

STANDARD AGREEMENT TO FURNISH APPRAISAL CONSULTING SERVICES

This Agreement is made and entered into this 5th day of July, 2000 by and between the City of Redlands, a municipal corporation (hereinafter "City") and Smothers Appraisal, (hereinafter "Consultant").

In consideration of the mutual promises, hereinafter set forth, City and Consultant hereby agree as follows:

ARTICLE 1 - ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant, and Consultant hereby accepts the engagement, to perform professional appraisal consulting services ("Services") for the Design of Church Street Widening from Redlands Boulevard to Colton Avenue (the "Project").
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide high quality Services for the Project at the level of competency presently maintained by other professional appraisal consultants in the industry providing similar types of services.

ARTICLE 2 - SERVICES OF CONSULTANT

- 2.1 The specific Services which Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Work," which is attached hereto and incorporated herein by this reference.

ARTICLE 3 - RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that is pertinent to the performance of Consultant's Services.
- 3.2 City will provide access to and make provisions for Consultant to enter upon City-owned property or rights-of-way as required by Consultant to perform the Services.
- 3.3 City designates Tom T. Fujiwara, Assistant Public Works Director, to act as its representative with respect to the Services to be performed under this Agreement.

ARTICLE 4 - PERIOD OF SERVICE

- 4.1 Consultant shall perform the Services in a diligent manner and in accordance with the Project Schedule set forth in Exhibit "B", which is attached hereto and incorporated herein by this reference.

ARTICLE 5 - PAYMENTS TO THE CONSULTANT

- 5.1 The total compensation for Consultant's performance of the Services shall not exceed \$25,000 in accordance with Attachment C - Project Fee. City shall pay Consultant on a time and materials basis at the hourly rates described in Exhibit "D" entitled "Rate Schedule," which is attached hereto and incorporated herein by this reference.
- 5.2 Consultant shall bill City within ten days following the close of each month by submitting an invoice to City indicating the Services performed to date, who performed the Services, indirect costs, and the detailed cost of all Services. Payments by City to Consultant shall be made within 30 days after receipt and approval of Consultant's invoice, by warrant payable to Consultant.
- 5.3 All notices, shall be made in writing and may be given by personal delivery or by mail. Notices, sent by mail shall be addressed as follows:

City

Tom T. Fujiwara
Public Works Department
35 Cajon Street, Suite 222
PO Box 3005
Redlands CA 92373

Consultant

James Smothers
Smothers Appraisal
1809 North "D" Street
San Bernardino CA 92405

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. In all other instances, notice shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills, and payments are to be given by giving notice pursuant to this paragraph.

ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 Consultant shall maintain worker's compensation insurance and, in addition, shall maintain insurance to protect City from claims for damage due to bodily injury, personal injury and death, and claims for injury to or destruction of tangible property, while performing the Services required by this Agreement. Consultant shall maintain professional liability insurance in the aggregate amount of \$1,000,000 with a minimum of \$500,000 per occurrence. Consultant shall provide City with certificates of insurance evidencing such insurance coverage prior to commencing the Services.
- 6.2 Consultant shall indemnify, hold harmless and defend City and its elected officials, officers, agents and employees from and against all claims, loss, damages, charges or expense, to which it or any of them may be put or subjected to the extent that they arise out of or result from any willful misconduct or negligent acts or omissions on the part of Consultant, its contractors, its suppliers, anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them maybe liable in the performance of the Services required by this Agreement.

ARTICLE 7 - GENERAL CONSIDERATIONS

- 7.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees.
- 7.2 Consultant shall not assign any of the Services required by this Agreement, except with the prior written approval of City and in strict compliance with the terms, provisions and conditions of this Agreement.
- 7.3 Consultant's key personnel for the Project is James Smothers. Consultant agrees that such key personnel shall be made available and assigned to the Project, and that he shall not be replaced without prior concurrence by City.
- 7.4 All documents, data, reports and summaries developed by Consultant pursuant to this Agreement shall become the property of City and shall be delivered to City upon

- 7.4 All documents, data, reports and summaries developed by Consultant pursuant to this Agreement shall become the property of City and shall be delivered to City upon completion of the Services or upon the request of City. Any reuse of such documents for other projects and any use of incomplete documents will be at City's sole risk.
- 7.5 Consultant is for all purposes an independent contractor. All personnel employed by Consultant are for its account only, and in no event shall Consultant or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of or on behalf of City.
- 7.6 Unless earlier terminated, as provided for below, this Agreement shall terminate upon completion and acceptance by City of the Services.
- 7.7 This Agreement may be terminated by City, without cause, by providing thirty (30) days prior written notice to Consultant (delivered by certified mail, return receipt requested) of its intent to terminate.
- 7.8 If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.
- 7.9 Upon receipt of a termination notice, Consultant shall (1) promptly discontinue all services affected, and (2) deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable), of any documents, data, reports, and summaries and such other information and materials as may have been accumulated by Consultant in performing the Services required by this Agreement.
- 7.10 Consultant shall maintain books and accounts of all Project related payroll costs and all expenses. Such books shall be available at all reasonable times for examination by the City at the office of Consultant.
- 7.11 This Agreement, including the exhibits incorporated herein by reference, represents the entire agreement and understanding between the parties hereto as to the matters contained herein, and any prior negotiations, proposals or oral agreements are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by the City Council of City and signed by City and Consultant.

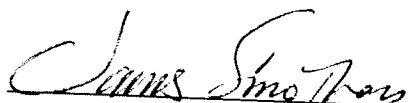
7.12 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the City and Consultant have signed in confirmation of this Agreement.

City of Redlands
("City")

By: 
Mayor, City of Redlands

Smothers Appraisal
("Consultant")

By: 
James Smothers

ATTEST:

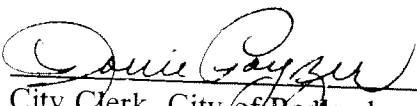

City Clerk, City of Redlands

EXHIBIT "A"

SCOPE OF WORK

SCOPE OF INVESTIGATION

Based on our understanding of the assignment, we will conduct the appropriate investigations as applicable and necessary to comply with requirements as defined in the *Uniform Standards of Professional Appraisal Practice (USPAP)*. The format selected effects the amount of research conducted, the detail presented in the report (verbal or written), as well as the overall cost and completion time. It is anticipated the report will not include a Business Valuation, Furniture, Fixture and Equipment Valuation, Feasibility Analysis, or Market Study.

PHASE I ANALYSES

We will prepare a *Restricted Report* which will contain summaries of all information necessary to provide the agency with sufficient valuation information for initial negotiations with the property owners. The report will be brief, in order to minimize costs to your agency, and completion time. Reliance on the report is limited to the client and this level of report would not be utilized in deposition or court.

PHASE II ANALYSES

This will be a *Self Contained Report*, known as a full narrative report, which will contain all information significant to the assignment. This level of report has the highest degree of reliability and will be necessary if the matter goes to deposition or court. At the present time, it is not known how many full appraisals will ultimately be required.

APPRAISAL SERVICES PROVIDED

- Property Owner certified letter notification of intent to inspect the property, if requested.
- Inspection of Subject(s) - Photographs.
- Meeting with Property Owners on site, if requested.
- Research, survey and verification of market data.
- Preparation of Report.
- Administration.

This proposal *includes* initial meetings with agencies, owners or representatives, but *excludes* follow-up meetings, court preparation, proceedings and/or consultations, depositions and/or witness time.

EXHIBIT "B"
CONSULTING SERVICES
PROJECT SCHEDULE

PHASE I ANALYSIS:

The Phase I analysis and Restricted Report preparation is expected to be completed within four to five weeks from the date of issuance of the Notice to Proceed.

PHASE II ANALYSIS:

The time schedule required to complete Phase II Analysis is dependent upon the total number of properties requiring full appraisals, which can only be determined during the property purchase negotiation phase of the project.

EXHIBIT "C"
CONSULTING SERVICES

PROJECT FEE

PHASE I ANALYSIS:

Not to exceed \$5,000.

PHASE II ANALYSIS:

The following schedule reflects full appraisal fee based on the total number of properties requiring full appraisals:

<u>Number of Properties Requiring Full Appraisal</u>	<u>Appraisal Fee</u>
1	\$3,000
2	\$4,750
3	\$5,880
4	\$6,690
5	\$7,350
6	\$7,930
7	\$8,470
8	\$8,990
9	\$9,500
10	\$10,000
11	\$10,500
12	\$11,000
13	\$11,500
14	\$12,000
15	\$12,500
16	\$13,000
17	\$13,500
18	\$14,000
19	\$14,500
20	\$15,000
21	\$15,500
22	\$16,000
23	\$16,500
24	\$17,000
25	\$17,500
26	\$18,000
27	\$18,500
28	\$19,000
29	\$19,500
30	\$20,000

SMOTHERS APPRAISAL

James Smothers, MAI, ASA, SRA

Appraiser - Consultant - Commercial - Residential

American Society of Appraisers
Accredited Senior Appraiser - Real Property/Urban/Commercial/Industrial
Senior Member - Real Property/Residential

Appraisal Institute
SRA, Senior Residential Appraiser
MAI, Member of Appraisal Institute

EXHIBIT "D"

RATE SCHEDULE

(909) 881-1864

FAX (909) 886-1585

State Certificate #A.G002102
General Real Estate Appraiser

June 16, 2000

Mr. Tom Fujiwara,
Assistant Public Works Director

City of Redlands
PO Box 3005
Redlands, CA 92373

Phone: (909) 798-7655

Fax: (909) 798-7697

Re: Appraisals of 30 Ownerships, for Road Widening Purposes
on Church Avenue, from Redlands Boulevard to Colton Avenue
Redlands, California

Dear Mr. Fujiwara:

As you requested, I am furnishing the following fee schedule:

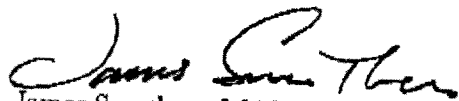
Appraiser	\$150.00 per hour
Associate Appraiser	\$ 75.00 per hour
Field Assistants	\$ 50.00 per hour
Administrative	\$ 30.00 per hour
Negotiations:	\$ 90.00 per hour

Court Appearance, Testimony and/or Depositions: \$225.00 per hour (minimum 4 hours)

*Note, All fees are subject to change and are in addition to expenses, such as travel and lodging. All fees must be paid in advance of Court Appearance, Testimony and/or Depositions.

If there are any questions, please contact my office.

Respectfully Submitted,



James Smothers, MAI, ASA, SRA
Certified General Appraiser AG002102
1809 North "D" Street
San Bernardino, California 92405