



City of Verona

111 Lincoln Street
Verona, WI 53593-1520

www.ci.verona.wi.us

COMMON COUNCIL

AGENDA

MONDAY, JULY 25, 2016
7:00 P.M. VERONA CITY CENTER

1. Call to order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment
5. Approval of Minutes from the July 11, 2016 Common Council Meeting
6. Mayor's Business
7. Engineer's Report
8. Committee Reports

A. Finance Committee

- (1) Discussion and Possible Action Re: Payment of Bills
- (2) Discussion and Possible Action Re: Feasibility and Participation in Recreational/Aquatic Facility Study Agreement with the Verona Area School District

B. Public Safety and Welfare Committee

- (1) Discussion and Possible Action Re: Ordinance No. 16-877 Amending Section 10-1-13 - Motor Vehicles and Traffic - of the Code of Ordinances
- (2) Discussion and Possible Action Re: Ordinance No. 16-878 Amending Section 10-1-28 - Large Vehicle Parking - of the Code of Ordinances
- (3) Discussion and Possible Action Re: Ordinance No. 16-879 Amending Section 10-1-33 - Traffic and Parking Regulations on School District Grounds - of the Code of Ordinances

C. Public Works/Sewer and Water Committee

- (1) Discussion and Possible Action Re: AECOM Bike/Pedestrian Study Presentation
- (2) Discussion and Possible Action Re: Amendment No. 1 to Professional Services Agreement with AECOM for W. Verona Avenue - USH 18/151 On-Ramp Improvement
- (3) Discussion and Possible Action Re: Developers Agreement for Cathedral Point Phase 6

The Common Council may convene in closed session as authorized by Wisconsin Statute 19.85(1)(e) for the purpose of deliberating or negotiating the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in the closed session.

- (4) Discussion and Possible Action Re: An Agreement with Good Shepherd Church to Purchase Lands for CTH PD/Northern Lights Transportation Improvement Project
The Common Council may convene in closed session as authorized by Wisconsin Statute 19.85(1)(e) for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds or conducting other specified business, whenever competitive or bargaining reasons require a closed session. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in the closed session.
- (5) Discussion and Possible Action Re: A Property Use Agreement with Verona Area Community Theatre, Inc. (VACT)
The Common Council may convene in closed session as authorized by Wisconsin Statute 19.85(1)(e) for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in closed session.
- (6) Discussion and Possible Action Re: A Lease Agreement with Verona Area Community Theatre, Inc. (VACT)
The Common Council may convene in closed session as authorized by Wisconsin Statute 19.85(1)(e) for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in closed session.

9. Old Business

- B. Discussion and Possible Action Re: Agreement for City Administrator Position

10. New Business

- A. Discussion and Possible Action Re: Approval of Operator Licenses

11. Announcements

12. Adjournment

Jon H. Hochkammer, Mayor

POSTED: Miller's Market
Verona City Hall
Verona Public Library
City Website @ www.ci.verona.wi.us

IF YOU NEED AN INTERPRETER, MATERIALS IN ALTERNATIVE FORMATS, OR OTHER ACCOMODATIONS TO ACCESS THE MEETING, PLEASE CONTACT THE CITY CLERK AT 845-6495 AT LEAST 48 HOURS PRECEDING THE MEETING. EVERY REASONABLE EFFORT WILL BE MADE TO ACCOMMODATE YOUR REQUEST.

CITY OF VERONA
MINUTES
COMMON COUNCIL
July 11, 2016
Verona City Hall

1. Mayor Hochkammer called the meeting to order at 7:04 p.m.
2. Pledge of Allegiance
3. Roll call: Alderpersons Luke Diaz, Jack Linder, Heather Reekie, Scott Stewart, Brad Stiner and Evan Touchett present. Alderpersons Doyle and McGilvray are absent and excused. Also in attendance: Planning and Development Director Adam Sayre; Public Works Director Theran Jacobson; Parks Director Dave Walker; City Engineer Jeff Montpas; Attorney Meg Vergeront; Steve Brown Development Group representatives Dan Sealy, Scott Watson, and Shane Fry; and City Clerk Ellen Clark.
4. Public Comment:

Dan Sealy, 604 Willowbrook Trail, Sun Prairie, Wisconsin, spoke as the Director of Development and on behalf of the Steve Brown Development Group. Sealy stated that Steve Brown Development Group has been in business in the Madison area for 35 years. They acquired West End Apartments in 2015, and the outlot across the street after that. They see the true mixed use development concept being presented tonight as the gateway to downtown Verona from the west side. They are committed to retail, and intend to deliver retail first.
5. Approval of Minutes from the June 25, 2016 Special Common Council meeting and the June 27, 2016 Common Council meeting: Motion by Reekie, seconded by Diaz, to approve the minutes of the June 25th, 2016 Special Common Council meeting and the June 27, 2016 Common Council meeting. Motion carried 6-0.
6. Mayor's Business:
 - A. Committee Appointments:

Mayor Hochkammer stated that during the joint meeting of the City of Verona and Town of Verona regarding the boundary agreement, each of the bodies agreed to create a City and Town Joint Planning Committee. Committee members from the city are the Mayor and two mayoral appointments. Members from the town are the Town Chair, a member of the Planning Commission, and a citizen member. The Mayor presented the following Joint Planning Committee assignments:
Jon Hochkammer - Mayor
Jack Linder – Council Member
Steve Heinzen – Citizen Member

Motion by Touchett, seconded by Stiner, to confirm Mayor Hochkammer's appointments to the City and Town Joint Planning Committee. Motion carried 6-0.
7. Engineer's Report:
 - Northern Lights/N. Nine Mound Road Construction:

Removal of old N. Nine Mound Road and installation of storm sewer are completed. Curb and gutter on south bound Northern Lights began on July 7th.

- Downtown Street Reconstruction Phase I – Church Avenue, S. Marietta Street and Grove Street:
Water main installation on Church Avenue and Grove Street should be completed by mid-July, with sanitary sewer installation beginning after water main installation. Church Avenue and Grove Street are scheduled to be open for traffic by the end of August.
- 2016 Street Rehabilitation Project:
Work on the project began the week of July 4th. Submittals for work and materials have been submitted and are being reviewed.

8. Committee Reports:

A. Plan Commission

- (1) Discussion and Possible Action Re: Resolution No. R-16-034 Approving a Precise Implementation Plan (PIP) to Allow for the Construction of a 20,020 Square Foot Building Addition at 506, 508 and 514 Commerce Parkway. Motion by Linder, seconded by Reekie, to approve Resolution No. R-16-034 Approving a Precise Implementation Plan (PIP) to allow for the construction of a 20,020 square foot building addition at 506, 508 and 514 Commerce Parkway, with the condition that prior to the issuance of building permits, a photometric plan shall be approved by the Director of Planning and Development. The proposed PIP would allow for the construction of a building addition for Pure Sweet Honey Farm. The Plan Commission held the required public hearing on July 6, 2016. Motion carried 6-0.
- (2) Discussion and Possible Action Re: Resolution R-16-035 Approving a Conditional Use Permit to Allow a Group Daycare Center Land Use to be Located at 590 Hometown Circle. Motion by Linder, seconded by Reekie, to approve Resolution R-16-035 approving a conditional permit to allow a group daycare center land use to be located at 590 Hometown Circle. The proposed conditional use permit would allow for the construction of a 10,782 square foot daycare center at 590 Hometown Circle. The Plan Commission held the required public hearing on July 6, 2016. Motion carried 6-0.
- (3) Discussion and Possible Action Re: Resolution R-16-036 Approving an Extraterritorial certified survey map that Creates Three (3) Lots at 7669 CTH PD in the Town of Verona. Motion by Linder, seconded by Reekie, to approve Resolution R-16-036 approving an extraterritorial certified survey map that creates three (3) lots at 7669 CTH PD in the Town of Verona, with the condition that changes to the CSM can be approved by the Director of Planning and Development. The proposed extraterritorial certified survey map will create three lots for the Town of Verona at 7669 CTH PD. Lot 2 will contain the future Town Hall, while Lots 1 and 3 will be sold to Epic Systems Corporation. Motion carried 6-0.
- (4) Discussion and Possible Action Re: A Planned Development Concept Plan Located South of West Verona Avenue, West of West End Circle, East of Wall Street, and North of the West End Apartments. Steve Brown Apartments is requesting a planned unit development (PUD) concept review to allow for construction of 15,000 square feet of commercial space, a 32-unit apartment building, and 10 townhouse units.

Stiner requested information on the potential road from Paoli Street to West Verona Avenue, and on coordination between this development project and the high school project in that area. Scott Watson, CFO, spoke on behalf of the Steve Brown Group. Watson stated that he met with the school superintendent and discussed the school's potential site plan, as well as the Steve Brown Group's potential site plan. The development would be complimentary to the school's plan, allowing people to live and shop close to the school, and creating opportunity for student jobs. Sayre stated the initial design for the new road is a two-lane road with one traffic lane in each direction, a boulevard section in the middle, and bike lanes on both sides. More details will be coming out in the coming months. Discussion followed on traffic calming, following the original plan for the area, parking concerns, creating a walkable destination place, getting the school district involved in the planning for the area, the commitment of the developer to lead with retail at this location, and general support from council members for the project plan. The developer is committed to retail at this location. No action was taken on this item.

- (5) Discussion and Possible Action Re: Resolution R-16-037 Approving a Certified Survey Map to Create One (1) Lot and One (1) Outlot at 101 North Main Street and 100 East Verona Avenue. Motion by Linder, seconded by Reekie, to approve Resolution R-16-037 approving a certified survey map to create one (1) lot and one (1) outlot at 101 North Main Street and 100 East Verona Avenue. Lot 1 would be sold to Troy Rost, and the outlot would be retained by the city for future right-of-way. Motion carried 6-0.

B. Finance Committee

- (1) Discussion and Possible Action Re: Payment of Bills. Motion by Linder, seconded by Touchett, to pay the bills in the amount of \$645,099.41. Motion carried 6-0.

C. Public Works Sewer & Water Committee

- (1) Discussion and Possible Action Re: Consulting Services Agreement with AECOM for Surveying and Construction Documents Preparation to Implement Specific Projects of AECOM Pedestrian and Bike Study. Motion by Touchett, seconded by Diaz, to approve a Consulting Service Agreement with AECOM for surveying and construction documents preparation to implement specific projects of AECOM pedestrian and bike study. This Consulting Services Agreement is for design services to implement the following projects: Project 2 – downtown intersection improvements along Verona Avenue; Project 3 – intersection improvements along CTH M; Project 4 – pavement markings and street signs for bike lanes; Project 10 – CTH M sidewalks. Total estimated fees not to exceed \$95,350. Diaz stated he is happy to see this. The more friendly we can make the city for people who bike or walk, the better. Motion carried 6-0.
- (2) Discussion and Possible Action Re: Consulting Services Agreement with AECOM for Construction Related Services for Construction of Cathedral Point Phase 6. Motion by Linder, seconded by Diaz, to approve a Consulting Services Agreement with AECOM for construction related services for construction of Cathedral Point Phase 6, contingent upon a developer's agreement being approved. This agreement will provide project administration, documentation, and construction inspection for the

Cathedral Point Phase 6 project. Total estimated fees not to exceed \$33,600. The developer will be covering these costs once the agreement is approved. Motion carried 6-0.

D. Park, Recreation and Forestry Commission

(1) Discussion and Possible Action Re: Contract Amendment #2 with MSA Professional Services for Additional Work Related to Fireman's Park Master Plan. Motion by Reekie, seconded by Stiner, to approve Contract Amendment #2 with MSA Professional Services for additional work related to the Fireman's Park Master Plan. The current contract calls for the design of two options for improvement and redevelopment of the park. This amendment calls for the design of a third option at an additional cost not to exceed \$1,500. The additional amount would come from the Parks restricted fund. Motion carried 6-0.

9. Old Business

A. Discussion and Possible Action Re: Property Tax Litigation with Walgreens and Proposed Settlement, Walgreen Company v. City of Verona, Dane County Case No. 15-CV-1670. Motion by Touchett, seconded by Reekie, to convene in closed session as authorized by Section 19.85(1)(g) of the Wisconsin Statutes for the purpose of conferring with legal counsel for 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. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in closed session. On roll call: All Aye. The Council convened in closed session for this item at 7:48 p.m.

CLOSED SESSION

Motion by Touchett, seconded by Diaz, to reconvene in open session. Motion carried 6-0. The Common Council reconvened in open session at 8:39 p.m.

Motion by Touchett, seconded by Linder, to approve the terms of the settlement agreement presented in closed session, and to authorize the mayor to sign the agreement. Motion carried 6-0.

B. Discussion and Possible Action Re: City Administrator Position. Motion by Touchett, seconded by Reekie, to convene in closed session as authorized by Section 19.85(1)(c) of the Wisconsin Statutes for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The Common Council may reconvene in open session and discuss and take action on the subject matter discussed in closed session. On roll call: All Aye. The Council convened in closed session for this item at 7:49 p.m.

CLOSED SESSION

Motion by Touchett, seconded by Diaz, to reconvene in open session at 8:39 p.m. No action was taken in closed session.

10. New Business

A. Discussion and Possible Action Re: Approval of Operator Licenses. Motion by Linder, seconded by Reekie to approve operator licenses for Tim Goers at Hop Haus Brewing Company; Kristina Chaka and Nicholas Sgrignoli at Francois Oil; Traci Foss and Katherine Foss at Monte's; Lindsay Gratz at Cahoot's; Jackson Mackie at Wisconsin Brewing Company; Katherine Biechler at Toot & Kate's Wine Bar; and Paul Aas at Verona Liquor. Motion carried 6-0

11. Announcements:

A. Stiner announced that the Senior Commission meeting scheduled for July 12, 2016 has been cancelled.

12. Adjournment:

Motion by Touchett, seconded by Stewart, to adjourn at 8:43 p.m. Motion carried 6-0.

Ellen Clark
City Clerk

MEMORANDUM

TO: Common Council Members

FROM: Jon Hochkammer, Mayor

DATE: July 22, 2016

RE: Mayor's Memo – July 25, 2016 Common Council Meeting

Listed below is an explanation of items on the July 25, 2016 Common Council agenda:

FINANCE COMMITTEE

Feasibility and Participation in Recreational/Aquatic Facility Study Agreement with the Verona Area School District

The Verona Area School District (VASD) has requested City participation in a feasibility study for a recreational/wellness/athletic complex that could include programming space for aquatics, running, training, cycling, fitness, and other related uses. The total cost of the study is \$85,500. The Verona Chamber of Commerce has agreed to contribute \$5,000 and the VASD has requested participation from the City. The 2015 City budget provided \$15,000 towards a similar study that was to be paid with Park fees. Ultimately, the 2015 study did not move forward and the \$15,000 was not spent. Staff is requesting Council authorization to partner with the VASD and contribute \$15,000 towards the feasibility study. The \$15,000 City contribution for the study will be paid with Park fees.

PUBLIC SAFETY AND WELFARE COMMITTEE

Ordinance No. 16-877 Amending Section 10-1-13 – Motor Vehicles and Traffic, of the Code of Ordinances

This ordinance will add a stop sign at the newly created intersection of Wall Street and West End Circle. The additional stop installation is consistent with other similar intersections in the City of Verona.

Ordinance No. 16-878 Amending Section 10-1-28 – Large Vehicle Parking, of the Code of Ordinances

This ordinance is will add clarification to the definition of Type 2 large vehicle. The original language defined a Type 1 and Type 2 vehicle, but failed to clearly define a trailer or the various types of trailers. The new language gives numerous examples of trailer types and includes the governing of all types of trailers.

Ordinance No. 16-879 Amending Section 10-1-33 – Traffic and Parking Regulations on School District Grounds, of the Code of Ordinances

Historically, the main entrance to the Verona Area School District parking lot was on the south side, off of Westlawn Avenue. The school district restructured the parking lots for staff and students, moving the main entrance to the east side by the Performing Arts Center and adjacent to the natatorium. This ordinance is intended to reflect these changes, and to add clarification to the new configuration. Prior to the start of the 2016-2017 school year, the various portions of the lot will be color coded, signed and painted consistent with the revisions.

PUBLIC WORKS/SEWER & WATER COMMITTEE

Amendment No. 1 for Additional Tasks to Professional Services Agreement with AECOM for W. Verona Avenue – USH 18/151 On-Ramp Improvement

- WisDOT requests
 - Changing the bridge deck from a super elevation to a crown
 - Pavement design for the ramp
 - Widening of 18/151 for constructability
 - Updated Environmental Document
 - Additional Traffic analysis for Environmental Document
- Construction to start in 2017 vs 2016
 - Update items/plan details to WisDOT 2017 specifications
 - Update Traffic Management Plan
 - Update Environmental Document
 - Included Construction Schedule on request from Epic
- SES Geotechnical Investigation
 - Working with SES to determine correct roadway undercut, update cross sections
 - Coordination with SES/WisDOT on pile grouting for the pier foundation, update plans and specifications

The current contract value of \$179,450.00 would be increase by \$25,530.00 to a new contract value of \$204,980.00.

Developers Agreement with Cathedral Point Phase 6

City staff has worked with the developer to prepare the proposed Phase 6 Development Agreement for the Cathedral Point subdivision. Phase 6 includes 26 lots. The agreement anticipates that construction of the public improvements to serve the phase will commence on or about July 25, 2016 and will be substantially completed on or about October 14, 2016. The agreement is the standard development agreement that the City and Cathedral Point have executed for the earlier phases. The Common Council may convene in closed session for this item.

An Agreement with Good Shepherd Church to Purchase Lands for CTH PD/Northern Lights Transportation Improvement Project

Property Acquisition Agreement with Good Shepherd Church. City staff has worked with representatives of Good Shepherd Evangelical Lutheran Church on this agreement. The agreement allows the City to acquire land and other property interests for the CTH PD / Northern Lights Transportation Improvement project. The agreement is structured in the same format as the property acquisition agreements that the City has executed with other property owners for the road project, with some terms and conditions modified specifically for the Church. The agreement value will be presented at committee meeting and council. The Common Council may convene in closed session for this item.

Use Agreement with Verona Area Community Theatre, Inc. (VACT)

The proposed Property Use Agreement with VACT would facilitate the construction of the new VACT facility at 103 Lincoln Street, immediately south of the Fire and EMS Station. The proposed agreement provides for the City to purchase the existing VACT facility at 405 Bruce for \$360,000 after the completion of the new VACT facility on Lincoln Street. Further, the Agreement requires the City to construct the new VACT parking lot and provides a City contribution of \$21,000 for demolition and site work at the property. With approval of this Agreement, VACT intends to start construction shortly. The Common Council may convene in open session for this item.

Lease Agreement with Verona Area Community Theatre, Inc. (VACT)

The proposed lease provides a 50-term for VACT to lease the property at 103 Lincoln Street from the City. The City agrees to remove snow on the sidewalk, plow the parking lot, cut the grass, and maintain the pedestrian connections to the Fire and EMS Station parking lot. VACT agrees to work with the Verona Recreation Dance Program to utilize space in the building. The proposed Lease Agreement with VACT is modeled after the existing Agreement with VACT. The Common Council may convene in closed session for this item.

OLD BUSINESS

City Administrator Position

Based on direction provided by the Mayor and Council, an employment agreement for the City Administrator position was offered to Jeffrey Mikorski. The reference and background checks have been completed, with no issues identified, and the agreement has been signed by both parties. The Common Council is being asked to approve the Employment Agreement Between the City of Verona and Jeffrey A. Mikorski, the terms of which fall within the scope of authority provided to the Mayor and City staff to negotiate the agreement with Mr. Mikorski.

Engineer Report for July 25, 2016

Northern Lights / N. Nine Mound Road Construction

The south bound lanes of Northern Lights are complete and restoration is commencing. The north bound lanes are scheduled to have the surface lift of asphalt placed in mid to late August. Plantings on the berm along the north bound lanes are on-going. All work is scheduled to be complete prior to UGM.

Downtown Street Reconstruction Phase I Church, S. Marietta, and Grove

The new water main has been installed along Church Ave and Grove Street. The Sanitary sewer has been staked and installation of the new sewer is scheduled to start July 25. The contractor is on schedule to have Church and Grove done by the end of August, with the exception of the final lift of asphalt, which will be placed when the remainder of the project is completed.

USH 18/151 / Epic Lane On-ramp

The final design and bidding specifications are scheduled to be submitted to WisDOT by July 29. Comments have been received and incorporated into the final design for the traffic management plan. Review comments from DOT are estimated to be 3-4 weeks from submittal.

CTH PD Reconstruction, Shady Oak Lane to Woods Road

The City is continuing to work on obtaining the necessary ROW for the project in order to allow construction to commence.

2016 Street Rehabilitation Project

Work has begun on the street rehab project and is proceeding smoothly. Curb and gutter has been removed a couple of the streets and the new curb and gutter placed back. Work continues on those streets and work is on schedule.

Equity Schools

October 26, 2015

Dean Gorrell
Superintendent
Verona Area School District
700 North Main Street
Verona WI 53593

RE: "Concept #5" Feasibility and Financing

Dear Dean:

For several years we've been discussing some great concepts, so I'm very happy that – with VASD's recent property acquisitions – we're on the path to potentially implementing "Concept #5."

Despite its mundane working name, the concept envisions an exciting recreational/wellness/athletic/social facility serving VASD, Verona, Fitchburg, and possibly the greater Madison area. When we first suggested this concept it seemed a natural response to the local community's character, needs and interests; we suggested programming could include aquatic, running, training, cycling, fitness and possibly other related uses. These uses would serve local needs, but we also thought this unique combination of uses and its location in the Madison area might additionally attract regional or even national events (e.g., cycling tournaments, triathlon-type competitions, etc.).

We believe Concept 5's suitability for VASD and the local community remains strong and, in light of recent growth projections for the area, may also have an even greater potential for enhancing economic development.

VASD has asked EQUITY SCHOOLS to assist with investigating and analyzing the feasibility and financing alternatives for developing such a new facility on its recently acquired property (the "Project").

Project Goals. Within this broader goal, we understand VASD's specific goals, to be achieved over a reasonable period of time, include:

- Investigating VASD's recent land acquisitions on the west end (the "Site") as a possible campus to include the potential uses suggested for Concept #5 (within the context of a master plan including the future site for a VASD high school, related parking, storm water management, buffer, and other possible uses)
- Investigating potential alliances with other organizations, specifically where such alliances may enhance VASD's programs, provide amenities for the local community, and improve the Project's financial feasibility and sustainability; potentially including

Equity Schools

- The Cities of Verona and Fitchburg
- Madison College
- University of Wisconsin
- Other public, private, not-for-profit, and for-profit entities
- Programming, modeling, and analyzing alternative schemes for the Project at the Site, including conceptual plans, capital costs, revenue potential, and operating projections (in conjunction with design and cost estimating professionals provided by VASD)
- Investigating financing approaches for the Project, ideally that could be secured without the need for a tax referendum or with a substantially reduced tax referendum

Steps of Work. As we have discussed, our firm’s process follows these two steps:

1. *Assessment/Concepts/Feasibility*
2. *Implementation*

Our work covered by this proposal includes: *1. Assessment/Concepts/Feasibility*. If at the conclusion of this work VASD decides to move forward with any of the concepts we present, EQUITY SCHOOLS will be available to assist you during *2. Implementation* under a separate engagement, but VASD is under no obligation to engage us for this second step. We note it here only to assure you we are committed to VASD’s success and will make ourselves available for Implementation if you wish.

Timing. We believe we can complete the *Assessment/Concepts/Feasibility* work within six to seven months, although this is not a precise period of time.

Scope. From our discussions with you and understanding of the Project, our scope of work will include the following:

Goals

- Review VASD’s vision and goals (in coordination with you)

Research

- Review VASD’s financials, plans, studies, and any other relevant data
- Investigate other similar projects and models, nationally
- Investigate conditions and trends for the VASD local community and greater Madison areas (e.g., other educational and cultural organizations, demographics, land use planning and zoning, economics, governmental units, business community, etc.)
- Conduct any other investigations and preliminary market research that will enhance our understanding of VASD and the local communities the Project may serve
- Investigate new operating approaches, and analyze other entities – both public and private, for-profit and not-for-profit – that may be beneficial for some affiliation with the Project (within the context of the Project’s uses, mission, potential funding levels, and local conditions)
- Investigate potential ownership, operating, and financing structures that could enhance the Project’s benefits and its financial feasibility

Equity Schools

Modeling

- Develop up to three alternative operational and real estate options for the Project, ranging from a program of predominantly local uses to the possibility of combining local and more regional uses
- For each alternative option
 - conceptually program and plan uses
 - estimate capital costs
 - develop operating projections
- Investigate and analyze possible alternative ownership and management structures
- Investigate and analyze alternative capital finance structures, especially where such structures might eliminate or greatly reduce the need for a tax referendum
- Estimate the Project’s potential economic impact

Findings

- During the course of our work and as conditions support, present our preliminary findings to VASD
- Present our final work in formats as reasonably appropriate for VASD to achieve its goals, which may include providing written, visual (e.g., plans), and/or financial modeling data to:
 - VASD leadership for its information, comment, and action
 - VASD’s financial advisors to support their financing efforts (e.g., production of a credit memorandum)

Proposal. EQUITY SCHOOLS proposes undertaking the work outlined above and related tasks in close coordination with you as primary contact for the Project. This will include meeting regularly with you, and we will assume you are in constant communication with other VASD leadership and board members. We also will meet with others from VASD as reasonably needed and at your request, as well as coordinating with any other professionals you may retain. We may retain other professionals (e.g., planners, architects, etc.) at our own expense within the fee structure noted below. Please note that we propose these fee structures assuming VASD will provide assistance to EQUITY SCHOOLS during the preliminary research we normally undertake in our research phase, and that VASD will provide access to professional planners, architects, and cost estimators for our conceptual work noted above.

Fees. VASD has asked us to propose two alternative fee structures:

1. Fixed Fee – Our fees for this work will be on a fixed fee basis of \$85,500 which will encompass all EQUITY SCHOOLS professional fees, phone, clerical and ordinary overhead.

In the alternative to a fixed fee, we can work on a combined fixed and “success” fee:

2. Combined Discounted Fixed Fee, with Success Fee – Our fees for this work will be on the basis of a *discounted* fixed fee at \$57,500 plus a “success fee” if VASD substantially uses any of the concepts EQUITY SCHOOLS develops during the course of this initial work. This success fee will equal 1.0% of “Project Value,” defined as the total dollar value of the Concept #5 facilities, including hard costs (i.e., construction), and soft costs (i.e., related

Equity Schools

professional fees). The success fee will be due only when such facilities, whether developed in phases or completely at one time, are actually funded. If no facilities are developed, VASD will have no obligation to pay any success fee.

EQUITY SCHOOLS' combined fixed fees and any success fees will encompass all of our professional fees relating to this first step of the Project (*Assessment/Concepts/Feasibility*).

Expenses. Reimbursable expenses will include economy travel expenses, printing and delivery of any written reports and plans, and client requests pre-approved by VASD. We do not mark up expenses and will retain all receipts. We expect expenses to be no more than \$1,000 per month.

Schedule of Fees. As a schedule of fees, we request an initial retainer of \$8,500 and will invoice monthly for the remaining fixed fee in equal monthly amounts over the subsequent seven months (if the fee structure is "1. *Fixed Fee*" then at \$11,000 per month; or if the structure is "2. *Combined Fixed/Success*" then at \$7,000 per month), plus any expenses as they are incurred.

Representations. As is our custom in work of this nature, we ask that VASD, its board members, employees and agents hold us harmless, protect and defend us against any claims brought by third parties in connection with the implementation of any recommendations we may make or services we may render. While we adhere to high professional standards in the conduct of our work, and base our findings and reports upon the best information available and known to us and on the exercise of professional judgment, we do not undertake to guarantee the results of any services rendered by us, nor do we undertake any liability for the consequences of implementation of our recommendations, and you should at no time make any representations to others contrary to this understanding. Please note that our services expressly exclude serving as engineers, architects, attorneys, auditors, general contractor, construction manager or fund raiser. Further, any services we may provide pursuant to this agreement do not constitute legal representation and you should neither rely upon our services nor represent them to others as such.

Effective Date. This proposal will remain effective until November 3, 2015.

Acceptance. If you agree with the terms of this letter, please contact me at your earliest convenience to confirm your choice of fee structure, and we will commence work immediately. Our receipt of the retainer will serve as written acceptance of the terms in this letter.

We look forward to working with you for what I believe will be an exceptional project for VASD and the local community.

Best regards,

Richard R. Murray
President

RRM:ps

ORDINANCE NO. 16-877

**AN ORDINANCE AMENDING SECTION 10-1-13
OF THE CODE OF ORDINANCES
OF THE CITY OF VERONA**

SECTION I

The Common Council of the City of Verona, Dane County, Wisconsin, does ordain that Section 10-1-13 of the Code of Ordinances of the City of Verona is amended as follows:

1. Section 10-1-13(b)(210) is created to read as follows:

All vehicles proceeding in a southerly direction on Wall Street shall stop before entering the intersection of said street with West End Circle.

All other sections shall remain as previously adopted.

The foregoing ordinance was duly adopted by the Common Council of the City of Verona at a meeting held on July 25, 2016.

CITY OF VERONA

(seal)

Jon H. Hochkammer, Mayor

Ellen Clark, City Clerk

ADOPTED: _____

PUBLISHED: _____

ORDINANCE NO. 16-878

**AN ORDINANCE AMENDING SECTION 10-1-28
OF THE CODE OF ORDINANCES
OF THE CITY OF VERONA**

The Common Council of the City of Verona, Dane County, Wisconsin, do hereby ordain that Section 10-1-28 of the Code of Ordinances, City of Verona, Wisconsin, is amended as follows:

1. The title of Section 10-1-28 is amended to read as follows:

Sec. 10-1-28 Large Vehicle & Trailer Parking

2. Section 10-1-28(a)(2) is amended to read as follows:

For the purpose of this Section, a Type 2 vehicle means a nonmechanically or nonelectronically powered device that can be used to transport people or cargo, including, but not limited to, all types of trailers, regardless of size and/or cargo type. Examples include, but are not limited to, a semi trailer; a trailer for a boat, watercraft, snowmobile, ATV/UTV, or motorcycle, including when the cargo is on the trailer; a utility trailer; a landscape trailer; and a camper. When attached to a Type 1 large vehicle, a Type 2 large vehicle becomes an extension, devise or appurtenance of the Type 1 large vehicle and the rules governing Type 1 large vehicles apply.

The foregoing ordinance was duly adopted by the Common Council of the City of Verona at a meeting held on July 25, 2016.

CITY OF VERONA

Jon H. Hochkammer, Mayor

(seal)

Ellen Clark, City Clerk

ENACTED: _____

PUBLISHED: _____

ORDINANCE NO. 16-879
AN ORDINANCE AMENDING SECTION 10-1-33
OF THE CODE OF ORDINANCES
OF THE CITY OF VERONA

The Common Council of the City of Verona, Dane County, Wisconsin, do hereby ordain that Section 10-1-33 of the Code of Ordinances, City of Verona, Wisconsin, is amended as follows:

1. Section 10-1-33 is repealed and recreated to read as follows:

Sec. 10-1-33 - Traffic and Parking Regulations on School District Grounds.

Pursuant to the provisions of Sec. 118.105, Wis. Stats., the following regulations shall apply to the grounds of the Verona School District located within the City:

- (a) **Applicability.** This Section shall apply to all off-highway school premises, school drives and parking lots of the Badger Ridge Middle School, Verona Area High School and Verona Area School District Administration premises (hereinafter referred to as "school premises"). This Section shall not apply to motor vehicle traffic on other public or private streets or highways in the City.
- (b) **Speed Limit.** No person shall operate a motor vehicle on school premises where motor vehicle traffic is permitted at a speed in excess of twenty (20) miles per hour.
- (c) **Required Stops.** The following are required stops on such school premises:
 - (1) All vehicles proceeding in a northerly direction on the service drive located on the east side of the orange color coded parking lot shall stop at the intersecting westbound one-way service drive bordering the orange color coded parking lot.
 - (2) All vehicles proceeding in a southerly direction on the easterly service drive bordering the orange color coded parking lot shall stop before entering Richard Street.
 - (3) All vehicles proceeding in a southerly direction on the westerly service drive bordering the orange color coded parking lot shall stop before entering Richard Street.
 - (4) All vehicles proceeding in an easterly direction from the black color coded parking lot shall stop before entering the service drive which is an extension of Westlawn Avenue, fifty-one (51) feet north of the northern property line of 500 Westlawn Circle.
 - (5) All vehicles proceeding in an easterly direction from the service drive between the Badger Ridge Middle School and the yellow color coded parking lot, located six hundred thirty-five (635) feet south of the center of Cross Country Road, shall stop before entering North Main Street (CTH M).

- (6) All vehicles proceeding in a southerly direction on the service drive between the Badger Ridge Middle School and the yellow color coded parking lot shall stop before entering the roadway known as the main entrance drive to the Verona Area School District Administration Building.
 - (7) All vehicles proceeding in an easterly direction on the main entrance drive to the Verona Area School District Administration Building, located one thousand one hundred seventy-four (1,174) feet south of the center of Cross Country Road, shall stop before entering North Main Street (CTH M).
 - (8) All vehicles proceeding in an easterly direction on the service drive known as the bus loading drive, located one thousand eight hundred sixty-seven (1,867) feet south of the center of Cross Country Road, shall stop before entering North Main Street (CTH M).
 - (9) All vehicles proceeding in a southerly direction on the service drive between the Verona High School K Building and Natatorium building shall stop before entering the westbound one-way service drive bordering the orange color coded parking lot.
 - (10) All vehicles proceeding in a westerly direction on the one-way service drive, bordering the eastern most black color coded staff parking lot and south of the Verona Area High School building, shall stop at a point twelve (12) feet east of the extension of the eastern curbline of Westlawn Avenue.
 - (11) All vehicles proceeding in a westerly direction on the one-way service drive bordering Verona Area High School east of the Verona Area High School K Building shall stop at a point three hundred twenty-six (326) feet west of the western curb line of North Main Street.
- (d) **Parking Limitations.** When signs are erected giving notice thereof, no person shall park, stop or leave standing any vehicle, except temporarily for the purpose of and while actually engaged in loading or unloading or in receiving or discharging passengers and while the vehicle is attended by a licensed operator so that it may be moved promptly in case of an emergency or to avoid obstruction of traffic, upon any of the following portions of such school premises:
- (1) On both sides of the entire length of the service drive beginning at North Main Street, heading in a westerly direction, bordering the residential area to the south, and the orange color coded lot to the south, then southerly continuing to border the orange color coded lot ending at the intersection with Richard Street.
 - (2) On both sides of the service drive bordering the east side of the orange color coded parking lot from Richard Street to the westbound (one-way) service drive.
 - (3) On both sides of the service drive between the Badger Ridge Middle School and the yellow color coded parking lot from North Main Street to the main entrance drive to the Verona Area School District Administration Building.
 - (4) On the south side of the main entrance drive to the Verona Area School District Administration Building from North Main Street westerly to the entrance of the green color coded parking lot.

- (5) On the north side of the main entrance drive to the Verona Area School District Administration Building from North Main Street westerly to the maintenance garage area at the Badger Ridge Middle School.
- (6) On the northern border of the green color coded parking lot beginning at the drive entrance westerly for a distance of one hundred seventy-four (174) feet.
- (7) On the west side of the service drive beginning at the entrance to the green color coded parking lot northerly for a distance of one hundred forty-five (145) feet.
- (8) On the south side of the black color coded staff parking lot between the eastern curb line of Westlawn Avenue easterly for a distance of two hundred ninety (290) feet.
- (9) On the north side of the black color coded staff parking lot beginning at the western curb line of the service drive bordering the black lot, westerly for a distance of three hundred forty-nine (349) feet.
- (10) On the west side of an extension of Westlawn Avenue from the northern property line of the parcel of 500 Westlawn Circle northerly for a distance of fifty-one (51) feet.

(e) **One-Way Traffic.**

- (1) All vehicles traveling on the service drive for the Verona Area High School parking lot, beginning at North Main Street, shall proceed in a westerly direction only, until the drive turns in a southerly direction at the east side of the Verona Area High School; then all vehicles shall proceed in a southerly direction until the intersection with Richard Street.
- (2) All vehicles traveling on the service drive bordering the black color coded staff parking lot, shall travel in an easterly direction only, beginning at Westlawn Avenue, easterly to the turnaround; then all vehicles shall proceed in a westerly direction only, for a distance of two hundred seventy-eight (278) feet.

(f) **State Traffic Forfeiture Laws Adopted.** All provisions of Chs. 340 to 349, Wis. Stats., describing and defining regulations with respect to vehicles and traffic for which the penalty is a forfeiture only, including penalties to be imposed and procedures for prosecution, are hereby adopted and by reference made a part of this Section as if fully set forth herein. Such statutory sections shall be designated as part of this Code by adding the prefix "10-1-35-" to each State Statute section number. Any act required to be performed or prohibited by any statute incorporated herein by reference is required or prohibited by this Section.

(g) **Miscellaneous Rules.**

- (1) No person shall operate a motor vehicle on such school premises at a rapid or sudden acceleration with the intent of squealing tires or leaving tire marks.
- (2) No person shall operate a motor vehicle on such premises across parking lot islands or parking lot dividers.

- (3) All vehicles, except authorized school buses, proceeding on the main entrance drive to the Verona Area School District Administration Building, shall be restricted from making a turn into the bus loading drive, located five hundred thirty-eight (538) feet west of the center of North Main Street, between the hours of 7:00 a.m. and 4:00 p.m. on school days.
- (4) All vehicles proceeding in the one-way turn-around loop bordering the black color coded staff parking lot shall be restricted from making a right hand turn onto the service drive bordering the orange color coded parking lot.
- (5) All vehicles proceeding in a westerly or easterly direction on the main entrance drive to the Verona Area School District Administration Building shall be restricted from making a northbound turn into the western most entrance to the yellow colored parking lot, which is parallel to the service drive in front of the Badger Ridge Middle School.

(h) **Designation of Parking Lots/Authorized Parking.**

- (1) When signs are erected giving notice thereof, the orange color coded parking lot is described as the parking facility north of Richard Street bordered by the service drive with the K-building of the Verona Area High School to the north, the Natatorium to the northwest, and the Verona Area High School and staff parking facility to the west, and the extension of North Shuman Street to the east. Only those vehicles displaying a valid student parking permit issued by the Verona Area School District are authorized to park in this facility, on school days, during school hours.
 - a. Vehicles which display a Verona Area School District Natatorium temporary parking permit are authorized to park within the orange color coded parking lot.
- (2) When signs are erected giving notice thereof, the black color coded parking lot is described as the parking lot west of the extension of N. Marietta St. and south of the Verona Area High School, westerly to the end of the parking lot. The black color coded parking lot also includes the northernmost row of parking spaces in the parking lot located to the north of the Verona Area High School K building, and the parking stalls to the west of the Verona Area High School K building and north of the Natatorium. Only those vehicles displaying a valid staff parking permit issued by the Verona Area School District are authorized to park in this facility, on school days, during school hours.
- (3) When signs are erected giving notice thereof, the yellow color coded parking lot is described as the parking facility located at the Badger Ridge Middle School between the service drive on the west, North Main Street on the east, and the main entrance to the Verona Area School District Administration Building on the south. Note: This parking facility has been excluded from authorized parking by permit only until such time as the district's parking needs require the use of this parking facility to be controlled by parking permit.
- (4) When signs are erected giving notice thereof, the green color coded parking lot is described as the parking facility adjacent to, i.e., north, east and west of the Verona Area School District Administration Building. Note: This parking facility has been excluded from authorized parking by permit only until such time as the district's parking needs require the use of this parking facility to be controlled by parking permit.

- (5) The parking lot area located west of the northern extended curb line of Westlawn Avenue, excluding designated handicapped parking, shall be designated as the following:
 - a. The first two parking spaces on the southeast side of the parking lot is reserved for Driver Education vehicles, which are clearly marked on the exterior of the vehicles contracted by the Verona Area High School.
 - b. The third through fifth parking spaces on the southeast side of the parking lot is by permit only and is reserved for Food Service employees on school days, from 7:00 a.m. until 12:00 p.m., and will be visitor parking from 12:00 p.m. to 3:45 p.m.
 - c. The sixth through eleventh parking spaces on the southeast side of the parking lot is by permit only and is reserved for Traveling Staff of the Verona Area School District. The permit must be displayed on the vehicle's interior rearview mirror, on school days, during school hours.
- (6) The visitor parking in the orange colored parking lot is described as the northern most single parking row, immediately south of the Verona Area High School K Building and Natatorium, excluding designated handicapped parking spaces.
 - a. Visitor authorized parking is by permit only, displayed on the vehicle's interior rearview mirror, on school days, during school hours. The visitor parking spaces are the fourteen marked parking spaces between the designated handicapped parking spaces on the northern most single parking row.
- (7) The northwestern most parking space is reserved at all times for authorized Verona Police Department vehicles.
- (8) The visitor parking in the yellow colored parking lot is described as the western most single parking row, which is parallel to the service drive in front of the Badger Ridge Middle School, from the northern curb line of the main entrance to the Verona Area School District Administration Building, northerly to a point one hundred seventeen (117) feet, for a distance of ninety (90) feet. Note: This parking facility has been excluded from authorized parking by permit only until such time as the district's parking needs require the use of this parking facility to be controlled by parking permit.

(i) **Parking Enforcement Monitor Authorization.**

- (1) The Chief of Police is hereby authorized to designate Verona Area School District employees to serve as Parking Enforcement Monitors.
- (2) Parking Enforcement Monitors shall have the authority to issue Police Department-approved Notice of Parking Violation forms, whenever he or she shall have reason to believe that any parking provision of Subsection [10-1-33\(h\)](#) has been violated.

The foregoing ordinance was duly adopted by the Common Council of the City of Verona at a meeting held on July 25, 2016.

CITY OF VERONA

(seal)

Jon H. Hochkammer, Mayor

Ellen Clark, City Clerk

ENACTED: _____

PUBLISHED: _____

Amendment No. 1

In accordance with the Consulting Services Agreement dated 28th day of September, 2015 between City of Verona, Wisconsin (“Client”), and AECOM Technical Services, Inc., a California corporation, (“AECOM”), this Change Order, with an effective date of 25th day of July, 2016, modifies agreement W. Verona Avenue-USH 18/151 On-ramp Improvements as follows:

1. Changes to the Services:

This amendment is for AECOM to provide additional consulting services to assist the City of Verona in design for the widening of the W. Verona Avenue-USH 18/151 On-Ramp and traffic signal modifications at the Epic lane/W. Verona Avenue intersection. A detailed breakdown of services is set forth in **EXHIBIT A**.

2. Change to Deliverables:

See deliverables described in **EXHIBIT A**.

3. Change in Project Schedule:

None.

4. Change in CONSULTANT’s Compensation:

The CLIENT agrees to an increase in the compensation for the additional construction services associated with the W. Verona Avenue-USH 18/151 On-ramp Improvements as follows:

REVISED CONTRACT COST:

Original Contract Value	\$ 171,100
Additional Permitting Work Authorized	\$ 8,350
<u>Contract Price prior to Change Order</u>	<u>\$ 179,450</u>
Estimated Cost Increase by Amendment No. 1	\$ 25,530
Revised Estimated Contract Price Including the Change Order	\$ 204,980

The breakdown of the estimated fee is described in **EXHIBIT B**.

5. Project Impact:

None.

6. Other Changes:

None.



- 7. All other terms and conditions of the Agreement remain unchanged.
- 8. Each Party represents that the person executing this Change Order has the necessary legal authority to do so on behalf of the respective Party.

AECOM Technical Services, Inc.

CLIENT: City of Verona, Wisconsin

Signature

Signature

Randall L. Fuchs, P.E.
Printed Name

Jon H. Hochkammer
Printed Name

Vice President
Printed Title

Mayor
Printed Title

Address:
AECOM
1350 Deming Way, Suite 100
Middleton WI 53562

Address:
City of Verona
111 Lincoln Street
Verona WI 53593-1520

Signature

Ellen Clark
Printed Name

City Clerk
Printed Title

[End of Page]

EXHIBIT A

SERVICES

This amendment is to expand the scope and services of the signed contact between the City of Verona and AECOM Technical Services, Inc. project number 60444638.

This amendment is for AECOM to provide additional design for the widening of the W. Verona Avenue-USH 18/151 On-Ramp and traffic signal modifications at the Epic lane/W. Verona Avenue intersection.

Task 2: Roadway Design

1. Provide pavement design for ramp (WisDOT request)
2. Shoulder improvements on USH 18/151 to assist in traffic staging (WisDOT request)
3. Coordination with SES and WisDOT for determine correct roadway undercut
 - 3.1 Definition of 1:1 slope removal limits
 - 3.2 Change from 1:1 slope to 3-foot undercut

Task 3: Bridge Widening Design

1. Update bridge cross slope from super elevation to crown (WisDOT request).
2. Coordinate with SES and WisDOT regarding pile grouting at pier.
3. Include design for repairing NE wing wall (WisDOT request).

Task 7: Plans, Specifications & Estimate

1. Update Plans and Specifications for 2017 construction (Epic request)
2. Shoulder improvements on USH 18/151 to assist in traffic staging (WisDOT request)
3. Create construction schedule (Epic request)
4. Include plans for NE wing wall repair (WisDOT request)

Task 8: Transportation Management Plan

1. Update TMP to reflect 2017 construction (Epic request)

Task 9: Environmental Documentation

1. Environmental report was changed from a Programmatic Categorical Exclusion (PCE) to a Categorical Exclusions Check List (CEC) (WisDOT directive)
2. Additional traffic analysis for CEC
3. Update CEC to reflect 2017 construction (Epic request)



EXHIBIT B

COMPENSATION

The services set forth in **EXHIBIT A** will be compensated with a Not-to-Exceed (“NTE”) fee proposed as follows:

Task 2 Roadway Design	\$ 6,014
Task 3 Bridge Widening Design	\$ 6,991
Task 7 Plans, Specifications & Estimate	\$ 3,504
Task 8 Transpiration Management Plan	\$ 5,799
Task 9 Environmental Documentation	\$ 3,222
Total NTE Fee	\$ 25,530

Although an individual line item above may be exceeded, the total estimated fee indicated above will not be exceeded without a prior written Amendment to the Agreement.

[End of Change Order]

**CATHEDRAL POINT – PHASE 6
DEVELOPER’S AGREEMENT
DESIGN AND CONSTRUCTION OF IMPROVEMENTS**

This Phase 6 Development Agreement (the “Agreement”) is made and entered into this _____ day of _____, 2016, by and between the City of Verona, a municipal corporation in Dane County, Wisconsin (hereinafter referred to as "City") and MREC VH Cathedral Point, LLC, a Wisconsin limited liability company (hereinafter referred to as "Developer").

Recitals

- A. The City and the Developer have executed numerous development agreements related to the Developer’s development of land in the plat of Cathedral Point recorded with the Dane County Register of Deeds Office on the 2nd day of January, 2007, in Volume 59-025B of Plats, pages 122 to 127, as Document No. 4267653, located in the City of Verona, Dane County, Wisconsin.
- B. The Developer now wishes to proceed with Phase 6 of the development, including the installation of public improvements to serve Phase 6. Phase 6 shall consist of the following twenty six (26) lots: 12-18, 139-142, 151-152, 321-330, 348-349, and 364 (“Phase 6”). Attachment A is a map showing the location of the lots contained within Phase 6.
- C. The City agrees to proceed with the review of construction plans and inspection of public improvements for Phase 6.
- D. The parties acknowledge that they enter into this Agreement for their mutual benefit and in order to specify certain rights, obligations, conditions and liabilities.

Agreement

NOW, THEREFORE, the City and the Developer mutually agree as follows:

- 1. The representations and recitations set forth in Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this paragraph.
- 2. The Developer agrees to undertake and construct the following public improvements on and adjacent to Phase 6 in accordance with City standards and plans approved by the City Engineer: sanitary sewer, water main, storm sewer, street grading, curb and gutter, sidewalks, gravel base course, bituminous pavement, storm sewer detention facilities, street lighting and street terrace landscaping to serve the development (the “Improvements”).

3. The Developer authorizes the City through the City Engineer and Public Works Department to perform inspection services on all Improvements for Phase 6. Site Improvements designed by the Developer's engineer must be reviewed, approved, and inspected by the City's engineer and or Public Works Department. The Developer guarantees all Improvements against defects which appear within a period of one year from the date of acceptance by the City.
4. It is contemplated that construction of the Improvements will commence on or about July 25, 2016 and will be substantially completed on or about October 14, 2016; however, the actual commencement date of construction and the projected completion date shall be determined by the contract between the Developer and the Contractor(s), subject to approval by the City. In the event the Improvements are not completed within 18 months of the date of this agreement, the City may complete them at the Developer's expense.
5. The Developer will contract with a contractor(s) (the "Contractor(s)") of his/her choice for the Improvements specified in Paragraph 2 above. The Contractor(s) shall be subject to approval by the City, which approval shall not be unreasonably withheld. The Developer shall pay the total cost of the Improvements pursuant to said Contract between the Developer and the Contractor(s). The Developer will use his best efforts to expeditiously administer and enforce the contract with the Contractor(s). The Developer agrees to provide the City with copies for review.
6. The Developer shall pay to the City, within thirty (30) days of billing, the City's administrative fees, planning fees, engineering fees, and attorney's fees in connection with this Agreement and/or the Improvements. Interest of one and one-half percent (1½%) per month shall be charged on invoices not paid within thirty days of billing. The City shall provide detailed invoices of the City's costs to the Developer no less frequently than monthly.
7. The Developer agrees to pay applicable Madison Metropolitan Sewerage District (MMSD) Interceptor Connection Charges (ICC) and Wastewater Treatment Plant Connection Charges (TPCC). The ICC and TPCC are based on developable acreage in the final plat. The Developer agrees to pay MMSD sewer connection fees to the City prior to the construction of any sanitary sewer within the approved plat based on actual charges provided by MMSD. See Attachment B.
8. The Developer agrees to pay the City of Verona Water Impact Fee and Sanitary Sewer Connection Fee. The City of Verona Water Impact Fee and Sewer Connection Fee are based on gross acreage of land approved in the final plat. The Developer agrees to pay said fees that are in effect prior to the City of Verona substantially accepting the sewer and water improvements. The Surety Bond shall not be reduced until after the City of Verona connection charges and impact fees have been paid in full. See Attachment C.

9. The Developer shall obtain an original lien waiver(s) from the Contractor(s) for the labor and materials for which payment is requested upon delivery of the payment to the Contractor(s), and the Developer shall provide the City with a copy of such original lien waiver(s). Prior to City acceptance of Improvements, the Developer shall provide the City with the lien waivers and such information on the cost of the Improvements as the City may require.

10. Prior to commencement of construction of the Improvements, the Developer shall provide the City with a Surety Bond (the "Bond") in the form attached hereto and incorporated herein as Exhibit D in the initial amount of 120% of the estimated cost of all required Improvements for Phase 6 to secure performance of this Agreement. The amount of the Bond may be reduced from time to time in amounts equal to the value of Improvements which have been installed, completed, and accepted by the City or shall be increased in the event of delay in the installation of Improvements and the escalation of costs. In no event shall the amount of the Bond be reduced below the aggregate total estimated cost of the improvements not yet installed or accepted plus 10%. The Bond shall benefit the City and shall be conditioned upon and guarantee to the City the performance by the Developer of its obligations under this Agreement. The amount of the Surety Bond is calculated as follows:

Phase 6

Construction cost of the Improvements	\$601,500
City's inspection engineering fees	\$36,700
Soils consultant	<u>\$8,500</u>
Sub-Total	\$646,700
20% Contingency	<u>\$129,340</u>
Total	\$776,040

A. Payment under the Bond. The Bond shall be payable to the City at any time upon presentation of (1) a written demand in the amount to which the City is entitled to draw pursuant to the terms of this Agreement; (2) a written statement by the City Administrator that the City is entitled to draw on the Bond; and (3) the original Bond. The City shall give the Developer 10 calendar days notice before drawing on the Bond, except that the City may draw on the Bond without such advance notice during the last 15 days before the Bond expires. Multiple draws on the Bond are permitted.

B. Accounting. The Developer may inspect the City records of payments made using the Bond upon request at reasonable times.

C. Insufficient Bond Amount. If the amount provided by the Bond is not sufficient to secure the Developer's performance of this Agreement, the City shall notify the Developer of the necessary increase in the Bond, or the additional amounts due, and the Developer agrees to increase the Bond or pay the City for

such additional costs within 30 days of receipt of notification.

D. Notice of Expiration. The Bond shall be renewed at least 30 days before its expiration date, or any renewal date, until the completion of the guarantee period specified in Section 3.

11. The City and the Developer have an existing agreement in place named "Locust Drive Bridge Reconstruction, Cost Reimbursement and Recapture Agreement" ("Locust Drive Agreement"). Per Section 3 of the Locust Drive Agreement, Segment One and Segment Two of the Locust Drive construction have been completed and the surety bond for the requirements has been released.

Section 6 of the "Locust Drive Agreement" as amended requires that the developer of the Cathedral Point subdivision to provide Surety to the City in the amount of 62.8% of the estimated cost of the Locust Drive Bridge Construction Project in a form reasonably acceptable to the City Attorney and issued by an institution licensed to do business in the State of Wisconsin. For avoidance of doubt, the Developer has satisfied this requirement by providing separate Surety in the amount as identified below, and the terms and conditions of this separate Surety continue to be governed by the Locust Drive Agreement and the Phase 5 Development Agreement executed by the City and the Developer on June 22, 2015.

Bridge Construction Project	
Estimate of bridge related construction	\$800,000
15% Construction engineering contingency	\$120,000
10% Design engineering contingency	<u>\$80,000</u>
Estimated Design and Construction Cost	\$1,000,000
Cathedral Point Portion	62.8%
Total Cathedral Point Estimate	\$628,000

12. The Developer understands and agrees that the Developer's Contractor(s) is required to meet current insurance requirements. Prior to the start of construction, the Contractor(s) insurance certificate shall be delivered to the City. The insurance certificate shall name the City and its agents as additional insured.

The limits of liability for the insurance required shall provide the following coverages for not less than the following amounts or greater where required by Laws and Regulations:

Worker's Compensation, etc.

- | | | |
|-----|---|-------------------------|
| (1) | State: | Statutory |
| (2) | Applicable Federal
(e.g., Longshoreman's): | Statutory |
| (3) | Employer's Liability: | |
| | Bodily Injury by Accident | \$100,000 each accident |
| | Bodily Injury by Disease | \$100,000 each employee |
| | Bodily Injury by Disease | \$500,000 policy limit |

Contractor's General Liability (which shall include completed operations and product liability coverages):

- | | | |
|-----|---|-------------|
| (1) | General Aggregate:
(Except Products-Completed Operations): | \$1,000,000 |
| (2) | Products-Completed
Operations Aggregate: | \$1,000,000 |
| (3) | Personal and Advertising
Injury (Per Person/Organization): | \$1,000,000 |
| (4) | Bodily Injury and Property
Damage (Each Occurrence): | \$1,000,000 |
| (5) | Personal Medical Expense
(Per Person): | \$ 5,000 |
| (6) | Personal Injury Liability coverage will include claims arising out of employment. | |
| (7) | Property Damage liability insurance will provide Explosion, Collapse, and Underground coverages where applicable. | |
| (8) | Excess Liability | |
| | General Aggregate: | \$2,000,000 |
| | Each Occurrence: | \$2,000,000 |

Automobile Liability:

- | | | |
|-----|--|-------------|
| (1) | Combined Single Limit:
(Bodily Injury and Property Damage)
Each Accident | \$1,000,000 |
|-----|--|-------------|

The Contractual Liability coverage shall provide coverage for not less than the following amounts:

- (1) General Aggregate: \$1,000,000
- (2) Each Occurrence
(Bodily Injury and Property Damage): \$1,000,000

13. The Developer represents and warrants that:
- A. It is the lawful owner and is now lawfully seized and possessed of the real estate included in Phase 6 and has full authority to enter into this Agreement.
 - B. It has attained any and all easements or right-of-way necessary to gain access to the property or to provide drainage or utility easements from the property.
 - C. It will defend, indemnify, and hold the City harmless for all losses, claims, liabilities, expenses, and costs arising from damages to property or injuries to person occurring in Phase 6 or in connection with this Agreement or the making of the Improvements, including any claims of inverse condemnation, except for such damage or injury as is caused by the negligence or willful misconduct of the City.
 - D. In the event the City validly exercises its right to draw on the Surety Bond pursuant to this Agreement or incurs legal expenses arising from the Developer's breach of this Agreement, the Developer shall reimburse the City for its attorney's fees and disbursements.
14. The City and Developer agree and mutually recognize that park dedication requirements, as provided in Section 14-1-81 of the Verona Code of Ordinances, consists of the dedication of 8.61 acres of land to be used for park purposes and the payment of \$42,812.00 in Parkland Dedication Fees. Said parkland is identified on the final plat and is dedicated to the City. Parkland Dedication Fees must be paid at execution of this Agreement but may be paid in accordance with the approved Phasing Schedule. See Attachment E. If not paid at execution, the amount paid shall be determined by the fees in effect at the time of payment.
15. The Developer shall provide the City the lowest allowable exposed foundation elevations for all lots in Phases 6 that abut bodies of water (i.e., navigable waters and storm water basins). The lowest allowable exposed foundation elevations shall be established at least 2 feet above the 100 year flood elevations.

16. This Agreement shall run with the land and be binding on the Developer and its successors and assigns, including the owners of lots in Cathedral Point. The City may record this Agreement or notice of this Agreement at the Developer's expense.
17. The Developer shall comply with all federal, state and local laws and ordinances applicable to its performance under or related to this Agreement, including permit and fee requirements. The Developer understands and acknowledges that nothing in this Agreement shall be construed as a modification or waiver of any requirement imposed by City ordinances.
18. The remedies provided to the City by this Agreement are not exclusive. The City may avail itself of any remedies available at law or in equity.

[Signature pages follow]

**CITY:
CITY OF VERONA**

By: _____
Jon Hochkammer, Mayor

Attest: _____
Ellen Clark, City Clerk

STATE OF WISCONSIN
COUNTY OF DANE

Personally came before me this ____ day of _____, 2016, the above-named Jon Hochkammer and Ellen Clark, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Print name: _____

Notary Public, State of Wisconsin

My commission expires: _____

My commission is permanent.

(SEAL)

DEVELOPER:
MREC VH Cathedral Point, LLC
By: VH CP, LLC Project Manager

By: _____
Jeffrey S. Rosenberg
Authorized Officer and Signatory

Attest: _____

STATE OF WISCONSIN
COUNTY OF DANE

Personally came before me this ____ day of _____, 2016, the above-named Jeffrey S. Rosenberg and _____, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Print name: _____
Notary Public, State of Wisconsin
My commission expires: _____

(SEAL)

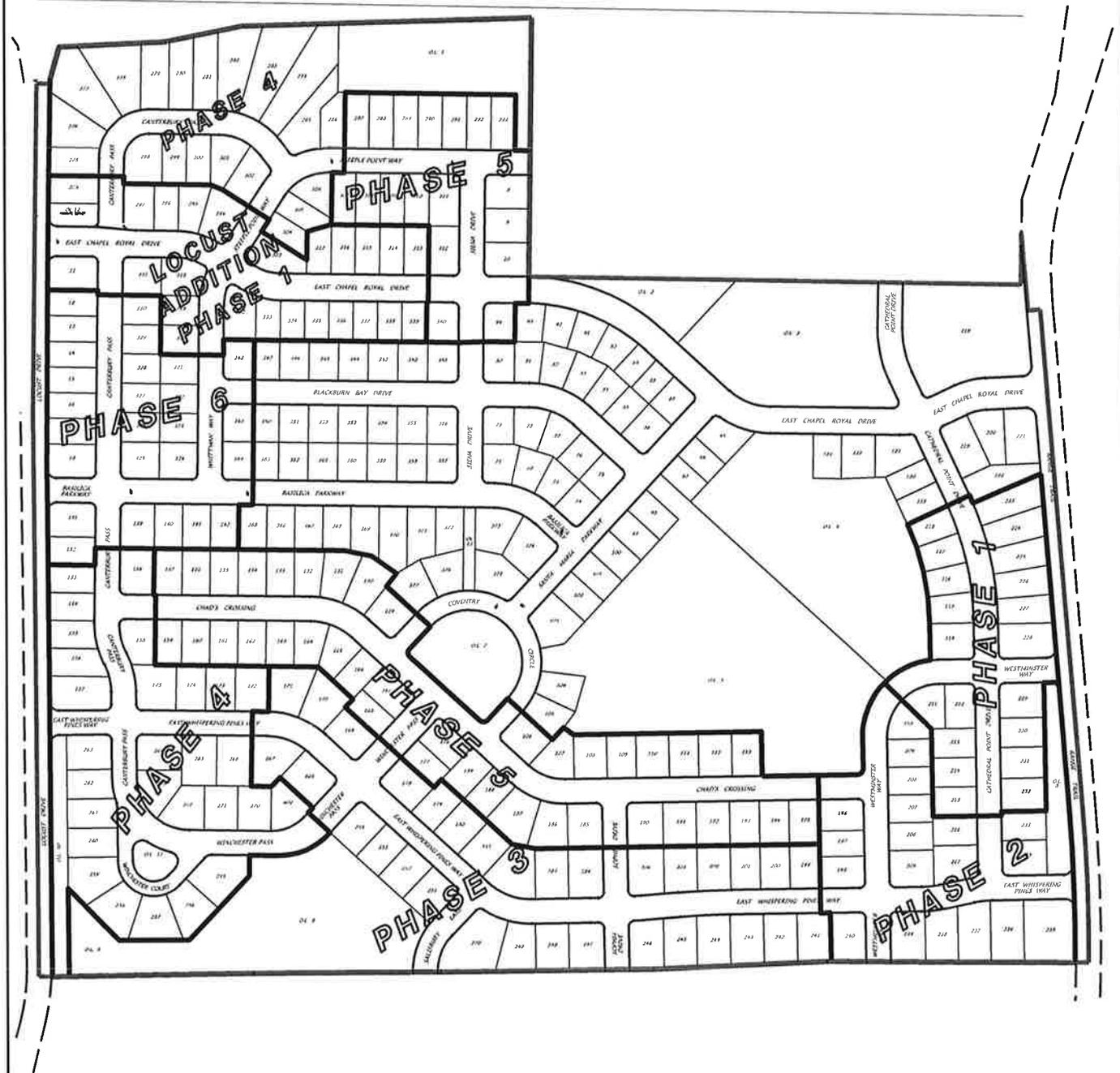
Attachments: Exhibit A – Map of Phase 6 Lots
Exhibit B – Schedule of MMSD, ICC, and TPCC fees
Exhibit C – City of Verona Water Impact Fee and Sanitary Sewer Connection Fee
Exhibit D – Form of Surety Bond
Exhibit E – Parkland Dedication Fees
Exhibit F – Fee Summary

This instrument was drafted by:
Bryan Kleinmaier
Stafford Rosenbaum LLP
222 West Washington Avenue, Suite 900
P.O. Box 1784
Madison, WI 53701-1784

EXHIBIT A

MAP OF PHASE 6 LOTS

Cathedral Point Phase Map



D'ONOFRIO KOTTKE AND ASSOCIATES, INC.

7530 Westward Way, Madison, WI 53717
Phone: 608.833.7530 • Fax: 608.833.1089
YOUR NATURAL RESOURCE FOR LAND DEVELOPMENT



Scale 1" = 400'

DATE: 05-12-16
F.N.: 15-05-159
REV.

DRAWN BY: DND

U:/USER/0507116/Phase Map.DGN

EXHIBIT B

SCHEDULE OF MMSD, ICC, AND TPCC FEES

Madison Metropolitan Sewerage District

1610 Moorland Road (608) 222-1201
 Madison, WI 53713-3398 Fax(608) 222-2703

ICCAS MEMO CARPC 208 Letter:24-6-13 6/9/2016
 File no. 2016-051 Owner Letter: N/A, project by Village
 Date: 1/1/2016

To: Theran Jacobson, Director of Public Works
 City of Verona
 410 Investment Court
 Verona, WI 53593

From: Curtis A Sauser, Engineering Tech
 (608) 222-1201 x269

Re: INTERCEPTOR & TREATMENT PLANT CONNECTION CHARGE WORKSHEET
 Sewer extension Cathedral Point Phase 6
 Municipality City of Verona
 Submitted on 6/2/2016
 By Kenton Brose, DKA
 Review Fee \$1,300 00 (PAID WITH SUBMITTAL, DO NOT INVOICE)
 Located NE1/4, Sec 27, T6N, R8E

Drainage to Pump Station 17 Service Area
 Charges for lots 12-18, 139-142, 321-330, 348-349, 364

MONIES DUE
 TPCC RATE/1000SF \$19 78
 ICC RATE/1000SF \$93.57
 NET RATE/1000SF \$113 35

Lot	Area(SF)	ICC 2016	2016		REMARKS
			TPCC CHARGES 2016	PER LOT	
12	9246	865 15	182.89	1,048 04	
13	9246	865 15	182.89	1,048 04	
14	9246	865 15	182.89	1,048 04	
15	9246	865 15	182.89	1,048 04	
16	9243	864 87	182.83	1,047 70	
17	9172	858 22	181 42	1,039 64	
18	11769	1,101 23	232 79	1,334 02	
139	10872	1,017 29	215 05	1,232 34	Prev billed with 2014-44
140	9000	842 13	178 02	1,020 15	
141	9000	842 13	178 02	1,020 15	
142	9000	842 13	178 02	1,020 15	
151	11542	1,079 98	228 30	1,308 28	Prev billed with 2014-44
152	9447	883 96	186 86	1,070 82	Prev billed with 2014-44
321	8098	757 73	160 18	917 91	
322	8098	757 73	160 18	917 91	
323	8098	757 73	160 18	917 91	
324	10099	944 96	199 76	1,144 72	
325	10099	944 96	199 76	1,144 72	
326	8098	757 73	160 18	917 91	
327	8098	757 73	160 18	917 91	
328	8098	757 73	160 18	917 91	
329	8098	757 73	160 18	917 91	
330	8098	757 73	160 18	917 91	
348	8728	816 68	172 64	989 32	
349	8359	782 15	165 34	947 49	
364	8359	782 15	165 34	947 49	
TOTAL	236457	22,125 28	4,677 15	26,802 43	

File Notes:
 Commission meeting 6/16/2016

Sincerely,
Curt Sauser
 Curtis A. Sauser, PLS
 Engineering Technician

cc Auditor
 File C/Verona

EXHIBIT C
CATHEDRAL POINT – PHASE 6
CITY OF VERONA UTILITY IMPACT FEES

ATTACHMENT C

CATHEDRAL POINT – PHASE 6

CITY OF VERONA UTILITY IMPACT FEES

The following fees shall be used unless amended by Common Council subsequent to the execution of this agreement.

Total Gross Acres	137.77 ac
Phase 6 Gross Acres	7.83ac

WATER UTILITY

Gross acres	7.83
Fee per acre	\$ 938.00
Phase 6 Fee	\$ 7,344.54

SEWER UTILITY

Gross acres	7.83
Fee per acre	\$ 1,605.00
Phase 6 Fee	\$12,567.15

Total Phase 6 Impact Fees \$19,911.69

EXHIBIT D
FORM OF SURETY BOND

BOND FORM

STATE OF WISCONSIN
DANE COUNTY

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, that _____,
as principal (“Principal”), and _____, surety (“Surety”), are jointly
and severally held and bound unto the City of Verona, Dane County, Wisconsin, in the
penal sum of \$ _____, for payment which we jointly and severally bind
ourselves, our heirs, executors, administrators and assigns, and successors and assigns
firmly by these presents.

The condition of this bond is such that whereas, on the ____ day of _____,
2016, Principal made and entered into a certain contract with the City of Verona (the
“Contract”), to construct public improvements and pay certain monies, fees and other
charges, including, but not limited to, installation of sanitary sewer facilities, water mains
and water service laterals, and erosion and storm water runoff control measures; the
grading of public and private land; and the installation of street improvements, all as
required by City Ordinances, and pursuant to the terms, conditions and provisions of the
Contract. Principal herein agrees to furnish all material and labor, and pay all monies,
fees, charges, and other sums due the City under the Contract, and do certain work, to-wit
(without limitation by reason of enumeration): that Principal will undertake construction
of sanitary sewer facilities, water mains and water service laterals, and erosion and storm
water runoff control measures; grading of public and private lands; and construction of
street improvements in the plat of _____, a subdivision in the City of Verona,
pursuant to the Contract between Principal and the City of Verona, and pursuant to the
specified plans and maps referred to in the Contract, which is attached hereto and made a
part hereof by reference, as fully for all purposes as if it were herein set forth.

NOW, THEREFORE, if Principal shall faithfully and truly observe and comply
with the terms, conditions, provisions of the Contract in all respects, and the provisions of
the Verona Ordinances, and shall well and truly and fully perform all matters and things
by Principal undertaken to be performed under the Contract and the City Ordinances
upon the terms proposed in the Contract, and within the time prescribed therein, and shall
indemnify the City of Verona against any direct or indirect damages that shall be suffered
or claimed, or injuries to persons or property during the construction of the
improvements, and until one year after the same is accepted by the City of Verona
Common Council, and shall pay all laborers, mechanics, subcontractors, and material
men, and all persons who shall supply such contractor or subcontractor with provisions
and supplies for the carrying on of such work, and shall in all respects faithfully perform

the Contract according to law, then this obligation is to be void, otherwise to remain in full force and effect. This bond shall be payable to the City of Verona upon demand pursuant to the terms set forth in the Contract.

Witness our hands this ____ day of _____, 2016.

In the presence of: _____ [Insert name of Principal] _____

_____ By: _____

Print Name: _____

Print Title: _____

_____ [Insert name of Surety] _____ (Seal)

_____ By: _____

Print Name: _____

Print Title: _____

This certifies that I have been duly licensed as an agent for the above company in Wisconsin under License No. _____ for the year 2016, and appointed as attorney-in-fact with authority to execute this surety bond which power of attorney has not been revoked.

_____ (Date) _____ (Agent)

STATE OF WISCONSIN)
)ss.
COUNTY OF DANE)

Personally came before me, a notary public for the above State and County, this ____ day of _____, 2016, the above named _____, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.

Print Name: _____
Notary Public, State of Wisconsin
My Commission expires: _____

EXHIBIT E

PARKLAND REQUIREMENT FOR CATHEDRAL POINT

Parkland Requirement for Cathedral Point

Information derived from final plat and zoning (See Page 3 & 4 of Attachment D)

The following fees shall be used unless amended by the Common Council subsequent to the execution of this agreement.

Lot Info

297	single family lots	297 units
7	duplex lots (20 units)	14 units
1	UR lots (2.06 acres, assume 10 units/acre)	20 units

Parkland Requirement

All Land-	311 sf & duplex units X 1300 sq ft/unit =	404,300 sq ft
	20 mf units X 850 sq. ft./unit =	<u>17,000 sq. ft. (estimate)</u>
		421,300 sq ft or 9.67 acres

All Fees-	311 sf & duplex units X \$1200/unit =	\$373,200
	20 mf units X \$800/unit =	<u>\$16,000 (estimate)</u>
		\$389,200

Land Dedication Credit

OL 5 – 374,928sq ft (8.61 acre) Public Park

Fee in lieu of Land Dedication

374,928 / 421,300 = 89.0% of the land requirement
The balance in fees is 11.0% of \$389,200 or **\$42,812****

***Estimated total fees due. Final calculation will depend on units/acre constructed on the multi-family lots.*

Parkland Requirement for Cathedral Point

The fees shall be paid on a per phase basis based on type of unit.

Formula

Single Family	= \$1,200 / Unit x 11.0%	= \$132.00 per Unit
Duplex	= \$1,200 / Unit x 11.0%	= \$132.00 per Unit
Multifamily	= \$ 800 / Unit x 11.0%	= \$ 88.00 per Unit

Plat Totals

Single Family	= 297 Units x \$132.00	= \$39,204.00
Duplex	= 14 Units x \$132.00	= \$ 1,848.00
Multifamily	= 20 +/-Units x \$ 88.00	= <u>\$ 1,760.00</u>
		\$42,812.00

Phase 6 Totals

Single Family	= 26 Units x \$132.00	= \$3,432.00
Duplex	= 0 Units x \$132.00	= \$ 0.00
Multifamily	= 0 Units x \$ 88.00	= <u>\$ 0.00</u>
		\$3,432.00

EXHIBIT F
FEE SUMMARY

**CATHEDRAL POINT
PHASE 6**

FEE SUMMARY

(For illustrative purposes only, actual fees will be those
in effect at the time of payment)

Total Acres	137.77 acres
Phase 6 Acres	7.83 acres or 5.68%
1) Park Dedication Fee (\$42,812.00)	
Phase 6 Total	\$ 3,432.00
2) MMSD Connection	\$26,802.43
3) City Impact Fees	
Water (\$938/acre)	\$ 7,344.54
Sewer (\$1,605/acre)	\$ 12,567.15
SUB-TOTAL FEES DUE	\$ 50,146.12
4) Engineering Fees	
Per Billing by City	
5) Compaction Testing	
Per Billing by City	
6) Library Impact Fee	
Due upon Issuance of Building Permit	
Current Fee \$540 per single family unit & \$371 per multi-family unit	
7) Police Impact Fee	
Due upon Issuance of Building Permit	
Current Fee \$413 per single family unit, \$368 per multi-family unit, \$1.4094 per \$1,000 of valuation for non-residential property	
8) Fire Impact Fee	
Due upon Issuance of Building Permit	
Current Fee \$310 per single family unit, \$213 per multi-family unit \$2.10 per \$1,000 of valuation for non-residential property	

PROPERTY ACQUISITION AGREEMENT

This Property Acquisition Agreement (the "Agreement") is made this ___ day of _____, 2016, by and between the City of Verona, a Wisconsin municipal corporation (the "City"), and Good Shepherd Evangelical Lutheran Church of Madison, Wisconsin (the "Church").

RECITALS

A. The Church owns land in the Town of Verona, Dane County, Wisconsin, which land is described in Exhibit A attached hereto and incorporated herein (the "Property").

B. The City wishes to acquire a portion of the Property in fee title for street right-of-way purposes, which land is described in Exhibit B attached hereto and incorporated herein (the "City Property").

C. The City also wishes to acquire a temporary limited construction easement over a portion of the Property, which easement and rights are described and shown on the Temporary Limited Construction Easement attached hereto and incorporated herein as Exhibit C.

D. The City and the Church agree and acknowledge that they enter into this Agreement for their mutual benefit and in order to specify certain rights, obligations, conditions, and liabilities.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, the City and the Church, on behalf of themselves, their heirs, successors and assigns, agree as follows:

1. Recitals. The representations and recitations set forth in the Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this paragraph, subject to all of the terms and conditions in the balance of this Agreement.

2. City Property. The City shall pay to the Church forty thousand eight hundred dollars (\$40,800.00) as consideration for acquiring from the Church, by warranty deed, the City Property. The City shall pay all costs associated with obtaining title evidence

THIS SPACE RESERVED FOR RECORDING DATA

RETURN TO:

City Clerk
City of Verona
111 Lincoln St.
Verona, WI 53593

P.L.N.

062-0608-092-8245-1

and title insurance and with other closing costs, including recording fees, gap endorsement, and transfer taxes, if any. The title company used for this conveyance shall be chosen by the City. The City is purchasing the City Property in as-is condition.

3. City Temporary Limited Construction Easement. The City shall pay to the Church three thousand six hundred and ten dollars (\$3,610.00) as consideration for the Church executing the Temporary Limited Construction Easement.

4. Appraisal Waiver Payment. In consideration of the Church voluntarily waiving its right under Wis. Stats. § 32.06(2)(b) to obtain reimbursement from the City for the reasonable costs of a full narrative appraisal of the property interests acquired by the City, the City shall pay to the Church four thousand dollars (\$4,000.00).

5. Chain Link Fencing. The City shall pay to the Church nine thousand six hundred dollars (\$9,600.00) for the Church to install chain link fencing along the nature walk, as discussed at page 34 of the May 27, 2016 Hicks Company appraisal that the City provided to the Church on July 8, 2016.

6. Additional City Obligations. In addition to the payments identified in Sections 2 and 3 above, the City, as consideration for acquiring the City Property and the Temporary Limited Construction Easement, shall take the following action:

(a) The City shall pay to the Church three thousand seven hundred dollars (\$3,700.00) as compensation for the removal of trees as identified in the Tree Appraisal Report attached hereto and incorporated here in as Exhibit D. In addition, the City shall plant ten (10) 1.5 to 2.0 inch diameter trees in the area where the trees were removed as discussed in Exhibit D pursuant a reforestation/landscape plan as agreed to by the City and the Church.

(b) The City shall construct a modular block wall pursuant to the plans attached hereto and incorporated herein as Exhibit E.

(1) The City shall provide the Church with samples to choose from for the block wall. Once the samples are provided by the City to the Church, the Church shall have thirty (30) days to review and select a sample.

(2) The City shall be responsible for maintaining the modular block wall, and the Church's existing sign will not be disturbed by the construction or placement of the wall. The City will restore any landscaping around the existing sign that is damaged by road construction.

(3) Pursuant to Exhibit E, the City shall construct a decorative fence to accompany the modular block wall. The City shall provide the Church with samples to choose from for the decorative fence. Once the samples are provided by the City to the Church, the Church shall have thirty (30) days to review and select a sample.

(c) The City shall maintain the bike path and associated modular wall/decorative fence constructed adjacent to the Property and the area between the bike path and County Highway PD. Maintenance will include repairs, painting, snow removal, and grass mowing.

(d) The City shall construct a dedicated left turn lane into the Church driveway along the westbound movement of County Highway PD. The City agrees that the Church shall have full access to the Property during and after construction of the road project. Any temporary closures for pavement removals, replacement, or other incidentals, such as curb and gutter, required for construction will be coordinated with the Church and scheduled so as to minimize impact on Church activities, and the City shall provide a fifteen-day notification to Church. In anticipation of the inconvenience that may be caused to the Church for its church services and related activities, including daycare services, the City shall pay to the Church eleven thousand dollars (\$11,000.00).

(e) The City anticipates constructing an east-west collector street through the property that is the former Wingra Stone / Payne and Dolan quarry and is now owned by the City, which property is generally to the south of the Property. Once the east-west collector street is constructed, the City and the Church agree to work together to provide access to the Property from the collector street or another public street from the south when it is fiscally responsible to do so.

5. Church Representations. The Church represents and warrants that:

(a) The Church is the fee simple owner of the Property and has not conveyed to others any rights in the Property, other than mortgages on the Property.

(b) The Church uses the Property for church services and related activities, including as a daycare, and will continue to be able to use the Property for these purposes after the City acquires the rights contained in this Agreement.

(c) There are currently no tenants on the Property and that prior to closing the Church shall not subject the Property to any leases and/or tenants.

(d) This Agreement has been approved by the Church Board of Directors.

(e) The parties signing below for the Church have full power and authority to execute this Agreement, and all necessary resolutions, if any, have been approved by the Church authorizing the execution of this Agreement.

7. City Representations. The City represents and warrants that:

(a) This Agreement has been approved by the City Council.

(b) The parties signing below for the City have full power and authority to execute this Agreement, and all necessary resolutions, if any, have been approved by the City authorizing the execution of this Agreement.

8. General Provisions.

(a) This Agreement shall run with the land described herein and is binding on the City and the Church, and their heirs, successors and assigns.

(b) Non-use or limited use of the rights granted in this Agreement shall not prevent later use of the rights to the fullest extent authorized in this Agreement.

(c) Nothing in this Agreement shall be deemed to create any right or privilege in any person or entity not a party to this Agreement.

(d) This Agreement may only be amended by a written amendment instrument approved and executed by the City and the Church.

(e) If any part, term or provision of this Agreement is held to be illegal or otherwise unenforceable by a court of competent jurisdiction, such illegality or unenforceability shall not affect the validity of any other part, term or provision of this Agreement, and the rights of the parties will be construed as if the part, term or provision was never part of the Agreement.

(f) This written agreement, and written amendments, shall constitute the entire agreement between the City and the Church.

(g) The City may record a copy of this Agreement with the Register of Deeds.

(h) This Agreement shall be governed by, and enforced in accordance with, the laws of the State of Wisconsin. Any claim arising under this Agreement shall be brought in Dane County Circuit Court, Dane County, Wisconsin.

(i) This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and

every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

(j) This Agreement may be executed in one or more counterparts and upon execution and delivery by each of the parties hereto shall constitute one and the same enforceable agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have executed this instrument as of _____, 2016.

GOOD SHEPHERD EVANGELICAL
LUTHERAN CHURCH
OF MADISON, WISCONSIN

By: _____
Title: _____

By: _____
Title: _____

STATE OF WISCONSIN

COUNTY OF DANE

Personally, came before me this ____ day of _____, 2016, the above-named _____ and _____, to me known to be the persons who executed the foregoing instrument, and acknowledged the same.

Print Name: _____
Notary Public, State of Wisconsin
My Commission: _____

CITY OF VERONA

By _____
Jon Hochkammer, Mayor

By _____
Ellen Clark, City Clerk

STATE OF WISCONSIN

COUNTY OF DANE

Personally, came before me this ____ day of _____, 2016, the above-named Jon Hochkammer and Ellen Clark, to me known to be the Mayor and City Clerk of the City of Verona, and the persons who executed the foregoing instrument and acknowledged the same.

Print Name: _____
Notary Public, State of Wisconsin
My Commission: _____

- Attachment: Exhibit A – Legal Description of Church Property
- Exhibit B – Legal Description and Map of Land to be Acquired by
City of Verona in Fee Title
- Exhibit C – Temporary Limited Easement
- Exhibit D – Tree Appraisal Report
- Exhibit E – Plans for Modular Block Wall

This instrument drafted by:

Bryan Kleinmaier
Stafford Rosenbaum LLP
222 West Washington Ave., Suite 900
P.O. Box 1784
Madison, WI 53701-1784
608.256.0226

EXHIBIT A

LEGAL DESCRIPTION OF CHURCH PROPERTY

EXHIBIT B

**LEGAL DESCRIPTION OF LAND TO BE ACQUIRED
BY CITY OF VERONA IN FEE TITLE**

EXHIBIT C
TEMPORARY LIMITED EASEMENT

EXHIBIT D
TREE APPRAISAL REPORT

EXHIBIT E

PLANS FOR MODULAR BLOCK WALL

PROPERTY USE AGREEMENT

THIS PROPERTY USE AGREEMENT (the "Agreement") is made and entered into this ___ day of _____, 2016, by and between the Verona Area Community Theater, Inc. (the "VACT") and the City of Verona, a Wisconsin municipal corporation in Dane County, Wisconsin (the "City").

RECITALS

- A. The City owns the property located at 103 Lincoln Street, Verona, Wisconsin (the "Property"). The Property is further identified as Lot 1 of Dane County Certified Survey Map No. 13577, recorded on the 5th day of September, 2013, Volume 89 of Dane County Certified Survey Maps, pages 11 to 13, as Document No. 5021723, City of Verona, Dane County, Wisconsin.
- B. The City wishes to lease in the future a portion of the Property to the VACT. The portion of the Property to be leased to the VACT is shown on Exhibit A attached hereto and incorporated herein, and identified on Exhibit A as the VACT Site (for purposes of this Agreement, the "Premises").
- C. Currently, the City and the VACT have a lease agreement that applies to land owned by the City at 405 Bruce Street, Verona, Wisconsin (the "Bruce Street Property"). On the Bruce Street Property, the VACT constructed a building at which it currently operates.
- D. The VACT wishes to construct a new building on the Premises at its cost, execute a new lease with the City for the Premises, cancel the existing lease that applies to the Bruce Street Property, and sell to the City the building located on the Bruce Street Property. The City supports the VACT's project.
- E. The purpose of this Agreement is to identify terms and conditions applicable to the construction of the VACT's new building on the Premises, the City's purchase of the building located on the Bruce Street Property, and other issues related to the VACT's move from the Bruce Street Property to the Premises.

AGREEMENT

NOW, THEREFORE, for the mutual considerations set forth herein, the City and the VACT agree as follows:

1. *VACT Building on Premises.* The VACT shall construct the building on the Premises pursuant to the site plan approved by the Verona Plan Commission on June 6,

2016 (the "VACT Building"). Construction of the VACT shall start on or before _____ . The VACT shall be responsible for all costs associated with the construction of the VACT Building.

a. No construction equipment or vehicles may use the Verona Fire Station parking lot (identified on Exhibit A as that portion of the parking lot not contained within the Premises) for construction staging or for any purposes associated with construction of the VACT Building or the VACT's use of the Premises prior to the execution of the lease between the City and the VACT for the Premises. The VACT shall maintain proper signage on the Premises to ensure that the requirements contained in the preceding sentence are satisfied.

b. The VACT hereby expressly agrees to indemnify, defend and hold the City and its officers, employees, and agents harmless from and against all claims, costs and liability of every kind and nature, including reasonable fees for attorneys, consultants, and experts, for injury or damage received or sustained by any person, entity, or property in connection with, or on account of, wholly or in part, the construction of the VACT Building or the VACT's use of the Premises prior to the execution of the lease between the City and the VACT for the Premises.

c. For the purpose of covering any claims or damages to any person, entity, or property related to the construction of the VACT Building or the VACT's use of the Premises prior to the execution of the lease between the City and the VACT for the Premises, the Developer shall secure and maintain, at its own expense, Commercial General Liability insurance with coverage for bodily injury, property damage, and personal injury, with the following minimum coverage limits: \$1,000,000 per occurrence, \$1,000,000 general aggregate, and \$1,000,000 bodily injury and property damage or an equivalent or greater level of coverage. The City shall be named as an additional insured on the Commercial General Liability insurance policy. The Developer shall provide the City with a Certificate of Insurance evidencing its Commercial General Liability insurance as required herein, and shall thereafter annually provide the City with a Certificate of Insurance demonstrating compliance with the foregoing requirements. The Certificate of Insurance shall contain the following clause: "No reduction, cancellation, or expiration of the policy shall become effective until thirty (30) days from the date written notice thereof is actually received by the City."

d. Once the VACT commences construction of the VACT Building, if construction of the building ceases for a period of six (6) months, the City shall have the right to acquire the building for \$1 from the VACT. If the City exercises this option, the VACT shall convey the VACT Building to the City free and clear of all liens and encumbrances.

e. The City agrees to consent to mortgage financing secured by the VACT's right to occupy the Premises and the VACT Building. The Property shall not be subject to the mortgage or a lien for the mortgage.

2. *City Obligations.* The City shall perform the following work related to the Premises:

a. Once an occupancy permit is issued for the VACT Building, the City shall construct the portion of the parking lot identified on Exhibit A that is located within the Premises. For avoidance of doubt, the Verona Fire Station parking lot (identified on Exhibit A as that portion of the parking lot not contained within the Premises) is already constructed. The City's construction of the parking lot located within the Premises shall include:

- (1) Performing necessary surveying and/or staking work related to the construction.
- (2) Installing asphalt pavement with a stone base below the asphalt pavement that is twelve inches deep.
- (3) Installing a curb cut to the Premises on Lincoln Street, and constructing concrete curb and gutter within the parking lot.
- (4) Installing a service gate at [insert location] and site lighting for the parking lot.
- (5) Installing landscaping within the parking lot area.
- (6) Constructing a sidewalk connection from the Verona Fire Station parking lot.
- (7) Constructing pedestrian walking bridges (as shown on Exhibit A) across the storm water swale.
- (8) Installing lighting for the parking lot.

b. Once the occupancy permit is issued for the VACT Building, the City shall pay to the VACT twenty-one thousand dollars (\$21,000), which money shall be used to pay costs incurred by the VACT for demolition and site work on the Premises.

3. *City purchase.* Once the VACT has completed its move from the Bruce Street Property to the VACT Building on the Premises, the City shall purchase the building on the Bruce Street Property from the VACT for \$360,000.

4. *General Provisions.*

- a. The representations and recitations set forth in Recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this paragraph, subject to all of the terms and conditions in the balance of this Agreement.
- b. Each person executing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement on behalf of his or her respective party.
- c. The VACT shall obtain all necessary permits and approvals to commence and complete construction of the VACT Building.
- d. This Agreement sets forth the entire understanding between the City and the VACT with respect to its subject matter. Any amendment hereto shall be made in writing, signed by all parties.
- e. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.
- f. This Agreement shall be effective as of the date and year first written above.
- g. Each party participated fully in the drafting of each and every part of this Agreement. This Agreement shall not be construed strictly in favor of or against any party. It shall be construed simply and fairly to all parties.
- h. This Agreement shall be governed by the laws of the State of Wisconsin.
- i. The benefits of this Agreement to the VACT are personal and shall not be assigned without the express written consent of the City.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____, 2016.

VERONA AREA COMMUNITY THEATER, INC.

By: _____
Name: _____
Title: _____

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this ____ day of _____, 2016, the above-named _____, to me known to be the person who executed the foregoing instrument and acknowledge the same.

Print name: _____

Notary Public, State of Wisconsin

My commission expires: _____

(NOTARY SEAL)

CITY OF VERONA
DANE COUNTY, WISCONSIN

By: _____
Jon H. Hochkammer, Mayor

By: _____
Ellen Clark, City Clerk

STATE OF WISCONSIN

COUNTY OF DANE

Personally came before me this ____ day of _____, 2016, the above-named Jon H. Hochkammer and Ellen Clark, to me known to be the persons who executed the foregoing instrument and acknowledge the same.

Print name: _____
Notary Public, State of Wisconsin
My commission expires: _____

(NOTARY SEAL)

Attachment: Exhibit A – Map of Premises

This instrument drafted by:
Bryan Kleinmaier
Stafford Rosenbaum LLP
P.O. Box 1784
Madison, WI 53701
608/256-0226

LEASE

BY AND BETWEEN

CITY OF VERONA

AND

VERONA AREA COMMUNITY THEATER, INC.

Table of Contents

	<i>Page</i>
ARTICLE 1	1
TERMS	1
1.1 <u>Date of Lease</u>	1
1.2 <u>Landlord</u>	1
1.3 <u>Landlord's Address</u>	1
1.4 <u>Tenant</u>	1
1.5 <u>Tenant's Address</u>	1
1.6 <u>Premises Address</u>	1
1.7 <u>Premises Map</u>	1
1.8 <u>Length of Original</u>	1
<u>Lease Term</u>	1

1.9	<u>Commencement Date</u>	1
1.10	<u>Termination Date</u>	1
1.11	<u>Rent</u>	1
ARTICLE 2		1
GRANT AND TERM		1
2.1	<u>Premises</u>	1
2.2	<u>Lease Term</u>	2
2.3	<u>Surrender of Premises.</u>	2
ARTICLE 3		2
RENT		2
3.1	<u>Rent</u>	2
3.2	<u>Net Basis</u>	2
ARTICLE 4		2

CONSTRUCTION AND IMPROVEMENTS.....	2
4.1 <u>Construction, Improvements and Changes</u>	2
4.2 <u>Fixtures and Equipment</u>	3
4.3 <u>Removal of Improvements</u>	3
ARTICLE 5.....	3
MAINTENANCE, REPAIRS AND DESTRUCTION	3
5.1 <u>No Warranties by Landlord</u>	3
5.2 <u>No Landlord Obligations</u>	4
5.3 <u>Maintenance and Repair by Tenant</u>	4
ARTICLE 6.....	4
UTILITIES AND TAXES	4
6.1 <u>Utilities</u>	4
6.2 <u>Taxes and Assessments</u>	4

ARTICLE 7	5
CONDUCT OF BUSINESS.....	5
7.1 <u>Condition and Use.</u>	5
7.2 <u>Waste and Nuisances.</u>	5
7.3 <u>Signs.</u>	5
7.4 <u>Compliance with ADA.</u>	6
7.5 <u>Environmental Protection.</u>	6
ARTICLE 8	8
INSURANCE AND INDEMNITIES.....	8
8.1 <u>Casualty Insurance.</u>	8
8.2 <u>Comprehensive General Liability and Property Damage Insurance.</u>	9
8.3 <u>Certificates of Insurance; Increase Limits.</u>	9
8.4 <u>Tenant's Property.</u>	9

8.5	<u>Hold Harmless and Indemnification</u>	9
8.6	<u>Waiver of Subrogation</u>	10
ARTICLE 9		10
CASUALTY		10
9.1	<u>Casualty</u>	10
ARTICLE 10		11
DEFAULT		11
10.1	<u>Events of Default</u>	11
10.2	<u>Landlord's Remedies</u>	12
10.3	<u>Landlord May Perform</u>	14
10.4	<u>Delinquent Amounts to Bear Interest</u>	15
10.5	<u>Remedies of Landlord</u>	15
10.6	<u>Holdover Tenant</u>	15

ARTICLE 11	15
INSPECTION BY LANDLORD	15
11.1 <u>Entry by Landlord</u>	15
11.2 <u>Notice</u>	16
ARTICLE 12	16
12.1 <u>Assignment by Tenant</u>	16
12.2 <u>No Release of Tenant</u>	16
ARTICLE 13	16
GENERAL PROVISION.....	16
13.1 <u>Estoppel Certificate</u>	16
13.2 <u>Landlord's Liability</u>	17
13.3 <u>Severability</u>	17
13.4 <u>Captions</u>	17

13.5	<u>Incorporation of Prior Agreements.</u>	17
13.6	<u>Tenant's Remedies.</u>	18
13.7	<u>Attornment of Tenant.</u>	18
13.8	<u>Rent Covenant.</u>	18
13.9	<u>Notices.</u>	18
13.10	<u>Waivers.</u>	18
13.11	<u>Cumulative Remedies.</u>	18
13.12	<u>Covenants and Conditions.</u>	19
13.13	<u>Binding Effect: Choice of Law.</u>	19
13.14	<u>Attorneys' Fees.</u>	19
13.15	<u>Authority.</u>	19
13.16	<u>Mortgage Financing.</u>	19
13.17	<u>Accord And Satisfaction.</u>	19

13.18 Facsimile And Counterparts..... 19

13.19 Confidentiality..... 19

13.20 Time of the Essence.
20

ARTICLE 1

TERMS

- 1.1 Date of Lease: [TO BE INSERTED]
- 1.2 Landlord: City of Verona
- 1.3 Landlord's Address: 111 Lincoln Street
Verona, WI 53593
- 1.4 Tenant: Verona Area Community Theater, Inc.
- 1.5 Tenant's Address: 103 Lincoln Street
Verona, WI 53593
- 1.6 Premises Address: 103 Lincoln Street
Verona, WI 53593
- 1.7 Premises Map: See Exhibit A
- 1.8 Length of Original
Lease Term: Fifty (50) lease years
- 1.9 Commencement Date: [TO BE INSERTED]

1.10 Termination Date: [TO BE INSERTED], unless terminated earlier pursuant to the provisions of this Lease

1.11 Rent: No dollar rent shall be paid to Landlord

ARTICLE 2

GRANT AND TERM

2.1 Premises. In consideration of the rents, terms, covenants and agreements to be performed and observed by Tenant, as hereinafter set forth, Landlord rents to Tenant, and Tenant rents from Landlord, the real estate shown on Exhibit A attached hereto and incorporated herein and identified on Exhibit A as the VACT Site, together with all rights and appurtenances belonging to or appertaining thereto and all improvements now or hereafter located thereon ("Premises"). For avoidance of doubt, the building to be constructed on the Premises by Tenant shall be owned and operated by Tenant, subject to the terms and conditions of this Lease.

2.2 Lease Term. The term of this Lease shall be for the term of lease years set forth in Section 1.8. and shall end at 12:00 a.m. midnight on the Termination Date unless otherwise terminated earlier hereunder. Tenant may provide Landlord with written notice at least 180 days prior to the Termination Date that it wishes to extend the term of this Lease for a period of time. Upon receipt of such notice, Landlord and Tenant may engage in discussions in the hopes of mutually agreeing to an extension of the Lease upon terms satisfactory to both parties. The term "lease year" shall mean a

period of twelve (12) consecutive calendar months. The first lease year shall begin on the Commencement Date.

2.3 Surrender of Premises. Upon termination of this Lease by lapse of time or otherwise, all Improvements upon the Premises at that time shall at Lessor's option become the property of the Landlord (subject to Article 4) and this Lease shall constitute a Bill of Sale by the Tenant assigning and transferring to the Landlord all said Improvements then situated on said Premises. Tenant shall, without notice or demand, surrender the Premises in good condition, and shall surrender all keys to Landlord.

ARTICLE 3

RENT

3.1 Rent. No dollar rent shall be paid to Landlord.

3.2 Net Basis. The parties acknowledge and agree that all costs, special assessments, real estate taxes, sales or other taxes (including sales taxes that may be imposed on the payment of rent), or rents paid by Tenant, expenses and obligations of every kind relating to the Premises, excepting all payments required with respect to Landlord's financing, which may arise or become due during the term of the Lease shall be paid by Tenant, and that this Lease shall be so construed. Tenant herein indemnifies and holds Landlord harmless against such costs, special assessments, real estate taxes, sales or other taxes, expenses and obligations, including its reasonable attorneys' fees, in enforcing this indemnification.

ARTICLE 4

CONSTRUCTION AND IMPROVEMENTS

4.1 Construction, Improvements and Changes. Tenant, at its own expense, shall be responsible for any improvements to be made upon the Premises, including the construction of a building, furniture or fixtures, any signage, and all other improvements to the Premises (collectively, "Improvements" or, singularly, an "Improvement"), subject to the limitations and conditions hereinafter provided. Any Improvements shall be in full compliance with all laws, ordinances, rules and regulations which may govern the same, and shall be subject to approval by Landlord. Tenant shall hold Landlord harmless against any loss or damage by reason of Tenant's actions taken in accordance with this Section 4.1. During the term of this Lease, Tenant agrees to hold Landlord free and harmless from any and all liens that might attach to the Premises on account of labor performed or material furnished to the Premises at the direction of Tenant, and agrees to pay or discharge any such liens within thirty (30) days, except any liens, the validity of which are being contested diligently by appropriate legal proceedings.

4.2 Fixtures and Equipment. Tenant may, at its own expense, furnish and install such additional business and trade fixtures, equipment and signs in and on the Premises as may be necessary or desirable for Tenant's business. Such additional fixtures, equipment and signs shall remain the personal property of Tenant and shall be removed by Tenant at the expiration or termination of this Lease. Upon removal of such fixtures and equipment, Tenant shall restore the Premises to good order and condition.

4.3 Removal of Improvements. Notwithstanding anything to the contrary, at Landlord's sole option, Landlord may require Tenant, at Tenant's cost and expense, to remove any Improvements (defined in Section 4.1) on the Premises (except parking lots, driveways, sidewalks, or any buildings) by providing Tenant written notice requesting such removal at least 180 days prior to the Termination Date.

ARTICLE 5

MAINTENANCE, REPAIRS AND DESTRUCTION

5.1 No Warranties by Landlord. The parties acknowledge that Tenant has, prior to the date hereof, had reasonable opportunity to inspect the Premises, has in fact done so, and is familiar with its physical condition. Tenant has also made such inquiries of the Landlord and other third parties as Tenant has deemed necessary or desirable with regard to the condition of the Premises. Tenant has independently made such other and further inquiries as it deems necessary or desirable to assure itself of the suitability of the Premises (a) for construction of a building on the Premises, and (b) for Tenant's intended use. Accordingly, Tenant takes the Premises pursuant to this Lease in AS IS condition, without any warranty, express or implied, by Landlord as to any aspect of the physical condition of the Premises or its suitability for the Tenant's intended use. Notwithstanding the foregoing, as of the date hereof, Landlord warrants and represents that it has no notice or knowledge of any violations of any applicable federal, state or local laws, rules, regulations or ordinances concerning the Premises (including such laws, rules, regulations or ordinances that pertain to environmental matters).

5.2 No Landlord Obligations. The parties agree that Landlord shall have no obligation to maintain or repair the Premises. As used in this Section 5.2, the term “repairs” shall include replacements and other improvements as are necessary to maintain the Premises in good order and condition. If Tenant fails to make necessary repairs, Landlord shall have the right, but shall not be obligated, to make such repairs or replacements on behalf of and for the account of Tenant. In such event, such work shall be paid for in full by Tenant.

5.3 Maintenance and Repair by Tenant. Tenant shall, at its own cost and expense, keep, maintain and repair the Premises, including all Improvements (whether interior or exterior, structural or non-structural, including, but not limited to, the roof, foundation and all utility systems), all heating, electrical, air-conditioning, ventilating and plumbing equipment therein, and all appurtenances thereto, in good condition and repair; and shall repair, restore or replace (at the election of Tenant exercising reasonable discretion) any such Improvements which may become inoperable or be destroyed or damaged by fire, casualty, obsolescence, age or any other cause.

Tenant shall, at its own expense, keep the Premises in sanitary, clean and neat order. Tenant shall maintain the landscaping on the Premises, except cutting grass as described in the following paragraphs, and shall be responsible for keeping any sidewalks on the Premises free of snow, ice, and trash. Tenant shall keep the entrance to the parking lot on the Premises free of any obstructions which would prevent access.

Landlord agrees that it shall keep the sidewalk on Lincoln Street free of snow, ice, and trash, shall plow the parking lot on the Premises, and shall cut the grass on the Premises. In addition, Landlord shall maintain the pedestrian bridge located on or adjacent to the Premises.

ARTICLE 6

UTILITIES AND TAXES

6.1 Utilities. Tenant shall, during the term of this Lease, arrange for and fully and promptly pay for all water, sewer, gas, heat, light, power, telephone service and other public utilities of every kind furnished to the Premises. Landlord shall not be liable for any interruption or failure in the supply of any utilities.

6.2 Taxes and Assessments. Tenant agrees to pay, before delinquency, any and all real estate or other taxes, including special assessments, levied or assessed and which become payable during the term hereof upon the Premises and Tenant's equipment, furniture, fixtures, and other personal property located in the Premises, whether said taxes are assessed against Landlord or Tenant. Tenant agrees to include all Improvements, additions or leasehold improvements made by or for Tenant on Tenant's personal property tax return, and if any such Improvement, addition or leasehold improvement is nevertheless included in Landlord's real estate or personal property tax assessment and bill, Tenant shall reimburse Landlord with respect thereto. In addition to rental and other charges to be paid by Tenant hereunder, Tenant shall reimburse Landlord, upon demand, for any and all taxes assessed against Landlord (other than Landlord's income taxes payable to federal, state or local governments) whether or not now customary or within the contemplation of the parties hereto: (a)

upon, allocable to, or measured by or on the rental or other charges payable hereunder, including, without limitation, any sales or use tax on such rental, or any gross income tax or excise tax levied by the State of Wisconsin, any political subdivision thereof, or the federal government with respect to the receipt of such rental or other charges; (b) upon or with respect to the possession, leasing, operation, management, maintenance, improvement, repair, use or occupancy by Tenant of the Premises or any portion thereof; (c) upon or measured by the value of Tenant's personal property or leasehold improvements located in the Premises; (d) upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises; or (e) upon Tenant's energy consumption. All taxes listed in this Section 6.2 shall herein be referred to as "Taxes." Tenant shall not have to reimburse Landlord for any late penalties or default interest arising from the delinquent payment by Landlord of any of the Taxes described in this Section 6.2 provided that Tenant has timely paid to Landlord all amounts due Landlord under this Section 6.2.

ARTICLE 7

CONDUCT OF BUSINESS

7.1 Condition and Use. Tenant shall use the Premises to engage in the business of producing and staging theatrical performances and related activities for the benefit of the community. The City of Verona Recreation Dance Program shall always have the right to use the Premises at no cost pursuant to the schedule it establishes in coordination with Tenant, and its schedule shall not be modified by Tenant. Tenant shall make reasonable efforts to permit other non-profit community organizations to use

the Premises for small remuneration to cover costs, when Tenant's schedule accommodates such other uses. Tenant may not change Tenant's use of the Premises without Landlord's prior written approval. No use shall be permitted, or acts done, which will cause a cancellation of any insurance policy covering the Premises. Tenant shall, at its own expense, comply with all requirements of any insurance company necessary for the maintenance of insurance required by this Lease.

7.2 Waste and Nuisances. Tenant shall comply with all applicable laws, ordinances and regulations affecting the use and occupancy of the Premises. Tenant shall not commit, or permit to be committed, any waste or nuisance on the Premises.

7.3 Signs. Tenant covenants and agrees that it shall not, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed, paint, erect or install any permanent signs, lettering or placards, or place or permit to be placed any permanent sign, advertising material or lettering upon the exterior of the Premises. Tenant shall submit all such sign specifications, including, but not limited to, size, shape, color, and design, to Landlord for Landlord's approval. Thereafter no changes in the signs' specifications shall be made without the written consent of Landlord, which consent shall not be unreasonably withheld or delayed. All of the costs and expenses necessary to install and operate the signs shall be the sole responsibility of Tenant. The erection and maintenance of all such signs shall be subject to applicable zoning ordinances and restrictions. Upon expiration or termination of this Lease, Tenant, at its sole cost and expense, shall remove any such signs upon the Premises, unless Landlord allows the signs to remain.

7.4 Compliance with ADA. Tenant shall comply with the Americans With Disabilities Act of 1990 (“ADA”) and shall hold Landlord harmless and indemnify Landlord for all costs and expenses related to such compliance or for any claims, liabilities, costs or expenses (including Landlord's reasonable attorney's fees and expenses) resulting from Tenant's failure to comply with ADA. Within ten (10) days after receipt, Tenant shall provide Landlord with a copy of: (i) any notice alleging violation of the ADA relating to the Premises; (ii) any claims made or threatened regarding noncompliance with the ADA and relating to the Premises; or (iii) notice of any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to the Premises.

7.5 Environmental Protection.

- a. Definition of Environmental Laws. As used herein, the term “Environmental Laws” shall mean any federal, state, and local laws, including statutes, regulations, rulings, orders, administrative interpretations, and other governmental restrictions and requirements relating to the discharge of air pollutants, water pollutants, or process wastewater or otherwise relating to the environment or Hazardous Substances (as defined herein) including, but not limited to, Chapters 144 and 162 of the Wisconsin Statutes, the Federal Toxic Substances Control Act, the Federal Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901, et. seq.), the Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980

(42 U.S.C. § 9601, et. seq.), regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, and regulations of the Wisconsin Department of Natural Resources now or at any time hereafter in effect.

- b. Definition of Hazardous Substances. As used herein, the term “Hazardous Substances” shall mean any hazardous waste or substance, asbestos or asbestos containing material, pollutant, solid, liquid, gaseous, or thermal irritant or contaminant (such as smoke, vapor, soot, fumes, acids, alkalis, chemicals, or waste, including materials to be recycled in the future, reconditioned or reclaimed), polychlorinated biphenyl (in the form of electric transformers, fluorescent light fixtures with ballasts, cooling oils or any other device or form) or urea-formaldehyde foamed-in-place insulation, all as defined or included under Environmental Laws.

- c. Environmental Covenants. Tenant shall:
 - i. timely comply with all applicable Environmental Laws;

 - ii. provide Landlord, immediately upon receipt thereof, with copies of any correspondence, notice, pleading, citation, indictment, complaint, order, decree or other document from any source asserting or alleging violation upon the Premises by Tenant of any Environmental Laws, or asserting or alleging a circumstance or condition upon the Premises

which may require a financial contribution by Tenant or a clean up, remedial action, or other response by or on the part of Tenant under any Environmental Laws;

- iii. permit Landlord, in the event Landlord has reasonable cause to believe that there exists a condition or circumstances created by Tenant, its employees or invitees during the term of this Lease warranting an environmental inspection or audit, at Tenant's expense, to retain an architect or engineer selected by Landlord to perform an environmental inspection and/or audit of the Premises to evaluate Tenant's compliance with Environmental Laws, and to test for Hazardous Substances on the Premises, and for risks associated with exposure to Hazardous Substances;
- iv. permit Landlord and its employees and agents access to the Premises and the books and records of Tenant as necessary for the performance of the environmental inspection and/or audit;
- v. at its expense, remove or contain any Hazardous Substances on the Premises that were brought onto the Premises by Tenant, its employees or invitees during the term of this Lease, or perform other corrective action as required by Landlord in its sole discretion, if at any time it is determined that such Hazardous Substances present a

health hazard on the Premises or are required to be removed or contained or other corrective action is required by any Environmental Laws.

- d. Indemnification. Tenant agrees that it will fully indemnify Landlord from all losses, costs, damages, and expenses arising from any and all claims or cleanup activities arising from the discharge or disposal of any Hazard Substances on the Premises by Tenant, or its agents, employees, customers, or vendors occurring after the Commencement Date of this Lease. Landlord agrees that it will fully indemnify Tenant from all losses, costs, damages, and expenses arising from any and all claims or cleanup activities arising from the discharge or disposal of any Hazard Substances on the Premises by Landlord, or its agents, employees, customers, or vendors occurring prior to the Commencement Date of this Lease.

- e. Miscellaneous. The parties acknowledge that the foregoing sections shall survive the termination or expiration of this Lease. If Landlord receives notice of any alleged violation of any Environmental Laws having been committed or about to be committed by Tenant, such notice shall be deemed to be an event of default under Article 10 hereof.

ARTICLE 8

INSURANCE AND INDEMNITIES

8.1 Casualty Insurance. Tenant shall, at all times during the term of this Lease, at Tenant's sole expense, keep all Improvements which are now or hereafter located on the Premises insured against loss or damage by fire and hazards in an amount equal to the full insurable value thereof, excluding foundation and excavating costs, with loss payable to Landlord, Tenant and any mortgagee, as their interest may appear. In the event that the Improvements or any substantial portion thereof shall be destroyed or seriously damaged, the proceeds when collected in cash by Lessee shall be held in trust and applied to the payment of any debt charges then due and payable to any mortgagee and to the performance by Lessee of all the terms and provisions of this Lease until the repair, restoration or reconstruction of the Improvements shall be completed as provided in section 9.1.

8.2 Comprehensive General Liability and Property Damage Insurance. Tenant shall, at all times during the term of this Lease, at Tenant's sole expense, keep in full force and effect a policy of comprehensive general liability and property damage insurance with respect to the Premises and all business operated thereon, with combined single limits of public liability of not less than Two Million and no/100 Dollars (\$2,000,000.00) per occurrence for injury to or death of any person and for property damage. Such insurance shall name Landlord and Tenant as co-insureds, as their interests may appear.

8.3 Certificates of Insurance; Increase Limits. Tenant shall, with respect to any insurance coverage required in this Lease, furnish Landlord with certificates of insurance and copies of the policies which shall provide that Landlord will be notified in

writing at least thirty (30) days prior to cancellation, material change or non-renewal of such insurance coverages. Tenant may, at its option, bring its obligations to insure under this Article 8 within the coverage of any blanket policy or policies or insurance which Tenant now or may hereafter carry. Insurance required to be provided hereunder shall be written by companies duly qualified to do business in the State of Wisconsin or otherwise satisfactory to Landlord in its reasonably exercised discretion. Landlord may from time to time require the policy limits of any or all insurance to be maintained pursuant to this Article 8 to be increased to reflect the effects of inflation and changes in normal commercial insurance practices.

8.4 Tenant's Property. Tenant shall be solely responsible for carrying personal property insurance sufficient to cover loss of all personal property on the Premises. Landlord shall not be liable for any damage to or loss of property of Tenant or others located on the Premises.

8.5 Hold Harmless and Indemnification. Landlord shall not be liable for any loss, injury, death or damage to persons or property which at any time may be suffered or sustained by Tenant or by any person whosoever may at any time be using or occupying or visiting the Premises or be in, on, or about the same, whether such loss, injury, death or damage shall be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Tenant shall indemnify Landlord against all claims, liability, loss or damage whatsoever on account of any such loss, injury, death or damage. Tenant hereby waives all claims against Landlord for damages to the Building and Improvements that are now on or hereafter placed or built on the Premises and to the property of Tenant in, on or about the Premises, and for injuries to persons or property in or about the Premises, from

any cause arising at any time. If any action or proceeding is brought against Landlord by any person alleging an injury or loss, Tenant shall, upon notice from Landlord, defend, at its expense, such action or proceeding by counsel reasonably satisfactory to Landlord and Tenant.

Tenant agrees to indemnify and save Landlord harmless against any and all claims, demands, damages, costs and expenses, including reasonable attorney's fees for the defense thereof, arising from the conduct or management of the business conducted by Tenant in the Premises or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or from any act of negligence of Tenant, its agents, contractors, servants, employees, sublessees, concessionaires or licensees, in or about the Premises and the sidewalks and parking areas adjoining the same, provided that the same arises out of facts and circumstances occurring after the Commencement Date of this Lease. In case of any action or proceeding brought against Landlord by reason of any such claim, upon notice from Landlord, Tenant covenants to defend such action or proceeding by counsel reasonably satisfactory to Landlord and Tenant, and Landlord shall not be liable and Tenant waives all claims for damage to person or property sustained by Tenant or Tenant's employee's agents, servants, invitees and customers resulting from the building now or hereafter located on the Premises or by reason of the Premises or any equipment or appurtenances thereunto becoming out of repair, or resulting from any accident in or about the Premises or the building now or hereafter located thereon.

This Section 8.5 does not apply to damages arising out of the gross negligence or willful misconduct of Landlord or Landlord's agents.

8.6 Waiver of Subrogation. Nothing in this Lease shall be construed so as to authorize or permit any insurer of either party to be subrogated to any right of the insured against the other party arising under this Lease. The insured hereby releases the other party to the extent of any perils to be insured against by the insured under the terms of this Lease, whether or not such insurance has actually been secured, and to the extent of its insurance coverage for any loss or damage caused by any such casualty, even if such incidents shall be brought about by the fault or negligence of the other party, to the extent permitted by each party's respective insurance carrier. Each party shall make a good faith effort to obtain appropriate waivers of subrogation from its respective insurance carrier giving effect to this Section 8.6, and this mutual waiver of subrogation shall be effective only if both parties are able to obtain the same.

ARTICLE 9

CASUALTY

9.1 Casualty. If, at any time during the term of the this Lease, the Improvements on the Premises or any part thereof shall be damaged or destroyed by fire or other casualty (including any casualty for which insurance coverage was not obtained or obtainable) of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, the Tenant, at its sole cost and expense, and whether or not the insurance proceeds, if any, shall be sufficient for the purpose, shall proceed with reasonable diligence to repair, alter, restore, replace or rebuild the same as nearly as possible to its value, condition, and character immediately prior to such damage or destruction, or as otherwise approved in writing by Landlord. Such repairs, improvements, restoration,

replacement or rebuilding, including temporary repairs or the protection of other property pending the completion of any thereof, are also referred to herein as “the Work.”

ARTICLE 10

DEFAULT

10.1 Events of Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

- a. Abandonment. The abandonment of the Premises or the cessation of business.

- b. Failure to Pay. The failure of Tenant to make any payment required to be made by Tenant under this Lease when due, and such failure shall continue for a period of ten (10) days after written notice of said failure to make said payment is given to Tenant by Landlord. Notwithstanding the foregoing, if in any calendar year Tenant has on three (3) or more occasions failed to make any payment required to be made by Tenant under this Lease when due, and Landlord has given the notice referred to above and Tenant has cured such failure within said 10-day period, then upon the next occurrence of a failure of Tenant to make a payment due under this Lease in said calendar year, which failure shall continue for ten (10) days after the due date of such payment, Tenant shall be in default hereunder, Landlord shall not

be obligated to give Tenant notice and an opportunity to cure, and Landlord shall have all the rights and remedies provided by this Article 10.

- c. Failure to Observe Other Covenants. The failure by Tenant to repair any waste or to observe or perform any of the terms, covenants or conditions of this Lease to be observed or performed by Tenant where such failure shall continue for a period of thirty (30) days after written notice thereof from Landlord to Tenant (or without notice in case of emergency or a hazardous condition; or in case any fine, penalty, interest or cost may otherwise be imposed or incurred). Except as otherwise provided herein, in event of a breach of a term, covenant or condition of this Lease which requires more than the payment of money to cure and which cannot because of the nature of such default be cured within said thirty (30) days, then Tenant is deemed to be complying with said notice if, promptly upon receipt of such notice, Tenant immediately takes steps to cure the default as soon as reasonably practicable and proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable. Failure to send a notice shall not be construed as a waiver of such breach or as to any subsequent breach.

- d. Insolvency.

- i. The making by Tenant of any general assignment, or general arrangement for the benefit of creditors.
- ii. The filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days).
- iii. The appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days.
- iv. The attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

10.2 Landlord's Remedies. If any default by Tenant shall continue uncured, following notice of default as may be required by this Lease, for the period applicable to the default under the provisions of this Lease, Landlord shall have the following remedies in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative. The terms "rent" or "rental" as used in this Lease shall be deemed to be and to mean all amounts required to be paid by Tenant pursuant to the terms of this Lease. The term "rental loss" as used in this

Lease shall be deemed to include, but shall not be limited by implication, all repossession costs, brokerage commissions, legal expenses, reasonable attorneys' fees, improvement costs and expenses or preparation of the Premises or parts thereof for reletting.

- a. Termination of Lease. Landlord may at Landlord's election terminate this Lease by giving Tenant notice of termination. Promptly after notice of termination, Tenant shall surrender and vacate the Premises in a broom clean condition, and Landlord may reenter and take possession of the Premises and eject all parties in possession or eject some and not others or eject none. Termination under this paragraph shall not relieve Tenant from the payment of any sum then due to Landlord or from any claim for damages previously accrued or then accruing against Tenant. Should Tenant abandon the Premises and Landlord elect to re-enter as herein provided, or if Tenant's right to possession is terminated by Landlord because of a breach of the Lease by Tenant, this Lease shall, at Landlord's written election, terminate and Landlord shall be entitled to recover from the Tenant:
 - i. unpaid rent which has been earned at the time of termination, and
 - ii. a sum of money equal to the rent and rental loss to be paid by Tenant to Landlord for the remainder of the term of this Lease as liquidated damages and not as a penalty.

b. Termination of Possession. Landlord may, at Landlord's election, terminate Tenant's right to possession only, without terminating the Lease, following a breach of the Lease by Tenant. Upon termination of Tenant's right to possession without termination of the Lease, Tenant shall surrender possession and vacate the premises immediately and grant possession thereof to Landlord, and Tenant hereby grants to Landlord the immediate right to enter into the Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession thereof with or without process of law, and to repossess the Premises as Landlord's former estate and to expel or remove Tenant and any others who may be occupying or within the Premises, without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom, without such entry and possession, terminate the Lease releasing Tenant from Tenant's obligation to pay the rent and to fulfill all other of Tenant's obligations under this Lease for the full term of this Lease. Landlord shall be entitled to recover from Tenant:

- i. unpaid rent which has been earned at the time of termination, and
- ii. a sum of money equal to the rent and rental loss to be paid by Tenant to Landlord for the remainder of the term of this Lease as liquidated damages and not as a penalty.

Notwithstanding any remedial action taken hereunder by Landlord short of termination, including reletting the Premises to a substitute Tenant, Landlord may at any time thereafter elect to terminate this Lease for any previous default.

- c. Storage. Landlord may, at Landlord's election, store Tenant's personal property and trade fixtures for the account and at the cost of Tenant.

- d. Reletting of Premises. Landlord may, but shall be under no obligation to, relet all or any part of the Premises for such rent and upon such terms as shall be satisfactory to Landlord (including the right to relet the Premises as a part of a larger area, the right to change the character or use of the Premises and the right to restrict prospective tenants to those whose business is compatible with the nature and character of the businesses located around the Premises). For the purpose of such reletting, Landlord may decorate or may make any repairs, changes, improvements or additions in or to the Premises that may be necessary or convenient. If the Premises are relet and a sufficient sum shall not be realized from such reletting after paying all of the expenses of such decorations, repairs, changes, improvements and additions, the expenses of such reletting and the collection of the rent accruing therefrom (including, but not limited to, attorneys' fees and brokers' commissions), to satisfy the rent and other charges herein provided to be paid for the remainder of the term of this Lease,

Tenant shall pay to Landlord promptly any deficiency, and Tenant agrees that Landlord may file suit to recover any sum falling due under the terms of this paragraph from time to time.

10.3 Landlord May Perform. Landlord shall have the right at any time, after ten (10) days notice to Tenant (or without notice in case of emergency or a hazardous condition or in case any fine, penalty, interest or cost may otherwise be imposed or incurred), to make any payment or perform any act required of Tenant under any provision in this Lease, and in exercising such right, to incur necessary and incidental costs and expenses, including reasonable attorneys' fees. Nothing herein shall obligate Landlord to make any payment or perform any act required of the Tenant under this Lease, and this exercise of the right to so do shall not constitute a release of any obligation or a waiver of any default. All payments made and all costs and expenses incurred in connection with any exercise of such right shall be reimbursed to Landlord by Tenant.

10.4 Delinquent Amounts to Bear Interest. Any rent or such other sums, if any required to be paid by Tenant to Landlord pursuant to the terms of this Lease, which are not paid within five (5) days of their due date, shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid. The payment of such interest shall not excuse or cure any default by Tenant under this Lease. The failure by Tenant to pay such interest shall constitute an event of default hereunder.

10.5 Remedies of Landlord. Any and all rights and remedies herein provided to Landlord are cumulative and not exclusive, and Landlord shall be entitled to pursue any rights or remedies enumerated in this Lease or as otherwise provided or authorized by law or any of the same. Tenant agrees to be liable for and pay any and all costs and

expenses, including reasonable attorneys' fees, incurred by Landlord in enforcing any term or condition of this Lease or in pursuing any right or remedy or action for the enforcement thereof.

10.6 Holdover Tenant. If the Tenant remains in possession of the Premises after the Termination Date of this Lease, Landlord may elect to hold the Tenant on a month-to-month basis. The month-to-month tenancy arising under this Section 10.6 shall be on the same terms and conditions as those described in this Lease except that the monthly rental to be paid by Tenant to Landlord shall be two (2) times the monthly rental payable by Tenant for the last month of the term of this Lease. Landlord may at any time terminate the holdover tenancy by providing Tenant with written notice of termination. Tenant shall have thirty (30) days from the date of the written notice to vacate the Premises. If Tenant remains in possession of the Premises after the Termination Date and Landlord has not elected to allow the Tenant to continue to occupy the Premises on a month-to-month basis, or the thirty (30) day notice period has expired and Tenant remains in possession of the Premises, Landlord shall be entitled to all remedies available to it at law or as provided in Article 10.

ARTICLE 11

INSPECTION BY LANDLORD

11.1 Entry by Landlord. Landlord and Landlord's representatives shall have the right to enter the Premises for the purpose of inspecting the same and for such other purposes incidental to the ownership of the Premises and Landlord's rights and obligations under this Lease.

11.2 Notice. Whenever reasonably possible, inspection of the Premises by Landlord shall be at reasonable times and upon reasonable advance notice to Tenant (which notice need not be in writing). No notice to Tenant shall be required if Landlord reasonably believes an emergency or other exigent condition exists.

ARTICLE 12

ASSIGNMENT AND SUBLETTING

12.1 Assignment by Tenant. Tenant shall not voluntarily, or by operation of law, assign, transfer, mortgage, lease, sublet, or otherwise transfer or encumber all or any part of Tenant's right of occupancy of the Premises or any part thereof by anyone other than Tenant, without Landlord's prior written consent. Any attempted assignment or transfer without the Landlord's prior written consent shall be void and shall constitute a default under this Lease.

12.2 No Release of Tenant. Notwithstanding anything to the contrary contained in this Lease, and regardless of Landlord's consent, no such assignment, encumbrance, subletting, transfer, lease or other permission for the use of occupancy of all or any part of the Premises shall release Tenant of Tenant's obligation to pay the rent and to perform all other obligations to be performed by Tenant under this Lease. The acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Consent to one assignment shall not be deemed consent to any subsequent assignment.

ARTICLE 13

GENERAL PROVISIONS

13.1 Estoppel Certificate.

- a. Tenant shall at any time, upon not less than ten (10) days after the giving of written notice by Landlord, execute, acknowledge and deliver to Landlord or to such person designated by Landlord, a statement in writing.
 - i. certifying that this Lease is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any,
 - ii. acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, nor any offsets, counterclaims or defenses to the Lease on the part of Tenant, or specifying such defaults if any are claimed, and
 - iii. certifying as to any other matters as may be reasonably requested by Landlord.

Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

- b. If Landlord desires to sell or finance or refinance the Premises, or any part thereof, Tenant shall deliver to any purchaser and/or lender designated by Landlord such financial information concerning Tenant as may be reasonably required by such purchaser and/or lender. All such financial information shall be received by Landlord in confidence and shall be used only for purposes set forth herein.

13.2 Landlord's Liability. The term "Landlord" as used in this Lease, shall mean only the owner or owners at the time in question of the fee title of the Premises. Landlord shall have the right at any time to sell, transfer or convey its interest in the Premises to any individual, partnership, corporation, limited liability company, or any other entity, and upon such sale, transfer or conveyance, Landlord shall cease to be liable under any covenant, condition, or obligation imposed upon it by this Lease, or any of the terms and provisions thereof; provided, however, that any such sale, transfer or conveyance shall be subject to this Lease and that all of the Landlord's covenants and obligations contained herein shall be binding upon the subsequent owner or owners; and provided, that such owner or owners shall in writing assume the obligations of Landlord.

13.3 Severability. The invalidity of any provision of this Lease, or of its application to any person or circumstance as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof and each term, covenant, condition and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

13.4 Captions. Article, section and paragraph captions are not a part of this Lease.

13.5 Incorporation of Prior Agreements. This Lease and the attached exhibits set forth all the agreements, terms, covenants and conditions between Landlord and Tenant concerning the Premises and there are no agreements, terms, covenants or conditions, oral or written, between them other than those herein contained. No amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless it is in writing and signed by each party.

13.6 Tenant's Remedies. If Landlord shall fail to perform any covenant, term or condition of this Lease required to be performed by Landlord, if any, and if as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of rents or other income from such property received by Landlord, or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Premises, and Landlord or its members shall not be personally liable for any deficiency.

13.7 Attornment of Tenant. Tenant shall, in the event of the sale, assignment, or other transfer of Landlord's interest in the Premises or in this Lease, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Premises, attorn to the transferee and recognize such transferee as Landlord under this Lease.

13.8 Rent Covenant. The covenant to pay rent, is hereby declared to be an independent covenant on the part of Tenant to be kept and performed, and no offset shall be permitted or allowed.

13.9 Notices. All notices and demands hereunder shall be in writing, and shall be given by registered or certified mail, return receipt requested, and shall be deemed given when it shall have been deposited in the United States Mail with sufficient postage prepaid thereon to carry it to its addressed destination, and shall be addressed as set forth in Sections 1.3 and 1.5. The names and addresses may be changed at any time or from time to time by notice as above provided.

13.10 Waivers. No waiver by Landlord of any provision of this Lease shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant. The acceptance of rent hereunder by Landlord shall not constitute a waiver of any breach by Tenant even if Landlord knows of such breach at the time of acceptance of such rent.

13.11 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

13.12 Covenants and Conditions. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

13.13 Binding Effect: Choice of Law. This Lease shall bind the parties, their heirs, personal representatives, successors and assigns. This Lease shall be governed by and be construed and interpreted in accordance with the laws of the State of Wisconsin.

13.14 Attorneys' Fees. If either party brings an action to enforce the terms of or declare rights under this Lease, the prevailing party in any such action shall be entitled to recover reasonable costs, attorneys' fees and expenses.

13.15 Authority. Each person executing this Lease on behalf of Tenant personally represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon said limited liability company in accordance with its terms.

13.16 Mortgage Financing. In the event Landlord desires to obtain mortgage financing and Landlord's mortgagee or mortgagees request certain mortgage modifications or amendments to this Lease, then Tenant, on demand, agrees to execute such modifications or amendments as required. Notwithstanding the foregoing, Tenant shall not be required to execute any modifications or amendments to this Lease relating to the amount of rent or other charges to be paid by Tenant, the size of the Premises, the duration of the term of this Lease, or which would otherwise subject Tenant to additional cost or expense. Tenant agrees to cooperate with Landlord's efforts in obtaining said mortgage financing.

13.17 Accord And Satisfaction. Landlord and Tenant hereby agree that neither the receipt by Landlord of a lesser amount than the rent owed by Tenant nor any endorsement or statement on any check or any letter accompanying any check or payment shall be deemed to be an accord and satisfaction. Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such rent by pursuing all remedies provided in this Lease.

13.18 Facsimile And Counterparts. This Lease may be executed in one or more counterparts. The signatures of the parties hereto may be signed and sent via facsimile and such signatures shall be legally binding as though executed in the original.

13.19 Time of the Essence. Time is of the essence with regard to this Lease.

IN WITNESS WHEREOF, this Lease has been made, executed and delivered as of the date and year first set forth in Section 1.1.

LANDLORD:

TENANT:

CITY OF VERONA

VERONA AREA COMMUNITY THEATER

By: Jon H. Hochkammer, Mayor

By:

By: Ellen Clark, City Clerk

By:

CITY OF VERONA

APPLICANTS FOR OPERATOR'S LICENSE

To Serve Fermented Malt Beverages & Intoxicating Liquors

Date July 25, 2016

APPLICANT'S NAME & ADDRESS

ESTABLISHMENT EMPLOYING

Kayla Offenbecher
6 Maple Cir,
Madison, WI 53719

Hop Haus

Taylor Devalk
871 Kimball Ln. #210
Verona, WI 53593

Hop Haus

Bridget Schutz-Ducklow
410 E Verona Ave
Verona, WI 53593

Verona Liquor

Erik Ellenberger
33296 Cty Rd W
Belleville, WI 53508

Sugar River Pizza

Alec Thicke
5118 61st Ave SE
Rochester, MN 55904

Kwik Trip #837

Thomas Bishop
140 Jenna Dr.
Verona, WI 53593

Kwik Trip #837

Thomas Black
3301 Leopold Way #202
Fitchburg, WI 53713

Mr. Brew's Taphouse

These applicants have been checked for violations through the Verona Police Department. Unless otherwise noted, they have no records.