



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 22-0719, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 11, 2022

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to: (1) grant a 25-year, 0.52±-acre, non-exclusive, subterranean easement to Natural Gas Pipeline Company of America LLC to operate, repair, maintain, replace and remove a 30" diameter pipeline segment through Main Channel Parcel 32.05 in Hodgkins, Illinois, beneath the Des Plaines River, and through Main Channel Parcel 32.06 in Bedford Park, Illinois and (2) issue a one-year staging permit to Natural Gas Pipeline Company of America LLC for the installation of a 30" diameter natural gas pipeline segment and the decommission of an existing pipeline segment on approximately 2.28 acres of District Main Channel Parcel 32.06 in Bedford Park, Illinois. Consideration shall be an initial annual fee of \$5,000.00 for the easement and a one-time fee of \$5,000.00 for the permit

Dear Sir:

In 1953, the District granted a perpetual subterranean easement to Natural Gas Pipeline Company of America LLC ("NGPL") for a pipeline through District land parallel to I-55 between 67th Street in Bedford Park and Harlem Avenue in Forest View, and then crossing beneath the Des Plaines River onto Main Channel Parcel 32.06 ("MCP 32.06"). The pipeline is part of a larger system that supplies approximately 70% of the Chicagoland area with natural gas.

After studying the pipeline and the surrounding area, NGPL has determined that it must upgrade a portion of the pipeline from 24" to 30" in diameter and reroute that section of the pipeline. This upgrade and reroute will allow NGPL to conduct more detailed inspections and more easily effectuate any necessary repairs of the pipeline. Accordingly, NGPL requests a new easement to accommodate the upgraded and rerouted pipeline. The requested easement area comprises 0.52±-acres of District land and will traverse under MCP 32.05, the Des Plaines River and MCP 32.06.

In addition to the easement, NGPL seeks a one-year staging permit on approximately 2.28 acres of District MCP 32.06 to facilitate the pipeline upgrade and reroute. Because MCP 32.06 is under lease to the Forest Preserve District of Cook County, the easement and the permit are subject to its consent.

The District's technical departments have reviewed NGPL's requests and have no objections thereto.

For the easement, an initial annual fee of \$5,000.00 is recommended, as the pro-rata share of 10% of the fair market value of the land would yield a fee less than the District's minimum fee of \$5,000.00. For the permit, a one-time fee in the amount of \$5,000.00 is recommended, as the pro-rata share of 10% of the fair market value of the land would yield a fee less than the District's minimum fee of \$5,000.00.

It is requested that the Executive Director recommend to the Board of Commissioners that it: (1) grant a 25-year, 0.52±-acre, non-exclusive, subterranean easement to Natural Gas Pipeline Company of America LLC to

operate, repair, maintain, replace and remove a 30" diameter pipeline segment through Main Channel Parcel 32.05 in Hodgkins, Illinois, beneath the Des Plaines River, and through Main Channel Parcel 32.06 in Bedford Park, Illinois and (2) issue a one-year staging permit to Natural Gas Pipeline Company of America LLC for the installation of a 30" diameter natural gas pipeline segment and the decommission of an existing pipeline segment on approximately 2.28 acres of District Main Channel Parcel 32.06 in Bedford Park, Illinois. Consideration shall be an initial annual fee of \$5,000.00 for the easement and a one-time fee of \$5,000.00 for the permit.

It is also requested that the Executive Director recommend to the Board of Commissioners that the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute said easement agreement and said permit agreement after they are approved by the General Counsel as to form and legality.

Requested, Susan T. Morakalis, General Counsel, STM:MTC:JAW: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 August 11, 2022

Attachment