



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 19-0887, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 19, 2019**

#### COMMITTEE ON PROCUREMENT

Mr. Brian Perkovich, Executive Director

Authority to increase purchase order and to exercise an option to extend the agreement for an additional twenty-four month period, for Contract 16-RFP-24 Claims Management Services, with McLarens, Inc., on an as needed basis in an amount of \$100,000.00, from an amount of \$150,000.00, to an amount not to exceed \$250,000.00, Account 901-30000-667220, Purchase Order 3092567

Dear Sir:

On October 20, 2016, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order and enter into agreement for Contract 16-RFP-24 Claims Management Services with McLarens, Inc., in an amount not to exceed \$150,000.00. The original agreement was for three years with an option to extend for an additional two-year period utilizing the same fee schedule. The current contract will expire on November 14, 2019.

This contract has no prior change orders.

This change order is required for continued claim management services on an as-needed basis for adjustment of large or complex losses, including first-party and third-party liability and property damage adjustment.

This change order is in compliance with the Illinois Criminal Code because it was specifically provided for in the original contract, is germane to the original contract as signed, and is in the best interest of the District.

McLarens, Inc. has demonstrated the ability to respond immediately to the District's emergency losses and has provided needed expertise in the valuation of complex property damage claims. Services provided by McLarens have allowed the District to successfully handle and resolve a number of large or complex property damage claims.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to extend the agreement with McLarens, Inc. for an additional twenty-four (24) month period and to increase the purchase order in the amount of \$100,000.00 (66.67% of the current contract value), from an amount of \$150,000.00, to an amount not to exceed \$250,000.00.

The estimated additional expenditures for years 2019, 2020, and 2021 for McLarens Inc. are \$6,000.00, \$50,000.00, and \$44,000.00, respectively.

Funds for the 2019 expenditures are available in Account 901-30000-667220. Funds for 2020 and 2021 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, BKS:RAJ:RG:aw

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 September 19, 2019

Attachment