

October 11, 2021

Brian Helminger, District Director
Heart of Valley Metropolitan Sewerage District, Wisconsin
801 Thilmany Rd
Kaukauna, WI 54130

Re: Written Municipal Advisor Client Disclosure with the Heart of Valley Metropolitan Sewerage District (“Client”) for General Obligation Sewerage System Promissory Notes, 2022A (“Project”) Pursuant to MSRB Rule G-42)

Dear Brian:

Ehlers & Associates, Inc. (“Ehlers & Associates” or the “Municipal Advisor”) is required by Municipal Securities Rulemaking Board (MSRB) Rules to provide you with certain written information and disclosures prior to, upon or promptly, after the establishment of a municipal advisory relationship as defined in Securities and Exchange Act Rule 15Ba1-1. Pursuant to these stated requirements, we must inform you that:

1. When providing municipal advisor advice, we are required to act in a fiduciary capacity, which includes a duty of loyalty and a duty of care. This means we are required to place the Client’s interest above our own.
2. We have an obligation to fully and fairly disclose to you in writing all material conflicts of interest including any actual or potential conflicts of interest that might impair our ability to render advice to you in accordance with our fiduciary duty. We are providing these and other required disclosures in **Appendix A** attached hereto.
3. Ehlers & Associates shall provide municipal advisor advice and service at such fees, as described within **Appendix B** attached hereto.

This documentation and all appendices hereto shall be effective as of its date unless otherwise terminated by either party upon 30 days written notice to the other party.

During the term of our municipal advisory relationship, this writing will be amended or supplemented to reflect any material change or additions.

We look forward to working with you on the Project.

Sincerely,

Ehlers & Associates

A handwritten signature in blue ink that reads 'Jon Cameron'.

Jon Cameron
Senior Municipal Advisor/Vice President

¹ This document is intended to satisfy the requirements of MSRB Rule G-42(b) and Rule G-42(c).

Appendix A Disclosure of Conflicts of Interest/Other Required Information

Actual/Potential Material Conflicts of Interest

Ehlers & Associates has no known actual or potential material conflicts of interest that might impair its ability either to render unbiased and competent advice or to fulfill its fiduciary duty to Client.

Conflicts Arising from Compensation Contingent on the Size or Closing of Any Transaction

The Municipal Advisor's fees may be contingent on the size and successful closing of a transaction. Compensation contingent on the size of a transaction presents a conflict of interest because the Municipal Advisor may have an incentive to advise the Client to increase the size of the securities issue for the purpose of increasing the Municipal Advisor's compensation. Compensation contingent on the closing of the transaction presents a conflict because the Municipal Advisor may have an incentive to recommend unnecessary or unsuitable financings to the Client. In addition, if the transaction is to be delayed or fail to close, a Municipal Advisor may have an incentive to discourage a full consideration of such facts and circumstances or alternatives that may result in the cancellation of the transaction. Understanding these conflicts, Client should select a form of compensation that best meets the Client's needs for the agreed-upon scope of services within this agreement and any addenda thereto.

Any form of compensation due the Municipal Advisor will likely present specific conflicts of interest with the Client. If Client is concerned about conflicts arising from Municipal Advisor compensation contingent on size and/or closing of a transaction, Ehlers & Associates is willing to provide another form of municipal advisor compensation. The Client must notify Ehlers & Associates in writing of this request within 10 days of receipt of this Municipal Advisor Disclosure. Ehlers & Associates is required to uphold its fiduciary obligation regardless of the method of compensation.

Other Engagements or Relationships Impairing Ability to Provide Municipal Advisor Advice

Ehlers & Associates is not aware of any other engagement or relationship that might impair its ability to render municipal advisor advice to Client in accordance with its duty of loyalty and care.

Affiliated Entities

Ehlers Companies is a holding company with three wholly-owned subsidiaries. Ehlers & Associates is a registered municipal advisor and provides municipal advisory, economic development and dissemination agent services. Bond Trust Service Corporation (BTSC), which may be referenced as Ehlers Paying Agent Services, provides paying agent services. Ehlers Investment Partners (EIP), which may be referenced as Ehlers Investments, provides services with respect to the investment of bond proceeds and general cash accounts. If the services provided by BTSC or EIP are needed during any such time Ehlers & Associates is engaged as municipal advisor, Client will be asked if they wish to retain either affiliate of Ehlers & Associates to provide service. If Client wishes to retain BTSC and/or EIP, a separate agreement with such affiliate will be provided for Client's consideration and approval. Ehlers & Associates and these affiliates do not share fees. However, compensation paid to personnel of Ehlers & Associates and its affiliates is based on the overall profitability of the Ehlers Companies and, therefore, fees earned by the affiliates of Ehlers & Associates may affect the compensation of Ehlers & Associates personnel.

Ehlers Companies is the owner of Ehlers & Associates. Ehlers Companies does not participate in the day-to-day operations of the Municipal Advisor. A director of Ehlers Companies is an executive at U.S. Bank National Association, a subsidiary of U.S. Bancorp, which may provide or seek to provide other financial services to Client either directly or through an affiliate or subsidiary.

Solicitors/Payments Made to Obtain/Retain Client Business

Ehlers & Associates does not use solicitors to secure municipal advisor engagements; nor make direct or indirect payments to obtain or retain municipal advisory engagements with Client.

Payments from Third Parties

Ehlers & Associates does not receive any direct or indirect payments from third-parties to enlist Ehlers & Associates' recommendation to the Client of third-party services, any municipal securities transaction or any municipal financial product.

Payments/Fee-splitting Arrangements

Ehlers & Associates does not share fees with any unaffiliated parties that provide services to the Client. However, within a joint proposal with other professional service providers, Ehlers & Associates could be the contracting party, or be a subcontractor to the contracting party resulting in a fee splitting arrangement. In such cases, the fee due Ehlers & Associates will be identified in a Municipal Advisor Disclosure and no other fees will be paid to Ehlers & Associates from any of the other participating professionals in the joint proposal.

Municipal Advisor Registration

Ehlers & Associates is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB).

Material Legal or Disciplinary Events

Neither Ehlers & Associates nor any of its associated persons have been involved in any legal or disciplinary events reported on Form MA or MA-I, nor are there any other material legal or disciplinary events to be reported. Ehlers & Associates' application for permanent registration as a municipal advisor with the (SEC) was granted on July 28, 2014 and contained the information prescribed under Section 15B(a)(2) of the Securities and Exchange Act of 1934 and rules thereunder. It did not list any information on legal or disciplinary disclosures.

Client may access Ehlers & Associates' most recent Form MA and each most recent Form MA-I by searching the Securities and Exchange Commission's EDGAR system (currently available at <http://www.sec.gov/edgar/searchedgar/companysearch.html>) under either our Company Name (Ehlers & Associates, Inc.) or by using the currently available "Fast Search" function and entering our CIK number (0001604197).

Ehlers & Associates has not made any material changes to Form MA or Form MA-I since that date.

MSRB Contact Information

The website address of the MSRB is www.msrb.org. Posted on the MSRB website is a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the financial regulatory authorities.

Appendix B
Appendix B
Environmental Improvement Fund Loan Application Assistance

Scope of Service

Client has requested that Ehlers assist Client in the preparation of an application for Clean Water Fund Loan funding (“Project”). Ehlers proposes and agrees to provide the following scope of services:

- Prepare and submit to Client or Client’s engineer preparing the loan application:
 - Project financing timetable.
 - Projected debt schedule for Project debt, including correspondence with Department of Administration staff on a differing debt schedule compared traditional loan amortization schedules.
 - Projections of revenues and expenses for 4-year planning period.
 - Debt coverage projections.
 - Assist in calculating the minimum equipment replacement fund balance.
 - Latest official statement and authorizing resolution for Client’s debt.
 - Schedule of all existing debt.
- Advise the municipality regarding:
 - Engagement of bond counsel to prepare the required loan resolution.
 - Security for proposed Project debt (revenue or general obligation pledge).
 - Dates for adoption of the loan resolution and loan closing.
- Respond to questions from DNR and DOA loan administrators as needed.
- Assist in coordinating activities with Project engineers, Client staff and bond counsel with respect to the EIF loan.
- Upon the completion of the Project and final EIF loan draw, update the Client’s debt schedules.

Compensation

Ehlers fee for completion of the work defined within the Scope of Services will be \$8,500.

For any service directed by Client and not covered by this, or another applicable Appendix, Ehlers will bill Client at an hourly rate that is dependent upon the task/staff required to meet Client request at no less than \$125.00/hour and not to exceed \$300.00/hour.

Payment for Services

Ehlers will invoice Client upon completion of the work. Our fees include our normal travel, printing, computer services, and mail/delivery charges. The invoice is due and payable upon receipt by the Client.