



CITY OF MILWAUKEE

7003 MAY 20 PM 1:21

RONALD D. LEONHARDT
CITY CLERK

3533 N. 27th Street

Milwaukee, WI 53216

Tel. (414) 447-4000

May 16, 2003


Mr. Ronald D. Leonhardt
Office of the City Clerk
Room 205 City Hall
200 East Wells Street
Milwaukee, WI 53202

Dear Sir:

On May 13, 2003 at about 1:30 p.m., a temporary water supply line, which supplied water to the Tower Automotive Ram Frame Assembly operations and buildings, was shut off by the City on Townsend Street between 27th Street and 31st Street. We have been working with Taylor from the Water Department to insure that during the city's water project, Tower Automotive would not have water interruption for operations and fire protection. Upon notification from Tower's manufacturing group that the operations had gone down due to water interruption, our on-site resource contacted Taylor. Taylor confirmed that the temporary water line was inadvertently turned off and efforts were underway to restore the water supply.

The impact of the city's actions on equipment and the Tower Automotive operations was two Ram frame assembly lines lost production of 5.9 hours, loss of sales of \$138,060, repair costs to equipment of \$24,176 and loss of man-hours calculated to \$11,564 (see attachment). The total amount of reimbursement for this claim is \$173,800.

I can be contacted at 414-447-4271 between 7:00 a.m. and 3:30 p.m.


James T. Baumann
Maintenance Leader

Attachment

03 MAY 20 PM 3:15
CITY OF MILWAUKEE
CLERK'S OFFICE



Ram Assembly lines impact due to water outage on 5/13/2003

	<u>North Line</u>	<u>South Line</u>	<u>Total</u>
Initial Delay Hrs.	1.8	1.6	3.4
Collateral Damage Hrs.	0	2.5	2.5
Total Delay Hrs.	<u>1.8</u>	<u>4.1</u>	<u>5.9</u>

Lost Units 36/hr net	64.8	147.6	212.4
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Lost Sales \$ \$650/unit	\$ 42,120	\$ 95,940	\$ 138,060
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	<u>Item</u>	<u>Cost</u>
Laser Parts Damaged	2 -pumping chambers	\$ 23,310
	1 -output coupler	\$ 633
	1 -rear mirror	\$ 233.00
Total part costs		<u>\$ 24,176</u>

	<u>North Line</u>	<u>South Line</u>	<u>Total</u>
Head Count Impact			
DIRECTS	37	37	74
INDIRECTS	19	19	38
Manhours	<u>100.8</u>	<u>229.6</u>	<u>330.4</u>
Total Manhours	100.8	229.6	330.4
Total Manpower \$ \$35/hr	\$ 3,528	\$ 8,036	\$ 11,564