

COMMON COUNCIL
OF THE
CITY OF MADISON, WISCONSIN

December 3, 2019

Resolution No.: RES-19-__

A Resolution Authorizing and Providing for the Sale and Issuance of
\$20,000,000 Water Utility Revenue Bond Anticipation Notes, Series 2019,
and All Related Details

RECITALS

The Common Council (the “**Governing Body**”) of the City of Madison, Wisconsin (the “**Municipality**”) makes the following findings and determinations:

1. Through the Madison Water Utility, the Municipality currently owns and operates a municipal waterworks system (the “**System**”, as more fully defined below), which is a “public utility” within the meaning of Section 66.0621 (1) (b) of the Wisconsin Statutes.

2. Under the provisions of Section 66.0621 of the Wisconsin Statutes, as amended, the Municipality may, by action of the Governing Body, provide for, among other things, the acquisition, construction, extension, improvement, operation, and management of the System, and the refunding of municipal obligations issued for such purposes, from the proceeds of obligations that are payable solely from the income and revenues derived from the operation of the System.

3. Pursuant to resolutions adopted by the Governing Body on November 6, 2007 (the “**2007 Resolution**”), November 17, 2009, October 19, 2010, December 13, 2011, November 27, 2012, December 3, 2013, December 1, 2015, December 18, 2016, December 4, 2018, and the date hereof (collectively, including the 2007 Resolution, the “**Bond Resolution**”), the Municipality has issued multiple series of its water utility revenue bonds (the “**Outstanding Bonds**”) to finance and refinance capital expenditures related to the System, and has authorized the issuance of [two] series of additional water utility revenue bonds ([collectively,] the “**Series 2019 Bonds**”) to refund certain Outstanding Bonds.

4. The Bond Resolutions provide that the Municipality may, subject to the conditions set forth therein, issue additional water utility revenue bonds on a parity with the Outstanding Bonds and the Series 2019 Bonds.

5. The Municipality needs funds to finance certain additions, extensions, improvements, renewals, or replacements to the System identified in the Municipality’s 2019 and 2020 Water Utility Projected Annual Capital Spending Plans (the “**Project**”).

6. The Governing Body intends to authorize the sale and issuance of water utility revenue bonds pursuant to Section 66.0621 of the Wisconsin Statutes to finance the costs of the Project (the “**Project Bonds**”).

7. The Project Bonds may be issued for the purposes of the Project.

8. Section 66.0621 (4) (L) of the Wisconsin Statutes (the “**Act**”) provides that if a governing body of a municipality by resolution declares its intentions to authorize the issuance or sale of revenue bonds under said section, then the governing body may, prior to the issuance of the bonds and in anticipation of their sale, authorize the issuance of bond anticipation notes by the adoption of a resolution.

9. To provide interim financing for the Project, the Governing Body desires to authorize, sell, and issue \$20,000,000 City of Madison, Wisconsin Water Utility Revenue Bond Anticipation Notes, Series 2019 (the “**Notes**”) in anticipation of the issuance and sale of the Project Bonds, pursuant to the Act, upon the terms and conditions set forth in this resolution.

10. The Series 2019 Bonds will be issued contemporaneously with the issuance of the Notes.

11. The financial officer of the Municipality has certified to the Governing Body that contracts with respect to the Project are to be let and that the proceeds of the Notes will be required for the payment of such contracts.

12. The Notes will be junior and subordinate to the Outstanding Bonds, the Series 2019 Bonds, and any Parity Bonds (as hereinafter defined), and will mature, in accordance herewith, not later than five years after the date of issuance of the Notes.

13. The Municipality covenants in this resolution to issue the Project Bonds on or before the final maturity date of the Notes in an amount sufficient to retire the then outstanding Notes.

14. The Municipality caused notice of the sale of the Notes (the “**Notice to Bidders**”) to be given to media typically monitored by prospective bidders. The Notice to Bidders is made of record in these proceedings, and the Governing Body ratifies the Notice to Bidders.

15. In accordance with the Notice to Bidders and the bidding terms included in the disclosure document used for offering the Notes for sale by competitive bid (the “**Official Terms of Offering**”), written bids for the sale of the Notes were received and delivered to the Governing Body.

16. The Governing Body has considered all the bids it received. The Governing Body has decided to accept the bid of _____ (the “**Purchaser**”), or a group that it leads, to purchase the Notes on the terms specified in the Purchaser’s bid. The Purchaser bid the price of \$_____ for the entire issue of Notes (the “**Purchase Price**”), and specified that the Notes will bear interest at _____% per annum.

17. The Purchaser’s bid complies with the terms of the Official Terms of Offering.
18. The amount of the annual debt service payments to be made or provided for with respect to the Notes is reasonable in accordance with prudent municipal utility management practices.
19. The Municipality has taken all actions required by law and has the power to sell and issue the Notes.
20. The Governing Body will adopt this resolution to sell and issue the Notes.

RESOLUTIONS

The Governing Body resolves as follows:

Section 1. Definitions.

In this resolution, the following terms have the meanings given in this section, unless the context requires another meaning.

“**2007 Resolution**” has the meaning given in the recitals to this resolution, and established the Funds and Accounts.

“**Act**” means Section 66.0621 (4) (L) of the Wisconsin Statutes, as amended.

“**Bond Counsel**” means either Foley & Lardner LLP or any other nationally recognized firm of attorneys, employed by the Municipality, experienced in the field of municipal finance, whose legal and tax opinions concerning municipal obligations are generally accepted by purchasers of such obligations.

“**Bond Resolution**” has the meaning given in the recitals to this resolution, and governs the funding and use of the Funds and Accounts, and provides terms and conditions under which Parity Bonds may be issued.

“**Book-Entry System**” means a system in which no physical distribution of certificates representing ownership of the Notes is made to the owners of the Notes but instead all outstanding Notes are registered in the name of a securities depository appointed by the Municipality, or in the name of such a depository’s nominee, and the depository and its participants record beneficial ownership and transfers of the Notes electronically.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement, dated as of the Original Issue Date, to be executed by the Municipality and delivered on the closing date of the Notes.

“Current Expenses” means the reasonable and necessary cost of operating, maintaining, administering, insuring, and repairing the System. Current Expenses shall be determined in accordance with generally accepted accounting principles and shall include, but not be limited to, salaries and wages, premiums for insurance, and the cost of materials, supplies, and audits. Current Expenses shall exclude allowances for depreciation, debt service on obligations of the System, tax equivalents, capital expenditures, and accumulations of reserves.

“Depository” means DTC or any successor appointed by the Municipality and acting as securities depository for the Notes.

“Depreciation Fund” means the Water Utility Depreciation Fund created or continued under Section 34(a)(4) of the 2007 Resolution.

“DTC” means The Depository Trust Company, New York, New York.

“Financial Officer” means the Municipality’s Treasurer.

“Fiscal Agent” means U.S. Bank National Association, or any successor fiscal agent appointed by the Municipality to act as authentication agent, paying agent, and registrar for the Notes pursuant to Section 67.10 (2) of the Wisconsin Statutes.

“Fiscal Year” means the twelve-month period beginning on January 1 of each year and ending on December 31 of each year. The Municipality may change the Fiscal Year of the System; any change will not constitute a modification, change, amendment, or alteration of this resolution for purposes of Section 25 of this resolution.

“Funds and Accounts” means the funds and accounts relating to the operation and financing of the System, as established pursuant to the Bond Resolution.

“Governing Body” means the Common Council of the Municipality.

“Gross Revenues” means the gross revenues of the System from all sources, excluding (i) customer deposits, (ii) collected taxes imposed by other governmental entities, and (iii) earnings on amounts held in the Special Redemption Fund, the Depreciation Fund, and any construction fund funded with proceeds of the Municipality’s obligations issued under Section 66.0621 of the Wisconsin Statutes, as amended.

“Municipality” means the City of Madison, Wisconsin.

“Municipal Officers” means the Mayor and the Clerk of the Municipality. These are the officers of the Municipality required by law to execute revenue obligations on behalf of the Municipality.

“Net Revenues” means Gross Revenues after deduction of Current Expenses, plus earnings on amounts held in the Special Redemption Fund.

“Notes” means the \$20,000,000 City of Madison, Wisconsin Water Utility Revenue Bond Anticipation Notes, Series 2019, which will be issued pursuant to this resolution.

“**Official Terms of Offering**” has the meaning set forth in the recitals to this resolution.

“**Original Issue Date**” means December 19, 2019.

“**Outstanding Bonds**” has the meaning set forth in the recitals to this resolution.

“**Parity Bonds**” means all obligations issued after the issuance of the Notes and payable from the revenues of the System on a parity basis with the Outstanding Bonds and the Series 2019 Bonds pursuant to the restrictive provisions of the Bond Resolution.

“**Parity Notes**” means all other obligations, other than the Notes, entitled to payment from the Surplus Fund on a parity basis with the Notes, subject to the restrictions of Section 21(c) of this resolution.

“**Project**” has the meaning given in the recitals to this resolution.

“**Project Bonds**” has the meaning given in the recitals to this resolution.

“**Purchase Agreement**” means the purchase agreement signed and presented by the Purchaser to evidence the purchase of the Notes, which may be a signed bid form.

“**Purchase Price**” has the meaning given in the recitals to this resolution.

“**Purchaser**” has the meaning given in the recitals to this resolution.

“**Record Date**” means the 15th day (whether or not a business day) of the calendar month immediately preceding each regularly scheduled interest payment date for the Notes.

“**Recording Officer**” means the Clerk of the Municipality.

“**Register**” means the register maintained by the Fiscal Agent, in which the Fiscal Agent records (i) the name and address of the owner of each Note and (ii) all transfers of each Note.

“**Senior Bonds**” means collectively, the Outstanding Bonds, the Series 2019 Bonds, and any Parity Bonds.

“**Special Redemption Fund**” means the Water Utility Special Redemption Fund created or continued under Section 34(a)(3) of the 2007 Resolution.

“**Surplus Fund**” means the Water Utility Surplus Fund created or continued under Section 34(a)(5) of the 2007 Resolution.

“**System**” means the water utility of the Municipality, which shall include all property of every nature now or hereafter owned by the Municipality for the extraction, collection, storage, treatment, transmission, distribution, metering, and discharge of domestic, industrial, and potable public water, or constituting part of, or used or useful in connection with,

the water utility of the Municipality, including all appurtenances, contracts, leases, franchises, and other intangibles relating thereto.

Section 2. Exhibits.

The following exhibits are attached hereto and are hereby incorporated herein by reference and made a part hereof to the same extent as though set out in full herein:

- (i) Form of Note.
- (ii) Notice to Electors of Sale.

Section 3. Declaration of Intention to Issue Project Bonds.

The Governing Body hereby declares its intentions to authorize the sale and issuance of the Project Bonds under Section 66.0621 of the Wisconsin Statutes in an amount sufficient to retire the then outstanding Notes thereby providing permanent financing for the Project.

Section 4. Purposes of Notes; Issuance of Notes.

The Governing Body authorizes the Notes and orders that they be prepared, executed, and issued. The Notes will be fully registered, negotiable, water utility bond anticipation notes of the Municipality in the principal amount of \$20,000,000. The Notes will be issued pursuant to the provisions of the Act for the purposes of financing the Project on an interim basis and paying the expenses of issuing the Notes (including printing costs, fees for financial consultants, bond counsel, rating agencies, insurance, and registration, as applicable).

Section 5. Terms of Notes.

The Notes will be named “City of Madison, Wisconsin Water Utility Revenue Bond Anticipation Notes, Series 2019.” The Notes will be dated the Original Issue Date, even if they are actually issued or executed on another date. Each Note will also be dated the date on which it is authenticated by the Fiscal Agent. That date is its registration date.

The face amount of each Note will be \$5,000 or any multiple thereof up to the full principal amount of the Notes.

The Notes will mature on November 1, 2024 and will bear interest from the Original Issue Date at the rate of [____]% per annum. Interest on the Notes will be payable on each May 1 and November 1, until the principal of the Notes has been paid beginning on May 1, 2020, and as to any particular Note to be redeemed as described below, on the redemption date of such Note. Interest on each Note will be (i) computed on the basis of a 360-day year of twelve 30-day months and (ii) payable to the person in whose name the Note is registered on the Register at the end of the day on the applicable Record Date. The Municipality and the Fiscal Agent may treat the entity or person in whose name any Note is registered on the Register as the absolute owner of the Note for all purposes whatsoever under this resolution. The Notes will be

numbered consecutively as may be required to comply with any applicable rules or customs or as determined by the Municipal Officers executing the Notes.

The principal of and interest on the Notes will be payable in lawful money of the United States of America, solely from the sources provided in Section 16 hereof.

Section 6. Fiscal Agent.

The Municipality appoints the Fiscal Agent to act as authentication agent, paying agent, and registrar for the Notes. The appropriate officers of the Municipality are directed to enter into a contract with the Fiscal Agent on behalf of the Municipality. The contract may provide for the Municipality to pay the reasonable and customary charges of the Fiscal Agent for those services. The contract shall require the Fiscal Agent to comply with all applicable federal and state regulations. Among other things, the Fiscal Agent shall maintain the Register.

Section 7. Appointment of Depository.

The Municipality appoints DTC to act as securities depository for the Notes. An authorized representative of the Municipality has previously executed a blanket issuer letter of representations with DTC on the Municipality's behalf, and the Municipality ratifies and approves that document.

Section 8. Book-Entry System.

On their date of issuance, the Notes will be registered in the name of DTC or its nominee and maintained in a Book-Entry System. If the Municipality's relationship with DTC is terminated, then the Municipality may appoint another securities depository to maintain the Book-Entry System.

If on any date the Notes are *not* being maintained in a Book-Entry System, then the Municipality will do the following:

- (i) At its expense, the Municipality will prepare, authenticate, and deliver to the beneficial owners of the Notes fully-registered, certificated Notes in the denomination of \$5,000 or any multiple thereof in the aggregate principal amount then outstanding. The beneficial owners will be those shown on the records of the Depository and its direct and indirect participants.
- (ii) The Municipality will appoint a fiscal agent to act as authentication agent, paying agent, and registrar for the Notes under Section 67.10 (2) of the Wisconsin Statutes (the Fiscal Agent may be reappointed in that capacity).

Section 9. Redemption Provisions.

The Notes are subject to redemption before their stated maturity date, at the Municipality's option, in whole or in part, on November 1, 2020 and on any date thereafter. The redemption price will be 100% of the principal amount redeemed, plus accrued interest to the

redemption date, and no premium will be paid. If payment of a Note called for redemption has been made or provided for, then interest on the Note will stop accruing on the stated redemption date. If less than all outstanding Notes are redeemed, then the Notes will be redeemed in \$5,000 multiples in accordance with Sections 10 and 11 hereof.

Section 10. Manner of Payment/Transfers/Redemption Notices Under Book-Entry System.

So long as the Notes are being maintained in a Book-Entry System the following provisions apply:

Payment. The Fiscal Agent is directed to pay the principal of, and interest on, the Notes by wire transfer to the Depository or its nominee in accordance with the Depository's rules that are then in effect.

Transfers. The Notes are transferable, only upon the Register and only if the Depository ceases to act as securities depository for the Notes and the Municipality appoints a successor securities depository. If that happens, then upon the surrender of the Notes to the Fiscal Agent, the Municipality will issue new fully registered Notes in the same aggregate principal amount to the successor securities depository, and the Notes will be recorded as transferred to the successor securities depository in the Register.

The Fiscal Agent will not be required to make any transfer of the Notes (i) during the 15 calendar days before the date of the sending of notice of any proposed redemption of the Notes, or (ii) with respect to any particular Note, after such Note has been called for redemption.

Partial Redemption. If less than all of the Notes are to be redeemed, then the Depository and its direct and indirect participants will select the beneficial owners of the Notes to be redeemed. If a Note has been called for redemption but less than all the principal amount thereof is redeemed, then on or after the redemption date and upon surrender of the Note to the Fiscal Agent, the Municipality will issue a new Note in the principal amount outstanding after the redemption.

Notice of Redemption. Notice of the redemption of any of the Notes will be sent to the Depository, in the manner required by the Depository, not less than 30 and not more than 60 days before to the proposed redemption date. A notice of redemption may be revoked by sending notice to the Depository, in the manner required by the Depository, not less than 15 days before the proposed redemption date.

Section 11. Manner of Payment/Transfers/Redemption Notices Not Under Book-Entry System.

If on any date the Notes are not being maintained in a Book-Entry System, then the following provisions apply:

Payment. The Fiscal Agent will pay the principal of each Note upon its presentation and surrender on or after its maturity or earlier redemption date at the designated office of the Fiscal Agent, and the Fiscal Agent will pay, on each interest payment date, the

interest on each Note by wire or other electronic money transfer, or by check of the Fiscal Agent sent by first class mail, to the person or entity in whose name the Note is registered on the Register at the end of the day on the applicable Record Date.

Transfers. Each Note is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations of \$5,000 or any multiple thereof. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Note shall be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The Municipality will issue one or more new fully registered Notes in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Notes and upon the payment of a charge sufficient to reimburse the Municipality or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Notes (i) during the 15 calendar day period before the date of the sending of notice of any proposed redemption of the Notes, or (ii) with respect to any particular Note, after the Note has been called for redemption.

Partial Redemptions. If less than all of the Notes are to be redeemed, then the Municipality will randomly select the Notes to be redeemed. If a Note has been called for redemption but less than all the principal amount thereof is redeemed, then on or after the redemption date and upon surrender of the Note to the Fiscal Agent, the Municipality will issue a new Note in the principal amount outstanding after the redemption.

Notice of Redemption. Notice of the redemption of any of the Notes shall be sent by first class mail, not less than 30, and not more than 60, days before the redemption date, to the registered owners of the Notes to be redeemed, at the respective addresses set forth in the Register. A notice of optional redemption may be revoked by sending a notice by first class mail, not less than 15 days before the proposed redemption date, to the registered owners of the Notes which have been called for redemption.

Section 12. Form of Notes.

The Notes shall be in substantially the form shown in Exhibit A. Omissions, insertions, or variations are permitted if they are deemed necessary or desirable and are consistent with this resolution or any supplemental resolution. The Municipality may cause the approving opinion of Bond Counsel to be printed or reproduced on the Notes.

Section 13. Execution of Notes.

The Notes shall be signed by the persons who are the Municipal Officers on the date on which the Notes are signed. The Notes shall be sealed with the Municipality's corporate seal (or a facsimile thereof), if the Municipality has one, and they shall also be authenticated by the manual signature of an authorized representative of the Fiscal Agent.

The Notes will be valid and binding even if before they are delivered any person whose signature appears on the Notes is no longer living or is no longer the person authorized to sign the Notes. In that event, the Notes will have the same effect as if the person were living or were still the person authorized to sign the Notes.

A facsimile signature may be used as long as at least one signature of a Municipal Officer is a manual signature or the Fiscal Agent's certificate of authentication has a manual signature. If a facsimile signature is used, then it will be treated as the officer's own signature.

Section 14. Continuing Disclosure.

The appropriate officers of the Municipality are directed to sign the Continuing Disclosure Agreement, and the Municipality agrees to comply with all its terms.

Section 15. Sale of Notes.

The Municipality awards the sale of the Notes to the Purchaser at the Purchase Price, plus any accrued interest from the Original Issue Date to the date of delivery of the Notes. The Municipality approves and accepts the Purchase Agreement. The Municipal Officers are directed (i) to sign the Purchase Agreement in the Municipality's name and (ii) to take any additional actions needed to complete the sale of the Obligations, including arranging for a specific date, time, and location of closing of the sale.

The Municipal Officers are directed to sign the Notes and to arrange for delivery of the Notes to the Purchaser through the facilities of DTC in accordance with the Purchase Agreement and this resolution. The Notes shall be delivered to the Purchaser upon payment by the Purchaser of the Purchase Price, plus any accrued interest, as required by this resolution.

The sale of the Notes is conditioned upon the Municipality furnishing the following items to the Purchaser:

- (a) The Notes, together with the written, unqualified approving opinion of Bond Counsel, evidencing the legality of the Notes and that interest on the Notes will be excluded from gross income for federal income tax purposes.
- (b) A transcript of the proceedings relating to the issuance of the Notes.
- (c) A certificate showing that no litigation has been threatened or is pending that would affect the legality of the Notes or the right of the Municipality to issue them at the time of their delivery.

Section 16. Special Obligations Payable Solely from Specified Sources.

The Notes, together with the interest thereon, shall be special obligations of the Municipality, payable solely out of the funds and revenues hereinafter pledged, and further secured by a statutory lien on any funds derived from the issuance and sale of revenue bonds of the System issued pursuant to Section 66.0621 of the Wisconsin Statutes subsequent to the

issuance of the Notes. The Notes and the interest thereon shall not be an indebtedness of the Municipality and shall not be deemed a general obligation of the Municipality, and the Municipality shall not be liable thereon other than as provided herein. No lien may be created or attached with respect to any property of the Municipality as a consequence of the issuance of the Notes, other than as specifically provided herein with respect to such revenues and funds. Notwithstanding the foregoing, to the extent permitted by law, the Municipality may appropriate other funds to pay principal of and interest on the Notes.

Section 17. 2019 Construction Fund.

There is hereby created a fund entitled “2019 Water Utility Construction Fund” (the “**2019 Construction Fund**”), which shall be used solely for the following purposes: (i) paying the costs of the Project, and (ii) paying interest on the Notes when there shall be insufficient money in the Surplus Fund or otherwise available for that purpose. Any balance remaining in the 2019 Construction Fund after the completion of the Project shall be retained in the 2019 Construction Fund and shall be used to pay interest on the Notes. Moneys held at any time in the 2019 Construction Fund may be invested in any manner permitted by the laws of Wisconsin and shall be secured to the fullest extent required by the laws of Wisconsin. All income from the investment of moneys held in the 2019 Construction Fund shall be retained in said fund and used for the purposes of said fund.

Section 18. Application of Surplus Fund.

From and after the Original Issue Date, and while any of the Notes shall be outstanding, amounts in the Surplus Fund shall be applied (i) first, as required by the Bond Resolution, to pay principal of, or interest on, the Senior Bonds when the Special Redemption Fund is insufficient for that purpose, and to remedy any deficiency in any of the Funds or Accounts, and (ii) then to provide for the payment of the interest on the Notes and any Parity Notes accruing after the Original Issue Date as the same becomes due. Notwithstanding the provisions of the Bond Resolution, amounts in the Surplus Fund shall not be used for any other purpose except to the extent such amounts are in excess of the amount required to pay the interest coming due on the Notes and any Parity Notes on the next interest payment date.

Section 19. Agreements and Covenants of the Municipality.

For so long as the Notes remain outstanding, the Municipality agrees and covenants with each and every registered owner of the Notes as follows:

- (a) Unless it shall have otherwise provided for the payment in full of the Notes and the interest thereon as provided in Section 24(c) hereof, it will issue and sell the Project Bonds pursuant to the Act in an amount sufficient to retire the Notes on or before the final maturity date of the Notes, and will cause the proceeds of the Project Bonds to be applied to such payment in accordance with Section 20(c) hereof.
- (b) The reasonable cost and value of any service rendered to the Municipality by the System by furnishing utility services, including, but not limited to, fire, police, safety, and health protection, will, to the extent permitted by

law, be charged against the Municipality and be paid by it monthly as the service accrues out of the current revenues of the Municipality collected or in process of collection, but not from Gross Revenues, and, if necessary, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses.

- (c) The Municipality will faithfully and punctually perform all duties concerning the System required by the constitution and statutes of the State of Wisconsin, including the making and collecting of reasonable, lawful, and sufficient rates for services rendered by the System and the segregation and application of the revenues of the System as provided in the Bond Resolution and this resolution.
- (d) The Municipality will not sell, lease, or in any manner dispose of all, or any part of, the System or any additions or extensions that may be made to the System, until all Notes have been paid in full, both principal and interest, or until provision has been made for such payment as provided in Section 24(c) hereof, unless the property to be sold, leased, or otherwise disposed of has been found by the Governing Body not to be necessary or useful in the operation of the System. The proceeds received from any sale, lease, or disposal of any such property of the System shall be applied as provided in the Bond Resolution.
- (e) The Municipality will: (i) operate and maintain the System in good condition; (ii) charge and collect such lawfully established rates and charges for the service rendered by the System so that the Gross Revenues will be sufficient to make the payments into the Funds and Accounts and provide for Net Revenues at least equal to 1.25 times the highest combined annual principal and interest requirements on all Senior Bonds and interest requirements on the Notes and any Parity Notes then outstanding; and (iii) promptly take such actions as are necessary to adopt and enforce increased rates whenever such increase shall be necessary to fulfill any covenant of this resolution.
- (f) The Municipality will keep proper books and accounts relating to the System separate from all other records of the Municipality and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants and will make available to the owners of any of the Notes the latest balance sheet and the profit and loss statement of the System as certified by such accountants. The registered owners of any Notes shall have the right to inspect the System and the records, accounts, and data of the Municipality relating to the System at all reasonable times. Each audit of the books and accounts of the System, in addition to whatever matters may be thought proper by the accountants to be included therein, shall include the following: (i) a statement in detail of the revenues and expenditures of the System for the Fiscal Year; (ii) a statement of the Net Revenues for the Fiscal Year; (iii) a

balance sheet as of the end of the Fiscal Year; (iv) the accountants' comment regarding the manner in which the Municipality has carried out the requirements of this resolution and the accountants' recommendation for any changes or improvements in the operation of the System; (v) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (vi) the number and types of connections at the end of the Fiscal Year.

- (g) The Municipality will carry, for the benefit of the registered owners of the Notes, insurance of a kind and in such amounts as would usually be carried by private companies or other public bodies engaged in operating a similar utility system. All amounts received for losses under any of such insurance policies, except public liability, shall be applied as provided in the Bond Resolution.
- (h) The Municipality will grant no franchise for the operation of another System (or any part thereof) within the geographic limits of the Municipality, unless the denial of such franchise would be in violation of any law.
- (i) The Municipality will by ordinance or resolution of its Governing Body require all buildings in the Municipality used for human habitation and located adjacent to service from the System, or located in a block through which service from the System extends, to be connected with service from the System.
- (j) The Municipality will comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes, including, but not limited to the rebate requirements set forth in the Code and the Treasury Regulations, for interest on the Notes to be and remain excluded from gross income of the owners thereof pursuant to the Code. The Municipality will comply with the provisions of the Tax Certificate delivered in connection with the issuance of the Notes relating to these requirements. Without limiting the generality of the foregoing, the Municipality will not enter into any contract with any person or persons which would cause the Notes to become "private activity bonds," within the meaning of Section 141(a) of the Code or any Treasury Regulations promulgated thereunder.

Section 20. Pledges.

- (a) The Municipality hereby pledges amounts deposited in the Surplus Fund pursuant to the Bond Resolution to the payment of the [principal of and] interest on the Notes and any Parity Notes issued in accordance with Section 21(c) of this resolution, subject to the prior required applications thereof provided in the Bond Resolution.

- (b) The Municipality hereby pledges amounts deposited in the 2019 Construction Fund to the payment of the [principal of and] interest on the Notes, subject to the other applications thereof provided in Section 17 hereof.
- (c) The Municipality hereby pledges the first funds derived from the issuance and sale by the Municipality of the Project Bonds under the Act, issued subsequent to the Notes, to the payment of principal of and interest on the Notes. All funds derived from any sale hereafter of the Project Bonds shall, pursuant to the Act, constitute a trust fund. Such trust fund shall be expended first for the payment of the principal of and interest on the Notes, and only after payment or provision for payment of the Notes in full shall such funds be expended for such other purposes as set forth in the resolution authorizing the Project Bonds.

Section 21. Additional Obligations.

The Municipality shall not issue bonds, notes, or other obligations of any kind or nature payable from or enjoying a lien on the Net Revenues or properties of the System on a parity with or having a priority over the Notes except as provided in this Section.

- (a) Parity Bonds may be issued as provided in the Bond Resolution.
- (b) Bonds or notes (including, but not limited to, the Project Bonds or refunding bond anticipation notes) may hereafter be issued if either
 - (i) such bonds or notes are issued wholly or in part, for the purpose of and will provide an amount sufficient, together with all other funds legally available therefor, to pay the entire principal of and all interest on the Notes; or
 - (ii) immediately upon the issuance of such bonds or notes, the Municipality has discharged all of the Notes in the manner provided in Section 24(c) hereof.
- (c) Additional notes may be issued on a parity with the Notes as to payments from the Surplus Fund if all of the following conditions shall be met:
 - (i) The Net Revenues for the last completed Fiscal Year were at least equal to 1.25 times the highest combined annual principal and interest requirements on all Senior Bonds and the interest requirements for the Notes and all Parity Notes then outstanding for the current or any succeeding Fiscal Year; and
 - (ii) The payments required to be made into the various Funds and Accounts with respect to the Senior Bonds as required by the Bond Resolution must be current.

Section 22. Sale of Notes.

The Municipality awards the sale of the Notes to the Purchaser at the Purchase Price, plus any accrued interest from the Original Issue Date to the date of delivery of the Bonds. The Municipality approves and accepts the Purchase Agreement. The Municipal Officers are directed (i) to sign the Purchase Agreement in the Municipality's name and (ii) to take any additional actions needed to complete the sale of the Notes, including arranging for a specific date, time, and location, of closing of the sale.

The Financial Officer is directed to comply with the terms of the Official Terms of Offering with respect to any good-faith deposit requirements.

The officers of the Municipality are directed to sign the Notes and to arrange for delivery of the Notes to the Purchaser through the facilities of DTC in accordance with the Official Terms of Offering, the Purchase Agreement, and this resolution. The Notes may be delivered to the Purchaser upon payment by the Purchaser of the Purchase Price, plus any accrued interest, as required by the Official Terms of Offering.

Unless waived by the Purchaser, the delivery of the Notes is conditioned upon the Municipality furnishing the following items to the Purchaser:

- (i) The Notes, together with the written, unqualified approving opinion of the law firm of Foley & Lardner LLP, bond counsel, evidencing the legality of the Notes and that interest on the Notes will be excluded from gross income for federal income tax purposes.
- (ii) A transcript of the proceedings relating to the issuance of the Notes.
- (iii) A certificate showing that no litigation has been threatened or is pending that would affect the legality of the Notes.

Section 23. Disposition of Note Proceeds.

The proceeds from the sale of the Notes, including any accrued interest and premium received, shall be deposited in the 2019 Construction Fund and applied as provided in Section 17 hereof.

Section 24. Resolution a Contract: Remedies of Noteowners; Discharge of Covenants.

- (a) The provisions of this resolution constitute a contract between the Municipality and the registered owners of the Notes. After the issuance of the Notes no change or alteration in the provisions of this resolution may be made, except (a) as provided in Section 25 of this resolution, and (b) as provided in the definition of "Fiscal Year" in Section 1 of this resolution.
- (b) The registered owners of any of the Notes will have the right, in addition to all other rights, by mandamus or other suit or action in any court of

competent jurisdiction, to enforce their rights against the Municipality, the Governing Body, and any and all officers and agents thereof, including, but not limited to, the right to require the Municipality, the Governing Body, and any other authorized body to fix and collect rates and charges fully adequate to carry out all provisions and agreements contained in this resolution.

- (c) The agreements, covenants, liens, and pledges entered into, created, or imposed pursuant to this resolution may be fully discharged and satisfied with respect to any or all of the Notes in any one or more of the following ways: (i) by paying the Notes when they become due and payable, or upon their prior redemption in the manner provided in this resolution; (ii) by depositing with the Fiscal Agent funds in the amount necessary, without consideration of any reinvestment thereof, to pay the principal of, and interest on, the Notes until their maturity date or earlier redemption; *provided* that if the Notes are to be redeemed prior to their stated maturity date, then (A) the Notes must have been irrevocably called for redemption by the Municipality, and (B) provision must have been made for the required notice of the redemption in the manner provided in this resolution; *provided, further*, that any such deposit can only be made if the deposit will not adversely affect the exclusion of interest on the Notes from gross income of the owners thereof for federal income tax purposes; or (iii) by depositing with a trustee or an escrow agent, in trust for such purpose, on or before the date of maturity or redemption, money and/or direct obligations of, or obligations the principal of, and interest on, which are fully guaranteed by, the United States of America, in such amount as, together with the income or increment to accrue thereon without consideration of any reinvestment thereof, will be fully sufficient to pay or redeem (when redeemable) the Notes at or before their respective maturity dates; *provided*, that if a Note is to be redeemed prior to its stated maturity date, then (A) the Note must have been irrevocably called for redemption by the Municipality, and (B) provision must have been made for the required notice of the redemption in the manner provided in this resolution; *provided, further*, that any such deposit can only be made if the deposit will not adversely affect the exclusion of interest on the Notes from gross income of the owners thereof for federal income tax purposes. Upon a payment or a deposit of money or investments in the amount and manner required by this section, all liability of the Municipality with respect to the Notes will cease, determine, and be completely discharged, and the registered owners of any Notes that are not then retired will be entitled only to payment out of the money and investments deposited as required by this section.

Section 25. Amendment of Resolution.

Amendment Without the Consent of the Owners. This resolution may be amended from time to time without the consent of the registered owners of the Notes to make any change

that does not adversely affect the registered owners of the Notes, including, without limitation, to cure any ambiguities, inconsistencies, or typographical errors that may be contained in this resolution.

Amendment With the Consent of the Owners. This resolution may also be amended from time to time with the written consent of the registered owners of not less than a majority in outstanding principal amount of the Notes (not including any Notes that are held or owned by or for the account of the Municipality); *provided, however*, this resolution may be amended only with the unanimous written consent of the registered owners of the Notes affected thereby:

- (i) To make any change in the stated maturity date of, or interest rate on, any Note; to modify the terms of payment of principal of, or interest on, any Note; or to impose any conditions with respect to payment of principal of, or interest on, any Note;
- (ii) To materially affect the rights of the owners of less than all Notes then outstanding; or
- (iii) To reduce the required outstanding principal amount of the Notes for which consent must be given to effect any future amendments to this resolution.

Notice. If the Municipality proposes to amend this resolution under any provision of this section, then the Municipality shall cause notice of the proposed amendment (the “**Amendment Notice**”) and, if consent is required, a form of consent to the proposed amendment (the “**Consent**”) to be (i) sent by certified mail to all registered owners of the Notes and (ii) filed with the Municipal Securities Rulemaking Board if required under the Continuing Disclosure Agreement. The Amendment Notice shall briefly describe the nature of the proposed amendment and shall state that a copy of the proposed amendment is on file for public inspection in the office of the Recording Officer. The Consent shall refer to the proposed amendment, specifically evidence consent to and approval of the proposed amendment, and be dated by the owner of the Notes upon execution of the Consent. The Amendment Notice and Consent may be one instrument.

If on any date prior to one year after the date the Amendment Notice and Consent were sent the Recording Officer receives Consents executed by the registered owners of the Notes owning not less than the outstanding principal amount required to approve the amendment, then the Governing Body may adopt a resolution effecting the proposed amendment, and upon the adoption of the resolution effecting the proposed amendment, the proposed amendment will become effective and binding upon the registered owners of all the Notes.

Any Consent given by the registered owner of a Note pursuant to the provisions of this section will be irrevocable for a period of six months from the date of the Consent and will be conclusive and binding upon all future registered owners of the same Note during the six-month period. A Consent may be revoked on any date after the six-month period by the registered owner who gave the Consent or by a successor in title by filing notice of such

revocation with the Recording Officer; *provided*, that a revocation will not be effective if the Recording Officer has already received Consents from registered owners of the Notes owning not less than the required outstanding principal amount to approve the amendment, evidencing their consent to and approval of the proposed amendment that was the subject of the Consent.

Section 26. Official Statement.

The Municipality authorizes, ratifies, and approves the preliminary offering document prepared and distributed in connection with the sale of the Notes, and the Municipality authorizes and directs the final version of such document (the “**Official Statement**”) to be prepared and distributed prior to the issuance of the Notes; *provided, however*, that the Official Statement shall be substantially in the form submitted as of the date of this resolution, with such modifications as the Municipal Officers approve. The Municipal Officers are directed to deliver copies of the Official Statement to the Purchaser and, if the Purchaser requests, a Municipal Officer shall execute one or more copies on behalf of the Municipality. Execution and delivery of the Official Statement will conclusively evidence the approval of the Municipal Officers.

Section 27. Publication of Notice.

The Recording Officer is directed to publish notice that the Municipality has agreed to sell the Notes. The notice shall be published in the Municipality’s official newspaper as a class 1 notice under Chapter 985 of the Wisconsin Statutes promptly after the execution of the Purchase Agreement. The notice shall be in substantially the form attached hereto as Exhibit B. The Recording Officer shall obtain proof, in affidavit form, of the publication and shall compare the notice as published with the attached form to make sure that no mistake was made in publication.

Section 28. Authorization of Officers.

The appropriate officers of the Municipality are directed to prepare and furnish the following items to the Purchaser and to the attorneys approving the legality of the Notes:

- (i) Certified copies of proceedings and records of the Municipality relating to the Notes and to the financial condition and affairs of the Municipality.
- (ii) Other affidavits, certificates, and information that may be required to show the facts about the legality of the Notes, as such facts appear on the books and records under the officer’s custody or control or as are otherwise known to the officer.

Section 29. Further Authorization.

The Municipality authorizes its officers, attorneys, and other agents or employees to do all acts required of them to carry out the purposes of this resolution.

Section 30. Conflicts with Prior Acts.

In case any part of a prior action of the Governing Body conflicts with this resolution, that part of the prior action is hereby rescinded.

Section 31. Severability of Invalid Provisions.

If a court holds any provision of this resolution to be illegal or invalid, then the illegality or invalidity shall not affect any other provision of this resolution.

Section 32. Effective Date.

This resolution shall take effect upon its adoption and approval in the manner provided by law.

* * * * *

Adopted: December 3, 2019

Approved: December ____, 2019

Mayor

Clerk

EXHIBIT A

FORM OF NOTE

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Municipality or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA
STATE OF WISCONSIN
CITY OF MADISON

	Registered
No. R-1	\$20,000,000

WATER UTILITY REVENUE BOND ANTICIPATION NOTE, SERIES 2019

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
_____ %	November 1, 2024	December 19, 2019	558614 ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWENTY MILLION DOLLARS

THE CITY OF MADISON, WISCONSIN (herein called the “**Municipality**”) hereby acknowledges itself to owe and for value received promises to pay the Principal Amount to the Registered Owner, solely from the income and revenues hereinafter specified, on the Maturity Date, and interest on the Principal Amount from the Original Issue Date at the annual rate of the Interest Rate. Interest is payable on each May 1 and November 1 until the Principal Amount has been paid, beginning on May 1, 2020, and as to any particular Bond to be redeemed as described below, on the redemption date of such Bond. Interest is computed on the basis of a 360-day year of twelve 30-day months.

This Note is one of a duly authorized issue of notes (the “**Notes**”) of the Municipality of an aggregate principal amount of \$20,000,000, all of like tenor except a to denomination, issued by the Municipality pursuant to Article XI, Section 3 of the Wisconsin Constitution and Section 66.0621(4) (L) of the Wisconsin Statutes, and acts supplementary thereto, and a resolution adopted by the governing body of the Municipality on December 3, 2019 entitled “A Resolution providing for the sale and issuance of \$20,000,000 Water Utility Revenue Bond Anticipation Notes, Series 2019, and all related details” (the “**2019 BAN**”

Resolution”), in anticipation of the issuance of revenue bonds for the purpose of paying the costs of additions, extensions, improvements, renewals, or replacements to the Municipality’s waterworks system (collectively, the **“System”**).

This Note, together with the interest thereon, is payable only from (1) the proceeds of revenue bonds which the Municipality has covenanted to issue pursuant to Section 66.0621 of the Wisconsin Statutes, (2) the income and revenues of the System deposited to the Surplus Fund established by a resolution adopted by the Municipality’s governing body on November 6, 2007 (the **“2007 Resolution”**) and continued under subsequent resolutions authorizing the issuance of the Municipality’s outstanding water utility revenue bonds (the **“Senior Bonds”**), (3) proceeds of the Notes available for such payment in the 2019 Construction Fund established by 2019 BAN Resolution, and (4) any other funds that the Municipality may appropriate for such purpose. The Notes are issued expressly subordinate and junior to the Senior Bonds. Reference is hereby made to the 2019 BAN Resolution for a more complete statement of the revenues from which and conditions under which this Note is payable, the general covenants and provisions pursuant to which this Note has been issued, and the conditions under which additional notes may hereafter be issued on a parity with this Note.

This Note does not constitute an indebtedness of the Municipality within the meaning of any constitutional or statutory limitation or provision, the Notes and interest thereon are not general obligations of the Municipality, and the Municipality is not obligated, directly or indirectly or contingently, to levy or to pledge any form of taxation whatsoever for payments due with respect to the Notes.

This Note is secured by (i) a statutory lien upon and a pledge of any funds derived from the sale and issuance, after the Original Issue Date, of revenue bonds for the purpose of the System, (ii) a pledge of amounts in the Surplus Fund established by the 2007 Resolution that exceed the amounts required to be applied for the purposes of the Senior Bonds, and (iii) a pledge of the 2019 Construction Fund established by 2019 BAN Resolution.

On the date of their initial delivery, the Notes will be maintained in a system in which no physical distribution of certificates representing ownership of the Notes is made to the owners of the Notes but instead all outstanding Notes are registered either in the name of a securities depository appointed by the Municipality (a **“Depository”**), or in the name of the Depository’s nominee, and the Depository and its participants record beneficial ownership and effect transfers of the Bonds electronically (a **“Book-Entry System”**). So long as the Notes are maintained in the Book-Entry System, then the principal of, and interest on, this Note will be paid by wire transfer to the Depository or its nominee in accordance with the Depository’s rules that are then in effect by U.S. Bank National Association, or any successor fiscal agent appointed by the Municipality (hereinafter, the **“Fiscal Agent”**), which shall act as authentication agent, paying agent, and registrar for the Bonds.

If on any date the Notes are *not* being maintained in a Book-Entry System, then (i) the principal of this Note will be paid by the Fiscal Agent upon its presentation and surrender on or after its maturity or earlier redemption date at the designated office of the Fiscal Agent, and (ii) the interest on this Bond will be paid by the Fiscal Agent, on each interest payment date, by wire or other electronic money transfer, or by check of the Fiscal Agent sent by first class mail,

to the person or entity in whose name this Note is registered in the register (the “**Register**”) maintained by the Fiscal Agent at the end of the day on the 15th day (whether or not a business day) of the calendar month immediately preceding each regularly scheduled interest payment date (the “**Record Date**”). The Municipality and the Fiscal Agent may treat the person or entity in whose name any Note is registered on the Register as the absolute owner of the Notes for all purposes whatsoever under this resolution.

The Notes are subject to redemption prior to their stated maturity dates, at the Municipality’s option, in whole or in part, on November 1, 2020 and on any date thereafter. The redemption price will be 100% of the principal amount redeemed plus accrued interest to the redemption date, and no premium will be paid. If payment of a Note called for redemption has been made or provided for, then interest on the Note stops accruing on the stated redemption date. If less than all outstanding principal amount of a specific maturity is redeemed, then the Notes will be redeemed in \$5,000 multiples as described below.

So long as the Notes are being maintained in a Book-Entry System, the following provisions apply:

Transfers. The Notes are transferable, only upon the Register and only if the Depository ceases to act as securities depository for the Notes and the Municipality appoints a successor securities depository. If that happens, then upon the surrender of the Notes to the Fiscal Agent, the Municipality will issue new fully registered Notes in the same aggregate principal amounts to the successor securities depository, and the Notes will be recorded as transferred to the successor securities depository in the Register.

The Fiscal Agent will not be required to make any transfer of the Notes (i) during the 15 calendar day period before the date of the sending of notice of any proposed redemption of the Notes or (ii) with respect to any particular Note, after such Note has been called for redemption.

Partial Redemption. If less than all the principal amount of the Notes is to be redeemed, then the Depository and its direct and indirect participants will randomly select the beneficial owners of the Notes to be redeemed. If a Note has been called for redemption but less than all the principal amount thereof is redeemed, then on or after the redemption date, upon surrender of the Note to the Fiscal Agent, the Municipality will issue a new Note in the principal amount outstanding after the redemption.

Notice of Redemption. Notice of the redemption of any of the Notes will be sent to the Depository, in the manner required by the Depository, not less than 30, and not more than 60, days before the proposed redemption date. A notice of redemption may be revoked by sending notice to the Depository, in the manner required by the Depository, not less than 15 days before the proposed redemption date.

If on any date the Notes are *not* being maintained in a Book-Entry System, then the following provisions apply:

Transfers. Each Note is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations of \$5,000 or any

multiple thereof. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Note must be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The Municipality will issue one or more new fully registered Bonds in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Notes and upon the payment of a charge sufficient to reimburse the Municipality or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Notes (i) during the 15 calendar day period before the date of the sending of notice of any proposed redemption of the Notes, or (ii) with respect to any particular Note, after the Note has been called for redemption.

Partial Redemption. If less than all the principal amount of the Notes is to be redeemed, then the Municipality will randomly select the Notes to be redeemed. If a Note has been called for redemption by less than the entire principal amount thereof is redeemed, then on or after the redemption date, upon surrender to the Fiscal Agent of the Note, the Municipality will issue a new Note in the principal amount outstanding after the redemption.

Notice of Redemption. Notice of the redemption of any of the Notes will be sent by first class mail, not less than 30, and not more than 60, days before the proposed redemption date, to the registered owners of any Notes to be redeemed at the respective addresses set forth in the Register. Notice of redemption may be revoked by sending a notice by first class mail, not less than 15 days before the proposed redemption date to the registered owners of any Notes which were to have been redeemed.

The Municipality hereby certifies, recites, and declares that all acts, conditions, and procedures required by law to be, or to be done, precedent to and in the issuing of this Note and of the issue of which it is a part, do exist, have happened, and have been done and performed in regular and due form, time, and manner as required by law; and that a sufficient amount of the income and revenue to be received by the Municipality from the operation of the System has been pledged to the Surplus Fund for the payment of principal of, and interest on, this Note.

IN WITNESS WHEREOF, the Municipality, by its governing body, has caused this Note to be executed in its name and on its behalf by the manual or facsimile signatures of its Mayor and Clerk, and to be sealed with its corporate seal (or a facsimile thereof), if any, all as of the Original Issue Date.

CITY OF MADISON, WISCONSIN

By: _____
Mayor

[SEAL]

And: _____
Clerk

CERTIFICATE OF AUTHENTICATION:

Dated: December __, 2019

This Note is one of the Notes described in the within-mentioned 2019 BAN Resolution.

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

Authorized Signatory

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF ASSIGNEE

[Empty rectangular box for Social Security or identifying number]

(Please Print or Type Name and Address of Assignee)

the within-mentioned Bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ attorney-in-fact, to transfer the same on the books of the registry in the office of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Fiscal Agent, which requirements include membership or participation in the Securities Transfer Association Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Fiscal Agent in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

NOTE: The signature to this assignment must correspond with the name as written on the face of the within Note in every particular, without alteration or enlargement or change whatsoever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person’s authority to act must accompany this Note.

EXHIBIT B

NOTICE TO THE ELECTORS OF THE
CITY OF MADISON, WISCONSIN
RELATING TO BOND ANTICIPATION NOTE SALE

On December 3, 2019, pursuant to Section 66.0621(4) (L) of the Wisconsin Statutes, a resolution was offered, read, approved and adopted whereby the City of Madison, Wisconsin authorized the borrowing of money and entered into a contract to sell water utility revenue bond anticipation notes in the principal amount of \$20,000,000. It is anticipated that the closing of this note sale will be held on or about December 19, 2019. A copy of all proceedings had to date with respect to the authorization and sale of said notes is on file and may be examined in the office of the City Clerk, Room 101, City-County Building, 210 Martin Luther King, Jr. Boulevard, Madison, Wisconsin between the hours of 9:00 a.m. and 4:30 p.m. on weekdays.

This notice is given pursuant to Section 893.77 of the Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, must be commenced within 30 days after the date of publication of this notice.

Publication Date: December __, 2019

/s/ Maribeth Witzel-Behl

City Clerk

CERTIFICATIONS BY CLERK

I, Maribeth Witzel-Behl, hereby certify that I am the duly qualified and acting Clerk of the City of Madison, Wisconsin (the “**Municipality**”), and as such I have in my possession, or have access to, the complete corporate records of the Municipality and of its Common Council (the “**Governing Body**”) and that attached hereto is a true, correct, and complete copy of the resolution (the “**Resolution**”) entitled:

**A Resolution Authorizing and Providing for the Sale and Issuance of
\$20,000,000 Water Utility Revenue Bond Anticipation Notes, Series 2019,
and All Related Details**

I do hereby further certify as follows:

1. **Meeting Date.** On December 3, 2019 a meeting of the Governing Body was held commencing at _____ p.m.

2. **Posting.** On December ____, 2019 (and not less than 24 hours prior to the meeting), I posted, or caused to be posted, at the Municipality’s offices in Madison, Wisconsin a notice setting forth the date, time, location, and subject matter (including specific reference to the Resolution) of said meeting.

3. **Notification of Media.** On December ____, 2019 (and not less than 24 hours prior to the meeting), I communicated or caused to be communicated, the date, time, location, and subject matter (including specific reference to the Resolution) of said meeting to those news media who have filed a written request for such notice and to the official newspaper of the Municipality.

4. **Open Meeting Law Compliance.** Said meeting was a regular meeting of the Governing Body that was held in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and state statutes.

5. **Members Present.** Said meeting was duly called to order by the Mayor (the “**Presiding Officer**”), who chaired the meeting. Upon roll call, I noted and recorded that there were ____ members of the Governing Body present at the meeting, such number being a quorum of the Governing Body.

6. **Consideration of and Roll Call Vote on Resolution.** Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was the Resolution. A proper quorum of the Governing Body was present for the consideration of the Resolution, and each member of the Governing Body had received a copy of the Resolution. All rules of the Governing Body that interfered with the consideration of the Resolution, if any, were suspended by a two-thirds vote of the Governing Body. The Resolution was then introduced, moved, and seconded, and after due consideration, upon roll call, ____ of the Governing Body members voted Aye, ____ voted Nay, and ____ Abstained.

7. Adoption of Resolution. The Resolution was supported by the affirmative vote of three-fourths of all members of the Governing Body. The Presiding Officer then declared that the Resolution was adopted, and I recorded the adoption of the Resolution.

8. Approval of Presiding Officer. The Resolution was approved by the Presiding Officer on December _____, 2019, and I have recorded this approval. This approval is evidenced by the signature of the Presiding Officer on the copy of the Resolution attached hereto.

9. Publication of Notice to Electors. I have caused the Notice to Electors set forth in Exhibit B to the Resolution to be published in the form and place specified in the Resolution.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Municipality hereto on December _____, 2019.

Clerk

[SEAL]