



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0677, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JULY 11, 2019

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to issue a 6-month, 36,625± sq. ft. permit to Kinder Morgan Liquids Terminals LLC for construction staging on District real estate located on Main Channel Parcels 34.03, 34.05, 35.04, 37.05 and 40.01 in Summit, Stickney and Chicago, Illinois. Consideration shall be \$5,000.00

Dear Sir:

Since 1958, Enterprise TE Products Pipeline Company LLC ("Enterprise") and its predecessors in interest have held a perpetual 4.8 mile-long easement for a subterranean petroleum pipeline ("Pipeline") traversing several parcels of District land south of the Main Channel between Summit and Chicago, Illinois. The Pipeline delivers petroleum products to Chicago Midway International Airport. The perpetual easement was subject to a one-time payment of \$28,500.00.

Kinder Morgan Liquids Terminals LLC ("Kinder Morgan") is responsible for the day-to-day operation, inspection and maintenance of the Pipeline. Kinder Morgan plans to perform maintenance on six segments of the Pipeline. Accordingly, Kinder Morgan has requested a 6-month permit for construction staging on Main Channel Parcels 34.03, 34.05, 35.04, 37.05 and 40.01 in Summit, Stickney and Chicago, Illinois.

Each of the Parcels is vacant, except for Parcel 40.01, which is leased to Reliable Materials Corporation of Illinois ("Reliable") until December 31, 2056. Staging on Parcel 40.01 is therefore subject to Reliable's consent.

The District's technical departments have reviewed this request and have no objections thereto. A permit fee in the amount of \$5,000.00 is recommended, as the pro-rata share of 10% of the fair market value of the land would yield a fee less than the District's minimum permit fee of \$5,000.00.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of a 6-month, 36,625± sq. ft. permit to Kinder Morgan Liquids Terminals LLC for construction staging on District real estate located on Main Channel Parcels 34.03, 34.05, 35.04, 37.05 and 40.01 in Summit, Stickney and Chicago, Illinois. Consideration shall be \$5,000.00.

It is also requested that the Executive Director recommend to the Board of Commissioners that the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute said permit agreement after it is approved by the General Counsel as to form and legality.

Requested, Susan T. Morakalis, General Counsel, STM:JJZ:JAW:vp

Recommended, Brian A. Perkovich, Executive Director

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for July 11, 2019

Attachment