

Legislation Text

File #: 2022-112, **Version:** 1

Purchase of Vacant Land from Roneel Investment Company, LLC (New Ypsilanti Pump Station)

Agenda of: March 23, 2022

Item No.: **2022-112**

Amount: \$1,576 000.00 plus 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: March 18, 2022

RE: Purchase of Vacant Land from Roneel Investment Company, LLC (New Ypsilanti Pump Station)

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 purchase of vacant land between GLWA and Roneel Investment Company, LLC; and

(2) authorizes the Interim Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote, including the execution of the Purchase Agreement.

JUSTIFICATION

For replacing the existing Ypsilanti Pumping Station with a new Pump Station and potentially a future reservoir, GLWA needs to acquire vacant land near Willow Run Airport. Through its consultants,

GLWA identified Wayne County Airport Authority land as the property acquisition option for the new pump station new location. The Board authorized GLWA paying \$900,0000 (\$40,000/acre) for the 22.5 acres of vacant land. However, after engaging in due diligence, the consultants recommended that GLWA evaluate other properties. GLWA's General Counsel notified the Wayne County Airport Authority that based on GLWA's due diligence, GLWA was compelled to evaluate other parcels for the new Ypsilanti Pump Station and was pausing the transaction.

At the southeast corner of Beck and Tyler Roads, GLWA's consultants identified 31.52 acres of vacant land that would be suitable for a new Ypsilanti Pump Station. The purchase price is \$1,576,000.00 (\$50,000/acre). GLWA will be responsible for closing costs as well. Preliminary due diligence suggests that this parcel is more suitable for GLWA's needs.

BUDGET IMPACT

There are sufficient funds allocated for the new Ypsilanti Pump Station in the CIP to acquire the vacant land.

COMMITTEE REVIEW

This matter was presented to the Legal Committee on March 23, 2022. The Legal Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This request does not impact the Shared Services Agreement.