



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 JULY 6, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authorization to accept initial annual rental bid for Contract 17-360-13 (RE-BID) Proposal to Lease for 10-years 5.95 acres of District real estate located at 3154 South California Avenue in Chicago, Illinois; Main Channel Parcels 42.05 and 42.16 from Connelly-GPM Environmental, LLC, in the amount of \$118,000.00

Dear Sir:

At its meeting of December 1, 2016, the Board of Commissioners ("Board") authorized the advertisement of Contract 17-360-11 for public tender of bids a 10-year lease on 5.95 acres of District real estate located at 3154 South California Avenue in Chicago, Illinois, and known as Main Channel Parcels 42.05 and 42.16 for an minimum initial annual rental bid of \$195,000.00. The minimum bid represented 10% of the highest of the three appraised values, pursuant to Board policy. The bid opening was on January 24, 2017, and no bids were received. As no bids were received, on March 16, 2017, the Board authorized the rebid of the subject Contract 17-360-12 (RE-BID) at the statutory minimum initial annual rental bid of 6% of the highest of the three appraised values and established the minimum initial annual rental bid amount at \$117,000.00.

The bid opening was set for April 18, 2017, and one bid was submitted by Connelly-GPM Environmental, LLC ("CGPM"). The bid was rejected as being non-responsive. CGPM requested that the subject contract be re-advertised again to allow the opportunity to rebid. The contract was again re-advertised as Contract 17-360-13 (RE-BID) for a minimum bid of \$117,000.00. The bid opening was June 4, 2017. CGPM submitted a bid for an initial annual rental amount of \$118,000.00 (6.05% of the appraised fair market value). CGPM proposes to use the site for an iron sponge manufacturing business, manufacturing concrete-related building products, barge fleeting, and transloading.

The Finance Department has reviewed CGPM's financial and company background information and has reported that it demonstrates the ability to meet its financial obligations under the new lease.

It is requested that the Executive Director recommend to the Board of Commissioners that it accept the initial annual rental bid for Contract 17-360-13 (RE-BID) Proposal to Lease for 10-years 5.95 acres of District real estate located at 3154 South California Avenue in Chicago, Illinois; Main Channel Parcels 42.05 and 42.16 from Connelly-GPM Environmental, LLC, in the amount of \$118,000.00.

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 the lease agreement after it has been approved by the Acting General Counsel as to form and legality.

Requested, Susan T. Morakalis, Acting General Counsel, STM:CMM:vp
Recommended, Darlene LoCascio, Director of Procurement and Materials Management
Recommended, David St. Pierre, Executive Director
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 July 6, 2017

Attachment