



Legislation Text

File #: 2019-039, Version: 1

Proposed Transfer of 24-Inch Water Main from City of Trenton to Great Lakes Water Authority

Agenda of: February 27, 2019

Item No.: **2019-039**

Amount: \$1.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: February 4, 2019

RE: Proposed Transfer of 24-Inch Water Main from City of Trenton to Great Lakes Water Authority

MOTION

Upon recommendation of Randal Brown, General Counsel, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA) **approves the transfer of ownership and all maintenance and repair obligations of the Water Main, “AS IS” and without any representations or warranties from the City of Trenton for one (\$1.00) dollar; authorizes the Chief Executive Officer to execute the necessary Water Main transfer documents upon review and approval of the finalized documents by the GLWA General Counsel; and authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.**

BACKGROUND

The City of Trenton constructed, maintains and operates a 24-inch water main located within the Edison Corridor beginning at King Road and extending southward into the existing GLWA TN-03 meter vault at Van Horn Road in Trenton, Michigan (the “Water Main”). GLWA desires to purchase the Water Main to support its regional plan to provide redundancy to its Downriver member-partners, including the City of Trenton. On December 17, 2018, the City of Trenton agreed to transfer ownership of and all maintenance and repair obligations of the Water Main, “AS IS” and without any representations or warranties to GLWA for one dollar (\$1.00). The City of Trenton and GLWA are finalizing the legal documents necessary to effectuate the transfer the Water Main, including securing an accurate legal description for the Water Main, and will, with the approval of this Board, conclude this transaction at that time.

JUSTIFICATION

Approval of the transfer of the Water Main from City of Trenton to GLWA provides a cost effective, mutually beneficial, long term redundancy plan for and between GLWA and its Downriver member partners.

BUDGET IMPACT

The transfer of this 24-inch water main to GLWA ownership and operation is a key component of the Downriver Transmission Main Loop Project (CIP 122016) in an effort to provide redundancy to downriver member partners including Brownstown Township, Riverview, Woodhaven, Trenton, Flat Rock, Gibraltar, Rockwood, South Rockwood, and Berlin Township. The FY2020-2024 Capital Improvements Plan (CIP) Budget has allocated \$37,197,000 to the proposed Downriver Transmission Main Loop Project (CIP 122016). This budgeted amount assumed that GLWA could take ownership of the 24-inch water main and use it as a means to provide redundancy to the downriver member partners. The transfer of ownership is consistent with the budget established in the current CIP.

COMMITTEE REVIEW

This matter is being presented to the Legal Committee for consideration and approval. The Legal Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.