

*2016 AASHTO Right of Way,
Utilities, Outdoor Advertising Control
& National Alliance of Highway
Beautification Agencies Conference*



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Rosen Centre Hotel
Orlando, Florida



Appraisal / Appraisal Review Challenges with Design-Build Program

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Appraisal/Appraisal Review Challenges w/Design-Build

WHAT IS DESIGN BUILD

Design Build combines Preconstruction related services, including Environmental, Design, and Right of Way with Construction Services into a Single Contract



Appraisal/Appraisal Review Challenges w/Design-Build

Accelerate
Program Delivery

Support Economic
Development

Reduce Project Cost
and Delays

Address Complex
Constructability
Issues

Emergency
Projects
(Quick Response)

Schedule Recovery

Appraisal/Appraisal Review Challenges w/Design-Build

State of Georgia Design Build Projects Governed By:

23 Code of Federal Regulations (CFR) Part 636 (Design Build Contracting)

23 Code of Federal Regulations (CFR) Part 710 (Design Build Contracting)

Georgia Code Section 32-2-81

GDOT Board Rules, Chapter 672-18 (Adopted 2006)

Right of Way Manual on Policies and Procedures



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GDOT Procedures & Processes for
Design Build Projects



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The Design-Build Company must ride the project with the assigned Staff or Consultant Reviewer

The assigned Review Appraiser will prepare a checklist to determine the Scope of Services needed for valuation or specialty reports of all parcels on the project



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The Design-Build Company must select an appraiser, cost to cure engineer, sign estimator or any other necessary valuation or specialty report contractor from GDOT's approved list of providers

The Design-Build Company cannot independently hire the Reviewer

The Department will always assign the Reviewer and in order to maintain FMV independence and integrity



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The Review Function

If the Department assigns a Consultant Review Appraiser, then a Staff Reviewer also will be assigned to the Project to sign off on the Consultant Review Appraiser's Report and establish the estimated fair market value for the subject parcel being appraised

The right of way plans must be adequate enough to show the taking and impacts (i.e. easements, slopes, drainage, etc.) and must be defined in order for the valuation to proceed.

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SCHEDULE FOR THE REVIEW FUNCTION

Reports must come in staggered but in a timely fashion in order for the Reviewer to turn around the reports quickly. It should be specified in the Design-Build Contract when and how reports will be submitted such as:

i.e.

- No more than 10 reports to submitted within a 15 day period
- Reviewer has 15 to 45 days to review report depending on the complexity of the report

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If GDOT returns a report for any reason, possible errors or omissions, then the established GDOT Quantity and Review times according to the Design-Build Contract start over upon resubmission of the report.



Appraisal/Appraisal Review Challenges Design-Build

Challenges for the Appraiser

Right of Way Plans and Construction Plans must be complete enough in order for the appraiser and other valuation or specialist to perform the valuation services needed for the project

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Challenges for the Appraiser

The Appraiser & Consultant Review Appraiser must be committed to the schedule set forth in the Design Build Contract

They must be flexible due to the nature of Design-Build Project and because it is often evolving



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- Guidelines should be set for Design-Build Companies concerning revisions
- If guidelines are not set, then the Design-Build Company will continue to make right of way plan revisions late
 - This will affect valuation services that have already been appraised, reviewed, and often released
- If DB companies have to reimburse the Department for the cost of 2nd, 3rd and possibly 4th reports to be reviewed, this will often limit their plan revisions and submittals

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Finally

Design-Build is Costly

The Appraiser & assigned Consultant Reviewer must have the time and resources to complete the assignments in a timely manner

The Department has to make sure that it has the available staff and resources in order to assist the Design-Build Company.



**Appraisal/Appraisal Review
Challenges w/Design-Build
Questions/Concerns
Open Discussion on Your
State's Practices**