



1 hours and provided that milestones for performance, if any, are met.

2 C. Consultant has requested to receive regular payments. City  
3 shall pay Consultant in due course of payments following receipt from Consultant  
4 and approval by City of invoices showing the services or task performed, the time  
5 expended (if billing is hourly), and the name of the Project. Consultant shall certify  
6 on the invoices that Consultant has performed the services in full conformance  
7 with this Agreement and is entitled to receive payment. Each invoice shall be  
8 accompanied by a progress report indicating the progress to date of services  
9 performed and covered by the invoice, including a brief statement of any Project  
10 problems and potential causes of delay in performance, and listing those services  
11 that are projected for performance by Consultant during the next invoice cycle.  
12 Where billing is done and payment is made on an hourly basis, the parties  
13 acknowledge that this arrangement is either customary practice for Consultant's  
14 profession, industry or business, or is necessary to satisfy audit and legal  
15 requirements which may arise due to the fact that City is a municipality.

16 D. Consultant represents that Consultant has obtained all  
17 necessary information on conditions and circumstances that may affect its  
18 performance and has conducted site visits, if necessary.

19 E. CAUTION: Consultant shall not begin work until this  
20 Agreement has been signed by both parties and until Consultant's evidence of  
21 insurance has been delivered to and approved by City.

22 2. TERM. The term of this Agreement shall commence at midnight on  
23 July 1, 2012, and shall terminate at 11:59 p.m. on June 30, 2015, unless sooner  
24 terminated as provided in this Agreement, or unless the services or the Project is  
25 completed sooner.

26 3. COORDINATION AND ORGANIZATION.

27 A. Consultant shall coordinate its performance with City's  
28 representative, if any, named in Exhibit "C", attached to this Agreement and

1 incorporated by this reference. Consultant shall advise and inform City's  
2 representative of the work in progress on the Project in sufficient detail so as to  
3 assist City's representative in making presentations and in holding meetings on  
4 the Project. City shall furnish to Consultant information or materials, if any,  
5 described in Exhibit "D", attached to this Agreement and incorporated by this  
6 reference, and shall perform any other tasks described in the Exhibit.

7 B. The parties acknowledge that a substantial inducement to City  
8 for entering this Agreement was and is the reputation and skill of Consultant's key  
9 employee, Scott Lidgard. City shall have the right to approve any person  
10 proposed by Consultant to replace that key employee.

11 4. INDEPENDENT CONTRACTOR. In performing its services,  
12 Consultant is and shall act as an independent contractor and not an employee,  
13 representative or agent of City. Consultant shall have control of Consultant's work and  
14 the manner in which it is performed. Consultant shall be free to contract for similar  
15 services to be performed for others during this Agreement; provided, however, that  
16 Consultant acts in accordance with Section 9 and Section 11 of this Agreement.  
17 Consultant acknowledges and agrees that (a) City will not withhold taxes of any kind from  
18 Consultant's compensation; (b) City will not secure workers' compensation or pay  
19 unemployment insurance to, for or on Consultant's behalf; and (c) City will not provide  
20 and Consultant is not entitled to any of the usual and customary rights, benefits or  
21 privileges of City employees. Consultant expressly warrants that neither Consultant nor  
22 any of Consultant's employees or agents shall represent themselves to be employees or  
23 agents of City.

24 5. INSURANCE.

25 A. As a condition precedent to the effectiveness of this  
26 Agreement, Consultant shall procure and maintain, at Consultant's expense for the  
27 duration of this Agreement, from insurance companies that are admitted to write  
28 insurance in California and have ratings of or equivalent to A:V by A.M. Best

1 Company or from authorized non-admitted insurance companies subject to  
2 Section 1763 of the California Insurance Code and that have ratings of or  
3 equivalent to A:VIII by A.M. Best Company, the following insurance:

4 (a) Commercial general liability insurance (equivalent in scope to  
5 ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less than  
6 \$1,000,000 per each occurrence and \$2,000,000 general aggregate. This  
7 coverage shall include but not be limited to broad form contractual liability,  
8 cross liability, independent contractors liability, and products and  
9 completed operations liability. City, its boards and commissions, and their  
10 officials, employees and agents shall be named as additional insureds by  
11 endorsement (on City's endorsement form or on an endorsement  
12 equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85 or  
13 both CG 20 10 07 04 and CG 20 37 07 04 or both CG 20 33 07 04 and  
14 CG 20 37 07 04), and this insurance shall contain no special limitations on  
15 the scope of protection given to City, its boards and commissions, and  
16 their officials, employees and agents. This policy shall be endorsed to  
17 state that the insurer waives its right of subrogation against City, its boards  
18 and commissions, and their officials, employees and agents.

19 (b) Workers' Compensation insurance as required by the California  
20 Labor Code and employer's liability insurance in an amount not less than  
21 \$1,000,000. This policy shall be endorsed to state that the insurer waives  
22 its right of subrogation against City, its boards and commissions, and their  
23 officials, employees and agents.

24 (c) Professional liability or errors and omissions insurance in an  
25 amount not less than \$1,000,000 per claim.

26 (d) Commercial automobile liability insurance (equivalent in scope  
27 to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in an  
28 amount not less than \$500,000 combined single limit per accident.

1                   B. Any self-insurance program, self-insured retention, or  
2 deductible must be separately approved in writing by City's Risk Manager or  
3 designee and shall protect City, its officials, employees and agents in the same  
4 manner and to the same extent as they would have been protected had the policy  
5 or policies not contained retention or deductible provisions.

6                   C. Each insurance policy shall be endorsed to state that  
7 coverage shall not be reduced, non-renewed or canceled except after thirty (30)  
8 days prior written notice to City, shall be primary and not contributing to any other  
9 insurance or self-insurance maintained by City, and shall be endorsed to state that  
10 coverage maintained by City shall be excess to and shall not contribute to  
11 insurance or self-insurance maintained by Consultant. Consultant shall notify City  
12 in writing within five (5) days after any insurance has been voided by the insurer or  
13 cancelled by the insured.

14                   D. If this coverage is written on a "claims made" basis, it must  
15 provide for an extended reporting period of not less than one hundred eighty (180)  
16 days, commencing on the date this Agreement expires or is terminated, unless  
17 Consultant guarantees that Consultant will provide to City evidence of  
18 uninterrupted, continuing coverage for a period of not less than three (3) years,  
19 commencing on the date this Agreement expires or is terminated.

20                   E. Consultant shall require that all subconsultants or contractors  
21 that Consultant uses in the performance of these services maintain insurance in  
22 compliance with this Section unless otherwise agreed in writing by City's Risk  
23 Manager or designee.

24                   F. Prior to the start of performance, Consultant shall deliver to  
25 City certificates of insurance and the endorsements for approval as to sufficiency  
26 and form. In addition, Consultant shall, within thirty (30) days prior to expiration of  
27 the insurance, furnish to City certificates of insurance and endorsements  
28 evidencing renewal of the insurance. City reserves the right to require complete

1 certified copies of all policies of Consultant and Consultant's subconsultants and  
2 contractors, at any time. Consultant shall make available to City's Risk Manager  
3 or designee all books, records and other information relating to this insurance,  
4 during normal business hours.

5 G. Any modification or waiver of these insurance requirements  
6 shall only be made with the approval of City's Risk Manager or designee. Not  
7 more frequently than once a year, City's Risk Manager or designee may require  
8 that Consultant, Consultant's subconsultants and contractors change the amount,  
9 scope or types of coverages required in this Section if, in his or her sole opinion,  
10 the amount, scope or types of coverages are not adequate.

11 H. The procuring or existence of insurance shall not be  
12 construed or deemed as a limitation on liability relating to Consultant's  
13 performance or as full performance of or compliance with the indemnification  
14 provisions of this Agreement.

15 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement  
16 contemplates the personal services of Consultant and Consultant's employees, and the  
17 parties acknowledge that a substantial inducement to City for entering this Agreement  
18 was and is the professional reputation and competence of Consultant and Consultant's  
19 employees. Consultant shall not assign its rights or delegate its duties under this  
20 Agreement, or any interest in this Agreement, or any portion of it, without the prior  
21 approval of City, except that Consultant may with the prior approval of the City Manager  
22 of City, assign any moneys due or to become due Consultant under this Agreement. Any  
23 attempted assignment or delegation shall be void, and any assignee or delegate shall  
24 acquire no right or interest by reason of an attempted assignment or delegation.  
25 Furthermore, Consultant shall not subcontract any portion of its performance without the  
26 prior approval of the City Manager or designee, or substitute an approved subconsultant  
27 or contractor without approval prior to the substitution. Nothing stated in this Section  
28 shall prevent Consultant from employing as many employees as Consultant deems

1 necessary for performance of this Agreement.

2 7. CONFLICT OF INTEREST. Consultant, by executing this  
3 Agreement, certifies that, at the time Consultant executes this Agreement and for its  
4 duration, Consultant does not and will not perform services for any other client which  
5 would create a conflict, whether monetary or otherwise, as between the interests of City  
6 and the interests of that other client. And, Consultant shall obtain similar certifications  
7 from Consultant's employees, subconsultants and contractors.

8 8. MATERIALS. Consultant shall furnish all labor and supervision,  
9 supplies, materials, tools, machinery, equipment, appliances, transportation and services  
10 necessary to or used in the performance of Consultant's obligations under this  
11 Agreement, except as stated in Exhibit "D".

12 9. OWNERSHIP OF DATA. All materials, information and data  
13 prepared, developed or assembled by Consultant or furnished to Consultant in  
14 connection with this Agreement, including but not limited to documents, estimates,  
15 calculations, studies, maps, graphs, charts, computer disks, computer source  
16 documentation, samples, models, reports, summaries, drawings, designs, notes, plans,  
17 information, material and memorandum ("Data") shall be the exclusive property of City.  
18 Data shall be given to City, and City shall have the unrestricted right to use and disclose  
19 the Data in any manner and for any purpose without payment of further compensation to  
20 Consultant. Copies of Data may be retained by Consultant but Consultant warrants that  
21 Data shall not be made available to any person or entity for use without the prior approval  
22 of City. This warranty shall survive termination of this Agreement for five (5) years.

23 10. TERMINATION. Either party shall have the right to terminate this  
24 Agreement for any reason or no reason at any time by giving thirty (30) calendar days  
25 prior notice to the other party. In the event of termination under this Section, City shall  
26 pay Consultant for services satisfactorily performed and costs incurred up to the effective  
27 date of termination for which Consultant has not been previously paid. The procedures  
28 for payment in Section 1.B. with regard to invoices shall apply. On the effective date of

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 termination, Consultant shall deliver to City all Data developed or accumulated in the  
2 performance of this Agreement, whether in draft or final form, or in process. And,  
3 Consultant acknowledges and agrees that City's obligation to make final payment is  
4 conditioned on Consultant's delivery of the Data to City.

5 11. CONFIDENTIALITY. Consultant shall keep all Data confidential and  
6 shall not disclose the Data or use the Data directly or indirectly, other than in the course  
7 of performing its services, during the term of this Agreement and for five (5) years  
8 following expiration or termination of this Agreement. In addition, Consultant shall keep  
9 confidential all information, whether written, oral or visual, obtained by any means  
10 whatsoever in the course of performing its services for the same period of time.  
11 Consultant shall not disclose any or all of the Data to any third party, or use it for  
12 Consultant's own benefit or the benefit of others except for the purpose of this  
13 Agreement.

14 12. BREACH OF CONFIDENTIALITY. Consultant shall not be liable for  
15 a breach of confidentiality with respect to Data that: (a) Consultant demonstrates  
16 Consultant knew prior to the time City disclosed it; or (b) is or becomes publicly available  
17 without breach of this Agreement by Consultant; or (c) a third party who has a right to  
18 disclose does so to Consultant without restrictions on further disclosure; or (d) must be  
19 disclosed pursuant to subpoena or court order.

20 13. ADDITIONAL COSTS AND REDESIGN.

21 A. Any costs incurred by City due to Consultant's failure to meet  
22 the standards required by the scope of work or Consultant's failure to perform fully  
23 the tasks described in the scope of work which, in either case, causes City to  
24 request that Consultant perform again all or part of the Scope of Work shall be at  
25 the sole cost of Consultant and City shall not pay any additional compensation to  
26 Consultant for its re-performance.

27 B. If the Project involves construction and the scope of work  
28 requires Consultant to prepare plans and specifications with an estimate of the



1 cost of construction, then Consultant may be required to modify the plans and  
2 specifications, any construction documents relating to the plans and specifications,  
3 and Consultant's estimate, at no cost to City, when the lowest bid for construction  
4 received by City exceeds by more than ten percent (10%) Consultant's estimate.  
5 This modification shall be submitted in a timely fashion to allow City to receive new  
6 bids within four (4) months after the date on which the original plans and  
7 specifications were submitted by Consultant.

8 14. AMENDMENT. This Agreement, including all Exhibits, shall not be  
9 amended, nor any provision or breach waived, except in writing signed by the parties  
10 which expressly refers to this Agreement.

11 15. LAW. This Agreement shall be governed by and construed pursuant  
12 to the laws of the State of California (except those provisions of California law pertaining  
13 to conflicts of laws). Consultant shall comply with all laws, ordinances, rules and  
14 regulations of and obtain all permits, licenses and certificates required by all federal, state  
15 and local governmental authorities.

16 16. ENTIRE AGREEMENT. This Agreement, including all Exhibits,  
17 constitutes the entire understanding between the parties and supersedes all other  
18 agreements, oral or written, with respect to the subject matter in this Agreement.

19 17. INDEMNITY.

20 A. Consultant shall indemnify, protect and hold harmless City, its  
21 Boards, Commissions, and their officials, employees and agents ("Indemnified  
22 Parties"), from and against any and all liability, claims, demands, damage, loss,  
23 obligations, causes of action, proceedings, awards, fines, judgments, penalties,  
24 costs and expenses, including attorneys' fees, court costs, expert and witness  
25 fees, and other costs and fees of litigation, arising or alleged to have arisen, in  
26 whole or in part, out of or in connection with (1) Consultant's breach or failure to  
27 comply with any of its obligations contained in this Agreement, or (2) negligent or  
28 willful acts, errors, omissions or misrepresentations committed by Consultant, its

1 officers, employees, agents, subcontractors, or anyone under Consultant's control,  
2 in the performance of work or services under this Agreement (collectively "Claims"  
3 or individually "Claim").

4 B. In addition to Consultant's duty to indemnify, Consultant shall  
5 have a separate and wholly independent duty to defend Indemnified Parties at  
6 Consultant's expense by legal counsel approved by City, from and against all  
7 Claims, and shall continue this defense until the Claims are resolved, whether by  
8 settlement, judgment or otherwise. No finding or judgment of negligence, fault,  
9 breach, or the like on the part of Consultant shall be required for the duty to defend  
10 to arise. City shall notify Consultant of any Claim, shall tender the defense of the  
11 Claim to Consultant, and shall assist Consultant, as may be reasonably requested,  
12 in the defense.

13 C. If a court of competent jurisdiction determines that a Claim  
14 was caused by the sole negligence or willful misconduct of Indemnified Parties,  
15 Consultant's costs of defense and indemnity shall be (1) reimbursed in full if the  
16 court determines sole negligence by the Indemnified Parties, or (2) reduced by the  
17 percentage of willful misconduct attributed by the court to the Indemnified Parties.

18 D. The provisions of this Section shall survive the expiration or  
19 termination of this Agreement.

20 18. AMBIGUITY. In the event of any conflict or ambiguity between this  
21 Agreement and any Exhibit, the provisions of this Agreement shall govern.

22 19. COSTS. If there is any legal proceeding between the parties to  
23 enforce or interpret this Agreement or to protect or establish any rights or remedies under  
24 it, the prevailing party shall be entitled to its costs, including reasonable attorneys' fees.

25 20. NONDISCRIMINATION.

26 A. In connection with performance of this Agreement and subject  
27 to applicable rules and regulations, Consultant shall not discriminate against any  
28 employee or applicant for employment because of race, religion, national origin,

1 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or  
2 disability. Consultant shall ensure that applicants are employed, and that  
3 employees are treated during their employment, without regard to these bases.  
4 These actions shall include, but not be limited to, the following: employment,  
5 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or  
6 termination; rates of pay or other forms of compensation; and selection for training,  
7 including apprenticeship.

8 B. It is the policy of City to encourage the participation of  
9 Disadvantaged, Minority and Women-Owned Business Enterprises in City's  
10 procurement process, and Consultant agrees to use its best efforts to carry out  
11 this policy in its use of subconsultants and contractors to the fullest extent  
12 consistent with the efficient performance of this Agreement. Consultant may rely  
13 on written representations by subconsultants and contractors regarding their  
14 status. Consultant shall report to City in May and in December or, in the case of  
15 short-term agreements, prior to invoicing for final payment, the names of all  
16 subconsultants and contractors hired by Consultant for this Project and information  
17 on whether or not they are a Disadvantaged, Minority or Women-Owned Business  
18 Enterprise, as defined in Section 8 of the Small Business Act (15 U.S.C. Sec.  
19 637).

20 21. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
21 accordance with the provisions of the Ordinance, this Agreement is subject to the  
22 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the  
23 Long Beach Municipal Code, as amended from time to time.

24 A. During the performance of this Agreement, the Consultant  
25 certifies and represents that the Consultant will comply with the EBO. The  
26 Consultant agrees to post the following statement in conspicuous places at its  
27 place of business available to employees and applicants for employment:  
28

1           “During the performance of a contract with the City of Long Beach,  
2 the Consultant will provide equal benefits to employees with spouses and its  
3 employees with domestic partners. Additional information about the City of  
4 Long Beach’s Equal Benefits Ordinance may be obtained from the City of  
5 Long Beach Business Services Division at 562-570-6200.”

6           B.     The failure of the Consultant to comply with the EBO will be  
7 deemed to be a material breach of the Agreement by the City.

8           C.     If the Consultant fails to comply with the EBO, the City may  
9 cancel, terminate or suspend the Agreement, in whole or in part, and monies due  
10 or to become due under the Agreement may be retained by the City. The City  
11 may also pursue any and all other remedies at law or in equity for any breach.

12           D.     Failure to comply with the EBO may be used as evidence  
13 against the Consultant in actions taken pursuant to the provisions of Long Beach  
14 Municipal Code 2.93 et seq., Contractor Responsibility.

15           E.     If the City determines that the Consultant has set up or used  
16 its contracting entity for the purpose of evading the intent of the EBO, the City may  
17 terminate the Agreement on behalf of the City. Violation of this provision may be  
18 used as evidence against the Consultant in actions taken pursuant to the  
19 provisions of Long Beach Municipal Code Section 2.93 et seq., Contractor  
20 Responsibility.

21           22.    NOTICES. Any notice or approval required by this Agreement shall  
22 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,  
23 postage prepaid, addressed to Consultant at the address first stated above, and to City at  
24 333 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a  
25 copy to the City Engineer at the same address. Notice of change of address shall be  
26 given in the same manner as stated for other notices. Notice shall be deemed given on  
27 the date deposited in the mail or on the date personal delivery is made, whichever occurs  
28 first.

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23. COPYRIGHTS AND PATENT RIGHTS.

A. Consultant shall place the following copyright protection on all Data: © City of Long Beach, California \_\_\_\_\_, inserting the appropriate year.

B. City reserves the exclusive right to seek and obtain a patent or copyright registration on any Data or other result arising from Consultant's performance of this Agreement. By executing this Agreement, Consultant assigns any ownership interest Consultant may have in the Data to City.

C. Consultant warrants that the Data does not violate or infringe any patent, copyright, trade secret or other proprietary right of any other party. Consultant agrees to and shall protect, defend, indemnify and hold City, its officials and employees harmless from any and all claims, demands, damages, loss, liability, causes of action, costs or expenses (including reasonable attorney's fees) whether or not reduced to judgment, arising from any breach or alleged breach of this warranty.

24. COVENANT AGAINST CONTINGENT FEES. Consultant warrants that Consultant has not employed or retained any entity or person to solicit or obtain this Agreement and that Consultant has not paid or agreed to pay any entity or person any fee, commission or other monies based on or from the award of this Agreement. If Consultant breaches this warranty, City shall have the right to terminate this Agreement immediately notwithstanding the provisions of Section 10 or, in its discretion, to deduct from payments due under this Agreement or otherwise recover the full amount of the fee, commission or other monies.

25. WAIVER. The acceptance of any services or the payment of any money by City shall not operate as a waiver of any provision of this Agreement or of any right to damages or indemnity stated in this Agreement. The waiver of any breach of this Agreement shall not constitute a waiver of any other or subsequent breach of this Agreement.

26. CONTINUATION. Termination or expiration of this Agreement shall

1 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,  
2 17, 19, 22 and 28 prior to termination or expiration of this Agreement.

3 27. TAX REPORTING. As required by federal and state law, City is  
4 obligated to and will report the payment of compensation to Consultant on Form 1099-  
5 Misc. Consultant shall be solely responsible for payment of all federal and state taxes  
6 resulting from payments under this Agreement. Consultant shall submit Consultant's  
7 Employer Identification Number (EIN), or Consultant's Social Security Number if  
8 Consultant does not have an EIN, in writing to City's Accounts Payable, Department of  
9 Financial Management. Consultant acknowledges and agrees that City has no obligation  
10 to pay Consultant until Consultant provides one of these numbers.

11 28. ADVERTISING. Consultant shall not use the name of City, its  
12 officials or employees in any advertising or solicitation for business or as a reference,  
13 without the prior approval of the City Manager or designee.

14 29. AUDIT. City shall have the right at all reasonable times during the  
15 term of this Agreement and for a period of five (5) years after termination or expiration of  
16 this Agreement to examine, audit, inspect, review, extract information from and copy all  
17 books, records, accounts and other documents of Consultant relating to this Agreement.

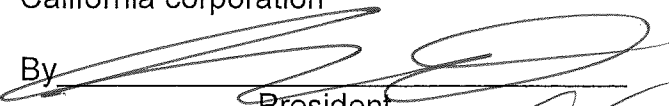
18 30. THIRD PARTY BENEFICIARY. This Agreement is not intended or  
19 designed to or entered for the purpose of creating any benefit or right for any person or  
20 entity of any kind that is not a party to this Agreement.

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1 IN WITNESS WHEREOF, the parties have caused this document to be duly  
2 executed with all formalities required by law as of the date first stated above.

3 LIDGARD AND ASSOCIATES, INC., a  
4 California corporation

5 August 27, 2012

6 By   
7 President

8 SCOTT A. LIDGARD  
9 Type or Print Name

10 August 27, 2012


11 By   
12 Secretary

13 KELLY M. LIDGARD  
14 Type or Print Name

15 "Consultant"

16 CITY OF LONG BEACH, a municipal  
17 corporation

18 9.20, 2012

19 By   
20 **Assistant City Manager**  
21 City Manager

22 "City"

23 EXECUTED PURSUANT  
24 TO SECTION 301 OF  
25 THE CITY CHARTER.

26 This Agreement is approved as to form on 8/31, 2012.

27 ROBERT E. SHANNON, City Attorney

28 By   
Deputy

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

# EXHIBIT “A”

## Scope of Work or Services



## **SCOPE OF SERVICES**

Lidgard and Associates, Inc. will undertake the assignment to provide formal narrative appraisal reports suitable for public acquisition negotiations which will set forth (1) the unencumbered fee simple market value (in the case of total acquisitions), or (2) the total just compensation applicable to the partial acquisition of each property in the case of part take studies or (3) an opinion of value based on the land together with the cost of replacing or reproducing the improvements. Lidgard and Associates, Inc. will provide the following list of services:

- Appraisal reports.
- Replacement cost valuations.
- Land value study letters.
- Land value estimates for budgetary purposes.
- Fixtures & equipment appraisals.
- Loss of goodwill studies.
- Fixtures & equipment estimates for budgetary purposes.
- Goodwill estimates for budgetary purposes.
- Review appraisal reports, review appraisal studies.
- Restricted appraisal reports.
- Appraisal reports for eminent domain cases.
- Expert testimony.
- Highest and best use studies.

The sequence of the appraisal process is generally as follows:

A notification letter will be sent to the individual property owners (1) requesting permission to conduct an on-site inspection of the property (2) advising them of their right to accompany the appraiser at the time of the inspection, (3) requesting information regarding the property under appraisal, and (4) advising them of the necessity of the appraisal study. The Office Administrator will be responsible for this task. Scott A. Lidgard, MAI will respond personally to inquiries of all property owners.

A formal inspection by Scott A Lidgard, MAI, will be conducted of the subject properties for the purpose of becoming completely familiar with the physical and functional characteristics thereof, as well as the influence of the immediate physical environment, and the general economic and sociological environment. Certain larger scale property inspections may involve the assistance of the Jason P. Boyer and Jason T. Clayton, market research analysts.

## **SCOPE OF SERVICES** (Continued)

In the case of right-of-way acquisition studies, a review of project plans and specifications will be conducted by Scott A. Lidgard for the purpose of becoming familiar with the potential impact to the parent ownership by the proposed taking. Consideration will be given to project benefits and/or severance damages which may incur to the parent property by virtue of construction of the public project in the manner proposed.

Market research will be conducted in the general subject area for sales and rental data of properties reasonably similar to the subject properties. The sales data will be confirmed with a party of interest (buyer, seller, broker). The Market Research Associate will be responsible for the collection of primary and secondary data under the supervision of the Principal Appraiser.

The valuation analysis will be conducted by Scott A. Lidgard, based upon market data in the general subject market area. An analysis will be conducted and a comparison made of the subject property to the various sale properties with respect to the various elements of comparability i.e. location, immediate environmental influences, land size, zoning, developability, etc.

The formal narrative appraisal report will be prepared in summation of the activities outline above. The report will be suitable for acquisition/condemnation purposes. Further, the valuation studies will comply with reporting requirements set forth in (1) the Uniform Standards of Professional Appraisal Practice (USPAP), (2) the California Code of Civil Procedure, particularly Title 25-Housing and Community Development Code of Regulations, and (3) Title XI of the Financial Intuition Reform, Recovery, and Enforcement Act (FIRREA).

When applicable, the Principal Appraiser (Scott A. Lidgard) will provide written monthly reports and weekly verbal reports regarding the status of individual appraisal assignments, along with information relative to future negotiations.

Other tasks associated with the preparation of the formal narrative appraisal report, whether it pertains to a full take, part take, or leasehold rights, may include the following:

**SCOPE OF SERVICES** (Continued)

- Review of title information pertaining to the property under appraisal.
- Review drawings and other pertinent information relative to the property.
- Preparation of a notification letter to the property owner as previously discussed.
- Establish purpose of appraisal including property rights/interests to be appraised.
- Description of property, names of owner(s), location, description of building fixtures/equipment, and verification of permitted use.
- Preparation of plot plan and photographs of property, as well as discussion of legal description, size, topography, contour, soil and drainage conditions, zoning, utilities, access, assessed value, recorded or prescriptive easements, and other related matters.
- Establish highest and best use of subject property under both USPAP and Federal guidelines, as appropriate, before and after valuation with consideration assigned to severance damages. All applicable approaches, i.e. Sales Comparison Approach, Cost-Summation Approach, and Income Capitalization Approach, will be correlated. The report will include descriptions of the comparable sale and sale location map.
- The principal appraiser will inspect each subject property. The report will set forth the date of valuation, limiting conditions, certification, and signature of appraiser, as well as other factors related to the appraisal.
- Each appraisal report will be prepared in summation of the activities outlined above. Deliverables will include one hard body copy and one electronic copy.
- The types of appraisal reports contemplated under this RFQ include a restricted appraisal report, letter of findings, specialty reports, as well as condemnation support.

**SCOPE OF SERVICES** (Continued)

In general, the amount and percentage of time expended by the Principal Appraiser typically equates to 30% to 40% of the allocated project time. As stated, the Principal Appraiser will act as the project manager. The amount of time expended by the Associate Appraiser, depending on the complexity of the assignment, generally ranges between 10% and 20%. The Market Research Analyst and Market Research Associate are involved approximately 30% to 40% of the time depending primarily on the type of property and extent of market research required. Office staff, comprising administration duties, transcribing/typing, and preparation of report exhibits, ranges between 10% and 20% of the amount of time allocated to the assignment.

With the exception of specialized business and fixture/equipment appraisals, Lidgard and Associates, Inc. does not employ subcontractors for real appraisal services. The appurtenant information for our subcontracts is as follows:

**Business Appraisals:**

Donna Desmond Associates  
265 South Beverly Glen Boulevard  
Los Angeles, California 90024  
Telephone: (310) 475-1114  
Contact: Donna Desmond, ASA

**Fixture and Equipment Appraisals:**

Hodges Lacey & Associates, LLC  
844 9<sup>th</sup> Street, Unit 5  
Santa Monica, California 90403  
Telephone: (310) 528-0608  
Contact: Rich Hodges, ASA

# EXHIBIT “B”

Rates or Charges

## **FEE SCHEDULE**

The following fee schedule includes all expenses incurred in connection with the real estate appraisal service. In the event Lidgard and Associates, Inc. is authorized to engage appraisal services for specialized equipment items or business valuations, it is assumed that the fees for said services will be reimbursed.

The consultant's billable rates will not include mark-ups for overhead and profit. It is understood that no additional payment will be made for those items. Additionally, the City does not reimburse for mileage nor the use of computer equipment.

<u>Property Type</u>	<u>Single Parcel Assignments</u>	<u>Multiple Parcel Assignments</u>
<i><b>Partial Take Acquisitions:</b></i>		
Vacant land:	\$2,500 - \$3,000	\$1,700 - \$2,200
Noncomplex residential takes:	\$2,000 - \$2,500	\$1,700 - \$2,200
Complex residential takes:	\$2,500 - \$3,500	\$2,000 - \$3,000
Noncomplex commercial takes:	\$3,800 - \$4,500	\$2,800 - \$3,500
Complex commercial takes:	\$4,500 - \$5,500	\$3,500 - \$4,500
Noncomplex industrial takes:	\$3,800 - \$4,500	\$2,800 - \$3,500
Complex industrial takes:	\$4,500 - \$5,500	\$3,500 - \$4,500
<i><b>Full Take Acquisitions:</b></i>		
Vacant land:	\$1,800 - \$2,400	\$1,500 - \$2,000
Single family residential:	\$1,250 - \$1,600	\$1,100 - \$1,350
Multiple family residential:		
2-10 dwelling units:	\$1,650 - \$2,500	\$1,400 - \$2,000
11-20 dwelling units:	\$2,500 - \$3,500	\$2,000 - \$3,000
30+ dwelling units:	\$4,000+	\$3,500+
Commercial properties:		
Single tenant buildings:	\$2,500 - \$3,500	\$2,000 - \$3,000
Multiple tenant buildings:	\$3,000 - \$4,000	\$2,500 - \$3,500

The schedule for professional acquisition appraisal services will be based on the fee structure set forth below. In general, the hourly rate of the principal appraiser is \$275. Market research associates and office staff are billed at hourly rates of \$125 and \$95, respectively. Said rates are fully burdened, i.e.

**FEE SCHEDULE** (Continued)

inclusive of overhead costs, general, administrative, and profit. As stated, Lidgard and Associates, Inc. is a fully staffed appraisal firm, and does not engage in the subcontracting of outside appraisal companies.

The foregoing summary represents a general illustration of typical appraisal fees based on the various categories of properties and scope of services. The appraisal fee for a specific appraisal assignment will be negotiated prior to commencement thereof.

In the event litigation is necessary for the acquisition via eminent domain, court appearance fees and/or deposition appearance fees will be based upon \$375 per hour with a \$1,500 per half day minimum in the forenoon or afternoon. Pretrial and pre deposition conferences, if any, will be based upon \$375 per hour. The hourly rate will be applied for file review, travel time, and additional investigation deemed necessary by legal counsel as part of litigation.

# EXHIBIT “C”

City’s Representative:

Mary Torres, Development Project Manager



# EXHIBIT “D”

Materials/Information Furnished: None