

**MASTER SERVICES AGREEMENT FOR THE OPERATION OF DEPARTMENT OF WATER & SEWER FOR  
THE CITY OF LATHRUP VILLAGE**

This Master Services Agreement (Agreement) is made on April 1, 2021 (Effective Date), by and between Sunde Building, Inc. (Service Provider), whose address is 1224 East Windemere, Royal Oak, MI 48073, and City of Lathrup Village, (City), whose address is 27400 Southfield Road, Lathrup Village, MI 48076.

RECITALS

1. Service Provider is in the business of public work services.
2. The City desires to engage Service Provider, and Service Provider desires to be so engaged, for the provision of services in accordance with the terms and conditions contained in this Agreement.

For valid consideration received, the parties agree as follows:

1. *Services.* During the Term (as defined below) of this Agreement, Service Provider shall perform those services set forth on Exhibit A, in accordance with the terms and conditions contained in this Agreement (Services).
2. *Payment.* The City shall pay Service Provider for the Services provided according to the Schedule of Fees provided annually. On the written agreement of both parties, the Schedule of Fees may be amended from time to time during the Term of this Agreement. The City will pay each invoice submitted to it by Service Provider no later than 30 days from the date the invoice is received.
3. *Term and Termination.* This Agreement shall commence on the Effective Date and shall continue for an initial term of one year (Initial Term). The Initial Term shall be extended for consecutive one-year periods unless either party provides written notice of its intent to terminate this Agreement as provided to the other not less than 60 days before the end of the then-current Term. The Initial Term as the same may be extended shall constitute the "Term." Notwithstanding the foregoing, either party may terminate this Agreement (1) on mutual written agreement of the parties, (2) on the occurrence of any breach of this Agreement that is not cured within 30 days after receipt of written notice of the breach, (3) if either party is declared bankrupt or insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed or any proceedings are commenced, voluntarily or involuntarily, by or against either party under any bankruptcy or similar law, or (4) The City may terminate this contract at any time for any reason by giving at least thirty (30) days' notice in writing to the contractor. If this Agreement is terminated, the obligations of Service Provider and the City

shall terminate, other than the City's obligation to provide earned and unpaid compensation to Service Provider for Services performed before the termination date.

4. *Independent Contractor.* The relationship between the parties is that of independent contracting parties. Nothing contained in this Agreement or the course of conduct between the parties will be considered to form a partnership, employment relationship, or any other relationship except that of independent contractor. In performance of the Services under this Agreement, Service Provider is an independent contractor with the authority to control and direct the performance of the Services.

5. *Taxes, Benefits, and Expenses.* Service Provider is responsible for all expenses connected with the performance of the Services to the City under this Agreement. Service Provider shall be solely responsible to pay all applicable federal, state, and local taxes and to file all related returns and reports in connection with the performance of Services to the City under this Agreement. Service Provider acknowledges that the City has no obligation to and will not withhold taxes of any kind or nature with respect to the Services performed by Service Provider. Service Provider shall indemnify and hold the City harmless to the extent of any obligation of the City to pay any taxes, whether income or otherwise, including any withholding taxes, social security taxes, unemployment taxes, or disability insurance or similar items in connection with any payments made to Service Provider by the City.

6. *Insurance.* Service Provider shall purchase and maintain throughout the Term statutory worker's compensation and commercial general liability insurance covering bodily injury, property damage, premises operations, completed operations, and contractual liability, each of which insurance policies shall have limits reasonably satisfactory to City. Service Provider shall also maintain automobile insurance coverage on the vehicle(s) its employees use in the course of the performance of Services to the City under this Agreement. The insurance shall be in the amount, with coverage and from an insurance City satisfactory to City. Service Provider shall maintain coverage without interruption from the Effective Date of this Agreement until the date of termination of this Agreement; *provided, however*, the coverage provided under all policies must be issued on an occurrence basis. At the request of the City, the City shall be added as an additional named insured on any insurance policy. Additionally, Service Provider shall furnish the City with a copy of certificates of insurance, which shall contain an obligation of the carrier to notify the City at least 30 days in advance of any cancellation or nonrenewal of the policy.

List of required insurance:

- a. Worker's Compensation Coverage A;
- b. Employer's Liability Coverage B;
- c. Commercial General Liability in the minimum limit of \$1 million;
- d. Automobile Liability in the minimum limit of \$1 million;
- e. Environmental Insurance or Pollution Liability in the minimum amount of \$1 million;

- f. Excess and Umbrella Liability;
- g. Owners & Contractors Protective Liability in the minimum amount of \$1 million.

7. *Confidentiality.* Neither party shall use, exploit, or make known to any person or business entity, any information directly or indirectly received by a party or acquired pursuant to the relationship created by this Agreement, including, without limitation, information relating to business affairs, data, designs, manuals, training materials and documentation, formulas, ideas, inventions, knowledge of manufacturing processes, methods, prices, financial and accounting data, timekeeping data, products and product specifications, systems and technical information (Confidential Information). Notwithstanding the foregoing, the Service Provider and the City shall each be permitted to disclose Confidential Information of the other to its own employees, subcontractors, accountants, attorneys, and other agents and its affiliates or subsidiaries to the extent the disclosure is reasonably necessary for the performance of its duties and obligations or the enjoyment of its rights under this Agreement; *provided, however,* that Service Provider and the City shall be responsible for any violation of the confidentiality obligations set forth in this Agreement by any permitted third parties to which it provides Confidential Information.

9. *Materials.* It is anticipated that materials such as gravel, salt, sand and the like will be used by the Service Provider on City jobs. The City will have the obligation to purchase all such materials. When the materials are delivered to the service yard, the Service Provider shall sign all delivery receipts and submit the signed delivery receipts along with its monthly report.

10. *Monthly Invoices.* Service Provider shall provide to the City Administrator a monthly invoice. The monthly invoice shall consist of a listing of all work performed during the last thirty days. Payment shall be made as set forth in paragraph 2.

It is specifically understood that any work not on the regular City maintenance list must be pre-approved by the City Administrator or his/her designee.

11. *Files and Records.* Any and all files and records of work performed by the Service Provider shall remain under the ownership of the City. The Service Provider shall maintain a copy of all work records at the DPS Building in appropriately labeled filing cabinets or within a computer program for which the City has been provided all access codes.

12. *Subcontractors.* The City and Service Provider shall review a list of proposed subcontractors which the Service Provider may use in the normal course of its duties. The City shall review the use of all subcontractors, except for those that may be called for emergency services. All subcontractors shall invoice the Service Provider who will then include that invoice with its monthly payment request.

13. *Reasonableness.* Service Provider acknowledges and agrees that Service Provider has weighed all the facts, conditions, and circumstances pertaining to this Agreement, has been

afforded an opportunity to consult with counsel of its choice concerning this Agreement and its legal effect, and acknowledges that all of the provisions of this Agreement are reasonable. Service Provider shall not contest the validity of any provision of this Agreement and waives any and all rights that Service Provider may have to bring any claim, action, or suit or to raise any defense regarding the validity and reasonableness of this Agreement or any of its provisions.

14. *Indemnification.*

(a) Service Provider shall indemnify, defend, and hold the City, its affiliates, and their respective officers, directors, council, members, employees, agents, and other representatives harmless from and against all claims, losses, expenses, liabilities, demands, obligations, or damages of every kind and nature (including, without limitation, reasonable attorney fees and expenses) (Losses), arising out of or related to (i) any act or omission of Service Provider or (ii) any breach of this Agreement by Service Provider.

(b) The City shall indemnify, defend, and hold Service Provider, its affiliates, and their respective officers, directors, council, members, employees, agents, and other representatives harmless from and against all Losses arising out of or related to (i) any act or omission of the City or (ii) any breach of this Agreement by City.

15. *Force Majeure.* If either party is prevented or delayed in the performance of any of its obligations under this Agreement due to Force Majeure (defined below), that party will provide written notice to the other party specifying the nature and expected duration of the Force Majeure. The performance of the party invoking Force Majeure with respect to any obligation will be excused and the time for performance extended, but only for the period of delay or inability to perform due to Force Majeure. If the total of any period of delay or inability to perform due to Force Majeure asserted by either party during the Term equals or exceeds 30 consecutive days, the other party will have the right, at its option, to either terminate this Agreement by written notice or to continue to excuse the first party's performance for the period of any delay or inability to perform due to Force Majeure. As used in this Agreement, "Force Majeure" shall mean any act of God, fire, casualty, flood, war, strike, lockout, labor trouble, or any other circumstances beyond the reasonable control of the party asserting it that prevents or delays the performance of any of its obligations under this Agreement.

16. *Assignment.* The rights and obligations conferred under this Agreement may not be assigned by either party without the prior written consent of the other party. Any attempted assignment in violation of this Section 13 is null and void.

17. *Notices.* Any notice required or permitted to be given under this Agreement must be in writing and may be delivered in person, by registered mail, facsimile, or by overnight courier addressed to the respective party at the address set forth in the introduction of this Agreement or a changed address as may be given by a party to the other by written notice. Any notice will

be considered to have been given when personally delivered or five business days after the date of mailing or one business day after the date of forwarding if sent by facsimile or overnight courier.

18. *Binding Agreement; Successors.* This Agreement will be binding on, inure to the benefit of, and be enforceable by the successors and assigns of the parties; provided, however, that no assignment of this Agreement will be effective without the express written consent of the other party.

19. *Governing Law.* This Agreement is a contract made under, and shall be governed by and construed in accordance with, the laws of the State of Michigan without giving effect to its choice-of-law principles. The parties agree that any legal or equitable action or proceeding with respect to this Agreement or the transactions contemplated by it shall be brought only in any court sitting in Oakland County of the State of Michigan, and each of the parties submits to and accepts generally and unconditionally the exclusive jurisdiction of those courts with respect to it and its property and irrevocably consents to the service of process in connection with any action or proceeding by personal delivery or by the mailing by registered or certified mail, postage prepaid to its address first set forth above. Nothing in this Agreement shall affect the right of any party to serve process in any other manner permitted by law. Each party irrevocably waives any objection to the laying of venue of any action or proceeding in the above described courts.

20. *Cost of Enforcement.* Each party shall pay all costs and expenses, including reasonable attorney fees, incurred by the other party in enforcing the provisions of this Agreement or in recovering any claims or damages arising from a breach of this Agreement if the other party is successful in its action.

21. *Waiver.* The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of any term or obligation or be deemed a waiver of any subsequent breach.

22. *Survival.* The provisions of Sections 5, 7, and 14 shall survive the termination of this Agreement or any relationship between the parties for the period set forth in that Section, and if not set forth, indefinitely.

23. *Severability.* If any provision of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision is invalid and unenforceable as written, that provision will be deemed modified in a manner consistent with the intent of the original provision, so as to make it valid and enforceable. This Agreement, and the application of the

provision to persons or circumstances other than those with respect to which it would be invalid or unenforceable, shall not be affected.

24. *Entire Agreement.* This Agreement constitutes the entire agreement and understanding between the parties and supersedes all other agreements and understandings, both written and oral, of the parties relating to the subject matter of this Agreement.

25. *Counterparts; Facsimile.* This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or electronic transmission, and a facsimile or electronic version of this Agreement or of a signature of a party will be effective as an original.

The parties have executed this Agreement as of the Effective Date.

**SERVICE PROVIDER:**

**SUNDE BUILDING, INC.**

A Michigan limited liability company

By: /s/ \_\_\_\_\_

**Bjerne Sunde**

Its: Member

**CITY OF LATHRUP VILLAGE:**

A Michigan Municipal Corporation

By: /s/ \_\_\_\_\_

**Mykale Garrett**

Its: Mayor

**SUNDE BUILDING, INC.**

**EXHIBIT A**

**Scope of Services**

Revised April 1, 2021

The Service Provider shall supply the following services to the City by way of illustration but not limitation:

**GENERAL WATER & SEWER SERVICES**

- Check for Water Leaks
- Infrastructure maintenance, general repairs and replacement
  - Water Main & Water System
  - Sewer
  - Storm Sewer
  - Curb Box
  - Gate Valve
  - Manholes
- Storm water drainage
- Culvert/Ditch/Stormwater Investigations/Cleaning (at request of City/Contractor)
- Fire Hydrants – repair, replace, maintain/flush
- Gatewell (raise, repair)
- Catch basin inspection/repair (at request of City/Contractor)
- Other functions which are usual for a municipal department of water and sewer.

**EXHIBIT B**  
**Schedule of Work Related to Capital Improvement Projects 2021-2024**

The City shall pay the Service Provider per month upon the submission of the appropriate invoice and other proper documentation.

**Lead & Copper Exterior Verification – Water Service Line Material Identification**  
**Labor & Materials: \$550.00 each**

(Estimated total of 1,500. Projected estimate of 500 each year for 3 years)

- Physical and Visual inspection of both the public and private side of the service lead
- Locate and document city curb stops
- Expose the water service line a minimum of 18” on each side of the curb stop (public and private side).
- Document the existing service line material on each side of the curb stop. Documentation to include property address, public or private side material (lead, copper, galvanized, plastic, other), verification picture, and service size.
- Excavation material to be removed and backfill ~~the excavation~~ with compacted sand.
- Install 2” of topsoil, seed, and mulch all disturbed areas.

**Curb/Stop Box**  
**\$75 each**

- In the event the existing curb box is broken (existing condition) or damaged due to the excavation, the cost to remove and replace with a new curb box is approximately \$75 each.

**Sidewalk Removal / Replacement**  
**\$200 per sidewalk flag (5' x 5')**

- In the event concrete sidewalks are required to be removed and replaced in order to verify the material, the cost for removal and replacement is estimated at \$200 for each location.

**Water Main Replacement**

- Year 1 (2021): The water mains along both Wiltshire and San Rosa from Southfield Road to Lathrup Boulevard will be replaced. These mains have experienced numerous breaks in the past 5 years. Included is the installation of new gate valves and hydrants along with new water service leads from the water main to the curb stop. If any residential services are known to contain lead or galvanized materials, they shall be replaced prior to or concurrently with the



project. Temporary pavement repairs will be installed and the road is scheduled for repairs in 2022.

- Year 2 (2022): The water main along Goldengate from 11 Mile Road to east California will be replaced. This main has experienced numerous breaks in the past 5 years. Included is the installation of new gate valves and hydrants along with new water service leads from the water main to the curb stop. If any residential services are known to contain lead or galvanized materials, they shall be replaced prior to or concurrently with the project. The majority of this water main will be installed in the greenbelt along the east side of the road.
- Year 3 (2023): Bloomfield from LaCrosse to Sunset is a new main intended to connect two existing mains and provide a looped system and increase pressure.
- Year 3 (2023): Glenwood from Santa Barbara to Sunset will be replaced. This main has experienced numerous breaks in the past 5 years. Included is the installation of new gate valves and hydrants along with new water service leads from the water main to the curb stop. If any residential services are known to contain lead or galvanized materials, they shall be replaced prior to or concurrently with the project.

### **Fire Hydrants**

- Approximately 60% of the City's fire hydrants were installed prior to 1930. Many hydrants require either refurbishment or replacement and will be field determined. Each hydrant may / will require different parts to refurbish or replace. It is proposed to replace / refurbish an average of 40 fire hydrants per year. Work will also include backfill with existing excavated materials and landscape restoration. New hydrants will also be installed in certain locations in order to provide increased fire protection.

### **Gate Valves**

- Approximately 60% of the City's gate valves were installed prior to 1930. Many gate valves require either refurbishment or replacement and will be field determined. It is proposed to replace / refurbish an average of 54 gate valves per year. Gate valves located in greenbelts will be installed with a gate box whereas valves located in pavements will be installed in a gate well. Work will also include backfill with existing excavated materials and landscape restoration. New gate valves will be installed at various locations in order to provide better isolation of the water mains.

**EXHIBIT B**  
**Schedule of Work Related to Capital Improvement Projects 2021-2024**

<b>Job</b>	<b>Labor Price</b>	<b>Materials</b>	<b>Mat. Price</b>
<b>Remove old hydrant, install conversion hydrant</b>	<b>\$550.00</b>	<b>5-1/2' conversion hydrant</b>	<b>\$2,770.00</b>
<b>Excavate, Install new 5-1/2' hydrant, valve, d-box</b>	<b>\$1,250.00</b>		
		<b>On 6" main</b>	<b>\$3,639.00</b>
		<b>On 8" main</b>	<b>\$3,700.00</b>
<b>Refurbish and grease existing hydrant</b>	<b>75-475</b>	<b>materials</b>	<b>40-200</b>
<b>Install new gate valve with d-box</b>	<b>\$950.00</b>	<b>material cost for 6"</b>	<b>\$1,102.00</b>
		<b>material cost for 8"</b>	<b>\$1,639.00</b>
<b>Install new gate valve and man hole</b>	<b>\$1,500.00</b>	<b>materials</b>	<b>\$2,740.00</b>
<b>Rebuild gate valve in man hole</b>	<b>\$475.00</b>	<b>materials</b>	<b>75-300</b>
<b>Excavate and rebuild gate well with d-box</b>	<b>\$675.00</b>	<b>materials</b>	<b>75-300</b>