



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

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**Title:** Authority to issue a 6-month permit extension to IMTT-Illinois for the use of approximately 37.25 acres of improved District real estate lying at the confluence of the Cal-Sag and Main Channels in Lemont, Illinois, and c/k/a Main Channel Parcel Numbers 26.02 and 26.03. Consideration shall be a 6-month permit extension fee of \$135,750.00

**Sponsors:**

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**Attachments:** 1. 08-12-10\_IMTT.pdf

Date	Ver.	Action By	Action	Result
8/12/2010	1	Committee of the Whole	Recommended	Pass
8/12/2010	1	Board of Commissioners	Approved	Pass

### TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 12, 2010

#### COMMITTEE ON REAL ESTATE

Mr. Richard Lanyon, Executive Director

Authority to issue a 6-month permit extension to IMTT-Illinois for the use of approximately 37.25 acres of improved District real estate lying at the confluence of the Cal-Sag and Main Channels in Lemont, Illinois, and c/k/a Main Channel Parcel Numbers 26.02 and 26.03. Consideration shall be a 6-month permit extension fee of \$135,750.00

Dear Sir:

IMTT-Lemont n/k/a IMTT-Illinois ("IMTT") has occupied approximately 37.25 acres of District land lying at the confluence of the Cal-Sag and Main Channels in Lemont, Illinois, and c/k/a Main Channel Parcel Numbers 26.02 and 26.03 under a series of permits since its lease expired. Permits were issued to allow the continued use of the property for a bulk chemical and petroleum product storage and distribution facility, while IMTT investigated and remediated certain environmental conditions at the premises. The previous annual permit fee for the subject property was \$202,554.00.

In accordance with the District's position that all environmental issues arising under an old lease be addressed prior to making the property available for a new lease, IMTT remediated the environmental "hot spots." IMTT has also submitted remediation plans which have been approved by the District's Site Remediation Section for completion of any remaining remediation. The schedule of completion of the remediation will depend upon whether IMTT is ultimately awarded the new lease. If IMTT is awarded a new lease, the remediation will occur during the term of the lease. In the event IMTT is not awarded a new lease, IMTT has provided a letter of credit in the amount of \$7,500,000.00 to ensure compliance with and completion of the required remediation plan. Accordingly, the site has been cleared as ready for the bidding of a new lease.

It is recommended that IMTT's permit be extended for 6-months to allow for completion of obtaining appraisals and the statutory bidding process for a new lease. The permit fee of \$135,750.00 is the pro-rata share of the current fair market value of the site based upon a recent appraisal. This is a substantial increase over the previous permit fee.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of a 6-month permit extension to IMTT-Illinois for the use of approximately 37.25 acres of District land lying at the confluence of the Cal-Sag and Main Channels in Lemont, Illinois, c/k/a Main Channel Parcel Numbers 26.02 and 26.03. Consideration shall be a 6-month permit extension fee of \$135,750.00.

It is further requested that the Executive Director recommend to the Board of Commissioners that the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute said permit extension agreement after same is approved by the General Counsel as to form and legality.

Requested, Frederick M. Feldman, General Counsel, FMF:CL:STM:rg

Recommended, Richard Lanyon, Executive Director

Respectfully Submitted, Terrence J. O'Brien, Chairman Committee on Real Estate Development Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for August 12, 2010

Attachment