VILLAGE OF JACKSON
VILLAGE BOARD SPECIAL MEETING AGENDA
Tuesday, October 29, 2024 at 7:00 PM

(Or immediately following the Board of Public Works meeting)
Jackson Municipal Complex
Village Board Room
N168W19851 Main Street
Jackson, WI 53037

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Village Citizen Comment on an Agenda Item (Please sign-in with the Clerk prior to speaking. Please note this is the Village Board's monthly business meeting, not a public hearing. People wishing to speak on an item on the agenda should present their comments under this agenda item. Each commenter will be limited to a total of 2 minutes.)
4. Financial Management Plan Workshop #3 - Utility Plan
5. Consent Agenda
    a. Approval of Minutes for the Village Board meeting of October 8, 2024
    b. Memorandum of Agreement - Amendment No. 1 Next Generation Housing Fund - Washington County
6. Professional Services Agreement - SAFEbuilt, LLC - Temporary Building Inspection Services
7. Adjourn

Persons with disabilities requiring special accommodations for attendance at the meeting should contact the Administration Department at the Jackson Municipal Complex at least one (1) business day prior to the meeting.

It is possible that members of the Village Board may attend the above meeting. No action will be taken by any governmental body at this meeting other than the governmental body specifically referred to in this meeting notice. This notice is given so that members of the Village Board may attend the meeting without violating the open meeting law.

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Village of Jackson, WI

2024 Financial Management Plan
Utilities

October 29, 2024 Village Board Meeting

Why are we here?

- Utilities contemplating future capital investment
- Ehlers to identify fiscal sustainability
- Our Process
  - ✓ Historical Rate Performance
  - ✓ Future Projections
    - ➢ O&M, Depreciation, and PILOT
    - ➢ Funding Project(s): Debt vs. Cash
  - ✓ Rate Impact

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Water Rates Historical Implementation

- Last Conventional Rate Case (CRC) completed October 6, 2010
- Since then
  - ✓ UF Plant up (added capital) 7%
  - ✓ O&M & Depr. avg. 2018-2022 increase 50%
  - ✓ Projected 2023 PSC ROR = -1.5%
- Last Simplified Rate Case (SRC) completed October 1, 2024 and some completed before then for cumulative 21.57% rate increase since CRC. Allowable 40% for additional SRCs

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Utilities LRCFA

WATER

Water: Historical Rate Performance

Revenue Requirement		Shown with no increase					
Component	Description	2020	2021	2022	2023	Est 2024	Budget 2025
Cash Basis							
1	O&M and PILOT	$1,263,135	$1,048,620	$982,572	$1,060,535	$1,038,678	$1,434,695
2	Debt	$0	$0	$0	$22,420	$200,951	$169,975
3	Cash Funded Capital^	$856,655	$449,956	$72,293	$942,631	$226,071	$101,985
	Less:						
	Other Revenue	$419,229	$275,594	$70,448	$1,055,923	$1,064,160	$60,760
	Interest Income	$733	$104	$2,831	$31,550	$17,335	$1,000
	Revenue Requirement (Costs less Other Income)	$1,699,828	$1,222,878	$981,586	$938,113	$384,205	$1,644,895
	User Rates Revenue	$1,343,231	$1,351,629	$1,344,130	$1,413,393	$1,683,950	$1,766,122
	Rate Adequacy	($356,597)	$128,751	$362,544	$475,280	$1,299,745	$121,228
	Rate Adjustment Needed	26.55%	0.00%	0.00%	0.00%	0.00%	0.00%
Utility Basis (PSC)							
1	O&M and PILOT	$1,263,135	$1,048,620	$982,572	$1,060,535	$1,038,678	$1,434,695
2	Depreciation	$212,919	$218,085	$227,420	$233,798	$235,104	$264,298
	NIRB	$5,627,291	$5,880,884	$6,084,596	$6,016,807	$5,646,785	$6,814,900
	PSC Benchmark ROI %	4.90%	4.90%	4.90%	6.50%	6.30%	6.20%
3	PSC Calculated ROI	$275,737	$288,163	$298,145	$391,092	$355,747	$422,524
	Less:						
	Other Revenue	$419,229	$275,594	$70,448	$1,055,923	$1,064,160	$60,760
	Revenue Requirement (Costs less Other Income)	$1,332,562	$1,279,274	$1,437,689	$629,502	$565,369	$2,060,756
	User Rates Revenue	$1,343,231	$1,351,629	$1,344,130	$1,413,393	$1,683,950	$1,766,122
	Rate Adequacy	$10,669	$72,355	($93,559)	$783,891	$1,118,581	($294,634)
	Rate Adjustment Needed	0.00%	0.00%	6.96%	0.00%	0.00%	16.68%

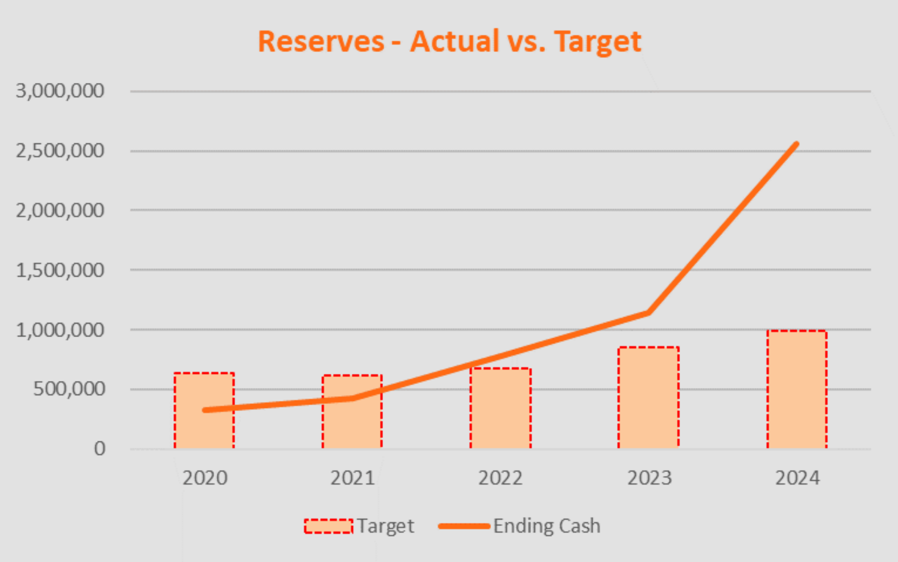
Rates not performing on a cash basis from debt

and not on utility basis (PSC uses)

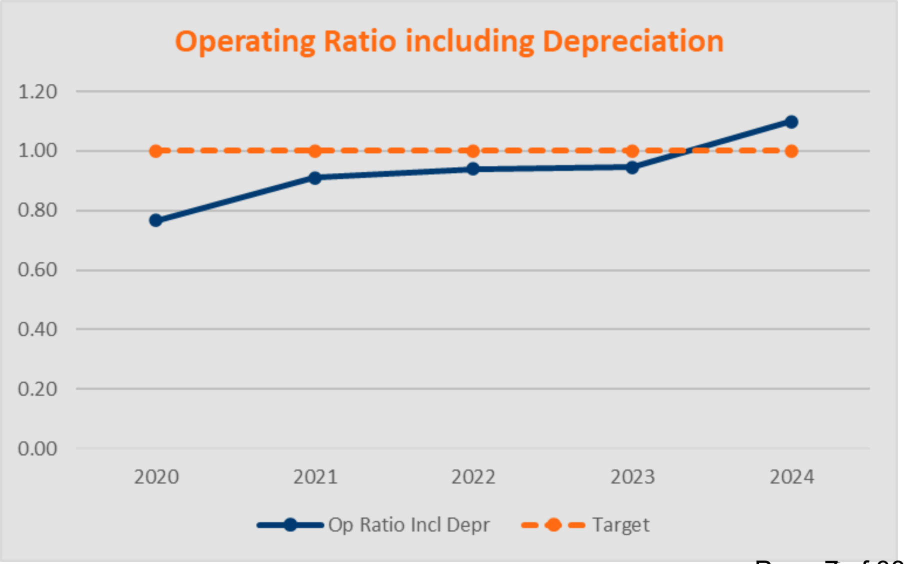
Notes:
^Includes recommended debt coverage at 1.6x annual debt payment

Let's investigate the history further….

Water: Historical Financial Indicators



- Reserves to fund deficits and capital (5 mo. Target)
- Concerns of aging system



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Water rate options

- Simplified: not enough for debt coverage

	Budget	Projected			
	2025	2026	2027	2028	2029
Revenues					
Total Revenues from User Rates[1]	$1,766,122	$1,819,106	$1,873,679	$1,929,889	$1,987,786
Percent Increase to User Rates	**0.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
Cumulative Percent Rate Increase	**0.00%**	**3.00%**	**6.09%**	**9.27%**	**12.55%**
Dollar Amount Increase to Revenues		**$52,984**	**$54,573**	**$56,210**	**$57,897**
"All-in" Debt Coverage	2.31	0.91	1.03	0.87	0.86

Normalized O&M not depicted

Note: 2025 Revenues reflect 4.1% SRC implemented

Water rate options

- Conventional
  - ✓ Even in a scenario with declining ROR, the adjustment needed increases

	Budget 2025	Projected 2026	Projected 2027
Rate of Return			
Average Utility Plant in Service	10,914,640	12,600,529	13,226,349
Plus: Materials and Supplies	39,589	39,589	39,589
Less: Avg.Utility Plant Accum. Depreciation	4,139,329	4,284,826	4,476,293
Less: Regulatory Liability	0	0	0
Average Net Investment Rate Base (NIRB)	6,814,900	8,355,291	8,789,644
Net Operating Income	29,951	(78,987)	(151,430)
ROR	0.44%	-0.95%	-1.72%
PSC Projected Benchmark	6.00%	5.80%	5.60%
Rate Adj. to Benchmark	22.34%	33.22%	37.94%

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Normalized O&M not depicted

Water: Future Projection

	Budget	Projected								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates[1]	$1,766,122	$2,276,885	$2,276,885	$2,345,191	$2,415,547	$2,488,013	$2,562,654	$2,639,533	$2,718,719	$2,800,281
Percent Increase to User Rates	**0.00%**	**28.92%**	**0.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
Cumulative Percent Rate Increase	**0.00%**	**28.92%**	**0.00%**	**3.00%**	**6.09%**	**9.27%**	**12.55%**	**15.93%**	**19.41%**	**22.99%**
Dollar Amount Increase to Revenues		**$510,763**	**$0**	**$68,307**	**$70,356**	**$72,466**	**$74,640**	**$76,880**	**$79,186**	**$81,562**
Total Other Revenues	$33,380	$37,943	$40,290	$41,577	$38,889	$41,895	$46,609	$48,050	$69,383	$68,046
Total Revenues	$1,799,502	$2,314,828	$2,317,175	$2,386,768	$2,454,435	$2,529,908	$2,609,263	$2,687,584	$2,788,102	$2,868,327
Less: Expenses										
Operating and Maintenance[2]	$1,243,110	$1,280,230	$1,318,461	$1,357,834	$1,398,386	$1,440,150	$1,483,163	$1,527,463	$1,573,088	$1,620,078
PILOT Payment	$191,584	$195,416	$199,324	$203,311	$207,377	$211,525	$215,755	$220,070	$224,472	$228,961
Net Before Debt Service and Capital Expenditures	$364,808	$839,181	$799,389	$825,622	$848,672	$878,233	$910,344	$940,050	$990,542	$1,019,287
Debt Service										
Existing Debt P&I	$169,975	$165,225	$160,475	$155,725	$150,975	$146,225	$141,475	$131,850	$127,800	$124,200
New (2025-2034) Debt Service P&I	$0	$114,166	$114,669	$117,700	$120,469	$122,975	$204,500	$211,169	$276,944	$286,919
Total Debt Service	$169,975	$279,391	$275,144	$273,425	$271,444	$269,200	$345,975	$343,019	$404,744	$411,119
Transfer In (Out)	$28,380	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000
Less: Capital Improvements	$2,220,314	$1,223,640	$353,000	$1,176,525	$63,400	$834,247	$364,811	$691,984	$774,527	$247,614
Debt Proceeds	$1,535,000	$0	$0	$0	$0	$1,080,000	$0	$840,000	$0	$0
Net Annual Cash Flow	**($462,101)**	**($643,850)**	**$191,246**	**($604,328)**	**$533,829**	**$874,786**	**$219,558**	**$765,047**	**($168,728)**	**$380,555**
Restricted and Unrestricted Cash Balance:										
Balance at first of year	$2,557,795	$2,095,694	$1,451,844	$1,643,090	$1,038,762	$1,572,591	$2,447,376	$2,666,935	$3,431,982	$3,263,254
Net Annual Cash Flow Addition/(subtraction)	-$462,101	-$643,850	$191,246	-$604,328	$533,829	$874,786	$219,558	$765,047	-$168,728	$380,555
Balance at end of year	$2,095,694	$1,451,844	$1,643,090	$1,038,762	$1,572,591	$2,447,376	$2,666,935	$3,431,982	$3,263,254	$3,643,808
"All-in" Debt Coverage	2.31	3.08	2.98	3.09	3.20	3.34	2.69	2.80	2.50	2.53
PSC Days Cash on Hand	420	208	256	101	224	395	408	563	491	562

Notes:
1) Assumes no changes in customer count or usage beyond Test Year.
2) Assumes 3.00% annual inflation beyond budget year.

Legend:
Simplified Rate Case (projected eligibility)
Conventional (Full) Rate Case

Water: Impact on Avg. Res. Bill

	Water				
Year	Increase	Water Vol. Charge[1]	Water User Charge[2]	Utility Bill (Quarterly)	Change Over Prior Year
		Tiered	Serv. + PFP		
2024		2.92	55.25	$ 87.37	
2025	0.00%	2.92	55.25	$ 87.37	$ -
2026	28.92%	3.76	71.23	$ 112.64	$ 25.27
2027	0.00%	3.76	71.23	$ 112.64	$ -
2028	3.00%	3.88	73.37	$ 116.02	$ 3.38
2029	3.00%	3.99	75.57	$ 119.50	$ 3.48
2030	3.00%	4.11	77.83	$ 123.08	$ 3.58
2031	3.00%	4.24	80.17	$ 126.77	$ 3.69
2032	3.00%	4.36	82.57	$ 130.58	$ 3.80
2033	3.00%	4.49	85.05	$ 134.49	$ 3.92
2034	3.00%	4.63	87.60	$ 138.53	$ 4.03
Total Change over planning period					**$ 51.16**

Notes:

1. Current water volumetric rate is $2.92 per kgal for first 30 kgal, $2.34 per kgal over next 1,500 kgal, and $1.13 per kgal over 1,530 kgal
2. The water user charges include a quarterly service charge of $25.53 plus a public fire protection charge of $29.72 for a 5/8 inch meter.
3. The current Sewer volumetric rate is $5.44 per 1,000 gallons and a service charge of $51.54 for 5/8 inch meter.
3. The usage is assumed to be 11,000 Gallons per quarter.

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Rate Comparison – By County (2)

Utility Name	County	Utility Class	Min. Qtrl Bill 5/8" Meter	6000 GAL	12000 GAL	15000 GAL	18750 GAL	75000 GAL	Effective Date
Hustisford Utilities	Dodge	D	68.1	120	171.9	197.85	230.29	713.07	1/1/13
Waupun Public Utilities	Dodge	C	41.46	84.18	126.9	148.26	174.96	568.75	5/1/12
Columbus Water And Light Department	Dodge	C	43.74	84.46	125.18	145.54	170.99	538.88	2/1/24
Iron Ridge Municipal Water Utility	Dodge	D	48	84.9	121.8	140.25	163.31	509.25	2/3/20
Brownsville Water Utility	Dodge	D	44.56	80.86	117.16	135.31	158	493.36	12/31/21
Lowell Municipal Water And Sewer Utility	Dodge	D	30	71.4	112.8	133.5	159.38	547.5	7/1/20
Lomira Municipal Water Utility	Dodge	D	30	69.9	109.8	129.75	154.69	491.9	3/22/24
Theresa Municipal Water And Sewer Utility	Dodge	D	42	74.04	106.08	122.1	142.13	353.4	8/2/24
City of Hartford Utilities	Washington	AB	40.5	70.2	99.9	114.75	133.31	411.45	1/8/11
City of Horicon Water Utility	Dodge	C	31.41	60.33	89.25	103.71	121.79	358.83	12/1/23
Mayville Municipal Water Utility	Dodge	C	30	58.24	86.48	100.6	118.25	346.15	5/29/24
Watertown Water Department	Dodge	AB	25.2	55.6	86	101.2	120.2	397.4	4/15/17
Randolph Municipal Water Utility	Dodge	D	30.9	58.38	85.86	99.6	116.78	328.32	1/2/20
Juneau Utility Commission	Dodge	D	30	55.5	81	93.75	109.69	323.25	7/1/20
Leroy Sanitary District No 1	Dodge	D	23.55	52.17	80.79	95.1	112.99	381.3	12/1/23
Village of Jackson Water Utility (PLAN 28.92%)	**Washington**	**C**	**32.33**	**55.50**	**78.09**	**89.38**	**103.50**	**281.60**	**10/1/26**
Slinger Utilities	Washington	C	25.08	50.16	75.24	87.78	103.46	319.86	1/2/23
Kewaskum Municipal Water Utility	Washington	C	33.36	52.74	72.12	81.81	93.92	266.11	12/1/23
Reeseville Water Utility	Dodge	D	33.3	52.56	71.82	81.45	93.49	274.05	12/31/18
Beaver Dam Water Utility	Dodge	AB	18.54	44.86	71.18	84.34	100.79	345.54	2/1/20
Germantown Water Utility	Washington	AB	19.35	44.25	69.15	81.6	97.16	330.6	1/1/22
Allenton Sanitary District No 1	Washington	D	18.81	41.19	63.57	74.76	88.75	285.06	12/8/22
Village of Menomonee Falls Water Utility	Washington	AB	11.52	37.38	63.24	76.17	92.33	309.97	1/1/17
Village of Jackson Water Utility (CURRENT)	**Washington**	**C**	**25.53**	**43.05**	**60.57**	**69.33**	**80.28**	**218.43**	**10/1/23**
Town of Portland Sanitary District #1	Dodge	D	29.58	44.94	60.3	67.98	77.58	221.58	1/15/08
City of West Bend Water Utility	Washington	AB	21	39.16	57.32	66.4	77.75	248	4/1/21
Clyman Utility Commission	Dodge	D	31.74	41.58	51.42	56.34	62.49	125.67	8/7/24

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- No PFP (charged different by utility).
- Sorted by 12 kgal consumption column

Water: Recommendations

- CRC needed in plan period for debt service coverage
- Eligible for future SRCs
- This plan identifies
  - ✓ CRC in 2026, then max use of SRC (max to 40% cumulative)
  - ✓ Min. rate adjustment with max use of cash above benchmark
  - ✓ Keep Debt Coverage near 1.6 (Moody's)
- Identify other ratemaking goals (if any)

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TONIGHT's ACTION: Consensus on water rate approach

Utilities LRCFA

SEWER

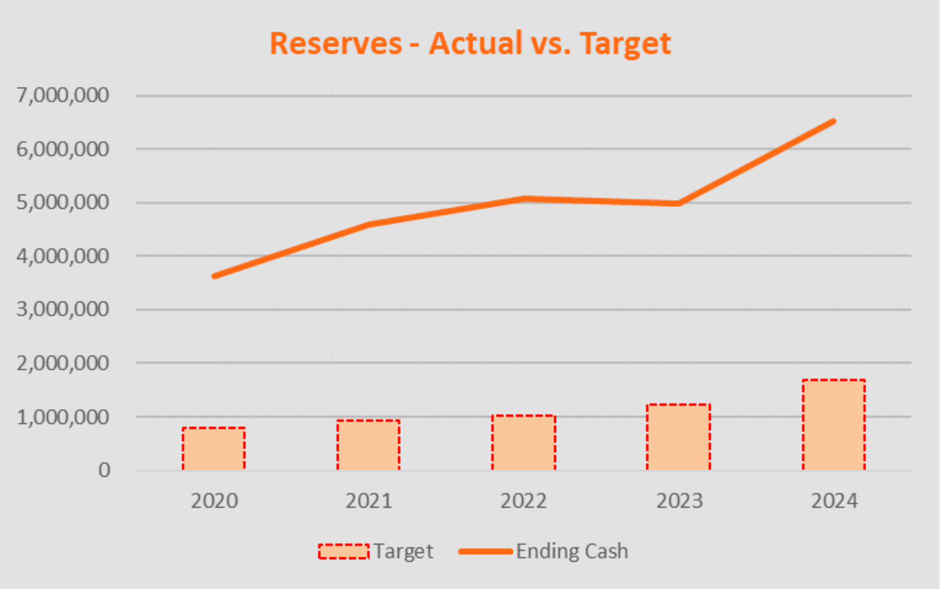
Sewer: Historical Rate Performance

Revenue Requirement Component	Description	2020	2021	2022	2023	Est 2024	Budget 2025
		Shown with no increase					
Cash Basis							
1	Operating and Maintenance	$1,175,464	$1,103,644	$1,416,224	$1,476,066	$1,026,821	$1,905,462
2	Debt	$0	$0	$0	$41,470	$411,579	$445,553
3	Cash Funded Capital^	$574,136	$206,041	$225,844	$2,081,235	$246,947	$875,469
	Less:						
	Other Revenue	$603,020	$473,539	$104,499	$1,221,785	$783,845	$100,000
	Interest Income	$15,024	$1,951	$58,598	$221,169	$104,000	$138,000
	Revenue Requirement (Costs less Other Income)	$1,131,556	$834,195	$1,478,971	$2,155,817	$797,503	$2,988,485
	User Rates Revenue	$1,877,763	$1,866,881	$1,881,312	$1,903,787	$1,969,408	$2,077,707
	Rate Adequacy	$746,207	$1,032,686	$402,341	($252,030)	$1,171,905	($910,778)
	Rate Adjustment Needed	0.00%	0.00%	0.00%	13.24%	0.00%	43.84%
Utility Basis (PSC)							
1	Operating and Maintenance	$1,175,464	$1,103,644	$1,416,224	$1,476,066	$1,026,821	$1,905,462
2	Depreciation	$824,182	$826,648	$837,182	$863,039	$933,688	$1,101,569
	NIRB	$12,856,142	$12,419,582	$11,804,342	$12,004,329	$14,539,324	$17,366,329
3	Typical ROI (2.5%)	$321,404	$310,490	$295,109	$300,108	$363,483	$434,158
	Less:						
	Other Revenue	$603,020	$473,539	$104,499	$1,221,785	$783,845	$100,000
	Interest Income	$15,024	$1,951	$58,598	$221,169	$104,000	$138,000
	Revenue Requirement (Costs less Other Income)	$1,703,006	$1,765,292	$2,385,418	$1,196,259	$1,436,147	$3,203,189
	User Rates Revenue	$1,877,763	$1,866,881	$1,881,312	$1,903,787	$1,969,408	$2,077,707
	Rate Adequacy	$174,757	$101,589	($504,106)	$707,528	$533,261	($1,125,482)
	Rate Adjustment Needed	0.00%	0.00%	26.80%	0.00%	0.00%	54.17%

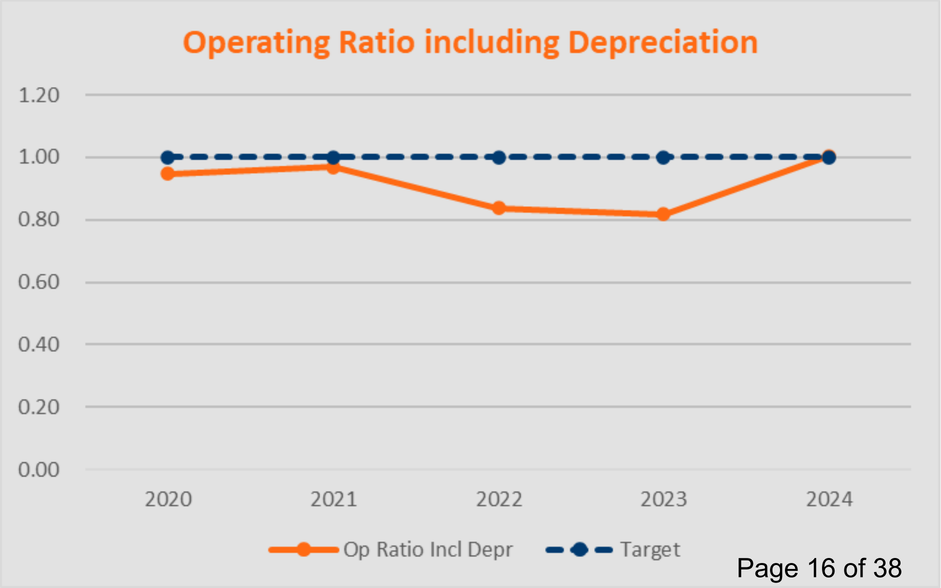
Notes:
^Includes recommended debt coverage at 1.6x annual debt payment

Let's investigate the history further….

Sewer: Historical Financial Indicators



- Reserves to fund deficits and capital (5 mo. Target)
- Concerns of aging system



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Sewer: Future Projection

	Budget	Projected								
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues										
Total Revenues from User Rates[1]	$2,451,694	$2,892,999	$3,413,739	$3,761,469	$3,874,313	$3,990,542	$4,110,259	$4,233,566	$4,360,573	$4,491,391
Percent Increase to User Rates	**18.00%**	**18.00%**	**18.00%**	**10.19%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
Cumulative Percent Rate Increase	**18.00%**	**39.24%**	**64.30%**	**81.04%**	**86.47%**	**92.06%**	**97.83%**	**103.76%**	**109.87%**	**116.17%**
Dollar Amount Increase to Revenues		**$441,305**	**$520,740**	**$347,730**	**$112,844**	**$116,229**	**$119,716**	**$123,308**	**$127,007**	**$130,817**
Other Revenues										
Interest Income	$138,000	$15,970	$13,563	$17,693	$15,957	$17,081	$16,710	$17,219	$17,023	$16,418
Other Income	$204,550	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Other Revenues	$342,550	$15,970	$13,563	$17,693	$15,957	$17,081	$16,710	$17,219	$17,023	$16,418
Total Revenues	$2,794,244	$2,908,969	$3,427,302	$3,779,162	$3,890,270	$4,007,623	$4,126,968	$4,250,785	$4,377,597	$4,507,808
Less: Expenses										
Operating and Maintenance	$1,905,462	$1,962,626	$2,021,505	$2,082,150	$2,144,614	$2,208,953	$2,275,221	$2,343,478	$2,413,782	$2,486,196
Net Before Debt Service and Capital Expenditures	$888,782	$946,343	$1,405,797	$1,697,013	$1,745,656	$1,798,671	$1,851,747	$1,907,307	$1,963,814	$2,021,613
Debt Service										
Existing Debt P&I	$445,553	$676,746	$667,931	$659,114	$640,547	$632,227	$623,906	$620,459	$612,734	$605,859
New (2025-2034) Debt Service P&I	$0	$155,348	$442,999	$658,887	$675,620	$683,678	$734,383	$734,279	$838,734	$844,187
Total Debt Service	$445,553	$832,093	$1,110,930	$1,318,002	$1,316,166	$1,315,906	$1,358,290	$1,354,738	$1,451,468	$1,450,046
Transfer In (Out)	$100,000	$100,000	$100,000	$100,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000
Less: Capital Improvements & COI	$2,220,549	$6,477,046	$1,537,535	$8,873,525	$0	$651,306	$309,811	$650,720	$774,527	$247,614
Debt Issued/Grants/Aid	$1,540,000	$5,300,000	$2,795,000	$7,700,000	$0	$0	$0	$0	$0	$0
Net Annual Cash Flow	**($137,320)**	**($962,796)**	**$1,652,332**	**($694,514)**	**$449,490**	**($148,541)**	**$203,647**	**($78,150)**	**($242,180)**	**$343,953**
Restricted and Unrestricted Cash Balance:										
Balance at first of year	$6,525,163	$6,387,843	$5,425,048	$7,077,379	$6,382,865	$6,832,355	$6,683,814	$6,887,460	$6,809,310	$6,567,130
Net Annual Cash Flow Addition/(subtraction)	($137,320)	($962,796)	$1,652,332	($694,514)	$449,490	($148,541)	$203,647	($78,150)	($242,180)	$343,953
Balance at end of year	$6,387,843	$5,425,048	$7,077,379	$6,382,865	$6,832,355	$6,683,814	$6,887,460	$6,809,310	$6,567,130	$6,911,083
"All-in"Debt Coverage	2.22	1.26	1.36	1.36	1.34	1.38	1.38	1.42	1.37	1.41

Notes:

1) Assumes no changes in customer count or usage beyond Test Year.
2) Assumes 3.00% annual inflation beyond budget year.

Legend:

(light green)	Increase depicted to maintain with assumed O&M inflation
(dark green)	Increase needed above inflationary adjustment

W&S: Impact on Avg. Res. Bill

	Water					Sewer								
Year	Increase	Water Vol. Charge[1]	Water User Charge[2]	Utility Bill (Quarterly)	Change Over Prior Year	Increase	Sewer Vol. Charge[3]	Sewer User Charge[3]	Utility Bill (Quarterly)	Change Over Prior Year	Utility Bill (Annual)	Change Over Prior Year	% of MHI (94,621)	Year
		Tiered	Serv. + PFP				1,000 Gal	Gen Service						
2024		2.92	55.25	$ 87.37			5.44	51.54	$ 111.38		$ 795.00		0.84%	2024
2025	0.00%	2.92	55.25	$ 87.37	$ -	18.00%	6.42	60.82	$ 131.43	$ 20.05	$ 875.19	$ 80.19	0.92%	2025
2026	28.92%	3.76	71.23	$ 112.64	$ 25.27	18.00%	7.57	71.76	$ 155.09	$ 23.66	$ 1,070.89	$ 195.70	1.13%	2026
2027	0.00%	3.76	71.23	$ 112.64	$ -	18.00%	8.94	84.68	$ 183.00	$ 27.92	$ 1,182.55	$ 111.66	1.25%	2027
2028	3.00%	3.88	73.37	$ 116.02	$ 3.38	10.19%	9.85	93.31	$ 201.64	$ 18.64	$ 1,270.63	$ 88.08	1.34%	2028
2029	3.00%	3.99	75.57	$ 119.50	$ 3.48	3.00%	10.14	96.11	$ 207.69	$ 6.05	$ 1,308.75	$ 38.12	1.38%	2029
2030	3.00%	4.11	77.83	$ 123.08	$ 3.58	3.00%	10.45	98.99	$ 213.92	$ 6.23	$ 1,348.01	$ 39.26	1.42%	2030
2031	3.00%	4.24	80.17	$ 126.77	$ 3.69	3.00%	10.76	101.96	$ 220.34	$ 6.42	$ 1,388.45	$ 40.44	1.47%	2031
2032	3.00%	4.36	82.57	$ 130.58	$ 3.80	3.00%	11.08	105.02	$ 226.95	$ 6.61	$ 1,430.11	$ 41.65	1.51%	2032
2033	3.00%	4.49	85.05	$ 134.49	$ 3.92	3.00%	11.42	108.17	$ 233.76	$ 6.81	$ 1,473.01	$ 42.90	1.56%	2033
2034	3.00%	4.63	87.60	$ 138.53	$ 4.03	3.00%	11.76	111.41	$ 240.77	$ 7.01	$ 1,517.20	$ 44.19	1.60%	2034
Total Change over planning period					**$ 51.16**					**$ 129.39**		**$ 722.20**		

Notes:

1. Current water volumetric rate is $2.92 per kgal for first 30 kgal, $2.34 per kgal over next 1,500 kgal, and $1.13 per kgal over 1,530 kgal
2. The water user charges include a quarterly service charge of $25.53 plus a public fire protection charge of $29.72 for a 5/8 inch meter.
3. The current Sewer volumetric rate is $5.44 per 1,000 gallons and a service charge of $51.54 for 5/8 inch meter.
3. The usage is assumed to be 11,000 Gallons per quarter.

EHLERS
PUBLIC FINANCE ADVISORS

Sewer: Recommendations

- Focus on the near term; growth will help
  - ✓ Connection fees and additional rate revenues
  - ✓ Not always able to be considered at loan closing
- This plan identifies
  - ✓ Min. rate adjustment with max use of cash above benchmark
  - ✓ Keep Debt Coverage near 1.6 (Moody's); water will help sewer
- Identify other ratemaking goals (if any)

EHLERS
PUBLIC FINANCE ADVISORS

TONIGHT's ACTION: Consensus on sewer rate approach

Questions?

MINUTES
VILLAGE BOARD MEETING
Tuesday, October 8, 2024 at 7:30 PM

1. Call to Order and Roll Call

   The meeting was called to order at 7:30 PM by Pres. Heckendorf.

   Members Present: Pres. Heckendorf, Tr. Emmrich, Tr. Engelhardt, Tr. Kruepke, Tr. Matter, and Tr. Wells
   Members Excused: Tr. Olson
   Members Absent: None
   Staff Present: Administrator Jen Heidtke, Treasurer Darlene Smith, Police Chief Ryan Vossekuil, Inspections and Zoning Director Collin Johnson, Public Works Director Brian Kober, Parks and Recreation Director Kelly Valentino, and Deputy Clerk Pamela Wolf

2. Pledge of Allegiance

   The Pledge of Allegiance was recited by those who were in attendance.

3. Public Hearings
   a. Discussion of Ordinance #24-10 Rezoning of Parcel V3_046500E004 for Jackson Development, LLC

   Pres. Heckendorf called this public hearing as open. No one was present to speak to this matter.

4. Village Citizen Comment on an Agenda Item (Please sign-in with the Clerk prior to speaking. Please note this is the Village Board's monthly business meeting, not a public hearing. People wishing to speak on an item on the agenda should present their comments under this agenda item. Each commenter will be limited to a total of 2 minutes.)

   None.

5. Consent Agenda
   a. Approval of Minutes for the Special Village Board Meeting of September 24, 2024
   b. Resolution #24-24 Resolution Approving Additional Election Officials for 2024-2025

   The motion to approve items 5a and 5b on the consent agenda was made by Tr. Emmrich and seconded by Tr. Englehardt.

   Vote: 6 ayes, 0 nays. Motion carried.

6. Budget and Finance Committee
   a. Authorizing a transfer of Police and Fire Impact Fee Funds to Debt Service Fund in the amount of $157,091.93

The motion to approve the Authorization of a Transfer of Police and Fire Impact Fee Funds to the Debt Service Fund in the amended amount of $157,765.67 was made by Tr. Wells and seconded by Tr. Kruepke.

Vote: 6 ayes, 0 nays. Motion carried.

b. Change Order #1 - Jackson Community Center Expansion Project - Moore Construction increased by the amount of $29,525.00

The motion to approve Change Order #1 for the Jackson Community Center Expansion Project to Moore Construction Services LLC for an increase in the amount of $29,525.00 was made by Tr. Wells and seconded by Tr. Kruepke.

Vote: 6 ayes, 0 nays. Motion carried.

c. Change Order #2 - Jackson Community Center Expansion Project - Moore Construction decreased by the amount of $20,000.00

The motion to approve Change Order #2 for the Jackson Community Center Expansion Project to Moore Construction Services LLC for a decrease in the amount of $20,000.00 was made by Tr. Wells and seconded by Tr. Kruepke.

Vote: 6 ayes, 0 nays. Motion carried.

d. Pay Request #4 - Jackson Community Center Expansion Project - Moore Construction Services LLC in the amount of $919,545.15

The motion to recommend the Village Board approve Pay Request #4 for the Jackson Community Center Expansion Project to Moore Construction Services LLC in the amount of $919,545.15 was made by Tr. Matter and seconded by Tr. Kruepke.

Vote: 6 ayes, 0 nays. Motion carried.

e. Review of 2025 Capital and Operational Plan

Administrator Heidtke reviewed key points and impacts of proposed 2025 Operational Budget options. Discussion ensued among the body and staff. Administrator Heidtke explained that, while there is another budget workshop scheduled, the requested motion was to provide direction to staff on how to proceed.

The motion to proceed with Option B was made by Tr. Wells and seconded by Tr. Emmrich.

Vote: 6 ayes, 0 nays. Motion carried.

f. Pay Request #7 - Wastewater Treatment Plant Tertiary Filters and Disinfection Project - JH Hassinger in the amount of $336,300.00

The motion to approve Pay Request #7 for the Wastewater Treatment Plant Tertiary Filters and Disinfection Project to JH Hassinger in the amount of $336,300.00 was made by Tr. Wells and seconded by Tr. Emmrich.

Vote: 6 ayes, 0 nays. Motion carried.

g. 2024 Wastewater Treatment Plant Project - Clean Water Fund Loan Request #5 in the amount of $349,541.50

The motion to approve reimbursement request #5 for the 2024 Wastewater Treatment Plant Project from the Clean Water Fund Loan in the amount of $349,541.50 was made by Tr. Matter and seconded by Tr. Wells.

Vote: 6 ayes, 0 nays. Motion carried.

h. Review of Quotes for Hickory Park Path Reconstruction Project

The motion to accept the bid from Pro2Pave for an amount not to exceed $168,847.00 was made by Pres. Heckendorf and seconded by Tr. Engelhardt.

Vote: 6 ayes, 6 nays. Motion carried.

7. Plan Commission

a. Ordinance #24-10 - Rezoning of Parcel V3_046500E004 - Jackson Development, LLC

The motion to approve Ordinance #24-10 for Rezoning of Parcel V3_046500E004 for Jackson Development LLC was made by Pres. Heckendorf and seconded by Tr. Kruepke.

Votes: 6 ayes, 0 nays. Motion carried.

The motion to suspend the rules for a second reading of Ordinance #24-10 was made by Pres. Heckendorf and seconded by Tr. Emmrich. A roll vote was taken:

Pres. Heckendorf: aye
Tr. Emmrich: aye
Tr. Engelhardt: aye
Tr. Matter: aye
Tr. Kruepke: aye
Tr. Wells: aye

A motion to approve the second reading of Ordinance #24-10 was made by Pres. Heckendforf and seconded by Tr. Emmrich.

Vote: 6 ayes, 0 nays. Motion carried.

8. West Bend School District

Tr. Wells reported the last informational meeting regarding the West Bend School District referendum will be held Monday, October 14, from 6PM - 7:30PM at Jackson Elementary School.

9. Washington County Board Report

President Heckendorf provided an overview of the information received from County Supervisor Schwab, including descriptions of upcoming Resolutions 28, 29, 30, 31, 32, and 33.

10. Greater Jackson Business Alliance

Tr. Matter reported the November Social is upcoming, watch for more details. The road opening celebration Business Bash was a success with 19 local businesses participating. All promotional expenses were reimbursed by a grant from the County.

11. Mid-Moraine Municipal Association Report

President Heckendorf provided an update from Tr. Olson in his absence. The last dinner meeting was September 25, 2024, Judge Schimel presented and the 2024 summary and 2025 budget were discussed, as well as potential topics for the 2025 legislative meetings. The next meeting will not be until January 8, 2025, at 7PM in Jackson at the Municipal Complex. The topic is yet to be determined. The next dinner meeting will be January 22, 2025, hosted by the City of West Bend with venue and speaker to be determined.

12. Adjourn

The motion to adjourn the meeting was made by Tr. Kruepke and seconded by Tr. Emmrich.

Vote: 6 ayes, 0 nays. Motion carried. The meeting was adjourned at 8:15 PM.

Respectfully Submitted,
Pamela Wolf - Village Deputy Clerk

AMENDMENT No. 1

WASHINGTON COUNTY NEXT GENERATION HOUSING FUND MEMORANDUM OF AGREEMENT BETWEEN THE FOLLOWING PARTIES:

WASHINGTON COUNTY
and
VILLAGE OF JACKSON

This Amendment No. 1 to the Memorandum of Agreement ("Amendment") is made and effective as of the date on which the Amendment is fully executed (the "Effective Date") by and between WASHINGTON COUNTY ("County") and the VILLAGE OF JACKSON ("Village"), each a Wisconsin municipality. The County and the Village may be individually referred to as a "Party" and together referred to as the "Parties."

RECITALS

WHEREAS, the County and the Village entered into a Memorandum of Agreement ("MOA") on May 12, 2023, which documents the roles and responsibilities of the Parties with respect to the County's Next Generation Housing Initiative (the "Program"), including the Next Generation Housing Fund;

WHEREAS, the MOA incorporated the County's Next Generation Housing Framework, dated April 21, 2023 (the "Framework"); and

WHEREAS, the County published an updated version of the Next Generation Housing Framework on September 18, 2024 ("Version 2.0"), which is attached to this Amendment as Exhibit 1; and

WHEREAS, Version 2.0 states that local governments, such as the Village, "may be eligible for an Incentive that provides for 100% (up to $6,000 per owner-occupied unit) of local government permit and inspection fees required for the safe and material construction of residential dwelling units" (the "Permit Fee Incentive"); and

WHEREAS, the County pays the Permit Fee Incentive directly to local governments, including the Village, on behalf of Program housing developers; and

WHEREAS, consistent with Version 2.0, said housing developers are required to place certain restrictive covenants on residential housing units constructed as part of the Program (the "Deed Restriction"); and

WHEREAS, the Deed Restriction includes a provision requiring the owner to pay the County an amount equivalent to a portion of the Permit Fee Incentive in the event that the owner conveys the property during the initial five-year period after purchase of the property (the "Repayment Obligation"), subject to certain exceptions; and

WHEREAS, for certain housing units, the Repayment Obligation includes an additional amount representing a portion of the agreed-upon discount the owner received from the property's fair market value when purchasing the property (the "Village Discount"); and

WHEREAS, the Parties now seek to amend the MOA to clarify the process for payment of the Permit Fee Incentive and the Repayment Obligation.

AGREEMENT

NOW THEREFORE, the County and the Village agree to amend the MOA as follows:

a. **Version 2.0.** Exhibit 1 is hereby incorporated into the MOA.

b. **Use of the Permit Fee Incentive**. The Village shall use the Permit Fee Incentive only for eligible local government permit and inspection fees required for the safe and material construction of residential dwelling units as part of the Program, as defined in Version 2.0 and as determined by the County Community Development Department in consultation with the builder/developer and the Village. The Village shall provide the County with a receipt of funding allocation upon issuance of a permit for which the Permit Fee Incentive is applied.

c. **Repayment Obligation Reimbursement**. Upon receipt of a Repayment Obligation that includes a Village Discount, the County shall promptly pay the Village that portion of the Repayment Obligation attributable to the Village Discount.

d. **Miscellaneous Terms**. This Amendment, including its exhibits, is incorporated into the MOA, with the force and effect as if fully set forth herein. Except as explicitly modified by this Amendment, all terms and conditions of the MOA shall remain in full force and effect and are hereby ratified and confirmed by the Parties. This Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitute one and the same agreement. This Amendment supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

[*Signature Page Follows*]

WASHINGTON COUNTY

___________________________ Date: ___________________________

Josh Schoemann, County Executive
Lead Coalition Partner

VILLAGE OF JACKSON

___________________________ Date: ___________________________

Jen Heidtke
Village of Jackson Administrator
Coalition Partner

VILLAGE OF JACKSON

Taking the lead in Washington County.

MEMO

TO: Brian Heckendorf, Village President; Village Board

FROM: Jen Heidtke, Village Administrator; Collin Johnson, Director of Inspections and Zoning

RE: Professional Services Agreement with SAFEbuilt, LLC – Temporary Inspection Services

DATE: October 21, 2024

Background

The Village has been unable to hire a part-time inspector to fulfill additional hours of inspections to meet the demands of permitted projects for new homes and existing home in the Village. The vacant part-time position was intended to provide 16 hours of inspection services, weekly. The Board is asked to consider approval of the attached Professional Service Agreement (PSA) for temporary contracted inspection services until a permanent, part-time employee can be hired.

The attached PSA includes terms and conditions that meet the needs of the Inspections and Zoning Department until a part-time employee can be hired. The Village Attorney has also reviewed and revised the draft contract attached for the Board's consideration. The contract includes flexibility in the number of hours of work performed weekly. When necessary, staff intend to schedule 4 hours of contracted inspections a week. During weeks of full-time inspection staff absence, contract inspection hours may be increased to meet only the demands of time sensitive inspections such as footings, foundations, or other time sensitive inspections. If, for example, Director Johnson is out of the office for an entire week, SAFEbuilt may be requested for two or three four-hour days to keep those vital inspection services available. Furthermore, a secondary part-time inspector currently working for the Village will continue to supplement inspections a few hours a week.

Budgetarily, the Board should be aware there are funds available for the temporary inspection services as the Village does not currently pay hourly wages for the vacant part-time position. However, since the proposed contract is 120%-200% higher than the budgeted hourly rate of a Village employee, Staff expect to contract for no more than an average of 4-6 hours or less a week until a permanent part-time employee can be hired.

Potential Motion:

Approval of the Professional Services Agreement with SAFEbuilt, LLC for temporary building inspection services.

Attachments:

1. Professional Services Agreement – Inspection Services with SAFEbuilt

N168 W19851
Main Street
Jackson, WI 53037
Phone: 262-677-9001
Fax: 262-677-1710

www.villageofjacksonwi.gov

PROFESSIONAL SERVICES AGREEMENT BETWEEN VILLAGE OF JACKSON, WISCONSIN AND SAFEbuilt WISCONSIN, LLC

This Professional Services Agreement ("Agreement") is made and entered into by and between Village of Jackson, Wisconsin ("Municipality") and SAFEbuilt Wisconsin, LLC, a wholly owned subsidiary of SAFEbuilt, LLC, ("Consultant"). Municipality and Consultant shall be jointly referred to as "Parties".

RECITALS

WHEREAS, Municipality is seeking a consultant to perform the services listed in Exhibit A – List of Services, ("Services"); and

WHEREAS, Consultant is ready, willing, and able to perform Services.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, Municipality and Consultant agree as follows:

1. SCOPE OF SERVICES
Consultant will perform Services in accordance with construction codes, amendments and ordinances adopted by the elected body of Municipality, state laws and regulations that are applicable to the Services provided under this Agreement. The qualified professionals employed by Consultant will maintain current certifications, certificates, licenses as required for Services that they provide to Municipality. Consultant is not obligated to perform services beyond what is contemplated by this Agreement. The parties acknowledge that Consultant will perform work for Municipality on a non-exclusive, as-needed basis and there will be no guaranteed minimum or maximum hours of work during any particular timeframe. However, the parties do anticipate that the Village will need Consultant's services for approximately four hours, one day each week until such time that it hires its own building inspector.

2. CHANGES TO SCOPE OF SERVICES
Any changes to Services between Municipality and Consultant shall be made in writing that shall specifically designate changes in Service levels and compensation for Services. Both Parties shall determine a mutually agreed upon solution to alter services levels and a transitional timeframe that is mutually beneficial to both Parties. No changes shall be binding absent a written Agreement or Amendment executed by both Parties.

3. FEE STRUCTURE
In consideration of Consultant providing services, Municipality shall pay Consultant for Services performed in accordance with Exhibit B – Fee Schedule for Services.

4. INVOICE & PAYMENT STRUCTURE
Consultant will invoice Municipality, on a monthly basis and provide all necessary supporting documentation. All payments are due to Consultant within 30 days of Consultant's invoice date. Payments owed to Consultant but not made within sixty (60) days of invoice date shall bear simple interest at the rate of one and one-half percent (1.5%) per month. If payment is not received within ninety (90) days of invoice date, Services will be discontinued until all invoices and interest are paid in full. Municipality may request, and Consultant shall provide, additional information before approving the invoice. When additional information is requested Municipality will identify specific disputed item(s) and give specific reasons for any request. Undisputed portions of any invoice shall be due within 30 days of Consultants invoice date, if additional information is requested, Municipality will submit payment within thirty (30) days of resolution of the dispute.

5. TERM
This Agreement shall be effective on the latest date on which this Agreement is fully executed by both Parties. The initial term of this Agreement shall be twelve (12) months. Agreement shall automatically renew for subsequent twelve (12) month terms until such time as either Party notifies the other of their desire to terminate this Agreement.

6. TERMINATION

Either Party may terminate this Agreement, or any part of this Agreement upon thirty (30) days written notice, with or without cause and with no penalty or additional cost beyond the rates stated in this Agreement. In case of such termination, Consultant shall be entitled to receive payment for work completed up to and including the date of termination within thirty (30) days of the termination.

7. FISCAL NON-APPROPRIATION CLAUSE

Financial obligations of Municipality payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of Municipality, and other applicable law. Upon the failure to appropriate such funds, this Agreement shall be terminated.

8. MUNICIPALITY OBLIGATIONS

Municipality shall timely provide all data information, plans, specifications and other documentation reasonably required by Consultant to perform Services (Materials). Municipality has the right to grant and hereby grants Consultant a fully paid up, non-exclusive, non-transferable license to use the Materials in accordance with the terms of this Agreement.

9. PERFORMANCE STANDARDS

Consultant shall perform the Services using that degree of care, skill, and professionalism ordinarily exercised under similar circumstances by members of the same profession practicing or performing the substantially same or similar services. Consultant represents to Municipality that Consultant retains employees that possess the skills, knowledge, and abilities to competently, timely, and professionally perform Services in accordance with this Agreement.

10. INDEPENDENT CONTRACTOR

Consultant is an independent contractor, and, except as provided otherwise in this section, neither Consultant, nor any employee or agent thereof, shall be deemed for any reason to be an employee or agent of Municipality. Municipality shall have no liability or responsibility for any direct payment of any salaries, wages, payroll taxes, or any and all other forms or types of compensation or benefits to any personnel performing services for Municipality under this Agreement. Consultant shall be solely responsible for all compensation, benefits, insurance and employment-related rights of any person providing Services hereunder during the course of or arising or accruing as a result of any employment, whether past or present, with Consultant.

Consultant and Municipality agree that Consultant will provide similar service to other clients while under contract with Municipality and Municipality acknowledges that Consultant employees may provide similar services to multiple clients. Consultant shall at its sole discretion assign and reassign qualified employees, as determined by Consultant, to perform services for Municipality. Municipality may request that a specific employee be assigned to or reassigned from work under this Agreement and Consultant shall consider that request when determining staffing. Consultant shall determine all conditions of employment for its employees, including hours, wages, working conditions, promotion, discipline, hiring and discharge. Consultant exclusively controls the manner, means and methods by which services are provided to Municipality, including attendance at meetings, and Consultant's employees are not subject to the direction and control of Municipality. Except where required by Municipality to use Municipality information technology equipment or when requested to perform the services from office space provided by the Municipality, Consultant employees shall perform the services using Consultant information technology equipment and from such locations as Consultant shall specify. No Consultant employee shall be assigned a Municipal email address as their exclusive email address and any business cards or other IDs shall state that the person is an employee of Consultant or providing Services pursuant to a contractual agreement between Municipality and Consultant.

It is the intention of the Parties that, to the greatest extent permitted by applicable law, Consultant shall be entitled to protection under the doctrines of governmental immunity and governmental contractor immunity, including limitations of liability, to the same extent as Municipality would be in the event that the services provided by Consultant were being provided by Municipality. Nothing in this Agreement shall be deemed a waiver of such protections.

11. ASSIGNMENT AND SUBCONTRACT

Neither party shall assign all or part of its rights or obligations under this Agreement to another entity without the written approval of both Parties; consent shall not be unreasonably withheld. Notwithstanding the preceding, Consultant may assign this Agreement in connection with the sale of all or substantially all of its assets or ownership interest, effective upon notice to Municipality, and may assign this Agreement to its parent, subsidiaries or sister companies (Affiliates) without notice to Municipality. Consultant may subcontract any or all of the services to its Affiliates without notice to Municipality. Consultant may subcontract any or all of the services to other third parties provided that Consultant gives Municipality prior written notice of the persons or entities with which Consultant has subcontracted. Consultant remains responsible for any Affiliate's or subcontractor's performance or failure to perform. Affiliates and subcontractors will be subject to the same performance criteria expected of Consultant. Performance clauses will be included in agreements with all subcontractors to assure quality levels and agreed upon schedules are met.

12. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall defend, indemnify, and hold harmless Municipality, its elected and appointed officials, employees and volunteers and others working on behalf of Municipality, from and against any and all third-party claims, demands, suits, costs (including reasonable legal costs), expenses, and liabilities ("Claims") alleging personal injury, including bodily injury or death, and/or property damage, but only to the extent that any such Claims are caused by the negligence, or intentional conduct of Consultant or any officer, employee, representative, or agent of Consultant. Consultant shall have no obligations under this Section to the extent that any Claim arises as a result of Consultants compliance with Municipal law, ordinances, rules, regulations, resolution, executive orders or other instructions received from Municipality.

To the fullest extent permitted by law and without waiver of governmental immunity, Municipality shall defend, indemnify, and hold harmless Consultant, its officers, employees, representatives, and agents, from and against any and all Claims alleging personal injury, including bodily injury or death, and/or property damage, but only to the extent that such Claims are caused by (a) the negligence of, or material breach of any obligation under this Agreement by, Municipality or any officer, employee, representative, or agent of Municipality or (b) Consultant's compliance with Municipal law, ordinances, rules, regulations, resolutions, executive orders or other instructions received from Municipality. If either Party becomes aware of any incident likely to give rise to a Claim under the above indemnities, it shall notify the other and both Parties shall cooperate fully in investigating the incident.

13. LIMITS OF LIABILITY

EXCEPT ONLY AS MAY BE EXPRESSLY SET FORTH HEREIN, CONSULTANT EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ERROR-FREE OPERATION, PERFORMANCE, ACCURACY, OR NON-INFRINGEMENT. IN NO EVENT SHALL CONSULTANT OR MUNICIPALITY BE LIABLE TO ONE ANOTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, EXEMPLARY, OR SPECIAL DAMAGES INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, LOST REVENUES, LOST DATA OR OTHER INFORMATION, OR LOST BUSINESS OPPORTUNITY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, INDEMNITY, NEGLIGENCE, WARRANTY, STRICT LIABILITY, OR TORT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMAINING REMEDY OTHER THAN WITH RESPECT TO PAYMENT OF OBLIGATIONS FOR SERVICES. EXCEPT WITH RESPECT TO PAYMENT OBLIGATIONS, IN NO EVENT SHALL THE LIABILITY OF MUNICIPALITY OR CONSULTANT UNDER THIS AGREEMENT FROM ANY CAUSE OF ACTION WHATSOEVER (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER LEGAL THEORY, AND WHETHER ARISING BY NEGLIGENCE, INTENTIONAL CONDUCT, OR OTHERWISE) EXCEED THE GREATER OF THE AMOUNT OF

FEES PAID TO CONSULTANT PURSUANT TO THIS AGREEMENT OR THE AVAILABLE LIMITS OF CONSULTANTS INSURANCE REQUIRED PURSUANT TO SECTION 16, BELOW (SUCH LIMITS DEFINE MUNICIPAL MAXIMUM LIABILITY TO THE SAME EXTENT AS IF MUNICIPALITY HAD BEEN OBLIGATED TO PURCHASE THE POLICIES).

14. INSURANCE

A. Consultant shall procure and maintain and shall cause any subcontractor of Consultant to procure and maintain, the minimum insurance coverages listed below throughout the term of this Agreement. Such coverages shall be procured and maintained with forms and insurers acceptable to Municipality. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

B. Worker's compensation insurance to cover obligations imposed by applicable law for any employee engaged in the performance of work under this Agreement, and Employer's Liability insurance with minimum limits of one million dollars ($1,000,000) bodily injury each accident, one million dollars ($1,000,000) bodily injury by disease – policy limit, and one million dollars ($1,000,000) bodily injury by disease – each employee. Worker's compensation coverage in "monopolistic" states is administered by the individual state and coverage is not provided by private insurers. Individual states operate a state administered fund of workers compensation insurance which set coverage limits and rates. Monopolistic states: Ohio, North Dakota, Washington, Wyoming.

C. Commercial general liability insurance with minimum combined single limits of one million dollars ($1,000,000) each occurrence and two million dollars ($2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage, personal injury (including coverage for contractual and employee acts), blanket contractual, independent Consultant's, and products. The policy shall contain a severability of interest provision and shall be endorsed to include Municipality and Municipality's officers, employees, and consultants as additional insureds.

D. Professional liability insurance with minimum limits of one million dollars ($1,000,000) each claim and two million dollars ($2,000,000) general aggregate.

E. Automobile Liability: If performance of this Agreement requires use of motor vehicles licensed for highway use, Automobile Liability Coverage is required that shall cover all owned, non-owned, and hired automobiles with a limit of not less than $1,000,000 combined single limit each accident.

F. Municipality shall be named as an additional insured on Consultant's insurance coverage.

G. Prior to commencement of Services, Consultant shall submit certificates of insurance acceptable to Municipality.

15. THIRD PARTY RELIANCE

This Agreement is intended for the mutual benefit of Parties hereto and no third-party rights are intended or implied.

16. OWNERSHIP OF DOCUMENTS

Except as expressly provided in this Agreement, Municipality shall retain ownership of all Materials and Consultant shall retain ownership of all pre-existing Consultant intellectual property, including improvements thereto all work product and deliverables created by Consultant pursuant to this Agreement. The Materials, work product and deliverables shall be used by Consultant solely as provided in this Agreement and for no other purposes without the express prior written consent of Municipality. Subject to the preceding, as between Municipality and Consultant, all deliverables from the performance of the Services (Deliverables) shall become the exclusive property of Municipality when Consultant has been compensated for the same as set forth herein, and Municipality shall thereafter retain sole and exclusive rights to receive and use such materials in such manner and for such purposes as determined by it. Notwithstanding any provision of this Agreement to the contrary, Consultant shall have no liability, including under Section 14, with respect to (i) the use by Municipality of unfinished or draft Deliverables or (ii) the use of Deliverables for any project other than that for which they were prepared or (iii) the use of Deliverables after a change in applicable codes or law. Notwithstanding the preceding, Consultant may use the Materials, work product, deliverables, applications, records, documents and other materials provided to perform the Services or resulting from the

Services, for purposes of (i) training, (ii) benchmarking of Municipality's and other client's performance relative to that of other groups of customers served by Consultant; and (ii) improvement, development marketing and sales of existing and future Consultant services, tools and products. For the avoidance of doubt, Municipality Data will be provided to third parties, other than hosting providers, development consultants and other third parties providing services for Consultant, only on an anonymized basis and only as part of a larger body of anonymized data. If this Agreement expires or is terminated for any reason, all records, documents, notes, data and other materials maintained or stored in Consultant's secure proprietary software pertaining to Municipality will be exported into a CSV file and become property of Municipality. Notwithstanding the preceding, Consultant shall own all rights and title to any Consultant provided software and any improvements or derivative works thereof.

17. CONSULTANT ACCESS TO RECORDS

Parties acknowledge that Consultant requires access to Records in order for Consultant to perform its obligations under this Agreement. Accordingly, Municipality will either provide to Consultant on a daily basis such data from the Records as Consultant may reasonably request (in an agreed electronic format) or grant Consultant access to its Records and Record management systems so that Consultant may download such data. Data provided to or downloaded by Consultant pursuant to this Section shall be used by Consultant solely in accordance with the terms of this Agreement.

18. CONFIDENTIALITY

Consultant shall not disclose, directly or indirectly, any confidential information or trade secrets of Municipality without the prior written consent of Municipality or pursuant to a lawful court order directing such disclosure.

19. CONSULTANT PERSONNEL

Consultant shall employ a sufficient number of experienced and knowledgeable employees to perform Services in a timely, polite, courteous and prompt manner. Consultant shall determine appropriate staffing levels and shall promptly inform Municipality of any reasonably anticipated or known employment-related actions which may affect the performance of Services. Additional staffing resources shall be made available to Municipality when assigned employee(s) is unavailable.

20. DISCRIMINATION & ADA COMPLIANCE

Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, disability, national origin or any other category protected by applicable federal or state law. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by an agency of the federal government, setting forth the provisions of Equal Opportunity laws. Consultant shall comply with the appropriate provisions of the Americans with Disabilities Act (the "ADA"), as enacted and as from time to time amended, and any other applicable federal regulations. A signed certificate confirming compliance with the ADA may be requested by Municipality at any time during the term of this Agreement.

21. E-VERIFY/VERIFICATION OF EMPLOYMENT STATUS

Pursuant to FS 448.095, Consultant certifies that it is registered with and uses the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by Consultant during the term of the Agreement. Consultant shall not knowingly employ or contract with an illegal alien to perform work under this Agreement and will verify immigration status to confirm employment eligibility. If Consultant enters into a contract with a subcontractor to perform work or provide services pursuant to the Agreement, Consultant shall likewise require the subcontractor to comply with the requirements of FS 448.095, and the subcontractor shall provide to Consultant an affidavit stating that the subcontractor does not employ, contract with or subcontract with an unauthorized alien. Consultant will maintain a copy of such affidavit for the duration of its contract with owner. Consultant is prohibited from using the E-Verify program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

22. SOLICITATION/HIRING OF CONSULTANT'S EMPLOYEES

During the term of this Agreement and for one year thereafter, Municipality shall not solicit, recruit or hire, or attempt to solicit, recruit or hire, any employee or former employee of Consultant who provided services to Municipality pursuant to this Agreement ("Service Providers"), or who interacted with Municipality in connection with the provision of such services (including but not limited to supervisors or managers of Service Providers, customer relations personnel, accounting personnel, and other support personnel of Consultant). Parties agree that this provision is reasonable and necessary in order to preserve and protect Consultant's trade secrets and other confidential information, its investment in the training of its employees, the stability of its workforce, and its ability to provide competitive building department programs in this market. If any provision of this section is found by a court or arbitrator to be overly broad, unreasonable in scope or otherwise unenforceable, Parties agree that such court or arbitrator shall modify such provision to the minimum extent necessary to render this section enforceable. In the event that Municipality hires any such employee during the specified period, Municipality shall pay to Consultant a placement fee equal to 100% of the employee's annual salary including bonus and training certification.

23. NOTICES

Any notice under this Agreement shall be in writing and shall be deemed sufficient when presented in person, or sent, pre-paid, first-class United States Mail, or delivered by electronic mail to the following addresses:

If to Municipality:
Jen Heidtke, Administrator
Village of Jackson
N168 W19851 Main St
Jackson, WI 53037
Email: jen.heidtke@villageofjacksonwi.gov
Phone: 262.677.9001 x 215

If to Consultant:
Joe DeRosa, CRO
SAFEbuilt, LLC
444 North Cleveland, Suite 444
Loveland, CO 80537
Email: jderosa@safebuilt.com

24. FORCE MAJEURE

Any delay or nonperformance of any provision of this Agreement by either Party (with the exception of payment obligations) which is caused by events beyond the reasonable control of such party, shall not constitute a breach of this Agreement, and the time for performance of such provision, if any, shall be deemed to be extended for a period equal to the duration of the conditions preventing such performance.

25. DISPUTE RESOLUTION

In the event a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, Parties agree first to try in good faith to settle the dispute by mediation, before resorting to arbitration, litigation, or some other dispute resolution procedure. The cost thereof shall be borne equally by each Party.

26. ATTORNEY'S FEES

In the event of dispute resolution or litigation to enforce any of the terms herein, each Party shall pay all its own costs and attorney's fees.

27. AUTHORITY TO EXECUTE

The person or persons executing this Agreement represent and warrant that they are fully authorized to sign and so execute this Agreement and to bind their respective entities to the performance of its obligations hereunder.

28. CONFLICT OF INTEREST
Consultant shall refrain from providing services to other persons, firms, or entities that would create a conflict of interest for Consultant with regard to providing the Services pursuant to this Agreement. Consultant shall not offer or provide anything of benefit to any Municipal official or employee that would place the official or employee in a position of violating the public trust as provided under Municipality's charter and code of ordinances, state or federal statute, case law or ethical principles.

29. GOVERNING LAW AND VENUE
The negotiation and interpretation of this Agreement shall be construed under and governed by the laws of the State of Wisconsin, without regards to its choice of laws provisions. Exclusive venue for any action under this Agreement, other than an action solely for equitable relief, shall be in the state and federal courts serving Municipality and each party waives any and all jurisdictional and other objections to such exclusive venue.

30. COUNTERPARTS
This Agreement and any amendments or task orders may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. For purposes of executing this Agreement, scanned signatures shall be as valid as the original.

31. ELECTRONIC REPRESENTATIONS AND RECORDS
Parties hereby agree to regard electronic representations of original signatures as legally sufficient for executing this Agreement and scanned signatures emailed by PDF or otherwise shall be as valid as the original. Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

32. WAIVER
Failure to enforce any provision of this Agreement shall not be deemed a waiver of that provision. Waiver of any right or power arising out of this Agreement shall not be deemed waiver of any other right or power.

33. ENTIRE AGREEMENT
This Agreement, along with attached exhibits, constitutes the complete, entire and final agreement of the Parties hereto with respect to the subject matter hereof, and shall supersede any and all previous agreements, communications, representations, whether oral or written, with respect to the subject matter hereof. Invalidation of any of the provisions of this Agreement or any paragraph sentence, clause, phrase, or word herein or the application thereof in any given circumstance shall not affect the validity of any other provision of this Agreement.

IN WITNESS HEREOF, the undersigned have caused this Agreement to be executed in their respective names on the dates hereinafter enumerated.

SAFEbuilt WISCONSIN, LLC	VILLAGE OF JACKSON, WISCONSIN
By: ______________________________	By: ______________________________
Name: Gary Amato	Name: ______________________________
Title: Chief Administrative Officer	Title: ______________________________
Date: September 12, 2024	Date: ______________________________

EXHIBIT A – LIST OF SERVICES

1. LIST OF SERVICES

Building, Electrical, Plumbing, & Mechanical Inspection Services

- Consultant utilizes an educational, informative approach to improve the customer's experience
- Perform code compliance inspections to determine that construction complies with approved plans
- Meet or exceed agreed upon performance metrics regarding inspections
- Provide onsite inspection consultations to citizens and contractors while performing inspections
- Return calls and emails from permit holders in reference to code and inspection concerns
- Identify and document any areas of non-compliance
- Leave a copy or provide an electronic version of the inspection results and discuss inspection results with site personnel

Reporting Services

- Consultant will work with Municipality to develop a mutually agreeable reporting schedule and format

2. MUNICIPAL OBLIGATIONS

- Municipality will issue permits and collect all fees
- Municipality will provide Consultant with a list of requested inspections and supporting documents
- Municipality will provide a monthly activity report that will be used for monthly invoicing
- Municipality will provide office space, desk, desk chairs, file cabinets, local phone service, internet, use of copier and fax

3. TIME OF PERFORMANCE

- Consultant will perform Services during normal business hours excluding Municipal holidays
- Services will be performed on an as-requested basis during mutually agreed upon hours
- Inspectors will be dispatched on an as-requested basis
- Consultant representative(s) will be on-site weekly based on activity levels
- Consultant representative(s) will be available by phone and email
- Consultant representative(s) will meet with the public by appointment

Deliverables	
INSPECTION SERVICES	One (1) week prior notice if individual will be needed more than eight (8) hours per week

EXHIBIT B – FEE SCHEDULE FOR SERVICES

1. FEE SCHEDULE
   - Upon completion of the initial term and annually thereafter, the hourly and flat rates listed shall be increased based upon the annual increase in the Department of Labor, Bureau of Labor Statistics or successor thereof, Consumer Price Index (United States City Average, All Items (CPI-U), Not Seasonally adjusted, All Urban Consumers, referred to herein as the "CPI") for the Municipality or, if not reported for the Municipality the CPI for cities of a similar size within the applicable region from the previous calendar year, such increase, however, not to exceed 4% per annum. The increase will become effective upon publication of the applicable CPI data. If the index decreases, the rates listed shall remain unchanged. For budgeting purposes, Consultant will notify Municipality of any rate increase at least 60 days prior to the effective date of such increase.
   - Consultant fees for Services provided pursuant to this Agreement will be as follows:

SERVICE FEE SCHEDULE:	STANDARD HOURLY RATE*
Inspection Services	$110.00 per hour – four (4) hour minimum

Hourly inspection time tracked excludes roundtrip travel time between Consultant's location and Municipality or first inspection site. Time tracked will end when the inspector completes the last scheduled inspection or leaves Municipal office. Time tracked will include travel time between inspection sites and all administrative work related to inspection support.

*Services requested beyond normal business hours, Monday through Friday, will be invoiced at one-and-a-half times (1.5x) the standard rate with a two (2) hour minimum.

Services requested on Saturdays, will be invoiced at one-and-a-half (1.5) times the standard rate with a four (4) hour minimum.

Services requested on Sunday or US Federal holidays will be invoiced at two (2) times the standard rate with a four (4) hour minimum.

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