# **AGENDA ITEM**

TO: Tim Vandall, City Administrator

FROM: Anthony J. Zell, Jr., Wastewater Utility Director

DATE: May 11, 2023

SUBJECT: Request to Approve Appraisal Services for the McIntyre Road Sanitary

Sewer Interceptor Project (City Project 2021-04)

Several years ago (2014) staff conducted a qualifications-based selection process for land appraisal services for the many sanitary sewer improvement projects that were ahead. The project team determined that Valbridge Property Advisors were the most qualified firm to perform the required scope of work, and previously entered a contract to appraise the necessary properties. Valbridge has provided appraisal services for the 7 Mi Creek Action Plan, 9 Mile Creek Action Plan, NW Sewer Interceptor, Eisenhower Commercial Extension, Ward One Upgrade, and most recently Town Centre extension.

The city's current purchasing policy (Section 4-4, Professional Services) allows the city to use qualified firms for similar work within 18 months if their performance has been satisfactory. The policy reads "If a qualified firm has been chosen utilizing the QBS process within the last 18 months for a project of a similar nature, or there is an extension of an existing project, and satisfactory services were received, the City Administrator may direct staff to solicit that same firm for additional work on other projects, and not require an additional qualifications-based selection process."

City staff has discussed the McIntyre Interceptor project with Valbridge Property Advisors and they are eager to work for the City of Lansing again. Valbridge has submitted a new contract for the project at a cost of \$1,650 per parcel for twelve land appraisals and evaluations. This cost per tract is slightly higher than previous projects.

A copy of their contract is attached for your review. The base costs associated with the appraisals is \$19,800, with a not to exceed cap of \$35,000, should the additional services be needed.

ACTION:

Policy Consideration: Section 4.4, Professional Services

Financial Consideration: Funds for the project are available in the Utility's reserves.

Action: A motion to approve the contract with Valbridge Property Advisors for appraisal services in support of the McIntyre Sanitary Sewer Interceptor Project (City project 2021-04).



May 10, 2023

Anthony J. Zell Jr. MBA, CPM Wastewater Utility Director The City of Lansing 800 First Terrace Lansing, Kansas 66043

RE: Engagement Proposal for Appraisal Services

Dear Mr. Zell:

Thank you for the opportunity to present this proposal for appraisal services for the Lansing McIntyre Road Sewer Project. Per your request I have modeled this proposal on prior proposals we have submitted, as those were fairly consistent with industry practices and the scope of work outlined was comprehensive.

All appraisal services will conform to the Uniform Standards of Professional Appraisal Practice and the Professional Ethics of the Appraisal Institute. The proposed scope of work follows:

- For each parcel, identification of the economic unit, or larger parcel to be appraised, based upon the
  unity of use, contiguity, and ownership.
- Identify available utility and development infrastructure.
- Review the existing zoning, and master planned zoning, from the appropriate governmental authority. Estimate the Highest and Best use of the property.
- Research county records and other available sources for comparable sales data.
- Estimate property values based upon comparable data.
- Analyze and estimate value impacts due to takings and improvement losses (structures and other improvements).
- Analyze any damages to the remainder property due to the acquisitions.
- Preparation of valuations which delineate monetary impacts.

Any additional appraisals for properties beyond the estimated number of properties (12), or services beyond the specified scope, is an additional service.

**Appraisal Report Updates** 

Any appraisal report that requires an update due to a change in market conditions attributed to delays in the project beyond the control of Valbridge Property Advisors I Kansas City is considered an additional service.

### **Condemnation Services**

Valbridge Property Advisors I Kansas City can provide evidence and testimony showing good faith offers have been made. If needed, we can prepare condemnation exhibits and provide expert testimony as to valuation conclusions, with fees charged per the hourly schedule outlined later in this proposal.

## **Project Schedule**

The appraisal services for the properties will take approximately 30 to 45 days to complete after receipt of items necessary to complete the assignment.

#### Insurance

Valbridge Property Advisors I Kansas City carries \$2,000,000 in professional liability insurance, as well as the required amount prescribed by law for Workers' Compensation. An E&O Declaration is available upon request.

#### **Cost of Services**

The base not to exceed cost for the appraisal services is \$1,650 per tract. Total costs will not exceed \$35,000. Any additional charges for expert witness work will be made at the hourly rate and fee schedule described in this section.

## Fee Schedule

Hourly fees (associated with depositions, testimony, and consultation outside the defined scope of work) will be in accordance with the following rate schedule.

# **Hourly Rates**

Principal Appraiser: \$375 Associate Appraiser: \$225

# **Out of Pocket Expenses**

Reimbursement of out-of-pocket expenses at cost (maps, ownership documents, etc.).

#### **Considerations**

This proposal is predicated on the following items:

- Completed legal descriptions, tract maps, and construction drawings will be provided at the start of the individual appraisals.
- Field staking marking the acquisition boundaries will be provided before the assignment commences.

## **Title 6 Compliance**

- Compliance With Regulations The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of United States Department of Transportation (USDOT), Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2. Nondiscrimination The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall 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 B of the Regulations.
- 3. Solicitations for Subcontracts, Including Procurement of Materials and Equipment In all solicitations either by competitive bidding or negotiations made by the contractor for work to be performed under a sub- contract, including procurement of materials or leases of equipment, each potential sub-contractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex, or national origin.

- 4. Information and Reports The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the contracting agency or the appropriate federal agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of the contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5. **Sanctions for Noncompliance** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the contracting agency shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to:
  - a. Withholding of payments to the contractor under the contract until the contractor complies, and/or;
  - b. Cancellation, termination, or suspension of the contract, in whole or in part.
- 6. **Incorporation of Provisions** The contractor shall include the provisions of paragraphs (1) through (5) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the contracting agency or USDOT may direct as a means of enforcing such provisions including sanctions for noncompliance.

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a sub- contractor or supplier as a result of such direction, the contractor may enter into such litigation to protect the interests of the city and, in addition, the contractor may request the USDOT enter into such litigation to protect the interests of the United States.

Thank you for the opportunity.

Daniel Kann, MAI MRE

Certified General Real Property Appraiser Kansas #G-2764

Senior Managing Director

Valbridge Property Advisors I Kansas City

| Approved and Authorized by: |  |
|-----------------------------|--|
| Date:                       |  |