

Legislation Text

#### File #: 16-0185, Version: 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into DWSD Legal Services Contract No. LS-1835 with Albert B. Addis in the amount of \$400,000.00, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of December 7, 2016 Item No. 16-0185 Proposed Contract No. LS-1835 Project Length: 365 Days Amount: \$400,000.00

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

FROM: Gary Brown, Director Water and Sewerage Department

# **RE:** Approval of Legal Services Contract LS-1835

#### MOTION

Upon recommendation of Richard Sulaka, General Counsel, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to enter into DWSD Legal Services Contract No. LS-1835 with Albert B. Addis in the amount of \$400,000.00, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

# JUSTIFICATION

The subject contract provides for adjustment and settlement of claims filed in connection with the July 8 and August 15-16, 2016 rain events and corresponding basement flooding of Detroit residents living primarily in the 48214, 48215, and 48236 zip codes. Due to the confidential nature of the settlements, paired with the necessity of adjustment services to vet the nearly 1,100 claims and process them in a timely manner, a legal services contract with the ability to perform adjustment services was deemed necessary.

# BACKGROUND

On July 8 and August 15-16, 2016 large and intense rain events occurred and as a result many residents located in the lower east side of Detroit experienced basement back-ups of water containing sewage and other contaminants. MCL 691.1417 *et seq.* contains an exception to governmental immunity for sewage disposal system events. Claimants are required to file written claims within 45 days of the occurrence. DWSD received over 1500 claims as a result of the July 8 and August 15-16 rain events, approximately 1100 of which were located in the 48214, 48215, and 48236 zip codes. DWSD does not have a sufficient amount of staff to closely examine this large volume of claims, however, DWSD has settled claims of residents who have notified DWSD

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that they are without heat or hot water as a result of the floods.