



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 15-1135, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 15, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 15-364-11 for public tender of bids a 39-year lease on 22.81 acres of District real estate located at 16050 Des Plaines River Road in Lemont, Illinois; Main Channel Parcel 23.01. The minimum initial rental bid shall be established at \$215,000.00 (*As Revised*)

Dear Sir:

On April 9, 2015, the Board of Commissioners authorized the commencement of statutory procedures to lease approximately 22.81 acres of District real located at 16050 Des Plaines River Road in Lemont, Illinois and known as Main Channel Parcel 23.01. The site is currently vacant.

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

| <u>Appraiser</u> | <u>Value</u> |
|---|----------------|
| Appraisal Associates William J. Enright, MAI (District's appraiser) | \$2,150,000.00 |
| Renzi & Associates Neal J. Renzi, MAI | \$1,500,000.00 |
| C.A.S.E. Chicagoland, Inc. Toby J. Sorensen, MAI | \$1,000,000.00 |

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$2,150,000.00 and that the minimum annual rental bid be established at 10% of the property's fair market value or \$215,000.00.

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 22.81 acres located at 16050 Des Plaines River Road in Lemont, Illinois, and known as Main Channel Parcel 23.01 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 22.81 acres of real estate be established at \$2,150,000.00 and that the minimum initial annual rental be established at 10% thereof or \$215,000.00.

3. The Director of Procurement and Materials Management be authorized to advertise said 22.81 acres of real estate as available for lease for a term of thirty-nine (39) years at the minimum initial annual rental bid of \$215,000.00 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 the Director of Procurement and Materials Management to advertise Contract 15-364-11 for public tender of bids a 39-year lease on 22.81 acres of District real estate located at 16050 Des Plaines River Road in Lemont, Illinois; Main Channel Parcel 23.01. The minimum initial rental bid shall be established at \$215,000.00.

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

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Submitted by, 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 October 15, 2015

Attachment