



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0687, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JULY 11, 2019

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to grant a 25-year, 8,174.7 sq. ft. non-exclusive easement to the Midlothian-Markham Water Commission for continued maintenance and operation of a 30-inch water main across and underneath the Cal-Sag Channel and Cal-Sag Channel Parcels 13.03 and 13.04 located east of Pulaski Road in Alsip and Crestwood, Illinois. Consideration shall be an initial annual fee of \$5,000.00

Dear Sir:

Since August 28, 1969, the Midlothian-Markham Water Commission ("Water Commission") has been granted a series of non-exclusive easements to construct, reconstruct, operate, maintain, repair and remove a 30-inch water main across and underneath the subject District real estate. The easement, as extended, expires August 31, 2019, and the current annual easement fee is \$1,022.50.

The Water Commission has requested a new 25-year easement to continue to operate and maintain its 30-inch water main.

The District's technical departments have reviewed the Water Commission's request and have no objections thereto. Because the Water Commission derives revenue under this easement, based on the District's policy to assess annual rent based on the fair market value when the easement is generating revenue, an annual easement fee is recommended rather than a nominal fee. 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 easement fee of \$5,000.00, an initial annual easement fee in the amount of \$5,000.00 is therefore recommended.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve the grant of a 25-year, 8,174.7 sq. ft. non-exclusive easement to the Midlothian-Markham Water Commission for continued maintenance and operation of a 30-inch water main across and underneath the Cal-Sag Channel and Cal-Sag Channel Parcels 13.03 and 13.04 located east of Pulaski Road in Alsip and Crestwood, Illinois. Consideration shall be an initial annual fee of \$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 easement agreement after it is approved by the General Counsel as to form and legality.

Requested, Susan T. Morakalis, General Counsel, STM:JJZ:mm: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