



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 17-1249, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF DECEMBER 7, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order and enter into an agreement with the law firm of Valentine Austriaco & Bueschel, P.C. to represent and counsel the Metropolitan Water Reclamation District of Greater Chicago in connection with bankruptcy and collection matters in an amount not to exceed \$50,000.00, Account Number 101-30000-612430, Requisition 1480505

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with the law firm of Valentine Austriaco & Bueschel, P.C. to represent and counsel the District in connection with bankruptcy and collection matters in an amount not to exceed \$50,000.00. This contract will be for a period of two years with an option to extend for an additional year.

The District has enacted two ordinances which protect the public health and safety by abating and preventing pollution through the regulation and control of the quantity and quality of sewage, industrial wastes, and other wastes admitted to or discharged into the sewerage systems, sewage treatment facilities, and waters under the jurisdiction of the District. The User Charge Ordinance establishes the rates ("User Charges") for wastewater treatment services provided to non-residential wastewater discharges with the District's jurisdiction. The District's Sewage and Waste Control Ordinance ("SWCO") sets the limits for various pollutants that a facility's discharged wastewater may contain and establishes an enforcement program when a discharger violates those limits.

When a discharger fails to pay the User Charges it owes or fails to pay the non-compliance enforcement charges assessed against it for violating the District's SWCO, the District's Law Department is called upon to assist in the collection of those delinquent charges. Quite frequently, the District finds that the User has filed for bankruptcy protection.

Based on the complexity of bankruptcy laws, specifically as to the rights of a governmental entity as a creditor, it is recommended that a bankruptcy attorney be retained to protect the District's creditor's rights relative to lien and mortgage foreclosure actions, wage garnishments, assignments for the benefit of creditors, recommendations for write-offs, and other possible ancillary matters related to creditor issues.

The District solicited four (4) law firms possessing the expertise to provide the requested legal services. Two law firms responded to the District's request for qualifications by submitting letters of interest. The two firms were interviewed by an evaluation committee comprised of staff from Law, Finance, and Procurement and Materials Management Departments. Based on evaluation criteria, a composite evaluation score was calculated from the committee's individual evaluations. A solicitation was sent to each firm for an unqualified "best and final" offer.

Valentine Austriaco & Bueschel, P.C., is a woman-owned firm with the requisite expertise in bankruptcy and

collection matters, including creditor's rights and lien priority disputes. The firm has agreed to hourly rates of: \$320.00 for Managing Partner, \$300.00 for Partner, \$240.00 for Senior Associate, \$220.00 for Associate, and \$80.00 for Paralegal services, which are the firm's reduced fees for governmental clients.

Therefore, it is requested that the Director of Procurement and Materials Management be authorized to issue a purchase order and enter into an agreement with the law firm of Valentine Austriaco & Bueschel, P.C. to represent the District in bankruptcy and collection matters in an amount not to exceed \$50,000.00.

Funds for the 2017 expenditures in the amount of \$10,000.00 are available in Account 101-30000-612430. The estimated expenditures for 2018 are \$25,000.00 and 2019 are \$15,000.00. Funds for the 2018 2019 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Requested, Susan T. Morakalis, General Counsel, STM:LLD:PS:TN:nm

Recommended, Darlene 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 December 7, 2017