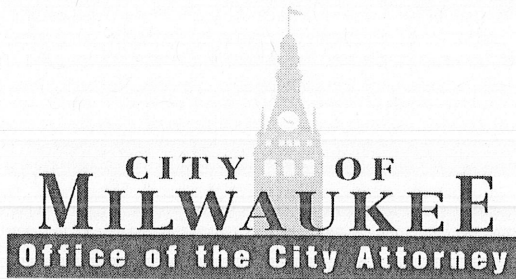


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August 8, 2022

To the Honorable Common Council
of the City of Milwaukee
Room 205 - City Hall

RE: C.I. File No. 1048-2022-303
Communication from: RAILWAY EXCHANGE BUILDING, LLP

Dear Council Members:

We have completed our investigation into this matter. Attorney Brent Nistler of Hansen, Reynolds, LLC has submitted a notice of damage claim on behalf of his client Railway Exchange in the amount of \$398,956.84. The attorney and his client alleges that on November 22, 2021, at approximately 9pm, a significant volume of water entered the We Energies unground steam system and flooded the basement causing structural damage of the building located at 229 East Wisconsin Avenue. A breakdown of the damages are as follows;

Building Damages incl. emergency repairs, emergency restoration	\$341,086.10
Contents Damages incl. computer server, software and contents disposal	\$57,870.74
Total:	\$398,956.84

Milwaukee Water Works (MWW) and DPW-Sewers completed their investigations regarding this matter. DPW-Sewers researched their records and there were no calls or work completed at 229 E. Wisconsin Avenue, on November 22, 2021.

On November 22, 2021, at 9:13pm, MWW reported water was surfacing in the intersection of N. Broadway and E. Wisconsin Avenue. MWW immediately responded and reported to the location and took the 12" water main out of service at 11:19pm and began to isolate the leak. MWW further reports that due to the size of the main and age of the infrastructure in this area of the city, MWW took sufficient time and care to safely perform work and minimize risk of additional damages.



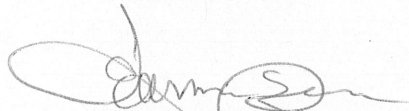
To the Honorable Common Council
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MWW located damage to the water main on November 23, 2021 at 1pm., repairs were completed, and the water main was placed back in service on November 24, 2021, at 3:30pm.

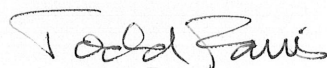
MWW records indicated that ATT & WE Energies both performed work less than a month prior to the water main failure to rebuild collapsing manholes in the same intersection. Further investigation revealed that WE Energies obtained a permit for its work, however; the permit did not include the installation of a 4'x20' concrete vault, which encased the water main 8' south of where the failure occurred. Because this work was not included in the permit, MWW did not have the opportunity to specify requirements that would ensure that the work would not compromise the water main. Damages from the leak are likely a result of work directly impacting Milwaukee Water Works' infrastructure that was performed without a permit.

It is our position that the Milwaukee Water Works took action as soon as it was informed of the leak and performed repairs in a timely manner. As such, the city is not liable for damages in this case, and we recommend that claim be denied.

Very truly yours,



TEARMAN SPENCER
City Attorney



S. TODD FARRIS
Deputy City Attorney

STF/MG/cdr

1048-2022-303/281317