

Legislation Text

File #: 17-0144, Version: 1

The Board of Water Commissioners for the City of Detroit Water and Sewerage Department authorizes the sale of certain real property owned by the Detroit Water and Sewerage Department to Michigan Department of Transportation at a purchase price of Two Million Seven Hundred Seventy-One Thousand Five Hundred Twenty and 00/100 Dollars (\$2,771,520.00), and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of September 20, 2017 Item No. 17-0144 Amount: \$2,771,520.00

- TO: The Honorable Board of Water Commissioners City of Detroit, Michigan
- FROM: Gary A. Brown, Director Detroit Water and Sewerage Department

RE: Sale and Transfer of Property from Detroit Water and Sewerage Department to Michigan Department of Transportation

MOTION

Upon recommendation of Debra N. Pospiech, General Counsel, the Board of Water Commissioners for the City of Detroit Water and Sewerage Department authorizes the Director to execute a deed for the transfer of 303 S. Livernois, Detroit, Michigan, owned by the Detroit Water and Sewerage Department to the Michigan Department of Transportation for a purchase price of Two Million Seven Hundred Seventy-One Thousand Five Hundred Twenty and 00/100 Dollars (\$2,771,520.00), and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

In support of the Gordie Howe International Bridge Project ("GHIB Project"), the Michigan Department of Transportation ("MDOT") has requested that the City of Detroit Water and Sewerage Department transfer of property at 303 S. Livernois, Detroit, Michigan, to its jurisdiction. A large facility currently operated by the Great Lakes Water Authority is currently on the property. The facility and operations will be relocated at MDOT's expense, and closing on the transfer will occur after a new facility is fully operational. The Detroit City Council approved this transfer on July 25, 2017, as part of a large package of approvals related to the GHIB, and the Great Lakes Water Authority supports the relocation of its operations to a new location. The cost and logistics of transferring operations from 303 S. Livernois to a new site are still being negotiated. The purchase price for this property will be paid to GLWA pursuant to the Lease documents.

JUSTIFICATION

This transaction is the result of longstanding negotiations between GLWA, DWSD, MDOT and the City of Detroit in support of the Gordie Howe International Bridge Project. Under the Honorable Sean Cox's order of

November 4, 2011, sales of land that exceed \$2,000,000 must be approved by the Board of Water Commissioners, and sales of land that exceed \$2,500,000 must also be approved by the Detroit City Council.