

L&G Engineering

Transportation Consultants

December 5, 2018

Hon. David Fuentes
Attn: Jorge Pena, R.P.I.C.
Hidalgo County Commissioner, Pct. #1
1902 Joe Stephens Ave. Suite 1
Weslaco, Texas 78599

RE: County: Hidalgo
TxDOT CSJ No. 0921-02-356
Mile 6 W Rd. (Westgate Ave.)
Parcel No's.: 37, 38, 44a, 44b, 44c, & 65 Counteroffers for Release of Easements,
NAWSC

Dear Mr. Pena:

Attached herewith is a counteroffer as submitted by North Alamo Water Supply Corporation on November 16, 2018. L & G Engineering has reviewed the aforementioned and hereby recommends that counter-offer be approved. Attached also is the N-9, Administrative Settlement Evaluation and Approval Form.

L & G Engineering believes the counteroffer is a legal and cost savings issue and a timing issue due to the imminent "let" date. More importantly, due to recent court awards on similar projects and the cost to litigate through the Special Commissioners' Hearing we recommend that the counteroffer below be accepted:

Parcel 44c - \$ **2,704.88**

Please review these documents and feel free to contact me at (956) 585-1909 if you wish to discuss this matter personally.

Sincerely,

Fernando Herrera Jr.
Right of Way Administrator

Attachments: As noted

cc: File
Carlos Peralez, PE



HIDALGO COUNTY ADMINISTRATIVE EVALUATION AND APPROVAL FORM

ROW CSJ: 0921-02-356

County: Hidalgo

Highway: Mile 6 W

Project Limits: From Mile 9 to Mile 11

Parcel No.: 44c

Owner's Name: North Alamo Water Supply Corp.

Approved Offer: \$2,239.00

Date Offer Sent: 08/16/2017

Owner's Counteroffer: \$2,704.00

Date Counteroffer Received: 12/5/18

Factors considered in evaluation:

1. Valuation Issues

- a. Reconciliation of all available appraisals, including Owner's.
- b. Other: Owner feels the property values are too low.

2. Legal Issues

- a. Analysis of recent court awards on similar properties or projects.
- b. Analysis of recent court decisions which may affect the outcome of a condemnation action.
- c. Analysis of previously unlitigated issues.
- d. Other: _____

3. Cost Savings

- a. Approximate cost to litigate through Special Commissioners' Hearing \$12,000.00
- b. Approximate additional cost to litigate through jury trial \$15,000.00
- c. Other: _____

4. Timing Issues

- a. Maintain project schedule: 12/2019
Possession of this property is needed by: 5/2019
Projected possession date, if settled is: 1/2019
Projected possession date, if condemned is: 4/2019
Letting date: 8/2019
- b. Other: _____

5. Other Issues

** The following documents have been considered and are incorporated by reference: appraisals, appraisal review form, owner's counteroffer and supporting documentation, negotiator's log, and _____

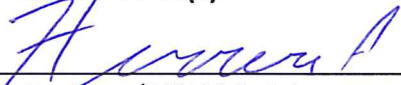
Analysis and Conclusion:

Our approval/ disapproval recommendation is based on the items checked above and has been evaluated as follows: (attach additional sheets as necessary)

The condemnation of a public utility (NAWSC) is very costly and may not be legally possible. The amount of the counter offer for Parcel 44c is \$2,704.00. The offer by the County is \$2,239.00 for a difference of \$465.00. The amount is within the cost of condemnation not to mention the possible award of more money to the Utility. Therefore we recommend that the counter offer be accepted.

This administrative settlement of \$ 2,704.00 is / is not recommended for approval as being reasonable, justified, prudent and in the public interest.

RECOMMENDATION(S):



Project Engineer/ROW Administrator

12/7/18
Date



RPIC/Authorized Pct. Representative

12-11-18
Date

COUNTY APPROVAL:

County Judge

Date

NORTH ALAMO WATER SUPPLY CORPORATION

3/8 MILE S OF SH 107 ON DOOLITTLE ROAD
420 S DOOLITTLE RD EDINBURG TX 78542-9707

TELEPHONE 956-383-1618
FAX 956-383-1372

November 16, 2018

To: Mr. Fernando Herrera, Jr., ROW Administrator
L&G Engineering
900 S. Stewart Road, Ste. 10
Mission, Texas 78572

From: North Alamo Water Supply Corporation
420 South Doolittle Road
Edinburg, Texas 78542

RE: CSJ No. 0921-02-356; Mile 6 West Road Project
Counter Offer for Parcel No. 37, Parcel No. 38, Parcel No. 44A, Parcel No. 44B,
Parcel No. 44C and Parcel No. 65

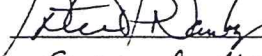
Dear Mr. Herrera:

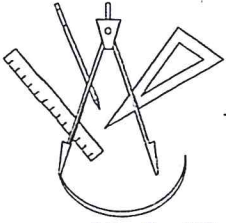
In reference to the above matter, this is to inform you that we do not accept your original offers listed in the table below. The parcels of land needed for the expansion of the road will leave an unusable remainder of North Alamo Water Supply easement on these individual parcels. As a result we are asking for damages in the amount(s) listed below. We will accept a counter offer in the amount listed below for each individual parcel:

Parcel	Original Offer	Additional Value to NAWSC (Damages)	Final Counter - Offer Total
37	\$ 1,075.00	\$ 3,116.89	\$ 4,191.89
38	\$ 1,704.00	\$ 970.20	\$ 2,674.20
44A	\$ 3,966.00	\$ 1,125.82	\$ 5,091.82
44B	\$ 1,961.00	\$ 537.83	\$ 2,498.83
44C	\$ 2,239.00	\$ 465.88	\$ 2,704.88
65	\$ 2,893.00	\$ 1,494.78	\$ 4,387.78

Should you have any questions or require additional information, please do not hesitate to contact our office.

Respectfully submitted,

By: 
Title: General Manager



L&G Engineering

Transportation Consultants

September 18, 2018

Via Certified Mail, Return Receipt Requested

No. 1017 0190 0001 1858 67720

County: Hidalgo
CSJ: 0921-02-356
Highway: Mile 6 West
From: Mile 9 N
To: Mile 11 N
Parcel: 44C Easement Rights

North Alamo Water Supply
420 S. Doolittle Road
Edinburg, Texas 78542

Dear Sirs:

The County of Hidalgo (the "County") by and through its acquisition consultant, L & G Engineering Acquisition Services (the "Contractor"), is presently proceeding with the acquisition of right of way for the construction of Mile 6 West from Mile 9 North to Mile 11 North.

In acquiring property for the highway systems of Texas, the Texas Department of Transportation (the "Department") and the County follow a definite procedure for appraising the land needed and for handling personal negotiations with each Interest Owner. As has been or will be explained by the L&G's negotiator, Fernando Herrera, Jr., your easement rights located within Parcel No. 44C of this project are to be acquired.

We believe at this stage of the purchase process it is mutually beneficial to confirm that based on an appraisal(s) made by an independent appraiser(s) and an analysis by an independent review appraiser, the County is authorized to offer you \$ 2,239.00 for a portion of your easement. This amount is the total amount of just compensation for the easement rights, as determined through the appraisal process.

If you wish to accept the offer based upon this appraisal, please contact L&G Engineering as soon as possible, at (956) 585-1909, so that the process of issuing your payment may be started. If you are not willing to accept this offer, you may submit a written request for administrative settlement/counteroffer, setting forth a counteroffer amount and the basis for such amount, provided such settlement request is received in writing within 30 days from the date of this letter. *Please note that your opportunity to submit an administrative settlement shall be forfeited if such a settlement request is not received by the Contractor within the 30 day time deadline.*

In the event the condition of the property changes for any reason, the State/County shall have the right to withdraw or modify this offer.

It will be necessary that both the easement and fee title to subject tract be acquired through normal acquisition negotiations in order to consummate this transaction and obtain payment from the County.

After the date of payment of the purchase price, or the date of deposit in court of funds to satisfy the award of compensation as determined through eminent domain proceedings to acquire real property, you will be reimbursed for any fair and reasonable incidental expenses necessarily incurred in transferring title to the property for use by the Texas Department of Transportation. Expenses eligible for reimbursement may include (1) recording fees, transfer taxes and similar expenses incidental to conveying the real property to the Department and (2) penalty costs for prepayment of any preexisting recorded mortgage entered into in good faith encumbering the real property. Voluntary unnecessary expenses or expenses incurred in clearing

questionable title will not be eligible for reimbursement. Eligible incidental expenses will be reimbursed upon submission of a claim supported by receipted bills or other evidence of actual expenses incurred. You may file a written request for review if you believe that the County failed to properly determine the eligibility for, or the amount of, incidental expenses to be reimbursed. There is no standard form on which to request a review of a claim; however, the claim must be filed with this office within six months after you are notified of the Department's determination on any claim for reimbursement.

You may be entitled to additional payments and services under the State's Relocation Assistance Program. It is emphasized, however, that any benefits to which you may be entitled under this program will be handled entirely separate from and in addition to this transaction. You will receive a brochure entitled "*Relocation Assistance*" which will inform you of eligibility requirements, payments and services which are available.

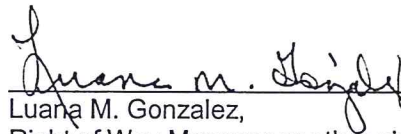
You have the right to discuss with others any offer or agreement regarding the County's acquisition of the subject property, or you may (but are not required to) keep the offer or agreement confidential from others, subject to the provisions of Chapter 552, Government Code (the Public Records Act) as it may apply to the Department.

Attached is a copy of the Texas Department of Transportation brochure entitled "*Right of Way Purchase*" which we trust will give you a better understanding of the procedures followed by the Department/County in purchasing property. We respectfully request the opportunity to meet with you or to otherwise discuss and answer any questions you may have regarding the details of the type of facility to be built, or concerning the Department's offer or proposed purchase transaction. Also, please do not hesitate to contact Mr. Herrera at the telephone number provided above regarding any question you may have.

Please see the enclosed copy of the "*Texas Landowner Bill of Rights*."

Finally, we enclose copies of all appraisal reports relating to your property being acquired which were prepared in the ten (10) years preceding the date of this offer and produced or acquired by the Department/County, including the appraisal on which this offer is based.

Sincerely,



Luana M. Gonzalez,
Right of Way Manager or other signatory

ENCLOSURES:

Appraisal Report(s)
Landowner Bill of Rights
Brochure ("*Right of Way Purchase*")



Form ROW-A-5 (Rev. 08/11)

1 REAL ESTATE APPRAISAL REPORT - TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property: Mile 6 West north of Mile 10 North
Property Owner: Juanita S. Basaldua
Address of Property Owner: 1728 W 10 North, Weslaco, Texas 78596
Occupant's Name: Juanita S. Basaldua
Whole: Partial: Acquisition

ROW CSJ: RCSJ: 0921-02-356
District: Pharr
Parcel: 44C
Federal Project No: --
Highway: Mile 6 West Rd County: Hidalgo

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and /or damages to the remainder property must be included in accordance with the laws of Texas.

Market Value

Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

Certificate of Appraiser

I hereby certify:

That it is my opinion the total compensation for the acquisition of the herein described property is \$4,961 as of, May 1, 2018 based upon my independent appraisal and the exercise of my professional judgment;

That on May 1, 2018 (date)(s), I personally inspected in the field the property herein appraised; that I afforded, Juanita S. Basaldua the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection; The property owner was contacted by certified mail. The property owner never contacted the appraisers' and was not present during the inspection.

That the comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on May 1, 2018 and other (date)(s);

That I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the Texas Department of Transportation or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified to such findings;

That my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

The appraiser has considered access damages in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB18 of the Texas 82nd Regular Legislative Session and finds as follows:

1. Is there a denial of direct access on this parcel? no denial of access for a highway improvement project (yes or no)
2. If so, is the denial of direct access material? not applicable (yes, no, or not applicable)
3. The lack of any access denial or the material impairment of direct access on or off the remaining property affects the market value of the remaining property in the sum of. \$0

I certify to the best of my knowledge and belief:

That the statements of fact contained in this report are true and correct;

That the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions;

That I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved;

That my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State, and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement for which such property is to be acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to the physical deterioration within the reasonable control of the owner, has been disregarded in estimating the compensation for the property.

Appraiser Signature
John H. Malcom, Jr., MAI, AI-GRS, SRWA
Certification Number 1320239-G
June 28, 2018
Date

To the best of my knowledge, the value does not include any items which are not compensable under State law.

Harvey L Heerssen 7-10-18
Reviewing Appraiser Date

TABULATION OF VALUES

Parcel: 44C Highway: Mile 6 West Road ROW CSI: 0921-02-356
 Taking Type: Partial District: Pharr
 Size of Remainder: 1.828 Acres County: Hidalgo
 Type of Property: Improved//Commercial
 Contract Fencing: N/A
 Appraised by: John H. Malcom, Jr.
 Date Appraised: 5-1-18

Access will be provided or denied to the new facility. If access will be partially provided or denied, explain in comments.

Agency	Participating Percentage	Expense Description
Hidalgo County Precinct No. 1	20%	ROW Acquisition Expenses

Interest Owner	Acquisition Interest	Land Area	Value	Lease (Y/N)
Juanita S. Basaldua	Fee Simple	1,612 sf.	\$2,597.00	No
North Alamo Water Supply Corporation	Easement	1,307 sf.	2,239.00	No

I. Appraised Values

Land Value	Improvement Value	Sign Value	Damages/Enhancements	Total Value
\$4,836.00	\$125.00	\$0.00	\$0.00	\$4,961.00

II. Improvements

Item No.	Improvement Type	Type Construction	Improvement Value	Retention Value	Bisection Category
A.	Drive	Caliche	\$125.00	\$1.00	N/A

Item No.	Improvement Type	Type Construction	Improvement Value	Retention Value	Bisection Category
		Total	\$125.00		

TABULATION OF VALUES (continued)

Parcel: 44C

Highway: Mile 6 West Road

ROW CSJ: 0921-02-356

III. Damages and Enhancements

Total Non-Exempt Damages	Enhancements	Exempt Damages	Net Damages
\$0.00	\$0.00	\$0.00	\$0.00

IV. Sign Values

Item No.	Sign Owner	Type Construction	Improvement Value	Retention Value	Bisect. Cat.
N/A	N/A	N/A	N/A	N/A	N/A
		Total	\$0.00	\$0.00	

V. Recapitulation

Date:	5-1-18			Recommended Value
Appraiser's Name:	John H. Malcom, Jr.			
Value of Whole Property	\$249,468.00			\$249,468.00
Parcel Area: 1,612 sf.				
VALUE FOR PARCEL				
Land: per sf. 119 sf. unencumbered @ \$3.00 and encumbered 1,493 sf. @\$1.50 sf	358.00 2,239.00			358.00 2,239.00
Easement 1,493 sf. @1.50 sf.	\$2,239.00			\$2,239.00
Improvements	\$125.00			\$125.00
Net Damages or (Enhancements)	\$0.00			\$0.00
OAS Value(s)	\$0.00			\$0.00
TOTAL COMPENSATION	\$4,961.00			\$4,961.00

Calculations for Net Damages or (Enhancements) considers Direct Access Denial damages.

TABULATION OF VALUES (continued)

Parcel: 44C

Highway: Mile 6 West Road

ROW CSJ: 0921-02-356

VI. Comments and Conclusions on Values in the Appraisal Report

Appraiser: John H. Malcom, Jr.
Effective Date of Report: May 1, 2018
Report Dated: June 28, 2018
Review Appraiser: Harvey L. Heerssen
Effective Date of Review: July 10, 2018

Parcel 44C is a partial taking of 0.037 acres (1,612 sf.) square feet out of a 2.02 acres of Farm Tract 197, Block 180, except 0.50 acres of West Tract Subdivision, Volume 2, Pages 34-37, Map Records, Hidalgo County, Texas. Said Tract is vested to Juanita S. Basaldua by virtue of Warranty Deed dated July 31, 1978, recorded in Volume 1589, Page 592, Deed Records of Hidalgo County, Texas and by Affidavit -Heirs of Ernesto Basaldua dated September 21, 2012, Document No. 2344781, Official Records, Hidalgo County, Texas.

This parcel is located at the northwest corner of Mile 6 West Road and Mile 10 North Road, Weslaco, Texas. The subject property consists of a net 1.865 acres with dimensions of 219 feet depth by 371 feet of frontage. The whole property is improved with a single family residence that is not impacted by the proposed acquisition. The only site improvement on this parcel is a portion of caliche drive that is appraised according. The highest and best use is for commercial purposes. The whole property is encumbered by a utility easement owned by North Alamo Water Supply Corporation.

The appraiser has selected four (4) commercial sales to value the unencumbered portion of the whole property at \$3.00 per sf. The acquisition of 1,612 sf. is encumbered with the easement owned by North Alamo Water Supply Corporation. Since the fee owner does not enjoy the full bundle of rights within the easement area, the appraiser estimates that the amount of rights taken amount to 50% of the fee value or \$1.50 per sf. Thus, the encumbered fee portion is valued at \$1.50 per sf. and the utility easement is also valued at \$1.50 per sf. There are no market damages to the remainder land.

The appraiser has considered access damages in accordance with Section 21.042(d) of the Texas Property Code, as amended by SB18 of the Texas 82nd Regular Legislative Session. The result of the findings is that there is no denial of direct access nor material impairment of direct access on or off the remaining property that affects the market value of the remaining property. Therefore, there are no access damages to the remainder property.

The report prepared by the appraiser John H. Malcom, Jr. is an Appraisal Report presented on TxDOT form ROW-A-5 and appears to comply with USPAP and the Texas Department of Transportation's Appraisal and Review Manual. The appraisers' opinion and conclusions appear to be well supported by information contained within this appraisal report. It is recommended that the total value of 4,961.00 be approved for negotiations and acquisition.

VII. Justification and Explanation for Credit if Retained.

A retention of \$1.00 is applied to the caliche drive on this parcel in order to encourage retention.

TABULATION OF VALUES (continued)

Parcel: 44C

Highway: Mile 6 West Road

ROW CSJ: 0921-02-356

VIII. Conditions

Values for signs, if any, are applicable only if sign owner has compensable interest.
Fencing is applicable only to actual cost or lump sum fencing on 90-10 Right of Way projects and State cost participation in fences to be in accordance with State's Right of Way Manual.
The values indicated hereon have been approved on the basis that all improvements within the taking will be acquired in the name of the State through negotiation.

IX. Reviewing Appraisers' Statements

Reviewing Appraiser's Statement

It is my opinion that the appraiser's report for this parcel appears adequately supported and in compliance with all appropriate appraisal standards, laws, and regulations, and I recommend this appraisal for use by the appropriate Agency Official and his/her assigns. I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of the parcel. To the best of my knowledge, the value does not include any items that are not compensable under State law.

Reviewing Appraiser

Date

Henry L. Herman
Contract Reviewing Appraiser (if applicable)

7-16-18
Date

Division Reviewing Appraiser (if applicable)

Date

X. Approval of Values

Ramon Garcia
County/City Representative

9/14/18
Date

ROW Staff Representative

Date

APPROVED BY
COMMISSIONERS' COURT
ON: 11/15/16 *gr*