and specifications, complete	LS	1	\$81,800.00	\$81,800.00	\$30,000.00	\$30,000.00	\$134,100.00	\$134,100.00
Base Bid B: Structure							\$1,073,000.00		\$1,172,022.00		\$1,081,798.00
	1B	1B	Construct Restroom Building, Concrete Slab, and Connect to City & Private utilities according to the plans and specifications, complete	LS	1	\$1,073,000.00	\$1,073,000.00	\$1,172,022.00	\$1,172,022.00	\$1,081,798.00	\$1,081,798.00

Alternate Bid 1: Asphalt Shingle Roofing System							\$38,676.00		(\$23,000.00)		(\$35,785.00)
	1C	1C	Deduct for removal of a Metal Roofing System from the Bid, and replacing with the installation of an Asphalt Shingle Roofing System	LS	1	\$38,676.00	\$38,676.00	(\$23,000.00)	(\$23,000.00)	(\$35,785.00)	(\$35,785.00)
Base Bid Total:							\$1,154,800.00		\$1,202,022.00		\$1,215,898.00

**DRAFT RESOLUTION TO
AWARD THE CONSTRUCTION OF THE RIVERSIDE PARK
RESTROOM FACILITY TO RAY STADLER CONST., CO. INC. FOR
\$1,154,800.00**

**SPONSOR: MAYOR MCFARLAND
FROM: FINANCE COMMITTEE**

WHEREAS, the following Bids were received by City of Watertown to construct a Riverside Park Restroom Structure in accordance with advertised plans and specifications; and,

WHEREAS, the Bids received were as follows:

CONTRACTOR	Base Bid A: Site Work	Base Bid B: Structure	Base Bid Total
Ray Stadler Const., Co. Inc.	\$81,800.00	\$1,073,000.00	\$1,154,800.00
JH Hassinger, Inc.	\$30,000.00	\$1,172,022.00	\$1,202,022.00
Harmony Construction Management	\$134,100.00	\$1,081,798.00	\$1,215,898.00

; and,

WHEREAS, the Bid from Ray Stadler Const., Co. Inc. for \$1,154,800.00 was chosen, and appears to be in the best interest of the City of Watertown based on the review of the City of Watertown Finance Committee; and,

WHEREAS, the City of Watertown Finance Committee hereby recommends to the Common Council that it accept the Bid from Ray Stadler Const., Co. Inc., of Wauwatosa, WI for the construction of the Riverside Park Restroom Facility.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN:

That the proper City Officials be and are hereby authorized to contract with Ray Stadler Const., Co. Inc., of Wauwatosa, WI for the construction of the Riverside Park Restroom Facility one million one hundred fifty four thousand eight hundred dollars and no cents (\$1,154,800.00) said monies to be take from Account No. 05-55-41-70, Park Capital.

	YES	NO
DAVIS		
LAMPE		
RUETTEN		
BARTZ		
LICHT		

ADOPTED February 7, 2023

CITY CLERK

SMITH		
SCHMID		
WETZEL		
ROMLEIN		
MAYOR MCFARLAND		
TOTAL		

APPROVED February 7, 2023

MAYOR

MEMO

TO: Mayor McFarland and Committee Members
FROM: Andrew M. Beyer, P.E.
DATE: January 19, 2023
RE: Finance Committee Meeting of January 23, 2023

- Review and take possible action: Change Order No. 1 to Contract #9-22 with Ray Stadler Const., Co. Inc. reducing contract amount by \$62,260.00 to a contract price of \$1,092,540.00

BACKGROUND

Review and take possible action: Change Order No. 1 to Contract #9-22 with Ray Stadler Const., Co. Inc. reducing contract amount by \$62,260.00 to a contract price of \$1,092,540.00

Pending award of the Riverside Park Restroom Project to Ray Stadler Cons., Co. in the amount of \$1,154,800, a mandatory change order is needed to bring the contract price within the City's available budget. The Parks Department and Engineering Division are recommending the approval of Change Order No. 1, which would reduce the contract by \$62,260 to a contract price of \$1,092,540. The Change Order replaces several bid items with reasonably priced alternative items. The change order, which details said substitutions, and draft resolution are attached for Committee review.

Attached:

- Change Order No. 1
- Draft resolution

Date of Issuance: February 8, 2023

Effective Date:

Project: Riverside Park Restroom	Owner: City of Watertown	Owner's Contract No.: 9-22
Contract: Riverside Park Restroom	Date of Contract:	
Contractor: Ray Stadler Const., Co. Inc.		

The Contract Documents are modified upon execution of this Change Order:

Description: Change Order No. 1 incorporates the following into plans and specifications:
Cedar beams & decking replaced with douglas fir (\$26,760.00), Alternate lighting fixtures (\$5,000)
Alternate plumbing fixtures (\$10,000), Concrete replaced with masonry (\$7,000), Alternate siding:
concrete board or Hardy siding (\$13,500)
Attachments:

Change in Contract Price:	Change in Contract Times:
Original Contract Price:	Original Contract times — <input type="checkbox"/> Working Days — <input type="checkbox"/> Calendar Days
<u>\$1,154,800.00</u>	Substantial completion (days or date): _____
	Ready for final payment (days or date): _____
Increase from previously approved Change Orders No. 0 to No. 1	(Increase) (Decrease) from previously approved Change Orders No. _____ to No. _____
<u>\$0.00</u>	Substantial completion (days): _____
	Ready for final payment (days): _____
Contract Price prior to this Change Order:	Contract Times prior to this Change Order:
<u>\$ 1,154,800.00</u>	Substantial completion (days or date): _____
	Ready for final payment (days or date): _____
Increase OR Decrease of this Change Order:	(Increase) (Decrease) of this Change Order:
<u>\$ 62,260.00</u>	Substantial completion (days or date): _____
	Ready for final payment (days or date): _____
Contract Price incorporating this Change Order:	Contract Times with all approved Change Orders:
<u>\$ 1,092,540.00</u>	Substantial completion (days or date): _____
	Ready for final payment (days or date): _____

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____	By: _____	By: _____
Engineer (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Date: _____	Date: _____	Date: _____
Approved by Funding Agency (if applicable) _____		Date: _____

Riverside Restroom Deductions

Replace cedar beams & decking with douglas fir -	(\$26,760)
Off brand Lighting Fixtures -	(\$ 5,000)
Off brand Plumbing Fixtures -	(\$10,000)
Replace concrete with masonry -	(\$ 7,000)
Different option for siding and trim -	(\$13,500)
- Concrete board or Hardy siding	
 Total with Site work included in Bid	 \$1,154,800
Deductions	(\$ 62,260)
Total	\$1,092,540
Current total of acct.	\$ 601,688
Total needed	\$ 490,852

**DRAFT RESOLUTION TO
APPROVE CHANGE ORDER NO. 1
CONTRACT #9-22 RIVERSIDE PARK RESTROOM PROJECT
WITH RAY STADLER CONST., CO. INC.**

**SPONSOR: MAYOR MCFARLAND
FROM: FINANCE COMMITTEE**

WHEREAS, a reduction in scope of work is required to meet the City's financial obligations; and,

WHEREAS, the awarded contract price for this project was \$1,154,800.00, Change Order No. 1 will decrease the contract by \$62,260.00 bringing the revised contract price with approved Change Order No. 1 to \$1,092,540.00; and,

WHEREAS, the change order requires a resolution be adopted by the Common Council; and,

WHEREAS, the Finance Committee has considered this change order and recommends the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN:

Authorizes the proper City Officials to approve Change Order No. 1 to Contract #9-22, Riverside Park Restroom Project with Ray Stadler Const., Co. Inc. in the amount of \$62,260.00 bringing the revised contract price with approved Change Order No. 1 to \$1,092,540.00.

	YES	NO
DAVIS		
LAMPE		
RUETTEN		
BARTZ		
LICHT		
SMITH		
SCHMID		
WETZEL		
ROMLEIN		
MAYOR MCFARLAND		
TOTAL		

ADOPTED February 7, 2023

CITY CLERK

APPROVED February 7, 2023

MAYOR

Achievement Recognition Award

The purpose of the Achievement Recognition Award Program is to further support the performance of the employees of the City of Watertown. Growth and development of our employees, teams, and the City is essential to the success of the community through the use of the comprehensive pay structure, performance evaluation process, and the identification of personal achievements. Further details of the award program are listed below.

1. **Program Name:** Achievement Recognition Award (ARA)
2. **Phraseology:** This is an “award” or something is being “awarded”
3. **Eligibility Definition:** Regular Employees as defined in the employee handbook averaging more than 20 hours per week who are subject to the directions of the Common Council and are not on a performance improvement plan. Employee must receive performance evaluation rating of Exceptional or Exceeds Expectation.¹
4. **Department heads** for the purposes of the program are defined as: Police Chief, Fire Chief, Public Health Officer/Director, Recreation and Parks Director, Media and Communications Director, Finance Director, Public Works Director/City Engineer and City Attorney
5. **Nomination:** Supervisor must fill out nomination form for eligible employee. Nomination must be approved by Department Head.
6. **Nomination Period:** January
7. **Selection Period:** February
8. **Selection Process and Selection Committee:** Need to determine (see options below)
9. **Payout of Award:** Q1
 - a. Award will be budgeted as a lump sum and added the HR budget
 - b. Award Payout: Equal lump sum for all selected. Suggested \$500 (after tax). Vacation day for those nominated and not selected (depending on department #s)

All eligible regular employees who score Exceptional or Exceeds Expectations would be eligible for this award. The pool shall accommodate a \$500 award (after taxes) based on the allocation of dollars. HR lets Supervisors know which employees are eligible and asks the Supervisor to fill out nomination form for those employees. Forms are deidentified and shared with the department head or in the case of pooled departments, the Selection Committee, for determination of the award. The Selection Committee is the department heads from the pooled departments. Department heads from not pooled departments can determine if they would like a selection committee specific to their department for this process. Nomination forms are then reviewed and those selected for award receive a monetary benefit, those not selected may receive an extra day of vacation, or no award at all. The number of financial award and extra day of vacation awards shall be the same.

¹ The City is aware that the union represented employees would have to agree to amend the contract. For planning purposes we’re including them, but acknowledge a different timeline may need to be followed.

Awards are based proportionately by department and number of employees that are eligible for the program. Small departments (Admin, Finance, Media, & Attorney) are pooled together. See the chart below.

Department	Monetary Awards Available	Vacation Day Awards Available
Police Department	6	6
Fire Department	3	3
Public Works Department	6	6
Pooled Small Departments: Administration, Finance, Media, City Attorney, Municipal Judge	1	1
Health Department	1	1
Parks, Recreation and Forestry	1	1
Department/Division Heads	1	1
Discretionary Mayoral Designation	1	1

If a department or group does not have enough candidates to qualify for all the spots they have available, the spot can be allocated to another department who has more candidates than spots available upon approval by the Mayor.

Department/division heads will be considered as a separate “department,” for the purposes of ARA. The selection committee for the Department/division Head awards will be the Finance Committee.

A report summarizing this program is due to the Finance Committee. This plan shall be reviewed annually in advance of the budget preparation.

To: Finance Committee
From: Mark Stevens
Date: January 23, 2023
RE: BMO Harris Money Market Account

The decision to move the city's banking to BMO Harris was made in late 2021 with an estimate of fees in 2022's budget that we surpassed, and I had to adjust to more for 2023. Admittedly, I personally despise paying bank fees! What is hard to handle is that the earnings credit that offsets fees is minute (0.60%). December's average daily balance was more than \$2.7M, yet we still had net charges of \$475 (\$1420 earnings minus \$1894 fees). It frustrates me to see such a positive cash balance earning nothing. I attempt to move sizable cash balances to the WI LGIP savings account, but this process costs wire charges and takes a couple of days for transactions to be completed.

The city, as is typical with public entities, has a requirement to collateralize public deposit through the pledging of appropriate securities or other instruments by the bank, and we do this at a reduced interest earnings. Staying within this constraint, I have worked with BMO Harris bankers to request the capability to establish a money market account at the bank with what is called ZBA (zero balance account) relationship with our checking account. At the end of each business day, the checking account balance would be lowered to \$50,000 (my suggested balance instead of \$0) and transferred into the collateralized money market account, currently paying 3.75% APY. Money is then transferred to the checking account as needed to pay presented checks, net of new deposits. This will allow us to earn money at a higher interest rate, although our fees will rise because the checking account balance will have less ability to offset the expenses.

Example of December:

Actual expense: \$1894	
Earnings credit: \$1420	Net expense: \$475

If MMA w/ ZBA had been in place:

Actual expenses: \$1925	
Interest earnings: \$8712	Net benefit: \$6,787

December is a high-cash balance month. But average balances exist throughout the year that are barely earning anything. Sample of average balances:

March	\$2,020,000	\$6,226
June	\$2,906,000	\$8,956
September	\$1,580,000	\$4,870

It's not news to anyone that interest rates have risen. A year ago, I didn't like the thought of earning little interest, but the WI LGIP rate was also only paying 0.60%. It's now at 4.05%, so I would continue to move larger sums of cash to the State program. For most days of the year, though, this approach will allow us to see more interest earnings on funds that are sitting in the general check book.

Date of this notice: 01-18-2023

Employer Identification Number:
92-1799162

Form: SS-4

Number of this notice: CP 575 A

WATERTOWN RIVERFEST INC
PO BOX 431
WATERTOWN, WI 53094

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 92-1799162. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Taxpayers request an EIN for their business. Some taxpayers receive CP575 notices when another person has stolen their identity and are opening a business using their information. If you did **not** apply for this EIN, please contact us at the phone number or address listed on the top of this notice.

When filing tax documents, making payments, or replying to any related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

Based on the information received from you or your representative, you must file the following forms by the dates shown.

Form 1120

01/15/2024

If you have questions about the forms or the due dates shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification (corporation, partnership, etc.) based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2020-1, 2020-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S, U.S. Income Tax Return for an S Corporation, must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, Election by a Small Business Corporation.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents or other payroll service providers, are available to assist you. Visit www.irs.gov/mefbusproviders for a list of companies that offer IRS e-file for business products and services.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.
- * Provide future officers of your organization with a copy of this notice.

Your name control associated with this EIN is WATE. You will need to provide this information along with your EIN, if you file your returns electronically.

Safeguard your EIN by referring to Publication 4557, *Safeguarding Taxpayer Data: A Guide for Your Business*.

You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter.

Thank you for your cooperation.

Keep this part for your records.

CP 575 A (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 A

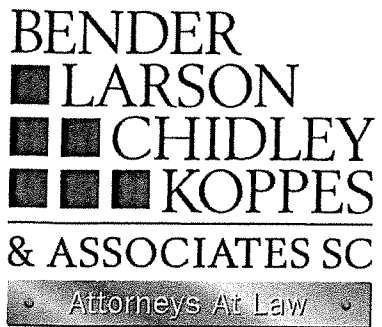
999999999999

Your Telephone Number Best Time to Call
() -

DATE OF THIS NOTICE: 01-18-2023
EMPLOYER IDENTIFICATION NUMBER: 92-1799162
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023
|||

WATERTOWN RIVERFEST INC
PO BOX 431
WATERTOWN, WI 53094



USPS TRACKING #
& CUSTOMER
RECEIPT

9114 9022 0078 9460
For Tracking or Inquiries go to USPS.com
or call 1-800-222-1811.

Section 3, Item G.

January 13, 2023

State of WI – Dept. of Financial Institutions
Box 93348
Milwaukee, WI 53293-0348

RE: Watertown Riverfest Inc.
Our File No.: 4558.004

Dear Sir or Madam:

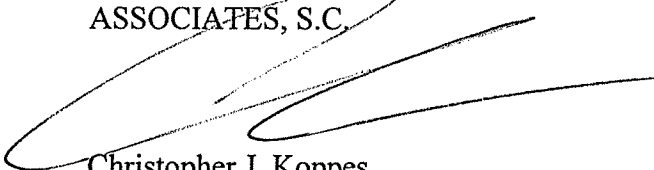
Enclosed please find:

1. Articles of Incorporation for “Watertown Riverfest Inc.”, a Wisconsin Nonstock Corporation, signed by organizer, Jonathan Lampe.
2. A check in the amount of \$60.00 in payment of the filing fee plus the expedite fee.
3. A Name Reservation Application, previously filed with your office, reserving the “Watertown Riverfest Inc.” name for use with the attached Articles of Incorporation, also signed by Jonathan Lampe.

If you require any further information to process this request, please contact the undersigned.

Very truly yours,

BENDER, LARSON, CHIDLEY, KOPPE &
ASSOCIATES, S.C.



Christopher J. Koppes
ckoppes@blcklaw.com

CJK:ts
cc: Jonathan Lampe (via email)

Articles of Incorporation

“Watertown Riverfest Inc.”

The following Articles of Incorporation are submitted for Watertown Riverfest Inc. pursuant to Wis. Stat. s. 181.0202:

- I. **Statement of Incorporation:** Watertown Riverfest Inc. is incorporated under Wis. Stat. §181 Nonstock Corporations.

- II. **Corporate Name:** “Watertown Riverfest Inc.”

- III. **Mailing address of the initial principal office of the corporation:**

 ATTN: Jonathan Lampe
 400 N. Washington Street
 Watertown, Dodge County, WI 53098

- IV. **Street address of corporation’s initial registered office and the name and e-mail address of its initial registered agent at that office:**

 Jonathan Lampe, Initial Registered Agent
 400 N. Washington Street
 Watertown, WI 53098
 jonathan_lampe@yahoo.com

- V. **Membership statement:** The corporation shall not have members.

- VI. **Distributions:** The corporation is authorized to make distributions under Wis. Stat. §181.1302(3), however such distributions must be made in only accordance with the stated purpose of this corporation.

- VII. **Directors:** The corporation shall have five (5) directors, and the initial directors of the corporation shall be:

 1. Jonathan Lampe, Director

 2. Karah Pugh, Director

 3. Robin Kaufmann, Director

4. Alyse Talga, Director

5. Aaron Zimmerman, Director

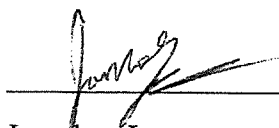
VIII. **Purpose:** This corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, and including, but not limited to the following purpose: organizing and hosting a periodic community festival for the City of Watertown, WI community.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Articles of Incorporation hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Incorporator Signature:

Dated this 13th day of January, 2023

By: 
Jonathan Lampe

400 N. Washington Street

Watertown, WI 53098

Please return to:

Jonathan Lampe
400 N. Washington Street
Watertown, WI 53098

With copy to :
Christopher John Koppes, Esq.
Bender, Larson, Chidley, Koppes & Associates, S.C.
138 Hospital Drive STE100
Watertown, WI 53098

This document prepared by:

*Christopher John Koppes, Esq.
SBN: 1072178
Bender, Larson, Chidley, Koppes & Associates, S.C.
138 Hospital Drive STE100
Watertown, WI 53098
920-261-7626
ckoppes@blcklaw.com*



State of Wisconsin
DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Corporate & Consumer Services

FILING FEE \$15.00 or \$10.00 (see below)

Please check box for (Optional)
Expedited service ☐ + \$25.00

Chaps. 178, 179,
180, 181, 183 &
185, Wis. Stats.

NAME RESERVATION APPLICATION

I. I hereby apply to reserve the name

Watertown Riverfest Inc

(Refer to instructions for required words)

under the authority and for the term indicated below:

	TERM	FEE *
<input type="checkbox"/> Domestic and foreign limited liability partnerships, business corporations, limited liability companies, and cooperatives (Chaps. 178, 180, 183, & 185, Wis. Stats.)	120 days	\$ 15.00
<input checked="" type="checkbox"/> Domestic and foreign nonstock, including nonprofit, corporations (Ch. 181, Wis. Stats.)	120 days	\$ 10.00
<input type="checkbox"/> Domestic and foreign limited partnerships (Ch. 179, Wis. Stats.)	60 days	\$ 10.00

* The fee is for processing the application and reserving the name, if it is available. If the name is not available, you will receive notice of the reason why it is not available, which constitutes completion of the application process. Fee is non-refundable. See "Caution" under Instructions on page 2.

This name reservation may be used only for an organization formed under the same statutory authority under which the name is reserved.

Print applicant's full name and address:

Jonathan Lampe

400 N Washington St

Watertown, WI 53098

Date: **12/12/2022**

Title: ☒ Applicant or

☐

(signature)

(printed name)

See reverse for instructions, suggestions, filing fees and procedures.

NAME RESERVATION APPLICATION

 jonathan_lampe@yahoo.com

▲ Enter your return email or mailing address above.

Your phone number during the day: **920-248-0656**

Mailing Address: State of WI - Dept. of Financial Institutions Box 93348 Milwaukee WI 53293-0348	Physical Address for Express Mail: Department of Financial Institutions Division of Corporate & Consumer Services 4822 Madison Yards Way, North Tower Madison WI 53705	Phone: 608-261-7577 TTY: 711
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NOTICE: This form may be used to accomplish a filing required or permitted by statute to be made with the department. Information requested may be used for secondary purposes. This document can be made available in alternate formats upon request to qualifying individuals with disabilities.

CAUTION: The filing fee for this application is non-refundable and due upon submission even if the name applied for is not available for reservation. If the name applied for is not available, you will be advised of the conflict and your application may result in a name not being reserved. To minimize encountering a conflict, research names at _____ before submitting your application. To search information on-line, select "Search Business Records".

REQUIRED WORDS IN A NAME

Under Ch. 178 - Name must contain the words "Registered Limited Liability Partnership" or "Limited Liability Partnership" or the abbreviation "R.L.L.P.", "L.L.P.", "R.L.L.P.", or "L.L.P".

Under Ch. 179 - Name must contain the words "limited partnership" or the abbreviation "L.P." or "LP".

Under Chs. 180 and 181 - Name must contain the word "corporation", "incorporated", "company", "limited", or the abbreviation "corp.", "inc.", "co.", "Ltd.", or words or abbreviations of like import in another language. If a service corporation under sec. 180.1903, must end with the word "chartered" or "limited", or the words "service corporation", or the abbreviation "Ltd." or "S.C".

Under Ch. 183 - Name must contain the words "limited liability company", "limited liability co." or end with "L.L.C." or "L.L.C.".

Under Ch. 185 - Must contain the word "cooperative" or an abbreviation of that word.

EXISTING DOMESTIC OR FOREIGN CORPORATION, LIMITED LIABILITY COMPANY OR COOPERATIVE

(sec. 180.0403(2), 181.0403(2), 183.0104(1m) or 185.045, Wis. Stats. Long Term Name Reservation)

A domestic corporation, cooperative or limited liability company on record with this department may, upon change of name, merger or voluntary dissolution, or a registered foreign corporation or limited liability company upon change of name may, apply to reserve its **old name** for a period of not more than 10 years. **The name reservation application must be submitted for filing simultaneously with the document affecting the name change, dissolution or merger. The name will be reserved long term upon the filing of the document affecting the name change, dissolution or merger.** This form may be modified to make application for a long term name reservation (not more than 10 years). Modify this form by striking out the printed term and fee and substitute

(for Ch. 180. and 185), add "under sec. 180.0403(2), Wis. Stats.

Term - 10 Years Fee - \$50.00

(for Ch. 183), add "under sec. 183.0104(1m), Wis. Stats.

Term - 10 Years Fee - \$50.00

(for Ch. 181), add "under sec. 181.0403(2), Wis. Stats."

Term - 10 Years Fee - \$50.00

On long term name reservations, the corporation, cooperative or limited liability company itself must be listed as the applicant. The entity holding a long term name reservation may subsequently assign that reservation to another party by filing a notice of transfer with the department. Fee for notice of transfer of name reservation is \$10.00.



For Office



State of Wisconsin
Department of Financial Institutions

Endorsement

NAME RESERVATION APPLICATION - 120 day Ch. 180, 183, 185

WATERTOWN RIVERFEST INC

Received Date: 12/19/2022


Filed Date: 12/27/2022

Filing Fee: \$10.00

Expiration Date: 4/19/2023


Total Fee: \$10.00

Entity ID#: W081236





JONATHAN G. LAMPE
MELISSA L. LAMPE
920-390-2061
400 N WASHINGTON ST.
WATERTOWN, WI 53098

2-2566/710


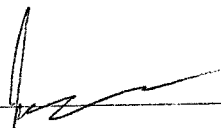
1/13/23


Pay to the order of Wisconsin DFI \$ 60⁰⁰

Sixty Dollars and 00

Security Features Included. Details on Back.

BMO Harris Bank
BMO Harris Bank N.A.
Chicago, Illinois

Incorporation Riverfront Fees  MP



ANTIQUE

**BYLAWS
OF
WATERTOWN RIVERFEST INC.**
A Wisconsin Nonstock Corporation

Adopted this 17th day of January, 2023

I. Name:

The name of the corporation is Watertown Riverfest Inc.

II. Purpose:

The purpose of the corporation shall be to organize and host a periodic community festival for the City of Watertown, WI community, and other purposes approved by the board of directors or members and authorized by chapter 181 of the Wisconsin Statutes and the Articles of Incorporation.

III. Members:

This section intentionally left blank. The corporation does not have members.

IV. Directors:

- A. **Number.** The management of the corporation shall be vested in a board of directors consisting of no more than 5 persons. At no time shall the number of directors be fewer than three.
- B. **Powers of directors.** Directors shall be granted the authority to manage the corporation to the extent provided by Wisconsin law.
- C. **Term.** The term of each director shall be 3 years. Terms of directors shall be staggered, with the terms of the initial directors to be determined by the board.
- D. **Election.** Election of directors shall take place at the annual meeting of directors. Each voting director may cast one vote for each director position open for election at such meeting. Election shall be by a majority of the voting members present at the meeting, provided a quorum is present. If no candidate receives a majority of votes in the first round of balloting, the two candidates with the most votes will stand for election in a second round.
- E. **Vacancies.** In the event of a vacancy on the board due to death or resignation, the president shall appoint a successor to fill the vacancy for the remainder of the term for that position.

F. Meetings of directors:

- a. Annual meeting. There shall be an annual meeting of directors held during the month of October during each calendar year. The board of directors shall give at least 30 days' written notice of the annual meeting.
 - b. Regular meetings. At its annual meeting, the board shall set a schedule of regular board meetings for the period until the next annual meeting. A single written notice of regular board meetings will be given to all directors within 10 days following the annual directors' meeting. No further notice of regular directors meetings shall be required.
 - c. Special meetings. Special meetings of directors may be called by the president or by any director. Special meetings shall be on five days' written notice, which shall describe generally the business to be transacted at the meeting.
 - d. Voting. Voting shall be by directors present at the meeting. Proxy voting shall not be allowed.
 - e. Telephone voting procedures. Conducting meetings by telephone shall be permitted to the extent and under the conditions permitted by law.
 - f. Electronic meetings. Meetings by electronic means (e.g. videoconference) are considered in-person meetings with the same voting thresholds.
 - g. Action without a meeting. Action may be taken by electronic means of communications by unanimous consent.
- G. Compensation. Directors shall receive no compensation but shall be entitled to reimbursement of out-of-pocket expenses as approved by the board of directors.
- H. Indemnification. Directors shall be entitled to indemnification for actions as directors to the extent permitted by Wisconsin law.
- I. Committees. The board of directors may establish any standing or special committees as it deems appropriate, provided that such committees may not exercise the powers of the board.

V. Officers.

- A. In General. The officers of the corporation shall consist of a president, vice president, secretary, and treasurer.
- B. Election and terms. The officers shall be elected by the board of directors. Each officer shall serve a term of 1 year. An officer may be removed by a two-thirds vote of the board

at any time.

C. **Duties.** The duties of each office shall include, but not be limited to, duties prescribed by law and those additional duties set forth below. The president may assign additional duties to any officer as the president deems appropriate.

1. **President.** The president shall generally manage the day-to-day operations of the corporation subject to the direction of the board of directors. The president shall preside at all meetings of the board of directors and members.
2. **Vice president.** The vice president shall exercise the duties of the president in the absence or incapacity of the president. If the president should die, resign, or be removed from office, the vice president shall succeed to the office of the president.
3. **Secretary.** The secretary shall maintain all records of the corporation and shall prepare minutes of all meetings of the board of directors and members.
4. **Treasurer.** The treasurer shall have custody of the funds of the corporation and shall maintain all financial records of the corporation.

D. Officers may, but are not required to be, individuals on the board of directors.

E. One person may hold not more than two of the above offices, except that the offices of president and vice president, and president and treasurer, and president and secretary may not be combined.

F. All officers shall serve without compensation except that they may be reimbursed for actual out-of-pocket expenses incurred in performance of the duties of their office.

VI. **Miscellaneous.**

A. **Fiscal Year.** The fiscal year of the corporation shall end on September 30.

B. In addition to any other powers provided herein or by law, the board of directors may authorize one or more officers of the corporation to execute and deliver instruments, open bank accounts, execute checks, and drafts in the name of the corporation, make or obtain loans, and sell, assign or pledge securities.

C. Whenever these bylaws require written notice to directors, such notice shall be mailed to each director by certified mail, return receipt requested, to the director's address as shown on the records of the corporation. Each director shall be responsible for advising the corporation of his, her, or its current mailing address. In all cases, notice shall be deemed

given on the date of mailing.

VII. Amendment.

- A. These bylaws may be amended by a vote of two-thirds of the entire board of directors at a duly called regular or special meeting of the board. Written notice of the text of any proposed amendment must be given to each director at least 5 days before the date of the meeting.

VIII. Code of Ethics:

- A. The corporation and its directors adopt the following code of ethics with respect to corporate operations:

The corporation will act for the public benefit and for its philanthropic purpose and mission.

The corporation will manage its resources to maximize philanthropic purposes and not for personal gain of directors, officers, and employees and to avoid excessive compensation and unreachable or unnecessary expense.

The corporation will be accountable to the public and share information as requested or as requested by Treasury regulations.

Diversity: The corporation will seek to make the board and membership as diverse and inclusive as the community it serves.

Respect: The board, members, employees, and agents will interact respectfully with grantors, grantees, colleagues, and peers.

Governance. The board will understand the mission, strategic plan, goals, and finances of the organization, including conflict-of-interest policy.

Taxation. All taxes and tax forms are to be promptly paid in full.

IX. Conflict of Interest Policy:

The attached *Exhibit A – Conflict of Interest Policy* is incorporated as if fully set forth herein and adopted by the corporation. All transactions in which a director has a conflict of interest should be obviously and inherently fair to the organization.

ADOPTED this 17 day of January, 2023

Jonathan Lampe, Director

Karah Pugh, Director

Robin Kaufmann, Director

Alyse Talaga, Director

Aaron Zimmermann, Director

Exhibit A – Conflict of Interest Policy

Article I

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

1. Interested Person Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
 - b. A compensation arrangement with the Organization or with any entity or individual with

which the Organization has a transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

d. Compensation includes direct and indirect remuneration as well as gifts or favors that aren't insubstantial. A financial interest isn't necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. **Duty to Disclose** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest**

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the

Organization can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement isn't reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority

vote of the disinterested directors whether the transaction or arrangement is in the Organization best

interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above

determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflict of Interest Policy**

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to

disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,

- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes, and doesn't engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and don't result in inurement, impermissible private benefit, or in an excess benefit transaction.

Article VIII

Use of Outside Experts

When conducting the periodic reviews, as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Minutes from Watertown Riverfest Inc. Meeting

Scheduled for 1/17/2023 - 9:00

Attendees: Jonathan Lampe, Karah Pugh, Robin Kaufmann, Alyse Talaga, Aaron Zimmermann, Lyn Hulan

Recorded and Submitted by Secretary Robin Kaufmann on 1/18/2023

1. Roll call at 9:05am - Attendees met virtually on screen via Google Meet except Karah who joined via phone only; meeting materials were distributed by email beforehand
2. Adopt **Bylaws**
 - o Robin moved, Alyse seconded - pass
3. Elect **officers**
 - o President - Jonathan Lampe
 - o Vice-President - Aaron Zimmermann
 - o Treasurer - Alyse Talaga
 - o Secretary - Robin Kaufmann
 - o Karah moved, Alyse Talaga - pass
4. Appoint **Lyn Hulan as Entertainment and Operations Executive** to advise organization and lead event planning and related teams in those areas
 - o Robin moved, Alyse seconded - passed unanimously
5. Appoint Director **Karah Pugh as Revenue Executive** to advise organization and lead event planning and related teams in those areas
 - o Alyse moved, Aaron seconded - passed unanimously
6. Appoint Director **Robin Kaufmann as Marketing Executive** to advise organization and lead event planning and related teams in those areas
 - o Alyse moved, Karah seconded - passed unanimously
7. Adopt Articles of Incorporation **Amendment(s) regarding legal names**
 - o See Amendment in Exhibit A below
 - o Robin moved, Alyse seconded - passed
8. Select **Annual Accounting Period** of Oct 1- Sep 30
 - o **Bylaws will be adjusted to show new date**
 - o **Aaron moved, Karah seconded - passed unanimously**
9. Empower and direct President and Treasurer to proceed with **nonprofit registrations and nonprofit tax exemptions** with CPA as needed
 - o EIN application
 - o DFI Charity Registration
 - o Nonprofit tax treatment, including IRS 501c3 exemption (IRS Form 1023) and State of Wisconsin exemption (Form S-103)
 - o Attorney will provide letter stating we've applied
 - o Robin moved, Alyse - passed
10. Select **bank of BMO Harris**

- Empower and direct President and Treasurer to set up appropriate accounts at bank, and grant Treasurer sole ability to issue and execute checks (including cashier's checks), wire transfers and ACH transfers
 - Aaron moved, Robin seconded - approved
11. Amend official mailing address of Watertown Riverfest Inc to a PO Box and empower President / Secretary to obtain that PO Box
- See Amendment in Exhibit B below
 - Alyse moved, Aaron seconded - approved unanimously
12. Discuss **professional advisers** (accountant, insurance, etc.)
- Insurance presentations will be coming soon
 - A CPA is still likely needed to assist with IRS non-profit filing
 - (no action taken)
13. Approve **entertainment plan**
- Empower and direct President to proceed with Entertainment and Operations Executive on booking of entertainment within entertainment plan
 - Alyse moved, Karah seconded - approved unanimously (Aaron abstained)
14. Empower and direct President to proceed with Entertainment and Operations Executive and development of **Operational plan** with the City of Watertown and other entities
- Alyse moved, Karah seconded - approved unanimously
15. Empower and direct President to proceed with Marketing Executive on development of **Marketing plan**
- Aaron moved, Alyse seconded - approved unanimously (Robin abstained)
16. Empower and direct President to proceed with Revenue Executive on development of **Revenue Plan**
- Robin moved, Aaron seconded - approved unanimously (Karah abstained)
17. Empower and direct President to negotiate and execute **initial funding and Riverside Park agreement with City of Watertown** for not less than \$35,000 and to reserve the second August weekend from Monday before to Monday after for not less than three years
- Aaron moved, Karah seconded - approved unanimously
18. Empower and direct President to negotiate **initial funding agreement with the Watertown Area Community Foundation**
- Aaron moved, Karah seconded - approved unanimously
19. Select next meeting: marketing on Jan 26th at 9am
20. Adjourn at 10:05am

Exhibit A

Articles of Incorporation - Amendment

“Watertown Riverfest Inc.”

The following Articles of Incorporation amendment is submitted on behalf of Watertown Riverfest Inc. by its directors pursuant to Wis. Stat. §181.1020:

Reference to **“Alyse Talga, Director”** at Article VII Line 4 shall be deleted and replaced with **“Alyse Talaga, Director”**.

Reference to **“Aaron Zimmerman, Director”** at Article VII Line 5 shall be deleted and replaced with **“Aaron Zimmermann, Director”**.

All remaining provisions of the Articles of Incorporation of Watertown Riverfest Inc. are otherwise unmodified.

EXECUTED this 17th day of January, 2023

Jonathan Lampe, Director

Karah Pugh, Director

Robin Kaufmann, Director

Alyse Talaga, Director - Previously identified as Alyse Talga

Aaron Zimmermann, Director - Previously identified as Aaron Zimmerman

Exhibit B

Articles of Incorporation - Amendment

“Watertown Riverfest Inc.”

The following Articles of Incorporation amendment is submitted on behalf of Watertown Riverfest Inc. by its directors pursuant to Wis. Stat. §181.1020:

Reference to **“400 N Washington Street, Watertown WI 53098”** in Article III shall be deleted and replaced with **“PO Box 431, Watertown WI 53098”**.

Reference to **“400 N Washington Street, Watertown WI 53098”** in Article IV shall be deleted and replaced with **“PO Box 431, Watertown WI 53098”**.

All remaining provisions of the Articles of Incorporation of Watertown Riverfest Inc. are otherwise unmodified.

EXECUTED this 17th day of January, 2023

Jonathan Lampe, Director

Karah Pugh, Director

Robin Kaufmann, Director

Alyse Talaga, Director - Previously identified as Alyse Talga

Aaron Zimmermann, Director - Previously identified as Aaron Zimmerman

AGREEMENT

THIS AGREEMENT (the "Agreement") is made this _____ day of February, 2022 (the "Effective Date") by and between WATERTOWN RIVERFEST INC, a non-stock not for profit organization in Wisconsin. ("Watertown Riverfest Inc") and the CITY OF WATERTOWN, WISCONSIN (the "City").

RECITALS

WHEREAS, the City has taken on responsibility to cover the financial costs for an Annual Riverfest Celebration for 30 years by designating a committee to organize and host the event and setting up Fund 12 for payment of costs; and,

WHEREAS, the group of individuals that have been responsible for planning, scheduling, and budgeting the Annual Riverfest Celebration for the last 30 years have decided to retire; and,

WHEREAS, concerns have been raised about the ability to continue the Annual Riverfest Celebration when current projections show the event will create a substantial liability for the City under its current structure; and,

WHEREAS, Watertown Riverfest Inc wishes to carry on the Annual Riverfest Celebration on behalf of the City and is willing to take on responsibility and ownership of the event going forward; and,

WHEREAS, the City wishes Watertown Riverfest Inc to take on the responsibility and ownership of the Annual Riverfest Celebration.

NOW THEREFORE, the City and Watertown Riverfest Inc for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

ARTICLE I CITY'S OBLIGATIONS

1. Transfer of Funds. The City shall transfer the balance of Fund 12 funds designated for the Annual Riverfest Celebration to Watertown Riverfest Inc via check made payable to Watertown Riverfest Inc within 30 (thirty) days of this Agreement being finalized.

2. Special Event Application. The City shall cooperate with the Watertown Riverfest Inc in approving and setting up the special event under Watertown Ordinance Ch. 428.

3. Services Provided. In April of each year this Agreement is active, each City Department that provided services to assist in hosting the Annual Riverfest Celebration in the prior year shall meet with a designee from Watertown Riverfest Inc to discuss the services provided by the Department the prior year and the estimated cost associated with providing those services for the current year.

4. Transfer of Riverfest Logo and IP. The City hereby transfers and assigns any right, title, interest and goodwill in or associated with the Intellectual Property or proprietary rights associated with the Annual Riverfest Celebration logo, as it exists now or has existed in the past, to Watertown Riverfest Inc.

5. Dates Park Reserved. The City will not rent the Riverfest Grounds to any other organization or individual from the Monday before to the Monday after the 2nd (second) full weekend in August.

ARTICLE II WATERTOWN RIVERFEST INC'S OBLIGATIONS

1. Riverfest. Watertown Riverfest Inc shall accept all responsibility for planning, scheduling, and hosting the Annual Riverfest Celebration.

2. Application For Special Event Permit. Watertown Riverfest Inc shall apply for a special event permit for the event for 2023 on or before March 15, 2023. For each subsequent year Watertown Riverfest Inc shall apply for the special event permit on or before January 5 of each year. The Special Event Permit may be for up to 4 (four) days which will include the 2nd (second) full weekend in August for each year.

3. Application for Outdoor open Container Entertainment event Permit. Watertown Riverfest Inc. shall apply for an Outdoor Open Container Entertainment event permit under Watertown Ordinance § 428-8 on or before June 1 of each year the event proceeds.

4. Location. The Annual Riverfest Celebration shall be held in Riverside Park, which includes the volleyball area, the ball diamonds, the island, swimming pool and entire park area between Labaree Street and the Rock River from Boughton Street west up to and including the west playground area. This area shall be designated the Riverfest Grounds. A map of the Riverfest Grounds is attached hereto and incorporated by reference as Exhibit A.

5. Termination of Agreement. The Watertown Riverfest Inc. may terminate this Agreement by providing notice to the City of its desire to terminate this Agreement prior to submitting its application for special event license. Upon termination under this provision Watertown Riverfest Inc shall provide a statement of all revenue received and expenses incurred in fulfilling its obligations for hosting the Annual Watertown Riverfest Celebration. Any remaining funds shall be paid to the City of Watertown, or a 501(c)(3)

nonprofit organization approved by the City of Watertown, and which agrees to assume Watertown Riverfest Inc's obligations under this agreement.

ARTICLE III GENERAL PROVISIONS

1. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Wisconsin.

2. Modifications. This Agreement may be amended or modified only by a written instrument duly executed by both of the parties hereto.

3. Notices. Any notice required hereunder shall be given in writing, signed by the party giving notice, personally delivered or mailed by certified or registered mail, return receipt requested, or electronically delivered via e-mail to the parties' respective addresses as set forth below:

To the City:	Mayor Emily McFarland City of Watertown 106 Jones Street Watertown, WI 53094 E-mail: emcfarland@cityofwatertown.org
Copy to:	Atty. Steven T. Chesebro City Attorney City of Watertown 106 Jones Street Watertown, WI 53094 E-mail: schesebro@cityofwatertown.org
To Watertown Riverfest Inc.:	Watertown Riverfest Inc Attention: Jonathan Lampe <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> E-mail:

Notice shall be deemed delivered (a) in the case of personal delivery, on the date when personally delivered; (b) in the case of certified or registered mail, on the date when deposited in the United States mail with sufficient postage to effect such delivery; or (c) in the case of electronic delivery via e-mail, on the date when any such e-mail was sent. Each party may change the address to which notice must be given by delivery of written notice to the other parties in accordance with this Section.

4. Severability of Provisions. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been contained herein.

5. Time of Essence. Time is of the essence.

6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

7. Defaults; Litigation. No party shall be deemed to be in default under this Agreement for failure to perform any term or condition of this Agreement unless the other party (the "Non-Defaulting Party") has first given the party alleged to be in default (the "Defaulting Party") written notice describing such failure, and the Defaulting Party does not, within 30 (thirty) days thereafter, cure such failure (an "Event of Default"). Following an Event of Default, the Non-Defaulting Party shall have all rights and remedies available to it under law or in equity against the Defaulting Party. In connection with any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorney's fees.

8. Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

9. Authority to Sign. Each of the persons signing below on behalf of any party hereby represents and warrants that they are signing with full and complete authority to bind the party on whose behalf of whom they are signing, to each and every term of this Agreement.

[Execution Page Follows]

This Agreement is executed this _____ day of February, 2023.

Watertown Riverfest Inc.

By: _____
Jonathan Lampe, President

Date: _____

CITY OF WATERTOWN

By: _____
Emily McFarland, Mayor

Date: _____

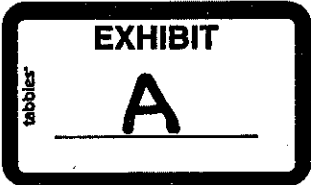
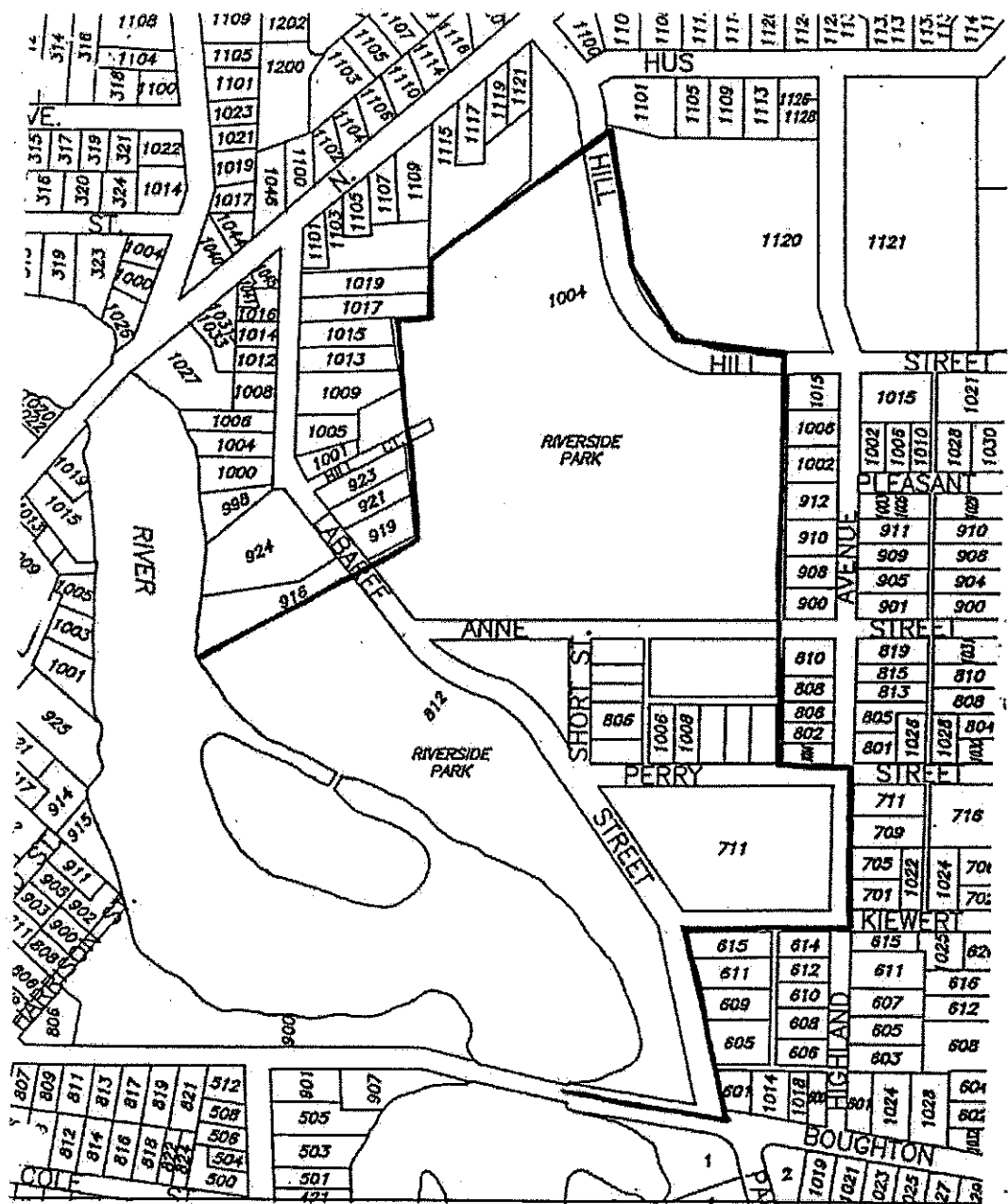
Attest: _____
Megan Dunneisen, City Clerk

Date: _____

PUBLIC EVENTS

428 Attachment 1

City of Watertown Riverfest Grounds Map



08 - 01 - 2016

**RESOLUTION TO
ALLOCATE FUND 12 (RIVERFEST FUNDS) TO
WATERTOWN RIVERFEST INC.**

**SPONSOR: MAYOR EMILY MCFARLAND
FROM: FINANCE COMMITTEE**

WHEREAS, the City has taken on responsibility to cover the financial costs for an Annual Riverfest Celebration for 30 years by designating a committee to organize and host the event; and,

WHEREAS, the group of individuals that have been responsible for planning, scheduling, and budgeting the event for the last 30 years have decided to retire; and,

WHEREAS, concerns have been raised about the ability to continue the Annual Riverfest Celebration when current projections show the event will create a substantial liability for the City under its current structure; and,

WHEREAS, the City has decided to transfer responsibility and ownership of the Annual Riverfest Celebration to a non-profit organization that is willing to take responsibility for the event; and,

WHEREAS, the City has \$_____ as of _____ in Fund 12 designated for funding the Annual Riverfest Celebration.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WATERTOWN, WISCONSIN:

That the proper City Officials be and are hereby authorized to enter into the attached agreement transferring all of Fund 12 designated for the Annual Riverfest Celebration to Watertown Riverfest Inc in exchange for Watertown Riverfest Inc planning, hosting, and taking responsibility to manage a similar Annual Riverfest Celebration event for the City.

	YES	NO
DAVIS		
LAMPE		
RUETTEN		
BARTZ		
LICHT		
SMITH		
SCHMID		
WETZEL		
ROMLEIN		
MAYOR MCFARLAND		
TOTAL		

ADOPTED February 7, 2023

CITY CLERK

APPROVED February 7, 2023

MAYOR