



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the:	FINANCE COMMITTEE
Date/Time:	Tuesday, June 11, 2024, at 5:15 PM
Location:	City Hall (407 Grant Street) - Council Chambers
Members:	Michael Martens (C), Gary Gisselman (VC), Becky McElhane, Terry Kilian, Vicki Tierney

FINANCE COMMITTEE AGENDA ITEMS

- Minutes of the previous meeting (05/28/24).
- Discussion and possible action regarding the acceptance of the US HUD Lead Hazard Reduction Capacity Building Grant Program Grant \$1,984,999.
- Discussion and possible action on the sole source purchase of 10 new Motorola Radios for the Wausau Police Department.
- Discussion and possible action to approve parking lot land lease for North First Street Holding Company LLC and First Wausau Tower parking stall lease agreement.

Adjourn

Michael Martens, Chairperson

NOTICE: The makeup of the Finance Committee and Human Resources Committee are identical; therefore, it is expected that a quorum of members of the Human Resources Committee will be in attendance. It is possible that a quorum of members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting. No action will be taken by any such groups.

Members of the public who do not wish to appear in person may view the meeting live over the internet, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>. Any person wishing to offer public comment who does not appear in person to do so, may e-mail kody.hart2@ci.wausau.wi.us with "Finance Committee Public Comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 06/07/2024 at 4:00 PM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

FINANCE COMMITTEE

Date and Time: Tuesday, May 28, 2024, at 5:15 p.m., Council Chambers

Members Present: Michael Martens (C), Gary Gisselman (VC), Becky McElhaney, Terry Kilian, Vicki Tierney

Others Present: Mayor Diny, MaryAnne Groat, Matt Barnes, Todd Baeten, Jeremy Kopp, Anne Jacobson, Eric Lindman, Kody Hart, Alder Lukens

Noting the presence of a quorum Chairperson Martens called the meeting to order at 5:15 p.m.

Minutes of the previous meeting(s) (04/23/2024).

Motion by Gisselman, seconded by Kilian, to approve. Motion carried 5-0.

Discussion and possible action on a budget modification to purchase of 10 Portable Motorola Radios for the Wausau Police Department.

Tierney questioned if 100 radios are used by the department. It was stated that each officer receives their own radio that they use perpetually, and this includes community service officers and emergency police.

Gisselman questioned if this would be included in the regular budget for the department. It was stated that this would be included in the budget moving forward with preplanning.

McElhaney questioned the indefinite increase in the department budget and if the increase could be absorbed in another way within the budget. It was stated that the budget will go up to be increased to \$50,000 to account for the purchase of 10 new radios each year and that it could not be absorbed into the existing budget.

Tierney questioned where previous carryover under-budgeting, which could be used to fund this equipment, is accounted from. It was stated that the under-budgeting comes from funding allocated to positions that were vacant throughout the year.

Kilian requested to have the department notify the committee of the carryover funds to fund future allocations for this equipment. It was stated carryover funds are not guaranteed and that carryover funds can not be allocated without Common Council approval.

Motion by Kilian, seconded by McElhaney, to modify the budget to allow \$50,000 for the purchase of 10 Motorola radios. Motion carried 5-0.

Discussion and possible action to waive the fees for Firework Display permit and Temporary "Class B" Picnic License for Man of Honor Annual Raffle Event.

Motion by Tierney, seconded by Gisselman, to waive the fees. Motion carried 5-0.

Discussion and possible action approving sole source purchasing for the purchase of (8) Eight PVS-14 L3 Harris night vision units and mounts for the Wausau Fire Department.

Motion by Gisselman, seconded by Tierney, to approve the sole source purchase. Motion carried 5-0.

Discussion and possible action approving budget modification for the Abel LS construction project.

Motion by Gisselman, seconded by McElhaney, to approve. Motion carried 5-0.

Discussion and possible action regarding ARPA funding requests and related budget modification for Wausau Water Works Solar Array.

Martens stated the results of the rankings of this project for ARPA funding and noted that the scores were low compared to other projects previously funded.

Gisselman questioned the process for ARPA funding in terms of contract signing in time to allocate and secure the other funding to complete the project. It was stated that a number of the additional funding would not be known until after the ARPA spending deadline.

Kilian questioned if the federal funding for energy projects to reduce carbon emissions would be available for this project. It was stated these funding options would be available for this project.

McElhaney questioned what would happen if the ARPA funds were allocated and other funding does not come through. It was stated the ARPA funds would have to be allocated alternatively if the other funding falls through.

Tierney stated it would be difficult to approve if it could not be proven that there would be a payback in reducing the water utility's electricity needs.

Martens stated the projections estimated a 12-year payback with a 30-year lifespan of the solar array. It was stated there would be a potential for a levy funded portion to fund this project at more than \$1 million with the hopes of using energy rebates and federal funding to make that up. Martens further stated the city committed to being carbon neutral by 2050 which this would contribute towards.

Gisselman stated there would be payback every year to contribute to pay for debt relief of the water utility and stated support for the project moving ahead. A concern was stated for waiting for other funding sources that may not be secured before the deadline to sign contracts in order to qualify for ARPA funding.

Tierney questioned if the cost would increase if the city waited to bid the project out. It was also stated a preference to wait a few months to see where the other ARPA projects would finish.

Motion by Gisselman to approve the ARPA funding request and related budget modifications for the solar array project. Motion failed due to lack of a second.

McElhaney stated a concern with approving ARPA funding without a secure estimate of other funding sources and stated a preference for a complete project funding picture.

Without objection, staff are directed to come up with a more complete funding source outlook for this project to discuss at a future meeting.

Adjourn

Motion by McElhaney, second by Tierney, to adjourn the meeting. Motion carried.
Meeting adjourned at 6:01 p.m.

For full meeting video on YouTube: <https://www.youtube.com/watch?v=AvCI9MtINx0>



MEMO

TO: Finance Committee and Common Council

FROM: Liz Brodek, Development Director; and Tammy Stratz, Community Development Manager

RE: Lead Hazard Capacity Building Federal Grant opportunity

DATE: June 7, 2024

The City of Wausau applied for and received the federal “Lead Hazard Reduction Capacity Building” (LHRCB) grant. The grant is intended to work in parallel with the WI DNR Safe Drinking Water Lead Service Line Replacement Loan scheduled to close in August of this year, but the LHRCB grant focuses on the identification of lead paint. The City was awarded \$1.9 million for the LHRCB grant, which requires a 10% match. The grant and match funds would be disbursed and expended over three years. However, after attending a New Grantee Orientation to discuss the responsibilities of accepting this grant, staff are concerned with the ability to meet the required thresholds. Some of these concerns are as follows:

1. A 10% match is required (which equates to approximately \$190,000) and the funding source is undetermined.
2. The Negotiation Budget, a complex and detailed document, is due June 14, 2024.
3. The capacity of staff to commit to the operation of this grant. Most awardees hire an additional person as this person should expect to spend 75% of their time on the implementation and operation of the grant.
4. At least two staff persons would have to attend several trainings throughout the grant term. These trainings would be in Washington D.C. Even though the grant can pay for this expense, only 10% of the grant can go towards administration costs.
5. These funds would go toward lead paint identification. A separate, subsequent grant may be available for lead paint remediation. It is unknown when or if this grant would be available. A portion of the grant can be allocated to the training of contractors to assist with lead abatement projects. It may also fund the outreach/marketing of the lead remediation program, development of a tracking system of applications, and increase of partnerships.

Staff received communication from HUD regarding a potential extension to accommodate staff capacity. It seems likely that a 60-day extension would be granted for the Negotiation paperwork, and potentially another extension up to a year to hire or upskill staff to take on the grant.



CITY OF WAUSAU
SOLE SOURCE PURCHASE JUSTIFICATION
REQUIRED FORM PURCHASE OF GOODS OR SERVICES EXCEEDING \$10,000

Purchase of goods or services for no more than \$25,000 may be made without competition when it is agreed *in advance* between the Department Head and the Finance Director. Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation or aesthetics, or compatibility is an overriding consideration, the purchase is from another governmental body, continuity is achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, the purchase is more economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$10,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$10,001 to \$25,000 a formal written justification shall be forwarded to the Finance Director who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

Ongoing Sole Source – 365 days One Time Sole Source Request

1. Provide a detailed explanation of the good or service to be purchased and vendor.

The Wausau Police Department relies on quick efficient communication to run smoothly. Motorola portable radios are the industry standard for reliable law enforcement portable radios. This purchase is for 10 new Motorola portable APX6000 radios. Each radio comes with all needed software and hardware accessories to function. This includes the following;

- 10 - APX VHF Model 2.5 Portable radio units*
- 10 - Li-Ion Batteries*
- 10 - Remote speaker microphones*
- 10 - Charging units*
- 10 - Multikey (software firmware)*
- 10 - 3Y essential service (software firmware updates)*
- 10 - Encryption and ADP (software)*
- 10 - Digital CAI Operation (software)*

2. Provide a brief description of the intended application for the service or goods to be purchased.

Members of the Wausau Police department use portable radios to communicate with dispatch, other officers, and Fire and EMS. It is the main source of contact and is one of the most important tools our officers have available to them. Whether it's getting an update on an active situation or calling for backup, Wausau PD officers serving our community need a reliable way to communicate.

Officers always have their portable radio on their uniform. They frequently need to act fast, and having the portable radio with microphone makes it easy for them to react quickly.

3. State why other products or services that compete in the market will not or do not meet your needs or comply with your specifications.

Motorola portable radios are the industry standard for reliable law enforcement portable radios and were chosen many years ago as the radio provider of choice by the Marathon County Sheriff's Office and the Wausau PD. Consistency and uniformity in the manufacture of the radio is important as it allows every officer to know and understand how to use each other's radios.

4. Describe your efforts to identify other vendors to furnish the product or services.

Motorola Solutions supply radios to contracted dealers such as Northway Communications, by territory, within the state of Wisconsin. This allows municipalities like Wausau to purchase from a single source supplier. Northway Communications is the only supplier of Motorola radios in our territory.

5. How did you determine that the sole source vendor's price was reasonable?

Northway Communications is the only contracted dealer of Motorola Communications in this territory of Wisconsin. Their contract allows for bulk discount pricing. Northway Communications is in the City of Wausau allowing for quick and easy handling of service, when needed.

6. Which of the following best describes this sole source procurement? Select all that apply.


- Product or vendor is uniquely qualified with capability not found elsewhere.
- Urgency due to public safety, serious financial injury or other. (explain)
- The procurement is of such a specialized nature that by virtue of experience, expertise, proximity or ownership of intellectual property
- Lack of acceptable quotes or bids.
- Product compatibility or the standardization of a product.
- Continuation of a phased project.
- Proposal development is uneconomical.

Department: Wausau Police Department

Preparer: Captain Melinda Pauls

Vendor Name: Motorola Solutions – Northway Communications

Expected amount of purchase or contract: \$50,000

Department Head Signature:  **Date:** 5/31/24

Finance Director Signature: **Date:**



WAUSAU

*...as the standard of
excellence in policing*

Memorandum

From: Captain Melinda Pauls, Police Department
To: Finance Committee
Date: May 23, 2024
Re: Use of Carry over funds for Motorola radio purchase

Purpose:

Requesting the use of 2023 carry over funds to purchase 10 new Motorola radios.

Background:

Currently Wausau PD has 77 Motorola Radios for 81 sworn staff. Of those 77, 24 are at their end of life, and are not able to be serviced as problems arise. The remaining 53 are serviceable and in good working order. The department also has 47 Tait radios, used for non-sworn staff, nearing end of life.

The police department had prepared to begin replacement of 10 radios per year, by increasing budget by \$50,000 per budget cycle, beginning in 2024. Through agreement with Finance, this request was removed from the 2024 budget with the intention of using 2023 carry over funds, to begin this replacement cycle.

The use of carry over funds from 2023, will be used to start the replacement of 10 radios per year, beginning in 2024. The department will have an increase of \$50,000 in the 2025 budget, which will continue indefinitely to use for the 10 radio per year replacement cycle.

Impact:

There is current 2023 carry over dollars in the amount of \$50,000, to cover the purchase of 10 new Motorola radios.

Recommendation:

Department recommends approving the use of carry over funds for the purchase of 10 Motorola radios.

PARKING STALL LEASE AGREEMENT

This Parking Lot Lease Agreement (the "Lease") is made and entered into as of the _____ day of _____, 2024 (the "**Effective Date**") by and between THE CITY OF WAUSAU, WISCONSIN, a Wisconsin municipal corporation, as "Landlord," and FIRST WAUSAU TOWER, LLC, a Wisconsin limited liability company, as "**Tenant**."

BASIC TERMS

The following Basic Terms are hereby made a part of this Lease; if any provision of the General Terms Lease and the Basic Terms conflict, the General Terms of the Lease shall apply:

1. **Premises:** See Exhibit A, attached hereto and incorporated herein by reference.

2. **Lease Term:** Commencing on the date hereof and expiring on December 31, 2029

 Extension Option: One option to extend the term through December 31, 2034.

3. **Commencement Date:** _____

4. **Rent:** See Exhibit B, attached hereto and incorporated herein by reference.

 Extension Term Rent: Rent shall be Fair Market Rent determined in accordance Section 1.2.

5. **Landlord/Rent Payment Address:** City of Wausau
 c/o Finance Director 407 Grant Street
 Wausau, WI 54403
 Telephone: 715-261-6620
 Facsimile: 715-261-6626

6. **Address of Tenant for Notices:** First Wausau Tower, LLC
 Attn: Paul C. Schlindwein, II
 500 N. 1st St. Suite 100
 Wausau, WI 54403
 Telephone: 715-842-3260
 Facsimile: 715-848-0616

 With a copy to: Joseph M. Mella, Esq.
 Ruder Ware, L.L.S.C.
 500 N. 1st St., Suite 8000
 Wausau, WI 54403
 Telephone: 715-845-4336
 Facsimile: 715-845-2718
 E-mail: jmella@ruderware.com

GENERAL TERMS

**ARTICLE 1.
LEASE OF PREMISES AND LEASE TERM**

1.1 Premises.

(a) In consideration of the mutual covenants this Lease describes and other good and valuable consideration, Landlord leases to Tenant and Tenant leases from Landlord, upon and subject to the terms, covenants, and conditions set forth in this Lease, the number of Parking Spaces for City Lot 15 designated in Exhibit A (the “**Parking Area**”). Within thirty (30) days prior to the end of each calendar quarter of the Lease Term or any Extension Term (as defined herein), Tenant shall notify Landlord of the need to increase or decrease the number of stalls in the Parking Area, following which notice, the Parking Area will be deemed modified to reflect the specified number of stalls.

(b) “**Property**” as used herein shall mean the real property and all improvements thereto owned or leased by Landlord and in or upon which is operated the Parking Area.

1.2 Term, Delivery, and Commencement.

1.2.1. Commencement and Expiration of Term.

The Term of this Lease is the period stated in the Basic Terms. The Term commences on the Commencement Date and expires on the expiration date stated in the Basic Terms (unless otherwise extended as provided herein).

1.2.2. Extension Term.

Tenant shall have the right, to be exercised as hereinafter provided, to extend the term of this Lease through December 31, 2034 (the “**Extension Term**”).

(a) The Extension Term shall be upon the same terms, covenants, and conditions as in this Lease with the exception that: (i) the annual Rent for such Extension Term shall be Fair Market Rent for such space on the date such Extension Term shall commence. “**Fair Market Rent**” shall mean that net annual basic rent per parking stall of the Premises as of the commencement of the Extension Term that a willing tenant would pay and a willing landlord would accept in an arm’s length bona fide negotiation for such parking spaces comparable to the Premises in condition, quality, size, and location in the Wausau Metropolitan area, with neither party under a compulsion for the appropriate term.

(b) Tenant shall notify Landlord of its desire to extend the term of this Lease for the Extension Term by notifying Landlord, in writing, no later than sixty (60) days prior to commencement of the Extension Term. In the event that Landlord and Tenant fail to agree within the thirty (30) day time period set forth in this subparagraph (b), the Fair Market Rent of the Premises for such Extension Term shall be determined by appraisal in the manner set forth in Section 1.2.3 hereof (“**Appraisal**”). Any determination by Appraisal or any agreement reached by the parties hereto with respect to such Fair Market Rent and resulting Rent of the Premises for

such Extension Term shall be expressed in writing and shall be executed by the parties hereto, and a copy thereof delivered to each of the parties.

1.2.3. Selection of Fair Market Rent.

Upon notification with respect to such Extension Term and for a period of thirty (30) days thereafter, the parties hereto shall make a good faith effort to negotiate and agree upon the Fair Market Rent of the Premises for such Extension Term. If the parties fail to agree within thirty (30) days, then either party shall be entitled to give notice to the other electing to have the Fair Market Rent selected by an appraiser as provided in this section. Upon delivery and receipt of such notice, the parties will within seven (7) days thereafter mutually appoint an appraiser who will select (in the manner set forth below) the Fair Market Rent (the “**Deciding Appraiser**”). The Deciding Appraiser must have at least five (5) years of full-time commercial appraisal experience with projects comparable to the Property and be a member of the American Institute of Real Estate Appraisers or a similar appraisal association. The Deciding Appraiser may not have any material, financial, or business interest in common with either of the parties. If Landlord and Tenant are not able to agree upon a Deciding Appraiser within such seven (7) days, each party will within five (5) days thereafter separately select an appraiser meeting the criteria set forth above, which two appraisers will, within seven (7) days of their selection, mutually appoint a third appraiser meeting the criteria set forth above to be the Deciding Appraiser. Within seven (7) days of the appointment (by either method) of the Deciding Appraiser, Landlord and Tenant will submit to the Deciding Appraiser their respective determinations of Fair Market Rent and any related information. Within twenty-one (21) days of such appointment of the Deciding Appraiser, the Deciding Appraiser will review each party’s submittal (and such other information as the Deciding Appraiser deems necessary) and will select, in total and without modification, the submittal presented by either Landlord or Tenant as the Fair Market Rent. Subject to the previous sentence, if the Deciding Appraiser timely receives one party’s submittal, but not both, the Deciding Appraiser must designate the submitted proposal as the Fair Market Rent for the such Extension Term. Any determination of Fair Market Rent made by the Deciding Appraiser in violation of the provisions of this section shall be beyond the scope of authority of the Deciding Appraiser and shall be null and void. If the determination of Fair Market Rent is made by a Deciding Appraiser, Landlord and Tenant will each pay, directly to the Deciding Appraiser, one-half (½) of all fees, costs, and expenses of the Deciding Appraiser. Landlord and Tenant will each separately pay all costs, fees, and expenses of their respective additional appraiser (if any) used to determine the Deciding Appraiser. Notwithstanding the preceding provisions regarding determination of Fair Market Rent, in no event shall Tenant be charged more than any other party pursuant to any then current lease for a Parking Space in the same parking area for which Fair Market Rent is being determined.

ARTICLE 2. RENT

2.1. Rent.

Tenant will pay Rent in monthly installments to Landlord, in advance and without demand therefor, commencing on the Commencement Date and continuing on or before the first day of each and every calendar month after the Commencement Date during the Term, to the address specified in the Basic Terms or at such other place as Landlord may from time to time designate in writing to Tenant. Except as otherwise provided, herein, such payments shall be made without offset. Simple interest in the amount of 18% per annum will be charged for any unpaid installments not paid within thirty (30) days when due.

**ARTICLE 3.
USE**

3.1. Permitted Use.

Tenant may use the Premises for parking of Tenant's officers', directors', owners', employees', agents', guests', and invitees' vehicles during the hours of 7 :00 a.m. to 6:00 p.m. Monday through Friday and uses incidental to general office use which are allowed by any applicable laws, ordinances, or codes ("Laws"). Tenant acknowledges that such spaces may be available to the general public for use during any other time. Tenant will not use the Property in any fashion that materially violates any Laws, causes injury or damage to the Property or to any person, or constitutes a public or private nuisance or waste, and will not allow the abandonment of Tenant's officers', directors', owners', employees', agents', guests', and invitees' disabled vehicles therein.

3.2. Other Parking Areas.

Nothing herein shall be construed so as to limit Tenant from the non-exclusive right to use all other portions of any City operated parking areas at any and all times, subject to Landlord's lawfully established rules and charges therefor.

3.3. Signs.

During the Lease Term and Extension Term, Landlord will install and maintain at Landlord's sole cost and expense (a) exclusive "reserved", "guest parking", and "handicap accessible" parking signage in a form reasonably acceptable to Tenant in certain stalls in the Parking Area, and (b) monument, entrance, and other signage in a location reasonably specified by Tenant for the Parking Area designating the Tenant's exclusive parking spaces and times.

**ARTICLE 4.
LANDLORD'S OBLIGATIONS**

4.1. Taxes.

Landlord will, prior to delinquency, pay all taxes assessed against the Property, beginning with the real estate taxes imposed for 2012, but in no case is Landlord responsible for any prior delinquencies.

4.2. Insurance.

Landlord, at all times during the Term, at Landlord's sole cost and expense, shall maintain the insurance this Section 4.2 describes:

4.2.1. Liability Insurance.

Commercial general liability insurance (providing coverage at least as broad as the current ISO form) with respect to the Property, on an "occurrence" basis, with minimum limits of \$1,000,000 each occurrence and \$3,000,000 general aggregate. Such insurance must include specific coverage provisions or endorsements (a) for broad form contractual liability insurance; (b) waiving the insurer's subrogation rights against Tenant; (c) providing Tenant with at least thirty (30) days' prior notice of modification, cancellation, non-renewal, or expiration; and (d) expressly stating that Landlord's insurance will be provided on a primary and non-contributory basis. If Landlord provides such liability insurance under a blanket policy, the insurance must be made specifically applicable to the Property on a "per location" basis.

4.2.2. Property Insurance.

Property insurance on the Property in an amount not less than the full insurable replacement cost of the Parking Areas insuring against loss or damage by fire and such other risks as are covered by the current ISO Special Form policy. Landlord, at its option, may obtain such additional coverages or endorsements as Landlord deems appropriate or necessary, including, without limitation, insurance covering foundation, grading, excavation, and debris removal costs; business income and rents insurance; earthquake insurance; flood insurance; and other coverages. Landlord may maintain such insurance in whole or in part under blanket policies.

4.2.3. Miscellaneous Insurance Provisions.

Landlord will deliver evidence of insurance satisfactory to Tenant, (a) on or before the Commencement Date, (b) not later than thirty (30) days prior to the expiration of any current policy or certificate, and (c) at such other times as Tenant may reasonably request. Such evidence shall be by an ACORD Form 27 certificate and will attach or cause to be attached to the certificate copies of the endorsements this Section 4.2 requires (including specifically, but without limitation, the “additional insured” endorsement).

4.2.4. Failure to Insure.

Notwithstanding any contrary language in this Lease and any notice and cure rights this Lease provides Landlord, if Landlord fails to provide Tenant with evidence of insurance as required under Section 4.2., Tenant shall give Landlord notice of such failure and if such failure continues for an additional period of ten (10) days following the date of Tenant’s notice to Landlord, Tenant may assume that Landlord is not maintaining the insurance Section 4.2 requires Landlord to maintain and Tenant may, but is not obligated to, without further demand upon Landlord or notice to Landlord and without giving Landlord any cure right or waiving or releasing Landlord from any obligation contained in this Lease, obtain such insurance for Tenant’s benefit. In such event, Landlord will promptly pay to Tenant, upon demand, all costs and expenses Tenant incurs obtaining such insurance. Tenant’s exercise of its rights under this Section does not relieve Landlord from any default under this Lease.

4.3. Maintenance

4.3.1. General Maintenance and Repairs.

Landlord assumes the sole and exclusive responsibility for the condition, operation, repair, replacement, maintenance, and management of the Property. Landlord, at Landlord’s sole cost and expense, will keep and maintain the Property (including the Parking Area) in good operating condition and repair, reasonable wear and tear and damage from insured casualties excepted. Landlord will keep the Property in a neat and sanitary condition. If Tenant damages the Property, Landlord will repair the damage and Tenant will promptly reimburse Landlord for all reasonable costs and expenses of Landlord in connection with the repair upon demand. Landlord’s repairs will be at least equal in quality and workmanship to the original work and Landlord will make the repairs in accordance with all Laws. If Landlord fails to commence any of its obligations as required hereby within five (5) regular business days after written request therefor from Tenant, Tenant may, upon the expiration of such five (5) regular business day period, proceed to undertake such obligations, in which event Landlord shall promptly reimburse Tenant upon demand therefor for all Tenant’s costs incurred by Tenant undertaking such action.

4.3.2. Alterations Required by Laws.

If any governmental authority requires any alteration to the Property, Landlord will make such alterations at Landlord's expense. Landlord may not make any alterations or undertake any other activity as a result of its obligations hereunder in a manner that will unreasonably interfere with Tenant's use of the Property.

4.4. Utilities.

Landlord shall provide at its sole cost and expense all utilities used in the Property, including, but not limited to, adequate lighting for all portions of the Property at standards deemed adequate for public safety and use typically found in Parking Areas of these types in Wisconsin.

4.5. Exclusive Enforcement of Parking Rights.

Landlord shall provide, at Landlord's sole cost and expense, by the methodology set forth in Schedule I services to allow for the enforcement of Tenant's exclusive use of the Premises as provided for herein.

4.6. Other Services.

Landlord shall provide at its sole cost and expense (a) prompt removal of all ice, snow, and debris from the Property on a priority basis; (b) landscaping and landscaping maintenance of all exterior areas of the Property; and (c) 79 parking permit hangtags, stickers, or other materials distributed by the City of Wausau for rented parking privileges in City owned or controlled parking lots.

4.7. Provisions Relating to Services.

The standard and quality of services provided by Landlord as required hereby ("**Landlord Services**") shall be equivalent to that which is customarily provided in structures of similar type, nature, and use as the Property in the State of Wisconsin. Landlord shall not materially reduce or modify the standard, quality, frequency, or quantity of all Landlord Services.

ARTICLE 5. TENANT'S OBLIGATIONS

5.1. Insurance

5.1.1. Liability Insurance.

Tenant, at all times during the Term, at Tenant's sole cost and expense," shall maintain commercial general liability insurance (providing coverage at least as broad as the current ISO form) with respect to the

Property, on an "occurrence" basis, with minimum limits of \$1,000,000 each occurrence and \$3,000,000 general aggregate. Such insurance must include specific coverage provisions or endorsements (a) for broad form contractual liability insurance; (b) naming Landlord as an additional insured; (c) waiving the insurer's subrogation rights against Landlord; (d) providing Landlord with at least thirty (30) days' prior notice of modification, cancellation, non-renewal, or expiration; and (e) expressly stating that Tenant's insurance will be provided on a primary and non-contributory basis. If Tenant provides such liability insurance under a blanket policy, the insurance must be made specifically applicable to the Property on a "per location" basis.

5.1.2. Miscellaneous insurance Provisions.

Tenant's insurance will be written by companies rated at least "Best A-VII." Tenant will deliver evidence of insurance satisfactory to Landlord, (a) on or before the Commencement Date, (b) not later than thirty (30) days prior to the expiration of any current policy or certificate, and (c) at such other times as Landlord may reasonably request. Such evidence shall be by an ACORD Form 27 certificate and will attach or cause to be attached to the certificate copies of the endorsements this Section 5.1 requires (including specifically, but without limitation, the "additional insured" endorsement).

5.2. Distribution and Collection of Parking Passes.

Tenant shall have control over the distribution to and collection from its tenants, guests, and invitees parking passes as provided by the Landlord to Tenant for designating parking privileges in City Lot 15.

**ARTICLE 6.
RIGHTS RESERVED BY LANDLORD**

6.1. Control of Property.

Landlord reserves all rights respecting the Property and Premises not specifically granted to Tenant under this Lease, including, without limitation, the right to install, operate, and maintain security systems that monitor all persons entering or leaving the Property.

6.2. Right of Entry.

Landlord and its authorized representatives may enter the Premises to (a) inspect the Premises or (b) exercise and perform Landlord's rights and obligations under this Lease, provided such access does not unreasonably interfere with the use of the Premises by Tenant, or Tenant's officers, directors, owners, employees, agents, guests, and invitees.

**ARTICLE 7.
DAMAGE OR DESTRUCTION**

7.1. Landlord's Repair Obligation.

In the event of any damage to or destruction of the Property by fire or other casualty, Landlord will repair and restore the Property to as near its condition prior to the fire or other casualty as is reasonably possible with all commercially reasonable diligence and speed and Rent for the period during which the Premises are untenable will abate pro rata (based upon the number of Parking Spaces leased within the untenable portion of the Premises as compared with the number of Parking Spaces leased by Tenant within the entire Premises) or the same shall abate in full if Tenant is unable to reasonably use any of the Premises.

7.2. Alternative Parking.

Landlord hereby expressly recognizes and agrees that in the event of any occurrences which result in either total or partial damage to or destruction of any of the Parking Areas so as to render such Parking Area or the Premises either totally or partially unusable, Landlord shall, as soon after the occurrence of such damage or destruction as possible but not more than fifteen (15) days thereafter, use its best efforts to provide Tenant with a minimum of the same number parking stalls lost due to such damage or destruction located within a reasonable proximity to the First Wausau Tower, LLC office building located at 500 N. 1st

St., Wausau, Wisconsin (the “**Office Building**”) as to comply with the City of Wausau and Marathon County zoning and use ordinances as they may from time to time exist, for which the rental shall be the rate charged to others renting parking stalls on a monthly basis from the City of Wausau, and, if the City of Wausau is not renting parking stalls to others on a monthly basis, then at a rate set by mutual agreement of the parties or, if no agreement is reached within fifteen (15) days, then by arbitration conducted in Wausau, Wisconsin, according to the rules of the American Arbitration Association. If such alternative spaces as provided do not so comply with applicable zoning and use ordinances, Landlord will take all action necessary to suspend the enforcement of such ordinances with regard to Tenant and the Office Building Project.

ARTICLE 8. DEFAULTS; REMEDIES

8.1. Default by Tenant.

The occurrence of any of the following constitutes a “**Tenant Event of Default**” by Tenant under this Lease:

8.1.1. Failure to Pay Rent.

Tenant fails to pay Rent or any other monetary obligation to Landlord hereunder, unless otherwise excused hereby, as and when due and such failure continues for ten (10) days after Landlord notifies Tenant in writing.

8.1.2. Failure to Perform.

Tenant breaches or fails to perform any of Tenant’s non-monetary obligations under this Lease and the breach or failure continues for a period of thirty (30) days after Landlord notifies Tenant in writing of Tenant’s breach or failure; provided that if Tenant cannot reasonably cure its breach or failure within a thirty (30) day period, Tenant’s breach or failure is not a Tenant Event of Default if Tenant commences to cure its breach or failure within the thirty (30) day period and thereafter diligently pursues the cure and effects the cure within a reasonable period of time.

8.1.3. Other Defaults.

(a) Tenant makes a general assignment or general arrangement for the benefit of creditors; (b) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Tenant; (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed against Tenant and is not dismissed within ninety (90) days; (d) a trustee or receiver is appointed to take possession of substantially all of Tenant’s assets or of Tenant’s interest in this Lease and possession is not restored to Tenant within sixty (60) days; or (e) substantially all of Tenant’s assets or Tenant’s interest in this Lease is subjected to attachment, execution or other judicial seizure not discharged within sixty (60) days.

8.1.4. Landlord’s Remedies.

Upon the occurrence of any Tenant Event of Default, Landlord may exercise any remedy provided for landlords generally pursuant to Chapter 704 of the Wisconsin Statutes, as the same may be amended from time to time, and any regulations promulgated thereunder, or shall be entitled to bring an action for specific performance, and shall be further entitled to reimbursement on demand for any actual costs Landlord incurs in connection with enforcement of its remedies thereunder, including, but not limited to, reasonable attorneys’ fees and costs.

8.2. Default by Landlord.

The occurrence of any of the following constitutes a “**Landlord Event of Default**” by Landlord under this Lease:

8.2.1. Failure to Perform.

Landlord breaches or fails to perform any obligations under this Lease and the breach or failure continues for a period of thirty (30) days after Tenant notifies Landlord in writing of Landlord’s breach or failure; provided that if Landlord cannot reasonably cure its breach or failure within a thirty (30) day period, Landlord’s breach or failure is not a Landlord Event of Default if Landlord commences to cure its breach or failure within the thirty (30) day period and thereafter diligently pursues the cure and effects the cure within a reasonable period of time.

8.2.2. Other Defaults.

(a) Landlord makes a general assignment or general arrangement for the benefit of creditors; (b) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Landlord ; (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed against Landlord and is not dismissed within ninety (90) days; (d) a trustee or receiver is appointed to take possession of substantially all of Landlord’s assets or of Landlord’s interest in this Lease and possession is not restored to Landlord within sixty (60) days; or (e) substantially all of Landlord’s assets or Landlord’s interest in this Lease is subjected to attachment, execution or other judicial seizure not discharged within sixty (60) days.

8.2.3. Tenant’s Remedies.

Upon the occurrence of any Landlord Event of Default, Tenant may exercise any remedy provided for tenants generally pursuant to Chapter 704 of the Wisconsin Statutes, as the same may be amended from time to time, and any regulations promulgated thereunder. In addition , if Landlord does not cure such default or commence and complete a cure as provided herein, Tenant shall have the right to correct the same (provided such correction does not impact adversely any other tenant of the Building) and be paid promptly upon demand by Landlord all Tenant’s costs and expenses (including attorneys’ fees) incurred in correcting such default, or bring an action against Landlord for specific performance and/or damages due to Landlord’s default. In addition, Tenant may offset any amounts due Landlord by Tenant that Landlord may demand or be entitled to demand pursuant to this Lease.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1. Notices.

All Notices must be in writing and must be sent by United States registered or certified mail (postage prepaid) or by an independent overnight courier service, addressed to the addresses specified in the Basic Terms or at such other place as either party may designate to the other party by written notice given in accordance with this Section. Notices given by mail are deemed delivered within three (3) business days after the party sending the Notice deposits the Notice with the United States Post Office. Notices delivered by courier are deemed delivered on the next business day after the day the party delivering the Notice timely deposits the Notice with the courier for overnight (next day) delivery.

9.2. Successors.

The covenants and agreements contained in this Lease bind and inure to the benefit of the parties hereto, and their respective successors and assigns.

9.3. Captions and Interpretation.

The captions of the articles and sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular includes the plural and the plural includes the singular.

9.4. Relationship of Parties.

This Lease does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between Landlord and Tenant other than that of landlord and tenant.

9.5. Entire Agreement; Amendment.

The Basic Terms and all exhibits, addenda, and schedules attached to this Lease are incorporated into this Lease as though fully set forth in this Lease and together with this Lease contain the entire agreement between the parties with respect to the improvement and leasing of the Premises. No subsequent alteration, amendment, change, or addition to this Lease is binding on Landlord or Tenant unless it is in writing and signed by the party to be charged with performance.

9.6. Severability.

If any covenant, condition, provision, term, or agreement of this Lease is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms, and agreements of this Lease will not be affected by such holding, and will remain valid and in force to the fullest extent permitted by law.

9.7. Survival.

Notwithstanding any other provision of this Lease to the contrary, all of Landlord's or Tenant's obligations under this Lease accruing prior to expiration or other termination of this Lease survive the expiration or other termination of this Lease.

9.8. Attorneys' Fees.

If either Landlord or Tenant commences any litigation or judicial action to determine or enforce any of the provisions of this Lease, the prevailing party in any such litigation or judicial action is entitled to recover all of its costs and expenses (including, but not limited to, reasonable attorneys' fees, costs, and expenditures) from the non-prevailing party.

9.9. Governing Law.

This Lease is governed by, and must be interpreted under, the internal laws of the State of Wisconsin. Any suit arising from or relating to this Lease must be brought in Marathon County, Wisconsin.

9.10. Time is of the Essence.

Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

9.11. Authority.

Tenant and each individual signing this Lease on behalf of Tenant represents and warrants that they are duly authorized to sign on behalf of and to bind Tenant and that this Lease is a duly authorized obligation of Tenant. Landlord and each individual signing this Lease on behalf of Landlord represents and warrants that they are duly authorized to sign on behalf of and to bind Landlord and that this Lease is a duly authorized obligation of Landlord.

9.12. Quiet Enjoyment.

Landlord covenants that Tenant will quietly hold, occupy, and enjoy the Premises during the Term, subject to the terms and conditions of this Lease, free from interruption, interference, nuisance, claims, molestation, or hindrance by Landlord or any person claiming by, through, or under Landlord (or the owner of the Property, if different), if Tenant pays all Rent as and when due and keeps, observes, and reasonably satisfies all covenants, obligations, and agreements of Tenant under this Lease.

In no event shall any additional improvements to any Parking Area by Landlord or other third party be conducted in such a fashion as to hinder or otherwise interfere with Tenant's use of the Premises.

9.13. Recording.

Landlord and Tenant shall execute, and Tenant may record, a Memorandum of this Lease.

9.14. Termination. In the event that North First Street Holding Company, LLC terminates all or a portion of the ground lease for the Property with Landlord, this Lease shall be deemed modified accordingly to reduce the number of parking spaces lost due to such termination.

[CONTINUED ON NEXT PAGE]

Landlord and Tenant each caused this Lease to be executed and delivered by its duly authorized representative to be effective as of the Effective Date.

LANDLORD:

THE CITY OF WAUSAU, WISCONSIN, a Wisconsin municipal corporation

By: _____
Name: _____
Title: _____

Attest:

By: _____
Name: _____
Title: _____

TENANT:

FIRST WAUSAU TOWER, LLC, a Wisconsin limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

Lot 2 (2) of Certified Survey Map No. 14100 recorded in the office of the Register of Deeds for Marathon County, Wisconsin on November 2, 2005, as Document No. 1427681, being a part of Block 5, Plat of the Village of Wausau (now City of Wausau), Section 25 and 26, Township 29 North, Range 7 East, City of Wausau, Marathon County, Wisconsin

PIN: 291-2907-253-0564

Parking Spaces Leased on Commencement Date: _____

EXHIBIT B

RENT SCHEDULE

<u>Lease Year</u>	<u>Monthly Rent Per Stall</u>	<u>Total Stalls</u>	<u>Monthly Total</u>
Year 1-5	\$29.00 + sales tax		

SCHEDULE 1

-HANG TAGS PROVIDED FOR EACH PARKING SPACE AT NO COST TO TENANT DESIGNATING VEHICLE AS TENANT IN THE PARKING LOT.

-STANDARD CITY LOT ENFORCEMENT PROCEDURES (e.g., ticketing, prosecution), except in areas designated for First Wausau Tower tenant visitor parking, for which ticketing and prosecution will be undertaken following a request by Tenant.

-SCHEDULE: all Parking Areas included in standard City of Wausau parking enforcement routes and schedules.

-GUEST PARKING AREAS: “on call” enforcement conducted by City of Wausau upon request of Tenant.

-COST OF ENFORCEMENT: all costs of enforcement shall be borne by City of Wausau .

PARKING LOT LAND LEASE

THIS PARKING LOT LAND LEASE (hereafter “**Lease**”) is made as of the ____ day of _____, 2024 (the “**Lease Date**”), by and between NORTH FIRST STREET HOLDING COMPANY, LLC, a Wisconsin limited liability company with offices at 500 North 1st Street, Wausau, Wisconsin 54403 (hereinafter referred to as “**Landlord**”) and the CITY OF WAUSAU, WISCONSIN, a Wisconsin municipal corporation with address of 407 Grant Street, Wausau, Wisconsin 54403 (“**Tenant**”).

BASIC TERMS

- 1. Tenant’s Representative and address: c/o Finance Director
407 Grant Street
Wausau, WI 54403
Telephone: 715-261-6620
Facsimile: 715-261-6626.

- 2. Landlord’s Representative and address: Paul C. Schlindwein II
North First Street Holding Company, LLC
500 N. 1st St. Suite 100
Wausau, WI 54403
Telephone: 715-842-3260
Facsimile: 715-848-0616

- Copies to: Joseph M. Mella, Esq.
Ruder Ware, L.L.S.C.
500 N. 1st St., Suite 8000
Wausau, WI 54403
Telephone: 715-845-4336
Facsimile: 715-845-2718

- 3. Premises: See Exhibit A.

- 4. Commencement Date: _____

- 5. Lease Term: Beginning on the Commencement Date and ending at midnight on December 31, 2029 (subject to termination provisions set forth in Section 9.19)

- 6. Rent: One Dollar (\$1.00) per year

- 7. Utilities: Tenant shall be solely responsible for all Utilities (as defined herein) for the Leased Premises.

- 8. Taxes, Maintenance, Repairs, and Replacements: Tenant shall be solely responsible for all Taxes, Maintenance, Repairs, and Replacements (as each is defined herein) for the Leased Premises.

STANDARD TERMS AND CONDITIONS

ARTICLE 1. LEASE OF PREMISES AND LEASE TERM

1.1. Premises.

In consideration of the mutual covenants this Lease describes and other good and valuable consideration, Landlord leases to Tenant and Tenant leases from Landlord, upon and subject to the terms, covenants, and conditions set forth in this Lease the Premises.

1.2. Term, Delivery, and Commencement.

The Term of this Lease is the period stated in the Basic Terms. The Term commences on the Commencement Date and expires on the expiration date specified in the basic terms (unless otherwise extended as provided herein). Notwithstanding any other provision of this Lease to the contrary, Tenant acknowledges that Landlord makes no representations or warranties of any kind with respect to the Premises and Tenant takes the Premises pursuant to this Lease as is, where is, and with all faults. Provided, the term of that certain Parking Stall Lease Agreement between Tenant and First Wausau Tower, LLC dated of even date herewith (the "Parking Stall Lease") has been extended as provided therein, this Lease shall be deemed to be extended for the same period as provided in the Parking Stall Lease on the same terms and conditions as provided herein.

ARTICLE 2. RENT

2.1. Rent.

Tenant will pay Rent in annual installments to Landlord, in advance and without demand therefor, commencing on the Commencement Date and continuing on or before the first day of each and every calendar year after the Commencement Date during the Term, to the address specified in the Basic Terms or at such other place as Landlord may from time to time designate in writing to Tenant.

ARTICLE 3. USE

3.1. Permitted Use.

Tenant may use the Leased Premises for the operation of a parking lot leased to First Wausau Tower, LLC and uses incidental thereto which are allowed by any applicable laws, ordinances, or codes (“**Laws**”) and for use by the general public at any times not so leased to First Wausau Tower, LLC. Tenant will not use the Property in any fashion that violates any Laws, causes injury or damage to the Premises or to any person, or constitutes a public or private nuisance or waste.

ARTICLE 4. TENANT’S OBLIGATIONS

4.1. Taxes.

Tenant shall pay when due, beginning with taxes imposed for 2012, and prior to delinquency any and all taxes, assessments, impositions, use fees, impact fees, and charges of any kind and nature imposed upon the Premises by any authority having the direct or indirect power to tax or impose any such charges upon real property, including, but not limited to, any municipal, state, or federal government, or subdivision thereof, such as any school, agricultural, sanitary, fire, street, drainage, or other improvement district, that accrue against the Premises during the Lease Term (collectively referred to as “**Taxes**”), as provided herein, whether or not such Taxes are imposed pursuant to any applicable law in existence on the Commencement Date or pursuant to any law enacted thereafter.

4.2. Insurance.

Tenant, at all times during the Term, at Tenant’s sole cost and expense, shall maintain the insurance this Section 4.2 describes:

4.2.1. Liability Insurance.

Commercial general liability insurance (providing coverage at least as broad as the current ISO form) with respect to the Property, on an “occurrence” basis, with minimum limits of \$1,000,000 each occurrence and \$3,000,000 general aggregate. Such insurance must include specific coverage provisions or endorsements (a) for broad form contractual liability insurance; (b) naming Landlord as an additional insured; (c) waiving the insurer’s subrogation rights against Tenant; (d) providing Landlord with at least thirty (30) days’ prior notice of modification, cancellation, non-renewal, or expiration; and (e) expressly stating that Tenant’s insurance will be provided on a primary and non-contributory basis.

4.2.2. Property Insurance.

Property insurance on the Property in an amount not less than the full insurable replacement cost of the improvements to the Premises insuring against loss or damage by fire and such other risks as are covered by the current ISO Special Form policy.

4.2.3. Miscellaneous Insurance Provisions.

Tenant will deliver evidence of insurance satisfactory to Landlord, (a) on or before the Commencement Date, (b) not later than thirty (30) days prior to the expiration of any current policy or certificate, and (c) at such other times as Landlord may reasonably request. Such evidence shall be by the most recently approved ACCORD form certificate.

4.2.4. Failure to Insure.

Notwithstanding any contrary language in this Lease and any notice and cure rights this Lease provides Landlord, if Tenant fails to provide Landlord with evidence of insurance as required under Section 4.2, Landlord shall give Tenant notice of such failure and if such failure continues for an additional period of ten (10) days following the date of Landlord's notice to Tenant, Landlord may assume that Tenant is not maintaining the insurance Section 4.2 requires Tenant to maintain and Landlord may, but is not obligated to, without further demand upon Tenant or notice to Tenant and without giving Tenant any cure right or waiving or releasing Tenant from any obligation contained in this Lease, obtain such insurance for Landlord's benefit. In such event, Tenant will promptly pay to Landlord, upon demand, all costs and expenses Landlord incurs obtaining such insurance. Landlord's exercise of its rights under this Section 4.2.4 does not relieve Tenant from any default under this Lease.

4.3. Maintenance.

4.3.1. General Maintenance and Repairs.

Tenant shall be solely and exclusively responsibility for the condition, operation, repair, replacement, maintenance, and management of the Premises. Tenant, at Tenant's sole cost and expense, will keep and maintain the Premises in good operating condition and repair and in a neat and sanitary condition. If Tenant fails to commence any of its obligations as required hereby within five (5) regular business days after written request therefor from Landlord, Landlord may, upon the expiration of such five (5) regular business day period, proceed to undertake such obligations, in which event Tenant shall promptly reimburse Landlord upon demand therefor for all Landlord's costs incurred by Landlord undertaking such action. Landlord's exercise of its rights under this Section 4.3.1 does not relieve Tenant from any default under this Lease.

4.3.2. Alterations Required by Laws.

If any governmental authority requires any alteration to the Premises, Tenant will make such alterations at Tenant's expense.

4.4 Utilities.

Tenant shall provide at its sole cost and expense all utilities used in the Premises, including, but not limited to, adequate lighting for all portions of the Premises at standards deemed adequate for public safety and use typically found in parking areas of this type in Wisconsin.

**ARTICLE 5.
RIGHTS RESERVED BY LANDLORD**

5.1. Control of Property.

Landlord reserves all rights respecting the Premises not specifically granted to Tenant under this Lease.

5.2. Right of Entry.

Landlord and its authorized representatives may enter the Premises to (a) inspect the Premises or (b) exercise and perform Landlord's rights and obligations under this Lease, provided such access does not unreasonably interfere with the use of the Premises by Tenant.

**ARTICLE 6.
DAMAGE OR DESTRUCTION**

6.1. Landlord's Repair Obligation.

In the event of any damage to or destruction of the Property or improvements thereto by fire or other casualty, Tenant will repair and restore the Premises and improvements thereto to as near its condition prior to the fire or other casualty as is reasonably possible with all commercially reasonable diligence and speed.

**ARTICLE 7.
DEFAULTS; REMEDIES**

7.1. Default by Tenant.

The occurrence of any of the following constitutes a “**Tenant Event of Default**” by Tenant under this Lease:

7.1.1. Failure to Pay Rent.

Tenant fails to pay Rent or any other monetary obligation to Landlord hereunder, unless otherwise excused hereby, as and when due and such failure continues for ten (10) days after Landlord notifies Tenant in writing.

7.1.2. Failure to Perform.

Tenant breaches or fails to perform any of Tenant’s non-monetary obligations under this Lease and the breach or failure continues for a period of thirty (30) days after Landlord notifies Tenant in writing of Tenant’s breach or failure; provided that if Tenant cannot reasonably cure its breach or failure within a thirty (30) day period, Tenant’s breach or failure is not a Tenant Event of Default if Tenant commences to cure its breach or failure within the thirty (30) day period and thereafter diligently pursues the cure and effects the cure within a reasonable period of time.

7.1.3. Other Defaults.

(a) Tenant makes a general assignment or general arrangement for the benefit of creditors; (b) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Tenant; (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed against Tenant and is not dismissed within ninety (90) days; (d) a trustee or receiver is appointed to take possession of substantially all of Tenant’s assets or of Tenant’s interest in this Lease and possession is not restored to Tenant within sixty (60) days; or (e) substantially all of Tenant’s assets or Tenant’s interest in this Lease is subjected to attachment, execution, or other judicial seizure not discharged within sixty (60) days.

7.1.4. Landlord’s Remedies.

Upon the occurrence of any Tenant Event of Default, Landlord may exercise any remedy provided for landlords generally pursuant to Chapter 704 of the Wisconsin Statutes, as the same may be amended from time to time, and any regulations promulgated thereunder, or shall be entitled to bring an action for specific performance, and shall be further entitled to reimbursement on demand for any actual costs Landlord incurs in connection with enforcement of its remedies thereunder, including, but not limited to, reasonable attorneys’ fees and costs. In addition to the preceding remedies, in the event Landlord elects to terminate this Lease following a Tenant Default, title to the Tenant’s Improvements (as defined herein) shall, upon notice by Landlord, vest in Landlord.

**ARTICLE 8.
TENANT IMPROVEMENTS**

8.1. Tenant Improvements.

Tenant shall make no alterations or improvements to the Premises without the prior written consent of Landlord. Landlord acknowledges that Tenant has heretofore constructed a parking lot on the Premises.

8.2. Tenant Improvements Upon Termination.

Upon the expiration or termination of this Lease for any reason, all improvements to the Premises shall be deemed abandoned by Tenant and title thereto shall vest in Landlord at no cost to Landlord. If Tenant abandons, vacates, or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's personal property and the improvements left on the Premises shall be deemed to be abandoned, at the option of Landlord, except such property as may be encumbered.

8.3. Liens.

Tenant has no express or implied authority to create or place any lien or encumbrance of any kind upon, or in any manner to bind the interest of Landlord or Tenant in, the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. Tenant shall give Landlord immediate written notice of the placing of any lien or encumbrance against the Premises and cause such lien or encumbrance to be discharged within thirty (30) days of notice of the filing or recording thereof; provided, however, that Tenant may contest such liens or encumbrances as long as such contest prevents foreclosure of the lien or encumbrance and Tenant causes such lien or encumbrance to be bonded, insured over, or otherwise secured in a manner satisfactory to Landlord within such thirty (30) day period.

**ARTICLE 9.
MISCELLANEOUS PROVISIONS**

9.1. Notices.

All Notices must be in writing and must be sent by United States registered or certified mail (postage prepaid) or by an independent overnight courier service, addressed to the addresses specified in the Basic Terms or at such other place as either party may designate to the other party by written notice given in accordance with this Section. Notices given by mail are deemed delivered within three (3) business days after the party sending the Notice deposits the Notice with the United States Post Office. Notices delivered by courier are deemed delivered on the

next business day after the day the party delivering the Notice timely deposits the Notice with the courier for overnight (next day) delivery.

9.2. Successors.

The covenants and agreements contained in this Lease bind and inure to the benefit of the parties hereto, and their respective successors and assigns.

9.3. Captions and Interpretation.

The captions of the articles and sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular includes the plural and the plural includes the singular.

9.4. Relationship of Parties.

This Lease does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between Landlord and Tenant other than that of landlord and tenant.

9.5. Entire Agreement; Amendment.

The Basic Terms and all exhibits, addenda, and schedules attached to this Lease are incorporated into this Lease as though fully set forth in this Lease and together with this Lease contain the entire agreement between the parties with respect to the improvement and leasing of the Premises. No subsequent alteration, amendment, change, or addition to this Lease is binding on Landlord or Tenant unless it is in writing and signed by the party to be charged with performance.

9.6. Severability.

If any covenant, condition, provision, term, or agreement of this Lease is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms, and agreements of this Lease will not be affected by such holding, and will remain valid and in force to the fullest extent permitted by law.

9.7. Survival.

Notwithstanding any other provision of this Lease to the contrary, all of Landlord's or Tenant's obligations under this Lease accruing prior to expiration or other termination of this Lease survive the expiration or other termination of this Lease.

9.8. Attorneys' Fees.

If either Landlord or Tenant commences any litigation or judicial action to determine or enforce any of the provisions of this Lease, the prevailing party in any such litigation or judicial action is entitled to recover all of its costs and expenses (including, but not limited to, reasonable attorneys' fees, costs, and expenditures) from the non-prevailing party.

9.9. Governing Law.

This Lease is governed by, and must be interpreted under, the internal laws of the State of Wisconsin. Any suit arising from or relating to this Lease must be brought in Marathon County, Wisconsin.

9.10. Time is of the Essence.

Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

9.11. Authority.

Tenant and each individual signing this Lease on behalf of Tenant represents and warrants that they are duly authorized to sign on behalf of and to bind Tenant and that this Lease is a duly authorized obligation of Tenant. Landlord and each individual signing this Lease on behalf of Landlord represents and warrants that they are duly authorized to sign on behalf of and to bind Landlord and that this Lease is a duly authorized obligation of Landlord.

9.12. Quiet Enjoyment.

Landlord covenants that Tenant will quietly hold, occupy, and enjoy the Premises during the Term, subject to the terms and conditions of this Lease, free from interruption, interference, nuisance, claims, molestation, or hindrance by Landlord or any person claiming by, through, or under Landlord (or the owner of the Property, if different), if Tenant pays all Rent as and when due and keeps, observes, and reasonably satisfies all covenants, obligations, and agreements of Tenant under this Lease.

9.13. Recording.

Landlord and Tenant shall execute, and Tenant may record, a Memorandum of this Lease.

9.14. Indemnification.

Tenant shall indemnify, defend, and hold Landlord, its affiliates, and related entities, and their respective shareholders, directors, officers, employees, and agents, and their respective heirs, successors, and assigns, harmless from and against and with respect to any claim, demand, action, cause of action, loss, cost, expense, liability, injury, administrative order, consent agreement or order, penalty or interest or damage, including, without limitation, attorneys' fees, and all costs and expenses of all actions, suits, proceedings, demands, assessments, claims, and judgments resulting from, occurring in connection with, or arising out of (a) the negligent or willful acts or omissions of Tenant, its employees, agents, invitees, or others for whose actions Tenant are legally responsible, unless due to the negligent acts or omissions of Landlord, (b) any violation of any applicable law, regulation, or legal requirement, including, but not limited to, any environmental laws, by Tenant, its employees, agents, invitees, or others for whose actions Tenant is legally responsible, unless due to such violations by Landlord, its employees, agents, invitees, or others for whose actions Landlord is legally responsible, or (c) the breach of this Lease by Tenant, unless due to a breach of this Lease by Landlord, including, but not limited to, any breach of any representation, warranty, covenant, or agreement made by Tenant hereunder. This indemnity obligation of Tenant shall be ongoing and shall survive termination of this Lease for whatever cause.

9.15. Estoppel.

Tenant shall within ten (10) days of the request therefore, execute and deliver to Landlord, at such time or times as Landlord may request, an Estoppel Certificate stating:

- (a) Whether or not the Lease is in full force and effect;
- (b) Whether or not the Lease has been modified or amended in any respect, and submitting copies of such modifications or amendments, if any;
- (c) Whether or not there are any existing defaults under this Lease to the knowledge of the party executing the certificate, and specifying the nature of such defaults, if any;
- (d) The Commencement Date and the Termination Date of the Term; and
- (e) Such other information as may be reasonably requested.

It is intended that such statement may be relied upon by any person or entity acquiring any interest in the Premises or making a loan thereon.

9.16. Subordination.

This Lease, and Tenant's interest and rights hereunder, are and shall be subject and subordinate at all times to the lien of any mortgage or land contract to which Landlord is a party, now existing or hereafter created on or against the Premises, and all amendments, restatements, renewals, modifications, consolidations, refinancing, assignments, and extensions thereof, without the necessity of any further instrument or act on the part of Tenant. Tenant agrees, at the election of the holder of any such land contract or mortgage, to attorn to any such holder. Tenant agrees upon demand to execute, acknowledge, and deliver such instruments confirming such subordination and such instruments of attornment as shall be reasonably requested by any such holder.

9.17. Assignment and Subletting.

Except for the lease to First Wausau Tower, LLC for the parking spaces within the Premises executed of even date herewith, Tenant shall not assign, sublet, or otherwise transfer all or any part of its interest in this Lease or in the Premises without the prior written consent of Landlord.

9.19 Early Termination for New Development.

In the event Landlord or First Wausau Tower, LLC, or any affiliate thereof, determines that redevelopment of some or all of the Premises is required for one or more buildings or other structures, Landlord may, by written notice to Tenant, terminate so much of this Lease is as necessary or convenient to Landlord, First Wausau Tower, LLC, or any affiliate thereof to redevelop that portion of the Premises, and rent and other obligations of Tenant shall be reduced proportionately.

[CONTINUED ON NEXT PAGE]

Landlord and Tenant each caused this Lease to be executed and delivered by its duly authorized representative to be effective as of the Effective Date.

TENANT:

THE CITY OF WAUSAU, WISCONSIN, a
Wisconsin municipal corporation

By: _____
Name: _____
Title: _____

Attest:

By: _____
Name: _____
Title: _____

LANDLORD:

NORTH FIRST STREET HOLDING COMPANY,
LLC, a Wisconsin limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

PREMISES

Lot 2 (2) of Certified Survey Map No. 14100 recorded in the office of the Register of Deeds for Marathon County, Wisconsin on November 2, 2005, as Document No. 1427681, being a part of Block 5, Plat of the Village of Wausau (now City of Wausau), Section 25 and 26, Township 29 North, Range 7 East, City of Wausau, Marathon County, Wisconsin

PIN: 291-2907-253-0564