



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Issue a purchase order to McLarens Young International, Inc. for claims adjuster services and related expenses incurred as a result of the operating emergency that was declared on May 15, 2014 in an amount not to exceed \$50,000.00, Account 901-30000-667220, Requisition 1383190

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Date	Ver.	Action By	Action	Result
8/7/2014	1	Board of Commissioners	Approved	Pass
8/7/2014	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR THE BOARD MEETING OF AUGUST 7, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue a purchase order to McLarens Young International, Inc. for claims adjuster services and related expenses incurred as a result of the operating emergency that was declared on May 15, 2014 in an amount not to exceed \$50,000.00, Account 901-30000-667220, Requisition 1383190

Dear Sir:

During the storm of May 11, 2014, approximately 1.8 inches of rain fell in one hour on the south side. At approximately 8:00 pm that night, a concrete slab buried 10 feet beneath the ground was blown off the roof of the junction structure, along with much of the earth above it. In addition, the manhole grating was blown off its location. The surrounding fill was washed into the chamber through the hole where the concrete slab had been, resulting in a large sinkhole surrounding the junction chamber. Less severe damage was noted at various other structures on the Calumet TARP Little Calumet Leg that would also require repairs.

On May 15, 2014, the Board of Commissioners declared an emergency. The District's insurance broker, Mesirow Insurance Services, Inc., recommended that McLarens Young International, Inc. be retained as adjuster for all subsequent claims associated with the emergency. The cost for adjuster services and related expenses associated with the ongoing emergency is estimated not to exceed \$50,000.00.

On June 30, 2014 another significant storm struck the Calumet Service area, causing surging within the TARP tunnel. The expanded venting provided through the access structure under this contract, though incomplete, prevented a recurrence of the air blast witnessed during the May 11, 2014 storm; however, a surge of water was released through the open structure that damaged the concrete forms and rebar that were in place to line the expanded access structure. As a result, the forms had to be dismantled, repaired, and reinstalled. Debris had to be removed, and exposed rebar had to be repaired, cleaned, and retied. Following the June 30, 2014

rain event, the final concrete pour to rebuild the structure was scheduled to occur on July 14, 2014.

On July 12, 2014, an additional significant storm struck the central and southern Cook County areas, again causing surging within the TARP tunnel. Again, the forms to pour the concrete to repair the structure had to be dismantled and reinstalled and the rebar had to be repaired. During the July 12, 2014 event, there was also damage observed at the other TARP structures being addressed under this contract that had to be corrected. That damage included displacement of turf blocks and manhole lids and erosion of the soil in the vicinity of the manholes.

In consideration of the above and in accordance with Section 11.5 of the Purchasing Act, it is requested that the Board of Commissioners authorize execution of a purchase order for McLarens Young International, Inc. for the adjuster's services and related expenses resulting from the emergency that was declared on May 15, 2014, in an amount not to exceed \$50,000.00. This emergency is anticipated to terminate on August 31, 2014.

Funds are available in Account 901-30000-667220.

A full report of the resolution of the emergency will be presented to the Board at a future Board Meeting.

Requested, Denice E. Korcal, 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 August 7, 2014