



Legislation Details (With Text)

File #: 2021-445 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 11/15/2021 **In control:** Board of Directors Workshop Meeting
On agenda: 11/18/2021 **Final action:** 11/18/2021
Title: Request to Sell 235 South McKinstry, Detroit, MI 48229
Sponsors: Randal Brown
Indexes: General Counsel
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
11/18/2021	1	Board of Directors Workshop Meeting	Approved	Pass
11/18/2021	1	Legal Committee	Recommended for Approval	Pass

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.