MMSD
PARTNERS FOR A CLEANER ENVIRONMENT

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June 11, 2018

Jeff Polenske, P.E.
City Engineer
City of Milwaukee
841 N. Broadway, Room 701
Milwaukee, WI 53202

Subject: Funding Agreement MI07

Dear Mr. Polenske,

Enclosed is a fully executed Funding Agreement MI07 under the District Private Property Infiltration and Inflow Reduction Program for your records. Please contact me at 414.225.2161 or jflogel@mmsd.com if you have any questions.

Sincerely,

Jerome Flogel, P.E.
Senior Project Manager

Enclosure

JF

| FROM CITY ENGINEER | | | | |
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**Funding Agreement MI07**

**Private Property Infiltration and Inflow Reduction Agreement**

This Agreement is made between the Milwaukee Metropolitan Sewerage District (District), with its principal place of business at 260 West Seeboth Street, Milwaukee, Wisconsin 53204-1446, and the City of Milwaukee (Municipality), with its municipal offices at 841 N. Broadway, Milwaukee, Wisconsin 53202.

WHEREAS, Wisconsin law, through Section 66.0301 Stats., authorizes any municipality to enter into an intergovernmental cooperation agreement with another municipality for the furnishing of services; and

WHEREAS, the District is responsible for collecting and treating wastewater from the Municipality's locally owned collection system; and

WHEREAS, the Municipality's sewers collect wastewater from lateral sewers located on private property and owned by private property owners; and

WHEREAS, during wet weather events stormwater enters lateral sewers through defective pipes and leaky joints and connections ("infiltration) and stormwater also enters lateral sewers from foundation drains, improper connections and other sources ("inflow"); and

WHEREAS, infiltration and inflow increases the amount of wastewater that the District must collect and treat; and

WHEREAS, during wet weather events infiltration and inflow ("I/I") into privately owned sewers contributes to the risk of sewer overflows; and

WHEREAS, the District selected Oneida Total Integrated Enterprises, LLC (Consultant), from two proposals received in response to a District RFP and entered into Contract M10004E02 with the Consultant to perform consulting services on the District's behalf for the Private Property Infiltration and Inflow Reduction project; and

WHEREAS, the District wishes to fund measures to reduce I/I from private property.

Now, therefore, for the consideration of the mutual promises made by the parties to this Agreement, the parties agree as follows:

**1. Date of Agreement**

This Agreement becomes effective immediately upon signature by both parties and shall end when the Municipality receives final payment from the District or December 31, 2019 (whichever occurs first), or when this Agreement is otherwise terminated as set forth herein.

**2. District Funding**

The District shall reimburse the Municipality for $4,863,000 in costs for the private property I/I control work described in Attachment A ("the Work"). The District funding shall be provided as a reimbursement upon submission of timely invoices. No reimbursement shall be made for expenses incurred prior to completion of this agreement. Beyond the financial support for the Work, the District shall have no involvement in ownership, construction, maintenance or operation of the Work. The Municipality shall identify the District as a funder in informational literature and signage.

### 3. Procedure for Payment

The Municipality shall submit an invoice to the District for the amount to be reimbursed within a reasonable period of time of the expenses being incurred. All invoices shall be received prior to expiration of this agreement. The invoice should include documentation of all costs to be reimbursed. Invoices from consultants shall provide the hourly billing rates, if applicable, the hours worked by individuals, and a summary of the tasks accomplished. Invoices and supporting documentation shall be submitted through the District eBuilder online application. The District shall pay Consultant invoices directly. Upon receipt of Consultant invoices the District shall transmit copies of the invoices to the Municipality. The Municipality shall review the invoices within 5 working days, and will indicate if it identifies any discrepancies or problems. The invoice amount(s) paid directly by the District shall be deducted from City of Milwaukee remaining allocation balance.

Questions relating to expenses and invoicing shall be directed to:

Jerome Flogel, P.E.
Senior Project Manager
Milwaukee Metropolitan Sewerage District
260 West Seeboth Street
Milwaukee, WI 53204 – 1446

Final reimbursement will not be provided until the project is complete and the Deliverables have been received.

### 4. Changes in Work and Modifications to the Agreement

Any changes to the Work must be approved by the District, in writing, in advance. The District may not reimburse for work that is not included in Attachment A unless prior written approval from the District is obtained.

This Agreement may be modified in writing only, signed by both parties.

### 5. Ongoing Reporting Obligation

For a period of five years following the completion of the Work, the Municipality agrees to report to the District any problems that may arise with the completed Work. This information may be used by the District in planning future I/I reduction efforts.

### 6. Permits, Certificates and Licenses

The Municipality is solely responsible for ensuring compliance with all federal, state and local laws requiring permits, certificates and licenses required to implement the Work.

### 7. Public Bidding

The selection of professional service providers must be performed in accordance with the Municipality's ordinances and policies. All non-professional service work (i.e. construction, sewer inspection, post-construction restoration) must be procured in accordance with State of Wisconsin statutes and regulations and in accordance with the Municipality's ordinances and policies. Whenever work valued over $25,000 is procured without the use of a public sealed bidding process, the District may request and the Municipality must provide an opinion from a licensed attorney representing the Municipality stating that the procurement is in compliance with State of Wisconsin law and Municipal ordinances.

**8. Responsibility for Work, Insurance and Indemnification**

The Municipality is solely responsible for planning, design, construction and maintenance of the Work, including the selection and payment of consultants, contractors, and materials. The Municipality is solely responsible for ensuring compliance with Wisconsin prevailing wage law.

The District shall not provide any insurance coverage of any kind for the Work or the Municipality.

The Municipality shall defend, indemnify and hold harmless the District and its Commissioners, employees, and agents against any and all damages, costs, liability and expense whatsoever (including attorney's fees and related disbursements) arising from or connected with the planning, design, construction, operation or maintenance of the Work.

**9. Terminating the Agreement**

The District may terminate this Agreement at any time prior to commencement of the Work. After the Work has commenced, the District may terminate the Agreement only for good cause, such as, but not limited to, breach of agreement by the Municipality. The Municipality may terminate the Agreement at any time, but will not receive any payment from the District if the Work is not completed.

**10. Exclusive Agreement**

This is the entire Agreement between the Municipality and the District regarding reimbursement for Work.

**11. Severability**

If any part of this Agreement is held unenforceable, the rest of the Agreement will continue in effect.

**12. Applicable Law**

This Agreement is governed by the laws of the State of Wisconsin.

**13. Resolving Disputes**

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator in Milwaukee County. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the parties. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to court.

**14. Notices**

All notices and other communications in connection with this Agreement shall be in writing and shall be considered given as follows:

- when delivered personally to the recipient's address as stated on this Agreement; or
- three days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement.

**15. No Partnership**

This Agreement does not create a partnership relationship nor give the Municipality the apparent authority to make promises binding upon the District. The Municipality does not have authority to enter into contracts on the District's behalf.

**16. Assignment**

The Municipality may not assign any rights or obligations under this Agreement without the District's prior written approval.

**17. Public Records**

The Municipality agrees to cooperate and assist the District in the production of any records in the possession of the Municipality that are subject to disclosure by the District pursuant to the State of Wisconsin's Open Records Law, §§19.31-19.39, Wis. Stats. The Municipality agrees to indemnify the District against any and all claims, demands, and causes of action resulting from the Municipality's failure to comply with this requirement.

**MILWAUKEE METROPOLITAN SEWERAGE DISTRICT**

By: _____
Kevin L. Shafer, P.E.
Executive Director

Date: 5/23/18

**CITY OF MILWAUKEE**

By: _____
Jeff Polenske, P.E.
City Engineer

Date: 5/16/18

Approved as to form:

_____
Attorney for the District

## Attachment A

**Project Area:**
The project area is bounded by West Harrison Avenue, West Kinnickinnic River Parkway, South 60th Street, and South 72nd Street in the City of Milwaukee.

**Background:**
This area was selected due to the high number of reported sanitary sewer backups (backwaters). Of the 684 properties within this area, 7% experienced sewer backups. The high number of reported backups indicates an excessive inflow and infiltration (I/I) problem. The City of Milwaukee completed a sanitary sewer main lining project in 2012 to reduce the amount of I/I in the subject area. The City expects to further reduce the amount of (I/I) by rehabilitating building sanitary sewers (laterals).

**Public Outreach:**
This project is located in Alderman Mark Borkowski's district. The City has informed the Alderman of the project and he has given his support. The Department of Public Works (DPW) will be working with the Alderman to educate the residents in the project area.

Notices will be sent to the property owners to obtain consent to inspect and rehabilitate their sanitary laterals. Right of Entry (R.O.E.) forms are being sent along with an informational letter to all residents in the selected area.

A resident night meeting explaining why this work is necessary, why this area was chosen, potential costs to the residents, schedule of construction, and advantages of participation will be held. A meeting date has not been scheduled yet. If needed, City staff, the Alderman, and MMSD staff may conduct additional pre- and post-rehabilitation meetings with the residents. City staff assisted by the Alderman may go door to door to increase project participation if necessary.

The Alderman's website will offer related information regarding the project and list the contact information for City personnel involved in the project. Zafar Yousuf of the City of Milwaukee Environmental Engineering Section will be available to answer any questions, concerns, and complaints regarding the schedule, results, and construction of the entire project.

Before the project is bid, the City will assess the number of participants and evaluate the need to use additional informational tools to gain further project participation.

The City will also require the contractor to solicit further participation during construction of the project. Once the project is complete, feedback forms requesting input from residents in the project area will be sent out to all participants.

**Cost Estimate:**
Lateral Inspection and Lining:
684 laterals @ $7,000 per lateral = $4,788,000

*$7,000 per lateral constitutes all costs associated with the lateral lining including seals, surface restoration, and cleanouts

Total Construction Cost = $4,788,000 (MMSD)
Inspection 200 days @ $375/day = $75,000 (MMSD)
Engineering and initial public outreach = $55,000 (City)

Total Project Cost = $4,918,000
MMSD Request = $4,863,000

The contract will be managed by the City. Any additional costs that are not covered by the MMSD will be paid for by the City.

**Project Schedule:**

- Letters will be mailed out for lateral rehabilitation consent on April 24, 2018
- Send additional notices to non-responsive homeowners on May 22, 2018
- Finalize plans and bid out lateral rehabilitation contract June 19, 2018
- Pre-bid meeting with MMSD, Contractors, and the City on June 26, 2018
- Open bids for the lateral rehabilitation on July 3, 2018
- Pre-construction meeting with MMSD, contractor, and City on August 7, 2018
- Lateral rehabilitation construction begins by August 21, 2018
- Lateral rehabilitation construction completed August 20, 2019
- Post construction survey to be sent September 17, 2019

*Assume approximately 4 laterals will be rehabilitated per day

Progress meetings will be held with MMSD on a monthly basis to discuss the progress of the project. Lateral rehabilitation project may be bid out in multiple contracts.

**Reimbursement requests:**
The lateral rehabilitation work is anticipated to begin on March 8, 2018. Since the City of Milwaukee will be going out to contract on its own, it will request the funds from MMSD shortly after receiving bids. Daily inspection / progress reports will be available and submitted with all requests for funding from MMSD.

**Project contract procurement:**
The City of Milwaukee will be generating its own contract / plans / specifications for the lateral rehabilitation with assistance from the District contracted consultant. All copies of plans / specifications will be provided to MMSD prior to bidding for their review / comments. Once the bid results are received they will be delivered to MMSD.

**Data Collection:**
The final post-rehabilitation examination of the sanitary lateral will be collected through a closed-circuit television (CCTV) examination. All media will be submitted on two copies of

DVDs or external hard drives. The post-construction DVD / report shall include address, tax ID, and work performed on each lateral.

Final daily inspector reports will be provided to MMSD in order to verify the final quantities that were installed.

Photos and reports will be kept for all phases of construction. All sewer exams will be stored on a DVD or a hard drive for future review. All photos will be stored as a JPEG file on the City of Milwaukee computers.

Based on future lateral rehabilitation consents, a plan will be compiled of all addresses that will participate in the lateral rehabilitation program. Records will be kept on each address on the total footage that was rehabilitated and any other work that is proposed.

City of Milwaukee inspectors will be on site during construction documenting the progress and work completed. Daily construction reports will be available for viewing of the work performed by the contractor. City of Milwaukee Staff Engineers will periodically inspect the site. Also, an internal City of Milwaukee account is already set up for engineering and inspection.

**Project Objectives:**
The main objective for this phase of the project is to eliminate sources of I/I by rehabilitating the sanitary sewer lateral and repairing structural defects. Pre-construction flow monitoring data will be sent to MMSD consultants and will be analyzed prior to the start of construction. That data will be compared to post-construction flow monitoring data. The City anticipates that the peak flow rate during rain events will decrease. This anticipated decrease in flow will ultimately lower the amount of I/I in the sanitary sewer, therefore reducing the chance of basement backups.

The goal of this project is to lower the amount of I/I in the sanitary sewer, ultimately reducing the chances of basement backups. Pre-rehabilitation flow monitoring data from the City and MMSD will be compared with post-rehabilitation flow monitoring data once the project has been completed.

**Deliverables:**

The City will provide the following to the District for expenses to be considered reimbursable for the completed Project Area:

1. Through the District SharePoint database, submission of participating parcels information including without limitation: property tax id., address, and column categories of work performed by property including lateral lined, cleanout installed, and section repair, etc.
2. Provide samples of all public outreach/public education documents.
3. Draft plan and specification documents for review for all proposed work.
4. Final version of project documents including but not limited to plans, specifications, bidding documents, and meeting schedule reviewed and approved by the District.
5. Accurate schedule of field activities updated on a bi-weekly basis.

6. Notification of public and project meetings with inclusion of the District in participation thereof.
7. Progress reports on project activities and public outreach activities on a monthly basis or with pay reimbursement request, whichever occurs more frequently.
8. Inspection reports from the field engineer for work completed on a monthly basis or with expense reimbursement request, whichever occurs more frequently.
9. Photo documentation of project work in jpeg format, jump drive or other format agreeable to both parties.
10. Quality control and quality assurance reports by the contractor submitted on a regular basis as work progresses.
11. Post-work survey results collected from property owners.
12. Homeowner consent forms for all participating residents that includes a 5-year term for follow up inspections of completed work.
13. Summary report upon completion of the project following the District template.
14. The City will be responsible for providing pre-workflow data and reporting post-workflow monitoring data and or other data related to identified measures of success for at least 2 years' post-work completion or as long as data is available, whichever period is longer, and reporting on any problems with the work for 5 years.