



Legislation Text

File #: 12-0621, **Version:** 1

Recommendation to authorize City Manager to execute on-call agreements with Lidgard and Associates, Inc., R. P. Laurain and Associates, Inc., Hawran and Malm, LLC, Valentine Appraisal and Associates, Inc., and BTI Appraisal, for as-needed real estate appraisal services in an aggregate total amount not to exceed \$300,000 of contract authority for a three year term, and to execute any necessary amendments to the agreements, relative to extending the terms for up to one additional one-year term, reallocating the contract dollar amounts, authorizing additional services, if required, within the provisions of the agreements, and adjusting the fee schedules for inflation, all provided that the aggregate total amount of contract authority is not exceeded. (Citywide)

Historically, the City of Long Beach has used outside firms on an as-needed basis to provide the City with necessary real estate appraisal services as the City does not possess the expertise to provide such services. These services will be utilized to address planned projects for City departments, such as fair market value adjustments to the base rent of various long-term ground leases throughout the City, most notably at the Long Beach Airport and within the marinas. Terms of these ground leases require that the monthly base rent be adjusted periodically and for that adjustment to be determined by a fair market appraisal. In addition, appraisal services will also be utilized for any unforeseen projects over the course of the next three to four years, including any property acquisitions and/or dispositions.

A Request for Proposals (RFP) process was conducted in accordance with Administrative Regulation 8-4, "Selecting Professional Consultants," to secure qualified firms. The RFP was advertised in the Press-Telegram on March 13, 2012, and 40 potential bidders specializing in real estate appraisal services were notified of the bid opportunity. Of those bidders, 32 downloaded the RFP via our electronic bid system. The RFP document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at: www.longbeach.gov/purchasing <<http://www.longbeach.gov/purchasing>>. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Nine proposals were received on April 5, 2012. Of those nine bidders, none were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business

Enterprise (WBE), two were certified Small Business Enterprises (SBEs), and three were Long Beach businesses (Local).

Local Business Outreach

Our outreach goal is to encourage Long Beach businesses to participate in City procurement processes and submit bids for City contracts. We assist businesses with registering on our Bids Online database to download the bid specifications. Of the four Long Beach businesses that were notified, three submitted proposals.

A City staff review committee evaluated the proposals and determined that the following five firms

were best qualified to provide the as-needed specialized professional services:

- Lidgard and Associates, Inc. (SBE) (Long Beach)
- R. P. Laurain and Associates, Inc. (Long Beach)
- Hawran and Malm, LLC (WBE)
- Valentine Appraisal and Associates, Inc.
- BTI Appraisal (SBE)

The proposed agreements will contain the following terms and provisions:

- Term: The agreements shall commence on July 1, 2012 and terminate on June 30, 2015.
- Options to Extend: The agreements may be extended for up to one additional year at the discretion of the City Manager.
- Contract Amount: The agreements shall be for an initial amount not-to-exceed \$40,000 per firm. The Contract Amount shall increase, pending approved and budgeted projects. In no event shall the combined aggregate of the Contract Amounts of all agreements exceed \$300,000.
- Termination: Either the City or the firms may terminate their respective agreement at any time during the Term by providing the other party with 30-days prior written notification.

This matter was reviewed by Deputy City Attorney Linda Trang on July 2, 2012, and by Budget Management Officer Victoria Bell on July 3, 2012.

City Council action on this matter is requested on July 24, 2012, in order to allow for the timely execution of the agreements in order to maintain continuous services.

Contract authority for \$300,000 is requested for a three-year term plus a one-year option to extend. No appropriation increase is requested at this time. Any work not currently budgeted will only proceed at such time that appropriations have been approved by the City Council. Upon approval, work orders for each project will be issued to the various firms and each work order will be funded by the requesting department for each particular project as the need arises. The anticipated job impact created by this action is unknown at this time and will depend on the funds budgeted and the type of work assigned to each firm over the term of the contract.

Approve recommendation.

MICHAEL CONWAY
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER

