



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF MARCH 15, 2018

COMMITTEE ON PROCUREMENT

David St. Pierre, Executive Director

Authorization to accept initial annual rental bid for Contract 17-368-11 Proposal to Lease for fifty (50) years, 0.074 acres of District real estate located at the northwest corner of Route 83 and 127th Street in Alsip, Illinois; Cal-Sag Channel Parcel 11.03 (Portion) from SMK3, LLC in the amount of \$5,000.00

Dear Sir:

At its meeting of November 16, 2017, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise Contract 17-368-11 Proposal to Lease for fifty (50) years, 0.074 acres of District real estate located at the northwest corner of Route 83 and 127th Street in Alsip, Illinois; Cal-Sag Channel Parcel 11.03 (Portion). The minimum acceptable annual rental bid was established at \$5,000.00.

One bid was received for the subject proposal and was opened on December 19, 2017. The bid was received from SMK3, LLC ("SMK3") for a minimum initial annual rental bid of \$5,000.00 (47.7% of the appraised fair market value). The site is currently vacant. SMK3 owns an adjacent restaurant establishment, and would use the subject site as a driveway in conjunction with the restaurant's operations.

The Finance Department has reviewed SMK3's financial and company background information and has reported that it demonstrates the ability to meet its financial obligations under the new proposed lease.

It is requested that the Executive Director recommend to the Board of Commissioners that it accept the initial annual rental bid for Contract 17-368-11 Proposal to Lease for fifty (50) years, 0.074 acres of District real estate located at the northwest corner of Route 83 and 127th Street in Alsip, Illinois; Cal-Sag Channel Parcel 11.03 (Portion) from SMK3, LLC in the amount of \$5,000.00.

It is also requested that the Executive Director recommend to the Board of Commissioners that it authorize and direct the Chairman of the Committee on Finance and the Clerk to execute the lease agreement after it has been approved by the General Counsel as to form and legality.

Requested, Susan T. Morakalis, General Counsel, STM:CMM:PS:vp

Recommended, Darlene LoCascio, Director of Procurement and Materials Management

Recommended, David St. Pierre, Executive Director

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 March 15, 2018

Attachment