



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 18-0279, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF MARCH 15, 2018

COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Authority to grant a 25-year, 25' x 898' \pm non-exclusive easement to Peoples Gas Light and Coke Company to continue to construct, reconstruct, operate, maintain, repair and remove two (2) drop shafts and a 42-inch natural gas pipeline on District Cal-Sag Channel Parcels 8.04 and 8.09 and beneath the bed of the Cal-Sag Channel in Palos Township, Illinois. Consideration shall be an initial annual easement fee of \$8,000.00

Dear Sir:

On June 1, 1993, the District granted a 25-year, 25' x 898' non-exclusive easement to Peoples Gas Light and Coke Company ("Peoples Gas") to construct, reconstruct, operate, maintain, repair and remove two (2) drop shafts and a 42-inch natural gas pipeline on District Cal-Sag Channel Parcels 8.04 and 8.09 and beneath the bed of the Cal-Sag Channel in Palos Township, Illinois. The easement expires May 31, 2018. Peoples Gas currently pays an annual easement fee of \$4,582.83.

Peoples Gas has requested a new 25-year easement to continue to operate and maintain the 42-inch natural gas pipeline and two (2) drop shafts which are used to access the pipeline. Parcel 8.04 is under lease to the City of Palos Heights and Parcel 8.09 is under lease to the City of Palos Hills, both for recreational use. The leases are subject to Peoples Gas' pre-existing easement and therefore this easement is not subject to the Cities' consents.

The District's technical departments have reviewed Peoples Gas' request for an easement and have no objections thereto. An initial annual easement fee of \$8,000.00 is recommended, which represents 10% of the appraised fair market value.

It is requested that the Executive Director recommend to the Board of Commissioners that it grant a 25-year, 25' x 898' \pm non-exclusive easement to Peoples Gas Light and Coke Company to continue to construct, reconstruct, operate, maintain, repair and remove two (2) drop shafts and a 42-inch natural gas pipeline on District Cal-Sag Channel Parcels 8.04 and 8.09 and beneath the bed of the Cal-Sag Channel in Palos Township, Illinois. Consideration shall be an initial annual easement fee of \$8,000.00.

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 said easement agreement on behalf of the District after it is approved by the General Counsel as to form and legality.

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

Recommended, David St. Pierre, Executive Director

Respectfully Submitted, David J. Walsh, 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 March 15, 2018

Attachment