



DATE: September 10, 2014
TO: GCTD Board of Directors
FROM: Reed Caldwell, Facility Project Manager *RC*
RE: **Authorize Payment of Realtor Fees for New Facility Property Acquisition**

I. EXECUTIVE SUMMARY

GCTD recently purchased property to locate the district's fixed route and administrative functions. Staff is requesting the Board authorize the General Manager to pay the district's broker a 2% broker commission of the property purchase price.

II. BACKGROUND

During negotiations with the property owner for the new facility, a dispute arose between the listing agent and broker and GCTD's broker over payment of brokerage fees. The property "information flyer" and agreement between the seller and seller broker were not available to GCTD which contributed to the confusion of the issue. Apparently the percentage of commission was changed between the seller and the seller's broker and this information was not conveyed. Ultimately the intent of GCTD was for both the listing agency and GCTD's broker to equally split a 4% commission paid by the seller based on the purchase price. GCTD received a lower purchase price equal to 2% resulting from the commission issue. The Board has been previously briefed regarding this issue and gave prior authorization for the 2% payment.

III. SUMMARY AND RECOMMENDATIONS

It is recommended the Board of Directors authorize the General Manager to approve payment to CBRE, Inc. for an amount equal to a 2% broker commission of the new facility property purchase price.

Steven P Brown

General Manager's Concurrence