



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Authority to settle Kissane, et al. v. Metropolitan Water Reclamation District of Greater Chicago, Case No. 18 L 10088, in the amount of \$1,120,000.00 representing the remaining self-insured retention for the August 30, 2018 explosion at the Calumet Water Reclamation Plant, Account 901-30000-667220

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9/2/2021	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 2, 2021

COMMITTEE ON JUDICIARY

Mr. Brian A. Perkovich, Executive Director

Authority to settle *Kissane, et al. v. Metropolitan Water Reclamation District of Greater Chicago*, Case No. 18 L 10088, in the amount of \$1,120,000.00 representing the remaining self-insured retention for the August 30, 2018 explosion at the Calumet Water Reclamation Plant, Account 901-30000-667220

On the morning of August 30, 2018, an explosion occurred in the Sludge Concentration Building of the District's Calumet Water Reclamation Plant. As a result of that explosion, the floor and roof structures of that building collapsed. William Kissane and William Ruiz, who were employees of Amalgamated Services, Inc., a subcontractor of Independent Mechanical Industries ("IMI"), were injured in the collapse.

Mr. Kissane was crushed by the falling ceiling and was trapped under the rubble for roughly 20 minutes and rescued by emergency personnel. As a result, Mr. Kissane allegedly sustained significant physical and mental injuries. Mr. Ruiz escaped the building on his own but also claims physical and mental injuries.

On September 18, 2018, Mr. Kissane and Mr. Ruiz jointly filed a personal-injury lawsuit against the District and IMI. After nearly three years of litigation, the parties have reached a proposed settlement of this case. Under the proposed settlement, Mr. Kissane will receive \$5,630,000.00 and Mr. Ruiz will receive \$500,000.00.

The District's Excess Casualty Insurance covers Mr. Kissane and Mr. Ruiz' personal injury claims. The self-insured retention ("SIR") amount under this line of coverage is \$1,250,000.00. The insurance carrier assumes liability for any amount paid over the District's SIR. To date, the District has expended \$130,000.00 of its SIR on an investigation of the incident. Therefore, the District's remaining SIR is \$1,120,000.00, and the District is required to pay this remaining amount toward the settlement. The rest of the settlement will be paid by the District's insurer and Co-Defendant IMI.

It is the General Counsel's opinion that this settlement is in the District's best interest and that a better result

would not be obtained if these claims were to proceed to trial. The proposed settlement takes into account the cause and severity of the August 30, 2018 explosion at the Calumet Water Reclamation Plant and the alleged injuries sustained.

In consideration of the above, it is requested that the Board of Commissioners authorize settlement of the *Kissane, et al. v. Metropolitan Water Reclamation District of Greater Chicago, et al.*, Case No. 18 L 10088, in the amount of \$1,120,000.00 representing the remaining SIR for the August 30, 2018 explosion at the Calumet Water Reclamation Plant, and to authorize the General Counsel to execute all other documents necessary in furtherance thereof.

Funds are available in Account 901-30000-667220.

Requested, Susan T. Morakalis, General Counsel, JTM:nl

Respectfully Submitted, Mariyana T. Spyropoulos, Chairman Committee on Judiciary

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for September 2, 2021