RESOLUTION APPROVING AND AUTHORIZING CHAIRMAN TO SIGNQUOTE FOR INSURANCE APPRAISAL SERVICES WITH HCA ASSET MANAGEMENT FOR WERNER BALLFIELD

WHEREAS, pursuant to Neb. Rev. Stat. 23-104(6), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. 23-103, the powers of the County as a body are exercised by the County Board; and,

WHEREAS, the County has previously issued Leasing Corporation Rental Revenue Bonds (Omaha Royals Stadium Project) 2009A, 2009B, and 2009C; and,

WHEREAS, the County issued a Certificate of Participation in 2016 regarding the Radio Coverage Project; and,

WHEREAS, Union Bank & Trust, as a part of the agreements listed above, requires the County to obtain an appraisal to determine the Full Insurable Value of the project every three years for the full term of the leases; and,

WHEREAS, HCA Asset Management has provided a quote to the County for such appraisals for the 2018 appraisals, which both HCA Asset Management and the County desire to accept as an agreement for services.

NOW THEREFORE, BE IT RESOLVED by the Sarpy County Board of Commissioners that This Board hereby approves and authorizes the Chairman to sign the Quote for Insurance Appraisal Services with HCA Asset Management for Werner Ballfield, a copy of which is attached hereto.

The above Resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with the applicable law on the 21st day of August 2018.

Attest

SEAL

Sarpy County Board Chairman

County Clerk
Memo

To: Sarpy County Board

From: Brian Hanson

Re: Baseball Stadium Appraisal

The bond documents approved by the County Board for the construction of Werner Park require the County to have the buildings appraised every three years to ensure that the value of the buildings does not drop below the value of the outstanding bonds. NIRMA actually commissions and pays for an appraisal of all county buildings but it is done only every five years.

HCA Asset Management, the appraisal firm utilized by NIRMA has provided the attached proposal for the appraisal of Werner Park with a cost of $3,000. I recommend approval of the proposal.

Please let me know if you have any questions.
Thanks!

August 14, 2018

Brian E. Hanson, Fiscal Administrator

cc: Dan Hoins
Scott Bovick
Deb Houghtaling
Annie Gosnold-Parker
July 27, 2018

Mr. Brian E. Hanson  
Fiscal Administrator  
Sarpy County  
1210 Golden Gate Drive  
Papillion, NE 68046  
Via: email

Re: Quote for Insurance Appraisal Services – Sarpy County, NE

Dear Mr. Hanson:

Based on your recent inquiry, I’d like to thank you for inviting our firm to prepare the enclosed quotation. We look forward to the opportunity to assist the County with additional property appraisal services, to be performed in a manner consistent with our past work for NTRMA. This quote will include the onsite appraisal of only designated properties, identified as the Werner Ballfield.

I. APPRAISAL METHODOLOGY

A. Buildings/Structures (15, as currently scheduled on 2015 appraisal)  
Buildings included in our appraisal will be recorded and categorized by location and building/area. This detailed segregation of buildings will assist in reporting asset valuation totals for various insurance formats. Additionally, it will aid in avoiding duplications or omission of coverage when the reports are utilized by underwriters and/or the insured entity.

The buildings/structures appraised by our team will be carefully analyzed. Segregated construction components and building features will be identified and recorded to determine each structure’s value. Photographs will be included for each structure to become part of our final reports. Each Building will be inspected and measured to confirm structural characteristics and square foot area.

A description of each building will be developed and recorded showing construction type and materials. Building components listed below will be individually inventoried, analyzed and reported, as applicable.

- Building Type
- Construction Type
- Exterior Wall
- HVAC
- Fire Protection Systems
- Sprinkler Systems
- Gross SF Area
- Wall Height

Better Data Means Better Outcomes

www.HCAMGT.com
In addition to the analysis of individual building components, construction classes will also be recorded. ISO classes 1-6, as defined in the Commercial Fire Ratings Schedule (CFRS) are defined in terms of the Marshall and Swift/Boeckh classes, as follows:

<table>
<thead>
<tr>
<th>ISO Class</th>
<th>ISO Classification</th>
<th>MSB Class</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Frame/Combustible</td>
<td>D</td>
</tr>
<tr>
<td>2</td>
<td>Joisted Masonry</td>
<td>C</td>
</tr>
<tr>
<td>3</td>
<td>Non-Combustible</td>
<td>S</td>
</tr>
<tr>
<td>4</td>
<td>Masonry Non-Combustible</td>
<td>C</td>
</tr>
<tr>
<td>5</td>
<td>Modified Fire Resistive</td>
<td>A</td>
</tr>
<tr>
<td>6</td>
<td>Fire Resistive</td>
<td>B</td>
</tr>
</tbody>
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During the office valuation portion of the engagement, property exclusions (those items not typically covered by an insurance policy) will be segregated to properly report the site preparation and excavation, footings and foundations, and a portion of plumbing costs (underground).

B. **Personal Property/Contents Estimating**
HCA will estimate the value of contents utilizing a combination of modeling and a tallying of the contents. For certain buildings/structures, HCA will conduct an equipment tally utilizing a room-by-room inspection approach. All moveable furniture and equipment will be valued in an aggregate fashion, providing a single line-item value per building. We will also review critical content elements with the appropriate building personnel to ensure all material components of the personal property are accounted for. This approach will provide a reasonably accurate estimate for your primary building occupancy types for premium-to-exposure coverage that can be used by underwriters, claims professional and agents, but will not be a detailed, line-by-line inventory.

C. **Property in the Open**
All insurable property in the open (i.e. fencing, lighting, towers, signage, scoreboards, etc.) will be inventoried, valued and summarized in our reports. As part of our service, we will visit ONLY County sites currently designated by you in advance.
II. VALUATION DEFINITION

During the course of the inventory and subsequent valuation research, our appraisers will make a determination of Replacement Cost and insurance exclusions, defined as follows:

**Replacement Cost (RC)** is the cost to construct or replace, at one time, an entire building of equal quality and utility. Modern materials and current methods, designs, and layouts are used for replacement. Replacement Cost does not take into consideration improvements necessary to conform to changed building codes, demolition, debris removal, site accessibility or site work, reuse of building components or services, overtime, bonuses for labor, soft costs, extraordinary fees, premiums for materials, or other contingencies. For insurance purposes, the prices used for labor, materials, overhead, profit and fees are those in effect as of the date of our appraisal.

**Exclusion** is a provision in an insurance contract describing property or types of property that are not covered by the member policy. We will exclude the following items from our net replacement cost values: 1) Site Preparation; 2) Foundations/Footings (below the lowest occupied level); and, 3) Underground Plumbing.

Additionally, our investigation includes the use of various research sources to develop the cost conclusions for each asset or group of assets. These sources include catalogs, phone quotes, publicly available price lists, industry/trade journals, magazines, technical and pricing subscription services, and engineering manuals such as Means, CoreLogic’s Marshall & Swift/MSB, Handy Whitman and others.
III. **DELIVERABLES**

Reports are presented in a client-customized and easy-to-read format. One copy of our reports (pdf) shall be provided to the County electronically. HCA can also provide electronic copies of the report in other formats, including Excel. **Should you so choose, HCA can also provide a copy of the report to your insurer (NIRMA).**

The following will constitute our anticipated deliverables:

A. **Narrative Report/Certificate Letter** – narrative explanation that will:
   - Identify the specific property appraised
   - Clearly state the intended purpose of the appraisal
   - Specify the appraisal “as-of” date
   - Determine the level of value sought and the premise of value employed
   - Describe the nature of the property included
   - Discuss the appraisal investigation and methodology
   - Indicate the factual data considered
   - Present the conclusions of value
   - Outline the qualifying and limiting conditions
   - Include the signature of the responsible appraiser

B. **Insurance Summary Reports** – summary of values for location, building and contents. This report is provided in spreadsheet format and includes the detail to be determined in our planning session.

C. **Insurance Detail Report** – provides detail information and includes supplemental underwriting data:
   - Building name, use (occupancy)
   - Building address
   - Construction classification
   - ISO classification
   - Year built
   - Number of floors
   - Gross square foot area
   - Existence of security/intrusion alarm and type
   - Existence of fire alarm(s) and type
   - Existence of sprinkler system and percentage covered
   - Color digital photograph
   - Replacement Cost
   - Exclusion amount
   - Replacement Cost less exclusions (Net Replacement Value)
IV. GENERAL INFORMATION

All available data and records deemed necessary in the search for costs and historical background should be provided to our appraisal team. Such items might include current value schedules, loss control reports, blueprints/plans, recent construction cost documentation and other pertinent information regarding the subject properties.

The County will be required to provide timely access to all locations subject to inspection and appraisal for our team members.

HCA will store copies of the final appraisal results, together with all field notes and working papers, in our file vault for a period of not less than five years from the date of the appraisal.

HCA will render teleconference advisory services at no charge to the County and/or its insurer regarding the procedures and methods used in the appraisal process and the resulting values of the assets appraised.

HCA will invoice the County for professional services rendered upon completion of our work. Our final (100%) invoice will be issued upon the execution and completion of the fieldwork and office pricing tasks, with delivery of our reports.

HCA fees are inclusive of all out-of-pocket expenses necessary to complete the individual assignments. Fees quoted in this proposal are valid for a period of not more than 90 days (or until the proposal has been accepted). Invoices are payable upon receipt. HCA reserves the right to charge interest calculated on the basis of one and one-half percent per month if payment is not received within 30 days of the invoice date.

We have relied upon certain property data provided by the County in developing these fees. Once the individual projects commence, additional locations or corrections to the information provided to HCA that require an increase in professional time will be charged at standard per building rates, including expenses, and invoiced to in addition to the initial agreed upon fees. Fee increases for additional properties will be coordinated directly with the County while our team is working on each individual project.
V. AUTHORIZATION

The fees quoted are inclusive of all travel and living expenses, and other out-of-pocket expenditures required to complete our appraisal.

*Insurance Appraisal Services*
Complete Property Appraisal Services, as outlined above. Includes (15) designated buildings and PITO identified as the Werner Ballfield.

- Appraisal of (15) Scheduled Properties $3,000

With my signature below and initials above, I hereby indicate my acceptance of this proposed work for the County, and am fully authorized to enter into such agreements.

**ACCEPTED BY:**
Sarpy County, NE

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<tbody>
<tr>
<td>Donald R. Kelly</td>
<td>8/21/18</td>
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<tr>
<td>Donald R. Kelly</td>
<td>Chairman</td>
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**OFFERED BY:**

*HCA Asset Management, LLC*

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<tbody>
<tr>
<td>Mark T. Hessel</td>
<td>July 27, 2018</td>
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