



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0052, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 24, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A Perkovich, Executive Director

Authority to increase purchase order with the law firm of Neal & Leroy, LLC, to represent the District in acquiring certain property rights in connection with the construction, operation, and maintenance of the Addison Creek Channel Improvements Project (Contract 11-187-3F) in the municipalities of Northlake, Stone Park, Melrose Park, Bellwood, Westchester, and Broadview, Illinois, in an amount of \$200,000.00, from an amount of \$400,000.00, to an amount not to exceed \$600,000.00, Account 501-50000-612430, Purchase Order 3094927

Dear Sir:

On June 1, 2017, the Board of Commissioners ("Board") authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement with the law firm of Neal & Leroy, LLC to represent the District in acquiring certain property rights in connection with the construction, operation and maintenance of the Addison Creek Channel Improvements Project (Contract 11-187-3F) ("Project") in the municipalities of Northlake, Stone Park, Melrose Park, Bellwood, Westchester, and Broadview, Illinois. This project, combined with the Addison Creek Reservoir Project (Contract 11-186-3F), is expected to provide \$116 million in flood relief benefits to the area, with approximately 2,200 properties receiving relief from flooding damages.

The designated right-of-way for the project requires the District to acquire property interests impacting approximately 175 parcels of land consisting of 271 property index numbers, including both residential and commercial properties located across all six municipalities. The needed property interests include a combination of fee simple takings and permanent or temporary easements.

Since the execution of the agreement, Neal & Leroy, LLC has provided legal assistance in the negotiations of the complex acquisitions and has filed seven condemnation lawsuits on behalf of the District. Neal & Leroy, LLC is also overseeing the relocation assistance program for eligible property owners to ensure compliance with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act.

A change order is requested in order for Neal & Leroy, LLC to complete the pending negotiations and condemnation cases, and to file additional condemnation lawsuits where an agreement cannot be reached with the property owners. In addition, Neal & Leroy, LLC will continue to oversee the relocation assistance program for the remaining persons who are displaced due to the Project. To minimize legal costs, the District has been handling all closings and municipal easements in-house, and will continue to do so for the remainder of the right-of-way acquisition.

This purchase order has no prior change orders.

This change order is in compliance with the Illinois Criminal Code because the additional legal assistance necessary to complete the right-of-way acquisitions was not reasonably foreseeable at the time the contract

was signed. The change is germane to the original contract as signed, and the change order is in the best interest of the District.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute a change order to increase the purchase order and amend the agreement in an amount of \$200,000.00 from an amount of \$400,000.00, to an amount not to exceed \$600,000.00.

Funds in the amount of \$200,000.00 are available in Account 501-50000-612430.

Requested, Susan T. Morakalis, General Counsel, and Catherine A. O'Connor, Director of Engineering,
STM:EMA:BJD:TN:nm

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 January 24, 2019