



**Cost Proposal for:** City of Douglas  
**Project:** Puzzi Ranch Road Improvement Project Real Estate Acquisition Services  
**TRW:** 24ARP0348.24.22  
**Date:** Monday, March 10, 2025

### PROJECT UNDERSTANDING

It is the understanding of Tierra Right of Way Services, Ltd. ("Tierra") that City of Douglas ("Client") is seeking support by Tierra related to real estate and acquisition services to secure right of way clearance for the Puzzi Ranch Road (East-west connection), James Ranch Road to Kings Hwy; and King Hwy Improvement Project ("Project"), generally shown on Exhibit "B".

Tierra shall follow the Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended ("URA"). Due to the existence of Federal Funds being expended on the Project, the Client must follow the rules and regulations promulgated in the URA. Within the scope of this proposal, Tierra has identified the costs for the services to be provided by Tierra and its sub-consultants, as follows:

- Title and Escrow – Pioneer Title Agency
- Phase I Environmental Assessment – Ninyo and Moore
- Appraisal – Baker, Peterson, Baker and Associates, Inc.
- Review Appraisal – Paul Hendricks Real Estate Appraisal & Counseling
- Acquisition Services – Tierra Right of Way Services, Ltd.

Tierra shall provide guidance to ensure Real Estate acquisitions are completed in full compliance of the Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended ("URA"), as required for future Right of Way Certification.

### SCOPE OF WORK

#### Task 1. Project Administration and Project Management:

Tierra (and any Subconsultants) will support the Client by providing project planning, management, quality control, communication, and coordination throughout the Project. This includes all Project wide planning and management tasks for the Project. Tierra will provide a single point of contact with the Client and their technical design team to ensure consistent and efficient delivery of the Project.

The activities Tierra will perform under this task include the following;

- As part of public outreach efforts, assist the Client in preparation of an "Introduction / Informational Letter" to be delivered to homeowners and occupants providing the Project purpose, an introduction to the Client's consultants, and an overview of the Project schedule.
- Attend the on-site, or video conference Project kick-off meeting with Client staff.
- Coordinate and attend up to twelve (12) monthly conference calls between the Client and Tierra to discuss and track progress of the Project. Tierra will provide the agenda, invitations, and meeting notes for all meetings led by the Tierra. Tierra will prepare and submit progress reports identifying the work completed by Tierra or its sub-consultants during the reporting period, any critical issues or problems encountered, the work to be completed during the next period, and status updates detailing the following information relative to each acquisition site:

- Summary of the discussions.
- The terms that were resolved or agreed to in principal.
- The terms that are not resolved or agreed to in principal.
- Recommendations by Tierra for resolution of remaining issues.
- Anticipated course of action by Tierra in attempting to resolve remaining issues.
- Copies of any documents under discussion in draft or final form.
- Additional monthly conference calls will be required if the project duration exceeds twelve (12) months. The Client reserves the right to request a bi-weekly conference call or another appropriate update between the normally scheduled conference call if the Client determines it is needed. A change order will be processed to address any additional meetings in excess of the originally planned twelve (12).
- Coordinate and attend up to six (6) in person meetings with the Client to discuss project progress and status, as requested by the Client.

### **Task 1 Deliverables:**

The following items are the deliverables for this task:

- Assist Client with boilerplate "Introduction / Informational Letter".
- Coordinate up to twelve (12) conference calls between the Client and Tierra to discuss and track progress of the Project.
- Coordinate additional monthly conference calls between the Client and Tierra to discuss and track progress of the Project if the project duration exceeds twelve (12) months, under a fully executed Change Order.
- Tierra will coordinate additional meetings as requested by the Client, including a bi-weekly conference call or another appropriate update between the normally scheduled conference call if the Client determines it is needed, any meetings to be held or addended in addition to the initial twelve (12), will be under a fully executed Change Order.
- Coordinate and attend up to six (6) in person meetings with the Client to discuss project progress and status, as requested by the Client. Tierra will provide the agendas, invitations, and meeting notes for all meetings led by the Tierra. Appraiser to attend these meetings until the appraisals are complete.
- Provide up to twelve (12) monthly progress reports and invoices.
- Additional monthly progress reports and invoices will be provided if the project duration exceeds twelve (12) months, in accordance with a fully executed Change Order.
- Meeting notices, agendas, and meeting notes delivered electronically to the Client for all Tierra-led meetings.

### **Task 1 Assumptions:**

- Client to provide all relevant information previously obtained during community meetings, correspondence with owners, and diary information, etc.
- Client to provide the anticipated overall Project Schedule.
- Client to provide approved ROW Procedures.
- Client to expedite and track the resolution of issues requiring internal Client review and approvals.
- Client to meet with Tierra, subconsultants, or Owners or representatives as needed.
- All services provided by Tierra shall be As-Needed, billed on a Time and Materials basis.

### **Task 1 Schedule:**

The timeline for Task 1 is throughout the delivery of the Project. Project Administration and Project Management will be for the lifecycle of the Project.

## **Task 2. Title Reports:**

Preliminary title commitments will be ordered from Pioneer Title Agency along with copies of all recorded documents reflected in the Schedule B requirements and exceptions. A title commitment will be needed for the following parcels:

Title Reports and records review for Assessor's Parcel Numbers (APN):

### **PUZZI RANCH ROAD (James Ranch Rd to Kings Hwy) KINGS HIGHWAY**

	Subject Parcel	2024 Ownership
1	40834005C	TACTICAL HOLDINGS LLC
2	40834011	JAMES SHAWN D
3	40834012	HANNA FRANK & LEILA B LIV TRUST (5)
4	40834013	HANNA FRANK & LEILA B LIV TRUST
5	40834004D	ARDENT INVESTMENTS LLC ARDENT PAUL FIEL LLC
6	40834004A	ARDENT ERIC FIEL LLC ET AL BIAVA JOHN L
7	40801004	STREET DONALD ETAL IMMIGRATION & NATURALIZATION SERVICE
8	40810006	UNITED STATES BORDER PATROL
9	40811001	HANIGAN MILDRED LOUISE TRUST
10	40801002F	STATE OF ARIZONA

The fee for these reports are typically credited by the title company to the Client at close of escrow. Tierra recommends that the Client obtain title insurance. Escrow and title insurance fees will vary based on the value of the land to be acquired, but not on any damages opined by the appraiser.

Activities Tierra will perform under this task include the following to progress the acquisition of the necessary public property rights for right of way clearance to construct the Project;

- Tierra will order the title reports from Pioneer Title.
- Once the title reports are received, Tierra agents will perform an in-depth review of the title report and the Schedule B items to make sure there are no pre-existing title conditions that would delay the Client from successfully closing escrow on the properties.
- If issues are noted, Tierra will bring said issues to the Clients attention immediately and provide recommendations for resolution. This may include recommendations to the Client whether to accept or clear problematic encumbrances and exceptions.
- Tierra will work with the title company to clear title encumbrances as directed by the Client and resolve any title issues. This includes negotiating as necessary negotiations with lien holders and/or easement holders to remove title defects.
- Tierra will perform research of any title issues relating to parcels.
- Tierra will meet with the Client and/or property owners as needed to discuss and assist with resolving any title issues for acceptance by the Client.

**Task 2 Deliverables:**

The following items are the deliverables for this task:

- Tierra will provide an electronic copy of the title commitments obtained to Client along with a list (per parcel) of any issues that may affect Client's ability to successfully close escrow.

**Task 2 Assumptions:**

Our scope of work contemplates that there will be no deviation from the following assumptions relating to this task:

- Client will provide written approval of the title exceptions and encumbrances to be either cleared or accepted, as recommended by Tierra.
- Client will provide payment for any expenses related to clearing title, including the services of an escrow firm.

**Task 2 Schedule:**

The estimated timeline for completion of Task 2 is forty-five (45) days from the date the Notice to Proceed for the acquisition area is received.

**Task 3. Appraisal Services:**

Baker, Peterson, Baker & Associates, Inc. shall complete the real estate appraisal reports needed for this project. Appraisers Thomas Baker, MAI, or Sara Baker, MAI, will perform a field visit with the landowner of each property to be appraised, research and analyze all supporting market documentation, ascertain and determine the value and produce each appraisal report in conformance with USPAP and state appraisal regulations.

Activities Tierra will perform under this task include the following;

- Tierra will order and coordinate the obtainment of the appraisal reports necessary for the property rights necessary for the Project.
- Once the appraisal reports are received, Tierra will review them in detail to make sure they are complete and accurate.
- If any issues or concerns are noted during review, Tierra will resolve its concerns with the appraiser prior to finalization of the appraisal report.
- Tierra shall oversee hiring of any additional subcontractors, or delegate the hiring of additional subcontractors through the appraisal firm as necessary, to address specialized valuation issues (i.e.: sign companies, engineers, biologists, etc.). Those services and costs are to be determined as part of the appraisal inspection process, and if needed, shall be added to this scope and budget with Client approval.
- Tierra shall coordinate the appraisal and appraisal review delivery schedules for a maximum of ten (10) transactions. If the larger parcel theory is utilized for evaluation of the value of the impacted parcels, the number of appraisal reports may be reduced.
- If the anticipated valuation of the acquisition is less than \$15,000.00, the Client may advise Tierra to prepare a Valuation Waiver in lieu of an appraisal report.
- If formal rezone activities are pursued by any of the impacted landowners, Tierra will provide guidance to the Client and possibly coordinate with Cochise County to ensure the proper rights can be secured by dedication or donation.

**Task 3 Deliverables:**

The following items are the deliverables for this task:

- Electronic copy of each completed appraisal report, or valuation waiver.

**Task 3 Assumptions:**

Our scope of work contemplates that there will be no deviation from following assumptions relating to this task:

- The costs for appraisals are flat fees set by the appraiser.
- Upon delivery of the completed appraisal, Tierra will bill the Client for the completed appraisal(s).
- Client shall execute the Establishment of Just Compensation prior to written offer to purchase presentation to landowner.
- If the Cochise County James Ranch Road Project is proceeding concurrently with this Project, duplicate appraisals will not be pursued for the same property. Unless directed by the Client.
- The Client and Cochise County will collaborate to ensure the most efficient and effective delivery of both Projects within the area.
- Upon payment from Client, Tierra will pay the appraiser for their services.

**Task 3 Schedule:**

The estimated timeline for completion of Task 3 is one-hundred and twenty (120) days from the date the legal description for the acquisition area and title reports are received.

**Task 4. Review Appraisal Services:**

Paul Hendricks Appraisal Services shall provide appraisal review services. Paul Hendricks Appraisal Services is an approved provider of review appraisal services by the Arizona Department of Transportation, and the City of Tucson. The purpose of the review appraisal is to provide an independent review to confirm the appraisal report meets USPAP, URA and state appraisal regulations.

Note: When a government agency acquires property rights from a private property using federal funds, the agency is required by the Uniform Act to have the appraisal reviewed by an independent appraiser qualified to perform such reviews.

Activities Tierra will perform under this task include the following;

- Tierra will order and coordinate to obtain a review appraisal report for each of the properties affected by the Project.
- Once the review appraisal reports are received, Tierra will review them in detail to make sure they are complete and accurate.

**Task 4 Deliverables:**

The following items are the deliverables for this task:

- An electronic copy of the review appraisal reports for each of the properties appraised to ensure each report meets USPAP, URA and state regulations identifying any opined value and stating compliance with USPAP, URA and state regulations
- Establishment of Just Compensation (EJC) forms for each of the parcels to be acquired, for signature by the Client.

#### **Task 4 Assumptions:**

Our scope of work contemplates that there will be no deviation from following assumptions relating to this task:

- The costs for review appraisals are flat fees set by the appraiser. Once the appraiser delivers the completed review appraisals to Tierra, we will bill the Client for the completed review appraisal(s). Upon payment from Client, Tierra will pay the appraiser for their services.
- Client shall provide Tierra with a signed and approved “Establishment of Just Compensation” for each completed appraisal and appraisal review, within 10-days of submittal for review, before Tierra initiates negotiations with property owners.

#### **Task 4 Schedule:**

The estimated timeline for completion for Task 4 Appraisal Services is 14- days from receipt of appraisal performed on Task 4. If revisions or additional evaluation is determined to be necessary by the reviewer to finalize the Appraisal Report, this timeline may increase.

#### **Task 5. Environmental Services:**

Tierra shall coordinate the due diligence services required for the Project. These activities include the Phase I Environmental Assessments (ESAs). These Phase I ESAs is to assess up to 60 feet from the centerline of the quarter section line, within each parcel and for the full length of each parcel along east-west alignment (the Sites), for right-of-way (ROW) acquisitions, on behalf of Cochise County as ROW or the City of Douglas as an easement interest.

Activities Tierra will perform under this task include the following;

- Tierra will provide the owner executed Right of Entry (ROE) to Ninyo and Moore when ordering and coordinating for receipt of the Phase I ESAs, one for each of the properties affected by the Project.
- Once the Phase I ESA reports are received, Tierra will review them in detail to make sure they are complete and accurate, and Environmental Clearance has been obtained.
- If any Recognized Environmental Contaminants (RECs) are identified, Tierra will notify the Client immediately.
- If RECs are identified during Phase I ESA Report, Tierra will be afforded an opportunity to revise its scope of work and cost proposal.

#### **Task 5 Deliverables:**

The following items are the deliverables for this task:

- Electronic copy of Phase I ESA Reports consistent with the ASTM International (ASTM) Standard Practice E 1527-13, and the United States Environmental Protection Agency All Appropriate Inquiry rule.

#### **Task 5 Assumptions:**

Our scope of work contemplates that there will be no deviation from the following assumptions relating to this task:

- Access within each parcel will not include structure interiors unless specifically identified, in advance, as part of ROW acquisition.
- In accordance with the ASTM standard, the following, which is not intended to be all inclusive, represents non-scope considerations with respect to Phase I ESAs and, therefore, will not be addressed: asbestos-containing materials, biological agents, cultural and historic resources,

ecological resources, health and safety, indoor air quality unrelated to hazardous substances or petroleum products, industrial hygiene, radon, lead-based paint, lead in drinking water, mold, wetlands, and regulatory compliance. In addition, Ninyo & Moore will not address interpretations of zoning regulations, building code requirements, or property title issues.

- Any use of, or reliance upon, the information, assessments, or conclusions contained in the Phase I ESA reports for purposes other than environmental assessment shall be at the sole liability of the party undertaking such use.

#### **Task 5 Schedule:**

The estimated timeline for completion of Task 5 Environmental Services is approximately eight (8) weeks from completion of the user interviews/questionnaires from the Agency and Owner.

#### **Task 6. Acquisition Services:**

All acquisition services will be provided directly by Tierra. Acquisition services include the coordination/performance of the following items: title commitment, appraisal report, review appraisal report, review the Phase I ESA report, preparation of all purchase agreements and conveyance documents, review of any project plans, negotiations with each property owner within the project limits, the maintenance of detailed contact notes and the coordination of the activities and services stated herein. Should negotiations reach an impasse or become no longer viable Tierra will advise the Client immediately for consideration to proceed with Eminent Domain. If Client does not have a qualified eminent domain attorney on staff, or retainer, Tierra can make recommendations for qualified attorney's that we work with regularly on these types of projects.

Activities Tierra will perform under this task include the following;

- Tierra will request and coordinate with its sub-consultants to obtain the appraisal reports, review appraisal reports, and Phase I Environmental Assessments, for each of the properties affected by the Project, as outlined above.
- Tierra shall attend all onsite appraisal inspections with Baker Peterson Baker.
- Upon verification, each appraisal report will be reviewed by a Review Appraiser. Each Appraisal, Appraisal Review, and Establishment of Just Compensation will be forwarded to the Client electronically for the Client acceptance the amount of just compensation as determined by Review Appraiser.
- Tierra will be available to meet with the Client, property owners or occupants to discuss and assist in resolving any issues regarding the acquisition activities for the Project.
- Tierra will utilize the standard Client acquisition documents within our records from former Projects performed for the Client. These forms include Offer Letters, Purchase Agreements, and Conveyance documents.
- Tierra agents will prepare the offer packages (using the Client's approved forms) and will submit the completed packages to the Client for review and approval prior to making the offer to the property owner(s).
- Tierra will present and negotiate the offers to the property owner(s), in person, when possible.
- Tierra's acquisition agent(s) will perform "good faith negotiations" (as defined by The Uniform Act) to acquire the acquisition areas by making a sufficient number of significant contacts with each owner in an effort to secure the needed property rights.
- All administrative settlements will be sent to the Client for approval utilizing Tierra's Request for Administrative Settlement form and providing the appropriate supporting documentation.



- If negotiations are not successful, Tierra will make recommendations to the Client to proceed with Eminent Domain so the Client may secure the required property rights, if desired. Upon acceptance of Tierra's recommendation, Tierra will turn over the file and all applicable data pertaining to the file to the Client(s) attorney for initiation of the eminent domain proceedings.
- Upon acceptance and signature of an offer by the property owner, Tierra agents will open escrow with the title company and will work with title to clear any pending issues so escrow can close successfully. If the property owner is an LLC or corporation, the operating agreement/articles of incorporation and tax filing status of the business will be obtained by Tierra and provided to escrow and the Client upon receipt.
- The signed offer documents will be forwarded to Client for its upon receipt of the signed purchase or acquisition agreements for the landowner.
- Tierra agents will request the funds necessary to close escrow from the Client.
- Acquisitions will be considered complete at such time as any of the following occurs: signed acquisition documents are received and close of escrow occurs; the offer to purchase is rescinded; the parcel is processed for condemnation; or Tierra's negotiations are terminated after the joint negotiations status review by Client and Tierra.
- All acquisition parcel files will be prepared in a format that is satisfactory to the Client, and will include a standard Agent Contact Report reflecting all written, verbal and email contact with property owner(s). At a minimum, the acquisition parcel files will also include the title report, offer letter, purchase agreement, Phase I Environmental Assessment, including copies of the legal descriptions, Appraisal Report, Appraisal Review Report, Establishment of Just Compensation, escrow documents and conveyance documents.
- Within forty-five (45) days of receipt of the final title policy and recorded conveyance document(s) from the escrow company, Tierra will return the original acquisition file to the Client.

#### **Task 6 Deliverables:**

The following items are the deliverables for this task:

- Private parcel acquisition file, in electronic format containing all relevant documents, communications and plans relating to each acquisition.
- Bi-weekly tracking and status reports in a format satisfactory to the Client.
- All original documents to the Client for signature and issuance of warrant to close escrow.
- Original conveyance documents, original recorded conveyance documents, and Owners Title Policy.

#### **Task 6 Assumptions:**

Our scope of work contemplates that there will be no deviation from following assumptions relating to this task:

- Client shall provide approval of all letters and acquisition forms that deviate from the standard template prior to use.
- Tierra will make up to 5 attempts to negotiate in good faith with each property owner and secure their approval/acceptance of the offer. If an agreement cannot be reached or negotiated, Tierra will make recommendation to the Client to move to eminent domain. Upon concurrence by the Client of Tierra's recommendation, Tierra will prepare the file and deliver it to the Client for initiation of those proceedings.
- If negotiations stall or are no longer viable, the Client will not unreasonably delay Tierra from turning over the file for the initiation of eminent domain proceedings (to be handled by the Client).
- Client shall provide payment to property owners, escrow, or the courts as necessary to close all



transactions or gain possession of the property through its right of eminent domain, including the payment or reimbursement of any incidental costs which may arise to complete each transaction.

- Completed acquisition files that are completed and organized will be provided to the Client within 30 days of receipt of final title policy and recorded conveyance document(s).
- Should Tierra's assistance be required on a parcel after it has been turned over for Eminent Domain, Tierra will bill the Client at Tierra's hourly rates, which are included herein, for the actual hours worked. Said hours are not a part of this estimate.
- If additional parcels are identified after the approval of this estimate, Tierra will be afforded the opportunity to revise this proposal and fee accordingly.
- Mileage has not been included in this contract. Mileage will be billed at the current IRS rate, as incurred. This proposal includes an estimated cost of mileage.
- If possible, multiple activities will take place during each visit to the Project area to minimize expenditures.

**Task 6 Schedule:**

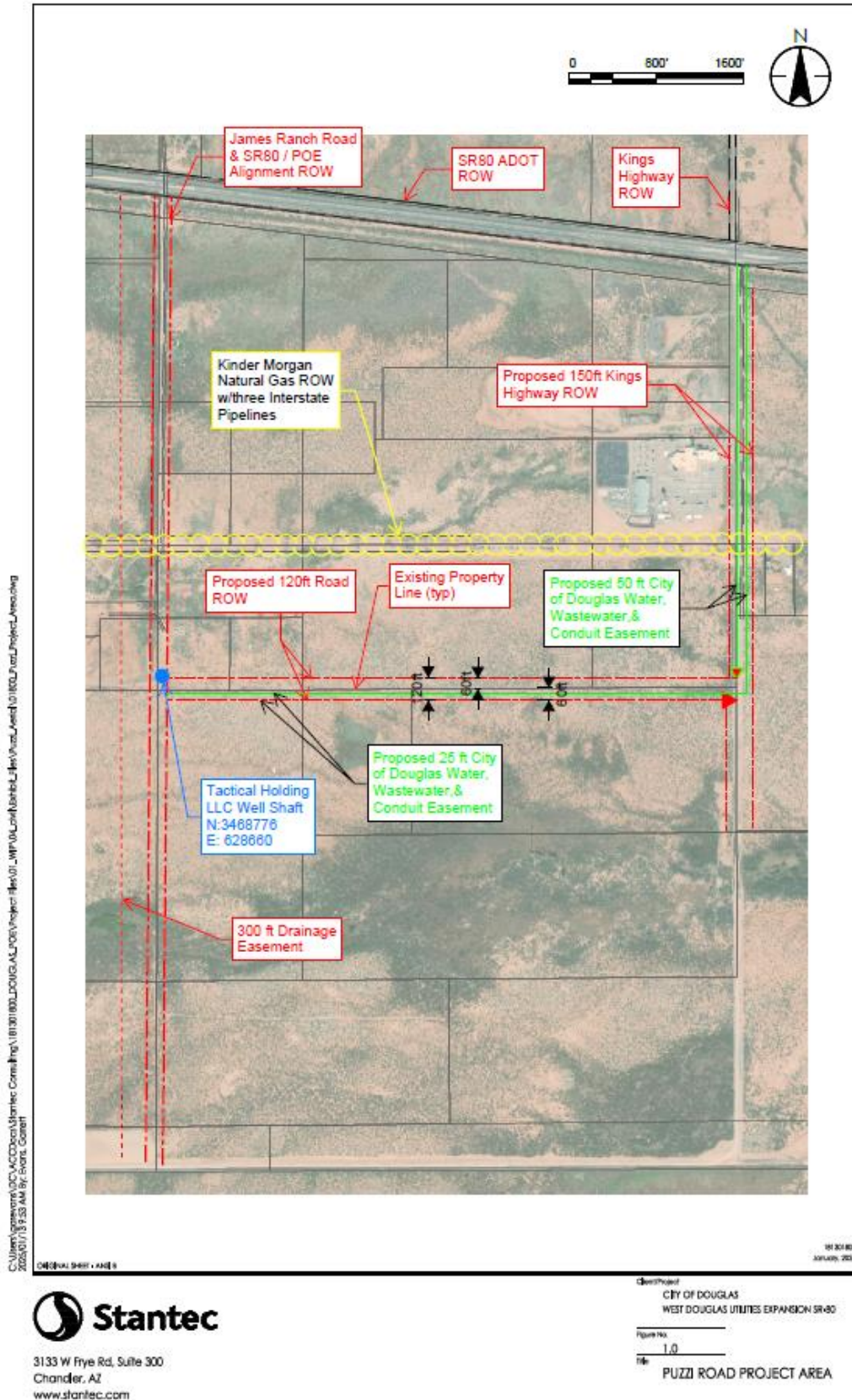
Estimated Timeline for Completion for Task 6 Acquisition Services is a minimum one-hundred and twenty (120) days from Initiation of Negotiations.

## COST ESTIMATE

Tierra's costs to complete the scope of work herein shall be in accordance with the attached Cost Proposal – Summary, below. Tierra's costs to complete the scope of work herein shall be in accordance with the Maricopa County SERIAL 210250-RFP. All services shall be invoiced for actual time and material services. Both agencies have signed the Cooperative Purchase Agreement with the Strategic Alliance for Volume Expenditures (S.A.V.E.) association as of March 28, 2024.

Tierra Right of Way Services. LTD. Puzzi Ranch Road - Acquisition Services						
Description	Director/Assistant Director	Project Manager	Sr. Acquisition Agent	Acquisition Agent	Total Hours	Total Fee Per Task
MARICOPA COUNTY CONTRACT REAL ESTATE ACQIUSTION, RELOCATION, DISPOSITION AND OTHER RELATED SERVICES 210250- RFP RATES	\$ 120.00	\$ 120.00	\$ 105.00	\$ 90.00		
Task Management						
Task 1. Project Administration and Project Management:	50	14	36	24	123	\$ 13,500.00
Task 2. Title Reports:	10	5	10		25	\$ 2,850.00
Task 3. Appraisal Services:	10	5	10		25	\$ 2,850.00
Task 4. Review Appraisal Services:	10	5	5		20	\$ 2,325.00
Task 5. Environmental Services:	10	5		30	45	\$ 4,500.00
Task 6. Acquisition Services:	131	262	1260	50	1703	\$ 183,960.00
Total	221	296	1321	104	1941	\$ 209,985.00
*Time and Material Basis Contract						
ESTIMATE OF DIRECT EXPENSE						
Item	Unit Cost		Quantity			
Mileage	\$0.700		11,016		\$7,711.20	
Copies	\$1.00				\$0.00	
Total Expenses					\$7,711.20	
OUTSIDE SERVICES & CONSULTANT EXPENSE						
Baker Peterson Baker	\$1,700.00		9		\$15,300.00	
Hendricks Appraisal	\$1,500.00		9		\$13,500.00	
Ninyo & Moore	\$3,531.77		8		\$28,254.13	
Pioneer Title	\$800.00		10		\$8,000.00	
Total Outside Expenses					\$65,054.13	
Total Proposal Estimate						\$282,750.33
				03/11/2025		
				Date		

# Exhibit "B"



### **Project and Cost Assumptions:**

Tierra's contemplated in this proposal the following standard assumptions:

- Client shall designate one point of contact within their organization for Tierra to provide communications and deliverables.
- If Client's lead monitor/manager changes, the existing policy and procedures being utilized by Tierra will not be substantially changed or altered.
- Properties are to be acquired in accordance with the Uniform Act.
- All mileage expenses will be invoiced to the Client at the IRS established rate on the day the expense was incurred. Mileage will be billed on the monthly invoice to Client. Other expenses relating to travel will be invoiced to Client at the rates established in the current GSA schedule for the time the expense was incurred.
- The costs for survey and preparation of legal descriptions is not included within Tierra's scope of work.
- The costs for escrow closing services are not included within Tierra's scope of work.
- Tierra will maintain records in accordance with all statutory, regulatory and policy requirements.
- Tierra will prepare and submit monthly invoices to include an explanation of work completed by Tierra or its sub-consultants during the invoice period.
- Tierra will prepare and provide Project tracking and status report formats.
- Tierra will ensure proper documentation throughout the life of the project for funding certification.
- Tierra will provide Project certification advisory review services as necessary. This includes being available for up to two (2) file review sessions with Federal or State auditors.
- Tierra will answer any questions or provide additional available information as requested during the audit for certification for the Tierra files as listed.
- *Please note: The information provided within this proposal is for the purpose of responding to a request for services from Client. The information is confidential in nature and not for distribution without written consent of Tierra.*