

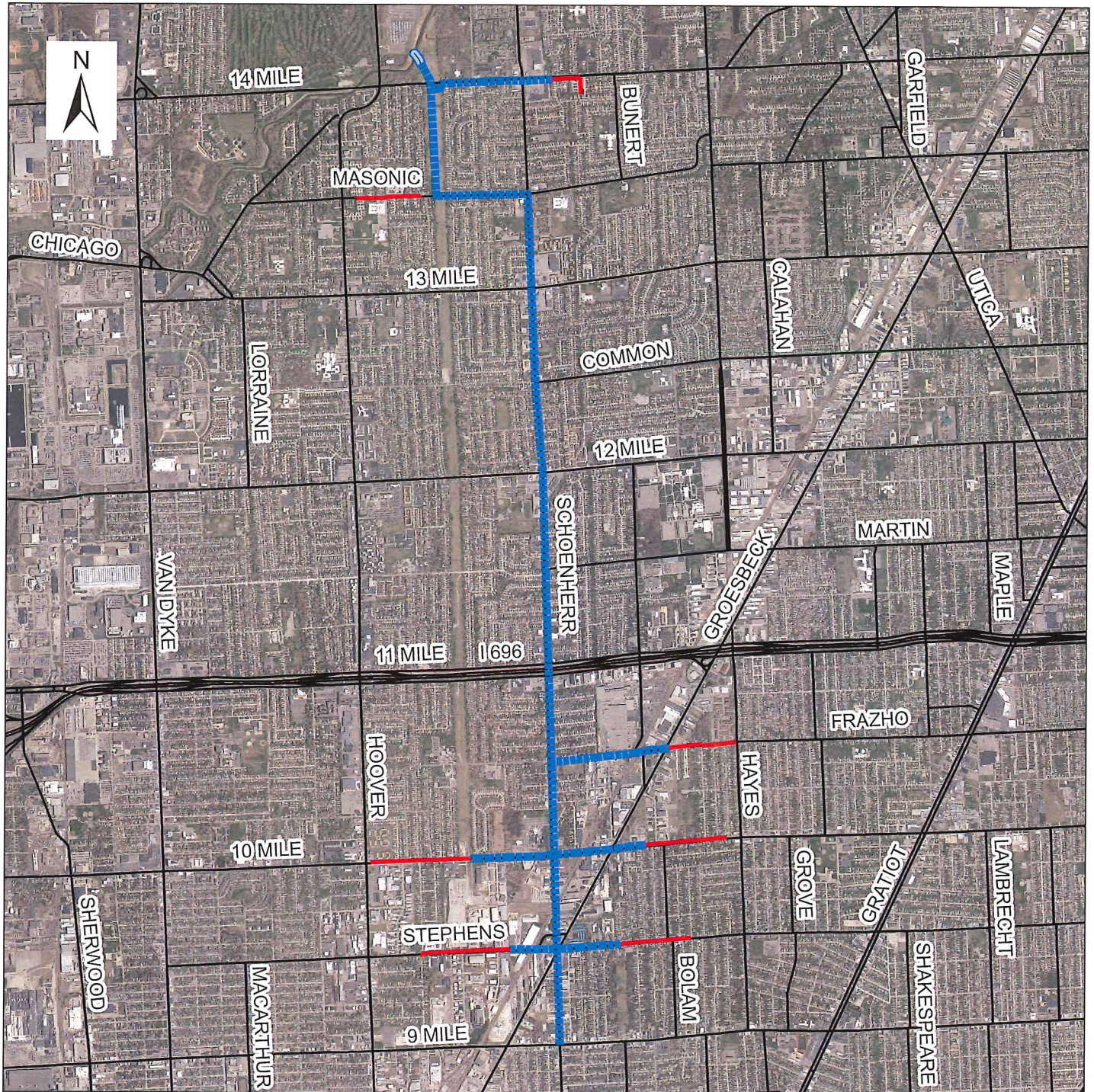
Miller
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SCHOENHERR RELIEF & BRANCHES DRAIN
INTRA-COUNTY DRAINAGE BOARD
FEBRUARY 12, 2018
11:15 A.M.
AGENDA

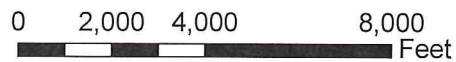
	Page
1. Call of meeting to order and roll call	
2. Approval of Agenda for February 12, 2018	
3. Public participation	
4. SAW Grant Award/Project Update – Jeff Bednar	3
5. Financial Report – Bruce Manning	18
6. Adjourn	

SCHOENHERR RELIEF DRAIN & BRANCHES

STERLING HEIGHTS/WARREN



Legend



Drain Length (Feet/Miles):
60,095.56 / 11.38

Enclosed Gravity	Open Channel
— < 60" Dia	Ditch
>= 60" Dia	Pond
Culvert	





November 21, 2013

Lynne Seymour
Environmental Engineer
Macomb County PWO
21777 Dunham Road
Clinton Township, Michigan 48036

**Re: Stormwater, Asset Management, Wastewater (SAW) Grant Program
Schoenherr Relief Drain Stormwater Asset Management Plan
Proposal for Professional Engineering Services**

Dear Ms. Seymour:

In accordance with your request, we are pleased to offer this proposal for providing professional engineering services to Macomb County to prepare a Stormwater Asset Management Plan for the Schoenherr Relief Drain in accordance with the requirements of the SAW Grant Program.

BACKGROUND

In December 2012, the Michigan legislature passed public acts that authorized the development of the SAW grant program. The SAW grant provides funding for numerous planning and design services associated with stormwater management, sanitary sewers, and wastewater treatment. The grant program is administered by the Michigan Department of Environmental Quality (MDEQ) and approximately \$97 million is planned to be distributed to Michigan communities in 2014, with additional funds to be distributed in 2015 and subsequent years. Applications will be put on a first-come, first-served priority list beginning on December 2, 2013.

The primary driver of the SAW grant program is for municipalities to develop or enhance their asset management plans (AMP). An AMP is a tool to inventory and assess the condition of your stormwater infrastructure. The AMP identifies each asset, provides a rating as to its condition and remaining useful life, estimates replacement costs, and then uses that information to establish a budget to finance operation, maintenance, and replacement of the assets.

Based on our meeting with Macomb County staff, we have developed the following scope of services. Our Scope of Services provides "supporting documentation" to help complete the "Estimated Costs" column given in Project Cost Worksheet in Appendix C of the SAW Grant Application. Tasks correspond to MDEQ's worksheet as follows:

1. Inventory
2. Condition Assessment
3. Cleaning and Televising
4. Other

Tetra Tech

1005 River Street, Suite 1, Port Huron, MI 48060
Tel 810.956.9300 Fax 810.956.9281 www.tetrattech.com

SCOPE OF SERVICES

1. Inventory:

a. Data Review

- GIS: Tetra Tech (Tt) will review the existing GIS data and identify what is required to support this program and identify the gaps.
- Work order maintenance history: Tt will meet with Macomb County maintenance staff and review the current maintenance management system. The review will assess what information is available, the ease or difficulty of access, the extent of the historical information, and the level of detail for each piece of equipment.
- Capital improvement program: Tt will review Macomb County's current multi-year capital improvement program for the drain.
- Schoenherr Drain construction plans: Tt will review the construction plans to verify structure location, drain layout, identification method, type of construction, and age of the drain.

b. Mapping

- The portion of the Schoenherr Relief Drain identified as part of this project is approximately 5.75 miles long. There is currently no GIS data for this drain in the system.
- Tetra Tech will GPS locate approximately 50 manholes using survey grade GPS. This will provide sub-centimeter X,Y & Z values. This will later be used to calculate Inverts for pipes which would support modeling if it became necessary in the future.
- Inventory approximately 50 manholes utilizing ArcPAD and the county's current GIS framework. Inventory will include pipe sizes, pipe material, pipe invert measure down, cover type, structure material and other information as requested by the County.
- Add this data to the existing GIS database in addition to the other features currently being collected in the GIS Drain Mapping program, including Utility crossings, culverts, drawing rectangles and other features identified on the paper drawings.

2. Condition Assessment:

a. Condition Assessment of the Schoenherr Drain: Tt will complete the following tasks associated with the condition assessment.

- Perform a site walkthrough of the open drain portions of the Schoenherr Drain to assess the condition of these sections
- Inspect approximately 50 manholes for condition in accordance with NASSCO's Manhole Assessment and Certification Program (MACP) standards;
- Obtain sewer televising inspection of the entire drain in accordance with NASSCO's Pipeline Assessment and Certification Program (PACP) standards. This work will be performed by a subcontractor and reviewed by Tt staff;
- Develop a recommendation report based on the review of the sewer televising data
- Ascertain and document major operational constraints and reliability concerns.

The best source of knowledge of the current condition and operational deficiencies of the existing drain are the persons who operate and maintain the drains on a daily basis. For this reason, the best place to start the process of preparing the asset management plan is to sit down with Macomb County staff and conduct a detailed review of the drain. During the meeting, we will gather background information such as major maintenance activity and current maintenance schedule. We anticipate the meeting will be conducted in the morning with some or all of the inspection occurring on the same day following the meeting.

Maintenance history is an important part of condition assessment. We anticipate that Macomb County staff will be able to provide a tabulation of the relatively recent investments in maintenance and repair for the drain to use in this effort.

- b. Business Risk Evaluation: A business risk evaluation, or "BRE", score will be calculated. Using all data and information collected through the inspection and assessment process, the "BRE" will be developed for equipment and facilities based on probability of failure (PoF, scale of 1 to 5), consequence of failure (CoF, scale of 1 to 5) and redundancy (R) using the following formula:

$$BRE = (PoF \times CoF) / R$$

- c. Meetings with Macomb County staff: Tt will schedule the following meetings as part of this task:
- Before the field walkthrough inspections for the Tt team and Macomb County staff;
 - To review the draft asset evaluation

3. Cleaning and Televising:

We will subcontract for the televising of approximately 40,000 feet of sewer. This will encompass the entire length of the relief drain including the underdrain. The size of drain ranges from 12-foot to 14-foot in diameter (approximately 2,642 feet of 12-foot and 7,868 of 14-foot). There is also 9,298 feet of 14.5-foot by 14.5 foot and 20,678 of 13-foot horseshoe box. Inspection results will be recorded using Pipeline Assessment Certification Program (PACP) procedures. This drain was built in 1976 so it meets the requirements of the SAW grant that no sewers newer than 20 years will be inspected.

Sewers will be rated using PACP guidelines. A condition of each manhole will also be determined using Manhole Assessment and Certification Program (MACP) methodology.

We will review the televising data and prepare a summary report.

4. Other:

- a. Assessment Management Plan (AMP) Report: Tt will prepare an AMP report for the County's review. We will meet with Macomb County staff to receive their comments on the report. Upon County approval the report will be transmitted to the MDEQ. The report will consist of the following sections:

Ms. Lynne Seymour
Stormwater, Asset Management, Wastewater (SAW) Grant Program
Schoenherr Relief Drain Asset Management Plan
Proposal for Professional Engineering Services
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- Asset Inventory and Condition Assessment
 - Level of Service
 - Criticality of Assets
 - Operation and Maintenance (O&M) Strategies/Revenue Structure
 - Long-term Funding/Capital Improvement Planning
- b. Project Management:
- Meetings: It will lead a kick-off meet with Macomb County staff to start the project. We will review our scope of work to determine if any changes are needed. We will confirm the project deliverables and milestone schedules including the "certification of project completeness" date required by the MDEQ. It and Macomb County staff will conduct progress meetings approximately every two months for the duration of the project. A three-year schedule is expected.
 - Project Status Communications: It will coordinate the work of its staff in completing the AMP and will provide Macomb County staff with monthly Project Status Communications.

COMPENSATION

We propose a total not-to-exceed fee of \$495,000 for the work described in this proposal. A breakdown of this cost is given below. This breakdown follows the Project Cost Worksheet item breakdown included in Appendix C of the SAW grant application:

Item	Cost
1. Inventory	\$45,000
2. Condition Assessment	\$40,000
3. Cleaning and Televising	\$350,000
4. Other	\$60,000
TOTAL	\$495,000

AUTHORIZATION

If you concur with this proposal, please sign in the space provided below and return one original signed copy of this proposal for our records. We look forward to working with you on this important project for Macomb County.

If you need additional information, please call me at your convenience.

Sincerely,



Ken Kingsley, P.E.
Vice President

Ms. Lynne Seymour
Stormwater, Asset Management, Wastewater (SAW) Grant Program
Schoenherr Relief Drain Asset Management Plan
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PROPOSAL ACCEPTED BY MACOMB COUNTY:

BY: William Mustard

TITLE: CHIEF DEPUTY MCPWC

DATE: 11-25-2013



Michigan Finance Authority

Stormwater, Asset Management, and Wastewater (SAW) GRANT AGREEMENT

This Grant Agreement ("Agreement") is made as of December 14, 2017, among the Michigan Department of Environmental Quality, Office of Drinking Water and Municipal Assistance (the "DEQ"), the Michigan Finance Authority (the "Authority") (the DEQ and the Authority are, collectively, the "State") and the **Schoenherr Relief Drain Drainage District, County of Macomb** ("Grantee") in consideration for providing grant assistance to the Grantee.

The purpose of this Agreement is to provide funding for the project named below. The State is authorized to provide grant assistance pursuant to the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Legislative appropriation of funds for grant disclosure is set forth in 2013 Public Act 59.

The Grantee shall be required to repay the grant made under this Agreement (the "Grant"), within 90 days of being informed by the State to do so, under certain conditions, as set forth in Section XVIII. Program Specific Requirements: SAW Grant.

Award of a Grant under this Agreement and completion of the activities identified in Exhibit A does not guarantee loan assistance from the State Revolving Fund, Strategic Water Quality Initiatives Fund, or Stormwater, Asset Management or Wastewater.

GRANTEE INFORMATION:

Brian Baker, Chief Deputy
Name/Title of Authorized Representative
21777 Dunham Rd.
Address
Clinton Twp, MI 48036
Address
(586) 469-5325
Telephone number

GRANT INFORMATION:

Project Name: Schoenherr Relief Drain SW AMP
Project #: 1193-01
Amount of Grant: \$ 445,500
Amount of Match \$ 49,500
Project \$ 495,000 (grant plus match)
Start Date: 1/1/2013 End Date: 12/1/2020

DEQ REPRESENTATIVE:

Sonya T. Butler, Chief
Name/Title
525 West Allegan St., PO Box 30473
Address
Lansing, MI 48909-7973
Address
(517) 373-2161
Telephone number
Butlers2@michigan.gov
E-mail address

AUTHORITY REPRESENTATIVE:

Mary G. Martin, Executive Director, MFA
Name/Title
430 W. Allegan St., Austin Building
Address
Lansing, MI 48922
Address
(517) 335-0994
Telephone number
treas_bondfinance@michigan.gov
E-mail

The individuals signing below certify by their signatures that they are authorized to sign this Grant Agreement on behalf of their respective parties, and that the parties will fulfill the terms of this Agreement, including the attached Exhibit A, and use this Grant only as set forth in this Agreement.

GRANTEE

Signature of Grantee

Date

December 14, 2017

Name and title (typed or printed)

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

Its Authorized Officer

Date

December 14, 2017

MICHIGAN FINANCE AUTHORITY

Its Authorized Officer

Date

December 14, 2017

I. PROJECT SCOPE

This Agreement shall be in addition to any other contractual undertaking by the Grantee contained in the Resolution authorizing the Grant (the "Resolution").

This Agreement, including its exhibit(s), constitutes the entire agreement between the DEQ, the Authority, and the Grantee.

(A) The scope of this Grant is limited to the activities specified in Exhibit A (the "Project"), and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the Project identified in Exhibit A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

II. AGREEMENT PERIOD

This Agreement shall take effect on the date that it has been signed by all parties (the "Effective Date"). The Grantee shall complete the Project in accordance with all the terms and conditions specified in this Agreement no later than the End Date shown on page one. **Only costs incurred on or after January 2, 2013 and between the Start Date and the End Date shall be eligible for payment under this Grant.**

III. CHANGES

Any decreases in the amount of the Grantee's compensation, significant changes to the Project, or extension of the End Date, shall be requested by the Grantee in writing, and approved in writing by the State in advance. The State reserves the right to deny requests for changes to the Agreement including its Exhibit A. No changes can be implemented without approval by the State.

IV. GRANTEE PAYMENTS AND REPORTING REQUIREMENTS

The Grantee shall meet the reporting requirements specified in Section XVIII of this Agreement.

V. GRANTEE RESPONSIBILITIES

- (A) The Grantee agrees to abide by all local, state, and federal laws, rules, ordinances and regulations in the performance of this Grant.
- (B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this Grant is not a guarantee of permit approval by the state.
- (C) The Grantee shall be solely responsible to pay all taxes, if any, that arise from the Grantee's receipt of this Grant.
- (D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services furnished by its subcontractors under this Agreement. The State will consider the Grantee to be the sole point of contact concerning contractual matters, including payment resulting from this Grant. The Grantee or its subcontractor shall, without additional grant award, correct or revise any errors, omissions, or other deficiencies in designs, drawings, specifications, reports, or other services.
- (E) The DEQ's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The DEQ's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.
- (F) The Grantee acknowledges that it is a crime to knowingly and willfully file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the Grant.

VI. ASSIGNABILITY

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

VII. NON-DISCRIMINATION

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

VIII. UNFAIR LABOR PRACTICES

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

IX. LIABILITY

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, any subcontractor, or anyone employed by the Grantee.

(B) All liability as a result of claims, demands, costs, or judgments arising out of activities to be carried out by the State in the performance of this Agreement is the responsibility of the State and not the responsibility of the Grantee if the liability is materially caused by any State employee or agent.

(C) In the event that liability arises as a result of activities conducted jointly by the Grantee and the State in fulfillment of their responsibilities under this Agreement, such liability is held by the Grantee and the State in relation to each party's responsibilities under these joint activities.

(D) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

X. CONFLICT OF INTEREST

No government employee or member of the legislative, judicial, or executive branches or member of the Grantee's governing body, its employees, partner, agencies or their families shall have benefit financially from any part of this Agreement.

XI. AUDIT AND ACCESS TO RECORDS

See Section XVIII (C).

XII. INSURANCE

(A) The Grantee shall maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee's actions under this Agreement or from the actions of others for whom the Grantee may be held liable.

(B) The Grantee must comply with applicant workers' compensation laws while engaging in activities authorized under this Agreement.

XIII. OTHER SOURCES OF FUNDING

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement shall not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings or to immediately refund to the State, the total amount representing such duplication of funding.

XIV. COMPENSATION

(A) A breakdown of Project costs covered under this Agreement is identified in Exhibit A. The State will pay the Grantee a total amount not to exceed the amount on page one of this Agreement, in accordance with Exhibit A, and only for expenses incurred. All other costs over and above the Grant amount, necessary to complete the Project, are the sole responsibility of the Grantee.

(B) The Grantee is committed to the match amount on page one of this Agreement, in accordance with Exhibit A. The Grantee shall expend all local match committed to the Project by the End Date of this Agreement.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

XV. CLOSEOUT

(A) A determination of Project completion shall be made by the DEQ after the Grantee has met any match obligations and satisfactorily completed the activities and provided products and deliverables described in Exhibit A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments or funds in excess of the costs allowed by this Agreement.

XVI. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, or other lack of funding upon request by Grantee or upon mutual agreement by the State and Grantee. The State reserves the right to provide just and equitable compensation to the Grantee for all satisfactory work completed under this Agreement.

XVII. TERMINATION

(A) This Agreement may also be terminated by the State for any of the following reasons upon 30 days written notice to the Grantee:

(1) If the Grantee fails to comply with the terms and conditions of the Agreement or with the requirements of the authorizing legislation cited on page 1 or the rules promulgated thereunder, or with other applicable law or rules.

(2) If the Grantee knowingly and willfully presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.

(3) If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.

(4) During the 30-day written notice period, the State shall also withhold payment for any findings under subparagraphs 1 through 3, above.

(5) If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.

(B) The State may immediately terminate this Agreement without further liability if the Grantee, or any agent of the Grantee, or any agent of any subagreement, is:

(1) Convicted of a criminal offense incident to the application for or performance of a state, public, or private contract or subcontract;

(2) Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;

(3) Convicted under state or federal antitrust statutes;

(4) Convicted of any other criminal offense which, in the sole discretion of the State, reflects on the Grantee's business integrity; or

(C) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

XVIII. PROGRAM-SPECIFIC REQUIREMENTS: SAW REPAYABLE GRANT

(A) General Representations. The Grantee represents and warrants to, and agrees with, the Authority and DEQ, as of the date hereof as follows:

(1) Grant funds shall be expended only to cover costs for the development of an Asset Management Plan, Stormwater Management Plan, innovative wastewater or stormwater technology, construction costs for disadvantaged communities, or for planning, design and user charge development.

(2) Grant funds used for administrative activities or activities performed by municipal employees shall be limited to work that is directly related to the Project and is conducted by employees of the Grantee.

(3) The Grantee has full legal right, power and authority to execute this Agreement, and to consummate all transactions contemplated by this Agreement, the Resolution, and any and all other agreements relating thereto. The Grantee has duly authorized and approved the execution and delivery of this Agreement, the performance by the Grantee of its obligations contained in this Agreement, and this Agreement is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(4) The Resolution has been duly adopted by the Grantee, acting through its executive(s) or governing body, is in full force and effect as of the date hereof, and is a valid, legally binding action of the Grantee, enforceable in accordance with the terms thereof except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and by principles of equity if equitable remedies are sought.

(5) The execution and delivery of this Agreement by the Grantee, and the fulfillment of the terms and conditions of, and the carrying out of the transactions contemplated by the Resolution and this Agreement do not and will not conflict with or constitute on the part of the Grantee a breach of, or a default under any existing law (including, without limitation, the Michigan Constitution), any court or administrative regulation, decree or order or any agreement, indenture, mortgage, obligation, lease or other instrument to which the Grantee is subject or by which it is bound and which breach or default would materially affect the validity or binding effect of the Grant, or result in a default or lien on any assets of the Grantee. No event has occurred or is continuing which with the lapse of time or the giving of notice, or both, would constitute a default by the Grantee under the Resolution or this Agreement.

(6) No consent or approval of, or registration or declaration with, or permit from, any federal, state or other governmental body or instrumentality, is or was required in connection with enactment by the Grantee of the Resolution, or execution and delivery by the Grantee of this Agreement which has not already been obtained,

nor is any further election or referendum of voters required in connection therewith which has not already been held and certified and all applicable referendum periods have expired.

(7) Proceeds of the Grant will be applied (i) to the financing of the Project or a portion thereof as set forth in the Resolution and Exhibit A or (ii) to reimburse the Grantee for a portion of the cost of the Project. The Grantee will expend the proceeds of each disbursement of the Grant for the governmental purpose for which the Grant was issued.

(8) The attached Exhibit A contains a summary of the estimated cost of the Project, which the Grantee certifies is a reasonable and accurate estimate.

(9) The Grantee reasonably expects (i) to fulfill all conditions set forth in this Agreement to receive and to keep the Grant, and (ii) that no event will occur as set forth in this Agreement which will require the Grantee to repay the Grant.

(B) Repayment of Grant. The Grantee shall repay the Grant, within 90 days of being informed to do so, with interest calculated from the date Grant funds are first drawn at a rate not to exceed 8% per year, to be determined by the Authority, to the Authority for deposit into the SWQIF.

“(a) A grant recipient (shall) proceed with a project for which grant funding is provided within 3 years after the department approves the grant (executed grant agreement). For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.

(b) The grant recipient (shall) repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided.”

SAW grant recipients for wastewater system asset management plans are required to make significant progress on the funding structure. Significant progress is defined as a 5-year plan to eliminate the gap with a minimum initial rate increase to close at least 10 percent of the funding gap. The first rate increase must be implemented within three years of the executed grant. The applicant will need to certify that all grant activities have been completed at the end of three years. Asset management plans for stormwater systems are to be implemented. Stormwater management grant recipients must develop a stormwater management plan. Innovative project grant recipients must proceed with full implementation or certify that the project is not financially or technically feasible.

(C) Covenants and Certifications.

(1) The Grantee has the legal, managerial, institutional, and financial capability to plan, design, and build the Project, or cause the Project to be built, and cause all facilities eventually constructed to be adequately operated.

(2) The Grantee certifies that no undisclosed fact or event, or pending litigation, will materially or adversely affect the Project, the prospects for its completion, or the Grantee's ability to make timely repayments of the grant if any of the two (2) conditions identified under Section XVIII(B) occur.

(3) The Grantee agrees to provide the minimum appropriate local match for grant-eligible costs and disburse match funds to service providers concurrent with grant disbursements.

(4) The Grantee agrees to maintain complete books and records relating to the grant and financial affairs of the Project in accordance with generally accepted accounting principles ("GAAP") and generally accepted government auditing standards ("GAGAS").

(5) The Grantee agrees that all municipal contracts related to the Project will provide that the contractor and any subcontractor may be subject to a financial audit and must comply with GAAP and GAGAS.

(6) The Grantee agrees to provide any necessary written authorizations to the DEQ and the Authority for the purpose of examining, reviewing, or auditing the financial records of the Project. The applicant also agrees to require similar authorizations from all contractors, consultants, property owners or agents with which the applicant negotiates an agreement.

(7) The Grantee agrees that all pertinent records shall be retained and available to the DEQ and the Authority for a minimum of three years after satisfactory completion of the Project and final payment. If litigation, a claim, an appeal, or an audit is begun before the end of the three-year period, records shall be retained and available until the three years have passed or until the action is completed and resolved, whichever is longer.

(8) The Grantee agrees to ensure that planning and design activities of the Project are conducted in compliance with the requirements of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, its Administrative Rules; and all applicable state and federal laws, executive orders, regulations, policies, and procedures.

(9) The Grantee agrees that the Project shall proceed in a timely fashion and will exercise its best efforts to satisfy the program requirements as identified under Section XVIII(B) within three years of award of the SAW Grant from the Strategic Water Quality Initiatives Fund in accordance with Section 5204(e) of the Natural Resources and Environmental Protection Act 1994, PA 451, as amended.

(10) The Grantee acknowledges that acceptance of a wastewater asset management grant will subsequently affect future NPDES permits to include asset management language as applicable.

(D) Grantee Reimbursements and Deliverables

The Grantee may request grant disbursements no more frequently than monthly, using the Disbursement Request Form provided by the DEQ. Upon receipt of a disbursement request, the DEQ will notify the Authority, which will in turn disburse grant funds equal to 75 percent, 90 percent, or 100 percent of eligible costs, whichever percentage is applicable, that have been adequately documented. The forms provided by the State will include instructions on their use and shall be submitted to the DEQ representative at the address on page 1. All required supporting documentation (invoices) for expenses must be included with the disbursement request form. The Grantee is responsible for the final submittal of all documents prepared under this Grant and included in the Project Scope identified in Exhibit A.

(E) Miscellaneous Provisions.

(1) Applicable Law and Nonassignability. This Agreement shall be governed by the laws of the State of Michigan.

(2) Severability. If any clause, provision or section of this Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections.

(3) Execution of Counterparts. This Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute one and the same document.

XIX. USE OF MATERIAL

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the DEQ funded all or a portion of its development.

XX. SUBCONTRACTS

The State reserves the right to deny the use of any consultant, contractor, associate or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

XXI. ANTI-LOBBYING

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

XXII. IRAN SANCTIONS ACT

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses as outlined in Michigan Compiled Law 129.312

XXIII. DEBARMENT AND SUSPENSION

By signing this Agreement, the Grantee certifies to the best of its knowledge and belief that it, its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.
- (2) Have not within a 3-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a 3-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

SAW Grant Program

Exhibit A

Grantee: Schoenherr Relief Drain Drainage District

Project Name: Stormwater Asset Management Plan

DEQ Approved Grant Amount: \$445,500 (Four Hundred Forty-five Thousand Five Hundred Dollars)

Time Period for Eligible Costs: Start Date January 2013

End Date December 2020

Description of Approved Project Scope:

Preparation of a stormwater asset management plan.

DEQ Approved Project Costs	
1. Project Planning Costs	\$0
2. Design Engineering Costs	\$0
3. User Charge System Development Costs	\$0
4. Wastewater Asset Management Plan Costs	\$0
5. Stormwater Asset Management Plan Costs	\$495,000
6. Stormwater Management Plan Costs	\$0
7. Innovative Wastewater and Stormwater Technology Costs	\$0
8. Disadvantaged Community Construction Costs	\$0
9. Eligible Cost Subtotal	\$495,000
10. LESS Local Match (<i>if applicable</i>)	\$49,500
11. Requested SAW Grant Amount (Line 9 minus Line 10)	\$445,500

YTD Trial Balance

Fund: Schoenherr Relief and Branches

As of Fiscal Period: Oct 1, 2017-Jan 31, 2018

	O&M Balance 9/30/2017	O&M	Total 1/31/2018
Cash - Operating	193,061	139	193,200
Accounts Receivable			0
Assets			0
Liabilities		57	57
Revenues		139	139
Expenditures		57	57
Encumbrance	45,613	(57)	45,556
Equity	147,448		147,587

<u>NOTES</u>	Grant	Match	Total
SAW 1193-01	445,500	49,500	495,000
YTD	(3,498)	(389)	(3,887)
Remaining	442,002	49,111	491,113