



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 16-0119 **Version:** 1 **Name:**
Type: Resolution, BOWC **Status:** Approved
In control: Office of the General Counsel
On agenda: 9/21/2016 **Final action:** 9/21/2016
Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department delegates its final approval authority at a threshold of \$50,000.00 for the settlement of all claims made against and paid by DWSD to the Director and the General Counsel, and also authorizes the Director to take such other actions as may be necessary to accomplish the intent of this vote.
Indexes: Finance Committee
Code sections:
Attachments: 1. Dec 14 2012 Order

Date	Ver.	Action By	Action	Result
9/21/2016	2	Board of Water Commissioners	approved as amended	Pass
9/20/2016	2	Finance Committee	recommended for approval	

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department **delegates its final approval authority at a threshold of \$50,000.00 for the settlement of all claims made against and paid by DWSD to the Director and the General Counsel**, and also authorizes the Director to take such other actions as may be necessary to accomplish the intent of this vote.

Agenda of September 21, 2016 Item No. 16-0119

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Water and Sewerage Department

RE: Delegation of Board Authority to Settle Lawsuits or Contract Claims of a Certain Threshold

MOTION

Upon recommendation of Richard Sulaka, General Counsel, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department **delegates its final approval authority at a threshold of \$50,000.00 for the settlement of litigation and for the resolution of contract claims paid by DWSD to the Director and the General Counsel**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On December 14, 2012 the United States District Court for the Eastern District of Michigan entered an Order *United States of America v. City of Detroit*, Case No. 77-71100 wherein the Court adopted the Root Cause

Committee's Plan of Clarification of November 8, 2012 and ordered that the City of Detroit and DWSD implement the Order. Contained within the Root Cause Committee's Plan was the recommendation that the Board of Water Commissioners ("BOWC") be "authorized to delegate its final approval authority at a threshold of its choosing for the settlement of litigation and for the resolution of contract claims paid by DWSD to the DWSD Director or DWSD General Counsel." Therefore, since December 14, 2012, the BOWC has had the ability to delegate its final approval authority for the settlement of lawsuits and claims.

JUSTIFICATION

DWSD's Office of the General Counsel handles litigation in-house, oversees outside counsel, and additionally handles claims for property damage and personal injury. It is recommended that the BOWC utilize the ability to delegate its final settlement authority to the DWSD Director and General Counsel for lawsuits and claims up to \$50,000.00. This threshold keeps the delegated authority in line with the DWSD Procurement Policy. DWSD General Counsel's Office will present the BOWC with monthly reports of all claims and lawsuits settled in accordance with this Resolution.