



September 8, 2025

KENNETH SCOLARO, WATER UTILITY, ADMINISTRATIVE MANAGER
CITY OF RACINE
800 CENTER STREET, ROOM 227
RACINE WI 53403-1481

SUBJECT: Safe Drinking Water Loan Program, Project No. 4887-19
Construct 42" Watermain
Financial Assistance Agreement – October 22, 2025

Dear Mr. Scolaro:

Your project manager prepared the following documents for your Safe Drinking Water Loan Program (SDWLP) loan closing:

1. SDWLP Loan Closing Schedule - Attachment 1
2. Financial Assistance Agreement Summary/Distribution Sheet - Attachment 2
3. Financial Assistance Agreement (FAA)

To close the loan on October 22, 2025, we need to follow the Loan Closing Schedule (Attachment 1).

The City of Racine has three (3) working days upon receipt of wired SDWLP funds to do one or more of the following:

1. Pay the project invoices identified in the SDWLP disbursement request.
2. Reimburse an internal municipal account from which eligible project costs were paid. This reimbursement must adhere to current U.S. Treasury Regulations.
3. Disburse payments to the bank or financial institution for projects that are being refinanced.

Execution of the FAA creates a binding obligation in all respects. Any negotiation of terms and conditions or determinations must occur prior to adoption of the Municipal Obligation Resolution and execution of the enclosed FAA document.

The Project Manager Summary Page (Exhibit F of the FAA) further explains certain assumptions and decisions affecting preparation of your FAA.

Please contact your project manager, Sarah Bolitho, at 608-960-2927, for assistance with execution of the FAA, Request for Disbursement (Form 8700-215), or other SDWLP documents.

Thank you for your interest in the Safe Drinking Water Loan Program.

Sincerely,

Matthew Marcum, Section Manager
Environmental Loans Section
Bureau of Community Financial Assistance

Electronic Copies: Jacob Lichter, Quarles & Brady LLP - Milwaukee
Bridgot Gysbers, Ruekert-Mielke, Inc. - Madison
Brent Binder - DNR SE/Milwaukee
Capital Finance Office - DOA/10

ATTACHMENT #1

Safe Drinking Water Loan Program Project No. 4887-19
City of Racine
Construct 42" Watermain
Financial Assistance Agreement – Closing Schedule

By August 25, 2025:

- Department of Natural Resources (DNR) project manager distributes Financial Assistance Agreement (FAA) to Department of Administration (DOA) for review.

By September 8, 2025:

- Quarles & Brady LLP distributes draft Municipal Obligation Resolution and other bond documents to the City of Racine and DOA for review. Project manager sends FAA to municipality.

On September 10, 2025:

- Municipality holds properly noticed Waterworks Commission Meeting to approve the FAA.

On September 29, 2025:

- Municipality holds properly noticed Finance-Personnel Committee Meeting to approve the FAA.

On October 7, 2025:

- Municipality holds properly noticed City Common Council meeting at which time:
 1. Municipal Obligation Resolution is adopted.
 2. Bond related documents are signed by municipal officials.
 3. DNR FAA (printed single sided) is signed by municipal officials.

*NOTE: Most documents must be signed by Highest Elected Official & Clerk/Secretary and some documents must have municipal seal applied. **Do not sign any Exhibits.***

By October 8, 2025, VIA OVERNIGHT DELIVERY:

- 1. Municipality scans FAA signature page and sends via e-mail to Quarles & Brady LLP and Sarah Bolitho.
 2. Municipality returns signed paper FAA via overnight delivery to Quarles & Brady LLP.
 3. Municipality delivers signed & sealed Resolution & other bond documents via overnight delivery to Quarles & Brady LLP.

By October 20, 2025:

- Quarles & Brady LLP sends original signed and sealed Bond R-1 and emails a copy of the fully executed bond transcript to DOA.

October 22, 2025:

- Loan Closing Day. Quarles & Brady LLP contacts municipality and DOA to confirm that closing may proceed, and DOA wire transfers the first disbursement to municipal bank account.

ATTACHMENT #2

Safe Drinking Water Loan Program Project No. 4887-19
City of Racine
Construct 42" Watermain
Financial Assistance Agreement Summary
Distribution Sheet

LOAN INFO

Total Project Amount: \$11,011,420

Principal Forgiveness Amount: \$1,600,000 Net SDWLP Loan Amount: \$4,039,643

Internal Funding: \$99,964 Village of Mount Pleasant Funding: \$5,271,813

Pledge: Waterworks System Revenue Lien Priority: Junior-Parity

Federal Equivalency Project: ☒ Yes ☐ No

Composite Interest Rate: 2.475% Loan Term: 20 Years

DOCUMENT INFO

Date of Municipal Obligation Resolution – October 7, 2025

CLOSING INFO

Refinancing: None Date of Refinancing: N/A

Estimated First Disbursement: \$182,705.92

MUNICIPAL INFO

Municipal ID: 51276

Plans and Specifications: W-2021-0946, approved January 31, 2022

Substantial Completion Date: September 4, 2026

DISTRIBUTION**Department of Natural Resources**

Sarah Bolitho
Bureau of Community Financial Assistance
101 South Webster Street, 2nd Floor
PO Box 7921
Madison WI 53707-7921
608-960-2927
sarah.bolitho@wisconsin.gov

Municipality

Kenneth Scolaro
City of Racine
800 Center Street, Room 227
Racine WI 53403-1481
262-636-9101
ken.scolaro@cityofracine.org

Department of Administration

Andrea Ceron
State of Wisconsin DOA Capital Finance Office
101 East Wilson Street, 10th Floor
PO Box 7864
Madison WI 53707-7864
608-267-0374
andrea.ceron@wisconsin.gov

Engineering Firm

Bridgot Gysbers
Ruekert-Mielke, Inc.
4630 South Biltmore Lane
Madison WI 53718
262-953-4162
bgysbers@ruekert-mielke.com

Municipal Bond Counsel

Jacob Lichter
Quarles & Brady LLP
411 East Wisconsin Avenue, Suite 2400
Milwaukee WI 53202-4426
414-277-5000
jacob.lichter@quarles.com