

Legislation Text

File #: 19-0038, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 10, 2019

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to grant to Praxair, Inc. a 10-year, 24,750<u>+</u> sq. ft. non-exclusive easement to continue to construct, reconstruct, operate, maintain, repair, replace, and remove an 8-inch underground oxygen pipeline on vacant District real estate adjacent to the District's SEPA Station 2 located south of 127th Street and west of Edbrooke Avenue in Chicago, Illinois. Consideration shall be an initial annual easement fee of \$12,705.00

Dear Sir:

Since June 24, 1969, Praxair, Inc. ("Praxair") has been granted a series of easements for operating and maintaining an 8-inch underground oxygen pipeline on 24,750<u>+</u> sq. ft. of vacant District real estate adjacent to the District's SEPA Station 2 located south of 127th Street and west of Edbrooke Avenue in Chicago, Illinois. The easement expires September 1, 2019. The current annual easement fee is \$12,334.60.

Praxair has requested a new 10-year easement to continue to operate and maintain the 8-inch underground oxygen pipeline.

The technical departments have reviewed this request and have no objections thereto. An initial annual easement fee of \$12,705.00 is recommended, which represents 10% of the last appraised value plus a 3% inflationary rate. Under the previous easements Praxair has been granted a waiver of the environmental insurance coverage requirements as oxygen does not present risks of environmental contamination. The Engineer of Site Remediation has no objections to this grant of a waiver in this instance.

It is requested that the Executive Director recommend to the Board of Commissioners that it grant to Praxair, Inc. a 10-year, 24,750<u>+</u> sq. ft. non-exclusive easement to continue to construct, reconstruct, operate, maintain, repair, replace, and remove an 8-inch underground oxygen pipeline on vacant District real estate adjacent to the District's SEPA Station 2 located south of 127th Street and west of Edbrooke Avenue in Chicago, Illinois. Consideration shall be an initial annual easement fee of \$12,705.00.

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 after it is approved by the General Counsel as to form and legality.

Requested, Susan T. Morakalis, General Counsel, STM:CMM:nhb Recommended, Brian A. Perkovich, Executive Director Respectfully Submitted, Kari K. Steele, Vice-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 January 10, 2019

Attachment