

Section 3.3 Eligible Costs

(a) Costs, subject to the maximum grant amount allowable under this Agreement, incurred by Town in the completion of any work under Section 2.2(a), (b), or (c), are eligible for reimbursement by WisDOT except:

(1) if incurred prior to the effective date of this Agreement, unless incurring of costs is approved in writing by WisDOT;

(2) if Town fails to secure all necessary permits, licenses and authorizations, and fails to deliver signed copies thereof to WisDOT;

(3) if Town fails to submit to WisDOT a copy of its or its contractor's general liability, worker's compensation, comprehensive business vehicle and other applicable insurance policies satisfactory to WisDOT, as required under Section 9.2(a) and (b);

(4) if Town fails to secure WisDOT written approval of the contracts let for work for the approved project;

(5) if Town fails to provide evidence to WisDOT that any and all contractors have obtained a performance and payment surety bond as required under Section 10.4(c); or

(6) if Town fails to meet all applicable requirements in this Agreement or in the law.

(b) Town shall, whenever available and consistent with the other provisions of this Agreement, take cash and trade discounts, tax exemptions, or other credits in connection with goods and services purchased or used on the approved project. Town shall impose this requirement on any contractor or subcontractor when payment is based on costs incurred.

(c) If WisDOT or a federal or other state agency having jurisdiction determines that any material or work is deficient for whatever reason, Town shall require the replacement of whatever materials or the correction of whatever work is necessary to cure the deficiency. Town shall not use any WisDOT grant or Town matching funds to pay for the replacement or correction required.

(d) All materials delivered to Town or its contractors or subcontractors for use in performing the work set forth in the Scope of Work in Section 2.2 shall be appropriately accounted for upon delivery and protected from theft or damage by Town at its expense. Replacement of damaged or stolen material is not an eligible cost under this Agreement. Damage to or theft of material is not an acceptable reason for non-performance of Town's obligations under this Agreement. If WisDOT agrees, damage or theft may be an acceptable reason for an extension of the completion dates under this Agreement. Any extension of completion date shall be requested by Town and before it becomes effective be approved by WisDOT in writing.

Section 3.4 Financial Management, Audit and Records

(a) Town shall maintain, whether in the form of contracts, subcontracts or other documents, the following until the expiration of three years after the date of WisDOT acceptance of the final close out accounting which shall include:

(1) Records that identify the sources and applications of all funds for the approved project and that contain information pertaining to grant awards, draw downs, obligations, unobligated balances, assets, liabilities, outlays and income;

(2) Original invoices, employee time sheets and all other supporting source documents;

(3) Bid documents, contracts, subcontracts and all documentation underlying the preparation of the project financial reports and the grant budget; and

(4) All accounting documents of Town pertaining to the approved project. (These accounting documents shall be clearly identified and readily accessible to WisDOT and its designees. Town shall also impose this requirement upon each of its contractors and ensure that it is imposed on each subcontractor.)

(b) The Secretary of WisDOT and any duly authorized representatives shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipients of funds under this Agreement which in the opinion of the Secretary or designee may be related or pertinent to the approved project for which Town has received or is or may be entitled to receive assistance under this Agreement. Town shall impose this requirement on each of its contractors and ensure that it is imposed on each subcontractor.

(c) All costs charged to this project shall be supported by documents evidencing in detail the nature and propriety of the charges. All accounting and other documents pertaining to the project shall be clearly identified and readily accessible to WisDOT representatives or designees.

(d) Town shall establish a separate account showing receipts and disbursements of all funds provided under this Agreement. This system of accounts shall permit the clear differentiation of charges to the project from expenditures made by Town for non-project work. Contractors and subcontractors shall be required to maintain accounts that differentiate receipts and disbursements in a similar manner.

(e) WisDOT may conduct and prepare a final project audit of the use of WisDOT provided funds. Town shall fully cooperate with WisDOT and its representatives in the conducting and preparing of such a final project audit and shall also require its contractors and subcontractors to do so. All payments to Town shall be subject to a claim for refund by WisDOT based upon the final project audit.

(f) The grantee shall have a single, organization-wide financial and compliance audit performed by a qualified independent auditor if required to do so under federal law and regulations (see federal Circular No. A-133, Section 4).

(g) The audit specified in Section 3.4(f) shall be performed in accordance with federal Circular A-133 issued by the federal Office of Management and Budget (OMB) and state single audit guidelines issued by the Wisconsin Department of Administration (DOA). State programs will be included in the scope of the single organization-wide financial and compliance audit.

ARTICLE 4.0 REPORTING

Section 4.1 Work Task Scheduling

Prior to starting the work described in Section 2.2(b), Town shall provide WisDOT with a schedule of anticipated work progress by month for each approved project work item. The schedule shall follow a format acceptable to WisDOT. The schedule shall be updated monthly to show anticipated work to be done both during the next month and during the following months through project completion. The updated schedule shall be submitted to WisDOT with the monthly performance report required by Section 4.3(a).

Section 4.2 Immediate Reporting

Town shall report to WisDOT immediately in writing whenever there is any condition under federal, state or local law or there is any other circumstance that may significantly affect:

- (a) Town's ability to pursue any aspect of the approved project in accordance with the provisions of this Agreement, or
- (b) Town's continuing eligibility for financial assistance under this Agreement.

Section 4.3 Routine Reporting

(a) If during any month, a Town contractor or subcontractor has performed work on the approved project, Town shall file a monthly performance report with the next invoice for payment from WisDOT. The report shall include the following information:

- (1) The total accumulated, approved project costs incurred to the end of the month and the estimated costs remaining to complete the project;
- (2) Unit costs of materials, labor and equipment charged to the project for the period covered by the report;
- (3) The percentage of completion of each work item of the approved project and the estimated date of completion of each work item;
- (4) A narrative describing all work completed during the past month;
- (5) A narrative description of any difficulties or delays encountered, including an explanation of any cost overruns or higher than budgeted unit costs and any corrective action taken or to be taken to address the difficulties, or delays, or cost overruns;
- (6) An explanation of any anticipated difficulties or delays until the end of the project and the action to be taken in an effort to avoid such difficulties or delays; and
- (7) Any additional narrative necessary to explain any major change that has been made during the past month to the monthly schedule of anticipated work progress.

(b) All financial reports shall be prepared on the same basis as Town's accounting records unless WisDOT shall direct otherwise in writing. All records and reports shall be kept in accord with generally accepted accounting principles.

ARTICLE 5.0 PERMITS AND LICENSES

Town shall obtain all necessary valid permits, licenses and authorizations required for the completion of the approved project. Costs associated with the acquisition of permits, licenses and authorizations are not eligible for reimbursement under this Grant Agreement. No payment of grant funds for eligible costs incurred for performance of any work shall be made by WisDOT prior to Town's having secured all necessary permits, licenses, and other authorizations and having delivered executed copies of each to WisDOT. Town shall file with WisDOT one executed copy of each required permit, license or other authorization upon execution of this Agreement or within fifteen days following the acquisition of the permit, license, or other authorization documents by the Town. Failure to obtain and deliver to WisDOT all necessary permits, licenses or other authorizations on or before December 31, 2013 shall terminate this Agreement under the terms of Article 6.0 herein. If at some date after December 31, 2013 it is determined by a court of competent jurisdiction that a permit, license, or authorization other than those submitted to WisDOT under this Article is necessary to complete the project, Town shall, within 180 days from the date of notice to Town by WisDOT, either obtain such permit, license or authorization or return to WisDOT all amounts paid by WisDOT under the terms of this Agreement.

Permits and licenses referred to in the above paragraph are "major" permits and licenses required for authorization of the project. Minor permits and licenses required during the course of the work, and normally only issued to the contractor at the time of the work, will not be an eligible cost and will be obtained as the project work progresses.

ARTICLE 6.0 TERMINATION

In the event Town fails to perform any of its obligations under this Agreement, WisDOT may, at its option, give 10 days written notice thereof to Town. Upon failure of Town to correct the breach within 10 days following written notice, WisDOT shall have the right, at its option, to terminate this Agreement by giving written notice by certified mail to Town. Notwithstanding the foregoing, if the default for which notice is given is not capable of being cured within 10 days following written notice and if Town has taken reasonable steps to initiate a cure of said default within the 10 day period, then at the sole discretion of the WisDOT, communicated to Town in writing, Town may have a reasonable period to cure the default. WisDOT's exercise of the right to terminate shall not impair any other rights of action or claims under this Agreement or under the law against Town. This Agreement may be terminated by mutual agreement of the parties at any time. If this Agreement is terminated for any reason whatsoever, Town shall take, at its sole cost and expense, any and all appropriate action to permanently maintain the approved project site in a condition that poses no threat or hazard to navigation or the public and that complies with all applicable laws and regulations and with any conditions set forth in the permits, licenses and authorizations secured by Town under this Agreement. Town shall bear all expenses of termination, if this Agreement is terminated at the request of Town, or a Town contractor or a Town contractor's subcontractor, defaults on any term or provision of this Agreement.

ARTICLE 7.0 CONTRACT PERIOD

This Agreement shall be in effect upon the date set forth on page one of this Grant Agreement and shall continue in effect for twenty-five (25) years from the completion of the approved project work or until terminated under Article 6.0. The approved project work shall be completed in accordance with this Grant Agreement before December 31, 2014. If it is not so completed by December 31, 2014, Town shall repay all the grant funds advanced to it as required under Section Trans. 28.08(5) (intro.) and (a), Wis. Admin. Code. If the approved project is not operated and adequately maintained for the

purpose of transferring commercial cargoes, or if the approved project is converted to a use inconsistent with the purposes of the Harbor Assistance Program, or if the approved project is inconsistent with the terms of this Grant Agreement during the 25 year period set forth above, or if this Grant Agreement is cancelled or terminated for any reason whatsoever, WisDOT shall require full repayment of all funds advanced to Town, and Town shall promptly pay all such funds to WisDOT upon demand by WisDOT.

ARTICLE 8.0 REPRESENTATIONS AND WARRANTIES

Section 8.1 WisDOT

WisDOT represents and warrants that it has the power and authority to enter into this Agreement under Section 85.095, Wis. Stats.

Section 8.2 Town of Washington

Town represents and warrants that it has the power and authority to enter into this Agreement and that entering into this Agreement does not violate any statute, rule or regulation and does not violate any order, writ, injunction or decree of any court, administrative agency or other governmental body.

ARTICLE 9.0 LIABILITY AND INSURANCE

Section 9.1 Hold Harmless

Town shall save and hold WisDOT, its officers, employees and agents, harmless from and against all liability, damage, loss, claims, demands and actions of any nature whatsoever which arise out of or are connected with, or are claimed to arise out of or be connected with, any act, omission or operation of Town, its officers, employees or agents, its contractors, or its contractors' agents, servants, subcontractors or employees, or which arise out of or are connected with, or are claimed to arise out of or be connected with, any act, omission or operation which happens, or is alleged to have happened, in or about a place where such act, omission or operation is performed or should be performed or in the vicinity thereof (1) while a Town contractor or subcontractor is performing its work on the approved project, or (2) during the period this Agreement between WisDOT and Town is in effect, or (3) while any of Town's contractor's or subcontractor's property, equipment, or personnel, are in or about such place or the vicinity thereof by reason of or as a result of the performance of Town's contractor's or subcontractor's operations including, without limiting the applicability of the foregoing the following: all liabilities, damages, losses, claims, demands and actions on account of personal injury, death or property loss to WisDOT, its officers, employees, agents, contractors, subcontractors or frequenters, or to any other person or legal entity whether based upon, or claimed to be based upon, contract or tort or having its basis in worker's compensation under federal or state statutes or having any other code or statutory basis or based upon administrative rules or other provisions or other liability of WisDOT, Town, or any other persons, and whether or not caused or claimed to have been caused by the negligence or other breach of duty by WisDOT, its officers, employees, agents, contractors, subcontractors or frequenters, Town, its officers, employees, agents, contractors, subcontractors or frequenters, or any other person or legal entity. Without limiting the applicability of the foregoing, the liability, damage, loss, claims, demands and actions indemnified against shall include all liability, damage, loss, claims, demands and actions for trade-mark, copyright or patent infringement, for unfair

competition or infringement of any so-called "intangible" property right, for defamation, false arrest, malicious prosecution or any other infringement of personal or property rights of any kind whatsoever. Town shall cause its contractors to, at its or their own expense, investigate all such claims and demands, attend to their settlement or other disposition, defend all actions based thereon and pay all charges of attorneys and all other costs and expenses of any kind arising from any such liability, damage, loss, claim, demand or action identified in this section.

Section 9.2 Insurance

(a) During the entire construction of the approved project and covering all claims arising out of any action or inactions connected in any way to the approved project or to any work on the approved project, regardless of when first asserted, the Town or its contractors shall maintain, at its or their own cost and expense, a comprehensive general liability insurance policy, with per occurrence limits of not less than \$2,000,000, providing that WisDOT and its' officers, employees and agents are named as additional insureds under the policy or policies. Town shall cause to be furnished to WisDOT evidence satisfactory to WisDOT of the comprehensive general liability policy providing coverage satisfactory to WisDOT. In the event of suspended coverage, any modification in terms of this coverage or insurance cancellation, both the insurance carrier and Town shall provide WisDOT with written notification of such suspension, modification or cancellation no less than 10 days prior to the suspension, modification, or cancellation. If, upon receipt of such notice, Town shall desire to continue this Agreement in effect, Town or its contractors shall purchase, at its own cost and expense, such insurance as WisDOT shall deem necessary in its reasonable judgment. Failure to have and to maintain the requisite insurance coverage in full accord with this section is grounds for the immediate termination of this agreement by WisDOT. Such termination, however, shall not impair any other right of action of WisDOT against Town under this Agreement or as otherwise provided by law.

(b) During the entire construction of the approved project and covering all claims arising out of any actions or inactions connected in any way to the approved project or to any work on the approved project, regardless of when first asserted, Town and its contractors, as appropriate shall also maintain, at its or their own cost and expense, the types and amounts of insurance coverage shown below:

<u>KIND OF INSURANCE</u>	<u>MINIMUM OF LIABILITY</u>
Worker's Compensation (Including Employer's Liability)	Statutory (\$500,000)
Comprehensive Business Vehicle (Including owned and non-owned) Combined Single Limit Liability	\$1,000,000 each occurrence
Longshoreman's and Harbor Worker's Compensation (as applicable under 33 U.S.C. 901, et seq.)	Statutory
Merchant Marine Compensation (as applicable under 46 U.S.C. 688)	Statutory
Contractor's Pollution Liability	\$1,000,000 each occurrence

Truckers/Haulers
Commercial Auto Liability
Endorsed for Pollution

\$1,000,000 each occurrence

Town shall cause to be furnished to WisDOT evidence satisfactory to WisDOT of the worker's compensation, comprehensive business vehicle and all other applicable policies providing coverage satisfactory to WisDOT. In the event of suspended coverage, any modification in terms of this coverage or insurance cancellation, both the insurance carrier and Town shall provide WisDOT with written notification of such suspension, modification or cancellation no less than 10 days prior to the suspension, modification, or cancellation. If, upon receipt of such notice, Town shall desire to continue this Agreement in effect, Town or its contractors shall purchase, at its own cost and expense, such insurance as WisDOT shall deem necessary in its reasonable judgment. Failure to have and to maintain the requisite insurance coverage in full accord with this section is grounds for the immediate termination of this agreement by WisDOT. Such termination, however, shall not impair any other right of action of WisDOT against Town under this Agreement or as otherwise provided by law.

ARTICLE 10.0 GENERAL PROVISIONS

Section 10.1 Notice

Any notice required or permitted under this Agreement shall be personally served in writing upon the other party by the party giving notice or shall be served by certified mail, return receipt requested, to the following addresses:

Chief, Railroads and Harbors Section
Wisconsin Department of Transportation
P.O. Box 7914
Madison, WI 53707

Chairman, Town of Washington
910 Main Road, PO Box 220
Washington Island, WI 54246

Section 10.2 Designation of Officials

The WisDOT officials authorized to execute any changes in the terms, conditions, or amounts herein on behalf of WisDOT are the Secretary or Deputy Secretary of WisDOT or the Administrator of the Division of Transportation Infrastructure Management of WisDOT. The Town official authorized to execute any changes in the terms, conditions, or amounts herein on behalf of Town is the Town Chairman.

Section 10.3 Choice of Law

This Agreement shall be interpreted in accordance with the statutes and laws of the United States of America and of the State of Wisconsin.

Section 10.4 Contracts

(a) WisDOT has the right to review the contracting and procurement system of Town, and Town shall assure that WisDOT has the right to review the contracting and procurement system of each contractor. These purchasing and contracting procedures of Town and its contractors to obtain goods and services for use in connection with the approved project are subject to review by WisDOT upon reasonable notice. Town's contracting procedures shall comply with Section 30.32, Wis. Stats.

(b) Town shall provide for WisDOT review and written approval of all contracts to be paid in whole or in part with funds provided under this Agreement. Town shall obtain WisDOT written approval prior to executing any contract pertaining in any way to the approved project. Failure to obtain prior written approval from WisDOT for a contract shall result in no reimbursement with grant funds for costs incurred under that contract.

(c) Town shall require each successful bidder, at the time a written contract between Town and the contractor is signed, to submit to Town a good and sufficient surety bond for the full amount of the contract. The surety bond shall be conditioned upon the faithful performance of the contract and upon the payment of all claims for labor performed and materials furnished under the contract. Town shall immediately upon signing a contract submit to WisDOT evidence that a good and sufficient surety bond is in effect. All contracts and surety bonds shall comply with all applicable provisions of Sections 30.32 and 779.14, Wis. Stats. WisDOT shall not pay Town any amount due under a construction contract until after WisDOT has received satisfactory evidence that a good and sufficient bond complying with Sections 30.32 and 779.14, Wis. Stats., is in effect for at least the amount of that contract.

Section 10.5 Status of Town's Contractor

Any contractor or subcontractor with Town, whether acting through its officers, directors, employees, agents or representatives or otherwise, is an independent contractor and in no way shall be deemed an affiliate, partner, joint venturer, or associated in any manner whatsoever with WisDOT.

Section 10.6 Assignment

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Town's rights hereunder shall not, however, be assignable whether by way of assignment, sublease, license or otherwise, directly or indirectly, without WisDOT's prior written consent.

Section 10.7 Severability

If any term, covenant, condition or provision (or part thereof) of this Agreement, or the application thereof to any party or circumstance, shall at any time or to any extent be held invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant, condition or provision (or remainder thereof) to parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

Section 10.8 Amendment

No term or provision of this Agreement or any of its attachments may be changed, waived, or terminated orally but only by an instrument in writing signed by both parties to this Agreement.

Section 10.9 Force Majeure

The parties hereto shall be excused from the scheduled performance of their respective obligations hereunder occasioned by an event beyond their respective control (not due to their own fault, actions, or inactions), which shall include, without limitation: acts of God; strikes or other labor troubles; explosions, fires, vandalism, or malicious mischief; or other causes beyond the reasonable control of the parties. Such excuse shall remain, however, only so long as the event excusing performance shall continue and shall not excuse continued non-performance thereafter.

Section 10.10 Disabled

Town agrees that no otherwise qualified disabled individual in the United States, as defined in Section 706(8) of Title 29 U.S.C. or as specifically provided for in subchapter II of Section 111, Wis. Stats., or in Title I of the Americans With Disabilities Act of 1990, 42 U.S.C. 12111, et seq., shall, solely by reason of disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving benefits under this Agreement.

Section 10.11 Environmental Protection

(a) Town agrees that facilities or equipment shall not be acquired, constructed, or improved as a part of this approved project unless such facilities or equipment are designed and equipped to limit water and air pollution in accordance with all applicable state and federal standards, statutes, and regulations.

(b) Town agrees to conduct all aspects of the approved project in compliance with all the requirements of Section 114 of the Clean Air Act, 42 U.S.C 7414, and of Section 308 of the Federal Water Pollution Control Act, 33 U.S.C 1318, and of all applicable regulations issued under those Acts.

(c) Town agrees that the environmental impact of the approved project has been assessed in accordance with the requirements of the Wisconsin Environmental Policy Act, Section 1.11, Wis. Stats.

(d) Town agrees to include, or cause to be included, the criteria and requirements contained in this section in any contract or subcontract under which any of the financial obligations incurred are to be paid from funds provided under this Agreement.

(e) No publicly-owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, state, or local significance as determined by the federal, state, or local officials having jurisdiction thereof, or any land from an historic site of national, state or local significance as so determined by such officials, may be used for this approved project without the prior written concurrence of the Secretary of the Wisconsin Department of Natural Resources, the State Historical Preservation Officer, and required federal authorities.

Section 10.12 Prohibited Interests in the Proceeds of Approved Project

(a) Neither Town nor any of its contractors shall enter into any contract, subcontract, or agreement in connection with the approved project or any property included or planned to be included in the approved project in which any official, officer or employee of the Town during his or her tenure or for one (1) year thereafter has any interest, direct or indirect, except as permitted under Section 946.13(2), Wis. Stats.

(b) Town shall insert in all agreements entered into by it in connection with the approved project, and shall require its contractors to insert in each of their subcontracts, the following provision:

"No official, officer or employee of the Town of Washington during his or her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in this contract or in the proceeds thereof except as permitted under Section 946.13(2), Wis. Stats."

(c) No member of or delegate to Congress or to the Wisconsin State Legislature shall share any benefit that may arise from this Agreement.

Section 10.13 Nondiscrimination

(a) In connection with the performance of work under this Agreement, Town agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in Section 51.01(5), Wis. Stats., sexual orientation or national origin. This provision 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. Except with respect to sexual orientation, Town further agrees to take affirmative action to ensure equal employment opportunities. Town agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by WisDOT setting forth the provisions of this nondiscrimination clause.

(b) Pursuant to Section 16.765, Wis. Stats., Town shall insert into all agreements entered into by it in connection with the approved project, and shall require its contractors to insert in each of their subcontracts, the provision in paragraph (a), of this Section, except that the word "Town" shall be stricken and replaced by the word "contractor" and the word "WisDOT" shall be stricken and replaced by "Town."

(c) Town shall comply with the following laws, policies, regulations, and pertinent directions as may be applicable and will require its contractors and subcontractors through contractual agreement to similarly comply:

(1) Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d et seq.

(2) Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601 et seq.

(3) Subchapter II of Section 111, Wis. Stats.

(4) Americans With Disabilities Act of 1990, 42 U.S.C. 12101, et seq.

(5) Federal Occupational Safety and Health Act of 1970, 29 U.S.C. 653, et seq., and any other applicable occupational safety and health laws or regulations.

Section 10.14 Wage Rates

(a) Pursuant to Section 66.293, Wis. Stats., Town shall apply to the Wisconsin Department of Industry, Labor and Human Relations to determine the prevailing wage rate, hours of labor and hourly basic pay rates in all trades and occupations required in the approved project. The prevailing wage rates and hours shall be published in the project bidding specifications and incorporated into and made a part of all approved project construction contracts.

(b) Town shall insert the following provisions in all construction contracts entered into by it in connection with the approved project:

"The contractor hereby agrees that all persons employed by it in the performance of this contract shall be paid wages which are not less than the prevailing wage rates which are incorporated into this contract. The contractor hereby agrees to keep and to require all subcontractors to keep full and accurate records clearly indicating the name and trade or occupation of every laborer, worker, or mechanic employed by him in connection with the project and an accurate record of the number of hours worked by each employee and the actual wages paid therefor.

Upon completion of the project and prior to final payment, the contractor agrees to file with the Town an affidavit stating that it has complied fully with the provisions and requirements of Section 66.293(3), Wis. Stats., and that it has received evidence of compliance from each of its agents and subcontractors."

(c) Town shall not submit to WisDOT any invoices for final payment on any contract until the contractor's affidavit of compliance is filed in proper form and order.

Section 10.15 Assurances

(a) Town assures WisDOT that funds received under this Agreement will be used solely for the purposes for which the assistance is granted and in conformance with any limitations on any allowable expenditures set forth under the federal or state laws applicable to the funds granted.

(b) Town hereby accepts all attendant responsibilities and liabilities associated with its use of WisDOT grant funds including, if applicable, liability for accidents and responsibility for erection and maintenance of fencing and other safety and protective devices.

Section 10.16 Entire Agreement

This Agreement and the attachments hereto contain the entire agreement of the parties and supersede any and all prior agreements or oral understandings between the parties.

ARTICLE 11.0 SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Witness: TOWN OF WASHINGTON, WISCONSIN

_____ By: _____

Title: _____

Witness: WISCONSIN DEPARTMENT OF TRANSPORTATION

_____ By: _____

Title: _____

ATTACHMENT I

Plans and Specifications for Dredging of the Approved Project Area

(to be supplied at a later date)

ATTACHMENT II – Survey of the Approved Project Area

COPY

TOWN OF WASHINGTON

Driveway/Road Permit

for access to town highway

Permit Number: 13-235 if approved

Issued to: JANETS MAY ESTATE Parcel Number: 02802 25342922G

Address: 3504 87th ST / MENOSHAWIS Date Property Last Surveyed:

Road(s) driveway will adjoin: 53142 MAIN ROAD

No. of driveways: 1 Installation Contractor: JENS HANSEN

Type of road surface: gravel Land use (private/business): HOUSE

Length of driveway: 120' Distance from lot line:

Located on what side of road? EAST Completion Date: Sept

Attach drawing of proposed work (include special restrictions, clearances and other details).

Applicant's Signature [Signature] Date: 5-15-2013

For Office Use Only

Date Inspected by Town: 7-8-13 Culvert Required? No

Approved by: _____ Date: _____

Chairman

Fee: \$20.00 Make check payable to: TOWN OF WASHINGTON

All driveways/roads shall be constructed in accordance with all requirements printed in the Town Ordinance § 298-14(a,b) & § 298-13 and any special conditions stated therein. The maintenance of the driveway(s) shall be the responsibility of the applicant.

POST ON PREMISE IN PLAIN VIEW FROM ROAD.

NW CORNER
SEC. 25-34-29

Plat of Survey

LOCATED IN:

GOV'T LOT 5, SECTION 25, T. 34 N.,
R. 29 E., TOWN OF WASHINGTON,
DOOR COUNTY, WISCONSIN

LEGEND

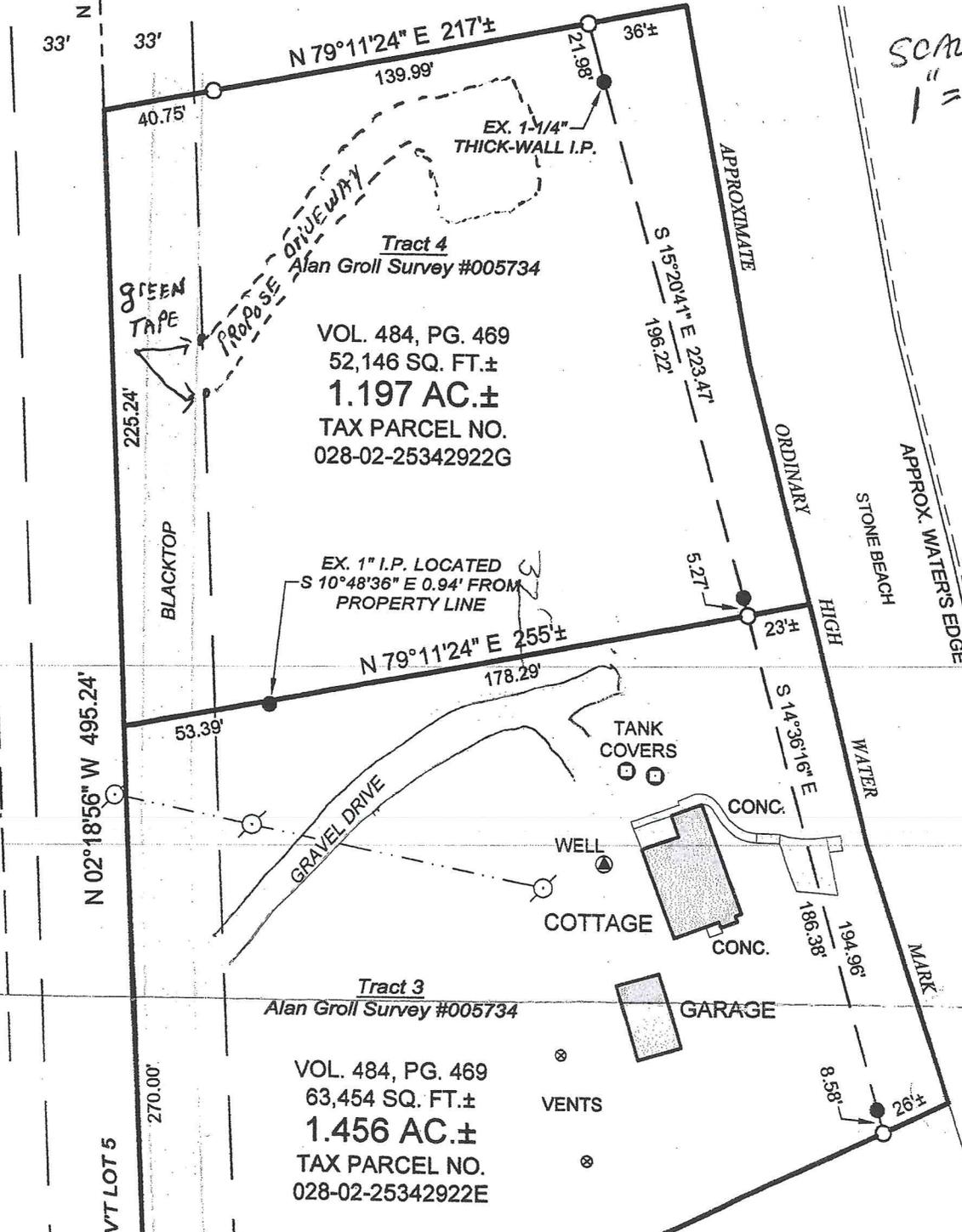
- ⊕ = U.S. PUBLIC LAND SURVEY C
(EXISTING DOOR COUNTY M)
- = EXISTING 1" IRON PIPE (I.P.)
(UNLESS NOTED)
- = SET 1" IRON PIPE WEIGHING
1.13 LBS. PER LINEAL FOOT
- ⊙ = UTILITY POLE
- = OVERHEAD UTILITIES

SCALE
1" = 60 FT

SURVEYOR'S NOTE:

BEARINGS REFERENC
LOT 5 OF SECTION 25-
BASED FROM THE CO
DIAGRAM FOR THE TC

Main Road (C.T.H. "W")



PREP
JANE
8311
KENO
PROP
1930
PREP
BRIAN
BRIAN
REGIS
3121
STUR
(920) 7

COPY

APPLICATION FOR AN "OPERATOR'S LICENSE

to Serve Fermented Malt Beverages and Intoxicating Liquors

Washington Island, WI

JULY, 2013

Month

Year

I, the undersigned, do hereby respectfully make application to the local governing body of the Town of Washington, County of Door, Wisconsin for a License to serve, from date hereof to JULY, 2013, inclusive (unless sooner revoked), Fermented Malt Beverages and Intoxicating Liquors, subject to the limitations imposed by Section 125.32(2) and 125.68(2) of the Wisconsin Statutes and all acts amendatory thereof and supplementary thereto, and hereby agree to comply with all laws, regulations, ordinances and regulations, Federal, State or Local, affecting the sale of such beverages and liquors if a license be granted to me.

I certify that I am 20 years of age. Date of Birth 9/2/92 X Nicholas Knudsen
Signature of Applicant

Answer the following questions fully and completely:

Name of Applicant Nicholas P.E. Knudsen Is application new or a renewal? NEW

Address of Applicant 1687 Rangeline Rd. Washington Island, WI 54246
(First) (MI) (Last)

If renewal (within the past 2 years held a Class "A", "Class A", Class "B", or "Class B" license or permit or a manager's or operator's license), where was the privilege obtained? (City) _____
(Town) _____
(Village) _____

As required by WI Statutes Section 125.17(6), have you completed the alcohol awareness course? YES
If so, where? Serverlicense.com

Have you been convicted of any felony or of violating any law of the State of Wisconsin or of the United States? NO
Date of such conviction _____ Name of Court _____

Nature of offense _____

Have you been convicted of violating any license law or ordinance regulating the sale of Fermented malt beverages or intoxicating liquors? NO
Date of violation _____ Nature of violation _____

STATE OF WISCONSIN

Door County ss.

Nicholas P.E. Knudsen, being first duly sworn on oath says that (s)he is the person who made and signed the foregoing application for an operator's license; that all the statements made by the applicant are true.

X Nicholas Knudsen
Applicant sign here

Subscribed and sworn to before me this 9
day of July, 2013

Tamre L. Jorgenson
Notary Public

Tamre L. Jorgenson
Notary Public, Door County,

Licensing
State of Wisconsin

APPLICATION FOR AN "OPERATOR'S LICENSE
to Serve Fermented Malt Beverages and Intoxicating Liquors

COPY

Washington Island, WI July, 2013
Month Year

I, the undersigned, do hereby respectfully make application to the local governing body of the Town of Washington, County of Door,
Wisconsin for a License to serve, from date hereof to July, 2013, inclusive (unless sooner revoked), Fermented Malt
Beverages and Intoxicating Liquors, subject to the limitations imposed by Section 125.32(2) and 125.68(2) of the Wisconsin Statutes and
all acts amendatory thereof and supplementary thereto, and hereby agree to comply with all laws, regulations, ordinances and regulations,
Federal, State or Local, affecting the sale of such beverages and liquors if a license be granted to me.

I certify that I am 23 years of age. Date of Birth 7/10/90 x Melanie Enger
Signature of Applicant

Answer the following questions fully and completely:

Name of Applicant Melanie Anne Enger Is application new or a renewal? renewal
(First) (MI) (Last)

Address of Applicant 1912 Little Lake Road, Washington Island

If renewal (within the past 2 years held a Class "A", "Class A", Class "B", or "Class B" license or permit or a manager's or operator's
license), where was the privilege obtained? Washington Island
(City) (Town) (Village)

As required by WI Statutes Section 125.17(6), have you completed the alcohol awareness course? yes

If so, where? online

Have you been convicted of any felony or of violating any law of the State of Wisconsin or of the United States? NO

Date of such conviction _____ Name of Court _____

Nature of offense _____

Have you been convicted of violating any license law or ordinance regulating the sale of Fermented malt beverages or intoxicating liquors?

NO Date of violation _____ Nature of violation _____

STATE OF WISCONSIN

ss.

Door County

Melanie Enger, being first duly sworn on oath says that (s)he is the person who
made and signed the foregoing application for an operator's license; that all the statements made by the applicant are true.

x Melanie Enger
Applicant sign here

Subscribed and sworn to before me this 10th
day of July, 2013

Tamre L. Jorgenson
Licensin **Notary Public**
State of Wisconsin

Tamre L. Jorgenson
Notary Public, Door County,

APPLICATION FOR AN "OPERATOR'S LICENSE

COPY

to Serve Fermented Malt Beverages and Intoxicating Liquors

Washington Island, WI 07, 2013
Month Year

I, the undersigned, do hereby respectfully make application to the local governing body of the Town of Washington, County of Door, Wisconsin for a License to serve, from date hereof to 07, 2014, inclusive (unless sooner revoked), Fermented Malt Beverages and Intoxicating Liquors, subject to the limitations imposed by Section 125.32(2) and 125.68(2) of the Wisconsin Statutes and all acts amendatory thereof and supplementary thereto, and hereby agree to comply with all laws, regulations, ordinances and regulations, Federal, State or Local, affecting the sale of such beverages and liquors if a license be granted to me.

I certify that I am 25 years of age. Date of Birth 12/21/87 X [Signature]
Signature of Applicant

Answer the following questions fully and completely:

Name of Applicant DANIEL R ALDERFER Is application new or a renewal? NEW
(First) (MI) (Last)
Address of Applicant 1801 DETROIT HARBOR RD WASHINGTON ISLAND, WI. 54246 54703

If renewal (within the past 2 years held a Class "A", "Class A", Class "B", or "Class B" license or permit or a manager's or operator's license), where was the privilege obtained? (City) (Town) (Village)

As required by WI Statutes Section 125.17(6), have you completed the alcohol awareness course? YES
If so, where?

Have you been convicted of any felony or of violating any law of the State of Wisconsin or of the United States? YES
Date of such conviction 03/2000/2008 Name of Court COOK COUNTY
Nature of offense DUI

Have you been convicted of violating any license law or ordinance regulating the sale of Fermented malt beverages or intoxicating liquors? NO
Date of violation Nature of violation

STATE OF WISCONSIN

Door County ss.

DANIEL ALDERFER, being first duly sworn on oath says that (s)he is the person who made and signed the foregoing application for an operator's license; that all the statements made by the applicant are true.

X [Signature] Applicant sign here

Subscribed and sworn to before me this 11 day of July, 2013

Tamre L. Jorgenson
Notary Public

[Signature]
Notary Public, Door County,

Licensing
State of Wisconsin

COPY

APPLICATION FOR AN "OPERATOR'S LICENSE

to Serve Fermented Malt Beverages and Intoxicating Liquors

Washington Island, WI

June 2013
Month Year

FAIT JUN 28 2013

BY: Cash 17 27.00

I, the undersigned, do hereby respectfully make application to the local governing body of the Town of Washington, County of Door, Wisconsin for a License to serve, from date hereof to June 30, 2015, inclusive (unless sooner revoked), Fermented Malt Beverages and Intoxicating Liquors, subject to the limitations imposed by Section 125.32(2) and 125.68(2) of the Wisconsin Statutes and all acts amendatory thereof and supplementary thereto, and hereby agree to comply with all laws, regulations, ordinances and regulations, Federal, State or Local, affecting the sale of such beverages and liquors if a license be granted to me.

I certify that I am 28 years of age. Date of Birth 1-17-1985 X [Signature]
Signature of Applicant

Answer the following questions fully and completely:

Name of Applicant Steven Carl Thome Is application new or a renewal? Renewal
(First) (MI) (Last)

Address of Applicant 1239 Main Rd

If renewal (within the past 2 years held a Class "A", "Class A", Class "B", or "Class B" license or permit or a manager's or operator's license), where was the privilege obtained? (City) (Town) (Village)

As required by WI Statutes Section 125.17(6), have you completed the alcohol awareness course? Yes

If so, where? Online

Have you been convicted of any felony or of violating any law of the State of Wisconsin or of the United States? No

Date of such conviction Name of Court

Nature of offense

Have you been convicted of violating any license law or ordinance regulating the sale of Fermented malt beverages or intoxicating liquors? NO
Date of violation Nature of violation

STATE OF WISCONSIN

Door County

ss.

Steven C. Thome being first duly sworn on oath says that (s)he is the person who made and signed the foregoing application for an operator's license; that all the statements made by the applicant are true.

X [Signature] Applicant sign here

Subscribed and sworn to before me this 28 day of June, 2013

Tamre L. Jorgenson
Notary Public
State of Wisconsin

[Signature]
Notary Public, Door County,



411 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4426
Tel 414.277.5000
Fax 414.271.3552
www.quarles.com

Attorneys at Law in:
Phoenix and Tucson, Arizona
Naples and Tampa, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin
Washington, DC
Shanghai, China

June 17, 2013

VIA EMAIL AND REGULAR MAIL

Ms. Valerie Carpenter
Town Clerk
Town of Washington
P.O. Box 220
Washington Island, WI 54246

Scope of Engagement Re: Proposed Issuance of Approximately \$499,000 Town of Washington (the "Town") Water System Mortgage Revenue Bonds through the United States Department of Agriculture, Rural Development Project

Dear Ms. Carpenter:

We are pleased to be working with you again as the Town's bond counsel with respect to the above-referenced bonds (the "Securities"). The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the Securities, which are expected to be issued by the Town and purchased by the federal government through the United States Department of Agriculture Rural Development Program.

Role of Bond Counsel

Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of municipal obligations. If you desire additional information about the role of bond counsel, we would be happy to provide you with a copy of a brochure prepared by the National Association of Bond Lawyers.

As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the Town's financial advisor (if any), prior to the issuance of the Securities; review certified proceedings; and undertake such additional duties as we deem necessary to render the opinion. As bond counsel, we do not advocate the interests of the Town or any other party to the transaction. We assume that the parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the Town has authority to issue the Securities for the purpose in question and has followed proper procedures in doing so;

Ms. Valerie Carpenter
June 17, 2013
Page 2

- 2) the Securities are valid and binding obligations of the Town according to their terms; and,
- 3) the interest paid on the Securities will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date. Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any post-closing compliance services including any assistance with the Town's continuing disclosure commitment, ongoing advice to the Town or any other party concerning any actions necessary to assure that interest paid on the Securities will continue to be excluded from gross income for federal income tax purposes or participating in an Internal Revenue Service survey regarding or audit of the Securities.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

Diversity of Practice; Consent to Unrelated Engagements

Because of the diversity of practice of our firm, members of our firm other than those who serve you may be asked to represent other clients who have dealings with the Town regarding such matters as zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel work. Ethical requirements sometimes dictate that we obtain the Town's consent to such situations even though our service to you is limited to the specialized area of bond counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. By engaging our services under the terms of this letter, the Town consents to our firm undertaking representations of this type. Your approval of this letter will serve to confirm that the Town has no objection to our representation of other clients who have dealings with the Town, unrelated to the borrowing and finance area or any other area in which we have agreed to serve it. If you have any questions or would like to discuss this consent further, please call us.

Ms. Valerie Carpenter
June 17, 2013
Page 3

Fees

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee as bond counsel will be \$6,500 including all out-of-pocket expenses. Such fee and expenses may vary: (i) if the principal amount of Securities actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time, expenses or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. It is our understanding that the Town is responsible for our fee.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. Our fee is usually paid either at the Closing out of proceeds of the Securities or pursuant to a statement rendered shortly thereafter. We customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

Limited Liability Partnership

Our firm is a limited liability partnership ("LLP"). Because we are an LLP, no partner of the firm has personal liability for any debts or liabilities of the firm except as otherwise required by law, and except that each partner can be personally liable for his or her own malpractice and for the malpractice of persons acting under his or her actual supervision and control. As an LLP we are required by our code of professional conduct to carry at least \$10,000,000 of malpractice insurance; currently, we carry coverage with limits substantially in excess of that amount. Please call me if you have any questions about our status as a limited liability partnership.

Conclusion and Request for Signed Copy

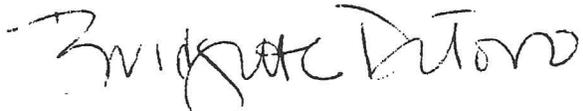
If the foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable to you, but we would prefer to receive a signed copy of this letter from you.

Ms. Valerie Carpenter
June 17, 2013
Page 4

We are looking forward to working with you and the Town in this regard.

Very truly yours,

QUARLES & BRADY LLP



Bridgette K. DeToro

BKD:jmm
Enclosures

cc: Ms. Lu Beekman (via email)
Mr. Joel Gunnlaugsson (via regular mail)
Ms. Jennifer Engel (via email)
Jeffrey D. Peelen, Esq. (via email)

Accepted and Approved:

TOWN OF WASHINGTON

By: _____

Its: _____
Title

Date: _____