



Legislation Text

File #: 2022-325, **Version:** 1

Request to Sell 235 South McKinstry, Detroit, MI 48229

Agenda of: July 27, 2022

Item No.: **2022-325**

Amount: \$1,400,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: July 22, 2022

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

MOTION

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

- 1) Approves the sale of 235 South McKinstry, Detroit, MI 48229 at a purchase price of \$1,400,000.00 to Newer Horizons, LLC; and
- 2) Authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote, including executing the 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 needed significant improvements, including roofing and electrical improvements, however, the costs for improving the warehouse outweighs its future value to GLWA. GLWA no longer occupies 235 South McKinstry. Closing costs, including the brokerage fee will be deducted from the purchase price proceeds.

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.

BUDGET IMPACT

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

COMMITTEE REVIEW

This item was presented directly to the full Board of Directors.

SHARED SERVICES IMPACT

There is no impact the Shared Services Agreement.