



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 APRIL 4, 2013

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Title

Authorization to accept initial annual rental bid of \$68,501.00 from and enter into a lease with the Wilmette Harbor Association for a 39-year term on 6.19 acres of District real estate, including the Wilmette Harbor, located at 20 Harbor Drive in Wilmette, Illinois; North Shore Channel Parcels 1.02, 1.03 & 1.04, Lease Number 12-370-11 (*Deferred from March 7 and March 21, 2013 Board Meetings*)

Body

Dear Sir:

At its meeting of September 6, 2012, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for public tender of bids a lease of 6.19 acres of District real estate, including the Wilmette Harbor, located at 20 Harbor Drive in Wilmette, Illinois, and known as North Shore Channel Parcels 1.02, 1.03 and 1.04 (the "Harbor"). The minimum acceptable annual rental bid was established at \$67,000.00. Additionally, the bid package advised all bidders that any lease on this site will require that the lessee dredge the Harbor and to keep it free from sand deposited by the littoral drift or other wave action so that an adequate supply of water can enter the Harbor to supply the District's pumps located at the Wilmette Pump Station.

In response to the public bid advertisement, a bid opening was held on October 23, 2012. The bid tabulation for this contract is:

Wilmette Harbor Management, Inc. ("WHM") for a minimum initial annual rental bid of \$70,000.00;

Centerpointe Yacht Services, LLC ("Centerpointe") for a minimum initial annual rental bid of \$70,000.00; and

Wilmette Harbor Association, Inc. ("WHA"), for a minimum initial annual rental bid of \$68,501.00 (10.23% of the appraised fair market value).

Neither WHM nor Centerpointe produced financial statements or any other documentation demonstrating the financial ability to meet the proposed lease terms. In conformance with the District's leasing statute, a lease must be awarded to the highest responsible bidder, who is financially responsible. Because neither WHM nor Centerpointe produced adequate financial information, both bids are rejected as non-responsive.

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

WHA has occupied the subject property under a lease from 1962 through July 2012 and then a permit since the lease expiration date. As extended, the permit expires March 31, 2013. WHA maintains and operates the Wilmette Harbor and leases mooring slips. Under the 1962 Lease, the annual consideration was in the form of

dredging and maintaining the Harbor. WHA's proposed use of the subject site under a new lease is for the continued use and operation of the Harbor for the mooring of boat slips, to continue to perform the annual dredging requirements and to maintain and upgrade the Harbor and the Harbor walls, as necessary, to allow continued use and function throughout the lease term.

It is requested that the Executive Director recommend to the Board of Commissioners that it accept the bid of \$68,501.00 submitted by the Wilmette Harbor Association, Inc. and award it a 39-lease of 6.19 acres of District real estate, including the Wilmette Harbor, located at 20 Harbor Drive in Wilmette, Illinois, and known as North Shore Channel Parcels 1.02, 1.03 and 1.04.

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, Ronald M. Hill, General Counsel, RMH:STM:rg
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management
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 April 4, 2013

Attachment