

Agenda Item: 8.

MEMORANDUM

TO: Finance, Expenditures and Legal Subcommittee

FROM: Amanda Grint, Water Resources Engineer

SUBJECT: Review and Recommendation on Proposals for Auction of Surplus Property at Prairie Queen

DATE: May 4, 2015

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On April 22, 2015, a Request for Proposal (RFP) was published in the Omaha World Herald soliciting services to sell, by auction, the surplus property at Prairie Queen Recreation Area. Also, on that day an RFP was mailed to Auction Solutions, Inc., Black Dirt Land Sales and Management, Farmers National, McClure Land Unlimited, Mid Continent Properties, and PJ Morgan Real Estate. See attached map for location of property to be sold. 5 proposals were received and are available for review as confidential material. The companies submitting proposals for consideration are Black Dirt Sales/Auction Solutions, Inc., LandPros Realty, Farmers National, PJ Morgan Real Estate, and MidContinent Properties, Inc./CBRE Mega.

The proposals requested that the companies submit real estate auction experience, broker qualifications, knowledge of the real estate and auction market, marketing plan, schedule, terms, commission rate and additional costs that can be expected by the District. The proposals were then analyzed considering those factors. The following were factors considered in the recommendation:

- All proposals met the RFP criteria and all provided evidence of knowledgeable, qualified brokers while Farmers National has the most experience.
- LandPros Realty, Farmers National, and PJ Morgan Real Estate provided evidence of past brokerage services provided to public entities.
- Marketing plans were similar with signage, direct mailing, online listing, email and personal contact with clients and that company's perspective buyer list. Black Dirt Sales/Auction Solutions, Inc., LandPros Realty and Farmers National provided excellent information on marketing.
- Consideration was given to the method of auction presented in the proposal whether it be absolute meaning highest bidder or auction with reserve in which the Board would set a minimum acceptable value for the property.
- Schedule is approximately 6-8 weeks from the time of contact. Can vary depending on due diligence work.
- Fees include a percentage of the sale price along with advertisement fees. The proposals varied widely from over 6% plus advertisement fees (\$6,500) to all fees being paid by the buyer.

**Staff recommends that the Subcommittee recommend to the Board of Directors that the General Manager be authorized to execute an agreement with Farmers National for sale by auction with reserve of the surplus land identified at Prairie Queen Recreation Area.**