



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 22-0096, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 3, 2022

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to advertise Contract 22-360-11 for public tender of bids for a five (5) year lease on 3± acres of District real estate located at 4100 West 41st Street in Forest View, Illinois, and known as Main Channel Parcel 38.11. The minimum initial annual rental bid shall be established at \$100,000.00

Dear Sir:

On November 4, 2021, the Board of Commissioners ("Board") authorized the commencement of statutory procedures to lease the subject District real estate located at 4100 West 41st Street in Forest View, Illinois, and known as Main Channel Parcel 38.11 for a 5-year term.

The current lead applicant W.E. O'Neil Construction Company ("W.E. O'Neil") proposes to continue using the parcel for storing and maintaining construction materials and equipment for a five (5) year term. The property is currently leased by W.E. O'Neil who has occupied this site under a series of leases and occupancy agreements for the same use since 1978. W.E. O'Neil's current lease expires April 30, 2022.

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

<u>Appraiser Value</u>	<u>Value</u>
Appraisal Associates William I. Enright, MAI (District's Appraiser)	\$1,000,000.00
JSO Valuation Group, LTD Nicholas J. Hilla John S. O'Dwyer, MAI	\$ 730,000.00
Argianas & Associates, Inc. Charles G. Argianas, MAI	\$ 340,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$1,000,000.00, and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$100,000.00.

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 comprising of 3± acres of vacant District real estate located at 4100 West 41st Street

in Forest View, Illinois, known as Main Channel Parcel 38.11, as depicted in the attached exhibit is not currently needed for the District's corporate purposes and is available for lease.

2. The fair market value of the 3± acres of real estate is established at \$1,000,000.00, and that the minimum initial annual rental be established at 10% thereof or \$100,000.00.

3. The Director of Procurement and Materials Management is authorized to advertise 3± acres of real estate as available for lease for a term of five (5) years at the minimum initial annual rental bid of \$100,000.00 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 22-360-11 for public tender of bids a five (5) year lease on 3± acres of District real estate located at 4100 West 41st Street in Forest View, Illinois, and known as Main Channel Parcel 38.11. The minimum initial annual rental bid shall be established at \$100,000.00.

Requested, Susan T. Morakalis, General Counsel, STM:MTC:NOC:vp

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 February 3, 2022

Attachment