



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 22-0627, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with CBRE, Inc. for Appraisal Services on the SH 5 Utility Relocations Project (WA1633 / WW1633)

COUNCIL GOAL: Operational Excellence
(2B: Balance available resources to accommodate the growth and maintenance needs of the city)

MEETING DATE: July 19, 2022

DEPARTMENT: Development Services / Engineering

CONTACT: Gary Graham, PE, PTOE, Director of Engineering
Todd Wright, Real Estate Acquisitions Administrator

RECOMMENDED CITY COUNCIL ACTION:

- Approval of Resolution.

ITEM SUMMARY:

- This Resolution authorizes the City Manager to execute a contract with CBRE, Inc. for appraisal services prior to the acquisition of property interests for the SH 5 Utility Relocations Project WA1633 / WW1633 (Project), for an amount not to exceed \$248,500.

BACKGROUND INFORMATION:

- The design contract for the SH 5 Utility Relocations Project (WA1633 / WW1633) was awarded at the December 3, 2019, City Council meeting.
- The project consists of the relocation of water and sewer lines, located along State Highway 5 between Powerhouse Street and Spur 399, in advance of the widening of the roadway by TXDOT resulting in the need to acquire Waterline, Sewer, Water and Sewer and Temporary Construction Easements on privately owned properties.
- Kimley-Horn and Associates, Inc. is currently under contract with the City for professional consulting engineering services related to the SH 5 Utility Relocations (Powerhouse Street to Spur 399) Project (CIP Projects WA1633 and WW1633).
- Construction of the project is expected to begin Spring 2023.
- Construction of roadway improvements by TxDOT is expected to occur in late 2024 or early 2025 and the City's relocation of utility mains is expected to be substantially completed prior to commencement of TxDOT construction.

- Appraisal services will be required for the project to ensure the City is paying fair market value to property owners for the easements necessary to the project as required by state law. There are currently sixty-five (65) appraisals identified as necessary to the project.
- CBRE, Inc. was requested to submit a proposal for the appraisal services based upon their experience and ability to devote the resources necessary to complete the appraisals in advance of the construction of the project. CBRE, Inc. has performed successfully in a similar capacity on numerous City projects.
- CBRE, Inc. has submitted a proposal for their professional services in the amount of \$218,500 - an average of approximately \$3,362 per appraisal which is within industry standards for similar type projects.
- The proposal includes everything necessary to provide up to 65 appraisals for the project. A contingency amount of \$30,000 has been provided for in the contract in case of any unforeseen project needs related to appraisal services.

FINANCIAL SUMMARY:

- The Resolution authorizes a contract with CBRE, Inc. for an amount not to exceed \$248,500.
 - WA1633
 - NTE Amount: \$186,375
 - Project Balance Remaining: \$11,930,852
 - WW1633
 - NTE Amount: \$62,125
 - Project Balance Remaining: \$9,403,548

BOARD OR COMMISSION RECOMMENDATION:

- N/A