



# **City of Grand Island**

**Tuesday, August 28, 2012**

**Council Session**

## **Item G7**

**#2012-225 - Approving Agreement for Appraisal Services for the  
State Street and Capital Avenue Connector Trail Project**

**Staff Contact: Terry Brown, Interim Public Works Director**

# **Council Agenda Memo**

**From:** Scott Griepenstroh, Project Manager

**Meeting:** August 28, 2012

**Subject:** Approving Agreement for Appraisal Services for the State Street and Capital Avenue Connector Trail Project

**Item #'s:** G-7

**Presenter(s):** Terry Brown, Interim Public Works Director

## **Background**

All agreements must be approved by the City Council.

The Federal-aid Transportation Enhancement (TE) Program provides funding to construct and restore transportation infrastructure that are not eligible to be funded through other programs. TE activities offer funding opportunities to help expand transportation choices and enhance the transportation experience. Project types eligible for this funding are hike/bike trails, historic preservation, and scenic or historic byways.

The State Street and Capital Avenue Connector Trail Project will construct a 0.5 mile, 10' wide concrete recreational trail for bicycle and pedestrian use in northwest Grand Island. This project will begin on the State Street Trail 0.25 mile west of US Highway 281, extend north within City right-of-way along the west side of the Moores Creek Drainway, and end at the west end of the concrete trail that was recently completed along Capital Avenue under project STPAA-5436 for the Eagle Scout Trail.

Additional 12' wide easements will be acquired on the west side of the City right-of-way for construction of a small ditch and area inlets.

## **Discussion**

The law governing acquisition and relocation on federally assisted projects is Public Law 91-646; The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, commonly called the Uniform Act. The procedures to comply with this Act are found in Section 49, Part 24 of the Code of Federal Regulations. On federally funded transportation projects requiring acquisition of right-of-way, Local Public Agencies are

required to present to the Nebraska Department of Roads a Right-of-Way Certificate that certifies property was acquired in accordance with the Uniform Act.

As per the *Right-of-Way Acquisition Guide for Local Public Agencies*, formal property valuation documents are required for each parcel to be acquired. On the State Street and Capital Avenue Connector Trail Project, "Compensation Estimates" for three tracts must be prepared by qualified appraisers who are on the current NDOR Approved Appraiser List.

Selection of the firm Midwest Right of Way Services, Inc. and the appraiser was made in accordance with the *Right-of-Way Acquisition Guide for Local Public Agencies*. The Appraisal Services Contract must be executed before preparation of the Compensation Estimates can begin. The basis of the final fee is as follows.

Compensation Estimates – 3 Tracts at \$900.00 Each = \$2,700.00 (appraisal services contract)

Project Management Fees – 2 Owners at \$340.00 Each = \$680.00

TOTAL FEE = \$3,380.00

Following completion and approval of the Compensation Estimates, another agreement will be required for Negotiation Services.

Approval of Environmental Documents was received in January. Approval of 90% Plans and acquisition of permanent easements are anticipated to be completed in the next three months. Construction of this project is anticipated to begin in spring of 2013.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the agreement with the appraiser managed by Midwest Right of Way Services, Inc. for appraisal services for the State Street and Capital Avenue Connector Trail.

## **Sample Motion**

Move to approve the agreement.

## APPRAISAL SERVICES CONTRACT

This agreement, entered into this 3 day of Aug., 2012, by the City of Grand Island, (herein called "Local Public Agency") and Midwest ROW Services, (herein called "Appraiser") agrees:

In return for the total fee of ~~\$3,300~~ \$2,700, as itemized in Appendix C, it is agreed that the Appraiser will furnish to the Local Public Agency valuation documents in accordance with the Appraisal Services Specifications, of which a copy is attached and made a part of this contract. These valuation documents will be used in connection with the acquisition of right of way for:

Project: ENH-40(59)

C. N.: 42650

Location: State Street and Capital Avenue Connector Trail

An additional fee will be negotiated with the Appraiser for each additional parcel added to this contract.

The fee for supplemental or revised valuation documents, as a result of changes in the taking caused by the Department, will be negotiated with the Appraiser.

The billing statement for the valuation documents will be submitted to the Local Public Agency at the time of delivery of the project report and all individual parcel valuation reports. Payment of eighty percent (80%) of the total fee will be paid at that time. The balance of the total fee will be paid within ninety (90) days, providing the project report and valuation reports are found to be acceptable and in accordance with the contract upon Local Public Agency review. In the event the project report or valuation reports are found unacceptable by reason of noncompliance with the terms of this contract, or by reason of improper valuation technique, the final payment shall be withheld until such valuations have been revised or supplemented, without additional cost to the Local Public Agency, and found acceptable.

In the event a dispute arises concerning a question or fact in connection with the work not specifically covered or referenced by any other terms of this contract, the Local Public Agency's management will determine the final position. Where no agreement can be reached, this contract shall be terminated. The contract may also be terminated when, in the opinion of the Local Public Agency, the Appraiser's services are unsatisfactory, or because of the Appraiser's failure to prosecute the work with due diligence, or within the time limits specified in this agreement, or because of the Appraiser's disability or death. In such an event, the work, which has been completed, when the notice of termination is given by the Local Public Agency, becomes the property of the Local Public Agency. The Local Public Agency's management shall arbitrate settlement for the completed work.

The Appraiser, as a condition of the above lump fee, agrees to attend necessary meetings and conferences with representatives of the Local Public Agency, the Nebraska Department of Roads and the United States Federal Highway Administration to discuss the various aspects and phases of the work required by this contract. However, it is agreed that additional payment for conferences with Local Public Agency attorneys for testimony in court or witness fees for appearance in court shall be \$ 700 for each half day or portion thereof, or \$ 1,400 per day for any part of a day exceeding a half day.



All expenses incurred by the Appraiser are considered to be their liability and are not to become an expense to the Local Public Agency except as provided for in this agreement.

The Appraiser agrees to furnish the completed valuation assignment to the Local Public Agency on or before 9/21/12. Supplemental or revised valuation reports caused by the Local Public Agency's actions will be cause to change this to a later date only by mutual written agreement between the parties to this contract. It is further agreed by the Appraiser that they will furnish the Local Public Agency a written progress report of the work accomplished on the Project as requested.

A penalty of \$1.00 per normal working day will be assessed against and deducted from the agreed-upon Fee, as per this contract, of \$1.00 for each normal working day that the completed assignment is overdue. A normal working day is defined as Monday through Friday. Any extension beyond the agreed-upon completion date of 9/21/12 will be only by mutual written agreement between the parties of this contract.

The Appraiser warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the Appraiser, to solicit or secure this contract, and that they have not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Appraiser, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this contract, except for paragraph III, subparagraph O, of the Appraisal Services Specifications. For breach or violation of this warranty, the Local Public Agency shall have the right to annul this contract without liability.

The Appraiser agrees that they will prepare the valuation reports of the property involved independent of any other Appraiser employed by the Local Public Agency in the same work and that they will not furnish to any other person or persons, except on proper order of court, a copy of the valuation reports or the information contained therein. The restriction, however, does not imply that the Appraiser may not use information obtained in the completion of the valuation reports in the course of their usual profession.

The valuation reports are agreed to be confidential between the parties hereto, and a breach of such confidence shall be considered material breach of this contract unless the disclosure of the contents of the report shall be in response to a subpoena or other lawful court order.

It is understood and agreed that law, regulations, or economic conditions may subsequently affect the value fixed by the Appraiser in their report and that same is valid only for a reasonable time after submission.

It is agreed that each party hereto will furnish any available information in its possession to the other upon request, if such information be necessary to the terms of this contract.

It is the intention of the parties that the valuation documents and services contracted for are the personal services of the Appraiser as named. Subletting or transferring the work contracted for in this agreement is expressly prohibited and failure to comply shall be deemed a material breach of the contract.

The Appraiser agrees to abide by the provisions of the Nebraska Fair Employment Practice Act as provided by Nebraska Revised Statute, Section 48-1101 through 48-1126 ( Reissue 1988), and all regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49 CFR, Parts 21 and 27, the Minority Business Enterprises Policy and the Drug-Free Workplace Policy as set forth in Appendix "A" attached hereto and hereby made a part of this agreement.

Any notice provided for or concerning this agreement shall be in writing and shall be deemed sufficiently given when sent by mail if sent to the respective address of each party.

**IN WITNESS WHEREOF**, the parties hereto have caused these presents to be executed by their proper officials thereunto duly authorized as of the dates below indicated.

**EXECUTED by the Appraiser** this 3<sup>rd</sup> day of Aug., 2012.

Clarence Dantawick  
Witness

Steve M. Smith  
Appraiser

**EXECUTED by**        this        day of        , 20    .

**Local Public Agency**

**APPROVED:**

\_\_\_\_\_  
**Authorized Signature**

## **APPRAISAL SERVICES SPECIFICATIONS**

### **I. INTRODUCTION**

The City of Grand Island will receive proposals for appraisal services for:

Project: ENH-40(59)

CN: 42605

Location: State Street and Capital Avenue Connector Trail

The work required for this project is described in this document and as noted in Appendix A, B and C.

We anticipate a starting date of August 14, 2012 with a suggested completion date of \_\_\_\_\_.

All those providing proposals will record their fee required for each tract and the total fee for the project on Appendix C. In addition, also indicate the date you expect to start and complete the requested services. Further, appendix C shall be signed and dated in the space provided.

### **II. MATERIALS AND INFORMATION TO BE FURNISHED BY THE STATE**

A. Upon acceptance of an appraisal services contract, the City of Grand Island will furnish the following materials and information as applicable:

1. Ownership information containing the following:
  - a. Legal description of property.
  - b. Date and type of instrument.
  - c. Consideration involved in the instrument.
  - d. Revenue stamps, if any.
  - e. Grantor and grantee's name.
2. Plat or plans or both showing limits of each separate tract to be valued outlined in color or legend, also showing sufficient topography to locate alignment. Stakes on the ground will be furnished when necessary.
3. Limits and areas of right of way or easements to be taken.
4. Individual Parcel Identification Number.
5. Information regarding surveys will be furnished upon request.

### **III. SCOPE OF WORK TO BE DONE BY APPRAISER**

A. The Appraiser will furnish the following:

1. Four copies of project reports.
2. Four copies of each individual parcel valuation report.

B. The project report shall include the following information:

1. Title Page.
  2. Table of contents.
  3. City data on urban projects, county or regional data on rural projects.
  4. Neighborhood data.
  5. Location map.
  6. Zoning map and ordinance, if applicable.
  7. Comparable sales map.
  8. Comparable rental map, if applicable.
  9. Index of comparable sales and rentals.
  10. Comparable sales and rentals.
  11. References.
  12. Limiting conditions.
  13. Appraiser's qualifications.
- C. Formal, written valuation reports are required for each parcel of land to be acquired or damaged, unless donated. These will be in the form of either a "Compensation Estimate", "Short Form" appraisal report, or a "Before and After" narrative appraisal report.
1. Compensation Estimate
- A "Compensation Estimate" can be used for uncomplicated acquisitions, where only the part taken need be valued. Total compensation, exclusive of fence relocation and/or construction based on the current Nebraska Department of Roads approved fencing schedule, must not exceed \$10,000. Damages must be nominal or simple "cost to cure" items supported by written contractors estimate. The standard forms may be used as appropriate. These forms may be located by accessing the Nebraska Department of Roads, Right of Way Division's webpage at [www.dor.state.ne.us/roway/](http://www.dor.state.ne.us/roway/). Then click on the Real Estate Acquisition Guide for Local Public Agencies and select the appropriate form identified as PV-2.
- The Compensation Estimate is not considered an appraisal under the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by The Appraisal Foundation and adopted by the Nebraska Real Estate Appraiser Board. This Compensation Estimate is prepared under a waiver of appraisal provision authorized by Federal Highway Administration guidelines,



49 CFR24, 102(c) (2). As such, the Jurisdictional Exception Rule of USPAP is invoked for Compensation Estimates.

A Compensation Estimate must contain the following elements.

- a. Project and parcel number.
- b. Owners name and property address, from the public records.
- c. Description, location and area of property to be acquired.
- d. Photos of part acquired.
- e. Determination of value and basis therefore.
- f. Statement of value of property being acquired broken down as to land and improvements.
- g. Data supporting land value and "cost of cure" items.
- h. Effective date of valuation, date of estimate, appraiser's signature and certification.

## 2. Short Form Appraisal

"Short Form" appraisals may be used for uncomplicated, whole or partial acquisitions where the highest and best use of the property is its present use and not changed by the acquisition and which are anticipated to exceed \$10,000 exclusive of fence relocation and/or fence reconstruction. Only one approach, usually the sales comparison method is applicable. Damages must be nominal or of the "cost to cure" type.

The "Short Form" Appraisal must contain the elements listed for a "Compensation Estimate" plus the following:

- a. Statement of assumptions and limiting conditions.
- b. Purpose of appraisal and property rights appraised.
- c. Five-year Sales History.
- d. Description of property including highest and best use, area, neighborhood, site and improvement data, photos of property affected, maps, plats and plans.
- e. Log of meetings with property owner and/or their designated representative.
- f. Indication of comparable sales and direct comparison to subject property and complete comparable sales analysis.
- g. Explanation of acquisition, damages, and benefits.

The standard forms may be used as appropriate. These forms may be located by accessing the Nebraska Department of Roads, Right of Way Division's webpage at [www.dor.state.ne.us/roway/](http://www.dor.state.ne.us/roway/). Then click on the Real Estate Acquisition Guide for Local Public Agencies and select the appropriate form identified as PV-3.

## 3. Detailed (Before & After) Appraisal

Standard "Before and After" appraisals shall be used in those instances when the acquisition is of a complicated nature, or causes a diminution of value to the remainder.

A detailed (Before & After) Appraisal shall contain the following elements in a format similar to the following.

- a. Letter of Transmittal
- b. Salient Facts
  - (1) Project Number
  - (2) Tract Number
  - (3) Property Address
  - (4) Recorded Ownership
  - (5) Legal Description
  - (6) Tenant and Lease Data
  - (7) Highest and Best Use (Before & After)
  - (8) Zoning
  - (9) Tax and Assessment Data
  - (10) Sales History
  - (11) Purpose of Appraisal
  - (12) Function of Appraisal
- c. Log of meetings with property owner and/or their or her representative.
- d. Property Description
  - (1) Land (size, shape, topography, utilities, soil conditions, accessibility, etc.)
  - (2) Improvements (size, age, condition, number of rooms and all items necessary to properly describe).
- e. Land Valuation
- f. Value of Whole Property Before Taking
  - (1) Cost Approach
  - (2) Sales Comparison Approach
  - (3) Income Capitalization Approach
  - (4) Correlation
- g. Description and Effect of Taking
- h. Value of Part Taken
- i. Value of Remainder Before Taking
- j. Value of Remainder After Taking
  - (1) Cost Approach
  - (2) Sales Comparison Approach
  - (3) Income Capitalization Approach
  - (4) Correlation
- k. Damages
- l. Summary and Breakdown of Taking and Damages
- m. Leasehold Interests
- n. Addenda

- (1) Property Plat
- (2) Floor Plans
- (3) Photos
- (4) Sales and Rental Data (if not in Basic Data Report)
- (5) Sales Map (if not in Basic Data Report)
- (6) Appraiser's Certificate – See Appendix "B"

The above is intended as a guide and all items may or may not be necessary in all situations. At other times, supplemental data or headings may be required.

- D. Change in Valuation Caused by the Public Improvement. Any decrease or increase in the fair market value, prior to the date of valuation and caused by the public improvement for which such property is being acquired; or by the knowledge that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, shall be disregarded when estimating the value of the real property being appraised.
- E. Documentation
1. The "Before and After" method of valuation, as interpreted by State law, shall be used in partial acquisition except where it is obvious there is no damage to the residue land or improvements. These exceptions are noted and identified in Appendix C.
  2. The appraisal shall include all applicable approaches to value both "Before and After" value estimate. If an approach is not considered applicable, the appraiser shall so state with a short explanation as to why. All pertinent calculations used in developing these approaches shall be shown.
    - a. Where the cost approach is utilized, the appraisal report shall contain the specific source of cost data and an explanation of each type of accrued depreciation. The basis for this depreciation estimate must be included as a part of the approach.
    - b. In the market approach, the appraisal report must contain a direct comparison of pertinent comparable sales to the property being appraised. The appraiser shall include a statement setting forth their analysis and reasoning for each item of adjustment to comparable sales. A dollar amount or percentage amount adjustment shall be made for each non-comparable element requiring adjustment.
    - c. Where the income approach is used, there shall be documentation to support the income, expenses, interest rate, remaining economic life, and capitalization rate. Where it is determined that the economic rental income is different from the existing or contract income, the increase or decrease shall be explained and supported by market information.
    - d. Where two or more approaches to value are used, the appraisal shall show the correlation of the separate indications of value derived by each approach along with a reasonable explanation for the final

conclusion of value. This correlation shall be included for both before and after appraisals.

3. Special benefits shall be offset against the value of the damages to the remainder in accordance with State law. The after value appraisal shall eliminate any consideration of damages that are not compensable or benefits not allowable under State law, even though they may, in fact, exist in the ultimate value of the remaining property in the market. In case of doubt, a State legal ruling should be secured.
4. The appraisal of the after value shall be supported to the same extent as the appraisal of the before value. This support shall include one or more of the following:
  - a. Sales comparable to the remainder properties.
  - b. Sales of comparable properties from which there have been similar acquisitions or takings for like usages.
  - c. Development of the income approach on properties that show economic loss or gain as a result of similar acquisitions or takings for like usages.
  - d. Indications from severance damage studies as related to similar takings.
  - e. If the data described in (1) through (4) are not available, the appraisal shall so state and give the appraiser's reasoning for their value estimate.
5. The difference between the before and after appraisal will represent the value of the property being acquired, including the damages and benefits to the remainder. The appraiser shall in the appraisal analyze and tabulate the difference showing a reasonable allocation to land, improvements, damages and benefits. The following general outline should be followed:
  - a. Value of Whole Property.
  - b. Value of Part Taken.
  - c. Value of Remainder as of Before Taking.
  - d. Value of Remainder as of After Taking.
  - e. Damages and/or Special Benefits {Difference between item (3) and (4)}.
  - f. Allocation of Taking & Damages and/or Special Benefits.
6. All valuation reports shall include identified photographs of the subject property including all principal above ground improvements or unusual features affecting the value of the property.
7. Valuation reports for whole takings shall contain a sketch or plat of the property showing boundary dimensions, location of improvements and other significant features of the property. For partial takings the sketch or plat shall also show the area to be acquired, relation of improvements to the taking area and area of each remainder.
8. Each valuation report shall contain or make reference (when separate project report is furnished) to the comparable sales that were used in arriving at the

market value estimate. The comparable sale data shall contain the following information:

- a. Date of Sale.
  - b. Names of the parties to the transaction.
  - c. Consideration paid.
  - d. Financing and how it affected the sales price. If the Appraiser is unable to verify the financing and conditions of sale from the usual sources, such as buyer, seller, broker, attorney, or escrow company or any person having knowledge of these factors, he/she shall so state giving the reason or reasons.
  - e. Conditions of the sale.
  - f. Personal verification of the sale, with whom and when.
  - g. Location.
  - h. Total area.
  - i. Type of improvements.
  - j. Highest and best use at time of sale.
  - k. Zoning at time of sale.
  - l. Identified photographs of all principal above ground improvements or unusual features affecting the value of the comparable.
  - m. Any other data pertinent to the analysis and evaluation of the sale.
9. All property valued and the comparable sales which were relied upon in arriving at the market value estimate shall be personally inspected in the field by the Appraiser and all dates of inspection shall be shown in either the project or individual parcel valuation report, whichever is appropriate.
  10. Each valuation report shall contain the date of the Appraiser's signature and the date of valuation.
  11. The property owner or their representative shall be given the opportunity to accompany the Appraiser during the Appraiser's inspection of the property and a report of such inspection shall be made a part of the appraisal report as per Section II, C, 4, C of these specifications.
- F. In every case, unless specified otherwise, the purpose of the valuation document is to express and support the Appraiser's estimate of fair market value as determined through the use of standard valuation processes. In addition, three important facts must be kept in mind.
1. Nebraska Department of Roads Review Appraisers and possibly Federal Highway Administration officials may review the valuation report.
  2. The valuation document will also be used to properly inform the negotiator of all pertinent facts prior to negotiation with the property owner. Such items as comparable sales must be well selected, verified and accurately reported so that the negotiator may use them in negotiations and even take the property owner to see them if it becomes necessary to do so.
  3. The valuation document and the project report may be distributed to the owner of the property as a part of the negotiation process.



- G. The Appraiser shall testify in court if required and shall defend the Compensation Estimate or Appraisal in the court testimony if the date of taking is within a reasonable time after the date of Compensation Estimate or Appraisal.
- H. The Appraiser shall determine if the property is leased and value the lease to determine the lessor and lessee's interest, justify these interests, if they exist, and compute the damages to these interests as part of the total damages.
- I. Any tenant-owned building, structure, or other improvement, which would be considered to be real property if owned by the owner of the real property on which it is located, shall be considered to be real property and shall be appraised as such to determine its fair market value. This shall include any improvement of a tenant-owner who has the right or obligation to remove the improvement at the expiration of the lease term.
- J. In appraising income-producing property that contains personal property owned by the owner of the real estate, the income of the personal property will not be considered a part of the gross income of the real property. Therefore, the Appraiser is required to show a deduction from the gross income, the amount the personalty contributes to the gross income.
- K. The following is a list of non-compensable items which the Appraiser agrees to review and also the Appraiser agrees that damages will not be estimated based upon these non-compensable items as listed in the tracts under this contract.
  - 1. Loss of profits or business.
  - 2. An option does not constitute an interest in land requiring compensation where it has not been exercised.
  - 3. Circuity of travel by reason of the blocking of existing county roads is not compensable where it is a damage suffered in common with the public generally.
  - 4. The placing of medians in the center of a street or thoroughfare does not entitle the owner to damages inasmuch as this is in accordance with the police power even though right of way is acquired at the same time.
  - 5. In computing damages or assessing damages for property taken containing valuable deposits of minerals, sand, gravel, or other types of materials, the land must be valued considering the potentialities that it has and the minerals it contains as land and cannot be valued on a yards time price basis of the quantity of minerals contained.
  - 6. Damages arising by reason of the police power or exercise thereof are not compensable.
  - 7. Damages during the period of constructions such as noise, dust, inability of customers to conveniently get the owner's property, the closing off of street and detour of traffic are not compensable.

8. Damages by reason of the loss of anticipated profits that the owner claims that could have made had they been allowed to continue the use of the property are not compensable.
- L. When severance damages are estimated, the Appraiser will support the damages by use of comparable sales. If comparable sales aren't available, other recognized methods may be used.
- M. The classification of equipment and fixtures as realty or personalty is necessary so that the appraiser can list and evaluate each piece of equipment. This is only required when the building they are located in is being acquired as a result of the project. In other words, valuation of the equipment and fixtures, as personalty, is not required, if the Local Public Agency is not acquiring the building they are located in.

The Appraiser understands that the Local Public Agency may make two offers to the owner. One offer will include all realty, including the equipment and fixtures considered a part of the realty. The other offer will include all realty, including the equipment and fixtures considered a part of the realty, and all equipment and fixtures considered to be personalty.

Therefore, it is necessary that the Appraiser list and make a determination on each piece of equipment and fixture as to whether it is realty or personalty.

The valuation document must contain sufficient documentation, including valuation data and the appraiser's analysis of that data, to support the opinion of value being placed on the equipment and fixtures considered a part of the realty, and all equipment and fixtures considered to be personalty.

- N. Estimates will be required in those instances where the "cost to cure" method is used in determining damages to the property remainder or when the appraiser decides to employ or obtain estimates of cost to be used as a part of the valuation document.
- O. When a sub-contractor is required to complete a Specialty Report; the appraiser shall furnish the sub-contractor's qualifications and experience, along with the bid amount to complete the Specialty Report to the Local Public Agency for approval.

The bid amount of the sub-contractor will be paid as a part of the original contract, if the Local Public Agency notifies the appraiser that a Specialty Report is required during the request for proposal process, or as a Supplement Contract, if the Local Public Agency and the appraiser determine it is necessary to obtain the services of sub-contractor after the contract for Appraisal Services has been executed.

The Specialty Report value will not arbitrarily be added to the valuation of the realty, but shall be considered to the extent of the contributory value in establishing the value of the whole property.

## APPENDIX "A"

### NONDISCRIMINATION CLAUSES

During the performance of this contract, the appraiser, for itself, its assignees and successors in interest (hereinafter referred to as the "appraiser"), agrees as follows:

Compliance with Regulations: The Appraiser will comply with the Regulations of the Department of Transportation relative to nondiscrimination in federally assisted programs of the Department of Transportation (Title 49, Code of Federal Regulations, Parts 21 and 27, hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

Nondiscrimination: The appraiser, with regard to the work performed by it after award and prior to completion of the contract work, will not discriminate on the basis of disability race, color, sex, religion or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The appraiser will not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix "A", "B", and "C" of Part 21 of the Regulations.

Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the appraiser for work to be performed under a subcontract, including procurements of materials or equipment, each potential subcontractor or supplier shall be notified by the appraiser of the appraiser's obligations under this contract and the Regulations relative to nondiscrimination on the basis of disability, race, color, sex, religion or national origin.

Information and Reports: The appraiser will provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Local Public Agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a appraiser is in the exclusive possession of another who fails or refuses to furnish this information, the appraiser shall so certify to the Local Public Agency as appropriate, and shall set forth what efforts it has made to obtain the information.

Sanctions for Noncompliance: In the event of the appraiser's noncompliance with the nondiscrimination provisions of this contract, the Local Public Agency shall impose such contract sanctions as it may determine to be appropriate, including but not limited to,

- (a) withholding of payments to the appraiser under the contract until the appraiser complies, and/or
- (b) cancellation, termination or suspension of the contract, in whole or in part.

Incorporation of Provisions: The appraiser will include the provisions of paragraph (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, order, or instructions issued pursuant thereto. The appraiser will take such action with respect to any subcontract or procurement as the Local Public Agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a appraiser becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the appraiser may request the Local Public Agency to enter into such litigation to protect the interests of the Local Public Agency.

## MINORITY BUSINESS ENTERPRISES

### Policy

The Appraiser and Local Public Agency agree to ensure that minority business enterprises as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. Consequently, the minority business requirements of 49 CFR Part 23 are hereby made a part of and incorporated by this reference into this agreement.

### Minority Business Enterprises Obligation

The Appraiser and Local Public Agency agree to ensure that minority business enterprises as defined in 49 CFR Part 23 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this agreement. In this regard, the Appraiser shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. The Appraiser shall not discriminate on the basis of disability; race, color, sex, religion or national origin, in the performance of FHWA assisted contracts.

Failure of the Appraiser to carry out the requirements set forth above shall constitute breach of contract and, after the notification of the FHWA, may result in termination of the agreement or contract by the Local Public Agency or such remedy as the Local Public Agency deems appropriate.

## DRUG-FREE WORKPLACE POLICY

The Appraiser shall have, on file with the Local Public Agency, an acceptable drug-free workplace policy.

APPENDIX "B"

Project No. ENH-40(59) Control No. 42650

Parcel No. \_\_\_\_\_

CERTIFICATE OF APPRAISER

I hereby certify:

That I have personally inspected the property herein appraised and that I have afforded the property owner, or their representative, the opportunity to accompany me at the time of the inspection. I have also made a personal field inspection of the comparable sales relied upon in making said appraisal. The subject and the comparable sales relied upon in making said appraisal were as represented in said appraisal.

That to the best of my knowledge and belief, the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct; subject to the limiting conditions therein set forth.

That I understand that such appraisal is to be used in connection with the acquisition of right of way for a project to be constructed by the City of Grand Island with the assistance of Federal-aid highway funds, or other Federal funds.

That such appraisal has been made in conformity with the appropriate State laws, regulations and policies and procedures applicable to appraisal of right-of-way for such purposes, and the Uniform Standards of Professional Appraisal Practice; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the value reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any way benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the Local Public Agency, the Nebraska Department of Roads, or officials of the Federal Highway Administration and I will not do so until so authorized by the Local Public Agency, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That my opinion of the fair market value of the acquisition as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, is \$\_\_\_\_\_ based upon my independent appraisal and the exercise of my professional judgment.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

PV-6



## APPENDIX "C"

### LIST OF INDIVIDUAL TRACTS TO BE APPRAISED

TRACT NUMBER	TYPE OF APPRAISAL/ESTIMATE	FEE
1	Compensation Estimate	\$ 900.00
2	Compensation Estimate	\$ 900.00
3	Compensation Estimate	\$ 900.00
1 and 2	Project Management	\$ 340.00
3	Project Management	\$ 340.00

TOTAL FEE \$3,380.00

Start Date August 14

Completion Date: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Please Print

\_\_\_\_\_  
Please Sign

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RESOLUTION 2012-225

WHEREAS, the City of Grand Island, in accordance with the Right-of-Way Acquisition Guide for Local Public Agencies, has negotiated appraisal services with Midwest Right of Way Services for the State Street and Capital Avenue Connector Trail Project; and

WHEREAS, such services include Compensation Estimates of \$2,700.00 and Project Management Fees of \$680.00, for a total agreement cost of \$3,380.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the agreement between the City of Grand Island and Midwest Right of Way Services, Inc. of for appraisal services in connection with the State Street and Capital Avenue Connector Trail Project is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 28, 2012.

\_\_\_\_\_  
Jay Vavricek, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 24, 2012	☐ City Attorney