

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of an amendment to a Professional Services Agreement with McKee Appraisal Real Estate & Consulting Services (McKee), for an additional amount not to exceed \$130,000 plus all applicable taxes, for continued appraisal and real estate services related to the 124th Avenue NE – NE 12th Street to NE Spring Boulevard Project (PW-R-169).

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Finance & Asset Management Department

EXECUTIVE SUMMARY

This Resolution authorizes execution of the sixth amendment to a professional services agreement with McKee Appraisal Real Estate & Consulting Services (McKee) for Appraisal and Real Estate Services in support of the 124th Avenue NE, NE 12th Street to NE Spring Boulevard project. This additional funding will provide specialized appraisal services, background and support for negotiating remaining property rights acquisitions.

RECOMMENDATION

Move to adopt Resolution No. 10153

BACKGROUND/ANALYSIS

In 2020, McKee Appraisal Real Estate & Consulting Services (McKee) was hired to evaluate and report on the value of properties within the scope of the NE 12th Street to NE Spring Boulevard phase of the 124th Avenue NE CIP project. This project phase involves the acquisition of property rights across two parcels of land. In order to progress the project's schedule, staff have negotiated Possession and Use Agreements with property owners, which allow the construction of the project to move forward while negotiations on the final purchase price for the property rights continue. As negotiations continue towards final settlement, the previous appraisals will need to be updated and revised, and expert witness and other appraisal services may be necessary if any of the acquisitions are not resolved through voluntary negotiations and require the use of eminent domain.

This contract amendment allows the City to continue moving towards completion of the acquisition phase of the project, including re-appraisal and, if needed, attending and providing expert input in condemnation proceedings.

POLICY & FISCAL IMPACTS**Policy Impact**

City policy provides that professional services contracts in excess of \$90,000 require Council approval.

Fiscal Impact

Approval of this action obligates the City to pay up to \$220,000, plus all applicable taxes, for professional services with McKee Appraisal Real Estate & Consulting Services (McKee) for valuation and related Real Estate Services. This amount represents a \$130,000 increase to the initial contract.

Original Contract (Phase 1, completed)	\$ 90,000
Amendment No. 6	<u>\$130,000</u>
New Contract Total Amount	\$220,000

Sufficient funding exists within the 2021-2027 amended General Capital Investment Program (CIP) 124th Avenue NE - NE 12th Street to NE Spring Boulevard (CIP Plan No. PW-R-169) to fully fund the increase to this contract.

OPTIONS

1. Adopt the Resolution authorizing execution of an amendment to a Professional Services Agreement with McKee Appraisal Real Estate & Consulting Services (McKee), for an additional amount not to exceed \$130,000 plus all applicable taxes, for continued appraisal and real estate services related to the 124th Avenue NE – NE 12th Street to NE Spring Boulevard Project (PW-R-169).
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. CIP Project Description
Proposed Resolution No. 10153

AVAILABLE IN COUNCIL LIBRARY

Amendment No. 6 to the Agreement for Professional Services Contract