



## Legislation Text

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**File #:** 2021-445, **Version:** 1

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### **Request to Sell 235 South McKinstry, Detroit, MI 48229**

**Agenda of:** November 18, 2021

**Item No.:** **2021-445**

**Amount:** \$1,500,000.00 to GLWA less brokerage fee and closing costs

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

**FROM:** Suzanne R. Coffey, P.E.  
Interim Chief Executive Officer  
Great Lakes Water Authority

**DATE:** November 15, 2021

**RE:** **Request to Sell 235 South McKinstry Detroit, MI 48229**

### MOTION

Upon recommendation and opinion of Randal M. Brown, General Counsel, the Board of Directors (Board) for the Great Lakes Water Authority (GLWA):

- 1) Approves the sale of 235 South McKinstry Detroit, MI 48229 at an anticipated price of one million, five hundred thousand dollars (\$1,500,000.00).
- 2) Authorizes the Interim Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote, including, executing a Purchase Agreement and any closing documents.

### **JUSTIFICATION**

The 235 South McKinstry property contains a warehouse to store large equipment primarily for the Water Resource Recovery Facility (WRRF).

The 235 South McKinstry warehouse needs improvements, including roofing and electrical improvements, however, the costs for improving the warehouse outweighs its future value.

Pursuant to the Regional Water Supply System Lease, Regional Sewage Disposal Lease, and the Master Bond Ordinance, GLWA has the right to sell Leased Water Facilities that it no longer needs to support the service to wholesale customers.

The purchaser offered \$1,500,000.00 to purchase the 235 McKinstry. The purchase price will be reduced by the brokerage fee and closing costs.

### **BUDGET IMPACT**

To be determined upon the closing and consultation with Bond counsel.

### **COMMITTEE REVIEW**

The Legal Committee reviewed details of the proposed transaction on November 18, 2021. The Legal Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

### **SHARED SERVICES IMPACT**

There is no impact the Shared Services Agreement.