

COUNTY OF CUYAHOGA, OHIO

AGREEMENT NO. 17209

This Agreement No. 17209 entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between County of Cuyahoga, Ohio, acting by and through the County Executive, hereinafter referred to as the County, and Heritage Land Services, Inc., a corporation, hereinafter referred to as the Consultant, with an office located at 635 Brooksedge Boulevard, Westerville, Ohio 43081-2817.

WITNESSETH:

That the County and the Consultant, for the mutual considerations herein contained and specified, have agreed and do hereby agree as follows:

CLAUSE I - WORK DESCRIPTION

The Consultant agrees to perform all professional services as may be authorized by the County for Right of Way Acquisition Services - Appraisal Review for the widening of Bagley Road/Pleasant Valley Road in Cuyahoga County, Ohio, identified as CUY-Bagley Road/Pleasant Valley Road.

CLAUSE II - INVOICE & PROGRESS SCHEDULE

The County and the Consultant agree to the attached Invoice and Progress Schedule including the overall Agreement length, and Scheduled Submittal dates and Review Times set out in the Project Schedule.

The Consultant agrees to submit the completed Invoice and Progress Schedule transmittal letter together with the updated Invoice and Progress Schedule for all billing purposes for all Parts of this Agreement every thirty (30) days as follows:

- (a) Signed original transmittal letter and invoice (IPS) and three (3) copies of same.
- (b) Two (2) copies of the updated Progress Schedule.

CLAUSE III - PRIME COMPENSATION

The County agrees to compensate the Consultant for the performance of the authorized portions of the Work specified in this Agreement.

Part 1: Appraisal Review.

Unit of Work Compensation as established in the table below. The maximum prime compensation shall not exceed Seventy-Six Thousand Two Hundred Twenty-Five Dollars (\$76,225.00). All work shall be performed on an "if authorized" basis. The fee shall accumulate as authorized (separate cost accounting is not required for each activity).

<i>Item</i>	<i>Unit</i>	<i>Compensation per Unit</i>
Appraisal Review		
Parcel Impact Notes	parcel	\$50.00
Value Analysis Review	parcel	\$275.00
Value Finding Review	parcel	\$500.00
Non-Complex Summary Review	parcel	\$1,750.00
Additional Services	N/A	Total Compensation of \$10,000.00

The total maximum prime compensation of all Parts which may be authorized for the subject Agreement is Seventy-Six Thousand Two Hundred Twenty-Five Dollars (\$76,225.00).

Prime Compensations, only as agreed and by proper modification of this Agreement and authorized in writing by the County, may be added to or subtracted from under the authority of the Department of Transportation's "Specifications for Consulting Services, 2010 Edition".

CLAUSE IV - INCORPORATION BY REFERENCE

The following documents, or specified portions thereof, are hereby incorporated into and made a part of this Agreement as though expressly rewritten herein:

- (a) The Department of Transportation's "Specifications for Consulting Services, 2010 Edition".
- (b) The attached Scope of Services.
- (c) The attached Invoice & Progress Schedule.
- (d) The most current Office of Budget and Management Travel Policy as published on the State of Ohio Website (<http://obm.ohio.gov/MiscPages/TravelRule>).

CLAUSE V - GENERAL PROVISIONS

Any person executing this Agreement in a representative capacity hereby warrants that he/she has been duly authorized by his/her principal to execute this Agreement on such principal's behalf.

Additionally, it is expressly understood by the parties that none of the rights, duties and obligations described in this Agreement shall be binding on either party until such time as the expenditure of funds is certified by the Director of Budget and Management, pursuant to Section 126.07 of the Ohio Revised Code.

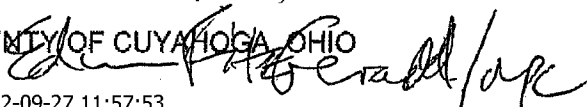
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written by affixing the signature of the duly authorized officer of Consultant and the signature of the County Executive.

HERITAGE LAND SERVICES, INC.

By:   
Title: PRESIDENT

Edward FitzGerald, County Executive

COUNTY OF CUYAHOGA, OHIO

  
2012-09-27 11:57:53

\_\_\_\_\_  
Edward FitzGerald  
County Executive

APPROVED AS TO FORM:

By: \_\_\_\_\_

Title: \_\_\_\_\_



## SCOPE OF SERVICES

The Review function consists of three major steps or reviews. They are:

- a. The Initial (Desk) Review
- b. The Field Review
- c. The Final Review

During the Initial (Desk) Review the review appraiser shall:

- i. Review all plans including preliminary plans, right of way plans and construction plans and make a determination that the appraiser has accurately considered the plans in the valuation.
- ii. Read the report and examine it for basic real estate theory, techniques, valuation methods, mathematical accuracy and compliance to established policy, procedure and law.

During the Field Review the review appraiser shall:

- iii. The reviewer shall view the subject property, the relevant comparable sales and the general neighborhood. The field review shall also include a verification of the highway plans with what actually exists in the field to what was reported and analyzed in the appraisal report, along with deed description, highest and best uses, items in the take, any damages or benefits and other pertinent criteria that can be observed in the field.
- iii. The reviewer need not physically inspect the interior of the structure as this is the responsibility of the appraiser. However, the reviewer at his/her discretion may inspect the interior of the structure if warranted for any reason.

During the Final Review the review appraiser shall:

- v. The reviewing appraiser shall examine all appraisals to ensure that they meet applicable appraisal requirements and shall, prior to acceptance, seek necessary corrections or revisions.
- vi. After performing these review steps and analyzing all relevant data, the reviewer is to determine if the appraisal/valuation report is acceptable or if corrections are required of the appraiser. Corrections require a deficiency letter.

When the reviewer determines that the report is acceptable and the results of the review to be conclusive, he/she shall document the estimate of value on the "Review Appraiser's Fair Market Value Estimate (FMVE)", form RE 22, also known as the "White Sheet."

### Review of the Value Analysis

The required forms that the reviewer must fill out include:



RE 25-13: The Review Checklist for the Value Analysis. This form is a checklist for the reviewer to ensure that the Value Analysis is the appropriate format for the appraisal problem and to double check items that have historically been faulty with the preparation of these reports. This form also includes a Reviewer's certification statement and signature line. If the VA is accepted, the reviewer signs in the appropriate place. The reviewer is also to sign the appropriate place on the VA form itself. If there are mistakes which can be corrected, the reviewer is expected to make the necessary changes on the front of the VA and initial and date the corrections.

NOTE: The RE 22 is not filled out when a Value Analysis is approved by the reviewer. The reviewer's signature on the VA form itself signifies that the reviewer is recommending the VA as the basis for FMVE

RE 22-1: This form is to be completed if FMVE needs to be allocated between ownership interests

Deficiency Letter: This letter must be created if the VA has been rejected, or, there are issues which must be resolved prior to the VA being accepted, or, if there are other items which are blatantly non-compliant with established ODOT policy and procedures.

#### The Review Process

As part of the review process, the reviewer must:

1. Read the plans
2. Physically inspect the take area and make a determination as to what physically exists is represented by the plans and that the appraiser's analysis, opinions and conclusions are reasonable based on what is read and observed in the field.
3. Determine that whoever prepared the Value Analysis has been pre approved and if that person is a fee consultant, is on ODOT's list of approved consultants.
4. Next, the reviewer must determine that the taking does not adversely effect the residue property.
5. Verify that the acquisition is truly uncomplicated and that FMVE is \$5,000 or less.
6. The reviewer is to read the valuation format over, check it for mathematical accuracy and reasonableness. The Value Analysis must be compliant with ODOT policy and procedures and as such, the comparable sales must be attached and compliant with section 4205.09 of the Real Estate Manual. Among other things, the sales must be verified with a party to the transaction, the site sketch of the comparable sale must be to standards and pertinent information on the data sheet is to be present.



7. The VA is a two page form with sales attached. The first and second pages are to be completely filled out.
8. The larger parcel does need to be identified and the conclusion needs to be based on unity of title, contiguity and unity of use. The identification of the larger parcel should be abundantly clear to anyone looking at the parcel. Complex larger parcel issues require a either an ODOT Summary Right of Way Appraisal Report or an ODOT Self Contained Right of Way Appraisal Report.
9. The highest and best use and zoning of the of the larger parcel need to be identified. Highest and best use and zoning are not assumed, but are verified and analyzed. Verification of zoning is to include minimum lot restrictions, setback requirements and any other relevant data that may be needed to properly consider the effect of the take. Highest and best use should be blatantly obvious to anyone. The Value Analysis format may not appropriate when the existing use of a property does not match the highest and best use (i.e a single family house on a commercial site) due to potential non conformance issues.
10. The effect of take must conclude something similar to: "No Adverse effect to the residue as a result of the take." The reviewer must always let common sense prevail and, if the appraiser has inserted language that is reasonable reflecting some unusual peculiarity, the reviewer does need to consider what the appraiser has stated instead of automatically rejecting a report.
11. In the valuation analysis section, the comparable sales should have a highest and best use which is the same or similar to the subject property. These sales should be from the same area as the subject and reflect the same market conditions of the subject property. The sales should be similar in size and as many other features as reasonably possible. The estimated unit value selected by the appraiser should be within the range of sales selected to be analyzed within the report.
12. The reviewer must physically look at not only the subject property, but also the comparable sales used in the analysis. Again common sense should prevail with this policy. If 5 sales were used by the appraiser, but 3 sales were given most of the weight in the value conclusion, then these 3 sales must be viewed and the other 2 sales (those which were not given substantial weight) need only be viewed at the reviewer's discretion.
13. In the reconciliation section, the reviewer shall check to determine that the appraiser has reasonably concluded a unit of value that is appropriate for the larger parcel.
14. In the analysis of the site improvements, the reviewer is to check to make sure the appraiser has reasonably supported the allocation of compensation to the site improvements which are to be taken.



15. The first page of the VA is the reporting of the findings which were detailed on the second page. The top of the form is to be filled out. There can only be one parcel series per VA. The information submitted by the appraiser is to be encompassing enough so that the review understands the allocation of compensation for the part taken.

16. The reviewer must ensure that the VA meets the minimum standards for a VA as established in Section 4205.01 of the policy and procedures manual.

17. The comparable sales must be attached and these sales must be written to the standards of a detailed appraisal and must be verified with a party to the transaction.

18. Costs to cure, if applicable, can only be considered as minor and, together with the allocation for the part taken cannot exceed \$5,000.

#### **Review of the Value Finding Report**

The required forms that the reviewer must fill out include:

RE 25-14: The Review Checklist for the Value Finding Report. This form is a checklist for the reviewer to ensure that the Value Finding is the appropriate format for the appraisal problem. This form also includes a Reviewer's certification statement and signature line.

RE 22: This form is to be used when the VF has been approved and recommended as FMVE to the Region Office.

RE 22-1: This form shall be used if FMVE needs to be allocated between ownership interests.

RE 22-2: The Certificate of Reviewer is to be filled out if the appraisal is approved.

Deficiency Letter: This letter is to be created if the appraisal has been rejected, or, there are issues which must be resolved prior to the RE 22 being prepared, or, if there are other items which are blatantly noncompliant with established ODOT policy and procedures.

#### **The Review Process**

1. As the Value Finding Report shares the same second page as the Value Analysis format, the review process is nearly the same as for the Value Analysis. See numbers 1 through 18 of Paragraph D of Section 4302.01.

2. Additionally, the reviewer must be aware that the RE 90 is to be completely filled out, that there can only be one parcel series per VF report, that there is a properly filled out Certificate of Appraiser (RE 25-6) and that the VF meets the minimum ODOT standards including uncomplicated acquisition and FMVE that is \$35,000 or less. The minimum standards for the VF are found in Section 4205.02 of the policy and procedures manual.

3. The comparable sales must be attached and these sales must be written to the standards of an ODOT Summary Right of Way Appraisal Report and must be verified with a party to the transaction. Costs to cure can only be minor.



### **Review of the Summary Right of Way Appraisal Report**

The required forms that the reviewer must fill out include:

RE 25-16 Appraisal Review Template for ODOT's Summary and Self Contained Right of Way Appraisal Reports.

RE 22: This form is to be completed when the ODOT - Summary Right of Way Appraisal Report has been approved and recommended as FMVE to the Region Office.

RE 22-1: This form is to be completed if FMVE needs to be allocated between ownership interests.

RE 22-2: The Certificate of Reviewer is to be filled out if the appraisal is approved.

Deficiency Letter: This letter is to be created if the appraisal has been rejected, or, there are issues which must be resolved prior to the RE 22 being prepared, or, if there are other items which are blatantly noncompliant with established ODOT policy and procedures.

#### **The Review Process**

1. The reviewer shall complete the Appraisal Review Template for ODOT's Summary and Self Contained Right of Way Appraisal Reports. The reviewer must ensure that the appraiser has complied with ODOT's standards for the ODOT Summary Right of Way Appraisal Report. The template outline for the ODOT Summary Right of Way Appraisal Report must be adhered to. Further, the reviewer must ensure that sketches, data sheets and photographs meet standards, that there is a before and after valuation, that adjustments are supported and that damages are either supported or adequately explained so that the reviewer understands the appraiser conclusions. ODOT - Summary Right of Way Appraisal Reports are to be rejected if the appraiser has insufficient information in the report so that the reviewer does not understand how the appraiser concluded value, adjustments or analyses. The reviewer is to understand that the requirements for the ODOT - Summary Right of Way Appraisal Report are exceedingly stringent when compared to the other valuation formats. The Department needs to make certain that the appraisal problem requires the level of detail, documentation, research and analysis that a ODOT - Summary Right of Way Appraisal Report presents. The reviewer must ensure compliance with ODOT's standards for a ODOT - Summary Right of Way Appraisal Report. The reviewer shall not permit an appraiser to deviate from established policy and procedure by delivering a lesser Report format when in the appraiser's opinion, the valuation problem is uncomplicated and, the Department contracted the appraiser to utilize the ODOT Summary Right of Way Appraisal Report. Instead, if a valuation problem is uncomplicated, the Department and the appraiser are to adequately communicate and if the Department concurs with the appraiser's opinion, another valuation format is to be selected that is appropriate for the uncomplicated valuation problem and the fee shall be renegotiated to reflect the lesser format.

2. The reviewer must ensure that the level of detail and presentation in the appraisal is sufficient to comply with policy and procedures. The reviewer shall not "rubber stamp" appraisals as approved when they obviously do not comply with policy and procedures. The ODOT - Summary Right of Way Appraisal Report requires a fully developed analysis and valuation of



the residue property in addition to the analysis and valuation of the whole property before the take. The appraiser is not to blend analyses and conclusions of the before and after. Instead, the reviewer is to ensure that a before and after analysis has been properly developed and in compliance with the template. Under no circumstance shall a reviewer accept an appraisal which concludes a value to the residue which is nothing more than the Remainder As A Part Of The Whole (Value of the Property Before the Take - The Value of the Take = The Remainder As A Part Of The Whole). The reviewer is to ensure that the residue has been analyzed and valued as severed from the whole so that fair and reasonable compensation can be considered for the part taken as well as damages to the residue, if any.

3. The reviewer is to adequately communicate with the ODOT Regional Office or the Appraisal Unit in the Central Office to receive guidance when needed.