

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
APRIL 6, 2010 AGENDA**

Subject:	Type:	Submitted By:
REVIEW APPRAISAL SERVICES - THOMPSON CREEK PROJECT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	PAM BUETHE CITY CLERK

SYNOPSIS

A resolution has been prepared to accept the proposal submitted by Valuation Services for review appraisal services associated with the Thompson Creek grant project in an amount not to exceed \$6,000.00.

FISCAL IMPACT

The FY 09/10 Budget contains funding for this project.

RECOMMENDATION

Approval.

BACKGROUND

At the February 2, 2010 City Council meeting the Council accepted a FEMA grant award of \$2,040,930.00 to facilitate the acquisition of 24 homes along Thompson Creek. At the March 2, 2010 City Council meeting the Council approved Thomas E. Stevens & Associates for appraisal services for the purpose of determining the value of the 24 homes in the mitigation area. The next step is to acquire the services of a review appraiser as is required as part of the grant.

Proposals were requested from Valuation Services, John Moran & Associates, and Johnson Appraisal. The proposals from each company include a price for the valuation of 12, 18, and 24 homes as follows

Valuation Services	\$3,000.00 - \$6,000.00
John Moran & Associates	Withdrew proposal due to potential for appearance of a conflict of interest.
Johnson Appraisal	\$5,300.00 - \$8,400.00

Staff has reviewed the proposals and recommends Valuation Services as the most responsible proposal.

Valuation Services will complete each appraisal review within three weeks from the date the appraisals are received. If any re-reviews are needed due to changes there would be an additional expense agreed upon at the time of revisions.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA ACCEPTING THE PROPOSAL FOR REVIEW EVALUATION SERVICES ASSOCIATED WITH THE THOMPSON CREEK PROJECT AS SUBMITTED BY VALUATION SERVICES IN AN AMOUNT NOT TO EXCEED \$6,000.00

WHEREAS, the City Council of the City of La Vista has determined that said review appraisal services are necessary as part of the FEMA requirements for the acquisition of 24 homes along Thompson Creek; and

WHEREAS, the FY 2009/10 Budget includes funding for this project; and

WHEREAS, the City council accepted a FEMA grant award of \$2,040,930.00 to facilitate the acquisition of 24 homes along Thompson Creek; and

WHEREAS, the City received proposals from three separate appraisal services; and

NOW, THEREFORE BE IT RESOLVED, by the Mayor and City Council of La Vista, Nebraska, to accept the proposal for review evaluation services associated with the Thompson Creek Project as submitted by Valuation Services in an amount not to exceed \$6,000.00.

PASSED AND APPROVED THIS 6TH DAY OF APRIL 2010

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk



THOMPSON, DREESSEN & DORNER, INC.
Consulting Engineers & Land Surveyors

March 22, 2010

Ms. Pam Buethe
City Clerk
City of La Vista
8116 Park View Blvd.
La Vista, NE 68128

Robert E. Dreessen, P.E.
Ka "Kip" P. Squire III, P.E., S.E.
Douglas S. Dreessen, P.E.
Chris E. Dornier, L.S.
Nelson J. Hymans, P.E.
James D. Warner, L.S.
Charles E. Riggs, P.E.
John M. Kottmann, P.E.
Arthur D. Beccard, P.E.
Dean A. Jaeger, P.E.
Richard M. Broyles, L.S.

David H. Neef, L.S.
Ronald M. Koenig, L.S.
Michael J. Smith, L.S.
Troy J. Nissen, P.E., S.E.
Douglas E. Kellner, P.E.
Gary A. Norton, P.E.
Brian L. Lodes, P.E. LEED AP
Kurtis L. Rohn, P.E.
Jeffrey L. Thompson, P.E.
Daren A. Konda, P.E.
Michael T. Caniglia, L.S.
Jeremy T. Steenhoek, P.E.
Joshua J. Storm, P.E.

RE: Thompson Creek HMG Property Acquisition
Summary of Proposals for Review Appraisal Services
TD² File No.171-379.10

Pam:

We sent a request for proposals for review of appraisal services to three firms. All three firms responded. However, one of the three firms withdrew their proposal due to the potential appearance of a conflict of interest. A summary of the two proposals from Johnson Appraisal, LLC and Valuation Services is attached, as well as a copy of the letter from John A. Moran & Associates withdrawing their proposal.

Both Johnson Appraisal, LLC and Valuation Services are qualified and familiar with the Federal and NDOR LPA procedures. I recommend that the proposal from Valuation Services be accepted.

A copy of the proposal submitted by each firm is also enclosed.

Submitted by:

THOMPSON, DREESSEN & DORNER, INC.

John M. Kottmann, P.E.

JMK/bam

cc: File
Ms. Ann Birch
Mr. Joe Soucie

THOMPSON CREEK HMG
REVIEW APPRAISALS
SUMMARY OF PROPOSALS RECEIVED
MAR. 10, 2010

Company	John Moran & Assoc.	Johnson Appraisal	Valuation Services
	John A. Moran	Gary Hassebrook	Kip Withers

Scope
No. of Homes

12 Homes	*	\$5,300	\$3,000**
18 Homes	*	\$7,050	\$4,500**
24 Homes	*	\$8,400	\$6,000**

Time frames:

Johnson Appraisal cannot begin the review of appraisals until June 1, 2010 but would be able to conduct interior inspections prior to that date.

Kip Withers will complete each appraisal review within three weeks from the date the appraisals are received for review.

Footnotes:

* Mr. Moran withdrew his proposal due to the potential for the appearance of a conflict of interest.

** Mr. Withers advised that any re-reviews due to changes would be an additional expense to be agreed upon at the time of revisions.

Valuation Services

11640 Arbor Street, Suite 101

Omaha, Nebraska 68144

(402)397-8080

March 10, 2010

Mr. John M. Kottmann, P.E.
Thompson, Dreessen & Dorner, Inc.
10836 Old Mill Road
Omaha, NE 68154-2685

Re: Bid proposal to prepare appraisal reviews
Project No. DR-1674-NE-0055
Thompson Creek Property Acquisition
City of La Vista

Dear Mr. Kottmann:

As requested, I am submitting a proposal to prepare appraisal reviews for the tracts to be acquired as part of the above captioned project. It is my understanding that this project is funded by FEMA through the Nebraska Emergency Management Agency with participation by local agencies. Consequently, the scope of work to be completed consists of preparing appraisal reviews that adhere to Federal requirements and follow the guidelines set forth in the NDOR LPA Manual.

Based on my review of the properties involved and the scope of work to be performed, I have estimated a fee of \$250 per tract. Any revisions or corrections to the original reviews which result from changes in original facts made by the City of La Vista and/or its affiliates shall be at additional expense to the City of La Vista. These additional charges will be approved in writing by the City of La Vista prior to making these revisions.

The above outlined review fees do not include compensation for time required in the event of eminent domain proceedings. Time required for pre-trial preparation and subsequent hearings shall be billed in addition to the above outlined fees. Hours involved in court testimony and condemnation proceedings will be billed at a rate of \$150.00 per hour, \$1,200 per day, or \$600 per half day. An itemized list detailing the time spent on these items will be provided at the time any invoice requesting payment for said services is submitted to the City of La Vista.

Provided the appraisals are provided to the reviewer and there is no undue delay in obtaining the materials required to complete this assignment, Valuation Services will provide you with one (1) hard copy and one (1) electronic copy of each appraisal review within three weeks of the date we receive the appraisals prepared by Thomas E Stevens & Associates. In order to meet this time frame, Kevin Kroeger, (Co-President of Valuation Services and Certified General Appraiser) may be providing assistance throughout the course of the assignment.

Mr. John M. Kottmann, P.E.

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Should you elect to retain my services, please issue a purchase order and return one copy of this letter to my attention. If you have any questions concerning this proposal, please contact me at your convenience.

Sincerely,



Kip A. Withers
Co-President
Valuation Services

Acceptance:

Mr. John M. Kottmann, P.E.
Thompson, Dreessen & Dorner, Inc.

Acceptance Date

Johnson Appraisal, LLC

Real Estate Appraisers and Consultants

5901 South 58th Street, Suite B

Lincoln, Nebraska 68516

Dwight L. Johnson, CG
Retired (MAI, SRA) 1/1/02
Randy G. Johnson, SRA, CR
Gary E. Hassebrook, Associate Member, CG

Phone (402) 420-1111
Fax (402) 420-1458

March 10, 2010

Mr. John M. Kottmann, P.E.
Thompson, Dreessen and Dorner, Inc.
10836 Old Mill Road
Omaha, NE 68154-2685

RE: Appraisal Review Services
HMG Project DR-1674-NE-0055

Dear Mr. Kottmann:

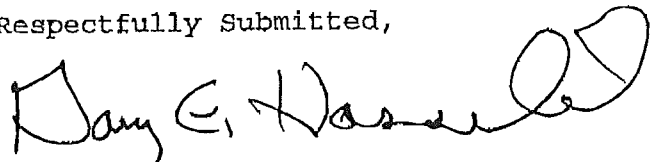
Thank you for the request. The reviews will follow the guidelines in the NDOR LPA Manual. The fee will be on a sliding scale because the number of reviews is not known. A higher number will have lower fees. The proposed fees are as follows:

1 - 5	Reviews:	\$500.00 each
6 - 10	Reviews:	450.00 each
11 - 15	Reviews:	400.00 each
16 - 24	Reviews:	350.00 each

The earliest I can begin the reviews is around June 1, 2010. I would be available at an earlier date to inspect the properties with Tom Stevens. Hopefully, a number of them could be seen on the same day.

Thanks.

Respectfully Submitted,



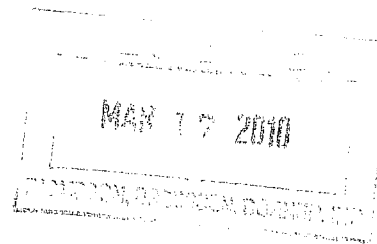
Gary E. Hassebrook, Associate Member
CG #920275
For the Company

GEH/lg

JOHN A. MORAN & ASSOCIATES

1011 South 78th Street
OMAHA, NEBRASKA 68114

Telephone (402) 397-2280
Fax (402) 397-2080
jamoran@moranappraisals.com



March 15, 2010

Mr. John M. Kottmann, P.E.
Thompson, Dreessen & Dorner, Inc.
10836 Old Mill Road
Omaha, NE 68154-2685

RE: Appraisal Review Services
HMG Project DR-1674-NE-0055
Thompson Creek Property Acquisition
City of LaVista
TD² File No. 171-379.9

Dear Mr. Kottmann:

This will confirm our March 12, 2010, telephone conversation in which I formally withdrew my bid on the referenced project. As discussed, the principal appraiser's company (Thomas E. Stevens & Associates) and mine (John A. Moran & Associates) occupy the same office condominium, and, on occasion, share office support staff. While I am certain this office sharing arrangement would in no way influence or impact the rendering of my professional services, I am mindful that some could allege a conflict of interest. Accordingly, in the interest of full transparency, my bid with respect to the referenced project is withdrawn as of March 12, 2010. I hope to be service in the future.

Respectfully Submitted



John A. Moran, SRA

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
APRIL 6, 2010 AGENDA**

Subject:	Type:	Submitted By:
ACQUISITION SERVICES - THOMPSON CREEK PROJECT	◆ RESOLUTION ORDINANCE RECEIVE/FILE	PAM BUETHE CITY CLERK

SYNOPSIS

A resolution has been prepared to accept the proposal submitted by Midwest Right of Way for acquisition and relocation services associated with the Thompson Creek grant project in an amount not to exceed \$129,800.00.

FISCAL IMPACT

The FY 09/10 Budget contains funding for this project.

RECOMMENDATION

Approval.

BACKGROUND

At the February 2, 2010 City Council meeting the Council accepted a FEMA grant award of \$2,040,930.00 to facilitate the acquisition of 24 homes along Thompson Creek. One of the next steps in the process is to contract for acquisition and relocation services necessary for this project.

Staff has reviewed and recommends approval of the proposal submitted by Midwest Right of Way Services. The City has had considerable experience with this company and it is the only local company on the NDOR list of approved consultants which has extensive experience working on Federal projects such as this. The City Engineer and staff believe this company is well qualified in this type of acquisition service. The proposal is based on 24 homes and includes fees for title services in the amount of \$14,400.00 and acquisition and relocation services in the amount of \$115,400.00.

Once acquisition and appraisal services are in place a meeting will be set up with those affected by this project to explain the process and give them the opportunity to ask questions and seek additional information. A tentative date for this public meeting is April 22, 2010.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA TO ACCEPT THE PROPOSAL SUBMITTED BY MIDWEST RIGHT OF WAY SERVICES, INC. FOR ACQUISITION AND RELOCATION SERVICES ASSOCIATED WITH THE THOMPSON CREEK GRANT PROJECT IN AN AMOUNT NOT TO EXCEED \$129,800.00

WHEREAS, the City Council of the City of La Vista has determined that said acquisition and relocation services are necessary as part of the FEMA requirements for the acquisition of 24 homes along Thompson Creek; and

WHEREAS, the FY 2009/10 Budget includes funding for this project; and

WHEREAS, the City council accepted a FEMA grant award of \$2,040,930.00 to facilitate the acquisition of 24 homes along Thompson Creek; and

WHEREAS, the City Engineer has determined that this is the only local acquisition consultants on the NDOR list of approved consultants with extensive experience working on federal grant projects such as this one; and

NOW, THEREFORE BE IT RESOLVED, by the Mayor and City Council of La Vista, Nebraska, to accept the proposal submitted by Midwest Right of Way Services, Inc. for acquisition and relocation services associate with the Thompson Creek Grant Project in an amount not to exceed \$129,800.00.

PASSED AND APPROVED THIS 6TH DAY OF APRIL 2010

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

MIDWEST

Right of Way Services, Inc.

March 23, 2009

RE: Proposal for Right of Way Services
City of La Vista
Flood Hazard Mitigation Program
Thompson Creek

City of La Vista
C/o Pam Buethe, City Clerk
8116 Parkview Blvd.
La Vista, Nebraska 68128

Dear Ms. Buethe:

Midwest Right of Way Services, Inc. is pleased to provide this proposal for right of way services for the above referenced project in La Vista, Nebraska. We have discussed the project with the design engineer and City staff and have examined the project in the field. With this background information, we provide the following information for your consideration.

Consultant and Key Personnel

Consultant- Midwest Right of Way Services
13425 "A" Street
Omaha, Nebraska 68144
(402) 955-2900
(402) 955-2903 FAX

Key Personnel- Jack Borgmeyer – President
Chris Pawloski – Project Manager

Project Understanding

This project involves the acquisition of land and improvements for a Flood Hazard Mitigation Program funded by FEMA, the City of La Vista and the Papio-Missouri River Natural Resources District. The properties involved are located along Thompson Creek West of 72nd Street on Park View Boulevard and Valley Streets. The project will require the potential acquisition of land and improvements from twenty-one property owners.

Project Management

This task will involve coordination of all project elements so that work is initiated as it should be, appropriate progress is made, and schedules are met. Coordination and scheduling of the land acquisition and easements along with the payment process will be the responsibility of the project manager.

Title Insurance and Closings

Title commitments will be obtained on all affected properties in order to determine fee ownership and any liens and encumbrances which will affect the title. Nebraska Title Company will provide the commitments for twenty-four properties and subsequent title insurance for those properties which accept the City's offer to purchase. Nebraska Title Company will also handle the closings for the transactions which includes the recording of the deeds, preparation of closing statements, preparation of IRS Forms 1099S and transfer of funds.

Appraisals & Review Appraisals

This task involves preparation of appraisal reports and review appraisal reports which will provide values for the land and improvements to be acquired. Thomas Stevens and Associates has been hired by the City to provide appraisal reports for the project. Valuation Services has been hired by the City to provide the appraisal reviews. Copies of the appraisal reports and reviews will be furnished to Midwest Right of Way Services for use in our tract files. The appraisals and review appraisals must be approved by the City of LaVista before an offer to purchase can be made to each property owner.

Acquisition

Midwest Right of Way Services' acquisition agents will make every effort to understand the project's objective before meeting with individual property owners. They will prepare all documents in accordance with FEMA regulations, present and explain the offers, answer all acquisition-related questions, and secure signatures from all interested parties. Our acquisition agents will obtain tenant information from property owners and proceed to obtain signed leasehold contracts. Each contact with property owners and tenants will be recorded on a call report and placed in the individual tract file as a permanent record.

Midwest Right of Way Services will perform the services in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Relocation Assistance Services

Midwest's relocation agents will provide relocation assistance and advisory services in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the Nebraska Relocation Assistance Act. The relocation agents will meet with the City to review the program and discuss the scope of work before beginning any activities relating to relocation assistance. They will follow the general procedures, provide services, create and maintain records, and submit reports and status reports as required by Federal procedures. The tasks involved with relocation activities include initial interviews with displacees, preparation of studies, presentation of offers, inspecting replacement properties, attending closings, monitoring moves, processing and reviewing claims, and providing advisory assistance. Relocation studies will be sent to the City for review and approval before offers of relocation assistance are made.

Audit Compliance

Midwest Right of Way Services, Inc. will retain copies of the recorded documents and payment vouchers or checks in our individual parcel files. Midwest will also keep an electronic copy of all completed tract files for future audit purposes by the City or Federal Emergency Management Agency.

Status Reports and Progress Meetings

Status reports will be furnished to the City on a regular basis as determined by the City. Progress meetings will be held with the City of LaVista periodically to review the progress of the negotiations, closings and relocation assistance for the project.

Team Members

Jack Borgmeyer, SR/WA, RW-RAC, is President of Midwest Right of Way Services, Inc. Borgmeyer is qualified to complete all aspects of the right of way process. His experience includes right of way title searches, land and easement acquisition, relocation, condemnation testimony, and project management. Borgmeyer has over 30 years of experience relating to real estate and right of way.

Chris Pawloski, SR/WA, R/W-RAC, is our Project Manager. His experience includes project management, condemnation testimony, title searches, acquisition negotiations, relocation assistance, and federal regulation compliance for all types of local, state, and federally funded projects in Iowa, Kansas, and Nebraska. Pawloski has over 9 years of experience relating to real estate and right of way.

Gene Gilmore, R/W-RAC, *Relocation Agent*, will provide relocation and advisory assistance as needed. Gilmore has over 35 years experience handling all types of relocation cases in Nebraska and Kansas. His experience includes residential owners and tenants, businesses, farms and non-profit organizations. He has also handled the relocation of several large, complicated businesses such as foundries, salvage yards, and lumber yards.

Stacey Kroeger, RW-RAC, has worked for Midwest Right of Way Services for over seven years. She has performed acquisition negotiations and relocation assistance for a variety of projects including avigation, roadway and water resources projects. Her experience includes residential and business property acquisitions and relocations.

Brent Lundgren, *Right of Way Agent*, has over four years of experience in land and easement acquisition, land development, office condominium development and property management. Brent is a licensed real estate broker in Nebraska and South Dakota and has worked as a right of way agent at Midwest since May 2007.

Fees

Midwest Right of Way Services will provide the above described right of way services for the following hourly fees:

TITLE SERVICES – Nebraska Title Company	Lump Sum Fees
Title Insurance Commitments - 24 @ \$150.00 each	\$ 3,600.00
Closings - 24 @ \$200.00 each	\$ 4,800.00
Title Insurance Estimate - 24 @ \$250.00 each	<u>\$ 6,000.00</u>
Total Estimated Title Services Fees	\$ 14,400.00

ACQUISITIONS - Midwest Right of Way Services:

	<u>Hourly Salary Rates</u>	
Project Manager	\$80.00	
Right of Way Agent	\$68.00	
		Maximum Fees
Tract Acquisitions - 21 Owners @ \$2,000.00 per owner		\$ 42,000.00
Relocation/Tenants - 13 Cases @ \$5,000.00 per case		\$ 65,000.00
Project Management - 21 Owners @ \$ 400.00 per owner		<u>\$ 8,400.00</u>
Total Maximum Acquisition and Relocation Costs:		\$115,400.00

Ms. Pam Buethe
March 23, 2010
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These fees are based on the initial estimate of the number of property owners and tenants. Fees will be charged according to the actual number of owners and cases acquired and relocated. If the City decides to offer an owner additional benefits based upon the special needs of their household, Midwest and the City shall agree on a supplemental agreement for these additional services before the commencement of any additional work.

Invoices will be sent on an approximate monthly basis for services rendered.

If the above described items are satisfactory to you, please sign and date the original and duplicate original of this letter in the space provided. Keep one executed copy of this letter for your files and return the duplicate copy to us for our files. Receipt of this letter contract will be considered our formal notice to proceed with the work.

Sincerely,

MIDWEST RIGHT OF WAY SERVICES, INC.



Jack Borgmeyer
President

ACCEPTANCE OF PROPOSAL AND AUTHORIZATION TO PROCEED

Authorized Representative
City of La Vista

Date: _____