



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**  
Memo No. RE08-252

**1. Agenda Item Number:**  
**33**  
**2. Council Meeting Date:**  
April 10, 2008

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** March 14, 2008

**THROUGH: CITY MANAGER**

**4. Requesting Department:** Public Works

**5. SUBJECT:** Approval of Contract with Sell & Associates in the amount of \$50,000 for appraisal services needed for the Alma School Road at Ray Road Intersection Improvements, Project No. ST0704.

**6. RECOMMENDATION:** Staff recommends Council approve the Contract with Sell & Associates in the amount of \$50,000 for appraisal services needed for the Alma School Road at Ray Road Intersection Improvements, Project No. ST0704.

**7. BACKGROUND/DISCUSSION:** Council has approved the alignment for the Alma School Road and Ray Road Intersection Improvements. The project is required to relieve congestion along this major arterial corridor. The proposed roadway improvements will include the construction of three through lanes, dual left turn lanes, right turn lanes, bus pullouts, and bike lanes in each direction.

The Alma School Road and Ray Road Intersection Improvement Project requires the acquisition of real property (road right-of-way and easements) from private property. Road right-of-way and/or easement acquisitions for the proposed improvements will be required from an estimated 9 residential properties, 1 church, and 23 commercial/retail parcels. This includes probable full acquisitions of 2 of the residential properties (parcel numbers 302-49-119 & 302-49-125) and 2 commercial/retail properties (parcel numbers 302-43-001D & 302-43-001E) at the southeast and northeast corners of the intersection. City staff have discussed the possible full acquisition of these four parcels with the property owners. An additional commercial/retail property full acquisition (parcel number 302-43-164A) may be necessary pending appraisal results.

Construction should begin in 2010.

**8. EVALUATION:** Sell & Associates was selected in accordance with established City policies and procedures.

**9. FINANCIAL IMPLICATIONS:**

Total Appraisal Contract: \$50,000

**Fund Source:**

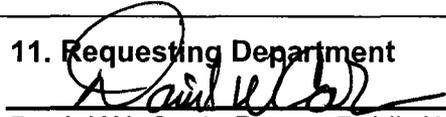
Acct. No.:	Fund Name:	Program Name:	CIP Funded:	Amount:
411.3310.0000.6517.7ST315	Arterial Street Impact Fees	Alma School / Ray Roads	FY04/05	\$50,000

**10. PROPOSED MOTION:** Move that Council approve the Contract with Sell & Associates in the amount of \$50,000 for appraisal services needed for the Alma School Road at Ray Road Intersection Improvements, Project No. ST0704.

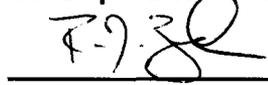
**ATTACHMENTS:** Location/Site Map

**APPROVALS**

**11. Requesting Department**

  
Daniel W. Cook, Deputy Public Works Director

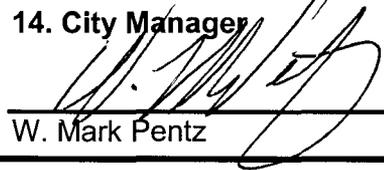
**13. Department Head**

  
R. J. Zeder, Public Works Director

**12. Buyer/Contract Administration:**

  
Erich-Kuntze, Real Estate Operations Coordinator

**14. City Manager**

  
W. Mark Pentz





**Chandler • Arizona**  
*Where Values Make The Difference*

September 25, 2007

Sell & Associates, Inc.  
 4625 South Lakeshore Drive  
 Tempe, Az 85282-7127  
 Attn: Doug Estes

Re: APPRAISAL SERVICES FOR  
 ALMA SCHOOL @ RAY ROAD INTERSECTION IMPROVEMENTS ST0704-201

Dear Doug,

Based on your 9/24/07 email proposal, copy attached, it is our understanding that you will be providing appraisal services that include the following:

1. Appraisal reports for the sum set forth as follows:

<u>Parcel Number(s)</u> (See attached Exhibit "A")	<u>Amount</u>
	\$50,000

2. Description of work to be done:

Complete full narrative appraisal reports according to Uniform Standards of Professional Appraisal Practice standards for full or partial acquisitions, whichever is applicable and assumes no environmental issues are present. The appraisal shall include a full section map identifying the subject and the comparable sale parcel within the section and a sales comparable adjustment grid.

3. Data to be furnished the APPRAISER by the CITY:

Title reports, legal descriptions and plans

4. The Appraisal Report shall be completed in triplicate and shall conform to the Uniform Standards of Professional Appraisal Practice.

5. The completed written appraisal reports are to be delivered to City of Chandler, Real Estate Division @ 25 South Arizona Place, Suite 330, Chandler, Arizona 85225, on or before 5:00 p.m. **sixty days (60) days after the authorization to proceed.** The date of delivery of the report may not be extended without written authorization of the Real Estate Manager or their authorized agent.
6. The APPRAISER will be paid up to the sum as set forth in paragraph 1 for the completed work, which sum shall include all costs or expenses incurred by the APPRAISER. Payments to the APPRAISER shall be made within thirty (30) days of submission of the completed Appraisal Report(s) and invoice. In the event the CITY requests the APPRAISER cease work on a particular project prior to its completion, payment shall be made prorated on the basis of work completed.
7. Where applicable, payment may be made as the portions of this work are completed and accepted by the CITY on the basis of the agreed fee amount for each parcel.
8. An Appraisal Review Report will be complete upon submission and the APPRAISER agrees to correct any omissions or errors on their part at no extra cost to the CITY.
9. The APPRAISER agrees to testify in the courts with reference to Appraisal(s) prepared for the CITY when requested or subpoenaed by the City's attorney or opposing attorney. The APPRAISER agrees to complete and submit to the CITY any additional information, investigation or opinions or conclusions within ninety (90) days or less if requested by the CITY. The APPRAISER shall be paid at the rate not to exceed \$300.00 per hour for all work performed as described above and for depositions, attorney pretrial, trial conferences, testimony in court or other related work.
10. The APPRAISER must notify landowner and/or their designated representative to inform them that they have been requested to perform an appraisal. APPRAISER shall allow the owner, or a representative of owner, the opportunity to provide any information they wish regarding the property and to accompany the APPRAISER during their inspection of the property.
11. Neither the APPRAISER'S employment nor their compensation are in any way contingent upon the amount at which they value the property.
12. The APPRAISER agrees to indemnify and save harmless the CITY, its officers agents and employees from any and all claims and losses accruing or resulting to the CITY in connection with the negligent performance of this work, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the APPRAISER in the negligent performance of this work.
13. The APPRAISER may not assign this work to another appraiser without consent by the City of Chandler.

14. Time is of the essence with production of the work for the appraisal report. It is understood that should the APPRAISER not produce the agreed upon work in the proscribed time, the CITY may elect to ask the APPRAISER to terminate work on the project, and not be responsible for payment. In the event work is delayed, and the CITY elects to have APPRAISER continue with work, APPRAISER shall be responsible for payment to the CITY of \$100 per day in liquidated damages.
15. It is mutually understood that no alteration or variation of these terms will be valid unless made in writing and signed by the parties, and no alterations or variations of the terms hereof unless made in writing between the parties hereto shall be binding on any of the parties hereto.
16. The APPRAISER agrees that they will not disclose their report and conclusions in whole or in part to any person other than as provided in letter or except as directed by an authorized agent of the CITY.
17. The APPRAISER warrants that they have no interest, present or contemplated, in the property or the properties affected by this work.
18. The APPRAISER has not employed or retained any company, firm or person, other than a bona fide employee working solely for them, to solicit or secure this work, and that they have not paid or agreed to pay any company, firm, or person, other than a bona fide employee working solely for them, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this agreement. For breach or violation of this warranty, the CITY shall have the right to cancel this agreement without liability.
19. The APPRAISER shall maintain commercial general liability insurance with a limit of not less than \$500,000 for each occurrence and automobile liability in an amount not less than \$100,000 combined single limit. Said policy shall also name the "City of Chandler, its agents, representatives, officers, directors, officials and employees" shall be named as additional insured. If applicable, APPRAISER shall also carry worker's compensation insurance for all employees at statutory limits and Employer's Liability in an amount not less than \$100,000 for each accident/disease per employee. Prior to commencing work, evidence of such coverage shall be provided to the City by an acceptable Certificate of Insurance and approved by the City's Risk Manager.

Please let me know if you have any questions or need additional information. A self-addressed stamped envelope is enclosed for your prompt return of this original, signed letter.

Thank you for your assistance in this matter.

Sincerely,

I HAVE READ, UNDERSTAND AND  
AGREE TO THE FOREGOING TERMS.

By:   
Sell & Associates, Inc

Erich Kuntze  
Real Estate Operations Coordinator

It's: PRESIDENT  
(title)

Approved as to Form

City Attorney GAB

EXHIBIT "A"

	<u>Parcel Number</u>	<u>Description</u>	<u>Appraisal Fee</u>
1	302-48-701B	Large Commercial Land	\$1,500
2	302-48-700A	Large Commercial Land	\$1,500
3	302-48-831	Large Commercial Land	\$1,500
4	302-48-704	Small Commercial Land	\$1,500
5	302-49-201	Residential Lot	\$1,500
6	302-48-830B	Large Commercial Land	\$1,500
7	302-81-007M, N, K	In-Line Commercial Land	\$1,500
8	302-81-007H	Large Commercial Land	\$1,500
9	302-49-153	Residential Lot	\$1,500
10	302-49-150A	Small Commercial Land	\$1,500
11	302-49-119	Single-Family Residence	\$1,500
12	302-43-164B	Small Commercial Land	\$1,500
13	302-49-125	Single-Family Residence	\$1,500
14	302-43-164A	Car Wash	\$4,500
15	302-48-702A	Small Commercial Land	\$1,500
16	302-43-001E	Small Retail Building	\$3,000
17	302-43-001D	Strip Retail Building	\$3,500
18	302-43-165	Small Commercial Land	\$1,500
19	302-43-161, 162	Small Commercial Land	\$1,500
20	302-49-150A, B, 151A	Small Commercial Land	\$1,500
21	302-49-217	Duplex land	\$1,500
22	302-49-218	Duplex land	\$1,500
	302-49-212	Duplex land	\$1,500
23	302-49-211	Duplex land	\$1,500
24	302-43-163A	Small Commercial Land	\$1,500
	302-43-004A	Large Land (Church)	\$1,500
25	302-81-007L	Small Commercial Land	\$1,500
26	302-49-223	Duplex land	\$1,500
27	Cambric, Inc.	Large Residential Land	\$1,500
Total			\$50,000