



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 15-0935, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 3, 2015**

#### **COMMITTEE ON PROCUREMENT**

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 15-362-11 for public tender of bids a 39-year lease on 22.38+/- acres of District real estate located between 9<sup>th</sup> Street and Division Street in Lockport, Will County, Illinois; Main Channel Parcel 15.05. The minimum initial annual rental bid shall be established at \$52,000.00

Dear Sir:

On November 20, 2014, the District's Board of Commissioners authorized the commencement of statutory procedures to lease the subject District real estate. The proposed use is to operate a barge business.

This site is currently vacant, except for certain short-term permits issued to government entities to launch boats on a limited basis to analyze fish species in the Main Channel. Any lease awarded will be subject to these existing permits.

Pursuant to statute, the lead applicant, American Commercial Lines, LLC, submitted two appraisals and the Law Department obtained a third appraisal as follows:

<b><u>Appraiser</u></b>	<b><u>Value</u></b>
Appraisal Associates William J. Enright, MAI (District's appraiser)	\$384,000.00
Conn Valuation Group Paul D. Conn, MAI	\$500,000.00
Integra Realty Resources Eric L. Enloe, MAI	\$520,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$520,000.00 and that the minimum annual rental bid be established at 10% of the property's fair market value or \$52,000.00.

It is further recommended that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of the following orders:

1. The real estate consisting of 22.38+/- acres located between Division Street and 9<sup>th</sup> Street in Lockport, Will County, Illinois; Main Channel Parcel 15.05 depicted in the exhibit attached hereto be declared surplus and not needed for the District's corporate purposes and available for lease as set forth herein.

2. The fair market value of the 22.38+/- acres of real estate be established at \$520,000.00 and that the minimum initial annual rental be established at 10% thereof or \$52,000.00.
3. The Director of Procurement and Materials Management be authorized to advertise said 22.38+/- acres of real estate as available for lease for a term of thirty-nine (39) years at the minimum initial annual rental bid of \$52,000.00 and report the results of the bidding to the Board of Commissioners for further action.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and direct the Director of Procurement and Materials Management to advertise Contract 15-362-11 for public tender of bids a 39-year lease of 22.38+/- acres of District real estate located between Division Street and 9<sup>th</sup> Street in Lockport, Will County, Illinois; Main Channel Parcel 15.05. The minimum initial annual rental bid shall be established at \$52,000.00.

Requested, Ronald M. Hill, General Counsel, RMH:SM:vp

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 September 3, 2015

Attachment