



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 JUNE 2, 2022

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authorization to declare as surplus and not required for corporate purposes, and to sell to the Illinois State Toll Highway Authority, approximately 4.32 acres of District real estate located at the Edward C. Howell Reservoir Site in Markham, Illinois; Consideration shall be \$376,750.00

Dear Sir:

The Illinois State Toll Highway Authority ("ISTHA") is constructing system-wide repairs and improvements to the Tri-State Tollway (I-294) ("Project"). As part of the Project, ISTHA is renovating and expanding Toll Plaza 41 along I-294 south of 159th in Markham, Illinois. The Project is scheduled to be bid in the second quarter of 2022.

To construct the proposed improvements, ISTHA needs to acquire approximately 4.32 acres of District real estate at the Edward C. Howell Reservoir site ("Howell Reservoir"). The property is needed for the toll plaza expansion and associated stormwater detention.

The District's technical departments have reviewed this request and have no objections thereto. The planned toll plaza expansion will not impact the functioning of the Howell Reservoir.

In accordance with District policy, the Tollway and the District each obtained an appraisal to establish the fair market value of the land. The appraised values are as follows:

Appraiser

Value

David White
Certified General Real Estate Appraiser
(ISTHA's Appraiser) \$282,500.00

CohnReznick
Patricia McGarr, MAI
(District's Appraiser) \$471,000.00

It is recommended that the total fair market value of the 4.32-acre property to be acquired by ISTHA be established at \$376,750.00, which represents the average of the two appraisals. This amount of compensation was negotiated between the parties after the District rejected ISTHA's offer, and ISTHA rejected the District's offer, at their respective appraised values. This amount also takes into account that this is a public project and that both agencies would incur additional legal fees and court costs if this matter proceeded to an eminent domain action by ISTHA.

It is requested that the Executive Director recommend to the Board of Commissioners that it pass the following

orders:

1. That the subject 4.32-acre portion of the Edward C. Howell Reservoir Site adjacent to I-294 in Markham, Illinois, be declared surplus and not needed for corporate purposes, and to be sold to ISTHA for the Project;
2. That the fair market value of said property be established at \$376,750.00;
3. That it authorize the District to enter into a Purchase and Sale of Real Estate Agreement with ISTHA to effectuate the sale of the above-mentioned District real estate, embodying the customary terms and conditions set forth above;
4. That the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute said Purchase and Sale of Real Estate Agreement, the deed, and any other documents necessary in effecting the aforesaid sale after same have been approved by the General Counsel as to form and legality; and
5. That the General Counsel be authorized and directed to execute and deliver all other documents necessary to effectuate this transaction.

Requested, Susan T. Morakalis, General Counsel, STM:MTC:BJD:MSZ: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 June 2, 2022

Attachment