



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

**File #:** 16-1063      **Version:** 1

**Type:** Agenda Item      **Status:** Adopted

**File created:** 10/7/2016      **In control:** Procurement Committee

**On agenda:** 10/20/2016      **Final action:** 10/20/2016

**Title:** Issue purchase order and enter into an agreement for Contract 16-RFP-24, Claims Management Services, with McLarens, Inc. in an amount not to exceed \$150,000.00, Account 901-30000-667220, Requisition 1427999

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
10/20/2016	1	Board of Commissioners	Approved	Pass
10/20/2016	1	Committee of the Whole	Recommended	Pass

### TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 20, 2016

#### COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order and enter into an agreement for Contract 16-RFP-24, Claims Management Services, with McLarens, Inc. in an amount not to exceed \$150,000.00, Account 901-30000-667220, Requisition 1427999

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with McLarens, Inc. to provide Claims Management Services on an as-needed basis for a three-year period, with an option to extend for an additional two years. Services to be provided are Claims Management Services and expertise for the adjustment of large or complex losses, including first-party damage and third-party liability and property damage loss adjustment.

On June 29, 2016, Request for Proposal 16-RFP-24 Claims Management Services was advertised. One hundred twenty-two (122) firms were notified and twenty-four (24) firms requested proposal documents. The District received a total of two (2) responsive proposals on July 29, 2016 from the following vendors: Cannon Cochran Management Services, Inc. (CCMSI) and McLarens, Inc.

The proposals were evaluated by staff from the Human Resources and Procurement and the Materials Management Departments. The criteria for these evaluations were outlined in Request for Proposal 16-RFP-24 and included: understanding of the project; approach to the work; and technical competence. Following the preliminary evaluation of proposals, excluding cost, both of the proposers were deemed to be finalists. Finalist interviews were conducted on September 13, 2016. A solicitation was sent to McLarens, Inc. on September 16, 2016 for an unqualified "best and final" offer. Based on ratings, the response for CCMSI was deemed non-responsive and no BAFO was requested. The "best and final" offer from McLarens, Inc. was returned to the

Director of Procurement and Materials Management on September 22, 2016.

Based on the evaluation of the proposals using the criteria described above and the pricing provided in the "best and final" offer, it is recommended that a contract be awarded to McLarens, Inc.

In business since 1988, McLarens, Inc. has significant experience and expertise in handling the valuation of complex property damage claims. They utilize the Xactimate software program (and others, as appropriate for the loss) in their valuation of property damage claims. Xactware features solutions for every phase of a building's life: from remodeling to totally replacing a building, including tools to estimate building contents, emergency repairs, and a variety of other items.

A great majority of insurance companies utilize, or approve the use of, Xactimate's Xactware for valuing a claim. This eliminates the need for multiple estimates as insurance carriers will accept and rely on the Xactware estimate alone.

McLarens, Inc. is registered and in good standing with the State of Illinois and is well positioned to respond on an emergency basis to an emergency need for property damage assessment and valuation of claims.

The agreement will begin on November 15, 2016 and continue through November 14, 2019. There is an option to extend the services for a two (2) year period. The option to extend is at the sole discretion of the District and will be approved by the Board of Commissioners.

Inasmuch as the firm of McLarens, Inc. possesses a high degree of professional skill, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order and enter into an agreement per Section 11.4 of the Purchasing Act. In an amount not to exceed \$150,000.00.

Funds for the 2016 expenditure, in the amount of \$6,000.00, are available in Account 901-30000-667220. The estimated expenditure for 2017 is \$50,000.00, 2018 is \$50,000.00, and 2019 is \$44,000.00. Funds for the 2017, 2018 and 2019 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Requested, Beverly K. Sanders, Director of Human Resources

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for October 20, 2016