BLUEGRASS BULLETIN

Summer 2026 Newsletter

IRWA
BLUEGRASS
CHAPTER 25

PRESIDENT LETTER

Greetings, Chapter 25 Friends,

I am delighted to address you for the first time as Chapter President. I am grateful to everyone who has supported me and shared their knowledge as I have served the chapter as Treasurer, Vice President, and now President. Thank you for helping me learn more about this respected national organization and our outstanding local chapter.

Although I am a civil design engineer by education, I also have significant experience in right-of-way acquisition. I began as a right-of-way acquisition agent and now serve as a project manager for transportation and municipal related acquisition projects. Throughout my career, I have developed many meaningful friendships with colleagues at Strand Associates, Inc., clients in state and local government, and members of Chapter 25.

I would like to thank our outgoing president, Orie Dobson, SR/WA, for his leadership and support as I step into this new role. I also extend my sincere appreciation to Mike Penick, SR/WA, our One-Year International Director and Education Chair. Mike works tirelessly to organize educational opportunities for our chapter. He has served as a mentor to many of us and is an excellent resource for anyone interested in taking courses and pursuing their SR/WA designation.

I want to thank all those who attended our New Officers Installation in June at Martin's BBQ as we enjoyed the fellowship, delicious food, and encouraging remarks from David Griffith, the newly installed Region Five Vice Chair from Chapter 21 in West Virginia. As we look ahead, I am excited for our local chapter meetings, special events, and the Fall Forum in Louisville this October. Our annual State of the State Meeting with KYTC Right of Way Leadership will be held on August 14 at Thurman Landing Event Barn in Sonora, Kentucky. I encourage you to join us for this valuable opportunity to network with colleagues from across the state and develop new professional relationships. I would also like to personally invite you to our annual Christmas Banquet at the Brown Hotel on Friday, December 12, as we celebrate the holidays and another successful year together.

Be sure to visit our chapter website at irwa25.org for current information about upcoming events, membership, and chapter officers. If you are interested in serving as a committee chair, please contact me—there are many opportunities to get involved. You are also welcome to attend a board meeting to learn more and discover how you might contribute. I can almost guarantee that becoming involved will help you make new friends and gain valuable insights, both professionally and personally. I know it certainly has for me!

Thank you,
Jamey Cash
President, Chapter 25

Purpose

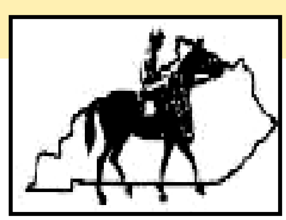
We improve people's quality of life through infrastructure development.

Mission

We empower professionals by elevating ethics, learning, and a standard of excellence within the global infrastructure real estate community.

www.irwa25.org
www.irwaonline.org
www.irwaregion5.org

Disclaimer: *The views and opinions expressed in this publication are those of the authors and do not necessarily reflect the official policy or position of the organization.*



2026 IRWACon Report: Omaha, NE
By: Mike Penick, SR/WA, International Director

The 72nd Annual International Education Conference was held in Omaha on June 26 through the 29th. The main hotel was the Hilton Omaha, which is connected directly to CHI Health Conference Center where the educational sessions, caucuses, corporate expo, and galas were located.

Your two voting representatives for Chapter 25 at this year's conference was Chad Cutsinger, SR/WA and me.

We both attended various meetings and educational sessions, some of which I will discuss later in this article. Overall, Chad and I thought the conference was good and well planned. Omaha is easy to get to and has great restaurants; you know we had to venture out one evening and sample one of those famous Omaha steaks that we have all heard about. Chad got a recommendation from Jessica Grivna to check out the Drover Steakhouse, which we did. It was excellent; very rustic and personal on the inside, not wide-open spaces, making for a more intimate dining experience. The food was out of this world, and if you ever get to Omaha, check it out. Jeff Nakken, SR/WA, a past member of our chapter who now belongs to Puget Sound Chapter Four in Seattle, joined us for dinner.

So, this year's conference was different than previous ones. It began on Friday the 26th and ended on Monday the 29th. Normally, the conference begins on Sunday and ends on Wednesday, but they scheduled it to avoid conflict with the College World Series which is hosted by Omaha every year. Many of us were thrown off on this new schedule, since all our business and educational sessions were on the weekend, but we got through it. Friday, we attended the Exhibition Hall (expo) and Region Five Caucus. During the caucus, we discussed previous region business held in Indianapolis, the upcoming fall forum being held in Louisville, and heard business that we will be voting on at this conference, including the proposed location of 2030 IRWACon. Five chapters were interested in hosting 2030:

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Tampa, Phoenix, Minneapolis, Milwaukee, and Washington, DC. During the caucus, Milwaukee, which is part of Chapter 17 in our region, decided to withdraw and throw their support behind Minneapolis, which was scheduled to host the conference in 2020 but was cancelled because of COVID. We also received a visit from Anthony Alderman, SR/WA, who informed us of his candidacy in running for 2026-2027 Secretary of the International Executive Committee. Anthony is an appraiser from North Carolina, Chapter 31 in Charlotte. There were no other candidates running for IEC.

After the caucus, we attended the Opening Ceremony and the Annual Meeting of the Members, held in the Grand Ballroom of the conference center. All twelve regions were present, including our international members from Australia, Nigeria, Saudi Arabia, Mexico, and our newest members from Thailand and England. Koby Godwin, SR/WA, International President (outgoing) announced the total members at the conference (1,300+) and discussed the overall state of the association along with Tim Drennan, Executive Director.

This year's conference host representatives from Omaha were Jake Farrell, SR/WA (Past International President) and Mindy Leadholm, SR/WA. The keynote speaker was Roger D. Carstens, a former CIA hostage negotiator for the Trump and Obama administrations and

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advisor during the Biden administration. After the opening ceremony, there was the conference "Meet and Greet" at the Henry Doorly Zoo, one of the great zoos in the US, famous for their participation in "Mutual of Omaha's Wild Kingdom."

On Saturday, the first of three days of educational sessions began. There were topics on all the disciplines of right of way. I make it a point to try to attend a session on each discipline, as variety goes a long way. Some of the more popular sessions were "The Great Eminent Domain Debate," "The Larger Parcel: It's not Just a Texas Thing," "Pardon the Condemnation," "Guadalajara Airport Access and Right of Way Acquisition," "We Got the Right of Way by Union Pacific Railroad" and "UK Infrastructure Projects 2026". Major shout out to our chapter's own Travis Carmack, SR/WA for doing a session titled "The Art of Effective Communication" (on Sunday). Saturday was also the SR/WA Awards Luncheon, during which Chapter 17 Wisconsin was recognized for the highest percentage gain of membership, and the highest actual gain of members. All the newest SR/WAs walked across the stage, and shook hands with the President Koby Godwin, SR/WA. The award for Instructor of the Year went to Brian Taylor, SR/WA from Alberta (CA) Chapter 62, and the 2026 Balfour Award was presented to Andrew Sorba, SR/WA, an appraiser from Puget Sound Chapter Four.

Saturday night was the fundraising RWIEF Event, held at the Steelhouse on Dodge Street. It was a party that went until the "wee hours," with some auction items setting records! The venue was excellent, and it was a sold out attended fundraiser! Decent job, RWIEF reps!

Monday, the last day of the conference, was the annual Board of Directors Meeting. A discussion of the national budget, floor donations to the RWIEF and CRWIEF, reelecting members of the IEC, and electing Anthony Alderman, SR/WA to the IEC were the highlights. Finally, after several votes, the selection of 2030's host city was made, and we'll be going to Washington, D.C, and all events there will be at the Gaylord National Resort and Convention Center, with a room rate of $299 per night (so start saving up!). Congratulations to Potomac Chapter 14(Maryland) on being selected!

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The future conference locations are: 2027 Calgary, 2028 Detroit, 2029 Arlington, TX and 2030 D.C.

<u>The 2026-2027 Installation of the IEC Board Members are:</u>
Dan Bucan, SR/WA, Incoming President (from our region)
Cyndi Whelpley, SRWA, President Elect (Region Seven)
Matt Harris, SR/WA, Vice-President (Region Six)
Ray Mayler, SR/WA, Treasurer (Region One)
Anthony Alderman, SR/WA, Secretary (Region Six)

Congratulations to all the elected officers for our organization. We as the body of KY Chapter 25 will keep challenging this association to serve the members to the fullest, and our chapter will continue to hold everyone accountable to pursue and achieve our ultimate goal: Prioritizing and making the SR/WA the ultimate recognized benefit in the right of way profession.

The conference ended Monday evening with the annual dinner gala; this year's theme was "Rockin' to the 80s". Some people take dressing up in eighties garb a little too far, but it was a lot of fun to see!

Thanks to Nebraska Chapter 78 for hosting this year's conference; hosting a conference is a lot of hard volunteer work without any fringe benefits. Next year, we will have the honor of visiting Chapter 48 in Calgary, AB and hopefully not run into a STAMPEDE! Yee-haw.

--Mike Penick, SR/WA, International Director

Proper Application of the Cost Approach in Kentucky Condemnation Cases by Rick O. Baumgardner, MAI, SRA, ASA

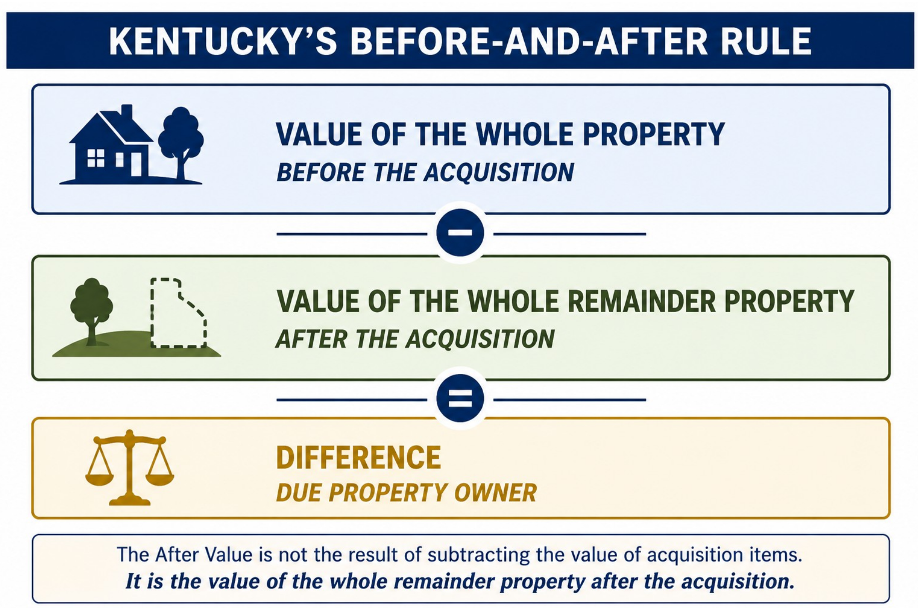
Last year, the Kentucky Court of Appeals affirmed a Circuit Court decision that excluded the Transportation Cabinet's appraisal report because the Cost Approach had been applied improperly. As a result, the jury was left to consider only the property owner's appraisal.

Unfortunately, many have misunderstood the Court's decision, concluding that the Cost Approach cannot be used in Kentucky condemnation cases. That is **not** what either the Circuit Court or the Court of Appeals held.

The courts found that the Transportation Cabinet's appraiser failed to adequately explain how the Cost Approach was developed in arriving at the After Value. More importantly, the record included testimony indicating that the appraiser subtracted the value of the items acquired from the Before Value to arrive at the After Value. This is an improper appraisal methodology commonly referred to as **"price tagging,"** which is not permitted in Kentucky condemnation cases.

You should never value the items in the acquisition and subtract those items from Before Value estimate to arrive at After Value.

The Cost Approach remains an accepted and appropriate valuation method in condemnation cases—**when it is properly applied.** The most important step in developing the After Value is to analyze and describe the **remainder property** after the acquisition has occurred. The appraiser must value the remainder as it exists **after** the taking, considering its new physical characteristics, utility, and marketability. The After Value is an appraisal of the **entire remainder property**, not a mathematical deduction from the Before Value. The appraiser's valuation process should always follow Kentucky's established before-and-after rule.



Proper Application of the Cost Approach...continued from page 6

At no point should the appraiser identify the value of individual acquisition items—such as land, buildings, fences, landscaping, or other improvements—and subtract those amounts from the Before Value. Doing so constitutes price tagging and is contrary to Kentucky condemnation law. The only item that may be reported separately is the **rental value of a temporary easement**. Damages associated with a permanent easement should be reflected within the After Value of the remainder property and should never be presented as a separate element of damage.

When testifying in condemnation cases, appraisers should clearly explain that every valuation approach they employ—whether the Sales Comparison Approach, Cost Approach, or Income Approach—is used to estimate the value of the **whole property before the acquisition** and the value of the **whole remainder property after the acquisition**.

Likewise, appraisal reports prepared for litigation should avoid itemizing the value of acquisition items in a manner similar to project acquisition forms, such as Sheet 16. Presenting values in this format may create the appearance that the After Value was developed by subtracting acquisition items from the Before Value, leaving the appraisal vulnerable to a challenge for improper price tagging.

The Court of Appeals did not prohibit the use of the Cost Approach in Kentucky condemnation cases. Rather, it reaffirmed a fundamental principle of condemnation appraisal: **the After Value must be developed by valuing the whole remainder property after the acquisition—not by subtracting the value of the property acquired from the Before Value.** When properly applied, the Cost Approach remains a valid and reliable appraisal method in Kentucky condemnation litigation.

In *"Harms"* Way: Changes to the Endangered Species Act

by Calvin Andries Lochner

The Endangered Species Act (ESA) is changing. On July 14, 2026, the U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) finalized a rule rescinding the regulatory definition of "harm" under the ESA. The rule becomes effective September 14, 2026. Under the previous regulations, "harm" included certain types of significant habitat modification or degradation that resulted in injury to listed species. The agencies have removed that definition and will instead rely on the statutory language of the ESA.

There is still a lot of uncertainty regarding how this change will be applied in practice, but here is a general understanding based on what we know now.

- **Habitat impacts may be viewed differently**. For decades, habitat modification could be considered a form of prohibited "take" when it reasonably would result in injury to listed species. The rescinded definition removes that explicit regulatory connection between habitat modification and harm.

- **Federal projects still have ESA obligations**. Projects with a federal nexus must still comply with Section 7 of the ESA, including evaluating effects on listed species and designated critical habitat during environmental review.

- **Surveys may become more important, not less**. Many transportation projects operate under programmatic agreements that assume a species may be present and apply avoidance measures accordingly. If project sponsors choose not to rely on those assumptions because they will not need to pay a fine if there are no listed species present, they may need additional field surveys or documentation to demonstrate whether listed species are actually present, which previously would not have been completed.

So, what does this mean for ROW professionals?

The short answer is that this is a change worth paying attention to, but not because environmental compliance is suddenly going away. In many cases, the opposite may be true. Project teams may need more species-specific information to support environmental decisions that were previously based on habitat assumptions. That could affect project schedules, tree-clearing restrictions, utility coordination, acquisition timing, and overall project risk.

As environmental professionals work through the implications of this rule, one thing remains unchanged: early coordination and good environmental information are still the best ways to avoid surprises.

APPRAISAL BOARD PROPOSE CHANGES
by Hunter Stuart, Senior Appraiser, Newmark Valuation Advisory

As of July 22, 2026, the newly established KRPAB has released its new fee schedule notice pursuant to KRS 13A.255. This comes in the wake of recent legislation that split the Real Estate Appraisers Board from the Real Estate Board. The most significant change is the raising of the licensing fee from about $250 to $550 per year ($1,100 biennially). This is a steep increase for appraisers across the state and places Kentucky as one of the highest licensing fees of any state in the country, when many states are working to reduce their fees.

There are two upcoming public hearings. One regarding emergency regulations will be held August 31, 2026, at 1:00 p.m. EST, at 500 Metro Street, Conference Room 247CE, Frankfort, KY. The ordinary regulation hearing will take place September 30, 2026, at 1:00 p.m. EST at the same location. Individuals interested in speaking must notify the KRPAB at least five business days prior to the hearing. Written comments can also be submitted up until the day of the hearings via email to Tom Veit at tom.veit@ky.gov.

IRWA COURSE 209:
Negotiating with a Diverse Clientele

June 16-17, 2026 at Buffalo Creek, Elizabethtown

Thanks to all who attended!

—Mike Pennick

From Left to Right: Amanda Murphy-Sanders, Secretary; Orie Dobson, SR/WA, 2-yr International Director; Jamey Cash, PE, President; Hunter Stuart, Vice President; Kari Stockdale, Treasurer

Officers were installed by incoming Region Five Vice Chair, David Griffith, SR/WA


SMOKE SHOW
Great Conversation. Strong Chapter.
KY CHAPTER 25 ★ 2026–2027 ELECTION OF OFFICERS ★ AT MARTIN'S BBQ IN SPRINGHURST, KY