



Legislation Details (With Text)

File #: 2020-332 **Version:** 1 **Name:**
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File created: 9/21/2020 **In control:** Board of Directors
On agenda: 10/28/2020 **Final action:** 10/28/2020
Title: Request to Sell 235 South McKinstry and 4600 West Jefferson, Detroit, MI 48229
Sponsors: Randal Brown
Indexes: General Counsel
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
10/28/2020	1	Board of Directors	Approved	Pass
9/23/2020	1	Legal Committee	Recommended for Approval	Pass

Request to Sell 235 South McKinstry and 4600 West Jefferson, Detroit, MI 48229

Agenda of: September 23, 2020

Item No.: **2020-332**

Amount: \$1,500,000.00

TO: Legal Committee
Great Lakes Water Authority

FROM: Randal M. Brown, General Counsel

DATE: September 23, 2020

RE: Request to Sell 235 McKinstry and 4600 West Jefferson, Detroit, MI 48229

MOTION

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

- 1) Recommends to the Board that GLWA sells 235 South McKinstry and 4600 West Jefferson, Detroit, MI 48229.
- 2) Authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote, including, if approved by the Full Board, 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). 4600 West Jefferson property is a vacant parcel. GLWA does not use the parcel for any purpose, but it was sold to the DWSD as a part of the property acquisition in 2013.

The 235 South McKinstry warehouse needed significant improvements, including roofing and electrical improvements, however, the costs for improving the warehouse outweighs its future value. Concurrent with the sale of these properties, GLWA is attempting to secure a 3-5-year lease for a warehouse once it vacates 235 South McKinstry. Long term, GLWA intends to build a warehouse on or near WRRF.

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

The Legal Committee reviewed details of the proposed transaction on September 23, 2020.

SHARED SERVICES IMPACT

There is no impact the Shared Services Agreement.