City of Fayetteville Staff Review Form

C. 1 Water and Sewer Relocation Project Condemnation and Possession Page 1 of 24

City Council Agenda Items and Contracts, Leases or Agreements

7/3/2012

City Council Meeting Date Agenda Items Only

David Jurgens		Utilities	Utilities
Submitted By		Division	Department
	Ac	ction Required:	
Approval of a Resolution authorizing the lands necessary for the Water and Sew Department's Highway 265 widening p	wer Relocation	Project required by the Ark	ansas Highway and Transportation
\$ 67,690	\$	1,685,327	Hwy 265 Water/Sewer Relocation
Cost of this request	Cate	gory / Project Budget	Program Category / Project Name
5400.5600.5810.00	\$	1,060,873	Land Acquisition
Account Number	Fu	inds Used to Date	Program / Project Category Name
08072.1102	\$	624,454	Water and Sewer
Project Number	Re	emaining Balance	Fund Name
Department Director City Attorney		Previous Ord Original Cont Original Cont Date	
Finance and Internal Services Director What Man	<u> </u>	Clerk's Offi	20ity15-12P01:37 RCVD ice
chief of Staff would arlan Mayor	(g/	Received Mayor's Off	
Comments:			



www.accessfayetteville.org

To: Fayetteville City Council

Thru: Mayor Lioneld Jordan

Don Marr, Chief of Staff

David Jurgens, Utilities Director From:

Water/Sewer Committee

June 15, 2012 Date:

Subject: Crossover Road - Northern Section - Water and Sewer Relocation Easement Condemnations

RECOMMENDATION

Staff recommends a resolution authorizing the City Attorney to seek possession by condemnation of portions of properties along Highway 265 (Crossover Road), north section, for the Arkansas Highway and Transportation Department (AHTD) widening project between Joyce Boulevard and the northern City limits. The properties are owned by the individuals and/or organizations listed on the attached pages.

BACKGROUND

The AHTD is widening Crossover Road (Highway 265) between Joyce Boulevard and the northern City limits. Due to AHTD's acquisition of additional right-of-way to widen the road, utility lines must be relocated outside of the expanded right-of-way. All proposed utility easements are adjacent to the new highway right-of-way and/or existing utility easements.

DISCUSSION

Staff has acquired easements from 11 of 23 owners. We also have agreement from three more, but have not received the signed documents. We do not yet have full agreement from the remaining owners. These owners are aware of the City's intent to turn any unresolved easement purchases over to the City Attorney to initiate the condemnation process. Negotiations are still underway and are expected to succeed with most of the owners, but the timing is such that we must proceed with the condemnation process in order to advertise the project.

Tract (Owner)	Initial Offer
Tract 4 (Brown)	\$10,785
Tract 5 (Kisor)	\$6,575
Tract 11 (McMichael)	\$345
Tract 16 (Benevolent Building)	\$18,970
Tract 17 (SM-WLJ FAC)	\$14,545
Tract 20 (PCC Properties)	\$2,825
Tract 22 (Presbytery)	\$13,645
Tract 25 (Dunnerstock Dev.)	No compensation
Total	\$ 67,690

BUDGET IMPACT

The payment for land acquisition is made from the Highway 265 Water/Sewer Relocations project budget. The \$67,690 is an estimate; the final cost is subject to negotiation with the property owners or by court order. If we go to court, the appraised value will be deposited into the Registry of the Circuit Court as just compensation.

Attachments: Case history and property exhibit for each tract

RESOL	UTION	NO.

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO SEEK CONDEMNATION AND POSSESSION OF CERTAIN LANDS OWNED BY RICHARD E. & DOROTHY BROWN, BILL R. & DORIS A. KISOR, WOLFREDRICK & SERENA MCMICHAEL, BENEVOLENT BUILDING CORPORATION, SM-WLJ FAC OWNER INC., PCC PROPERTIES LLC, PRESBYTERY OF ARKANSAS, AND DUNNERSTOCK DEVELOPMENT, INC. NEEDED FOR WATER AND SEWER RELOCATIONS ALONG ARKANSAS STATE HIGHWAY 265 BETWEEN JOYCE BOULEVARD AND THE NORTHERN CITY LIMITS

WHEREAS, the City of Fayetteville and certain property owners have been unable to agree on a fair price for the portions of property owned by each of them which is needed for easements to facilitate water and sewer relocations, and

WHEREAS, the City of Fayetteville needs to gain possession of these property promptly to begin work on water and sewer relocations along Arkansas State Highway 265 between Joyce Boulevard and the northern city limits.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Richard E. & Dorothy Brown that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 2. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Bill R. & Doris A. Kisor that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 3. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Wolfredrick & Serena McMichael that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

<u>Section 4.</u> That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Benevolent Building Corporation that is needed for a

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utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 5. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by SM-WLJ FAC Owner, Inc. that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 6. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by PCC Properties LLC that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 7. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Presbytery of Arkansas that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

Section 8. That the City Council of the City of Fayetteville, Arkansas hereby authorizes the City Attorney to file suit to seek court-ordered possession of property located on or near Arkansas State Highway 265 and owned by Dunnerstock Development, Inc. that is needed for a utility easement for water and sewer relocations along Arkansas State Highway 265, and to pay into the registry of the Circuit Court just compensation therefor.

PASSED and **APPROVED** this 3rd day of July, 2012.

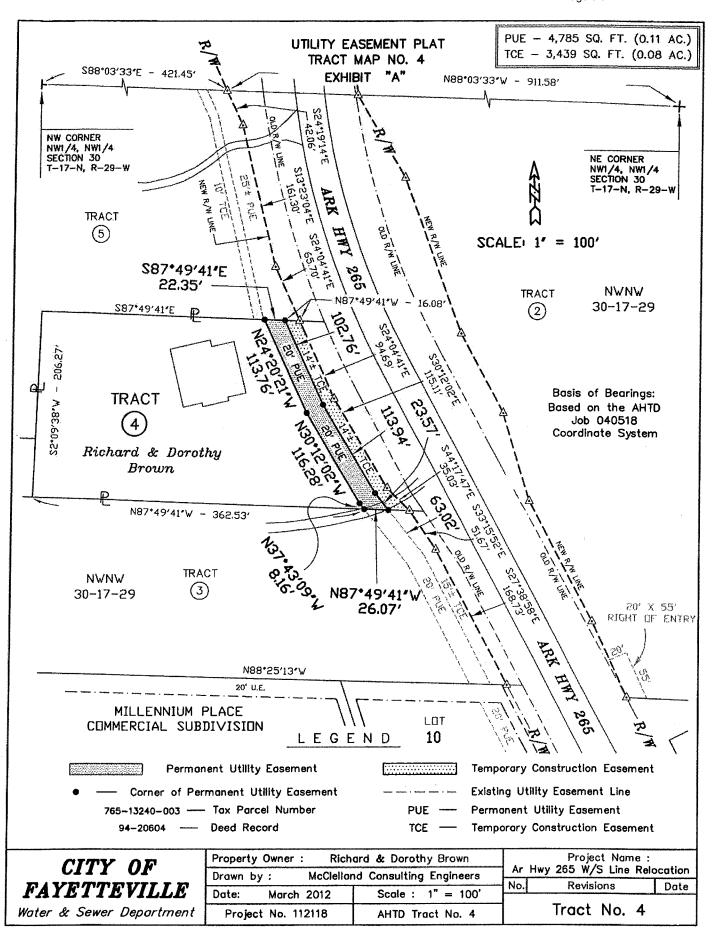
APPROVED:	ATTEST:
By:	By:
LIONELD JORDAN, Mayor	SONDRA E. SMITH, City Clerk/Treasurer

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CASE HISTORY

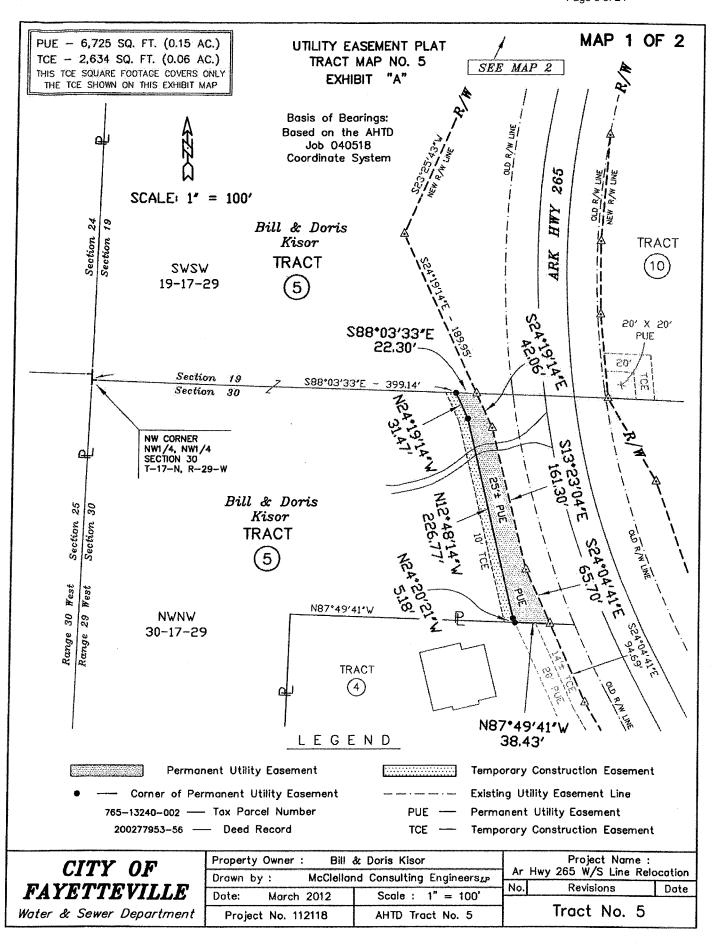
Hwy. 265 North
Tract 4: Richard E. & Dorothy Brown

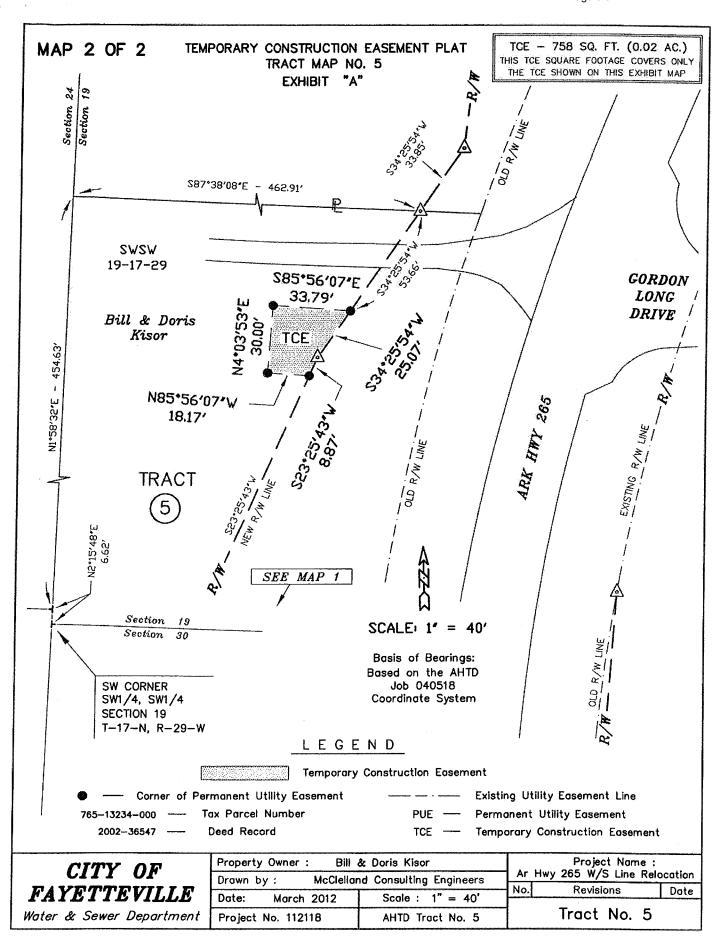
4/11/12	Offer packet mailed including offer letter (\$10,785.00), proposed easement, and exhibit.
5/21/12	Reminder letter sent.
5/25/12	HJ met with the Browns on site.
6/12/12	The Browns are supposedly talking to "the engineers" (Robert White w/ McClelland?). Paperwork not yet signed, but is expected.



CASE HISTORY Hwy. 265 North Tract 5: Bill R. and Doris A. Kisor

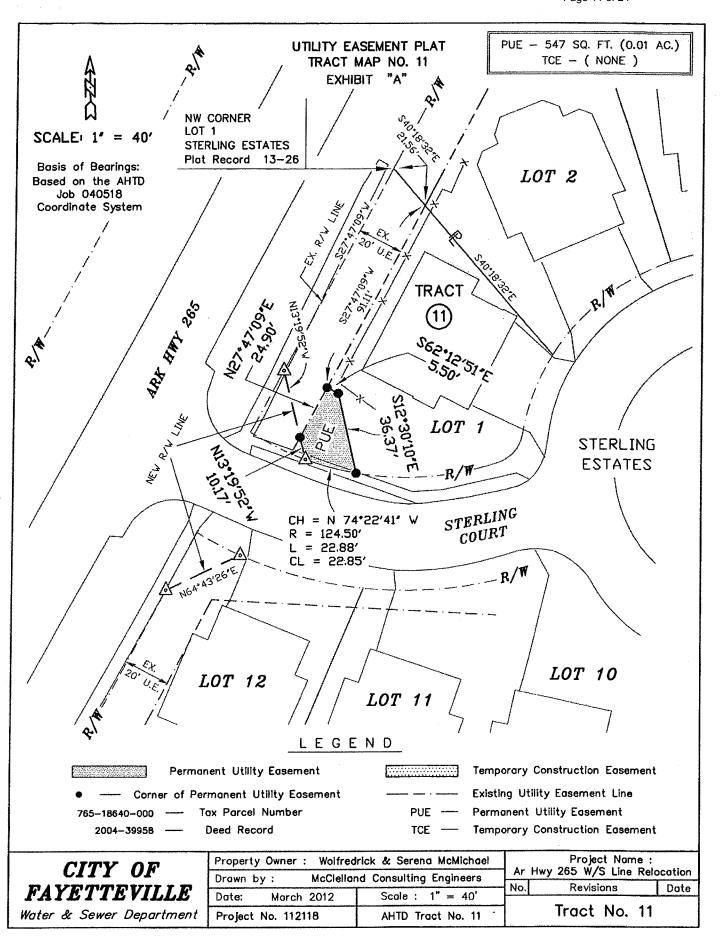
4/11/12	Offer packet mailed including offer letter (\$6,575.00), proposed
	easement, and exhibit.
4/23/12	Bill Kisor called. He said that AHTD took nearly 540 trees and that our easement will take at least 150 more. He has already settled with the gas company. Gas said they would not take out trees but would bore. Mr. Kisor is convinced that the trees will still die. HJ to call.
5/16/12	HJ called Mr. Kisor and informed him that the City of Fayetteville will also bore under trees. HJ tried to assure him that they would be okay. He is still convinced that they will all die. HJ to meet with Mr. Kisor.
5/18/12	HJ tried to set up an appointment to meet, but Mr. Kisor is putting it off.
5/29/12	HJ and Shannon Jones met at Mr. Kisor's office (Fayetteville Mechanical). He is taking everything to his attorney (Larry McCready). HJ will get a copy of the plans from McClelland for Mr. Kisor. Mr. Kisor is not open to discussion with the City and is in condemnation with AHTD.
6/1/12	Notification letter sent.
6/6/12	Larry McCready, Mr. Kisor's attorney called. He would like to settle. He wanted to know all the details about the easement and will probably talk to Kisor about presenting a counter offer.
6/12/12	Put on list of potential condemnations as will probably need Order of Possession before issue is settled.





CASE HISTORY Hwy. 265 North Tract 11: Wolfredrick and Serena McMichael

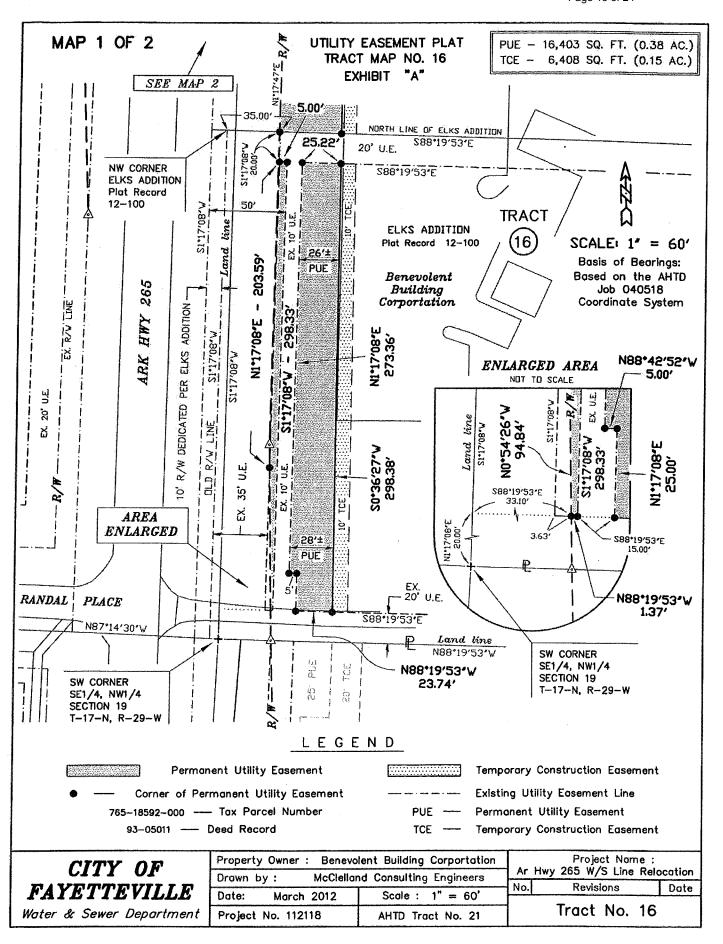
4/11/12	Offer packet mailed including offer letter (\$345.00), proposed easement, and exhibit.
5/21/12	Reminder letter (with copy of original packet) sent to 1784 Balboa St., Eugene OR 97408 (last know address per Anywho) as the Springdale AR address was sold years ago.
6/1/12	Notification letter sent to Eugene OR.
6/12/12	Phone call from Serena McMichael. At her request, HJ sent copies of the plans and the aerial image. She may request more money. Planning on sending in signed paperwork by end of the month.

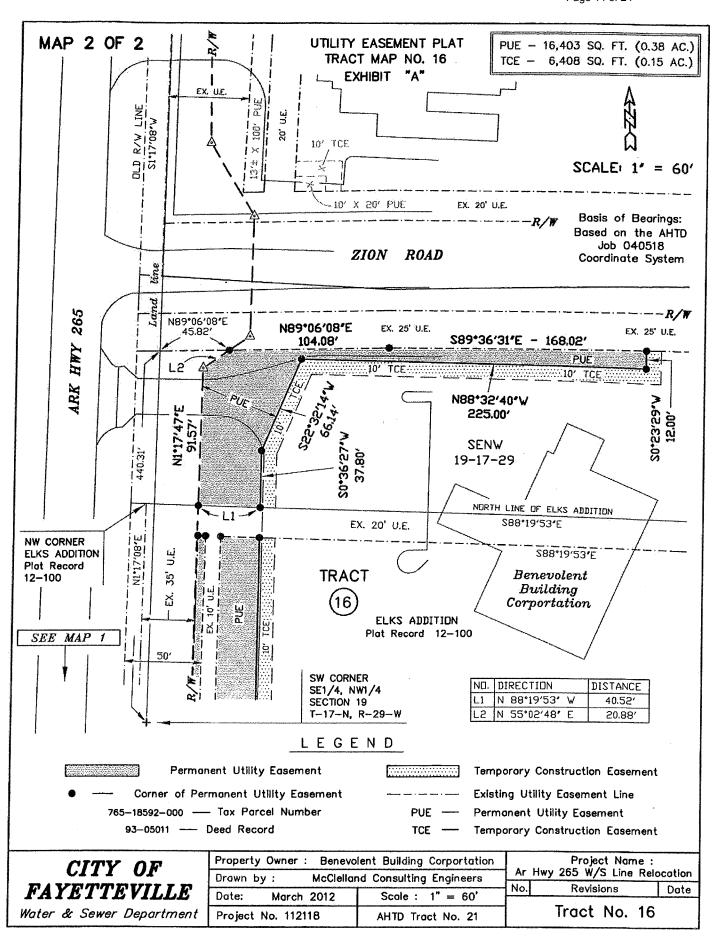


CASE HISTORY

Hwy. 265 North
Tract 16: Benevolent Building Corporation (Elks Lodge)

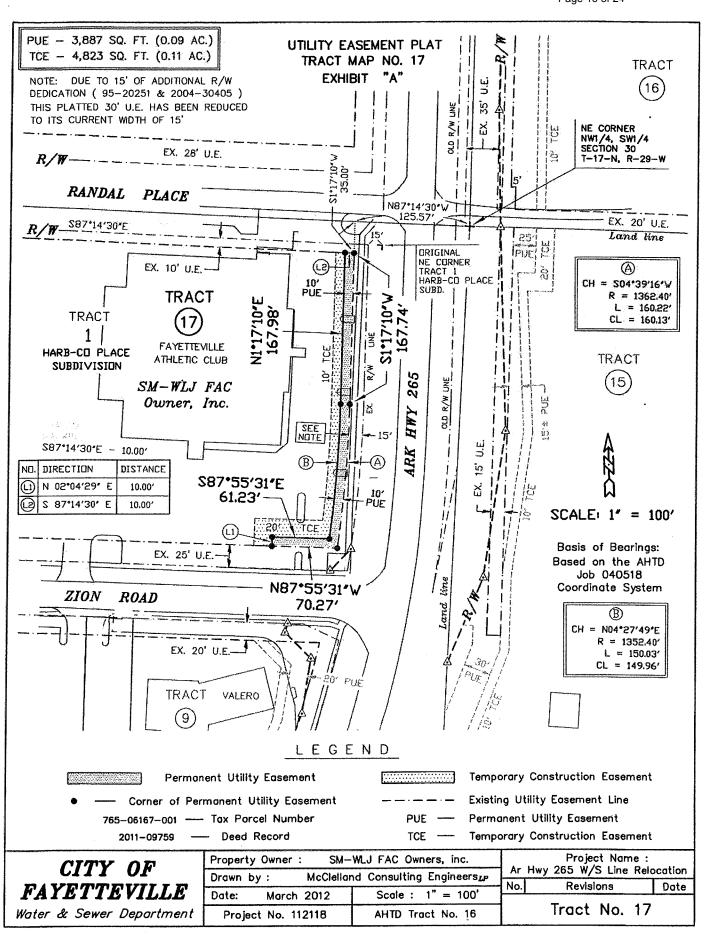
4/11/12	Offer packet mailed including offer letter (\$18,970.00), proposed easement, and exhibit.
5/21/12	Reminder letter sent.
5/25/12	Call from Tammie Shelly with Elks Lodge. Board members want to meet on 5/30/12.
5/30/12	HJ met on site. Members concerned about landscaping in easement. There is a light pole at the edge of the easement. They will present counter offer.
6/4/12	McClelland to stake easement and provide tree count.
6/12/12	Paperwork not yet signed. Counter offer not yet received.





CASE HISTORY Hwy. 265 North Tract 17: SM-WLJ FAC Owner Inc.

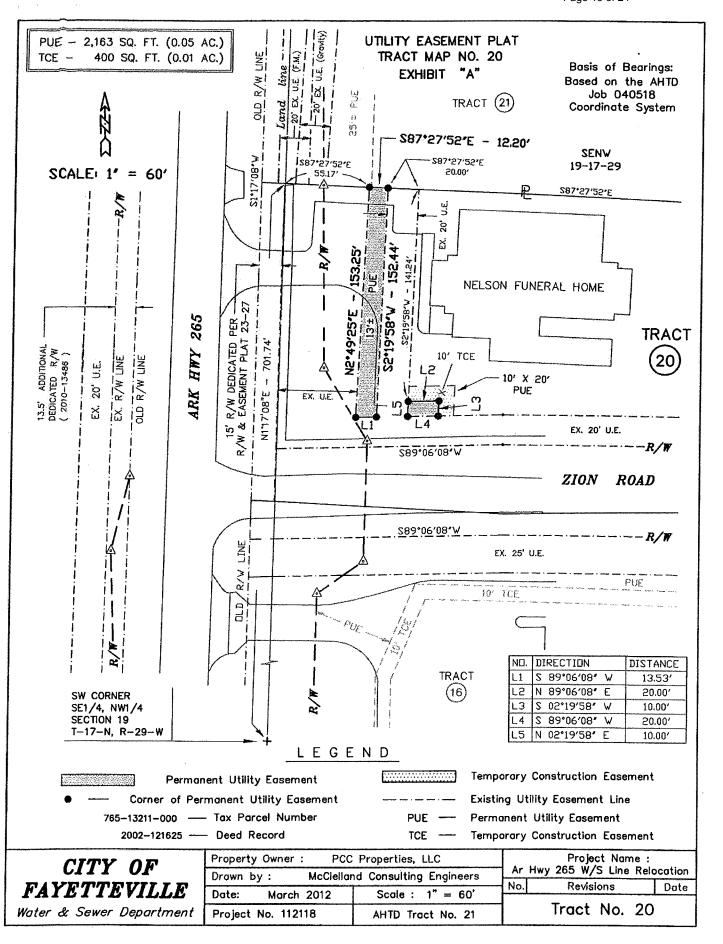
4/11/12	Offer packet mailed including offer letter (\$14,545.00), proposed easement, and exhibit.
5/21/12	Reminder letter sent.
6/1/12	Notification letter sent.
6/12/12	No mailings have been returned. No contact with the new owners of FAC. Shannon Jones was to have talked to someone local who worked at FAC, but have received no additional information.



CASE HISTORY

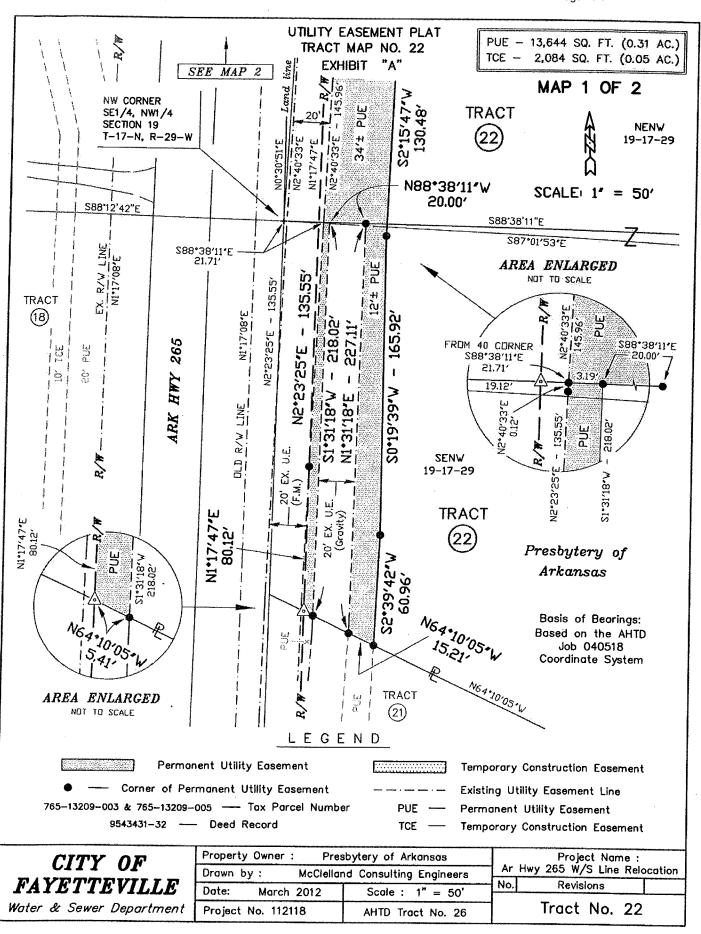
Hwy. 265 North
Tract 20: PCC Properties LLC (Nelson Berna Funeral Home)

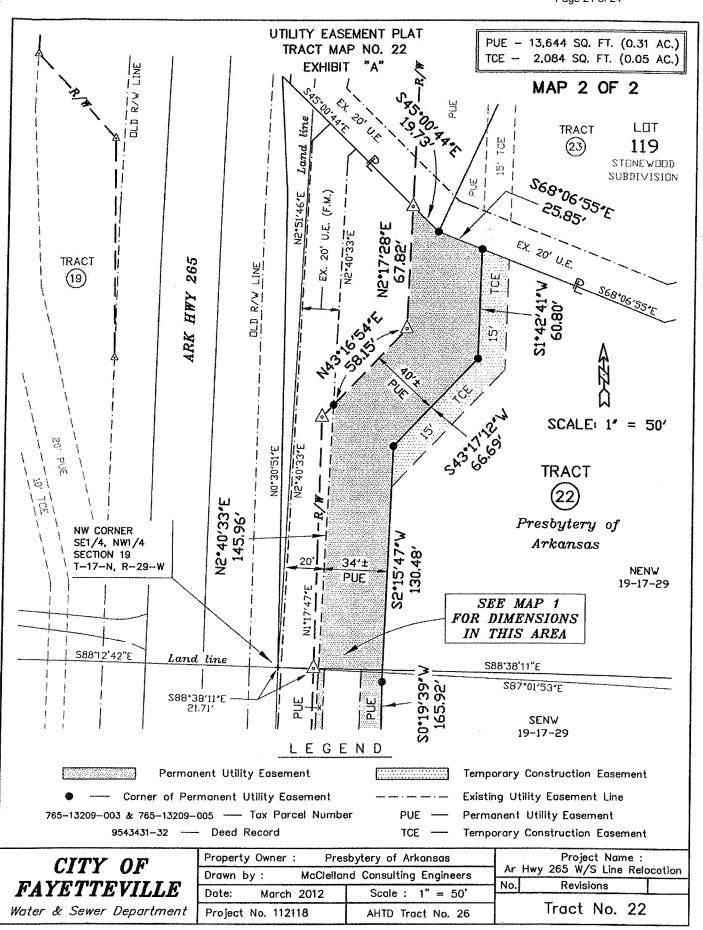
4/11/12	Offer packet mailed including offer letter (\$2,825.00), proposed easement, and exhibit. (Mailed to Ray Smith, attorney for Scott Berna)
4/20/12	Ray Smith called and requested a copy of the plans. HJ hand-delivered.
5/8/12	Doug Hemingway, surveyor, came in to review the plans.
5/9/12	Doug Hemingway came in again with a couple more questions.
6/1/12	Notification letter sent.
6/12/12	Paperwork not yet signed. No further contact.



CASE HISTORY Hwy. 265 North Tract 22: Presbytery of Arkansas

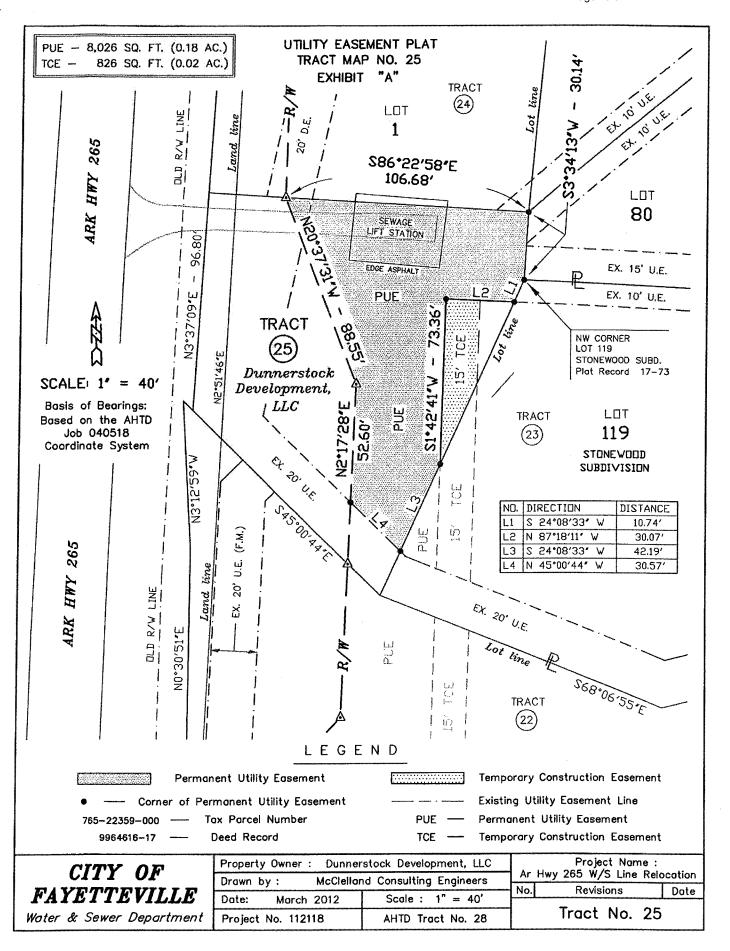
4/11/12	Offer packet mailed including offer letter (\$13,645.00), proposed easement, and exhibit.
5/4/12	Packet returned. Re-sent to 9221 N. Rodney Parham Rd., Little Rock, AR.
5/21/12	Reminder letter sent.
5/30/12	Bill Galbraith, General Presbyter, called to set up appointment.
6/5/12	HJ met with Bill Galbraith and Bill Bradley on site. Explained options for building concerns about north side of property, showed them floodplain and unbuildable area. They want to converse with the Board next week in Little Rock.
6/12/12	Paperwork not yet signed. No further contact.





CASE HISTORY Hwy. 265 North Tract 25: Dunnerstock Development

- 5/4/12 Letter and deed sent to Buddy Peoples. No compensation as the lift station property should have been transferred to the City at the time of development and wasn't. NOTE: AHTD and Gas Co. paid them for ROW and easement across this property
- 5/29/12 Mark Foster brought in signed easement for Tract 26 (Dunnerstock Development). He is to mail vendor form and signed deed for Tract 25.
- 6/12/12 Have not received deed, nor has Foster been paid for easement on Tract 26. No further contact.



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