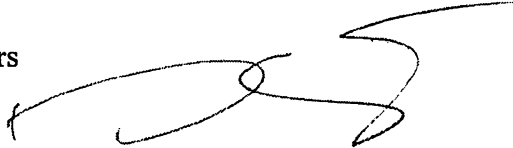


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MEMORANDUM

TO: Central Florida Expressway Authority Board Members
FROM: David A. Shontz, Esq., Right-of-Way Counsel
DATE: October 23, 2014
RE: Second Addendum to Agreement for Appraisal Services by Pinel & Carpenter, Inc. for Wekiva Parkway Project Numbers 429-202, 429-203, 429-204, 429-205, and 429-206



Shutts & Bowen LLP, Right-of-Way Counsel, seeks the approval of the Board for a Second Addendum to Agreement for Appraisal Services by Pinel & Carpenter, Inc. ("Pinel & Carpenter") to perform appraisal services for the Wekiva Parkway Project Numbers 429-202, 429-203, 429-204, 429-205, and 429-206. The Right-of-Way Committee has recommended for Board approval the requested Second Addendum at its meeting on October 22, 2014. A copy of the proposed Second Addendum to Agreement for Appraisal Services, along with the Schedule of Rates which was attached as Exhibit A to the Agreement, are attached for your review.

BACKGROUND/DESCRIPTION

On May 9, 2013, Pinel & Carpenter entered into an agreement to provide pre-litigation and litigation appraisal services for the Wekiva Parkway Project ("the Agreement"). The original contract price was limited to \$200,000.00 (the "upset limit"). On March 5, 2014, Pinel & Carpenter and Client entered into an addendum to the agreement for appraisal services which increased the upset limit by \$150,000.00. As Pinel & Carpenter will soon reach the total upset limit of \$350,000.00, it is necessary to request approval of the attached Second Addendum to increase the upset limit by an additional \$200,000.00.

Pinel & Carpenter has provided pre-condemnation consultation services, appraisal services and litigation support services, including testifying at order of taking hearings and trial for the Wekiva Parkway Project. Pinel & Carpenter provided appraisal reports for 18 properties in Section 429-203, most of the larger sizes and with complex appraisal issues. These parcels are currently in litigation and will require testimony by the appraiser in depositions and at trial. Since

the original Agreement was approved for Pinel & Carpenter, the CFX applied for and received preliminary approval for Federal monies, which has moved the timeline for sections 429-204, 205 and 206 up by two (2) years. Accordingly, Shutts & Bowen LLP and the appraisers are actively appraising the parcels for these sections totaling 44 parcels. Additionally, CFX is required to comply with the Uniform Relocation Act due to the Federal Funding aspect of the Project, which has also caused increased time incurred for this process. Pinel & Carpenter has been assigned to provide appraisal reports for an additional nine (9) properties in Sections 429-204, 205 and 206. Again, these properties are larger tracts with complex issues to be evaluated during the appraisal process. Further, Pinel & Carpenter has been required to prepare studies as it relates to the appraisal of the parcels in these additional segments. The increase is necessary to allow Pinel & Carpenter to continue to provide pre-condemnation consultation services, appraisal services and litigation support services, including testifying at order of taking hearings and trial for the Wekiva Parkway Project. All invoices submitted pursuant to the agreement shall be reviewed for accuracy by Shutts & Bowen LLP.

APPRAISAL FEES INCURRED TO DATE/PROJECTED BUDGET

429-203 (18 parcels), 429-204, 205, 206 (9 parcels) fees incurred to date = \$ 379,957.89

Projected Budget for all 27 parcels through Order of Taking:

Appraisal reports – 27 parcels (including updates and market study) = \$ 445,000.00

Remaining Budget: \$ 65,042.11

Plus post-Order of Taking expert witness litigation services

REQUESTED ACTION

It is respectfully requested that the Central Florida Expressway Board approve the terms of the Second Addendum to Agreement for Appraisal Services and authorize execution of the Second Addendum. Second Addendum Value: \$200,000.00.

ATTACHMENT

Second Addendum to Agreement for Appraisal Services for Wekiva Parkway Project Numbers 429-202, 429-203, 429-204, 429-205, and 429-206.

**SECOND ADDENDUM TO AGREEMENT FOR APPRAISAL SERVICES FOR WEKIVA
PARKWAY PROJECT NUMBERS 429-202, 429-203, 429-204, 429-205, AND 429-206**

THIS AGREEMENT is effective this _____ day of _____, 2014, by and between Shutts & Bowen LLP ("Client"), whose business address is 300 South Orange Avenue, Suite 1000, Orlando, Florida 32801, and Pinel & Carpenter, Inc. ("Appraiser"), whose business address is 824 North Highland Avenue, Orlando, Florida 32803.

WHEREAS, the Appraiser and Client have entered into an agreement for appraisal services dated May 9, 2013; and

WHEREAS, pursuant to the terms set forth in the Agreement for Appraisal Services dated May 9, 2013, payments made to the Appraiser shall not exceed an upset limit of Two Hundred Thousand Dollars (\$200,000.00) without an addendum; and

WHEREAS, the Appraiser and Client have entered into an addendum to the agreement for appraisal services dated March 5, 2014, which increased the upset limit by One Hundred Fifty Thousand Dollars (\$150,000.00); and

WHEREAS, the Appraiser has notified the Client that the Appraiser will reach the total upset limit of Three Hundred Fifty Thousand Dollars (\$350,000.00); and

WHEREAS, the Client desires that the Appraiser continue to furnish it with appraisal services, and the Appraiser represents that he is fully qualified to perform such services and will furnish such services personally;

NOW, THEREFORE, the Client and the Appraiser, for the consideration and under the conditions hereinafter set forth, do agree as follows:

ARTICLE 1 - Upset Limit is increased by Two Hundred Thousand Dollars (\$200,000.00)

All payments made pursuant to this Second Addendum to the Agreement for Appraisal Services dated May 9, 2013, shall not exceed a total of Two Hundred Thousand Dollars (\$200,000.00). It shall be the responsibility of the Appraiser to monitor the total of all payments pursuant to this Addendum and to notify the Client prior to reaching the Two Hundred Thousand Dollar (\$200,000.00) upset limit.

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ARTICLE 2 - Payment

Payment for all other services shall be made in accordance with the Agreement for Appraisal Services dated May 9, 2013, and the First Addendum to the Agreement dated March 5, 2014.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this Agreement, effective as of the date set forth above.

Attest:

SHUTTS & BOWEN LLP

Witness Signature

Terri L. Martin

Printed Name

Witness Signature

Mary Ellen Farmer

Printed Name

Witness Signature

Printed Name

Witness Signature

Printed Name

By: _____

David A. Shontz, Esquire
Legal Counsel to the Central Florida
Expressway Authority

PINEL & CARPENTER, INC.

By: _____

Walter N. Carpenter Jr., President

EXHIBIT A

Client's Representative

David A. Shontz, Esq.
Shutts & Bowen LLP
300 South Orange Avenue, Suite 1000
Orlando, Florida 32801

Appraiser's Representative

Walter Carpenter
Pinel & Carpenter
824 North Highland Avenue
Orlando, Florida 32803

This **Exhibit A** includes the following which shall be made a part hereof:

- ☐ Appraiser's Compensation Schedule including all Billable Rates is as follows. (The rates shall include allowance for salaries, overhead, operating margin and direct expenses.)

MAI/Partner	\$275/hr.
Senior Staff Appraiser	\$150 to \$200/hr.
Associate Appraiser	\$110 to \$140/hr.
Researcher Staff	\$80/hr.

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