



# MEMORANDUM

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**Resolution 23-078, A Resolution of the City Council of Homer, Alaska Approving a Contract to MacSwain Appraisals LLC in the amount of \$55,200 to Provide Appraisal Services to Support the Kachemak Sponge Project and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Castner and Homer City Council  
**Date:** July 10, 2023  
**From:** Janette Keiser, PE, Public Works Director/City Engineer  
**Through:** Rob Dumouchel, City Manager

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**Issue:** The purpose of this Memorandum is to recommend award of a contract for appraisals to support the Kachemak Sponge Green Infrastructure Storm Water Management Project.

## I. Background

At its July 24<sup>th</sup> regular Meeting, the Homer City Council is being asked to accept a grant from NOAA, through the Kachemak Bay National Estuarine Research Reserve (KBNERR), for the Kachemak Sponge Green Infrastructure Storm Water Management Project. This project involves acquisition of 56.49 acres of wetlands to be used for the development of a nature-based wetland treatment system for storm water. Of this, 46.41 acres will be preserved for conservation and as such, eligible for purchase using the NOAA grant.<sup>1</sup> Because federal funds will be used for part of the real estate acquisition, stringent rules apply. First, the property must be appraised and then, those appraisals must be reviewed by another independent appraiser. The subject contract is for the first set of appraisals.

MacSwain Associates LLC (MacSwain) is the company that prepared the appraisals we used to support the grant application in May 2022. Sadly, those appraisals have expired and while useful for background information, cannot be the basis of the property purchased with the NOAA grant. MacSwain has proposed to produce a new set of appraisals for the sum of \$52,600, distributed as follows:

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<sup>1</sup> The remainder will be purchased with City funds, allocated in the City's FY24 Capital Budget.

Property	Acreage	Cost for 1 <sup>st</sup> Appraisal	NOAA Grant Eligible?
Property #1	26.5+ acres	\$13,200	yes
Property #2	2.5 acres	\$ 9,300	no
Property #3	2.5 acres	\$ 9,300	no
Property #4	5.0 acres	\$10,800	no
Property #5	19.91 acres	<u>\$ 9,600</u>	yes
Total Cost of Appraisals	56.41 acres	\$52,200	

In addition, there will be travel expenses of approximately \$3,000 to visit the sites. We request authorization to award a contract to MacSwain Associates LLC in the not to exceed amount of \$55,200, of which \$25,800 would be covered by the NOAA grant.