



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 23-0166, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 16, 2023

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to advertise Contract 23-362-11 for public tender of bids for a 14-year lease on 22.9± acres of District real estate located at 15660 Canal Bank Road in Lemont, Illinois, known as Main Channel Parcel 23.03. The minimum initial annual rental bid shall be established at \$500,000.00

Dear Sir:

On December 1, 2022, the Board of Commissioners authorized the commencement of statutory procedures to lease the subject District real estate located at 15660 Canal Bank Road in Lemont, Illinois, known as Main Channel Parcel 23.03 ("Parcel 23.03").

The property is currently leased to A. Block Marketing, Inc. ("A. Block") under a lease that commenced November 1, 2013, and expires October 31, 2023. A. Block currently leases the site for barging, sale, storage and distribution of landscaping materials and mulching activities.

Pursuant to statute, the lead applicant submitted two appraisals and the Law Department obtained a third appraisal, as follows:

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William I. Enright, MAI (District's Appraiser)	\$5,000,000.00
Associated Property Counselors, Ltd. Dale J. Kleszynski, MAI, SRA Patrick A. Kleszynski, MAI	\$2,800,000.00
Renzi & Associates, Inc. Neil J. Renzi, MAI Mark D. Burgess	\$2,750,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$5,000,000.00, and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$500,000.00.

It is further recommended that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of the following orders:

1. The real estate, which comprises 22.9± acres, located at 15660 Canal Bank Road in Lemont, Illinois,

known as Main Channel Parcel 23.03, is not currently needed for the District's corporate purposes and is available for lease.

2. The fair market value of the 22.9± acres of real estate is established at \$5,000,000.00, and that the minimum initial annual rental be established at 10% thereof or \$500,000.00.
3. The Director of Procurement and Materials Management is authorized to advertise 22.9± acres of real estate as available for lease for a term of 14 years at the minimum initial annual rental bid of \$500,000.00 and report the results of the bidding to the Board of Commissioners for further action.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize the Director of Procurement and Materials Management to advertise Contract 23-362-11 for public tender of bids for a 14-year lease on 22.9± acres of District real estate located at 15660 Canal Bank Road in Lemont, Illinois known as Main Channel Parcel 23.03. The minimum initial annual rental bid shall be established at \$500,000.00.

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

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Marcelino Garcia, 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 February 16, 2023

Attachments