



*To enrich lives through effective and caring service*



September 25, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**CONTRACTS FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES  
(THIRD AND FOURTH DISTRICTS)  
(3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Instruct the Chair to award and execute the attached three-year contracts, plus two one-year extension options, with George Hamilton Jones, Inc., Hendrickson Appraisal Company, Inc., and Parkcenter Realty Advisors for commercial real property appraisal services pertaining to Marina del Rey and County-owned/operated beaches, at an aggregate annual County cost not to exceed \$125,000 with the Director of the Department having the authority to increase the maximum annual amount by up to 20 percent in any year of the contract.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the proposed contracts will enable the Department to retain the real property appraisal services needed to complete periodic appraisal assignments involving Marina del Rey properties. These appraisals are needed in connection with (1) the readjustment of rents pursuant to the County's 55 ground leases in Marina del Rey; and (2) the negotiation of new or extended leases pursuant to the Marina del Rey Asset Management Strategy (AMS) approved by your Board on April 15, 1997.

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To ensure that the County continues to receive fair market rental value from Marina del Rey leases, the leases provide for the renegotiation of rents payable to the County every ten years. Accordingly, it is essential to retain the services of commercial real property appraisers to perform appraisals upon which we base our positions for negotiations and/or arbitrations. These services include the preparation of written appraisal reports and participation by the appraiser in rental arbitration proceedings, if required.

In addition, pursuant to the AMS, the Department is required to secure comprehensive appraisals for each new Marina del Rey lease or lease extension that is brought to your Board for consideration.

The requested services are of a professional and technical nature and are needed on a part-time or intermittent basis.

#### Implementation of Strategic Plan Goals

The services provided by the three appraisers will promote and further the Board-approved Strategic Plan Goals of Service Excellence, allowing the Department to process new or amended leases that adjust rental rates and/or enable leasehold enhancements and/or redevelopment, strengthening the County's fiscal capacity by ensuring fair market rental value.

#### **FISCAL IMPACT/FINANCING**

The total compensation for all County-funded commercial real property appraisal services is not to exceed \$125,000 in the aggregate in any contract year. This action will also authorize and the contracts so state, that the Director may increase the maximum annual amount of compensation by up to 20 percent in any year of the contract or any extension period. In addition, the annual aggregate might be exceeded to the extent a lessee is obligated to reimburse the appraiser's fees and expenses pursuant to the Process for Managing Marina del Rey Leasehold Extension Proposals, as approved by your Board on March 21, 1995.

Each contract is written with a \$125,000 annual limit as to County-funded fees in order to provide maximum flexibility in deciding how much work (within the \$125,000 aggregate total limit) to provide each consultant. Such fees will be payable based on hourly billings at specified contract rates.

The cost of these contracts is included in the Department's 2003-2004 budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

But for variations relating to hourly fees, the three contracts being presented to your Board are substantially identical. The contracts are for commercial real property appraisal services for a three-year term with two one-year extension options, which may be exercised at the discretion of the Director. The contracts will commence on the date of approval by your Board.

The contracts contain the County's standard provisions regarding contractor obligations and are in compliance with all Board, Chief Administrative Office and County Counsel requirements.

The contracts are not subject to the County's Living Wage Ordinance because the services are on an as-needed basis and are of a technical and intermittent nature.

The contracts have been approved as to form by County Counsel. The CAO's Risk Management Office has approved the insurance coverage, indemnification, and liability provisions included in the contracts.

### **CONTRACTING PROCESS**

The Department conducted a Request for Proposals (RFP) process in selecting its proposed vendors. This contract solicitation was advertised in the Argonaut, the Culver City Star, the Daily Breeze, the Eastside Sun, the Los Angeles Daily News, the Los Angeles Sentinel, the Los Angeles Times, and the Santa Monica Observer. The opportunity was also advertised on the County's Bid Web page (Attachment 1), as well as the Department's own Internet site. The RFP was sent out by direct mail to a list of 16 appraisal firms (Attachment 2).

Three firms submitted proposals. All three proposals met the RFP's minimum requirements and were evaluated by a three-person evaluation committee composed of two staff members from the Department's Asset Management Division and the Department's outside counsel for lease litigation. The proposals were evaluated based on a weighted average of: (1) proposer's experience, including specialized experience, (30 percent); (2) qualifications as an expert witness, (30 percent); (3) proposer's work plan, (10 percent); and (4) price, (30 percent). The committee determined that all three proposers had the ability, experience and resources to provide the Department with quality appraisal services.

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Attachment 3 details the minority and gender composition of the firms. However, on final consideration of award, the three recommended consultants were selected without regard to gender, race, creed or color.

The Director concurs with the committee's recommendations and recommends that your Board approve contracts with each of the three contractors. The use of three contractors in appropriate situations will provide the needed flexibility to enable the Department to respond to its many and varied responsibilities in the most economical and professional manner.

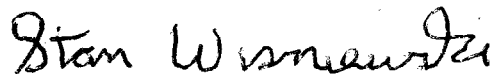
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The Department has contracted for these commercial real property appraisal services through the private sector for over 20 years, and these contracts will continue that practice.

**CONCLUSION**

Instruct the Executive Officer to send two executed copies of each contract to the Department of Beaches and Harbors, as well as one copy of this Board Letter.

Respectfully submitted,



Stan Wisniewski, Director

SW:hh

Attachments (6)

C: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller



## Attachment 1

## Bid Detail Information

**Bid Number :** DBH-6  
**Bid Title :** Commercial Real Property Appraisal Services  
**Bid Type :** Service  
**Department :** Beaches and Harbors  
**Commodity :** APPRAISAL SERVICES, REAL ESTATE  
**Open Date :** 6/5/2003  
**Closing Date :** 7/10/2003 5:00 PM  
**Bid Amount :** N/A  
**Bid Download :** [Available](#)

**Bid Description :** The Los Angeles County Department of Beaches and Harbors requests proposals from qualified commercial real estate appraisers to contract for appraisal services required in the Department's management of the County's Marina del Rey leaseholds. The Department wishes to engage appraisers on an as-needed basis to appraise approximately 10 leaseholds per year over the next three years. In addition, the selected appraiser(s) may be required to testify at rental adjustment arbitration proceedings, may be chosen by the Department to participate in a three-member board of appraisers, and may be required to present his or her appraisal findings before various public bodies in relation to leasehold renovation or redevelopment proposals related to the County's Asset Management Strategy.

THOSE WHO SUBMIT PROPOSALS MUST HAVE (1) MEMBERSHIP IN THE APPRAISAL INSTITUTE (MAI) DESIGNATION OR RELATED COMPARABLE PROFESSIONAL DESIGNATION AND/OR EXPERIENCE; (2) A MINIMUM OF FIVE YEARS OF SUBSTANTIAL EXPERIENCE IN VALUING GROUND LEASES, SQUARE FOOT (MINIMUM) RENTS, AND PERCENTAGE RENTS; (3) FIVE YEARS OF SUBSTANTIAL EXPERIENCE IN PROVIDING EXPERT WITNESS TESTIMONY IN LEGAL PROCEEDINGS REGARDING THE VALUATION OF REAL PROPERTY; AND (4) A CALIFORNIA CERTIFIED GENERAL REAL ESTATE APPRAISER'S LICENSE.

An informational meeting will be held at 10:00 a.m. on Tuesday, June 24, 2003 in the Chase Park Community Building, 13650 Mindanao Way, Marina del Rey. The deadline for submitting proposals is 5:00 p.m., July 10, 2003.

An RFP can be downloaded from the website or obtained by contacting Harold Harris at the phone number and email address listed below.

**Contact Name :** Harold Harris  
**Contact Phone# :** (310) 573-5736  
**Contact Email :** [haroldh@dbh.co.la.ca.us](mailto:haroldh@dbh.co.la.ca.us)  
**Last Changed On :** 6/5/2003 5:07:10 PM

[Back to Last Window](#)

**Commercial Real Property Appraisal Services**

**Vendors sent RFP**

Curtis-Rosenthal, LLC  
222 Kearney Street  
Suite 306  
San Francisco, CA 94108  
David Rosenthal

Eve D. Williams, MAI  
5411 Penfield Avenue  
Woodland Hills, CA 91364

Michael Popwell, SRWA  
Community Development Commission  
County of Los Angeles  
2 Coral Circle  
Monterey Park, CA 91755

Paul Norlen, MAI  
Metropolitan Water District of Southern  
California  
700 North Alameda Street  
Los Angeles, CA 90012

Gribin, Kapadia & Associates  
22551 Ventura Boulevard  
Suite 201  
Woodland Hills, CA 91364  
Russ Shane

Riggs & Riggs, Inc.  
4195 Valley Faire Street  
Suite 207  
Simi Valley, CA 93063  
Amir H. Kazemzadeh

Katherine McDermott  
The Port of Long Beach  
925 Harbor Plaza  
Long Beach, CA 90802

Robert T. Nelson  
Nelson & Associates  
1445 Los Angeles Avenue  
Suite 210  
Simi Valley, CA 93065

Tom Ryland  
7707 Windbridge Drive  
Sacramento, CA 95831-4110

Kanya T. Dorland  
The Port of Los Angeles  
425 South Palos Verdes Street  
San Pedro, CA 90731

Michael J. Vizzini Associates  
1611 South Pacific Coast Highway  
Suite 308  
Redondo Beach, CA 90277

Joseph Erling  
Mapping & property Management Div.  
L. A. County Department of Public Works  
900 South Fremont Avenue  
Alhambra, CA 91803-1331

Rick Donahue  
Integra Realty Resources  
29811 Santa Margarita Pky.  
Suite 300  
Rancho Santa Margarita, CA 92688

Ted G. Hendrickson  
Hendrickson Appraisal Co., Inc.  
10992 San Diego Mission Road  
Suite 203  
San Diego, CA 92108

George Hamilton Jones, Inc.  
717 Lido Park Drive  
Suite D  
Newport Beach, CA 92663

Frances Mason  
Mason & Mason Real Estate Appraisers  
2609 Honolulu Avenue  
Suite 100  
Montrose, CA 91020

APPRAISAL SERVICES  
 PROPOSERS  
 FIRM/ORGANIZATION INFORMATION

PROPOSER	COMPOSITION	OWNERS/ PARTNERS/ ASSOCIATE PARTNERS		MGRS		STAFF		TOTAL	% OWNERSHIP	
		M	F	M	F	M	F		M	F
Hendrickson Appraisal Co.	Black/African American							0		
	Hispanic/Latino					1		1		
	Asian or Pacific Islander							0		
	Amer. Indian/Alaska Native							0		
	Filipino American							0		
	White	1	1			3		5	50%	50%
	TOTALS	1	1	0	0	4	0	6	50%	50%
George Hamilton Jones, Inc.	Black/African American							0		
	Hispanic/Latino							0		
	Asian or Pacific Islander							0		
	Amer. Indian/Alaska Native							0		
	Filipino American							0		
	White	4	1					5	80%	20%
	TOTALS	4	1	0	0	0	0	5	80%	20%
Parkcenter Realty Advisors	Black/African American							0		
	Hispanic/Latino							0		
	Asian or Pacific Islander		1					1		16%
	Amer. Indian/Alaska Native							0		
	Filipino American							0		
	White	3						4	84%	
	TOTALS	3	1	0	0	0	1	5	84%	16%

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART ONE – GENERAL CONDITIONS**

**1.1 INTRODUCTION**

**1.1.1 Parties.** This Contract is entered into by and between the County of Los Angeles (the "County") and Hendrickson Appraisal Company, Inc., a California corporation (the "Contractor").

**1.1.2 Recitals.** The Contract is intended to integrate within one document the terms for the commercial real property appraisal services to be performed for the County by the Contractor. The Contractor represents to the County that the express representations, certifications, assurances and warranties given in this Contract, including but not limited to those in Sections 3.2, 3.3, 3.4, 3.6, 3.21 and 3.31 and in Form P-1 (Offer to Perform), and Form P-2 (Proposer's Work Plan), are true and correct. The Contractor further represents that the express representations, certifications, assurances and warranties given by the Contractor in response to the Request for Proposals are true and correct, including but not limited to Forms P-3, P-4, P-5, P-7 and P-8 submitted with the Contractor's Proposal.

**1.1.3 Effective Date.** The effective date of this Contract shall be the date of Board approval.

**1.1.4 Contract Provisions.** The Contract is comprised of this Part 1 (General Conditions), Part 2 (Statement of Work), Part 3 (Standard Contract Terms and Conditions), Exhibit 1 (Work Order), Form P-1 (Proposal: Offer to Perform), and Form P-2 (Work Plan), all of which are attached to this Contract and incorporated by reference. It is the intention of the parties that when reference is made in this Contract to the language of the request for Proposals (RFP), the Exhibits or the Proposal, such language shall be deemed incorporated in the Contract as if fully set forth. To the extent there is any inconsistency between the language in Forms P-1 and P-2 and any other part of the Contract, the language of such other part of the Contract shall prevail.

**1.1.5 Work to be Performed.** Contractor shall perform the work set forth in Part Two and Form P-2.

**1.1.6 Rescission.** The County may rescind the Contract for the Contractor's misrepresentation of the matters mentioned in Section 1.1.2. In the Case of a misrepresentation of the facts set forth in Section 3.6, a penalty may be assessed in the amount of the fee paid by the Contractor to a third person for the award of the Contract.

**1.1.7 Supplemental Documents.** Prior to commencing services under the Contract, the selected Proposer shall provide the Contract Administrator with satisfactory written proof of insurance complying with Section 3.9.

**1.2 INTERPRETATION OF RFP**

**1.2.1 Headings.** The headings contained in the Contract are for convenience and reference only. They are not intended to define or limit the scope of any provision of the Contract.

**1.2.2 Definitions.** The following word shall be construed to have the following meanings, unless otherwise apparent from the context in which they are used.

*Board, Board of Supervisors.* The Board of Supervisors of Los Angeles County.

*Chief, Asset Management Division.* The Chief of the Department's Asset Management Division.

*Chief Deputy.* The Chief Deputy of the Department.

*Contract.* An agreement for performance of the work between the selected Proposer and the County, approved by the Board of Supervisors, which incorporates the items enumerated in Section 1.1.4.

*Contract Administrator.* The Chief, Asset Management Division or designee.

*Contractor.* The Proposer whose Proposal is accepted by the Board of Supervisors for performance of the Contract work.

*Contract Year.* The twelve-month period commencing on the first day following approval of the Contract by the Board of Supervisors and each succeeding twelve-month period over the remaining term of the Contract, including the optional years.

*County.* The County of Los Angeles.

*County Counsel.* The Los Angeles County Counsel.

*Department.* The Los Angeles County Department of Beaches and Harbors.

*Director.* The Director of the Department.

*Offer to Perform.* Form P-1 of the Contract.

*Performance Standard.* The essential terms and conditions for the performance of the Contract work as defined in the Contract.

*Proposer.* Any person or entity authorized to conduct business in California who submits a Proposal.

*Request for Proposals (RFP).* The solicitation to this Contract issued June 5, 2003.

*Subcontractor.* A person, partnership, company, corporation, or other organization furnishing supplies or services of any nature, equipment, or materials to the Contractor, at any tier, under written agreement.

*Work Order.* An agreement, subordinate to the Contract, incorporating all of its terms and conditions, by which the Contractor is authorized to perform specific tasks outlined in the Description of Work. See Exhibit 1.

### **1.3 CONTRACT TERM**

**1.3.1 Initial Term.** The initial Contract term shall commence on the date of approval of the Contract by the Board of Supervisors and end three years from the date of approval by the Board of Supervisors.

**1.3.2 Two One-Year Extension Offers.** If the Director determines that it is in the interest of

the County to do so, he may offer to grant up to two one-year extensions of the Contract term. The Director may exercise the first option by notifying the Contractor in writing before the Contract expiration date. The Director may exercise the second option by notifying the Contractor in writing before the expiration of the first optional Contract Year. Should the Contractor fail to accept or decline the Director's offer in writing before the expiration date of the Contract term or optional Contract Year or within 30 days, whichever is earlier, the offer shall be deemed revoked.

#### **1.3.3 Extension to Complete Work Order.**

The Director or other person authorized to issue a Work Order as described in Section 1.4.3 may extend the Contract term or any optional Contract Year on a month-to-month basis subject to the Contract's terms and conditions, but only to allow the Contractor to complete a Work Order approved before the expiration of the Contract term or the applicable optional Contract Year. Such extensions are further subject to the availability of funds in the Department's budget. Up to 12 such one-month extensions may be granted, which shall be effective only if executed in writing by the Director or other person authorized to issue a Work Order as described in Section 1.4.3.

**1.3.4 Survival of Obligations.** Notwithstanding the stated term of the Contract, some obligations assumed in the Contract shall survive its termination, such as, but not limited to, the Contractor's obligation to retain and allow inspection by the County of its books, records and accounts relating to its performance of the Contract work.

### **1.4 COMPENSATION**

**1.4.1 Contract Sum.** The net amount the County shall expend from its own funds during any Contract Year for appraisal services among all Contractors shall not exceed \$125,000. The County may at its discretion expend any portion, all or none of that amount. However, aggregate annual payments for appraisal services may exceed the aforementioned \$125,000 to the extent that a lessee or other third party is obligated to reimburse the County for its appraisal expenses.

**1.4.2 Increase of Contract Sum by Director.** Notwithstanding Section 1.4.1, the Director may,

by written notice to the Contractor(s), increase the \$125,000 sum referenced in Section 1.4.1 which is not subject to reimbursement from lessees or other third parties by up to 20 percent in any year of the Contract or optional one-year extension period, subject to the availability of funds in the Department's budget. Such increases shall not be cumulative.

**1.4.3 Compensation Payable Only Under Work Order at Quoted Hourly Rates.** Notwithstanding any other provisions of this Contract, no compensation shall be paid unless and until the Contractor has performed work for the Department in accordance with the terms of a Work Order (Exhibit 1) issued under the Contract and executed by the Director or the Chief Deputy Director. Compensation for all work under a Work Order shall be at Contractor's hourly rate(s) of pay as quoted on Form P-1 with a firm monetary cap, and shall be subject to Sections 1.4.1, 1.4.7 and 3.1.

**1.4.4 Preparation of Itemized Estimates, Work Statements and Billing to be Treated as Overhead.** Notwithstanding any other provision of the Contract, the time expended by the Contractor in the preparation of invoices shall be treated as overhead, shall not be directly charged in itemized invoices and shall not entitle Contractor to any direct compensation. The parties understand and agree that the Contractor's hourly rates for work performed include an amount which will compensate the Contractor for all labor, equipment, materials, supplies, licenses, registrations, data systems, transportation, telephone expenses, facsimile transmission, photocopying services and other items required for performance of the Contract.

**1.4.5 No Increase in Hourly Rate(s) of Compensation.** Notwithstanding any increase in the Contractor's salary costs or other overhead, no increase in the hourly rate(s) of compensation quoted in Form P-1 shall be given during the term of the Contract or any extension period.

**1.4.6 Assignment of Work.** Some, but not all of the work orders may be bid out among the Contractors based on the number of hours and turn-around time. The selected Contractor shall be paid the lower of the bid amount or the hours actually worked at the applicable hourly rate.

**1.4.7 Maximum Compensation Under Work Order** Maximum compensation for each work order shall be determined by the total hours bid on the assignment at the Contractor's hourly rate(s). Each work order shall contain a firm monetary cap, based on the Contractor's hourly rate(s).

**1.4.8 Increase in Maximum Compensation Under Work Order.** The Director may approve an increase in the maximum compensation specified in a Work Order should he find that the project will require additional hours, an increase in staffing, or other cause to do so. An increase in the maximum number of hours specified in a Work Order shall not increase the Contractor's hourly rate(s) of compensation. Approval of an increase in the maximum number of hours specified in a Work Order shall be effective only if executed in writing by the Director or Chief Deputy, who shall state the reason for the increase.

**1.4.9 Extension of Time to Complete Work Order.** Approval of an extension of the time for a completion of a Work Order shall be effective only if executed in writing by the Director or Chief Deputy.

**1.4.10 Contractor's Invoice Procedures.**

**1.4.10.1** The Contractor shall submit an invoice to the Department on or before the fifteenth day of each month for compensation earned during the preceding calendar month. The Contractor shall submit two copies of each invoice and shall submit a separate invoice for each Work Order on which it claims payment. Invoices shall identify the Contract number, total hours bid, if applicable, and the name of the Work Order or project. Invoices for services shall be billed on an hourly basis shall itemize dates and hours of work performed, type of work performed, person performing the work, hourly rate for such person, and other information necessary to calculate the payment for the work.

**1.4.10.2** If the Work Order requires delivery of a report or other written product, fifty percent of all amounts due under the Work Order shall be withheld until receipt and acceptance by the CA of the report or other written product. The Contractor's monthly invoice shall show the amount earned subject to such withholding, the deduction for the amount to be withheld, and the net amount currently payable by the County.

**1.4.10.3** The County may withhold from payment any amount assessed by the CA which is authorized as a set off, withholding by the terms and conditions of the Contract, including but not limited to liquidated damages pursuant to Section 3.16, County's Remedies for Default.

**1.4.10.4** Upon the Department's receipt and the CA's review and approval of the invoice, the County shall pay the net amount currently payable shown on the invoice less any other setoff or deduction authorized by the Contract. Such setoffs and deductions include, but are not limited to, the cost of replacement services.

**1.4.10.5** Upon completion of the reports or other written product identified in the Work Order, the Contractor shall deliver them with an invoice for the amounts withheld pending their receipt and acceptance. Upon their receipt and approval by the CA, the County shall pay the amounts withheld, provided that the County's maximum obligation for the Work Order is not exceeded. Approval or rejection of reports and other deliverable items identified in the Work Order shall not be unreasonably withheld and shall not exceed four weeks from the date of their receipt by the County

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART TWO – STATEMENT OF WORK**

**2.1 GENERAL REQUIREMENTS**

**2.1.1 Contractor's Work Plan.** Subject to all other terms and conditions of the Contract, Contractor shall perform the work and maintain quality control in accordance with the Work Plan and other representations submitted with the Contractor's Proposal.

**2.1.2 Materials, Equipment, Labor and Expenses.**

**2.1.2.1** All materials, equipment and labor to be used in the work shall be furnished by the Contractor at the Contractor's expense.

**2.1.2.2** All of Contractor's expenses on account of the work, including but not limited to travel, meals and lodging, printing, photocopying, and faxing shall be borne by the Contractor.

**2.1.3 Contractor's Office.** The Contractor shall maintain a local address in Southern California where its officers or owners may be contacted personally and by mail.

**2.1.4 Communication with Department.** The Contractor shall maintain communication systems that will enable the Department to contact the Contractor at all times during regular business hours. The Contractor shall return calls during business hours not later than the next business day and as soon as reasonably possible if the call is designated urgent. The Contractor shall provide an answering service, voicemail or telephone message machine to receive calls at any time Contractor's office is closed.

**2.1.5 Contractor to Make Monthly Reports.** The Contractor shall report to the CA on a monthly basis in writing, describing the services rendered and matters delivered during the period, the charge for services rendered, the balance remaining under each Work Order and the Contract, and any facts which may jeopardize the completion of each project or any intermediate deadlines.

**2.1.6 Contractor to Maintain Files.** The Contractor shall maintain copies of files and documents prepared for the Department, including supporting and backup data, and shall deliver copies of the files and documents to the Department upon the CA's request.

**2.1.7 Contractor to Prepare Final Project Report.** The Contractor shall prepare a final report upon completion of any project assigned by the Department summarizing the Contractor's findings and recommendations in accordance with the CA's instructions.

**2.2 PERSONNEL**

**2.2.1 Contractor's Representative (CR).** The Contractor shall designate a full-time employee as Contractor's Representative (CR) who shall be responsible for Contractor's day-to-day activities related to each Work Order and who shall be available to the CA, other County's staff, and County's other outside consultants on reasonable telephone notice each business day and at other times as required by the work. If an individual, the Contractor may designate himself or herself as the Contractor's Representative.

**2.2.2 Professional Services.** The Contractor shall provide the professional services of the commercial real property appraisal consultants and other professionals identified in the Contractor's Proposal.

**2.2.3 Personal Services of Designated Persons Required.** In agreeing to engage the Contractor, the County has relied on the Contractor's representation that the individuals identified in Contractor's Proposal will personally perform the professional services required by the Contract. The failure of those persons to render those services shall be deemed a material breach of the Contract for which the County may recover damages. Should it be necessary for the Contractor to substitute an equally qualified professional for an individual named in the Proposal, the Contractor shall request the CA's approval, which shall not be unreasonably withheld.



**2.2.4 Assignment of Contract.** Notwithstanding any other provision of the Contract, the Contractor may, with the written consent of the Director, assign the Contract to an entity that employs or is owned by one or more of the Contractor's principals.

**2.2.5 County Contract Administrator (CA).**

**2.2.5.1** The Department shall appoint a Contract Administrator (CA) for each Work Order executed under the Contract.

**2.2.5.2** The CA will be responsible for ensuring that the objectives of the Contract are met and shall direct the Contractor as to the County's policy, information and procedural requirements.

**2.2.5.3** The Contractor's work shall be subject to the CA's acceptance and approval, which shall be neither unreasonably withheld nor dependent on the Contractor's analysis, opinions, or conclusions as long as the analysis meets the standard for thoroughness and care for professional appraisers.

**2.2.5.4** The CA is not authorized to make any changes in the terms and conditions of the Contract or to obligate the County in any manner.

**2.3 SCOPE OF WORK AND PERFORMANCE STANDARDS.**

**2.3.1** For those leaseholds on which the rental adjustment is to be determined by a three member appraisal board, in the event of a dispute between the Department and the lessee, the Department may require the Contractor to serve as its nominee to the three member board of appraisers.

**2.3.2** For those leaseholds on which the rental adjustment is to be determined by a retired judge in the event of a dispute between the Department and the lessee, the Contractor shall be prepared to testify as the Department's expert witness.

**2.3.3** The Contractor shall cooperate with the Department and its attorneys in preparing for any formal or informal dispute resolution process, and shall promptly and readily attend and/or participate in meetings, hearings, telephone conferences, trials and the like when requested by the Department or its attorneys.

The Contractor shall be well prepared to support his or her appraisal and to present evidence on the County's behalf.

**2.3.4** The Department may require the Contractor to serve as its confidential consultant with respect to rental readjustment disputes and for any other purpose and may require the Contractor to prepare an appraisal report in connection with such service.

**2.3.5** The Contractor shall exercise independent judgment and complete the appraisal assignment in accordance with sound appraisal practices in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute. Appraiser shall accept no other assignments in conflict with these requirements and shall disclose any potential or actual conflict of interest prior to accepting a Work Order.

**2.3.6** In appraising a property, the Appraiser shall follow the valuation method prescribed in the Work Order. Typical Marina del Rey lease clauses specifying the manner of computation of percentage rents and minimum rents and describing dispute resolution processes are attached as Exhibit 3.

**2.3.7** The Contractor shall complete and submit an original and two copies of the written draft appraisal report and two copies of the final appraisal report no later than the dates specified in the Work Order.

At the minimum, each appraisal report shall address the following:

- Describe the parcel and provide a site map.
- Identify the uses permitted.
- Review and provide a synopsis of the terms, conditions and restrictions of the land and lease.
- Describe the regional and neighborhood Influences on the parcel.
- Describe the improvements of the subject property being appraised and improvements of comparable properties and provide

photos of the same with proper labels and descriptions.

- Correlate the appraisal methods applied using the market approach, when practical, support it with the cost and income approach to valuation whenever feasible, and compare the result with conclusions reached by other appraisal methods as may be dictated in the Work Order.
- Summarize interviews conducted during the appraisal process with a list showing names and titles of informants contacted and the dates and places of the meetings or interviews.
- Discuss the relevant factors and data considered in the analysis.
- Describe the reasoning process, techniques of analysis, and assumptions and computations that were used in the formulation of the valuation opinion expressed, including a detailed explanation of how the empirical and economic data were correlated.
- Express the value of the subject property interest; or in connection with amended and restated leases proposed for certain Marina del Rey leaseholds in connection with a leasehold extension of term and the improvements and changes proposed therewith, the appraiser is to determine whether the return to the County in the form of rent, participation fees, extension fees and other consideration is equivalent to, or greater than far market value; or as directed by the Work Order.
- Include in the appraisal report a detailed table of contents and a summary of conclusions.
- Number all pages of the report, label the report sections, and use tabs to separate the sections for easy reference.
- The Contractor may also be requested to determine the value of the land and water based upon the land residual appraisal technique, taking into consideration the exiting improvements on the land and water and the economic rental of the

improvements. The result of this analysis shall be compared with the empirical data from recent land sale transactions, if such data is available. The minimum and percentage rents for the various land and water improvements located on the leasehold may be based on the extrapolated value of land and water respectively, when such allocation is practical and the total rents are representative of a fair return on the combined value of land and water. The return shall then be compared with the expected return derived from the valuation analysis as described in Section 2.6.6 herein.

## **2.4 ADDITIONAL SERVICES**

**2.4.1** County may request Contractor to perform additional services at the same time as the appraisal is being prepared, whether or not in conjunction with a rental readjustment. Typical examples of the services that may be requested are listed below:

- The Contractor may be requested to appraise the improved or unimproved parcels, both individually and/or in joinder, with one or more leased parcels. Valuation will be based upon the current uses or the proposed uses as shall be stipulated by the County.
- The Contractor may be requested to perform any other valuation analysis, which the County deems necessary or appropriate for the situation.

**2.4.2** If additional services are requested, they will be identified in a separate Work Order. If the additional information requested by the County is of a type that the Contractor normally includes in the appraisal, then Contractor will include such information in the appraisal and notify the County that such information is in the appraisal. Otherwise, the additional information requested will be the subject of a separate report to the County.

**2.4.3** Contractor will submit the separate report, if any, at the same time the appraisal is submitted (unless otherwise agreed). Contractor agrees to perform such services at the same hourly rate as charged for the appraisal. County will pay Contractor for the separate report in the same manner and at the same time as County

pays for the appraisal (unless otherwise agreed).

**2.4.4** Any Work Order for additional services will not alter Contractor's obligations regarding the appraisal in any way nor alter the requirement that Contractor exercise independent judgment in making the appraisal.

## **2.5 QUALITY ASSURANCE**

**2.5.1 Purpose of Standards.** The Contractor will observe, at a minimum, the standards set forth in this Section 2.5, and acknowledges that the adequacy of its compliance with the Contract shall be measured by these standards as well as all other terms and conditions of the Contract.

**2.5.2 Performance Evaluation.** The County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor's deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**2.5.3 Contractor's Quality Control Plan.** The Contractor shall comply with Contractor's Quality Control Plan, which shall be incorporated in the Contract by reference. To the extent that provisions of Contractor's Quality Control Plan are inconsistent with any other part of the Contract, they shall be ineffective. The Contractor shall not change The Quality Control Plan without written approval of the Director or authorized representative.

**2.5.4 Applicable Professional Standards to be Followed.** The Contractor and its professional staff shall exercise independent judgment and complete each assignment in accordance with the professional standards of ethics and competence which apply to the appraisal profession.

**2.5.5 Conflicts of Interest.** Contractor shall accept no employment which conflicts with its obligations to the County under the Contract and shall disclose any existing potential or actual conflict of interest prior to accepting an assignment.

All employment by Contractor on behalf of persons or entities other than the County that have an existing interest pertaining to real property within Marina del Rey is prohibited. Such existing interests include, but are not limited to: a leasehold, sublease, concession, permit, contract for the operation or management of real property, pending development proposal or pending lease proposal. Employment by Contractor on behalf of persons or entities with such interests is prohibited whether the employment is related to Marina del Rey property or not.

The prohibition shall remain in effect until the later of (1) one year from the termination or expiration of the Contract or any extension period; or (2) if the Contractor has performed work for the County related to an interest of the person or entity offering employment, the prohibition on accepting employment from that person or entity shall continue until the date of execution of a contract or other conclusion of all negotiations between the County and that person or entity.

However, at no time after termination or expiration of the Contract or any extension period may the Contractor disclose to any third person any confidential information learned or developed as a result of its work under this Contract or accept employment regarding subject matter as to which the Contractor learned or developed any confidential information as a result of employment by the County.

### **2.5.6 Other Standards to be Followed.**

**2.5.6.1** Contractor shall meet deadlines set by the Director, CA or other persons designated by the Department.

**2.5.6.2** Written work and graphics shall be clean, well executed and prepared in a professional manner.

**2.5.6.3** Reports required by the Contract or any Work Order shall be completed on time.

**2.5.6.4** Contractor's principals and employees shall appear on time for meetings and presentations and conduct themselves professionally.

**2.5.6.5** Hourly services shall be accurately reported.

**2.5.6.6** Calls of County agents, employees and contractors shall be returned promptly in accordance with Section 2.1.4.

**2.5.6.7** Insurance is never allowed to lapse. Proof of insurance shall comply with Contract requirements in all respects, including, but not limited to state authorization of insurer, presence of each required coverage, and policy limits.

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART THREE – STANDARD CONTRACT TERMS AND CONDITIONS**

**3.1 LIMITATION OF COUNTY'S OBLIGATION IN CASE OF NONAPPROPRIATION OF FUNDS.**

3.1.1 The County's obligation is payable only and solely from funds appropriated for the purpose of this contract. All funds for payment after June 30th of any fiscal year are subject to County's legislative appropriation for this purpose. Payments during subsequent fiscal periods are dependent upon the same action.

3.1.2 In the event this contract extends into succeeding fiscal year periods, and if the governing body appropriating the funds does not allocate sufficient funds for the next succeeding fiscal year's payments, then the services shall be terminated as of June 30th of the last fiscal year for which funds were appropriated.

**3.2 NONDISCRIMINATION IN EMPLOYMENT**

3.2.1 The Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated equally during employment, without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin. Such action shall include, by way of example without limitation, the following: employment; upgrading; recruitment or recruitment advertising; demotion or transfer; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

3.2.2 The Contractor certifies and agrees that all persons employed by the Contractor, its affiliates, subsidiaries or holding companies, are and will be treated equally by the employer without regard to or because of race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin, and in compliance with all antidiscrimination laws of the United States of America and the State of California.

3.2.3 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin.

3.2.4 The Contractor shall allow the County access to its employment records during regular business hours to verify compliance with these provisions when requested by the County.

3.2.5 If the County finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which the county may determine to terminate the Contract. While the County reserves the right to determine independently that the antidiscrimination provisions of the Contract have been violated, a final determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated state or federal antidiscrimination laws shall constitute a finding on which the County may conclusively rely that the Contractor has violated the antidiscrimination provisions of the Contract.

3.2.6 The parties agree that in the event the Contractor violates the antidiscrimination provisions of the Contract, the County shall at its option be entitled to a sum of five hundred dollars (\$500) pursuant to Section 1671 of the California Civil Code as damages in lieu of terminating the Contract.

**3.3 ASSURANCE OF COMPLIANCE WITH CIVIL RIGHTS LAWS.**

The Contractor hereby assures it will comply with all applicable federal and state statutes to the end that no person shall, on the grounds of race, religion, color, sex, age, physical disability, marital status, political affiliation or national origin, be excluded from participation in, be denied the benefits of, nor be otherwise subjected to discrimination under the Contract or under any project, program, or activity supported by the Contract.

### **3.4 COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS**

**3.4.1** The Contractor agrees to comply with all applicable federal, state, County and city laws, rules, regulations, ordinances, or codes, and all provisions required by these laws which are to be included in the Contract and are incorporated by reference.

**3.4.2** The Contractor warrants that it fully complies with all statutes and regulations regarding the employment eligibility of foreign nationals; that all persons performing the Contract work are eligible for employment in the United States; that it has secured and retained all required documentation verifying employment eligibility of its personnel; and that it shall secure and retain verification of employment eligibility from any new personnel in accordance with the applicable provisions of law.

**3.4.3** The Contractor agrees to indemnify and hold the County harmless from any loss, damage or liability resulting from a violation on the part of the Contractor of such laws, rules, regulations or ordinances.

**3.5 GOVERNING LAW.** The Contract shall be construed in accordance with and governed by the laws of the State of California.

### **3.6 COVENANT AGAINST CONTINGENT FEES**

**3.6.1** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies under contract with the Contractor for the purpose of securing business.

**3.6.2** The County shall have the right to terminate the Contract for a breach of this warranty, and, at its sole discretion, recover from the Contractor by way of such means as may be available the full amount of any commission, percentage, brokerage or contingent fee paid.

### **3.7 TERMINATION FOR IMPROPER CONSIDERATION**

**3.7.1** The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

**3.7.2** Among other items, such improper consideration may take the form of cash, discounts, services, tangible gifts or the provision of travel or entertainment.

**3.7.3** The Contractor shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

**3.8 INDEMNIFICATION.** The Contractor shall indemnify, defend and hold harmless the County and its Special Districts, elected and appointed officers, employees and agents from and against any and all liability, including, but not limited to liability which results from bodily injury, death, personal injury, property damage or business loss, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

### **3.9 INSURANCE**

**3.9.1 General Insurance Requirements.** Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-

insurance programs maintained by the County, and such coverage shall be provided and maintained at the Contractor's own expense.

**3.9.2 Evidence of Insurance.** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to the Department of Beaches and Harbors, Contract Section, 13837 Fiji Way, Marina del Rey CA 90292 prior to commencing services under this Contract. Such certificates or other evidence shall:

- (1) Specifically identify this Contract;
- (2) Clearly evidence all coverages required in this Contract;
- (3) Contain the express condition that the County is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance;
- (4) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- (5) Identify any deductibles or self-insured retentions for County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**3.9.3 Insurer Financial Rating.** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of less than A:VII, unless otherwise approved by the County.

**3.9.4 Failure to Maintain Coverage.** Failure by the Contractor to maintain the required insurance or to provide evidence of insurance coverage acceptable to the County shall constitute a material breach of the Contract upon which the County may immediately

terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage and, without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**3.9.5 Notification of Incidents, Claims or Suits.** Contractor shall report to County:

- (1) Any accident or incident related to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within 24 hours of occurrence;
- (2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement;
- (3) Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County contract manager; and
- (4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

**3.9.6 Compensation for County Costs.** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to the County, Contractor shall pay full compensation for all costs incurred by the County.

**3.9.7 Insurance Coverage Requirements for Subcontractors.** Contractor shall ensure any and all Subcontractors performing services under this Agreement meet insurance requirements of this Agreement by either Contractor providing evidence to the CA of insurance covering the activities of Subcontractors, or Contractor providing evidence submitted by Subcontractors to the CA evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

**3.9.8 Insurance Coverage Requirements.**

The Contractor shall maintain the insurance coverages specified in this Section 3.9.8 in the amounts specified.

**3.9.8.1** General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

- General Aggregate: \$2 million
- Products/Completed Operations Aggregate: \$1 million
- Personal & Advertising Injury: \$1 million
- Each Occurrence: \$1 million

**3.9.8.2** Contractor shall maintain automobile liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto."

**3.9.8.3** Contractor shall maintain Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. If Contractor's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Contractor is responsible. In all cases, the above insurance also shall include employers' Liability coverage with limits of not less than the following:

- Each Accident: \$1 million
- Disease – policy limit: \$1 million
- Disease – each employee: \$1 million

**3.9.8.4 Professional Liability.** Contractor shall maintain Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. The coverage also shall provide an extended two-year reporting

period commencing upon termination or cancellation of this Agreement.

**3.10 STATUS OF CONTRACTOR'S EMPLOYEES; INDEPENDENT STATUS OF CONTRACTOR**

**3.10.1** Contractor shall at all times be acting as an independent contractor. The Contract is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association as between the County and Contractor.

**3.10.2** Contractor understands and agrees that all of Contractor's personnel who furnish services to the County under the Contract are employees solely of Contractor and not of County for purposes of workers' compensation liability.

**3.10.3** Contractor shall bear the sole responsibility and liability for furnishing workers' compensation benefits to Contractor's personnel for injuries arising from or connected with the performance of the Contract.

**3.11 RECORD RETENTION AND INSPECTION**

**3.11.1** The Contractor agrees that the County or any duly authorized representative shall have the right to examine, audit, excerpt, copy or transcribe any transaction, activity, time card, cost accounting record, financial record, proprietary data or other record pertaining to the Contract. Contractor shall keep all such material for four years after the completion or termination of the Contract, or until all audits are complete, whichever is later.

**3.11.2** If any such records are located outside the County of Los Angeles, the Contractor shall pay the County for travel and per diem costs connected with any inspection or audit.

**3.12 AUDIT SETTLEMENT**

**3.12.1** If, at any time during the term of the Contract or at any time after the expiration or termination of the Contract, authorized representatives of the County conduct an audit of the Contractor regarding performance of the Contract and if such audit finds that the County's obligation for the Contract payment is less than the payments made by the County to the



Contractor, then the Contractor agrees that the difference shall be either paid forthwith by the Contractor, or at the Director's option, credited to the County against any future Contract payments.

**3.12.1.1** If such audit finds that the County's obligation for the Contract payment is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County, provided that in no event shall the County's maximum obligation under the Contract exceed the funds appropriated by the County for the purpose of the Contract.

**3.13 VALIDITY.** The invalidity in whole or in part of any provision of the Contract shall not void or affect the validity of any other provision.

**3.14 WAIVER.** No waiver of a breach of any provision of the Contract by either party shall constitute a waiver of any other breach of the provision. Failure of either party to enforce a provision of the Contract at any time, or from time to time, shall not be construed as a waiver of the provision or any other provision. The Contract remedies shall be cumulative and additional to any other remedies in law or in equity.

### **3.15 DISCLOSURE OF INFORMATION**

**3.15.1** The Contractor shall not disclose any details in connection with the Contract or any work performed under the Contract to any third party, except as may be required by law or as expressly authorized in writing by the Director.

**3.15.2** However, recognizing the Contractor's need to identify its services and clients, the Contractor may publicize the Contract work, subject to the following limitations:

(1) All publicity shall be presented in a professional manner.

(2) The name of the County shall not be used in commercial advertisements, press releases, opinions or featured articles, without the prior written consent of the Director. The County shall not unreasonably withhold written consent, and approval by the County shall be deemed to have been given in the absence of objection by the County within two (2) weeks after receipt by

the CA of the material submitted by the Contractor for approval by the County.

(3) The Contractor may list the County in any other proposal submitted in response to a request for proposals or bids from a third party without prior written permission of the County.

### **3.16 COUNTY'S REMEDIES FOR DEFAULT**

**3.16.1** If the Contractor fails to perform the Contract work in accordance with the covenants, terms and conditions of the Contract or fails to comply with any other material covenant, term or condition of the Contract, the County may, by written notice of default to the Contractor, terminate the whole or any part of the Contract. Nothing in this Section 3.16 shall prevent the County from recovering any and all damages arising from the default. The County may elect not to terminate the Contract without waiving its right to such recovery.

**3.16.2** Contractor shall have ten (10) calendar days from written notification of default in which to cure the default. The County, in its sole discretion, may by written notice allow a longer or additional period for cure.

**3.16.3** If the Contractor does not cure the default within the time specified by the notice of default or written extension of time, the Contract shall be terminated. In such event, all finished or unfinished documents, data and reports prepared by the Contractor under this Contract shall be transferred immediately to the County.

**3.16.4** In the event the County terminates the Contract in whole or in part for the Contractor's default, the County may procure replacement services from a third party or by County's employees upon such terms and in such manner as the County deems appropriate. The Contractor shall be liable to the County for any excess costs arising from the use of replacement services. Excess costs shall consist of those costs incurred by the County in procuring replacement services, which exceed the costs the County would have been obligated to pay the Contractor for the services in question. The Contractor shall continue performance of any part of the Contract work not terminated.

**3.16.4.1 Time is of the essence.** In the event the County does not exercise its rights to obtain replacement services under the foregoing Section 3.16.4, the County and Contractor agree that the Contractor's failure to prepare and deliver complete, thorough, and professional Work product in a timely manner will result in loss to the County that is difficult to measure or estimate accurately because of the delay's uncertain effect on pending rental renegotiation or other proceedings. The County and Contractor agree that, given these circumstances, a reasonable estimate of such damages is one hundred dollars (\$100.00) per day for the first five business days and two hundred-fifty dollars (\$250.00) per day thereafter for late delivery of any applicable work product. The Contractor shall be liable to County for liquidated damages in said amount. Said amount shall be set off against payments from County to Contractor in accordance with Section 1.4.8.3. Such action shall not be construed as a penalty but as an adjustment of payment to Contractor based upon the diminished value of the Contractor's services resulting from the untimely delivery of the work product. The remedy provided in this Section is in addition to all other remedies provided to the County under the terms of this Contract or as otherwise available at law.

**3.16.5** Except with respect to defaults of Subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of the federal and state governments in their sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, and unusually severe weather. If the failure to perform is caused by the default of a subcontractor arising from causes beyond the control of both Contractor and subcontractor, and without the negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform unless the Contractor had sufficient time to obtain performance from another party.

**3.16.6** If, after termination, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the Contract were terminated pursuant to

Section 3.18 (Termination for Convenience of the County).

**3.16.7** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

### **3.17 DEFAULT FOR INSOLVENCY**

**3.17.1** Notwithstanding the provisions of Section 3.16, the County may cancel the Contract for default without giving the Contractor written notice of default and time to cure upon the occurrence of any of the following events:

(1) The Contractor becomes insolvent. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not, whether it has filed for federal bankruptcy protection and whether it is insolvent within the meaning of the federal bankruptcy law.

(2) The filing of a voluntary petition to have the Contractor declared bankrupt.

(3) The appointment of a receiver or trustee for the Contractor.

(4) The execution of the Contractor of an assignment of the Contract for the benefit of creditors.

**3.17.2** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any rights and remedies provided by law or under the Contract.

### **3.18 TERMINATION FOR CONVENIENCE OF THE COUNTY**

**3.18.1** The performance of the Contract work may be terminated in whole or in part from time to time when such action is deemed by the County to be in its best interest, subject to delivery to the Contractor of a ten (10) day advance notice of termination specifying the extent to which the Contract work is terminated and the date upon which such termination becomes effective.

**3.18.2** County may suspend performance or terminate the Contract without liability for

damages if County is prevented from performing by reasons beyond its control, including but not limited to operation of laws, acts of God, and official acts of local, state, or federal authorities. After receipt of a notice of suspension of performance or termination, the Contractor shall stop the Contract work on the date and to the extent specified in the notice.

**3.18.3** The County and Contractor shall negotiate an equitable amount to be paid the Contractor by reason of the total or partial termination of work pursuant to this section. The amount may include a reasonable allowance for profit on the Contract work that has been performed and has not been paid, provided that such amount shall not exceed the total obligation to pay for the Contract work performed as reduced by the amount of Contract payments otherwise made.

**3.18.4** The Contractor shall make available to the County, for a period of four (4) years after Contract termination, at all reasonable times, at the office of the Contractor, all books, records, documents, or other evidence bearing on the costs and expenses of the Contractor in respect to the termination under this section of the Contract work. In the event records are located outside the County of Los Angeles, the Contractor will pay the County for traveling and per diem costs connected with the inspection or audit.

**3.19 NOTICE OF DELAY.** Except as otherwise provided, when either party knows of any fact that will prevent timely performance of the Contract, that party shall give notice, including all relevant information, to the other party with five (5) days.

**3.20 NOTIFICATION.** Except as otherwise provided by the Contract, notices desired or required to be given by law, or under the Contract may, at the option of the party giving notice, be given by enclosing a written notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States mail. Any such notice shall be addressed to the Contractor at the address shown for the Contractor in the Proposal or such other place designated in writing by the Contractor. Notice to the County shall be addressed to the Director, Department of Beaches and Harbors, 13837 Fiji Way, Marina del Rey, California 90292, or such

other place as the Director may designate in writing.

### **3.21 CONFLICT OF INTEREST**

**3.21.1** The Contractor represents and warrants the statements set forth in the conflict of interest certification of its Proposal are true and correct.

**3.21.2** The Contractor further agrees that anyone who is an employee or former employee of the County at the time of execution of the Contract by the Board of Supervisors and who subsequently becomes affiliated with the Contractor in any capacity shall not perform the Contract work or share in the Contract's profits for a period of one (1) year from the date of termination of the employee's employment with the County.

**3.21.3** The County shall have the right to terminate the Contract for a breach by the Contractor of either its warranty or a violation of conflict of interest.

### **3.22 DELEGATION AND ASSIGNMENT**

**3.22.1** The Contractor may not delegate its duties or assign its rights under the Contract, either in whole or in part, without the prior written consent of the Director. Any delegation of duties or assignment of rights under the Contract without the expressed written consent of the County shall be null and void and shall constitute a breach for which the Contract may be terminated.

**3.22.2** Any delegation of duties or assignment of rights (including but not limited to a merger, acquisition, asset sale and the like) shall be in the form of a subcontract or formal assignment, as applicable. The Contractor's request to the Director for approval of an assignment shall include all information that must be submitted with a request by the Contractor to the County for approval of a subcontract of the Contract work pursuant to Section 3.23.

### **3.23 SUBCONTRACTING**

**3.23.1** Performance of the Contract work may not be subcontracted without the expressed written consent of the Director or authorized representative. Any subcontract of the Contract work without the express written consent of the Director or authorized representative shall be

null and void and shall constitute a breach for which the Contract may be terminated.

**3.23.2** The Contractor's request to the Director for approval to enter into a subcontract of the Contract work shall include:

- (1) A description of the work to be performed by the subcontractor;
- (2) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition used in the selection and a description of their qualifications;
- (3) The proposed subcontract amount, together with the Contractor's cost or price analysis; and
- (4) A copy of the proposed subcontract.

**3.23.3** In the event the Director or authorized representative should consent to a subcontract for the performance of the contract work, the terms and conditions of the Contract shall be made expressly applicable to the work that is to be performed by the subcontractor.

**3.23.4** In the event the Director or authorized representative should consent to a subcontract, the Contractor shall provide in the approved subcontract an agreement that the work of the subcontractor is pursuant to the terms of a prime contract with the County of Los Angeles, and that all representations and warranties shall inure to the benefit of the County of Los Angeles.

**3.23.5** Subcontracts shall be made in the name of the Contractor and shall not bind nor purport to bind the County. The making of subcontracts shall not relieve the Contractor from performing the Contract work in accordance with the terms and conditions of the Contract. Approval of any subcontract by the County shall not be construed as effecting any increase in the compensation to be paid for the Contract work.

**3.23.6** Any later modification or amendment of the subcontract shall be approved in writing by the Director or authorized representative before such modification or amendment is effective.

### **3.24 CHANGES AND AMENDMENTS**

**3.24.1** Except as provided in this Section 3.24, modifications of this Contract shall be in writing and shall be executed by the parties and approved by the Board in the same manner as the Contract.

**3.24.2** A change which does not materially effect the scope of work, period of performance, compensation, method of payment, insurance or other material term or condition of the Contract shall be effective upon the Director or his authorized representative and the Contractor signing an amendment or other writing reflecting a modification of the Contract.

**3.24.3** The Director or authorized representative may, in his or her sole discretion, grant the Contractor extensions of time for performance of the work where such extensions do not materially effect the work. Such extensions shall not be deemed to extend the term of the Contract. This Section shall not limit the authority of the Director to extend the Contract term as provided in Section 1.3.

**3.25 PROPRIETARY RIGHTS.** All materials, data and other information of any kind obtained from County personnel and all materials, data, reports and other information of any kind developed by the Contractor under the Contract are the property of the County, and the Contractor agrees to take all necessary measures to protect the security and confidentiality of all such materials, data, reports and information. The provisions of this paragraph shall survive the expiration or other termination of the Contract.

**3.26 TIME.** Except as specifically otherwise provided in the Contract, time is of the essence in the performance of the Contract work and all terms and conditions of the Contract with respect to such performance shall be construed.

**3.27 AUTHORIZATION.** The Contractor represents and warrants that its signatory to the Contract is fully authorized to obligate the Contractor to performance of the Contract work, and that all necessary acts to the execution of the Contract have been performed.

### **3.28 COMPLIANCE WITH COUNTY LOBBYING REQUIREMENTS**

**3.28.1** The Contractor and each County lobbyist or County lobbying firm, as defined in

Los Angeles County Code Section 2.160.010, retained by the Contractor shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160.

**3.28.2** Failure on the part of the Contractor or any County lobbyist or County lobbying firm retained by the Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend the Contract notwithstanding the opportunity to cure otherwise made available under Section 3.16.

**3.29 CONSIDERATION OF HIRING COUNTY EMPLOYEES ON A REEMPLOYMENT LIST OR TARGETED FOR LAYOFFS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or qualified former County employees who are on a reemployment list during the life of this agreement.

**3.30 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT**

Should the Contractor require additional or replacement personnel after the effective date of the agreement, contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN/GROW participants, by job category, to Contractor.

**3.31 COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

**3.31.1 Contractor's Warranty of Adherence to County Child Support Compliance Program.** Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from

County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (41 USC Section 653a) and California Unemployment Insurance Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**3.31.2 Termination for Breach of Warranty to Maintain Compliance with County Child Support Compliance Program.**

Failure of Contractor to maintain compliance with the requirements set forth in the preceding Section 3.31.1 "Contractor's Warranty of Adherence to County's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Supervisors may terminate this Contract pursuant to Section 3.16 "County's Remedies for Default."

**3.31.3 Voluntary Posting of "Delinquent Parents" Poster.**

Contractor acknowledges that County places a high priority on the enforcement of child support laws and apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County District Attorney will supply Contractor with the poster to be used.

**3.32 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**3.32.1** A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

**3.32.2** The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding on County contracts for a specified period of time not to exceed three years, and terminate any or all existing contracts the Contractor may have with the County.

**3.32.3** The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a contract with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness, or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

**3.32.4** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

**3.32.5** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the

opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

**3.32.6** A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

**3.32.7** These terms shall also apply to subcontractors of County Contractors.

**3.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME TAX CREDIT.** Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the federal Earned Income Tax Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Exhibit 4).

**3.34 CONTRACTOR TO USE RECYCLED PAPER.** Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on all work performed under this Contract.

**3.35 COMPLIANCE WITH JURY SERVICE PROGRAM**

**3.35.1 Jury Service Program.** This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

**3.35.2 Written Employee Jury Service Program.**

**3.35.2.1** Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code) Contractor shall have and adhere to a written policy that provides that its employees shall

receive from the Contractor, on an annual basis, no less than five days regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employee's regular pay the fees received for jury service.

**3.35.2.2** For purposes of this section, "Contractor" means a person, partnership, corporation, or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under this Contract, the subcontractor shall also be subject to the provisions of this section. The provisions of this section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

**3.35.2.3** If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

**3.35.2.4** Contractor's violation of this Section of the Contract may constitute a material breach of

the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

### **3.36 SAFELY SURRENDERED BABY LAW.**


**3.36.1 Notice to Employees Regarding the Safely Surrendered Baby Law.** The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit 5 of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**3.36.2 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law.** The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

### **3.37 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF A CONTRACT**

Contractor shall have no claim against County for payment of money or reimbursement of any kind whatsoever for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

Hendrickson Appraisal Company, Inc., a  
California Corporation

By   
Ted G. Hendrickson, President

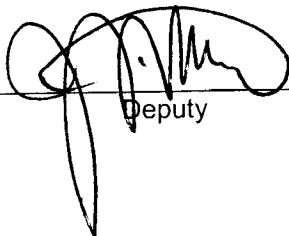
By \_\_\_\_\_  
Chair, Board of Supervisors

Violet Varona-Lukens  
Executive Officer-Clerk of  
the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

Lloyd W. Pellman  
County Counsel

By   
Deputy





form P-1

FORM P-1

### REQUEST FOR PROPOSALS FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES OFFER TO PERFORM

Proposer: Name: Hendrickson Appraisal Company, Inc.  
 Address: 10992 San Diego Mission Rd.  
Suite 203  
San Diego, California 92108  
 Phone: (619) 282-0800 Fax: (619) 282-1471

To: Stan Wisniewski, Director, Department of Beaches and Harbors

Proposer, responding to the Request for Proposals (RFP) issued by the Los Angeles County Department of Beaches and Harbors, offers to provide commercial real property appraisal services in connection with property located within the Marina del Rey Small Craft Harbor on the terms and conditions for the performance of this work that are set forth in the RFP. Such services shall be performed during a three-year term that at the option of the Director may be extended for two additional, consecutive, optional Contract years.

The rate(s) for services shall be:

Job Title:	Hourly Rate:
<u>Principal-Appraisal Work</u>	<u>One Hundred Ten</u> Dollars (\$ <u>110/hr</u> )
<u>Senior Appraisers</u>	<u>Ninety</u> Dollars (\$ <u>90/hr</u> )
<u>Principal-Expert Witness Work</u>	<u>Two Hundred Fifty</u> Dollars (\$ <u>250/hr</u> )
	Dollars (\$ _____ )

The proposal is subject to the following additional conditions:  
None

*(Conditions which reject, limit or modify required terms and conditions of the Contract may cause rejection.)*

This offer shall be irrevocable for a period of 120 days after the final date for submission.

Proposer is a(n):  individual  corporation  partnership or joint venture  
 limited liability company  other: \_\_\_\_\_

State of organization: California Principal place of business: California

Authorized agent for service of process in California:

Ted Hendrickson (same as above) (619) 282-0800  
 Name Address Phone

The Proposer represents that the person executing this offer and the following persons are individually authorized to commit the Proposer in any matter pertaining to the proposed Contract:

Ted Hendrickson (President) (619) 282-0800  
 Name Title Phone Name Title Phone

Dated: 6/30/03

Proposer's signature: Ted M. Hendrickson

Ted Hendrickson-President  
 Name Title Phone



**WORK PLAN**

1. STAFFING PLAN: Provide the requested information about appraisers, key employees and subcontractors. Attach all resumes.

Name	Relationship to Proposer	Job Title	Responsibilities
Ted Hendrickson	President	Principal Appraiser	Principal Appraiser, Contract Representative, Reviewer & Expert Witness/Arbitrator
Ed Beaver	Staff Appraiser	Senior Appraiser	Appraise complex lease properties, Assistant Contract Representative
Ismael Barajas	Staff Appraiser	Senior Appraiser	Appraise complex lease properties.
John Meyer	Staff Appraiser	Senior Appraiser	Appraise complex lease properties.
Errol Tonsky	Staff Appraiser	Senior Appraiser	Appraise complex lease properties.

2. PRINCIPAL OWNER(S) OF PROPOSER'S ORGANIZATION: Ted Hendrickson & Marijane Hendrickson

3. IDENTIFY PARTNERS/SUBCONTRACTORS:

Principal	Firm Name	Relationship to Proposer	Specialty	Address	Phone
David Yerke	Yerke Company	Sub-contractor	Appraisals	2160 Fletcher Parkway	(619) 631-1616
				Suite P, El Cajon, CA 92020	

\* Resumes of key appraisers are enclosed at the end of our response packages. A Hendrickson Appraisal Company organization chart is also enclosed later in this section.



4. LICENSES: List staff who hold licenses or registration required by California state law or relevant to performance of this work:

Name	License	License Number
Ted Hendrickson	California Certified General Appraiser	AG004974
Ed Beaver	California Certified General Appraiser	AG009555
Ismael Barajas	California Certified General Appraiser	AG18401
John Meyer	California Certified General Appraiser	AG007299
Errol Tonsky	California Certified General Appraiser	AG002077

5. STATEMENT OF APPROACH TO THE SCOPE OF WORK: (Narrative discussion follows: 5 a-i)

Please attach a complete description of the approach your firm will take with respect to the Scope of Work identified in the RFP. Address the following items:

- a. How the Proposer will perform the Contract work. A narrative discussion of the Proposer's approach to various kinds of assignments and County requirements;
- b. Proposer's ability and resources to provide the kinds of appraisal consulting services described in Attachment A, Part Two, Statement of Work;
- c. How the experience of Proposer's staff is specifically related to the services described in Attachment A, Part Two, Statement of Work;
- d. What level of staff the Proposer would assign to provide the various kinds of services listed in Attachment A, Part Two, Statement of Work;
- e. Proposer's ability to support the Department before the Board of Supervisors, Small Craft Harbor Commission, Design Control Board, Beach Commission, California Coastal Commission, and other bodies;
- f. Proposer's ability to serve as an expert witness in court and arbitration proceedings;



- g. Proposer's quality control plan describing the Proposer's procedures for ensuring compliance with the Contract terms and conditions and identifying and preventing unsatisfactory performance of the Contract work, including:
- 1) A plan for reviewing the work of Proposer and Proposer's employees and ensuring its accuracy and compliance with professional standards;
  - 2) A plan for ensuring that interim deadlines, if any, and deliver dates are met; and
  - 3) The methods for identifying and preventing unsatisfactory performance of the Contract work;
- h. Resumes of the firm principal(s), proposed Contractor's Representative (as that position is defined in Attachment A, Part Two, Statement of Work) and other key individuals on Proposer's staff, stating their professional training and specific related experience in the last five years; and
- i. Information on each person (other than clerical support) proposed to provide work on behalf of appraiser under a Contract.

Signature: *John W. Hendrickson* Date: 6/30/03

Title: President



**Item 5 (a-i)**

**STATEMENT OF APPROACH TO THE SCOPE OF WORK:**

Following is a narrative summary of Items 5 (a-i) of the Request for Proposals giving consideration to Attachment A, Part Two, Statement of Work:

**a) How the Appraiser will Perform the Contract Work:**

It is our intent to continue to perform valuation support for the Department in the professional manner that we have exhibited while completing several assignments with LAB&H's over the past 5 years of our "On Call" contract. Following is a summary of the process we will continue to use while providing valuation support:

- 1) When requested to prepare a fee and scope proposal for a given Task Order under the Master Contract, we will respond in a timely and professional manner addressing the issues anticipated in the assignment. The Principal (Contract Representative) for our company will coordinate with the Contract Administrator and Property Manager of LAB&H's staff during the proposal and appraisal process.
- 2) When retained to complete the assignment, we will discuss the details of the assignment with the appropriate LAB&H's Property Manager, review the ground lease and appropriate supporting documents, then contact the tenant and set up an appointment to inspect the property.
- 3) We will inspect the subject property with the tenant, being courteous and seeking as much information about the property and business as they are willing to share, yet without revealing confidential information from LAB&H's.
- 4) After gaining a good understanding of the subject property and the tenant's business, we will research land use information, discuss appropriate issues with planning and land use staff, and develop our opinion of Highest and Best Use with consideration of the Use clause in the ground lease.
- 5) After determining the Highest and Best Use of the property, we will then continue through the Valuation process. As part of the process we will survey several Port Districts and other agencies and private companies that manage waterfront properties to develop market data (minimum and percentage rents of various types of uses, and sales of ground leases if available) that will aid us in determining appropriate market percentage rates and values for the subject land by the Empirical Approach. Land capitalization rates will also be developed from a survey of waterfront transactions that can be applied to the fee simple value of the land to develop an opinion of the property's market rent. After analysis of market data, market minimum and percentage rents will be developed in such a fashion that they can be supported if necessary in future arbitration hearings. Land residual valuation analysis, taking in consideration the existing improvements, will also be utilized as appropriate.
- 6) After developing our opinion of fair market rent for the subject property, we will then prepare a narrative appraisal report that will support in a very detailed manner our conclusion of market rent and value. The appraisal process and report will be prepared in full compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and will be consistent with Appraisal Institute guidelines and ethics. The appraisal report, with supporting market data included in the Addendum, will then be submitted to the Department for review. We will be available, as we have



been in previous assignments, to discuss the appraisal process with LAB&H's staff and make modifications to the draft report as deemed appropriate. A Final report will be submitted in a timely manner after discussions with Department staff.

- 7) Should negotiations with the tenant break down, Ted Hendrickson, MAI will be available to serve as expert witness in an arbitration hearing. Mr. Hendrickson has extensive experience as an expert witness and arbitrator in waterfront leasehold arbitration hearings.

**b) Proposer's Ability and Resources to Provide Appraisal Services Described in RFP**

We anticipate continuing to provide a full range of appraisal and consulting services as we have over the 5 years under our current Master Contract with the Department. Our firm is large enough and our appraisers are experienced to the degree that we can continue to appraise all types of properties requested of us in a professional, timely manner. As noted in other parts of this response to the RFP, we have appraised 8 properties for the Department over the past 5 years, including appraisals of the following types of properties: hotels, motels, restaurants, offices, dry storage, boat marinas with commercial and private slip facilities, apartments, yacht clubs, and special use properties.

In addition to the professional valuation side of the company, we have a strong support team, of administrative and financial staff that works well with LAB&H's staff in processing work orders, record keeping, financial reporting, and billing for services rendered.

**c) How the Experience of the Proposer's Staff is Specifically Related to Requested Services**

As noted previously, our staff has specialized in valuation of waterfront properties for over 15 years. In addition to the several appraisals completed for LAB&H's, our firm has completed over 25 appraisals for the San Diego Port District involving commercial and waterfront marina properties similar to those described above. Additionally, we have conducted 3 benchmark valuation assignments for the San Diego Port District that established values for all properties under their jurisdiction by use and various size category. The five appraisers listed under Item 4 above have all worked on these benchmark appraisals and others over their extended career with Hendrickson Appraisal Company.

**d) Level of Staff to be Assigned to Services under this "On Call" Contract**

Each of the appraisers noted above will be assigned at various times to this contract. As noted in other parts of this response letter and in the attached resumes of the staff, each of the appraisers has a minimum of 15 years experience in commercial appraising, with the average experience level of our staff at well over 20 years.

**e) Proposer's Ability to Support the Department Before Various Governing Agencies**

Ted Hendrickson and senior appraisers within the company will be available to support valuation positions opined by staff relating to various properties appraised during the "On Call" Contract period. Staff has considerable experience in presentations before various public bodies and owners/tenants groups.



**f) Proposer's Ability to Serve as an Expert Witness in Court and Arbitration Proceedings**

Ted Hendrickson has testified numerous times in Superior and Federal court cases, most of which were for condemnation matters. Additionally, he has served numerous times as an expert witness in rental arbitration cases, the majority of which involved waterfront rent negotiation matters. Additionally, he has served as an arbitrator in private and public valuation and rent negotiation matters. Mr. Hendrickson is currently involved in 2 pending arbitration cases involving the San Diego Port District and has served as the Port's arbitrator on numerous occasions over the past 15 years. Mr. Hendrickson will be the primary expert witness for the company, though other appraisers in the firm also have expert witness experience.

**g) Proposer's Quality Control Plan**

Following is a summary of the quality control process that we have used while appraising properties for Los Angeles County Department of Beaches & Harbors over the past 5 years.

Appraisal assignments are evaluated by the principal appraiser(Contract Representative) and as applicable, certain tasks are assigned to staff appraisers. The assignments are evaluated by the complexity of the appraised property and the ability to work within the allotted time schedule.

An evaluation and distribution of each hour is projected for each segment of the assignment. These segments are usually categorized by standard tasks addressed in each appraisal assignment. Most frequently a team approach is used so that appraisers with particular skills are assigned to a specific task. This greatly enhances the ability to be efficient and cost effective.

<u>Function</u>	<u>Participants</u>
Appraisal request received & analyzed	Principal/Contract Representative
Case evaluation	Team
Time allocation	Contract Representative
Schedule milestone deadlines to meet delivery	Team
Identify team and individual assignments	Contract Representative/Team
Establish due dates	Team
Begin appraisal	Contract Representative/Assigned staff appraisers
Hold periodic conferences to discuss appraisal	Team
Submit review and drafts	Contract Representative
Finalize and submit report	Contract Representative
Audit time schedule	Contract Representative/Acctg
Schedule post-submittal meeting	Contract Representative

The experience level of our staff and the thorough "in house" review process insures top quality appraisals. All appraisals are thoroughly reviewed by the Principal (Contract Representative) of the firm. Each of our appraisers is either an MAI or advanced MAI candidate. Additionally, each of our staff appraisers is California State Certified. The average experience level of our staff is 20 years, with primary experience in commercial properties. All of our staff has experience in appraising leasehold properties.

**h)& i) Resumes of Principal/Contract Representative and Key Staff/Organizational Chart**

Hendrickson Appraisal Company, Inc. is a mid-sized appraisal firm that was incorporated in 1986 to provide professional consultation on matters relating to valuation of real estate and real property. The firm



specializes in valuation of waterfront leasehold properties and multiple parcels to be acquired under the power of eminent domain.

Ted Hendrickson, MAI, the principal valuation expert within the company and Contract Representative, has 30 years of appraisal experience, primarily oriented toward waterfront leasehold valuation and eminent domain appraising. He has extensive expert witness experience having testified many times on appraisal related matters. Staff appraisers in the company are advanced candidates for the MAI designation and are State of California Certified General appraisers. *The average experience level of the firm's appraisers is over 20 years*, with primary emphasis on appraisal of all types of commercial properties and with considerable experience in waterfront leasehold valuation and eminent domain appraising. Ed Beaver (Asst. Contract Representative), Ismael Barajas, John Meyer, and Errol Tonsky have considerable experience in leasehold analysis.

Following is an **Organization Chart**:

**President, Contract Representative**  
Ted G. Hendrickson, MAI

**Office Mgr./Researchers**

Rachel Moody  
Rachel Ernst  
Jim Parik

**Senior Appraisal Staff**

Edward A. Beaver  
Ismael Barajas  
John Meyer  
Errol Tonsky, MAI

**Financial/Accounting**

Marijane Hendrickson

**Responsibilities of Key Personnel/Qualifications of Appraisers**

**Ted G. Hendrickson, MAI**

**Primary Responsibilities:** Principal/Contract Representative, Reviewer

Responsible for coordinating all aspects of the assignments with Los Angeles County Department of Beaches and Harbors. He and the senior appraisal staff will evaluate and inspect on site the assignment, develop a preliminary valuation methodology, project an anticipated timeline for completion and develop an appropriate appraisal consultant fee. He will share this information with the County Contract Administrator and/or Property Manager. After approval to proceed from LAB&H (signed contract), he will assign each appraisal to an appropriately experienced staff appraiser, participate in the appraisal process, and review the completed appraisal. He will inspect the subject property and all comparable market data as part of the appraisal process. He will set up a pre-submittal conference with the Property Manager for LAB&H's as appropriate. He will be available throughout the appraisal process to update the Department on progress toward completion of the project in a timely, efficient manner.

**Special Qualifications of Project Manager**

Mr. Hendrickson has 30 years of experience as a real estate appraiser and consultant, primarily specializing in valuation of waterfront leasehold properties and public capital improvement projects, under the power of eminent domain. Mr. Hendrickson has been involved in appraisal, coordination and review of numerous appraisals for various agency clients for the past several years.

Mr. Hendrickson is a qualified expert witness, having given testimony in California Superior Court and in the Federal Court system. Mr. Hendrickson has also served as valuation expert and arbitrator in





arbitration hearings involving lease negotiations with various Port Districts, Cities and Counties, and for other agencies.

Mr. Hendrickson holds the highest designation in the appraisal field, the MAI designation. He is past President of the San Diego Chapter of the Appraisal Institute and has served as chairman of several appraisal committees. He is also active in the International Right of Way Association.

#### Specific Appraisal Experience

Mr. Hendrickson's appraisal experience includes valuation of fee simple and leasehold interests in the following property types: boat marinas, hotels, motels, restaurants, general commercial, retail, office, industrial, residential, multi-residential, vacant unentitled land and subdivision land with detailed highest and best use analysis, and special use properties. He has extensive experience in valuation of waterfront leasehold properties and "part take" analysis involving consideration of severance damages and benefits. In addition to experience acquired in his own independent appraisal firm, Mr. Hendrickson gained considerable eminent domain appraisal experience while working as a staff appraiser with the California Department of Transportation.

#### Edward A. Beaver

Primary Responsibilities: Assistant Contract Representative/Senior Staff Appraiser

Primary responsibility is as a Senior Staff Appraiser. The Senior Staff Appraiser is responsible for development and completion of appraisal reports. The appraiser will follow appropriate professional methodology throughout the entire appraisal process, including: identification and inspection of the subject property and its development potential, gathering and confirming appropriate comparable market data, properly analyzing relevant information, developing appropriate conclusions and presenting these conclusions in a well written and fully supportable narrative appraisal report. When completed, the report will be submitted to the Principal/Contract Representative for review and changes, including: consideration of additional market data, re-analysis of original supporting information, and appropriate changes in the narrative presentation of the report. Secondary coordination responsibility is as an Assistant Contract Representative.

#### Special Qualifications

Mr. Beaver is an advanced MAI Candidate and Certified General Appraiser with the State of California. He has nearly 20 years of experience specializing in valuation of properties to be acquired under the power of eminent domain and waterfront leasehold properties.

Additionally, he is an expert in computer analysis including regression analysis and sensitivity analysis primarily focused on residential subdivision and industrial improved properties and land.

#### Specific Experience

Mr. Beaver has appraised a variety of properties including: boat marinas, hotels, motels, restaurants, general commercial, retail, office, industrial, residential, multi-residential, vacant unentitled land and subdivision land with detailed highest and best use analysis, and special use properties. He has testified in arbitration hearings.



**Ismael (Mike) Barajas**

Primary Responsibilities: Senior Staff Appraiser

Same responsibilities as the Senior Staff Appraiser position noted above.

Special Qualifications

Mr. Barajas is an advanced MAI Candidate and Certified General Appraiser with the State of California. He has approximately 23 years of experience in the appraisal of primarily large commercial and industrial properties. He also has considerable waterfront leasehold and eminent domain appraisal experience. Mr. Barajas is bilingual. His ability to speak fluent Spanish has significantly helped in our firm's communications with Spanish speaking property owners.

Specific Experience

Mr. Barajas has appraised a variety of properties including: boat marinas, hotels, motels, restaurants, general commercial, retail, office, industrial, residential, multi-residential, vacant unentitled land and subdivision land, and special use properties.

**John Meyer**

Primary Responsibilities: Senior Staff Appraiser

Same responsibilities as the Senior Staff Appraiser position noted above.

Special Qualifications

Mr. Meyer is a MAI Candidate and Certified General Appraiser with the State of California. He has approximately 12 years of experience in appraising multi-residential, commercial, retail centers, and vacant land. He also has approximately 6 years of related real estate experience in loan underwriting and appraisal review of residential and commercial appraisals. He is also experienced in valuation of leasehold properties and parcels to be acquired under the power of eminent domain.

Specific Experience

Mr. Meyer has appraised a variety of properties including: Multi-residential, large retail centers, hotels, motels, strip commercial, restaurants, industrial warehouse and distribution centers, office buildings, vacant land, and special use properties.

**Errol B. Tonsky, MAI**

Primary Responsibilities: Senior Staff Appraiser

Same responsibilities as the Senior Staff Appraiser position noted above.



### Special Qualifications

Mr. Tonsky holds the MAI designation with the Appraisal Institute and is a Certified General Appraiser with the State of California. He has approximately 26 years of extensive experience in the appraisal of primarily commercial and industrial properties. He is also experienced in valuation of properties to be acquired under the power of eminent domain and waterfront leasehold properties.

### Specific Experience

Mr. Tonsky has appraised a variety of properties including: boat marinas, hotels, motels, restaurants, general commercial, retail, office, industrial, residential, multi-residential, vacant unentitled land and subdivision land with detailed highest and best use analysis, and special use properties.

Following Form P-3, Pages 1-3, is a discussion of Items a-i shown below:



### BUSINESS AND FINANCIAL SUMMARY

Provide a summary of relevant background information demonstrating the capacity and experience to perform the required Contract work, including such information as:

- a. Identifying previous assignments which are similar in scope and purpose to the appraisal and expert witness services that will be required under the Contract. Identify court proceedings or arbitrations as an expert witness on real estate valuations and ground rent percentage rental rates. Identify appraisal assignments which required explanation of the appraisal before public or private meetings. Identify areas of expertise such as waterfront development, apartment complexes, office buildings, hotel/motel, marinas, restaurants, yacht clubs, shopping centers, etc.
- b. Summarizing the Proposer's academic background, appraisal training, professional affiliations, and designations (i.e., MAI, SREA, SRPA, etc.), and work history.
- c. Providing the number of the Proposer's Certified Real Estate Appraisal License issued to the Proposer by the California Office of Real Estate Appraisers.
- d. Summarizing Proposer's professional experience, prior testimony and training relevant to qualifications as an expert witness.
- e. Submitting five copies (black and white reproductions are acceptable) of a recent appraisal report regarding a ground lease and percentage rental rates that is representative of the Proposer's work product as it relates to the scope and purpose of this RFP.
- f. Providing a description of size and organizational structure.
- g. Providing references from at least five contracts currently being performed or which have been completed in the last three years. At least five years experience in the field must be demonstrated. References from jobs most similar to the scope of the Contract work will be given the most weight. Furnish the following information for each reference:
  - Date contract or service began and ended;
  - Name, address and the telephone number of client; and
  - Description of services provided.



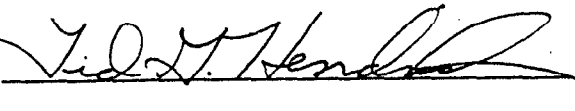
Start of Contract	End of Contract	Name of client	Address of client	Contact person	Phone number	Description of Services
1997	Current	L.A. County Department of Beaches & Harbors	13837 Fiji Way Marina Del Rey, CA 90992	Steve Penn	(310) 577-7960	"On call" appraisal and expert witness services
1991	Current	California Department of Transportation	2829 Juan Street San Diego, CA 92110	Dave Johnson Cheryl Revelle	(619) 688-6944 (619) 591-4228	"On call" appraisal and expert witness services
1993	Current	San Diego Association of Govts (SANDAG)	401 B Street, Suite 800 San Diego, CA 92101	Eric Pahlke	(619) 595-5300	"On call" appraisal and expert witness services
1988	Current	San Diego Unified Port District	3165 Pacific Highway San Diego, CA 92112	Joe Payne	(619) 725-6095	Appraisal and expert witness/arbitration services
1993	Current	Centre City Dev. Corporation (CCDC)	225 Broadway, Suite 1100 San Diego, CA 922101-5047	David Allsbrook	(619) 235-2200	Appraisal and expert witness services
1996	Current	Metropolitan Transit Development Bd. (MTDB)	3355 Mission Ave, Suite 222 Oceanside, CA 92054	Jane Wiggans	(760) 721-1776	Appraisal and expert witness services
1994	Current	City of San Diego	1200 3 <sup>rd</sup> Ave, Suite 1700 San Diego, CA 92101	Luey Galvin	(619) 236-6020	Appraisal and expert witness/arbitration services
1990	Current	Detisch Law Firm (CCDC)	444 West C Street, Suite 200 San Diego, CA 92101	Don Detisch	(619) 515-1140	Appraisal and expert witness/arbitration services

h. Provide a minimum of three (3) credit or financial references, giving names, addresses and telephone numbers.

Name	Address	Business relationship	Contact person	Phone number
Washington Mutual	10505 Tierrasanta Blvd San Diego, CA 92124	Business checking and savings	Chris Brahney	(858) 560-7202
1st National Bank	401 W. "A" Street San Diego, CA 92101-7915	Business checking	Ann Brewer	(619) 338-1445
American Express Corporation	Box 0001 Los Angeles, CA 90096-0001	Business credit card	N/A	N/A



- i. Provide a letter of commitment, binder or certificate of current insurance coverage from an insurance company setting forth coverage meeting the limits and other requirements ( Attachment A, Part Three, Standard Contract Terms and Conditions, Section 3.9).
- j. State whether the Proposer, any staff member, or Subcontractor named in the Proposer's work plan has been the subject of a disciplinary action by the Appraiser's Institute or any other appraisal organization or the California Office of Real Estate Appraisers, and briefly state the nature of the complaint or violation and the results of the disciplinary proceeding.
- k. Attach copies of financial statements (balance sheet and income statements) for the last full fiscal year and any partial year through at least December 31, 2002. Financial statements shall be prepared according to generally accepted accounting principles. Balance sheet shall show assets, liabilities, and net worth. Income statements shall identify operating expenses such as insurance, payroll, employee benefits, and payroll taxes. Reviewed and audited financial statements shall be given greater weight than compiled statements.
- l. Attach additional information, if necessary.

Signature: 

Date: 6/30/03

Title: President



Following is a narrative summary of Items a-1 referenced on Form P-3, pages 1-3 of the Request for Proposals

**a) Summary of Related Appraisal and Expert Witness Projects and Experience**

Over the past 5 years, we have completed 8 appraisals and provided additional consulting on other parcels for the Department in support of the County's leasehold rent adjustment process. Included in these assignments were appraisals of the following types of properties: boat marinas, hotels, apartments, offices, restaurants, boat yards, yacht clubs and special service properties.

In addition to the experience gained in appraising several Marina Del Rey waterfront properties, we have also appraised over 25 leasehold properties for the San Diego Unified Port District. *In addition to providing appraisal and consulting services to the San Diego Port District, we have provided expert witness testimony in arbitration hearings, as well as serving as arbitrator in several recent rent arbitration matters. Ted Hendrickson, MAI is currently involved in 2 pending arbitration cases with the San Diego Port District.*

Similar valuation consulting and arbitration/litigation support has been provided by our firm to several other agency clients including: CalTrans, SANDAG, Centre City Development Corporation (CCDC), various cities and counties within Southern California, Department of Justice, Army Corps of Engineers, Metropolitan Transit Development Board (MTDB), and various water districts. Our firm has been providing these services since 1984 to private and public clients.

Following is a summary of valuation, consulting and expert witness services rendered to clients with similar valuation issues and litigation considerations as the Department:

**Client:** LA Beaches and Harbors  
**Contact** Steve Penn (310) 577-7960  
Bob Nickens (310) 305-9566

**8 Leasehold Waterfront Properties Appraised for the Department during our Current Contract**

The following properties were appraised by our firm for pending rental adjustment and renegotiation of the ground lease:

Marina West  
UCLA Boathouse  
Loyola Boathouse  
Scout Sea Base  
Marina International Hotel  
Marina Bay Apartments and Marina  
Fisherman's Village  
Marina City Club

The uses included in these properties were: private and commercial boat marinas, hotels, motels, apartments, restaurants, yacht club oriented uses, commercial and offices. Fisherman's Village is a specialty center that includes several restaurants and retail shops as well as boat rentals and commercial fishing facilities; Mariner's Bay Apartments is a large apartment complex with a boat marina for residents and others; Marina West Center is multi-use retail, office center with restaurant; UCLA Boathouse, Loyola



Boathouse, and Scout Sea Base are water oriented properties used for crew purposes and special community use, the International Hotel is a hotel facility with supporting restaurant facilities, and other waterfront properties. All of these appraisals were completed to establish fair market ground rent for new option periods. Each was completed to aid negotiations with the tenant.

Surveys of minimum rents, percentage lease rates, ground lease sales, fee simple land sales and ground lease capitalization rates were conducted, with sources contacted extending along the entire west coast waterfront. Detailed analysis was conducted and conclusions of minimum rent, percentage rent, and ground rent were developed with consideration given to the lease constraints and existing uses on the properties. Though we have not testified in arbitration hearings yet on these matters, we have consulted with LAB&H property management staff and outside legal counsel on several of this assignments, preparing for eventual testimony.

**Client:** SD Unified Port District  
**Contact:** Joe Payne (619) 725-6095

25 Leasehold Waterfront Properties located within San Diego Bay, San Diego

As noted previously, our firm has appraised over 25 waterfront leasehold properties for the San Diego Port District over the past 15 years. *Listed below are properties that have either gone into arbitration or litigation (court action) or are pending arbitration action. Ted Hendrickson has either testified at arbitration hearings as an expert witness or acted as an arbitrator in these rent adjustment matters.*

Sunroad Marina and supporting commercial facilities  
Shelter Island Yacht Club  
Swath Industries  
General Dynamics  
Valle Dorado  
South Bay Boatyard  
Shelter Island Boatyard  
Shelter Cove Marina and supporting commercial facilities  
Dixieline Lumber  
Posada Inn Hotel,  
Chula Vista Marina and supporting commercial facilities

All of these appraisals were completed to establish fair market ground rent for new option periods. During the appraisal process and prior to negotiation and ultimate arbitration, surveys of minimum rents, percentage lease rates, ground lease sales, fee simple land sales and ground lease capitalization rates were conducted with all west coast Ports and other sources. Detailed analysis was conducted and conclusions of minimum rent, percentage rent, and ground rent were developed with consideration given to the lease constraints and existing uses on the properties.

Each appraisal was completed to aid negotiations with the tenant. However, the parties were unable to agree to a new option period rent, therefore arbitration procedures were initiated. Expert testimony, consultation and arbitration services were provided in all cases. Our firm is very familiar with Port of San Diego properties and the valuation and arbitration process.





**Client:** **California Department of Transportation**  
**Contact:** David Johnson (619) 688-6944  
**Contact:** Cheryl Revelle (619) 591-4228

Our firm has appraised over 300 properties for CalTrans over the past 10 years. We are one of a few appraisal companies that provide appraisal services to CalTrans on an "On Call" basis. These appraisals have been completed for acquisition purposes in compliance with California Eminent Domain Law. The properties appraised include single and multi-family residential, commercial retail, office, industrial, special use, large vacant land holdings, and many other property types. Many of these appraisals were "part take" appraisals requiring valuation of the part taken, damages and benefits. Please contact David Johnson at CalTrans for further details on the specific appraisals completed by our firm.

**San Diego Association of Governments (SANDAG)**

**Contact:** Eric Pahlke (Manager - Highway Project Division)  
**Telephone No.:** (619) 595-5300

The property types appraised and the appraisal process completed was similar to that described above relating to CalTrans. These appraisals were completed on an "On Call" basis as part of the Transnet Highway Program. We are working on several appraisals for SANDAG currently. Appraisals completed for them were tied to the following freeway routes: Routes 125, 52, 54, 76, 78, and major traffic corridors. All of these appraisals were completed potential under the power of eminent domain.

**Centre City Development Corporation (CCDC)**

**Contact:** David Allsbrook  
**Telephone No.:** (619) 533-7112

Our firm has completed several appraisals for CCDC in conjunction with the new San Diego Padre ballpark. One of the projects (12<sup>th</sup> & Market) involved appraisal of 7 properties within one key block that was being acquired for future development with condominiums. All of these appraisals were completed for acquisition purposes under the power of eminent domain. *Several of the parcels in this assignment are in condemnation and expert testimony has been given on three of them recently. Additionally, expert testimony is scheduled on others.*

**City of San Diego**

**Contact:** Lucy Galvin  
**Telephone No.:** (619) 236-6020

Our firm has completed several appraisals for the City of San Diego, particularly over the past 5 years. A project we recently completed for them was an appraisal of 15 large vacant land holdings along the Route 56 proposed freeway corridor. These appraisals involved complex highest and best use issues. Additionally, these were part take appraisals involving valuation of the part acquired, damages, and benefits. All of these appraisals were completed for acquisition purposes under the power of eminent domain. *Several of the parcels in this assignment are in condemnation and expert testimony is scheduled.*



**Army Corps of Engineers/Dept of Justice**

Contact: Kelly Alcorn  
Telephone No.: (505) 342-3229

Our firm has completed several appraisals for ACOE and DOJ primarily involving properties located along the border with Mexico in the Otay Mesa Area. These appraisals were completed to facilitate acquisition of these properties for the International Border Fence Project. Several of these acquisitions are moving toward court proceedings under the power of eminent domain.

In addition to the appraisals completed for these agencies, there are several other agency clients not referenced above. Please refer to the list of references on the following pages for other agencies that we have worked with recently. Please feel free to contact any person noted in order to gain a greater confidence level with the quality and integrity of our work product.

**b) Proposer's Academic Background, Appraisal Training Professional Affiliations**

The Contract Representative and all staff appraisers have undergraduate and graduate degrees from universities, extensive appraisal training through the Appraisal Institute and practical experience, and each is a member or candidate with the Appraisal Institute. Please refer to the resumes included in the Addendum of this proposal for details relating to each appraisers educational background, qualifications, and affiliations.

**c) Provide the Number of Appraiser's Certified Real Estate Licenses**

Please refer LAB&H's form P-2, page 2 for a listing of staff appraiser's license numbers

**d) Summerrize Proposer's Professional Experience and Expert Testimony Background**

The Contract Representative, Ted Hendrickson, has 30 years of experience as a real estate appraiser and consultant, primarily specializing in valuation of waterfront leasehold properties and public capital improvement projects, under the power of eminent domain. Mr. Hendrickson has been involved in appraisal, coordination and review of numerous appraisals for various agency clients for the past several years.

Mr. Hendrickson is a qualified expert witness, having given testimony in California Superior Court and in the Federal Court system. Mr. Hendrickson has also served as valuation expert and arbitrator in arbitration hearings involving lease negotiations with various Port Districts, Cities and Counties, and for other agencies.

Mr. Hendrickson holds the highest designation in the appraisal field, the MAI designation. He is past President of the San Diego Chapter of the Appraisal Institute and has served as chairman of several appraisal committees. He is also active in the International Right of Way Association.

Please refer to Item (a) above within this section of our proposal, for reference to several projects in which Mr. Hendrickson provided expert witness testimony in arbitration hearings or in litigation/condemnation proceedings. Mr. Hendrickson has testified over 25 times for various purposes and in various venues.



**e) Sample Appraisal**

Included with this proposal are 5 copies of a recent appraisal completed for the San Diego Port District. The property appraised was Shelter Cove Marina within San Diego Bay. The valuation included analysis of minimum and percentage rates, and analysis of the value of the site. Uses within the property included: boat slips and storage, dock storage, charter boat facilities, offices, and supporting commercial.

We have appraised 8 waterfront properties for LAB&H's and could have submitted one of those appraisals, but Department staff already has those appraisals on file for review so we included this appraisal from the San Diego Port District as a sample.

**f) Description of Size and Organizational Structure**

Hendrickson Appraisal Company is a mid-sized appraisal firm with 5 commercial appraisers, 2 researchers, and support staff. Please refer to the Organization Chart below:

President, Project Contractor Representative  
Ted G. Hendrickson, MAI

Office Mgr./Researchers  
Rachel Moody  
Rachel Ernst  
Jim Parik

Senior Appraisal Staff  
Edward A. Beaver  
Ismael Barajas  
John Meyer  
Errol Tonsky, MAI

Financial/Accounting  
Marijane Hendrickson

The company size and experience level of the staff enables us to effectively provide professional appraisal service to several large agency clients similar to Los Angeles Beaches and Harbors.

**g) References from at Least Five Contracts Currently Being Performed**

Please refer to LAB&H's form P-3, page 2 for a listing of 8 agency clients that we have either an "On Call" or continuing appraisal services relationship with. Please feel free to contact any of the client project managers on the list to gain a confidence level with our firm's quality, experience and integrity. The services being rendered to these clients are very similar to those needed by LAB&H's in management of waterfront properties.

Over 90% of our work load is with Agency clients similar to LAB&H's. A very minor portion of our services are provided to private clients, though we do provide arbitration and litigation support to private clients on a sporadic basis. The revised P-3 form (received at the same time we were finalizing this proposal - July 1<sup>st</sup>) asks for a breakout of private and Agency clients. In our case the Agency clients listed in detail on Form P-3, page 2, represent our client base and have the most similar needs as LAB&H's. Please reference the list of our Private Corporation and Law Firm clients included in the Addendum of the Proposals.

**h) Provide Three Credit References**

Please refer Item H on P-3, page 2.



i) Since we have a current contract with the LAB&H's, all insurance requirements have been met. The Department has all the Insurance Certificates required under our current contract.

**j) Disciplinary Action by the Appraisal Institute or OREA**

No appraisers on staff have ever received disciplinary action by either organization.

**k) Financial Statements**

Balance Sheets and Profit and Loss Statements for the previous Fiscal Year and the current Fiscal Year to Date are included in this proposal package.

**l) Additional Information and Comments**

The strengths of our firm are: quality, experience, integrity, creativity, size of our appraisal firm, communication (with tenant and department) and discipline to perform in a timely manner. Open communication with the Department of Beaches and Harbors staff, tenants, and others involved in the rental negotiation and arbitration process is of prime importance into our firm. Waterfront leasehold valuation is one of our firm's key specialties and we look forward to continuing to use our experience in this unique property type to serve the Department in the future



REQUEST FOR PROPOSALS -- PROPOSER'S CERTIFICATION

On behalf of Proposer Hendrickson Appraisal Company, Inc., the undersigned certifies, declares and agrees as follows:

- 1. **Absence of Any Conflict of Interest.** The Proposer is aware of the provisions of Section 2.180.010 of the Los Angeles County Code and certifies that neither Proposer nor its officers, principals, partners or major shareholders are employees of either the County or another public agency for which the Board of Supervisors is the governing body or a former employee who participated in any way in the development of the Contract or its service specifications within 12 months of the submission of this Proposal.
- 2. **Independent Price Determination.** The Proposer certifies that the prices quoted in its Proposal were arrived at independently, without consultation, communication, or agreement with any other Proposer for the purpose of restricting competition.
- 3. **Compliance with County Lobbyist Ordinance.** The Proposer is familiar with the requirements of Chapter 2.160 of the Los Angeles County Code. All persons acting on Proposer's behalf have complied with its provisions and will continue to do so pending and subsequent to the award of the Contract by the Board of Supervisors.
- 4. **Antidiscrimination.**

(a) In accordance with Section 4.32.010.A of the Los Angeles County Code, all persons employed by the Proposer, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States and the State of California. The following policies and procedures shall be in force and effect over the Contract term: (1) a written policy statement prohibiting discrimination in all phases of employment; (2) periodic self-analysis or utilization analysis of Proposer's work force; (3) a system for determining if Proposer's employment practices are discriminatory against protected groups; and (4) where problem areas are identified in employment practices, a system for taking reasonable corrective action to include establishment of goals or timetables;

OR:

(b) Proposer is exempt from the provisions of Section 4.32.010 because the Contract is for the performance of professional, scientific, expert or technical services of a temporary and occasional character involving only a single individual or an individual or a firm employing less than 10 persons in connection with the performance of such Contract.

- 5. **Consideration of GAIN/GROW Participants for Employment.** As a threshold requirement for consideration for Contract award, Proposer shall demonstrate a proven record of hiring GAIN/GROW participants or shall attest to a willingness to consider GAIN/GROW participants for any future employment opening. Additionally, Proposer shall attest to a willingness to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available, to assist these individuals in obtaining permanent employment and promotional opportunities.

Proposer has a proven record of hiring GAIN/GROW participants (subject to verification; attach proof);

OR:

Proposer is willing to consider GAIN/GROW participants for any future employment opening and to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available.

On behalf of Proposer, I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

Ted Hendrickson

Name

President

Title

Signature

6/30/03

Date



County of Los Angeles - Community Business Enterprise Program (CBE)

Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form

INSTRUCTIONS: All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:

FIRMNAME: Hendrickson Appraisal Company

- I AM NOT [ ] A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bid submission.
I AM [ ]
As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number:

II. FIRM/ORGANIZATION INFORMATION: The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure: Sole Proprietorship Partnership Corporation Non-Profit Franchise Other (Please Specify)
Total Number of Employees (including owners): 8
Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:
Table with columns: Race/Ethnic Composition, Owners/Partners/Associate Partners (Male/Female), Managers (Male/Female), Staff (Male/Female)

III. PERCENTAGE OF OWNERSHIP IN FIRM: Please indicate by percentage (%) how ownership of the firm is distributed.

Table with columns: Race/Ethnicity (Black/African American, Hispanic/Latino, Asian or Pacific Islander, American Indian, Filipino, White) and rows: Men, Women

IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES: If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)

Table with columns: Agency Name, Minority, Women, Disadvantaged, Disabled Veteran, Expiration Date

V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorizer's Name: Ted Hendrickson
Authorized Signature: [Signature]
Title: President
Date: 6/30/03



**CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION**

Los Angeles County Code Chapter 2.200 establishes the Los Angeles County Child Support Compliance Program. This Program requires the County to provide certain information to the Child Support Services Department (CSSD) concerning its employees and business licensees. It further requires that bidders or proposers for County contracts submit certifications of Program compliance to the soliciting County department along with their bids or proposals. (In an emergency procurement, as determined by the soliciting County department, these certifications may be provided immediately following the procurement).

IN ORDER TO COMPLY WITH THIS REQUIREMENT, COMPLETE THIS FORM AND SUBMIT IT DIRECTLY TO THE SOLICITING COUNTY DEPARTMENT ALONG WITH YOUR BID OR PROPOSAL. IN ADDITION, PROVIDE A COPY TO THE CSSD AT THE ADDRESS OR FAX NUMBER SHOWN BELOW. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

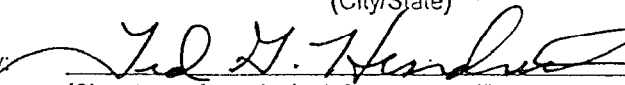
I, (print name) Ted Hendrickson hereby submit this certification to the (County department) Department of Beaches & Harbors, pursuant to the provisions of County Code Section 2.200.060 and hereby certify that (contractor or association name as shown in bid or proposal), Hendrickson Appraisal Company, Inc., an independently owned or franchiser-owned business (circle one), located at (contractor, or, if an association, associated member address) 10992 San Diego Mission Rd., Suite 203, San Diego, CA 92108 is in compliance with Los Angeles County's Child Support Compliance Program and has met the following requirements:

- 1) Submitted a completed Principal Owner Information Form to the Child Support Services Department;
- 2) Fully complied with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and/or California Unemployment Insurance Code Section 1088.5, and will continue to comply with such reporting requirements;
- 3) Fully complied with all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b) or pursuant to applicable provisions of the Uniform Interstate Family Support Act, and will continue to comply with such Orders or Notices.

*I declare under penalty of perjury that the foregoing is true and correct.*

Executed this 30th day of June (Month and Year)

at: San Diego, California (619) 282-0800  
(City/State) (Telephone No.)

by:   
(Signature of a Principal Owner, an officer, or manager responsible for submission of the Proposal to the County.)

Copy to: Child Support Services Department  
Special Projects  
P.O. Box 911009  
Los Angeles, CA 90091-1009  
FAX: (323) 869-0634

Telephone: (323) 832 7277 or (323) 832-7276



COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
CERTIFICATION FORM AND APPLICATION FOR EXCEPTION

The County's solicitation for this Request for Proposals is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All proposers, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Bidder is excepted from the Program.

Company Name: Hendrickson Appraisal Company, Inc.		
Company Address: 10992 San Diego Mission Road, Suite 203		
City: San Diego	State: California	Zip Code: 92108
Telephone Number: (619) 282-0800		
Solicitation For (Type of Services): Appraisal Services		

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business

- My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II: Certification of Compliance

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name: Ted Hendrickson	Title: President
Signature: 	Date: 6/30/03





### PROFESSIONAL APPRAISAL REFERENCES

Following is a list of appraisal references. Each of these individuals is aware of the quality of our work product and our standing within the appraisal community. Please feel free to contact any of these individuals in order to assess the quality and integrity of our work product.

Dave Johnson, MAI  
Supervising Appraiser  
Dept. of Transportation  
2829 Juan Street  
San Diego, CA 92110  
(619) 688-6944

David Allsbrook  
Director of Acquisitions  
Center City Development Corp.  
225 Broadway, Suite 1100  
San Diego, CA 92101-5047  
(619) 235-2200

Eric Pahlke  
Manager Hwy Engineering Project Dev.  
San Diego Assoc. of Governments  
410 B Street, Suite 800  
San Diego, CA 92101  
(619) 595-5300

Kelly Acorn, Todd Roddy  
Appraiser/ Attorney  
U.S. Army Corps of Engineers  
4101 Jefferson Plaza, NE  
Albuquerque, NM 87109-3435  
(505) 342-3223

Chuck Campbell  
Attorney at Law  
Sonnenschein, Nath, and Rosenthal  
685 Market Street, 6<sup>th</sup> Floor  
San Francisco, CA 94105  
(415) 882-5000

Leslie Fitzgerald, Les Gerard  
Chief Deputy City Attorney  
City of San Diego  
202 "C" Street  
San Diego, CA 92101-3863  
(619) 533-5800

Arthur Fuller  
US Army Corps of Engineers  
Real Estate Division/Appraisal Branch  
P.O. Box 532711  
Los Angeles, CA 90053-2325  
(213) 452-3133

Jane Wiggins  
Real Property Manager  
Wiggins & Willett, Inc.  
Metropolitan Transit District Board (MTDB),  
3355 Mission Avenue, Suite 222  
Oceanside, CA 92054  
(760) 721-1776

Lucy Galvin  
Supervising Property Agent/Valuations  
City of San Diego  
1200 Third Avenue, Suite 1700  
San Diego, CA 92101  
(619) 236-6020

Donald Detisch  
Attorney at Law  
Detisch & Christensen  
444 West C Street, Suite 200  
San Diego, CA 92101  
(619) 515-1140

Gary Page  
Supervisor Real Property Department  
Department of Public Works  
555 Overland Avenue  
San Diego, CA 92123-1295  
(858) 495-5813

Joe Payne/Tom Morgan  
Real Property Dept. Managers  
S.D. Unified Port District  
3165 Pacific Highway  
San Diego, CA 92112  
(619) 725-6095

Paul Desrochers  
Executive Director  
Community Development Commission  
140 E. 12<sup>th</sup> Street, Suite B  
National City, CA 91950-3312  
(619) 336-4250

Tony Mahavior  
Attorney at Law  
Duckor, Spradling, and Metzger  
401 West A Street, Suite 2400  
San Diego, CA 92101  
(619) 231-3666



## GOVERNMENT AGENCIES

California Dept. of Transportation  
Cathedral City Redevelopment Agency  
Centre City Development Corp. (CCDC)  
City of Carlsbad  
City of El Cajon  
City of Encinitas  
City of Escondido  
City of Indio  
City of National City  
City of Oceanside  
City of Palm Desert  
City of Poway  
City of Rancho Mirage  
City of San Diego  
City of San Marcos  
City of Santee  
City of Temecula  
City of Vista  
County of Riverside  
County of San Diego  
County of Los Angeles  
Department of the Navy  
Department of Fish and Game

Gillespie Field Airport  
F.D.I.C.  
Immigration and Naturalization Service  
Internal Revenue Service  
L.A. County Beaches & Harbors  
Metropolitan Transit District Board (MTDB)  
Montgomery Field Airport  
National City Comm. Devel. Comm. (CDC)  
Otay Water District  
Palomar Airport  
Riverside County Transportation Comm.  
San Diego Community College District  
San Diego Unified Port District  
San Diego Assoc. of Governments (SANDAG)  
San Diego Unified School District  
Southeast Econ. Development Corp. (SEDC)  
U.S. Army Corp. of Engineers (Los Angeles/  
Sacramento/Albuquerque)  
U.S. Department of Interior  
U.S. Department of Justice  
U.S. Marshall  
Wildlife Conservation Board

## LAW FIRMS

Asaro, Keagy, Freeland & McKinley  
Adams, Duque and Hazeltine  
Best, Best and Krieger  
Borton, Petrini, & Conron  
Brobeck, Phleger and Harrison  
Circuit, McKellogg, Kinney and Ross  
Daley and Heft  
Detisch and Christensen  
Duke, Gerstel, Shearer and Bregante  
Duckor, Spradling and Metzger  
Gray, Cary, Ware, and Freiderich  
Harris & Reedhead  
Higgs, Fletcher and Mack  
Hilding, Kipnis, Lyon, and Kelly  
Hillyer and Irwin  
Hovey, Kirby and Thornton  
Hyde and Waters  
Luce, Forward, Hamilton and Scripps  
McDougal, Love, Eckis, and Grindle  
McInnis, Fitzgerald, Rees, and Sharkey  
Mower, Koeller and Nebeker  
Nevenszehl, Cohn, Davies, and Leff  
Post, Kirby, Noonan and Sweat

Robins and Keehn  
Sandler and Rosen  
Schall, Boudreau and Gore  
Sonnenchein, Nath and Rosenthal  
Stephenson, Worley, Garrat, Schwartz, Heidel, and  
Prairie  
Thorsnes, Bartolotta, McGuire, and Padilla  
Tuttle and Taylor  
Weeks, Rathbone, Robertson and Johnson



## PRIVATE CORPORATIONS

Aetna Life Insurance Company  
Allstate Life Insurance Company  
American Express  
American General Life Company  
AMRESKO  
Apollo Produce Company  
Artemis Capital Group  
Bank of California  
Bank of America  
Bank One  
Boston Capital  
Boyle Engineering  
Burnham Pacific  
Cal Federal Bank  
Cal Pacific Homes  
Calif. Transportation Ventures (CTV)  
Center Stone Capital Group  
Chase Manhattan Bank  
Chevron USA  
Chiquita Banana Frupac  
City Corp. Bank  
City National Bank  
Coast Fed Bank  
Coldwell Banker  
Collins Development  
Cuyamaca Bank  
Donald Bren Company  
Eckel Development  
Emerson International  
Equitable Life Insurance Company  
Equitable Real Estate  
FCI Constructors  
Federal Express  
Fieldstone Development  
First Interstate Bank  
First Interstate Mortgage  
First National Bank  
Fresh Express International  
G.E. Capital  
General Electric Mortgage  
General Motors  
Glendale Federal Bank  
GMAC Commercial Mortgage  
Guarantee Federal  
Goldman Sachs & Company  
Home Investment and Loan  
Imperial Bank Mutual Insurance  
J.P. Morgan  
John Hancock  
La Salle Bank  
Keith Companies  
Main America Capital  
Massachusetts Mutual Life  
McMillin Communities  
Metropolitan Life Insurance Company  
Midas International  
Nationwide Mutual Insurance  
Nations Bank  
Nations Financial  
Pacific Bell  
Pacific Mutual Life Company  
Pacific Southwest Mortgage  
Pacific Homes  
Pathfinder Mortgage  
Peninsula Bank  
Prebys Development  
Prudential Insurance  
RBF & Associates  
Safeco Insurance of America  
Safeway  
Scripps Bank  
SDG&E  
Sempra Energy  
Sickles Development  
Southern California Housing  
Southern California Bank  
Steres, Alpert and Carne  
Sumitomo Metal Mining  
Sun America  
Sunroad Enterprises  
Texaco  
Tokai Bank  
Union Bank  
Von's Companies  
Washington Mutual Bank  
Western Bank  
Wells Fargo Bank  
Western Pacific Housing



**QUALIFICATIONS**  
**TED G. HENDRICKSON, MAI**

**APPRAISAL EXPERIENCE:**

- 1986-Present     *Hendrickson Appraisal Company, Inc.*  
President; Real estate appraiser, reviewer, consultant, analyst, and expert witness  
Full range of Appraisal/Consulting services, including mediation and arbitration services  
Right of Way Eminent Domain Valuation Specialist
- 1984-1986     *Independent Appraiser* specializing in appraisal and feasibility analysis of commercial, industrial, offices, multi-phased subdivisions and income properties.
- 1973-1983     *Home Federal Savings and Loan Association:*  
1973-1979 - *Appraiser Analyst* specializing in appraisals of subdivisions, commercial, retail centers, office and industrial properties.  
1979-1983 - *Appraisal Dept. Manager, Vice President.* Responsible for reviewing and appraising commercial, residential, and industrial properties.
- 1970-1973     *California Department of Transportation.* Staff appraiser specializing in valuation of residential and commercial properties for right of way eminent domain purposes.

**EDUCATION:** Undergraduate and post graduate professional studies

*California State University, Northridge* - B.S. degree in Real Estate Finance

**Appraisal Institute Courses and Seminars:** (Courses taken at various universities throughout the U.S.)

- |  |   |
|--|---|
| • Industrial Appraising                | • Valuation of Easements                        |
| • Appraisal of Income Properties       | • Impact of Hazardous Substances on Real Estate |
| • Investment Analysis                  | • Highest and Best Use Analysis                 |
| • Capitalization Theory                | • Market Land Use Analysis                      |
| • Litigation Testimony                 | • Financial Forecasting                         |
| • Skills of Expert Testimony           | • Environmental and Biological Issues           |
| • Real Estate Risk and Analysis        | • Cost Analysis                                 |
| • Discounted Cash Flow Analysis        | • Master Planned Communities/Land Planning      |
| • Valuation of Partial Interests       | • Mitigation Land Analysis                      |
| • Subdivision Analysis and Feasibility | • Cash Equivalency                              |
| • Analysis of Money Market Rates       | • Valuation of Lease Interests                  |
| • Standards of Professional Practice   | • Eminent Domain Law                            |

*University of Southern California* (Graduate School of Business)  
*University of Washington* (Graduate School of Business)

**PROFESSIONAL:** Membership and Service

*MAI Designation* (#6603) with the Appraisal Institute  
*California Certified General Appraiser* (AG004974)  
*California Real Estate Broker's License* (#530471)  
*Member of the San Diego Board of Realtors* (#7407)  
*Member of the International Right of Way Association* (#1148112)  
*Member of the Professional Ethics, Review and Counseling Committee* of the Appraisal Institute  
*Chairman* of several Appraisal Institute committees  
*Past President* of the San Diego Chapter of the Appraisal Institute

**COURT EXPERIENCE:** *Qualified Expert Witness*

Testified in California State Superior Court and U.S. Federal Court  
Testified in Arbitration and Mediation Proceedings - government agencies and private corporations



## QUALIFICATIONS

**EDWARD A. BEAVER**

### **APPRAISAL EXPERIENCE:**

1987-Present Associate Appraiser, Hendrickson Appraisal Company, Inc.

Residential: Appraisal of all types of residential properties ranging from senior citizen condominiums to large custom estate properties, both existing and proposed. Appraisal of all types of residential properties for public acquisition under eminent domain law including full and partial fee acquisitions, permanent and temporary easement acquisitions and analysis of just compensation for severance damages and benefits.

Income property: Appraisal of large residential income properties, multi-phased planned industrial park properties, vacant land intended for multi-unit residential properties, improved industrial properties, commercial/retail properties, proposed residential subdivision properties and appraisal of leasehold interests. Appraisal of complex commercial and residential income properties for public acquisition under eminent domain law including full and partial fee acquisitions, permanent and temporary easement acquisitions and analysis of just compensation for severance damages and benefits.

Experience includes giving sworn testimony during arbitration proceedings.

### **PROFESSIONAL:**

Advanced Candidate for MAI membership in the Appraisal Institute.  
State of California Certified General Appraiser #AG009555.

### **EDUCATION:**

Elmhurst College, Elmhurst, Illinois B.S. degree in Mathematics.

National University, San Diego, California MBA degree with emphasis in Computer Management.

#### Appraisal Institute Courses/Seminars:

Basic Valuation Procedures	Standards of Professional Practice A
Standards of Professional Practice B	Capitalization Theory and Techniques A
Capitalization Theory and Techniques B	Case Studies in Real Estate Valuation
Appraising from Blueprints and Specs	Planning and Land Use Analysis
Apartment Valuations	Appraisal Regulations of Federal Banking Agencies
OREA Laws and Regulations	Applying Economic Forecasts
Environmental Risk and Analysis	Property Profile of Operating Expenses
Master Planned Communities	Easement Valuation
Expert Witness Testimony	Leasehold Analysis
Eminent Domain Law	Litigation Valuation



## QUALIFICATIONS

MIKE BARAJAS

### **APPRAISAL EXPERIENCE:**

- 1990-Present            Hendrickson Appraisal Company, Inc.  
Associate; Real estate appraiser, consultant, and analyst  
providing a full range of Appraisal/Consulting services.
- 1987-1990              San Diego Community College District  
Instructor, Principles of Real Estate Appraisal
- 1985-1990              Great American Appraisal Services:  
Senior Commercial Appraiser specializing in appraisal of subdivisions, office,  
commercial, apartment projects, and industrial properties.
- 1977-1985              Home Federal Savings and Loan Association:  
1983-1985 - Senior Appraiser specializing in appraisals of subdivisions, commercial,  
office, apartment projects, and industrial properties.  
1977-1983 - Residential Appraiser specializing in appraisals of residential properties, 1  
to 4 units, and apartment projects, 5 units and above.

**EDUCATION:** Undergraduate and post graduate professional studies  
National University, San Diego: Bachelors Degree - Business Administration - 1982

#### Appraisal Institute (formerly-American Institute of Real Estate Appraisers):

Standards of Professional Practice - Parts A and B  
Course 1A-1/8-1; Real Estate Appraisal Principles  
Course 1A-2; Basic Valuation Procedures  
Capitalization Theory and Techniques; Part A  
Capitalization Theory and Techniques; Part B  
Highest and Best Use Analysis Seminar  
Rates, Ratios, & Reasonableness Seminar  
Federal Home Loan Bank Board's Memorandum R-41b Seminar

#### Appraisal Institute (formerly-Society of Real Estate Appraisers):

Course 101; Introduction to Appraising Real Property  
Course 201; Principals of Income Property Appraising  
Federal Home Loan Bank Board's Memorandum R41-C Seminar  
Narrative Report Writing Seminar  
Leasehold Analysis  
Eminent Domain Law  
Expert Witness Testimony

### **PROFESSIONAL:**

State of California General Real Estate Appraiser (AG018401)

**OTHER EXPERIENCE:** Proficient Real Estate Analyst, using Lotus 1-2-3, Quattro Pro, and Argus software programs for Discounted Cash Flow Analysis and Lease by Lease Analysis. Extensive experience in appraising properties to be acquired under the power of Eminent Domain.



**QUALIFICATIONS**  
Errol B. Tonsky, MAI

**Educational Background**

Bachelor of Science Degree, San Diego State University 1968

Professional Appraisal Courses and Examinations Completed:

Real Estate Investment Analysis	1985
Capitalization Theory and Techniques, Part B	1986
Case Studies in Real Estate Valuation	1987
Real Estate Appraisal Principles, Part 1A	1987
Basic Valuation Procedures, Part 1A-2	1988
Standards of Professional Practice (Part A)	1994
Standards of Professional Practice (Part B)	1994
General Applications (Course 320)	1994
Standards of Professional Practice (Part C)	1999

Continuing Education/Seminars:

Accrued Depreciation	1994
Appraisal Review - Income Properties	1994
Fair Lending and the Appraiser	1994
Interpreting Development Plans and Blueprints	1996
Market Analysis from the Buyer's Viewpoint	1996
Apartment Trends	1997
Retail Property Analysis	1998
OREA - Federal and State Laws and Regulations Workshop	1998
Applying Economic Forecasts - Update	1999
What Does It Cost to Operate that Building?	1999
Applying Economic Forecasts - Update	2000

**Professional Affiliations**

Member, Appraisal Institute (MAI) - Appraisal Institute  
Senior Residential Appraiser (SRA) - Appraisal Institute  
Certified General Real Estate Appraiser - State of California (AG002077)  
Real Estate Broker - State of California

**Appraisal Experience**

Associate/Independent Appraiser - Hendrickson Appraisal Company, Inc., 1998- Present  
Associate Appraiser - Jones & Roach, Inc., January 1987 - May 1988  
Appraiser Analyst - HomeFed Bank, May 1974 - January 1987

**Types of Appraisal Assignments**

Religious Facilities	Shopping Centers
Veterinary Clinic	Office Building
Industrial Subdivision Acreage	Medical Buildings
Restaurants	Industrial Properties
Apartments	Motels
Self-service Car Washes	Automotive Service



## QUALIFICATIONS

John R. Meyer

### **APPRAISAL EXPERIENCE:**

- 09/91 - present            Hendrickson Appraisal Company, Inc.  
Associate; Real estate appraiser, consultant and analyst providing a full range of Appraisal/Consulting services.
- 1/1990 - 9/1991           The Berger Company  
Real Estate Appraiser specializing in Residential and Commercial properties.
- 1983 - 1989               Grubb & Ellis Mortgage Services and California Financial Loan Services  
Loan Manager/Reviewer for Residential and Commercial Real Estate Loans. Originated loans and conducted Residential and Commercial Narrative Appraisal Reviews.
- 1972 - 1983               Arabian American Oil Company  
Finance Administrator. Managed the Property and Casualty Insurance Program and the Forecasts, Budgets, and Financial Analysis Division.

### **EDUCATION:** Undergraduate and post graduate professional studies

San Diego State University: B.S. Degree in Finance

#### Appraisal Institute :

Real Estate Appraisal Principles  
Residential Property Valuation  
Basic Valuation Procedures  
Principles of Income Property Appraising (Cap A & B)  
Case Studies in Real Estate Valuation  
Report Writing and Valuation Analysis  
Litigation Valuation  
Standards of Professional Practices  
Planning and Land Use Seminar  
Demographics and Feasibility Analysis Seminar  
Appraisal Regulations Federal Banking Agencies Seminar  
Anatomy of Residential Housing Seminar  
Advanced Spreadsheet Seminar

### **PROFESSIONAL:**

Certified General Real Estate Appraiser (AG007299), State of California  
Candidate Member, Appraisal Institute  
Member of San Dieguito Board of Realtors  
Licensed Real Estate Agent, State of California  
Licensed General Securities Broker (Series 7), State of California

### **OTHER RELATED EDUCATION:**

Marshall & Swift Construction Cost Valuation (Residential/ Commercial)  
Real Estate Principles & Practices  
Real Estate Law  
Real Estate Finance  
Risk Analysis & Surveys  
Statistical Analysis  
Business Forecasting



**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART ONE – GENERAL CONDITIONS**

**1.1 INTRODUCTION**

**1.1.1 Parties.** This Contract is entered into by and between the County of Los Angeles (the "County") and George Hamilton Jones, Inc., a California corporation (the "Contractor").

**1.1.2 Recitals.** The Contract is intended to integrate within one document the terms for the commercial real property appraisal services to be performed for the County by the Contractor. The Contractor represents to the County that the express representations, certifications, assurances and warranties given in this Contract, including but not limited to those in Sections 3.2, 3.3, 3.4, 3.6, 3.21 and 3.31 and in Form P-1 (Offer to Perform), and Form P-2 (Proposer's Work Plan), are true and correct. The Contractor further represents that the express representations, certifications, assurances and warranties given by the Contractor in response to the Request for Proposals are true and correct, including but not limited to Forms P-3, P-4, P-5, P-7 and P-8 submitted with the Contractor's Proposal.

**1.1.3 Effective Date.** The effective date of this Contract shall be the date of Board approval.

**1.1.4 Contract Provisions.** The Contract is comprised of this Part 1 (General Conditions), Part 2 (Statement of Work), Part 3 (Standard Contract Terms and Conditions), Exhibit 1 (Work Order), Form P-1 (Proposal: Offer to Perform), and Form P-2 (Work Plan), all of which are attached to this Contract and incorporated by reference. It is the intention of the parties that when reference is made in this Contract to the language of the request for Proposals (RFP), the Exhibits or the Proposal, such language shall be deemed incorporated in the Contract as if fully set forth. To the extent there is any inconsistency between the language in Forms P-1 and P-2 and any other part of the Contract, the language of such other part of the Contract shall prevail.

**1.1.5 Work to be Performed.** Contractor shall perform the work set forth in Part Two and Form P-2.

**1.1.6 Rescission.** The County may rescind the Contract for the Contractor's misrepresentation of the matters mentioned in Section 1.1.2. In the Case of a misrepresentation of the facts set forth in Section 3.6, a penalty may be assessed in the amount of the fee paid by the Contractor to a third person for the award of the Contract.

**1.1.7 Supplemental Documents.** Prior to commencing services under the Contract, the selected Proposer shall provide the Contract Administrator with satisfactory written proof of insurance complying with Section 3.9.

**1.2 INTERPRETATION OF RFP**

**1.2.1 Headings.** The headings contained in the Contract are for convenience and reference only. They are not intended to define or limit the scope of any provision of the Contract.

**1.2.2 Definitions.** The following word shall be construed to have the following meanings, unless otherwise apparent from the context in which they are used.

*Board, Board of Supervisors.* The Board of Supervisors of Los Angeles County.

*Chief, Asset Management Division.* The Chief of the Department's Asset Management Division.

*Chief Deputy.* The Chief Deputy of the Department.

*Contract.* An agreement for performance of the work between the selected Proposer and the County, approved by the Board of Supervisors, which incorporates the items enumerated in Section 1.1.4.

*Contract Administrator.* The Chief, Asset Management Division or designee.

*Contractor.* The Proposer whose Proposal is accepted by the Board of Supervisors for performance of the Contract work.

*Contract Year.* The twelve-month period commencing on the first day following approval of the Contract by the Board of Supervisors and each succeeding twelve-month period over the remaining term of the Contract, including the optional years.

*County.* The County of Los Angeles.

*County Counsel.* The Los Angeles County Counsel.

*Department.* The Los Angeles County Department of Beaches and Harbors.

*Director.* The Director of the Department.

*Offer to Perform.* Form P-1 of the Contract.

*Performance Standard.* The essential terms and conditions for the performance of the Contract work as defined in the Contract.

*Proposer.* Any person or entity authorized to conduct business in California who submits a Proposal.

*Request for Proposals (RFP).* The solicitation to this Contract issued June 5, 2003.

*Subcontractor.* A person, partnership, company, corporation, or other organization furnishing supplies or services of any nature, equipment, or materials to the Contractor, at any tier, under written agreement.

*Work Order.* An agreement, subordinate to the Contract, incorporating all of its terms and conditions, by which the Contractor is authorized to perform specific tasks outlined in the Description of Work. See Exhibit 1.

### **1.3 CONTRACT TERM**

**1.3.1 Initial Term.** The initial Contract term shall commence on the date of approval of the Contract by the Board of Supervisors and end three years from the date of approval by the Board of Supervisors.

**1.3.2 Two One-Year Extension Offers.** If the Director determines that it is in the interest of

the County to do so, he may offer to grant up to two one-year extensions of the Contract term. The Director may exercise the first option by notifying the Contractor in writing before the Contract expiration date. The Director may exercise the second option by notifying the Contractor in writing before the expiration of the first optional Contract Year. Should the Contractor fail to accept or decline the Director's offer in writing before the expiration date of the Contract term or optional Contract Year or within 30 days, whichever is earlier, the offer shall be deemed revoked.

#### **1.3.3 Extension to Complete Work Order.**

The Director or other person authorized to issue a Work Order as described in Section 1.4.3 may extend the Contract term or any optional Contract Year on a month-to-month basis subject to the Contract's terms and conditions, but only to allow the Contractor to complete a Work Order approved before the expiration of the Contract term or the applicable optional Contract Year. Such extensions are further subject to the availability of funds in the Department's budget. Up to 12 such one-month extensions may be granted, which shall be effective only if executed in writing by the Director or other person authorized to issue a Work Order as described in Section 1.4.3.

**1.3.4 Survival of Obligations.** Notwithstanding the stated term of the Contract, some obligations assumed in the Contract shall survive its termination, such as, but not limited to, the Contractor's obligation to retain and allow inspection by the County of its books, records and accounts relating to its performance of the Contract work.

### **1.4 COMPENSATION**

**1.4.1 Contract Sum.** The net amount the County shall expend from its own funds during any Contract Year for appraisal services among all Contractors shall not exceed \$125,000. The County may at its discretion expend any portion, all or none of that amount. However, aggregate annual payments for appraisal services may exceed the aforementioned \$125,000 to the extent that a lessee or other third party is obligated to reimburse the County for its appraisal expenses.

**1.4.2 Increase of Contract Sum by Director.** Notwithstanding Section 1.4.1, the Director may,

by written notice to the Contractor(s), increase the \$125,000 sum referenced in Section 1.4.1 which is not subject to reimbursement from lessees or other third parties by up to 20 percent in any year of the Contract or optional one-year extension period, subject to the availability of funds in the Department's budget. Such increases shall not be cumulative.

**1.4.3 Compensation Payable Only Under Work Order at Quoted Hourly Rates.** Notwithstanding any other provisions of this Contract, no compensation shall be paid unless and until the Contractor has performed work for the Department in accordance with the terms of a Work Order (Exhibit 1) issued under the Contract and executed by the Director or the Chief Deputy Director. Compensation for all work under a Work Order shall be at Contractor's hourly rate(s) of pay as quoted on Form P-1 with a firm monetary cap, and shall be subject to Sections 1.4.1, 1.4.7 and 3.1.

**1.4.4 Preparation of Itemized Estimates, Work Statements and Billing to be Treated as Overhead.** Notwithstanding any other provision of the Contract, the time expended by the Contractor in the preparation of invoices shall be treated as overhead, shall not be directly charged in itemized invoices and shall not entitle Contractor to any direct compensation. The parties understand and agree that the Contractor's hourly rates for work performed include an amount which will compensate the Contractor for all labor, equipment, materials, supplies, licenses, registrations, data systems, transportation, telephone expenses, facsimile transmission, photocopying services and other items required for performance of the Contract.

**1.4.5 No Increase in Hourly Rate(s) of Compensation.** Notwithstanding any increase in the Contractor's salary costs or other overhead, no increase in the hourly rate(s) of compensation quoted in Form P-1 shall be given during the term of the Contract or any extension period.

**1.4.6 Assignment of Work.** Some, but not all of the work orders may be bid out among the Contractors based on the number of hours and turn-around time. The selected Contractor shall be paid the lower of the bid amount or the hours actually worked at the applicable hourly rate.

**1.4.7 Maximum Compensation Under Work Order** Maximum compensation for each work order shall be determined by the total hours bid on the assignment at the Contractor's hourly rate(s). Each work order shall contain a firm monetary cap, based on the Contractor's hourly rate(s).

**1.4.8 Increase in Maximum Compensation Under Work Order.** The Director may approve an increase in the maximum compensation specified in a Work Order should he find that the project will require additional hours, an increase in staffing, or other cause to do so. An increase in the maximum number of hours specified in a Work Order shall not increase the Contractor's hourly rate(s) of compensation. Approval of an increase in the maximum number of hours specified in a Work Order shall be effective only if executed in writing by the Director or Chief Deputy, who shall state the reason for the increase.

**1.4.9 Extension of Time to Complete Work Order.** Approval of an extension of the time for a completion of a Work Order shall be effective only if executed in writing by the Director or Chief Deputy.

**1.4.10 Contractor's Invoice Procedures.**

**1.4.10.1** The Contractor shall submit an invoice to the Department on or before the fifteenth day of each month for compensation earned during the preceding calendar month. The Contractor shall submit two copies of each invoice and shall submit a separate invoice for each Work Order on which it claims payment. Invoices shall identify the Contract number, total hours bid, if applicable, and the name of the Work Order or project. Invoices for services shall be billed on an hourly basis shall itemize dates and hours of work performed, type of work performed, person performing the work, hourly rate for such person, and other information necessary to calculate the payment for the work.

**1.4.10.2** If the Work Order requires delivery of a report or other written product, fifty percent of all amounts due under the Work Order shall be withheld until receipt and acceptance by the CA of the report or other written product. The Contractor's monthly invoice shall show the amount earned subject to such withholding, the deduction for the amount to be withheld, and the net amount currently payable by the County.

**1.4.10.3** The County may withhold from payment any amount assessed by the CA which is authorized as a set off, withholding by the terms and conditions of the Contract, including but not limited to liquidated damages pursuant to Section 3.16, County's Remedies for Default.

**1.4.10.4** Upon the Department's receipt and the CA's review and approval of the invoice, the County shall pay the net amount currently payable shown on the invoice less any other setoff or deduction authorized by the Contract. Such setoffs and deductions include, but are not limited to, the cost of replacement services.

**1.4.10.5** Upon completion of the reports or other written product identified in the Work Order, the Contractor shall deliver them with an invoice for the amounts withheld pending their receipt and acceptance. Upon their receipt and approval by the CA, the County shall pay the amounts withheld, provided that the County's maximum obligation for the Work Order is not exceeded. Approval or rejection of reports and other deliverable items identified in the Work Order shall not be unreasonably withheld and shall not exceed four weeks from the date of their receipt by the County

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART TWO – STATEMENT OF WORK**

**2.1 GENERAL REQUIREMENTS**

**2.1.1 Contractor's Work Plan.** Subject to all other terms and conditions of the Contract, Contractor shall perform the work and maintain quality control in accordance with the Work Plan and other representations submitted with the Contractor's Proposal.

**2.1.2 Materials, Equipment, Labor and Expenses.**

**2.1.2.1** All materials, equipment and labor to be used in the work shall be furnished by the Contractor at the Contractor's expense.

**2.1.2.2** All of Contractor's expenses on account of the work, including but not limited to travel, meals and lodging, printing, photocopying, and faxing shall be borne by the Contractor.

**2.1.3 Contractor's Office.** The Contractor shall maintain a local address in Southern California where its officers or owners may be contacted personally and by mail.

**2.1.4 Communication with Department.** The Contractor shall maintain communication systems that will enable the Department to contact the Contractor at all times during regular business hours. The Contractor shall return calls during business hours not later than the next business day and as soon as reasonably possible if the call is designated urgent. The Contractor shall provide an answering service, voicemail or telephone message machine to receive calls at any time Contractor's office is closed.

**2.1.5 Contractor to Make Monthly Reports.** The Contractor shall report to the CA on a monthly basis in writing, describing the services rendered and matters delivered during the period, the charge for services rendered, the balance remaining under each Work Order and the Contract, and any facts which may jeopardize the completion of each project or any intermediate deadlines.

**2.1.6 Contractor to Maintain Files.** The Contractor shall maintain copies of files and documents prepared for the Department, including supporting and backup data, and shall deliver copies of the files and documents to the Department upon the CA's request.

**2.1.7 Contractor to Prepare Final Project Report.** The Contractor shall prepare a final report upon completion of any project assigned by the Department summarizing the Contractor's findings and recommendations in accordance with the CA's instructions.

**2.2 PERSONNEL**

**2.2.1 Contractor's Representative (CR).** The Contractor shall designate a full-time employee as Contractor's Representative (CR) who shall be responsible for Contractor's day-to-day activities related to each Work Order and who shall be available to the CA, other County's staff, and County's other outside consultants on reasonable telephone notice each business day and at other times as required by the work. If an individual, the Contractor may designate himself or herself as the Contractor's Representative.

**2.2.2 Professional Services.** The Contractor shall provide the professional services of the commercial real property appraisal consultants and other professionals identified in the Contractor's Proposal.

**2.2.3 Personal Services of Designated Persons Required.** In agreeing to engage the Contractor, the County has relied on the Contractor's representation that the individuals identified in Contractor's Proposal will personally perform the professional services required by the Contract. The failure of those persons to render those services shall be deemed a material breach of the Contract for which the County may recover damages. Should it be necessary for the Contractor to substitute an equally qualified professional for an individual named in the Proposal, the Contractor shall request the CA's approval, which shall not be unreasonably withheld.

**2.2.4 Assignment of Contract.** Notwithstanding any other provision of the Contract, the Contractor may, with the written consent of the Director, assign the Contract to an entity that employs or is owned by one or more of the Contractor's principals.

**2.2.5 County Contract Administrator (CA).**

**2.2.5.1** The Department shall appoint a Contract Administrator (CA) for each Work Order executed under the Contract.

**2.2.5.2** The CA will be responsible for ensuring that the objectives of the Contract are met and shall direct the Contractor as to the County's policy, information and procedural requirements.

**2.2.5.3** The Contractor's work shall be subject to the CA's acceptance and approval, which shall be neither unreasonably withheld nor dependent on the Contractor's analysis, opinions, or conclusions as long as the analysis meets the standard for thoroughness and care for professional appraisers.

**2.2.5.4** The CA is not authorized to make any changes in the terms and conditions of the Contract or to obligate the County in any manner.

**2.3 SCOPE OF WORK AND PERFORMANCE STANDARDS.**

**2.3.1** For those leaseholds on which the rental adjustment is to be determined by a three member appraisal board, in the event of a dispute between the Department and the lessee, the Department may require the Contractor to serve as its nominee to the three member board of appraisers.

**2.3.2** For those leaseholds on which the rental adjustment is to be determined by a retired judge in the event of a dispute between the Department and the lessee, the Contractor shall be prepared to testify as the Department's expert witness.

**2.3.3** The Contractor shall cooperate with the Department and its attorneys in preparing for any formal or informal dispute resolution process, and shall promptly and readily attend and/or participate in meetings, hearings, telephone conferences, trials and the like when requested by the Department or its attorneys.

The Contractor shall be well prepared to support his or her appraisal and to present evidence on the County's behalf.

**2.3.4** The Department may require the Contractor to serve as its confidential consultant with respect to rental readjustment disputes and for any other purpose and may require the Contractor to prepare an appraisal report in connection with such service.

**2.3.5** The Contractor shall exercise independent judgment and complete the appraisal assignment in accordance with sound appraisal practices in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute. Appraiser shall accept no other assignments in conflict with these requirements and shall disclose any potential or actual conflict of interest prior to accepting a Work Order.

**2.3.6** In appraising a property, the Appraiser shall follow the valuation method prescribed in the Work Order. Typical Marina del Rey lease clauses specifying the manner of computation of percentage rents and minimum rents and describing dispute resolution processes are attached as Exhibit 3.

**2.3.7** The Contractor shall complete and submit an original and two copies of the written draft appraisal report and two copies of the final appraisal report no later than the dates specified in the Work Order.

At the minimum, each appraisal report shall address the following:

- Describe the parcel and provide a site map.
- Identify the uses permitted.
- Review and provide a synopsis of the terms, conditions and restrictions of the land and lease.
- Describe the regional and neighborhood influences on the parcel.
- Describe the improvements of the subject property being appraised and improvements of comparable properties and provide

photos of the same with proper labels and descriptions.

- Correlate the appraisal methods applied using the market approach, when practical, support it with the cost and income approach to valuation whenever feasible, and compare the result with conclusions reached by other appraisal methods as may be dictated in the Work Order.
- Summarize interviews conducted during the appraisal process with a list showing names and titles of informants contacted and the dates and places of the meetings or interviews.
- Discuss the relevant factors and data considered in the analysis.
- Describe the reasoning process, techniques of analysis, and assumptions and computations that were used in the formulation of the valuation opinion expressed, including a detailed explanation of how the empirical and economic data were correlated.
- Express the value of the subject property interest; or in connection with amended and restated leases proposed for certain Marina del Rey leaseholds in connection with a leasehold extension of term and the improvements and changes proposed therewith, the appraiser is to determine whether the return to the County in the form of rent, participation fees, extension fees and other consideration is equivalent to, or greater than fair market value; or as directed by the Work Order.
- Include in the appraisal report a detailed table of contents and a summary of conclusions.
- Number all pages of the report, label the report sections, and use tabs to separate the sections for easy reference.
- The Contractor may also be requested to determine the value of the land and water based upon the land residual appraisal technique, taking into consideration the existing improvements on the land and water and the economic rental of the

improvements. The result of this analysis shall be compared with the empirical data from recent land sale transactions, if such data is available. The minimum and percentage rents for the various land and water improvements located on the leasehold may be based on the extrapolated value of land and water respectively, when such allocation is practical and the total rents are representative of a fair return on the combined value of land and water. The return shall then be compared with the expected return derived from the valuation analysis as described in Section 2.6.6 herein.

## 2.4 ADDITIONAL SERVICES

**2.4.1** County may request Contractor to perform additional services at the same time as the appraisal is being prepared, whether or not in conjunction with a rental readjustment. Typical examples of the services that may be requested are listed below:

- The Contractor may be requested to appraise the improved or unimproved parcels, both individually and/or in joinder, with one or more leased parcels. Valuation will be based upon the current uses or the proposed uses as shall be stipulated by the County.
- The Contractor may be requested to perform any other valuation analysis, which the County deems necessary or appropriate for the situation.

**2.4.2** If additional services are requested, they will be identified in a separate Work Order. If the additional information requested by the County is of a type that the Contractor normally includes in the appraisal, then Contractor will include such information in the appraisal and notify the County that such information is in the appraisal. Otherwise, the additional information requested will be the subject of a separate report to the County.

**2.4.3** Contractor will submit the separate report, if any, at the same time the appraisal is submitted (unless otherwise agreed). Contractor agrees to perform such services at the same hourly rate as charged for the appraisal. County will pay Contractor for the separate report in the same manner and at the same time as County

pays for the appraisal (unless otherwise agreed).

**2.4.4** Any Work Order for additional services will not alter Contractor's obligations regarding the appraisal in any way nor alter the requirement that Contractor exercise independent judgment in making the appraisal.

## **2.5 QUALITY ASSURANCE**

**2.5.1 Purpose of Standards.** The Contractor will observe, at a minimum, the standards set forth in this Section 2.5, and acknowledges that the adequacy of its compliance with the Contract shall be measured by these standards as well as all other terms and conditions of the Contract.

**2.5.2 Performance Evaluation.** The County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor's deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**2.5.3 Contractor's Quality Control Plan.** The Contractor shall comply with Contractor's Quality Control Plan, which shall be incorporated in the Contract by reference. To the extent that provisions of Contractor's Quality Control Plan are inconsistent with any other part of the Contract, they shall be ineffective. The Contractor shall not change The Quality Control Plan without written approval of the Director or authorized representative.

**2.5.4 Applicable Professional Standards to be Followed.** The Contractor and its professional staff shall exercise independent judgment and complete each assignment in accordance with the professional standards of ethics and competence which apply to the appraisal profession.

**2.5.5 Conflicts of Interest.** Contractor shall accept no employment which conflicts with its obligations to the County under the Contract and shall disclose any existing potential or actual conflict of interest prior to accepting an assignment.

All employment by Contractor on behalf of persons or entities other than the County that have an existing interest pertaining to real property within Marina del Rey is prohibited. Such existing interests include, but are not limited to: a leasehold, sublease, concession, permit, contract for the operation or management of real property, pending development proposal or pending lease proposal. Employment by Contractor on behalf of persons or entities with such interests is prohibited whether the employment is related to Marina del Rey property or not.

The prohibition shall remain in effect until the later of (1) one year from the termination or expiration of the Contract or any extension period; or (2) if the Contractor has performed work for the County related to an interest of the person or entity offering employment, the prohibition on accepting employment from that person or entity shall continue until the date of execution of a contract or other conclusion of all negotiations between the County and that person or entity.

However, at no time after termination or expiration of the Contract or any extension period may the Contractor disclose to any third person any confidential information learned or developed as a result of its work under this Contract or accept employment regarding subject matter as to which the Contractor learned or developed any confidential information as a result of employment by the County.

### **2.5.6 Other Standards to be Followed.**

**2.5.6.1** Contractor shall meet deadlines set by the Director, CA or other persons designated by the Department.

**2.5.6.2** Written work and graphics shall be clean, well executed and prepared in a professional manner.

**2.5.6.3** Reports required by the Contract or any Work Order shall be completed on time.



**2.5.6.4** Contractor's principals and employees shall appear on time for meetings and presentations and conduct themselves professionally.

**2.5.6.5** Hourly services shall be accurately reported.

**2.5.6.6** Calls of County agents, employees and contractors shall be returned promptly in accordance with Section 2.1.4.

**2.5.6.7** Insurance is never allowed to lapse. Proof of insurance shall comply with Contract requirements in all respects, including, but not limited to state authorization of insurer, presence of each required coverage, and policy limits.

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
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**PART THREE – STANDARD CONTRACT TERMS AND CONDITIONS**

**3.1 LIMITATION OF COUNTY'S OBLIGATION IN CASE OF NONAPPROPRIATION OF FUNDS.**

**3.1.1** The County's obligation is payable only and solely from funds appropriated for the purpose of this contract. All funds for payment after June 30th of any fiscal year are subject to County's legislative appropriation for this purpose. Payments during subsequent fiscal periods are dependent upon the same action.

**3.1.2** In the event this contract extends into succeeding fiscal year periods, and if the governing body appropriating the funds does not allocate sufficient funds for the next succeeding fiscal year's payments, then the services shall be terminated as of June 30th of the last fiscal year for which funds were appropriated.

**3.2 NONDISCRIMINATION IN EMPLOYMENT**

**3.2.1** The Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated equally during employment, without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin. Such action shall include, by way of example without limitation, the following: employment; upgrading; recruitment or recruitment advertising; demotion or transfer; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**3.2.2** The Contractor certifies and agrees that all persons employed by the Contractor, its affiliates, subsidiaries or holding companies, are and will be treated equally by the employer without regard to or because of race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin, and in compliance with all antidiscrimination laws of the United States of America and the State of California.

**3.2.3** The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin.

**3.2.4** The Contractor shall allow the County access to its employment records during regular business hours to verify compliance with these provisions when requested by the County.

**3.2.5** If the County finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which the county may determine to terminate the Contract. While the County reserves the right to determine independently that the antidiscrimination provisions of the Contract have been violated, a final determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated state or federal antidiscrimination laws shall constitute a finding on which the County may conclusively rely that the Contractor has violated the antidiscrimination provisions of the Contract.

**3.2.6** The parties agree that in the event the Contractor violates the antidiscrimination provisions of the Contract, the County shall at its option be entitled to a sum of five hundred dollars (\$500) pursuant to Section 1671 of the California Civil Code as damages in lieu of terminating the Contract.

**3.3 ASSURANCE OF COMPLIANCE WITH CIVIL RIGHTS LAWS.** The Contractor hereby assures it will comply with all applicable federal and state statutes to the end that no person shall, on the grounds of race, religion, color, sex, age, physical disability, marital status, political affiliation or national origin, be excluded from participation in, be denied the benefits of, nor be otherwise subjected to discrimination under the Contract or under any project, program, or activity supported by the Contract.

### **3.4 COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS**

**3.4.1** The Contractor agrees to comply with all applicable federal, state, County and city laws, rules, regulations, ordinances, or codes, and all provisions required by these laws which are to be included in the Contract and are incorporated by reference.

**3.4.2** The Contractor warrants that it fully complies with all statutes and regulations regarding the employment eligibility of foreign nationals; that all persons performing the Contract work are eligible for employment in the United States; that it has secured and retained all required documentation verifying employment eligibility of its personnel; and that it shall secure and retain verification of employment eligibility from any new personnel in accordance with the applicable provisions of law.

**3.4.3** The Contractor agrees to indemnify and hold the County harmless from any loss, damage or liability resulting from a violation on the part of the Contractor of such laws, rules, regulations or ordinances.

**3.5 GOVERNING LAW.** The Contract shall be construed in accordance with and governed by the laws of the State of California.

### **3.6 COVENANT AGAINST CONTINGENT FEES**

**3.6.1** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies under contract with the Contractor for the purpose of securing business.

**3.6.2** The County shall have the right to terminate the Contract for a breach of this warranty, and, at its sole discretion, recover from the Contractor by way of such means as may be available the full amount of any commission, percentage, brokerage or contingent fee paid.

### **3.7 TERMINATION FOR IMPROPER CONSIDERATION**

**3.7.1** The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

**3.7.2** Among other items, such improper consideration may take the form of cash, discounts, services, tangible gifts or the provision of travel or entertainment.

**3.7.3** The Contractor shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

**3.8 INDEMNIFICATION.** The Contractor shall indemnify, defend and hold harmless the County and its Special Districts, elected and appointed officers, employees and agents from and against any and all liability, including, but not limited to liability which results from bodily injury, death, personal injury, property damage or business loss, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

### **3.9 INSURANCE**

**3.9.1 General Insurance Requirements.** Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-

insurance programs maintained by the County, and such coverage shall be provided and maintained at the Contractor's own expense.

**3.9.2 Evidence of Insurance.** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to the Department of Beaches and Harbors, Contract Section, 13837 Fiji Way, Marina del Rey CA 90292 prior to commencing services under this Contract. Such certificates or other evidence shall:

- (1) Specifically identify this Contract;
- (2) Clearly evidence all coverages required in this Contract;
- (3) Contain the express condition that the County is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance;
- (4) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- (5) Identify any deductibles or self-insured retentions for County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**3.9.3 Insurer Financial Rating.** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of less than A:VII, unless otherwise approved by the County.

**3.9.4 Failure to Maintain Coverage.** Failure by the Contractor to maintain the required insurance or to provide evidence of insurance coverage acceptable to the County shall constitute a material breach of the Contract upon which the County may immediately

terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage and, without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**3.9.5 Notification of Incidents, Claims or Suits.** Contractor shall report to County:

- (1) Any accident or incident related to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within 24 hours of occurrence;
- (2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement;
- (3) Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County contract manager; and
- (4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

**3.9.6 Compensation for County Costs.** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to the County, Contractor shall pay full compensation for all costs incurred by the County.

**3.9.7 Insurance Coverage Requirements for Subcontractors.** Contractor shall ensure any and all Subcontractors performing services under this Agreement meet insurance requirements of this Agreement by either Contractor providing evidence to the CA of insurance covering the activities of Subcontractors, or Contractor providing evidence submitted by Subcontractors to the CA evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

**3.9.8 Insurance Coverage Requirements.**

The Contractor shall maintain the insurance coverages specified in this Section 3.9.8 in the amounts specified.

**3.9.8.1** General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal & Advertising Injury: \$1 million

Each Occurrence: \$1 million

**3.9.8.2** Contractor shall maintain automobile liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto."

**3.9.8.3** Contractor shall maintain Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. If Contractor's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Contractor is responsible. In all cases, the above insurance also shall include employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 million

Disease – policy limit: \$1 million

Disease – each employee: \$1 million

**3.9.8.4 Professional Liability.** Contractor shall maintain Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. The coverage also shall provide an extended two-year reporting

period commencing upon termination or cancellation of this Agreement.

**3.10 STATUS OF CONTRACTOR'S EMPLOYEES; INDEPENDENT STATUS OF CONTRACTOR**

**3.10.1** Contractor shall at all times be acting as an independent contractor. The Contract is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association as between the County and Contractor.

**3.10.2** Contractor understands and agrees that all of Contractor's personnel who furnish services to the County under the Contract are employees solely of Contractor and not of County for purposes of workers' compensation liability.

**3.10.3** Contractor shall bear the sole responsibility and liability for furnishing workers' compensation benefits to Contractor's personnel for injuries arising from or connected with the performance of the Contract.

**3.11 RECORD RETENTION AND INSPECTION**

**3.11.1** The Contractor agrees that the County or any duly authorized representative shall have the right to examine, audit, excerpt, copy or transcribe any transaction, activity, time card, cost accounting record, financial record, proprietary data or other record pertaining to the Contract. Contractor shall keep all such material for four years after the completion or termination of the Contract, or until all audits are complete, whichever is later.

**3.11.2** If any such records are located outside the County of Los Angeles, the Contractor shall pay the County for travel and per diem costs connected with any inspection or audit.

**3.12 AUDIT SETTLEMENT**

**3.12.1** If, at any time during the term of the Contract or at any time after the expiration or termination of the Contract, authorized representatives of the County conduct an audit of the Contractor regarding performance of the Contract and if such audit finds that the County's obligation for the Contract payment is less than the payments made by the County to the

Contractor, then the Contractor agrees that the difference shall be either paid forthwith by the Contractor, or at the Director's option, credited to the County against any future Contract payments.

**3.12.1.1** If such audit finds that the County's obligation for the Contract payment is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County, provided that in no event shall the County's maximum obligation under the Contract exceed the funds appropriated by the County for the purpose of the Contract.

**3.13 VALIDITY.** The invalidity in whole or in part of any provision of the Contract shall not void or affect the validity of any other provision.

**3.14 WAIVER.** No waiver of a breach of any provision of the Contract by either party shall constitute a waiver of any other breach of the provision. Failure of either party to enforce a provision of the Contract at any time, or from time to time, shall not be construed as a waiver of the provision or any other provision. The Contract remedies shall be cumulative and additional to any other remedies in law or in equity.

### **3.15 DISCLOSURE OF INFORMATION**

**3.15.1** The Contractor shall not disclose any details in connection with the Contract or any work performed under the Contract to any third party, except as may be required by law or as expressly authorized in writing by the Director.

**3.15.2** However, recognizing the Contractor's need to identify its services and clients, the Contractor may publicize the Contract work, subject to the following limitations:

(1) All publicity shall be presented in a professional manner.

(2) The name of the County shall not be used in commercial advertisements, press releases, opinions or featured articles, without the prior written consent of the Director. The County shall not unreasonably withhold written consent, and approval by the County shall be deemed to have been given in the absence of objection by the County within two (2) weeks after receipt by

the CA of the material submitted by the Contractor for approval by the County.

(3) The Contractor may list the County in any other proposal submitted in response to a request for proposals or bids from a third party without prior written permission of the County.

### **3.16 COUNTY'S REMEDIES FOR DEFAULT**

**3.16.1** If the Contractor fails to perform the Contract work in accordance with the covenants, terms and conditions of the Contract or fails to comply with any other material covenant, term or condition of the Contract, the County may, by written notice of default to the Contractor, terminate the whole or any part of the Contract. Nothing in this Section 3.16 shall prevent the County from recovering any and all damages arising from the default. The County may elect not to terminate the Contract without waiving its right to such recovery.

**3.16.2** Contractor shall have ten (10) calendar days from written notification of default in which to cure the default. The County, in its sole discretion, may by written notice allow a longer or additional period for cure.

**3.16.3** If the Contractor does not cure the default within the time specified by the notice of default or written extension of time, the Contract shall be terminated. In such event, all finished or unfinished documents, data and reports prepared by the Contractor under this Contract shall be transferred immediately to the County.

**3.16.4** In the event the County terminates the Contract in whole or in part for the Contractor's default, the County may procure replacement services from a third party or by County's employees upon such terms and in such manner as the County deems appropriate. The Contractor shall be liable to the County for any excess costs arising from the use of replacement services. Excess costs shall consist of those costs incurred by the County in procuring replacement services, which exceed the costs the County would have been obligated to pay the Contractor for the services in question. The Contractor shall continue performance of any part of the Contract work not terminated.

**3.16.4.1 Time is of the essence.** In the event the County does not exercise its rights to obtain replacement services under the foregoing Section 3.16.4, the County and Contractor agree that the Contractor's failure to prepare and deliver complete, thorough, and professional Work product in a timely manner will result in loss to the County that is difficult to measure or estimate accurately because of the delay's uncertain effect on pending rental renegotiation or other proceedings. The County and Contractor agree that, given these circumstances, a reasonable estimate of such damages is one hundred dollars (\$100.00) per day for the first five business days and two hundred-fifty dollars (\$250.00) per day thereafter for late delivery of any applicable work product. The Contractor shall be liable to County for liquidated damages in said amount. Said amount shall be set off against payments from County to Contractor in accordance with Section 1.4.8.3. Such action shall not be construed as a penalty but as an adjustment of payment to Contractor based upon the diminished value of the Contractor's services resulting from the untimely delivery of the work product. The remedy provided in this Section is in addition to all other remedies provided to the County under the terms of this Contract or as otherwise available at law.

**3.16.5** Except with respect to defaults of Subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of the federal and state governments in their sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, and unusually severe weather. If the failure to perform is caused by the default of a subcontractor arising from causes beyond the control of both Contractor and subcontractor, and without the negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform unless the Contractor had sufficient time to obtain performance from another party.

**3.16.6** If, after termination, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the Contract were terminated pursuant to

Section 3.18 (Termination for Convenience of the County).

**3.16.7** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

### **3.17 DEFAULT FOR INSOLVENCY**

**3.17.1** Notwithstanding the provisions of Section 3.16, the County may cancel the Contract for default without giving the Contractor written notice of default and time to cure upon the occurrence of any of the following events:

(1) The Contractor becomes insolvent. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not, whether it has filed for federal bankruptcy protection and whether it is insolvent within the meaning of the federal bankruptcy law.

(2) The filing of a voluntary petition to have the Contractor declared bankrupt.

(3) The appointment of a receiver or trustee for the Contractor.

(4) The execution of the Contractor of an assignment of the Contract for the benefit of creditors.

**3.17.2** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any rights and remedies provided by law or under the Contract.

### **3.18 TERMINATION FOR CONVENIENCE OF THE COUNTY**

**3.18.1** The performance of the Contract work may be terminated in whole or in part from time to time when such action is deemed by the County to be in its best interest, subject to delivery to the Contractor of a ten (10) day advance notice of termination specifying the extent to which the Contract work is terminated and the date upon which such termination becomes effective.

**3.18.2** County may suspend performance or terminate the Contract without liability for

damages if County is prevented from performing by reasons beyond its control, including but not limited to operation of laws, acts of God, and official acts of local, state, or federal authorities. After receipt of a notice of suspension of performance or termination, the Contractor shall stop the Contract work on the date and to the extent specified in the notice.

**3.18.3** The County and Contractor shall negotiate an equitable amount to be paid the Contractor by reason of the total or partial termination of work pursuant to this section. The amount may include a reasonable allowance for profit on the Contract work that has been performed and has not been paid, provided that such amount shall not exceed the total obligation to pay for the Contract work performed as reduced by the amount of Contract payments otherwise made.

**3.18.4** The Contractor shall make available to the County, for a period of four (4) years after Contract termination, at all reasonable times, at the office of the Contractor, all books, records, documents, or other evidence bearing on the costs and expenses of the Contractor in respect to the termination under this section of the Contract work. In the event records are located outside the County of Los Angeles, the Contractor will pay the County for traveling and per diem costs connected with the inspection or audit.

**3.19 NOTICE OF DELAY.** Except as otherwise provided, when either party knows of any fact that will prevent timely performance of the Contract, that party shall give notice, including all relevant information, to the other party with five (5) days.

**3.20 NOTIFICATION.** Except as otherwise provided by the Contract, notices desired or required to be given by law, or under the Contract may, at the option of the party giving notice, be given by enclosing a written notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States mail. Any such notice shall be addressed to the Contractor at the address shown for the Contractor in the Proposal or such other place designated in writing by the Contractor. Notice to the County shall be addressed to the Director, Department of Beaches and Harbors, 13837 Fiji Way, Marina del Rey, California 90292, or such

other place as the Director may designate in writing.

**3.21 CONFLICT OF INTEREST**

**3.21.1** The Contractor represents and warrants the statements set forth in the conflict of interest certification of its Proposal are true and correct.

**3.21.2** The Contractor further agrees that anyone who is an employee or former employee of the County at the time of execution of the Contract by the Board of Supervisors and who subsequently becomes affiliated with the Contractor in any capacity shall not perform the Contract work or share in the Contract's profits for a period of one (1) year from the date of termination of the employee's employment with the County.

**3.21.3** The County shall have the right to terminate the Contract for a breach by the Contractor of either its warranty or a violation of conflict of interest.

**3.22 DELEGATION AND ASSIGNMENT**

**3.22.1** The Contractor may not delegate its duties or assign its rights under the Contract, either in whole or in part, without the prior written consent of the Director. Any delegation of duties or assignment of rights under the Contract without the expressed written consent of the County shall be null and void and shall constitute a breach for which the Contract may be terminated.

**3.22.2** Any delegation of duties or assignment of rights (including but not limited to a merger, acquisition, asset sale and the like) shall be in the form of a subcontract or formal assignment, as applicable. The Contractor's request to the Director for approval of an assignment shall include all information that must be submitted with a request by the Contractor to the County for approval of a subcontract of the Contract work pursuant to Section 3.23.

**3.23 SUBCONTRACTING**

**3.23.1** Performance of the Contract work may not be subcontracted without the expressed written consent of the Director or authorized representative. Any subcontract of the Contract work without the express written consent of the Director or authorized representative shall be



null and void and shall constitute a breach for which the Contract may be terminated.

**3.23.2** The Contractor's request to the Director for approval to enter into a subcontract of the Contract work shall include:

- (1) A description of the work to be performed by the subcontractor;
- (2) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition used in the selection and a description of their qualifications;
- (3) The proposed subcontract amount, together with the Contractor's cost or price analysis; and
- (4) A copy of the proposed subcontract.

**3.23.3** In the event the Director or authorized representative should consent to a subcontract for the performance of the contract work, the terms and conditions of the Contract shall be made expressly applicable to the work that is to be performed by the subcontractor.

**3.23.4** In the event the Director or authorized representative should consent to a subcontract, the Contractor shall provide in the approved subcontract an agreement that the work of the subcontractor is pursuant to the terms of a prime contract with the County of Los Angeles, and that all representations and warranties shall inure to the benefit of the County of Los Angeles.

**3.23.5** Subcontracts shall be made in the name of the Contractor and shall not bind nor purport to bind the County. The making of subcontracts shall not relieve the Contractor from performing the Contract work in accordance with the terms and conditions of the Contract. Approval of any subcontract by the County shall not be construed as effecting any increase in the compensation to be paid for the Contract work.

**3.23.6** Any later modification or amendment of the subcontract shall be approved in writing by the Director or authorized representative before such modification or amendment is effective.

### **3.24 CHANGES AND AMENDMENTS**

**3.24.1** Except as provided in this Section 3.24, modifications of this Contract shall be in writing and shall be executed by the parties and approved by the Board in the same manner as the Contract.

**3.24.2** A change which does not materially effect the scope of work, period of performance, compensation, method of payment, insurance or other material term or condition of the Contract shall be effective upon the Director or his authorized representative and the Contractor signing an amendment or other writing reflecting a modification of the Contract.

**3.24.3** The Director or authorized representative may, in his or her sole discretion, grant the Contractor extensions of time for performance of the work where such extensions do not materially effect the work. Such extensions shall not be deemed to extend the term of the Contract. This Section shall not limit the authority of the Director to extend the Contract term as provided in Section 1.3.

**3.25 PROPRIETARY RIGHTS.** All materials, data and other information of any kind obtained from County personnel and all materials, data, reports and other information of any kind developed by the Contractor under the Contract are the property of the County, and the Contractor agrees to take all necessary measures to protect the security and confidentiality of all such materials, data, reports and information. The provisions of this paragraph shall survive the expiration or other termination of the Contract.

**3.26 TIME.** Except as specifically otherwise provided in the Contract, time is of the essence in the performance of the Contract work and all terms and conditions of the Contract with respect to such performance shall be construed.

**3.27 AUTHORIZATION.** The Contractor represents and warrants that its signatory to the Contract is fully authorized to obligate the Contractor to performance of the Contract work, and that all necessary acts to the execution of the Contract have been performed.

### **3.28 COMPLIANCE WITH COUNTY LOBBYING REQUIREMENTS**

**3.28.1** The Contractor and each County lobbyist or County lobbying firm, as defined in

Los Angeles County Code Section 2.160.010, retained by the Contractor shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160.

**3.28.2** Failure on the part of the Contractor or any County lobbyist or County lobbying firm retained by the Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend the Contract notwithstanding the opportunity to cure otherwise made available under Section 3.16.

**3.29 CONSIDERATION OF HIRING COUNTY EMPLOYEES ON A REEMPLOYMENT LIST OR TARGETED FOR LAYOFFS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or qualified former County employees who are on a reemployment list during the life of this agreement.

**3.30 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT**

Should the Contractor require additional or replacement personnel after the effective date of the agreement, contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN/GROW participants, by job category, to Contractor.

**3.31 COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

**3.31.1 Contractor's Warranty of Adherence to County Child Support Compliance Program.** Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from

County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (41 USC Section 653a) and California Unemployment Insurance Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**3.31.2 Termination for Breach of Warranty to Maintain Compliance with County Child Support Compliance Program.**

Failure of Contractor to maintain compliance with the requirements set forth in the preceding Section 3.31.1 "Contractor's Warranty of Adherence to County's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Supervisors may terminate this Contract pursuant to Section 3.16 "County's Remedies for Default."

**3.31.3 Voluntary Posting of "Delinquent Parents" Poster.**

Contractor acknowledges that County places a high priority on the enforcement of child support laws and apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County District Attorney will supply Contractor with the poster to be used.

**3.32 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**3.32.1** A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

**3.32.2** The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding on County contracts for a specified period of time not to exceed three years, and terminate any or all existing contracts the Contractor may have with the County.

**3.32.3** The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a contract with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness, or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

**3.32.4** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

**3.32.5** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the

opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

**3.32.6** A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

**3.32.7** These terms shall also apply to subcontractors of County Contractors.

**3.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME TAX CREDIT.** Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the federal Earned Income Tax Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Exhibit 4).

**3.34 CONTRACTOR TO USE RECYCLED PAPER.** Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on all work performed under this Contract.

**3.35 COMPLIANCE WITH JURY SERVICE PROGRAM**

**3.35.1 Jury Service Program.** This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

**3.35.2 Written Employee Jury Service Program.**

**3.35.2.1** Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code) Contractor shall have and adhere to a written policy that provides that its employees shall

receive from the Contractor, on an annual basis, no less than five days regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employee's regular pay the fees received for jury service.

**3.35.2.2** For purposes of this section, "Contractor" means a person, partnership, corporation, or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under this Contract, the subcontractor shall also be subject to the provisions of this section. The provisions of this section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

**3.35.2.3** If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

**3.35.2.4** Contractor's violation of this Section of the Contract may constitute a material breach of

the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

### **3.36 SAFELY SURRENDERED BABY LAW.**

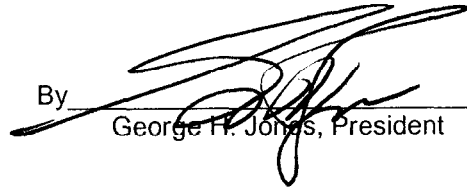
**3.36.1 Notice to Employees Regarding the Safely Surrendered Baby Law.** The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit 5 of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**3.36.2 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law.** The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

### **3.37 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF A CONTRACT**

Contractor shall have no claim against County for payment of money or reimbursement of any kind whatsoever for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

George Hamilton Jones, Inc., a  
California Corporation

By  \_\_\_\_\_  
George H. Jones, President

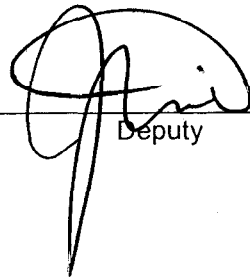
By \_\_\_\_\_  
Chair, Board of Supervisors

Violet Varona-Lukens  
Executive Officer-Clerk of  
the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

Lloyd W. Pellman  
County Counsel

By  \_\_\_\_\_  
Deputy

REQUEST FOR PROPOSALS FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES  
OFFER TO PERFORM

Proposer: Name: George Hamilton Jones, Inc.  
Address: 717 Lido Park Drive  
Suite D  
Newport Beach, CA 92663  
Phone: 949 673 6733 Fax: 949 673-6924

To: Stan Wisniewski, Director, Department of Beaches and Harbors

Proposer, responding to the Request for Proposals (RFP) issued by the Los Angeles County Department of Beaches and Harbors, offers to provide commercial real property appraisal services in connection with property located within the Marina del Rey Small Craft Harbor on the terms and conditions for the performance of this work that are set forth in the RFP. Such services shall be performed during a three-year term that at the option of the Director may be extended for two additional, consecutive, optional Contract years.

The rate(s) for services shall be:

Job Title:	Hourly Rate:
<u>George H. Jones, MAI - appraiser/consultant</u>	<u>Two hundred</u> Dollars (\$ <u>200.00</u> )
<u>Kant Harvey, MAI - appraiser/consultant</u>	<u>One hundred fifty</u> Dollars (\$ <u>150.00</u> )
<u>Stuart DuVall, MAI - appraiser/consultant</u>	<u>one hundred fifty</u> Dollars (\$ <u>150.00</u> )
<u>Casey Jones - appraiser</u>	<u>one hundred ten</u> Dollars (\$ <u>110.00</u> )

The proposal is subject to the following additional conditions: Researcher at \$50.00 per hour.

Hourly rates are subject to annual CPI increases.  
Hourly rates for expert witness testimony, arbitration, trial are \$250.00 per hour.

(Conditions which reject, limit or modify required terms and conditions of the Contract may cause rejection.)

This offer shall be irrevocable for a period of 120 days after the final date for submission.

Proposer is a(n):  individual  corporation  partnership or joint venture  
 limited liability company  other: \_\_\_\_\_

State of organization: California Principal place of business: Newport Beach, CA

Authorized agent for service of process in California:

George Hamilton Jones 717 Lido Park Drive Newport Beach, CA (949) 673-6733  
Name Address Phone

The Proposer represents that the person executing this offer and the following persons are individually authorized to commit the Proposer in any matter pertaining to the proposed Contract:

George H. Jones - President Stuart D. DuVall, Partner 949 673-6733  
Name Title Phone Name Title Phone

Dated: July 8, 2003

Proposer's signature: \_\_\_\_\_

George H. Jones, President 949 673-6733  
Name Title Phone

WORK PLAN

1. STAFFING PLAN: Provide the requested information about appraisers, key employees and subcontractors. Attach all resumes.

Name	Relationship to Proposer	Job Title	Responsibilities
George H. Jones	Proposer	President	Appraisal, Consulting, Arbitration, Expert Witness
Kent Harvey	Partner	Appraiser & Consultant	Appraisal, Consulting, Arbitration, Expert Witness
Stuart DuBall	Partner	Appraiser & Consultant	Appraisal, Consulting, Arbitration, Expert Witness
Casey Jones	Partner	Researcher & Appraiser	Appraisal Research, Appraisal
Dana O'Neil	Employee	Office Manager	A/R, A/P, Clerical, Report Production

2. PRINCIPAL OWNER(S) OF PROPOSER'S ORGANIZATION: George H. Jones & Edythe O. Jones,

3. IDENTIFY PARTNERS/SUBCONTRACTORS:

Principal	Firm Name	Relationship to Proposer	Specialty	Address	Phone
See above	-	all same			

4. **LICENSES:** List staff who hold licenses or registration required by California state law or relevant to performance of the work:

Name	License	License Number
<u>George H. Jones</u>	<u>California Certified General Real Estate Appraiser</u>	<u>AG 005632</u>
<u>Kent Harvey</u>	<u>California Certified General Real Estate Appraiser</u>	<u>AG 006753</u>
<u>Stuart D. DuVall</u>	<u>California Certified General Real Estate</u>	<u>AG 006754</u>

5. **STATEMENT OF APPROACH TO THE SCOPE OF WORK:**

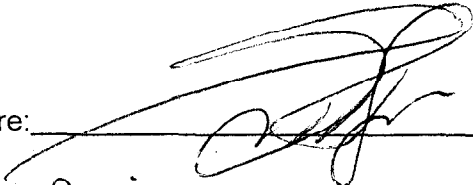
Please attach a complete description of the approach your firm will take with respect to the Scope of Work identified in the RFP. Address the following items:

- a. How the Proposer will perform the Contract work. A narrative discussion of the Proposer's approach to various kinds of assignments and County requirements;
- b. Proposer's ability and resources to provide the kinds of appraisal consulting services described in Attachment A, Part Two, Statement of Work;
- c. How the experience of Proposer's staff is specifically related to the services described in Attachment A, Part Two, Statement of Work;
- d. What level of staff the Proposer would assign to provide the various kinds of services listed in Attachment A, Part Two, Statement of Work;
- e. Proposer's ability to support the Department before the Board of Supervisors, Small Craft Harbor Commission, Design Control Board, Beach Commission, California Coastal Commission, and other bodies;
- f. Proposer's ability to serve as an expert witness in court and arbitration proceedings;



- g. Proposer's quality control plan describing the Proposer's procedures for ensuring compliance with the Contract terms and conditions and identifying and preventing unsatisfactory performance of the Contract work, including:
  - 1) A plan for reviewing the work of Proposer and Proposer's employees and ensuring its accuracy and compliance with professional standards;
  - 2) A plan for ensuring that interim deadlines, if any, and deliver dates are met; and
  - 3) The methods for identifying and preventing unsatisfactory performance of the Contract work;
- h. Resumes of the firm principal(s), proposed Contractor's Representative (as that position is defined in Attachment A, Part Two, Statement of Work) and other key individuals on Proposer's staff, stating their professional training and specific related experience in the last five years; and
- i. Information on each person (other than clerical support) proposed to provide work on behalf of appraiser under a Contract.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

July 8, 2003

Title: \_\_\_\_\_

President

## ADDITIONAL INFORMATION

### Work Plan (Form P-2)

#### Statement of Approach to Scope of Work (Form P-2, Page 2, #5)

##### (a) Approach:

George Hamilton Jones, Inc. will approach the assignments for the Department of Beaches and Harbors in the same manner that we have for the past 20 years. In general, we will

- Identify and describe the appraisal assignment
- Inspect and describe the subject parcel or leasehold
- Describe and analyze general influences on property value such as economic, locational, or demographic forces
- Investigate and analyze physical, financial and regulatory constraints or characteristics
- Describe the current use and improvements, and the potential future use of the parcel, and determine highest and best use under the terms of the lease
- Gather information on pertinent market data including similar lease circumstances in Marina del Rey and other marine oriented jurisdictions, as well as general data specific to the property type in question.
- Make a comparative analysis of the data relative to the subject
- Test preliminary conclusions by an economic analysis of the property in question
- Address all other requirements outlined in the Sample Contract, Attachment A, Part Two, Statement of Work (2.3.7).

##### (b, c, d, e, f) Ability, Resources and Experience:

Our Statements of Qualifications are attached to this proposal. Our firm has done similar work for the Department of Beaches and Harbors for over 20 years. We have worked on numerous assignments for the Department in the past 20 years. Each of the MAI appraisers in our firm has worked on a number of Marina del Rey assignments in the past decade similar to those described in the RFP. We have more than 80 years of appraisal experience combined. Our work in Marina del Rey has included serving on an arbitration board, as expert witness, and as consultant. All of the MAI appraisers on our staff are qualified for such service. We have also done similar work in King Harbor (City of Redondo Beach), Los Angeles, San Diego, and Ventura County. Recent assignments in Marina del Rey are

shown on table on Form P-3, page 2.

We typically work as a team with a lead appraiser/consultant (MAI) and one or two others acting as researchers or analysts. We perform our work in a timely manner in accordance with the contract, the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP).

**(g) Quality Control Plan**

Each report or work product will be reviewed by a second appraiser for content, accuracy, and compliance with contract and professional standards. In addition, the office manager will also review the report for content, spelling, accuracy, and contract standards.

Weekly status meetings will be held on Monday mornings to insure that work flow is progressing toward deadlines in a satisfactory manner.

**(h, i) Resumes**

Our Statements of Qualifications are attached.

George Hamilton Jones, MAI	50+ years of appraisal experience
Kent Harvey, MAI	15+ years of appraisal experience
Stuart D. DuVall, MAI	15+ years of appraisal experience
Casey Jones	10+ years of appraisal research experience

Contractor's Representative: Stuart D. DuVall, MAI

## **George Hamilton Jones, MAI Biography**

Mr. Jones is President of George Hamilton Jones, Inc., an independent appraisal firm founded on October 1, 1951. His partners are Kent Harvey, MAI; Stuart DuVall, MAI; and Casey Jones.

He is a graduate of the University of California, Berkeley in Engineering.

His appraisal activity has been primarily within Southern and Central California, but he has also carried out valuation and consultation assignments in Hawaii, Nevada, Utah, Arizona and the state of Washington.

He has qualified for court testimony as expert witness on real estate valuations in the Superior Courts of Orange, Los Angeles, Riverside, San Diego, San Bernardino, Santa Barbara, San Luis Obispo Counties and Salt Lake City, Utah. He is also qualified in U.S. Federal Court in Fresno and Los Angeles; U.S. Tax Court in Los Angeles; U.S. Court of Claims in Los Angeles and Honolulu. He has been appointed as court appraiser within Superior Courts of Los Angeles and Orange Counties and Federal Courts of Los Angeles and Orange Counties.

He served as instructor at UCLA Extension Division between 1952-1959. Between 1963-1985, he was instructor for the American Institute of Real Estate Appraisers at various campuses throughout the United States. Primary subjects taught were: Investment Analysis and Litigation Valuation. He has lectured at various seminars for the Appraisal Institute and the International Right-of-Way Association

Both the nature of the appraisal assignments and his clientele are diversified. While the majority of the work involves fair market value estimates with litigation potential, since the early 1960's assignments involving lease interest, lease revaluation arbitrations, and fair market rental estimates have also represented an important part of his firm's work.

Mr. Jones has been associated with the Southern California Chapter of the Appraisal Institute since 1950. He served as its President in 1978 and as Governing Counselor between 1980-83. In 1986 he was National Chairman of the Appraisal Institute's Planning and Policy Review Committee. Between 1987 and 1992 he served as Trustee of the Appraisal Foundation in Washington, D.C. and was Vice-Chairman in 1991.

Awards received are:

1984: Institute S.W. Region Meritorious Service Award

1987: National Institute Y.T. Lum Award "Honoree of the Year".

1991: Southern California Chapter No. 5 Professional Service Award

Mr. Jones is a Certified General Real Estate Appraiser in the state of California and member of the International Right-of-Way Association.

He and his wife Sug reside in Balboa Island, California.

# QUALIFICATIONS OF GEORGE H. JONES, MAI

Member of the Appraisal Institute  
Certified General Real Estate Appraiser, State of California, No. AG005632

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## Educational:

- High School: Pomona High School
- College: Pomona Jr. College - 1941 - 1942  
Stanford University - 1942 - 1943  
University of California at Berkeley (U.S.N.R. transferee) - June 1943 to June 1944  
Graduated Bachelor Applied Science (Engineering) - June 1944,  
University of California at Berkeley  
(non-interrupted four-year curriculum in three years).
- Advanced Study: American Institute of Real Estate Appraisers - Candidate Study Courses I and II,  
August - September, 1950; U.S.C. Engineering School, 1949-1950

## Professional:

- 10/51 to Date: Independent fee appraiser, primarily serving general Southern and Central California areas, but with experience in Nevada, Arizona, Utah, and Honolulu. Valuation of all classes of real property, residential, residential income, commercial, industrial, agricultural and special purpose.
- Experienced in problems of fair market value estimations, condemnation, value of lease interest, fair rental estimates, economics of property utilization and others.
- 1948 - 10/51: Real Estate Appraiser, Bank of America, Los Angeles Headquarters. Valuation of all classifications of real property for mortgage loan and fair market value purposes throughout Southern California.
- 1946 - 1948: Estimator - Engineer and Chief Estimator - Engineer  
Southern California area, Bank of America - Los Angeles Headquarters  
Appraisal, secondary duty
- 1946 - 1946: Stress Group (Engineering) - Douglas Aircraft, Santa Monica
- 1944 - 1946: United States Navy, Structures Officer, U.S. Navy Air Corps

Qualified for court testimony as expert witness on real estate valuations in Superior Courts of Orange, Los Angeles, Riverside, San Diego, San Bernardino, Santa Barbara, San Luis Obispo Counties and Salt Lake City, Utah. Also U.S. Federal Court in Fresno and Los Angeles; U.S. Tax Court in Los Angeles; U.S. Court of Claims in Los Angeles and Honolulu. Appointed as court appraiser within Superior Courts of Los Angeles and Orange Counties and Federal Courts of Los Angeles and Orange Counties.

Served as instructor at U.C.L.A. in 1952-1959. Extension courses on Real Property Valuations, primary and advanced.

Since 1963-1985, Instructor for American Institute of Real Estate Appraisers at various campuses throughout the United States. Primary subject taught: Investment Analysis and Litigation Valuation. Lecturer at various seminars for Appraisal Institute, International Right-of-Way Association

Representative appraisal clients include, in part, the following:

Industrial:

Union Pacific R.R., Las Vegas  
Johns Manville Corp., Corona  
Cabot, Cabot, and Forbes  
Beeco Corporation  
U.S. Motors, Anaheim  
National Cash Register Co.  
The Irvine Company  
Los Angeles County Transit District

Yellow Cab Company, Los Angeles  
Ford Motor Co., Newport Beach  
LAX Intercontinental Airport, Palmdale  
Bixby Ranch Company  
Southern Pacific Company  
American Can Company  
Orange County Transit Company

Commercial:

John B. Kilroy Company  
Southern Counties Gas Co.  
Frank H. Ayres and Son  
Sheraton Hotel  
Disneyland, Anaheim  
Bank of America

Los Angeles Community Redev. Agency  
Beverly Hills Develop. Co., Beverly Hills  
Southern California Edison Company  
The Irvine Company  
East Anaheim Shopping Center

Agricultural:

M.B.M. Farms, Cucamonga, Etiwanda  
Bell-Pitzer Groves, Claremont  
Agro Phosphate Co., Imperial Fresno Counties

Rancho Mission Viejo, Orange County  
George Kinsey, Antelope Valley  
The Irvine Company

Residential, Residential Income, Subdivision Acreage:

Hercules Powder Co., San Fernando  
General Motors Real Estate Division  
Southern California Edison Co.  
Pacific Electric Co. - S.P.R.R.  
Fritz Burns Foundation  
Citation Builders

Southern California Gas Company  
The Irvine Company  
Crown Zellerback Company  
Gersten Corporation  
Estate of William Cagney

Governmental Bodies:

California State Attorney General's Office  
State Department of Finance  
County Counsel - Santa Barbara & Ventura  
County Counsel - San Diego  
Orange County Harbor District  
San Diego United Port District  
State Division of Hwys., Districts VII & VIII  
Los Angeles Dept. of Water & Power  
State Division of Beaches & Parks  
County of Los Angeles-Dept. of Beaches  
U.S. Department of Justice, Lands Division, So. District of California  
County of Orange, Flood Control District, County Counsel, Right-of-Way Dept., G.S.A.  
County of Los Angeles, Flood Control District, County Counsel  
County of Los Angeles, Department of Beaches & Harbors

Governmental Bodies (cont'd):

City of Buena Park  
City of Cathedral City  
City of Corona  
City of Costa Mesa  
City of Fullerton  
City of Hermosa Beach  
City of Laguna Beach  
City of Newport Beach  
City of Redondo Beach  
City of San Clemente  
City of Santa Ana  
City of Santa Barbara

School Districts:

Westminster School District  
Newport City School District  
Savanna School District  
Fullerton School District  
San Clemente School District

Anaheim City Schools  
Magnolia School District  
Placentia School District  
Capistrano School District  
Chino Unified School District

Lending Institutions:

Bank of America, Trust Depts.  
City National Bank and Trust Co. of Chicago  
Newport-Balboa Savings and Loan  
Union Bank and Trust Company of Los Angeles

Security Pacific Bank  
Pico Citizens Bank  
Crocker - Citizens Bank

Attorneys:

Best, Best & Kreiger, Riverside - Barton Gaut  
Santa Fe Southern Pacific Corp., Los Angeles - Anthony P. Parrille  
Gibson, Dunn & Crutcher, Los Angeles - William Stinhart, Jr.  
Gibson, Dunn & Crutcher, Beverly Hills - Robert D. Burch  
Harwood, Adkinson and Meindl, Newport Beach - Don R. Adkinson  
Latham & Watkins, Los Angeles - John C. Hall  
O'Melveny & Myers, Los Angeles - Richard S. Volpert  
O'Melveny & Myers, Los Angeles - Ed Szczepkowski  
Nossaman, Guthner, Knox & Elliott - Alvin S. Kaufer  
Rutan & Tucker - Clifford Frieden  
Berger & Norton - Richard Norton  
Robert Waldron - Santa Ana  
Donald J. Drew - Pasadena

Other:

South Laguna Sanitation District  
Laguna Beach Co. Water District

Orange County Irrigation District  
Anaheim Union Water Company

Specialized Assignments:

In addition to the above general classifications, the undersigned has made valuations of less common properties including, in part, the following:

Undeveloped Islands - Upper Newport Harbor, California  
Beachfront Properties - excess of 200,000 l.f. of ocean or bay frontage involving over 1,000 parcels between San Luis Obispo County and the Mexican border  
Proposed Marinas - San Elijo Lagoon, Imperial Beach, San Diego County - Harbor Island, City of San Diego

Existing Marinas - Newport Beach - Lido Peninsula Yacht Anchorage - 228 slips  
Bayshores Marina - 134 slips  
Balboa Yacht Club Marina - 72 slips  
Balboa Corinthian Yacht Club Marina - 83 slips  
Lido Marina Village Yacht Anchorage - 99 slips

Marina del Rey - Aggie Cal Marina - 113 slips  
Parcel 44 Marina - 251 slips  
Parcel 10R Marina - 198 slips  
Tradewinds Marina - 157 slips  
Holiday Harbor Marina - 196 slips  
Catalina Marina - 160 slips  
Marina del Rey Hotel Marina - 377 slips  
Villa del Mar Marina - 209 slips  
Windward Yacht Center Marina - 53 slips  
Marina Harbor Marina - 614 slips  
Marina City Marina - 339 slips  
California YC Marina - 307 slips

King Harbor - King Harbor Marina - 852 slips

County of Ventura - Anacapa Isle Marina - 483 slips

Lyon Copley Corona Assoc. - 950 acre planned community  
Rancho Mission Viejo - 52,000 acre ranch  
Santa Cruz Island, California - 58,000 acres  
108,000 acres - portion Twenty Nine Palms Marine Base  
Montana de Oro Ranch - 4,450 acres - Morro Bay Area  
Eight cemeteries - Los Angeles, San Bernardino, Orange County, Honolulu  
Dry lake bottom land and desert properties, Antelope Valley  
Tidelands: Newport Beach, San Diego County, Santa Barbara County  
Duck Clubs - Antelope Valley  
Wildlife Habitats, Wetlands - San Diego County, Orange County, Padilla Bay, Washington  
Sanitary Landfills - Monterey Park, Huntington Beach, Dairyland  
Real Property Damages: Soil subsidence, slippage, critical soils  
Division Lessor - Lessee Interests - Oil producing properties  
Valuation of stock in closely held corporations, Orange, Los Angeles Counties, and Honolulu  
Estimated damages to residential, commercial, industrial, and park land arising from Santa Barbara offshore oil spill (excess of 500 parcels)  
Rights-of-Way; power transmission lines, sewer, drainage, avigation easement, railroads (operating, abandoned)  
Golf Courses: Riverview, Irvine Coast, Newport Beach, South Laguna Hills, Hillcrest, Los Angeles Country Clubs, Rancho Mirage Country Club, Cresta Verde Golf Course  
Chandler's Sand & Gravel Mine - Corona



Membership in Professional Organizations:

The Appraisal Institute (formerly the American Institute of Real Estate Appraisers)  
President - Southern California Chapter No. 5 (1978)  
Governing Counselor (1980-1983)

International Right-of-Way Association

The Appraisal Foundation:

Member Board of Trustees (1987-1992)  
Vice Chairman (1991)

Revised 01/18/00

# QUALIFICATIONS OF KENT HARVEY, MAI

Member of the Appraisal Institute  
Certified General Real Estate Appraiser, State of California, No. AG006753

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## Education:

University of California at Berkeley - Bachelor of Arts, Economics, 1963

Advanced Study - University of San Diego - Law, JD Degree, 1970

Real Estate Appraisal Courses:

University of California at San Diego - Extension  
Real Estate Appraisal, 1974

Appraisal Institute:

Real Estate Appraisal Principles, 1988

Basic Valuation Procedures, 1988

Capitalization Theory and Techniques, Part A, 1988; Part B, 1989

Standards of Professional Practice, 1988, 1994

Case Studies in Real Estate Valuation, 1991

Report Writing and Valuation Analysis, 1992

Various continuing education courses to current date

## Professional Affiliations:

Member of the Appraisal Institute - MAI No. 10606

Inactive Member of the State Bar of California - Member No. 47975

## Instructor:

College of the Northern Mariana Islands - Economics, 1985; California Redevelopment Association - Annual Symposia, 1999, 2000, 2001; Appraisal Institute Seminars 2002

## Employment:

1/88 - Present: Real Estate Appraiser and Consultant, George H. Jones, Inc., Real Estate Appraisers and Consultants, Newport Beach, California

Assignments: Valuation of various classifications of real property and real property interests for fair market value, fair market rent, and other purposes.

1/79 - 4/87: Supervising Attorney, U.S. Dept. of the Interior, Office of Territorial and International Affairs

Assignments: Land claims administration and Attorney General for the Trust Territory of the Pacific Islands with headquarters in Saipan in the Northern Mariana Islands.

1/71 - 11/78: Deputy County Counsel, Real Property Division, Office of County Counsel, County of San Diego, California

Assignments: Legal representation of County Planning Commission, Departments of Real Property, Planning, and Public Works. Condemnation litigation and property acquisition services.

**Representative Appraisal Assignments with George H. Jones, Inc.:**

McLane Manufacturing:	Partial acquisition of manufacturing operation in Paramount for school purposes. Retained by owners.
Barrington Plaza Mixed Use:	High rise 712 apartment units with approvals for stock cooperative conversion, and 38,000 sq.ft. of commercial office/retail on Wilshire Blvd. in West Los Angeles. Retained by owners to appraise for IRS purposes.
Ambassador Hotel:	Partial acquisition ( $\pm 17$ acres from $\pm 23.5$ acre larger parcel) for new high school in Mid-Wilshire district of Los Angeles. Retained by school district attorneys for condemnation.
47.46 Miles of Right-of-Way:	AT&SF railroad right-of-way main line through Orange County, using the "across the fence approach" by agreement of the parties to acquisition.
Newport Beach Shopping Center:	Valuation of neighborhood shopping center for ground lease rental adjustment.
Lido Peninsula, Newport Harbor:	Appraisal of leasehold interest in 20.98 acre Lido Peninsula with $\pm 3,300$ lineal feet of water frontage in Newport Harbor. Uses included yacht marina, shipyard, mobile home park, and commercial uses. Retained by owners for tax matter.
Aggregate Mining:	Partial takings affecting Robertson Ready Mix and Sunwest in upper Santa Ana River Wash; Vulcan Pit 3 in Upland, San Antonio Wash; Vulcan operation at Lytle Creek, San Bernardino County.
South Poway Parkway:	Appraisal of partial taking for major arterial through two proposed subdivisions with partial entitlements in San Diego. Retained by city attorney for condemnation appraisal.
Stonehill Drive Extension:	Partial takings from 13 larger parcels for the extension of Stonehill Drive in San Juan Capistrano and Dana Point.
I-5 at Grand Avenue:	Partial takings from office building, 80 unit apartment project and total taking of strip retail center in Santa Ana for I-5 widening.
Newport Beach Country Club:	Country club with 18 hole golf course and driving range; appraisal for lease revaluation.
William Cagney Estate:	Appraisal of various improved, vacant and leased fee properties throughout Southern California for the estate of William Cagney.
Irvine Company Residential:	Appraisal of fair market value of residential lots in Newport Beach.

- Fractional Interest Valuations: Appraisal of fractional interests in real estate held in partnerships, tenancy in common, corporations.
- Boat Harbors and Marinas: In Marina del Rey, Channel Islands Harbor, King Harbor, Newport Harbor, appraisal of fair rental value for various leaseholds in these harbors; uses include boat marinas, restaurants, high rise office, yacht clubs, yacht brokerage and repair. Specific marina assignment included the following:
- Newport Beach - Lido Peninsula Yacht Anchorage - 228 slips  
Balboa Yacht Club Marina - 72 slips  
Bahia Corinthian Yacht Club Marina - 83 slips
  - Marina del Rey - Parcel 44 Marina - 251 slips  
Parcel 10R Marina - 198 slips  
Tradewinds Marina - 157 slips  
Holiday Harbor Marina - 196 slips  
Catalina Marina - 160 slips  
Marina del Rey Hotel Marina - 377 slips  
Villa del Mar Marina - 209 slips  
Windward Yacht Center Marina - 53 slips  
Marina Harbor Marina - 614 slips  
Marina City Marina - 339 slips  
California YC Marina - 307 slips
  - King Harbor - King Harbor Marina - 852 slips
  - County of Ventura - Anacapa Isle Marina - 483 slips
- Submerged Tidelands: Fair rental appraisal of all commercially employed submerged tidelands in Newport Harbor as basis for tidelands use fees charged by the city.

Revised 12/12/2002

# QUALIFICATIONS OF STUART D. DuVALL, MAI

Member of the Appraisal Institute  
Certified General Real Estate Appraiser, State of California, No. AG006754

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## Education:

Bachelor of Arts, Claremont McKenna College, 1978

Master of Business Administration, University of Washington, 1982

Real Estate Appraisal Courses:

Appraisal Institute:

Real Estate Appraisal Principles, 1986  
Basic Valuation Procedures, 1987  
Capitalization Theory and Techniques, Part A, 1988; Part B, 1988  
Standards of Professional Practice, 1988, 1993, 1999  
Case Studies in Real Estate Valuation, 1989  
Valuation Analysis and Report Writing, 1989

Comprehensive Appraisal Workshop, 1995

Real Estate Appraisal Seminars:

Appraisal Institute:

Litigation Seminars, 1986-1993, 1997, 1998  
Subdivision Seminar, 1992  
Operating Expenses, 1993, 1996, 1997  
Discounted Cash Flow (Residential Land Development), 1993  
Land Appraising in Southern California, 1995  
Southern California Market Trends, 1996, 1997, 1998  
Valuation of Fast Food Restaurant Facilities, 1997  
Real Estate Trends in Agricultural Properties, 1997  
Valuation of Estate Homes, 1997  
Trends in Appraisal of Small Residential Income Properties, 1997  
Small Hotel/Motel Valuation, 1997  
Winning Strategies for Shopping Centers, 1998  
Damages, Diminution, and Mitigation, 1998  
Land Development Seminar, 1999

## Professional Affiliations:

Member of the Appraisal Institute (MAI)

## Employment:

1987 - Present: Real Estate Appraiser and Consultant  
George Hamilton Jones Inc., Newport Beach, California

1986 - 1987: Independent Real Estate Appraiser, Laguna Niguel, California

1983 - 1986: Controller, Imperial Automation, Inc., Costa Mesa, California

1978 - 1980: Operations Agent, Airborne Freight Corp., Seattle, Washington

**Scope of Experience:**

Appraisal experience includes valuation of most categories of real estate. Interests appraised include fee simple, leased fee, leasehold, fractional fee, fair rental value, partial acquisitions, easements, and rights-of-way. Work has been concentrated in Southern California.

Property Types Appraised (Partial List):

- Apartments
- Auto Dealerships
- Commercial Buildings
- Condominium Projects
- Industrial Buildings
- Multi-Tenant Industrial Buildings
- Offices
- Medical Offices
- Mobile Homes
- Retail Buildings
- Single Family Residences
- Shopping Centers
- Service Stations
- Waterfront and Oceanfront Properties
- Residential Land
- Commercial-Industrial Land
- Subdivision Land
- Undeveloped Acreage
- Vacant Lots

Specialized Properties and Assignments (Partial List):

- AT&SF Railroad main line, San Onofre to Fullerton, commuter rail acquisition
- So. Pacific Railroad right-of-way, Santa Ana-Anaheim, for freeway widening
- Tidelands, fair rental value of Beacon Bay, Newport Beach
- Yacht club site, Newport Beach
- Southern California Edison transmission right-of-way at Disneyland
- H.U.D. apartment projects in Long Beach, Hawaiian Gardens and Downey
- Campus buildings at Southern California School of Theology
- 957-acre ranch in Ramona
- 65 acres of wetlands in Huntington Beach
- Smithcliffs, 10-acre ocean bluff estate in Laguna Beach
- Surface rights over flood control channel at Crystal Cathedral
- Damaged 87-unit condominium project in Monterey Hills, Los Angeles
- Portion of Knott's Berry Farm for widening of Beach Boulevard
- 9-acre fee/leasehold luxury auto dealership in Newport Beach
- Properties with soils, subsidence or construction defects issues in Southern California
- Fair rental valuations in Marina del Rey

## QUALIFICATIONS OF CASEY JONES

### Education:

University of Southern California, Bachelor of Arts - Cinema, 1977

Advanced Study - University of Southern California, Master of Fine Arts, 1978

### Employment:

1/91 - Present: Real Estate Appraiser and Consultant  
George Hamilton Jones Inc., Newport Beach, California

### Scope of Experience:

Assignments: Valuation of various classifications of real property and real property interests for fair market value, fair market rent, and other purposes.

## **ADDITIONAL INFORMATION**

### **Business and Financial Summary (Form P-3)**

- (a) Assignment list (See attached summary)**
- (b, d) Background and Experience (See Statements of qualifications)**
- (c) Licenses (See Form P-2, page 2, #4)**
- (e) Appraisal report (6 copies included)**
- (f) Organizational size and structure (See Form P-2, page 1, #1)**
- (g) References (See Revised Form P-3, pages 2 and 3, attached)**
- (h) Credit references (See Revised Form P-3, page 4, attached)**
- (i) Certificate of insurance (see attached)**
- (j) Disciplinary action**

No one named in the Work Plan has ever been the subject of a disciplinary action by the Appraisal Institute or the California Office of Real Estate Appraisers.

- (k) Financial statements**

Financial statements are available for review at our accountant's office.

Christina Bahr, CPA  
1501 Westcliff Drive, Suite 201  
Newport Beach, CA 92662

(949) 646-8913



## GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
1/96	3/99	Edward Szczepkowski	400 S. Hope Street Los Angeles, CA 90071	Edward Szczepkowski	(213) 687-2152	Chino Hills High School eminent domain
8/98	9/98	city of newport beach	3300 Newport Blvd. Newport Beach, CA	Don Webb	(949) 644-3311	Caltrans West fair market value
3/98	10/98	dept of beaches/harbor	13837 Fiji way MDR, CA 90292	Stan Wisniewski	(310) 305-9503	boat broker percentage rent
7/98	3/99	county of Ventura		Bill Moritz		anacapa isle apartments
3/98	5/99	Caltrans	865 S. Figueroa Los Angeles, CA	Charles Belentky	(213) 955-5073	garden village shopping center inverse condemnation
8/98	3/99	metropolitan water district	350 S Grand Ave Los Angeles, CA 90071	Paul Norlen	(213) 217-7665	sunwest materials eminent domain
2/98	1/99	dept of beaches/harbor	13837 Fiji way MDR, CA 90292	Stan Wisniewski	(310) 305-9503	oakwood apts. fair rental value
10/94	7/99	" "	" "	" "	" "	parcel 44 fair rental value

Add additional pages if necessary to list all experience with Government Agencies.

GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
1/95	3/98	department beaches/harbor	13837 fiji way mdr, CA 90292	Stan Wisniewski	(310) 305-9503	Parcel 50T arbitration - fair rental
8/98	6/99	" "	" "	" "	" "	villa del mar fair rental value
8/98	6/99	" "	" "	" "	" "	tradewinds - fair rental value
8/98	6/99	" "	" "	" "	" "	holiday harbour fair rental value
6/99	1/00	" "	" "	" "	" "	MDR - lease extension methodology
8/98	6/99	" "	" "	" "	" "	Parcel 113 fair rental value
8/98	10/99	" "	" "	" "	" "	California yacht club fair rental value
8/98	4/01	" "	" "	" "	" "	marina city fair rental value

Add additional pages if necessary to list all experience with Government Agencies.

## GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
4/99	11/00	metropolitan water district	P.O. box 54153 los angeles, CA	Paul Norlen	(213) 217-7656	Robertson - eminent domain
6/99	2/00	Eduard Szczepkowski	300 S. Grand Ave los angeles, CA	Ed Szczepkowski	(213) 687-2100	Ambassador Hotel eminent domain
10/99	7/00	department of beaches/harbor	13837 Fiji way MOR, CA 90292	Stan Wernowski	(310) 305-9503	Parcel 53 - Yamaha fair rental value
5/99	1/00	" "	" "	" "	" "	Parcel 130 lease extension
7/99	11/99	" "	" "	" "	" "	parcels 12/15 fair rental value
10/99	8/00	OCTA	701 S Parker Street Orange, CA	Craig Farrington	(714) 558-7000	CCTA eminent domain
1/99	10/00	metropolitan water district	P.O. box 54153 los angeles, CA	Paul Norlen	(213) 217-7556	Inland Feeder vacant land eminent domain
6/99	4/01	Caltrans	3347 Michelson Irvine, CA	Wayne Lee	(949) 724-2675	Arches Drainage eminent domain

Add additional pages if necessary to list all experience with Government Agencies.

## GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
2/00	5/00	City of Newport Beach	3300 Newport Blvd. Newport Beach, CA	Don Webb	(949) 644-3311	Caltrans west fair market value
8/00	10/00	" "	" "	Tony Melum	(949) 644-3041	Basin Marine fair rental value
1/00	9/00	Nevada Dept of Transportation	1263 S Stewart St. Carson City, NV	Samuel Coon	(775) 888-7420	St James Village review for eminent domain
8/00	on going	Caltrans	21073 Pathfinder Rd Diamond Bar, CA 91765	Linda Lundblad	(909) 468-5491	Holiday Mountain View eminent domain
12/00	4/02	" "	" "	Wayne Lee	(909) 444-7786	S.A.L.T. eminent domain
10/99	5/01	City of Newport Beach	3300 Newport Avenue Newport Beach, CA	Dave Kiff	(949) 644-3002	City tide lands fair rental value
10/01	on going	Nevada dept of transportation	1263 S Stewart Carson City, NV	Samuel Coon	(775) 888-7420	Geothermal Surface Rights for eminent domain
4/02	7/02	Riverside County Flood District	1495 Market Riverside, CA	Greg Walker	(909) 955-1281	Vacant land fair market value

Add additional pages if necessary to list all experience with Government Agencies.

## GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
7/99	4/00	Dept of Beaches/Harbor	13837 Fiji way MOR, CA 90292	Stan Wisniewski	(310) 305-9503	Tradewinds - Parcel 20 fair rental value
5/00	12/00	" "	" "	" "	" "	Parcel 55 fair rental value
8/98	10/00	" "	" "	" "	" "	Del Rey - Parcel 77 fair rental value
3/00	2/01	" "	" "	" "	" "	Parcel 103 lease extension
2/01	2/02	" "	" "	" "	" "	marina beach shopping center fair rental value
8/01	2/02	" "	" "	" "	" "	parcels 111/112 fair rental value
11/01	1/02	" "	" "	" "	" "	Parcel 77 fair rental value
1/02	1/03	" "	" "	" "	" "	Parcel 44 leasehold interest

Add additional pages if necessary to list all experience with Government Agencies.

## GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
3/02	6/02	Dept. of Beaches/Harbor	13837 Fiji way MOR, CA 90292	Stan Wisniewski	(310) 305-9503	marina del rey methodology
7/01	6/02	" "	" "	" "	" "	villa venetia fair rental value
4/02	7/02	city of tustin	701 S. parker Street Orange, CA	Craig farrington	(714) 564-2616	Consultation
7/02	5/03	Caltrans	472 N arrowhead San Bernardino, CA	Terry Haines	(909) 383-6917	Vulcan eminent domain
12/02	5/03	Caltrans	" "	" "	" "	B3C - South eminent domain
6/01	9/01	city of redondo beach	415 Diamond Redondo Beach, CA	James Allen	(310) 372-0631	arbitration
8/02	2/03	city of Beverly hills	355 S. Grand Ave Los Angeles, CA	mike Yoshida	(213) 626-8484	construction easement
9/02	5/03	Caltrans	865 S. Figueroa Los Angeles, CA	Jerry Montoya	(213) 955-5073	Richards / Richland eminent domain

Add additional pages if necessary to list all experience with Government Agencies.

GOVERNMENT AGENCIES:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
9/02	4/03	Caltrans	5337 Michelson Irvine, CA 92612	Rebecca Gurado	(949) 724-2289	Houav eminent domain
8/02	10/02	Sanitation district	1199 S. Fullerton Rd City of Industry CA	Sal Calderon		Rocky Point - fair market value
5/03	ongoing	Nevada dept of transportation	1203 S. Stewart Carson City NV.	Sam Coon	(775) 888-7423	Parker / Shapiro eminent domain

Add additional pages if necessary to list all experience with Government Agencies.

PRIVATE INSTITUTIONS:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
6/98	9/98	Ardell	2077 W Coast Highway Newport Beach, CA	Don Haskell		Dana Point Headlands
10/98	1/00	Chula Vista Marina	9619 Chesapeake San Diego, CA	Major Chance	(619) 565-4424	Marina and RV Park fair rental value
3/98	11/98	Lockheed	300 S Grand Street Los Angeles, CA	Edward Szczepkowski	(213) 687-2152	eminent domain
5/99	11/99	Howard Miller	175 E. Reno Ave Las Vegas, NV 89119	Howard Miller		Fletcher Jones
11/97	10/99	Mary Lyon	211 Yacht Club Way Redondo Beach, CA	Mary Lyon	(310) 476-0086	Harbor Cove Apartments fair market value
9/99	1/00	John Curci	717 Lido Park Dr. Newport Beach, CA	John Curci	(949) 673-1060	Maana apartments lease negotiation
3/00	6/00	James Regan	1990 S. Bundy Dr. Los Angeles CA	James Regan	(310) 979-3856	Catalina land use ground lease negotiation
9/00	4/02	Lockheed	100 S Charles Street Baltimore, Maryland	James De Napoli		Portners - Lockheed vacant fair market value - land

Add additional pages if necessary to list all experience with private institutions.



PRIVATE INSTITUTIONS:

Start of Contract	End of Contract	Name of client	Address of client	Project Mgr./ Contact person	Phone number	Description of Services
3/00	2/01	Mary Lyon	211 yacht clubway Redondo Beach, CA	Mary Lyon	(310) 476-6086	Harbor Cove Apartments fair market value
7/01	8/01	Long Beach Yacht Club		David Robertson	(562) 494-7520	Consultation
2/01	11/01	Trust for Public Land	1100 S. Coast Highway Laguna beach, CA	Scott Ferguson	415 495-5760	Bryant fair market value
7/01	11/01	gray Kelso	1231 Dolphin terrace Coronadelmar CA	gray Kelso		via open to land only fair market value
4/02	5/02	Steve militzek	1 Park Plaza Irvine, CA	Zinc Leslie	(619) 291-6440	Dana west marina fair rental value
6/02	8/02	San diego yacht club	Sandiego, ca	Roger Hrew	(619) 699-2524	arbitration
9/02	on going	Edison	14799 Chestnut St. Westminister, CA	David Guder	(714) 934-0553	edison comment downen
5/02	5/03	Maro bay & land Co.	717 100 park newport beach, CA	John Chirci	(949) 673 1060	fair market value

Add additional pages if necessary to list all experience with private institutions.

h. Provide a minimum of three credit or financial references; giving names, addresses, and telephone numbers.

Name	Address	Business relationship	Contact person	Phone number
Wells Fargo Bank	2750 West Coast Highway Newport Beach, CA 92663	Bank	Barbara Retkin	(949) 645-4272
Lido Peninsula Co.	717 Lido Park Drive Newport Beach, CA 92663	Landlord <sup>20</sup> years	John Curci	(949) 673-1060
Minolta Business	1120 N. TUSTIN Avenue Anaheim, CA 92807	we lease our office equipment	Wendy Migliaccio	(714) 688-7768

- i. Provide a letter of commitment, binder or certificate of current insurance coverage from an insurance company setting forth coverage meeting the limits and other requirements ( Attachment A, Part Three, Standard Contract Terms and Conditions, Section 3.9).
- j. State whether the Proposer, any staff member, or Subcontractor named in the Proposer's work plan has been the subject of a disciplinary action by the Appraiser's Institute or any other appraisal organization or the California Office of Real Estate Appraisers, and briefly state the nature of the complaint or violation and the results of the disciplinary proceeding.
- k. Attach copies of financial statements (balance sheet and income statements) for the last full fiscal year and any partial year through at least December 31, 2002. Financial statements shall be prepared according to generally accepted accounting principles. Balance sheet shall show assets, liabilities, and net worth. Income statements shall identify operating expenses such as insurance, payroll, employee benefits, and payroll taxes. Reviewed and audited financial statements shall be given greater weight than compiled statements.
- l. Attach additional information, if necessary.

Signature: \_\_\_\_\_

Date: July 8, 2003

Title: President

## REQUEST FOR PROPOSALS -- PROPOSER'S CERTIFICATION

On behalf of Proposer George Hamilton Jones, Inc., the undersigned certifies, declares and agrees as follows:

**1. Absence of Any Conflict of Interest.** The Proposer is aware of the provisions of Section 2.180.010 of the Los Angeles County Code and certifies that neither Proposer nor its officers, principals, partners or major shareholders are employees of either the County or another public agency for which the Board of Supervisors is the governing body or a former employee who participated in any way in the development of the Contract or its service specifications within 12 months of the submission of this Proposal.

**2. Independent Price Determination.** The Proposer certifies that the prices quoted in its Proposal were arrived at independently, without consultation, communication, or agreement with any other Proposer for the purpose of restricting competition.

**3. Compliance with County Lobbyist Ordinance.** The Proposer is familiar with the requirements of Chapter 2.160 of the Los Angeles County Code. All persons acting on Proposer's behalf have complied with its provisions and will continue to do so pending and subsequent to the award of the Contract by the Board of Supervisors.

**4. Antidiscrimination.**

(a) In accordance with Section 4.32.010.A of the Los Angeles County Code, all persons employed by the Proposer, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States and the State of California. The following policies and procedures shall be in force and effect over the Contract term: (1) a written policy statement prohibiting discrimination in all phases of employment; (2) periodic self-analysis or utilization analysis of Proposer's work force; (3) a system for determining if Proposer's employment practices are discriminatory against protected groups; and (4) where problem areas are identified in employment practices, a system for taking reasonable corrective action to include establishment of goals or timetables;

OR:

(b) Proposer is exempt from the provisions of Section 4.32.010 because the Contract is for the performance of professional, scientific, expert or technical services of a temporary and occasional character involving only a single individual or an individual or a firm employing less than 10 persons in connection with the performance of such Contract.

**5. Consideration of GAIN/GROW Participants for Employment.** As a threshold requirement for consideration for Contract award, Proposer shall demonstrate a proven record of hiring GAIN/GROW participants or shall attest to a willingness to consider GAIN/GROW participants for any future employment opening. Additionally, Proposer shall attest to a willingness to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available, to assist these individuals in obtaining permanent employment and promotional opportunities.


Proposer has a proven record of hiring GAIN/GROW participants (subject to verification; attach proof);

OR:

Proposer is willing to consider GAIN/GROW participants for any future employment opening and to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available.

**On behalf of Proposer, I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:**

George H. Jones  
Name

  
Signature

President  
Title

July 8, 2003  
Date

County of Los Angeles – Community Business Enterprise Program (CBE)

**INSTRUCTIONS:** All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

**I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

FIRM NAME: George Hamilton Jones, Inc.

I AM NOT

I AM

A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bid submission. *(see attached) State of California*

As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number: \_\_\_\_\_

**II. FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure:  Sole Proprietorship  Partnership  Corporation  Non-Profit  Franchise  
 Other (Please Specify) \_\_\_\_\_

Total Number of Employees (including owners): (5) Five

Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:

	Category 1		Category 2		Category 3	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latino						
Asian or Pacific Islander						
American Indian						
Filipino						
White	4	1				

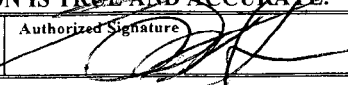
**III. PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

Men	20 %	20 %	20 %	20 %	%	%
Women	20 %	%	%	%	%	%

**IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:**

If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)


**V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.**

Print Authorized Name <u>George H. Jones</u>	Authorized Signature 	Title <u>President</u>	Date <u>7/8/03</u>
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**PROCUREMENT DIVISION**

**Small Business and DVBE Certification**

707 Third Street, 1st Floor, Room 400 \* PO Box 989052

West Sacramento, California 95798-9052 \* (800) 559-5529

SB APP 20020227

February 27, 2002

REF# 0006943  
GEORGE HAMILTON JONES INC  
717 LIDO PARK DR STE D  
NEWPORT BEACH CA 92663

Dear Business Person:

Congratulations on your certified small business status with the State of California. Your certification entitles you to benefits under the state's Small Business Participation Program within state contracting, including a five percent bidding preference and special provisions under the Prompt Payment Act.

**Certification period**

Your certification period for each business type is:

<u>Industry</u>	<u>From</u>	<u>To</u>
SERVICE	02/26/2002	01/31/2005

**Annual Submission Requirement**

To maintain your certified status, you must annually submit to Small Business and DVBE Certification, proof of annual receipts and proof of employees for your firm and each of your affiliates (if any).

Proof of Annual Receipts

Submit to Small Business and DVBE Certification, a copy of your firm's and any affiliate firm's ENTIRE federal tax return each year following your certification. Include ALL accompanying schedules, forms, statements, and any other support documents filed with that specific tax return.

If you request a tax filing extension with the Internal Revenue Service, submit to our office a copy of the extension form. When your tax returns are filed, submit a copy of the entire federal tax return to our office.

Proof of Employees

If you have employees whose taxable wages are reported to the California Employment Development Department (EDD) on a quarterly basis, you must annually submit to our office along with your proof of annual receipts, proof of employees for your firm and any affiliates.

We will accept a copy of the EDD's "Quarterly Wage and Withholding Report" (Form DE6) or other format accepted by the EDD. Your employee documents must cover the same four quarters as the tax return you submit for your proof of annual receipts.

If you have out-of-state employees, submit the employee documentation comparable to EDD's "Quarterly Wage and Withholding Report" for the same four-quarter period.

**Prompt Payment Rubber Stamp**

**CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION**

Los Angeles County Code Chapter 2.200 establishes the Los Angeles County Child Support Compliance Program. This Program requires the County to provide certain information to the Child Support Services Department (CSSD) concerning its employees and business licensees. It further requires that bidders or proposers for County contracts submit certifications of Program compliance to the soliciting County department along with their bids or proposals. (In an emergency procurement, as determined by the soliciting County department, these certifications may be provided immediately following the procurement).

IN ORDER TO COMPLY WITH THIS REQUIREMENT, COMPLETE THIS FORM AND SUBMIT IT DIRECTLY TO THE SOLICITING COUNTY DEPARTMENT ALONG WITH YOUR BID OR PROPOSAL. IN ADDITION, PROVIDE A COPY TO THE CSSD AT THE ADDRESS OR FAX NUMBER SHOWN BELOW. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

I, (print name) George H. Jones hereby submit this certification to the (County department) Beaches and Harbors, pursuant to the provisions of County Code Section. 2.200.060 and hereby certify that (contractor or association name as shown in bid or proposal), George Hamilton Jones, Inc., an independently owned or franchiser-owned business (circle one), located at (contractor, or, if an association, associated member address) 717 Lido Park Drive, Suite D Newport Beach, CA 92663 is in compliance with Los Angeles County's Child Support Compliance Program and has met the following requirements:

- 1) Submitted a completed Principal Owner Information Form to the Child Support Services Department;
- 2) Fully complied with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and/or California Unemployment Insurance Code Section 1088.5, and will continue to comply with such reporting requirements;
- 3) Fully complied with all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b) or pursuant to applicable provisions of the Uniform Interstate Family Support Act, and will continue to comply with such Orders or Notices.

***I declare under penalty of perjury that the foregoing is true and correct.***

Executed this 8th day of July 2003 (Month and Year)

at: Newport Beach, California 949-673-6733  
(City/State) (Telephone No.)

by: [Signature]  
(Signature of a Principal Owner, an officer, or manager responsible for submission of the Proposal to the County.)

Copy to: Child Support Services Department  
Special Projects  
P.O. Box 911009  
Los Angeles, CA 90091-1009  
FAX: (323) 869-0634

Telephone: (323) 832 7277 or (323) 832-7276

**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
CERTIFICATION FORM AND APPLICATION FOR EXCEPTION**

The County's solicitation for this Request for Proposals is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All proposers, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Bidder is excepted from the Program.

Company Name: <u>George Hamilton Jones, Inc.</u>			
Company Address: <u>77 Lido Park Drive, Suite D</u>			
City: <u>Newport Beach</u>	State: <u>CALIFORNIA</u>	Zip Code: <u>92663</u>	
Telephone Number: <u>949 - 673-6733</u>			
Solicitation For (Type of Services): <u>Real Estate Appraisal and Consulting</u>			

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business

- • **My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.**
- • **My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.**

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

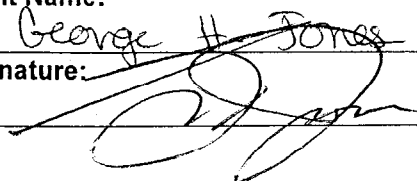
- • **My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.**

OR

Part II: Certification of Compliance

**My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.**

*I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.*

Print Name: <u>George H. Jones</u>	Title: <u>President</u>
Signature: 	Date: <u>July 8, 2003</u>

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART ONE – GENERAL CONDITIONS**

**1.1 INTRODUCTION**

**1.1.1 Parties.** This Contract is entered into by and between the County of Los Angeles (the "County") and Parkcenter Consultants, Inc., d.b.a. Parkcenter Realty Advisors, a California corporation (the "Contractor").

**1.1.2 Recitals.** The Contract is intended to integrate within one document the terms for the commercial real property appraisal services to be performed for the County by the Contractor. The Contractor represents to the County that the express representations, certifications, assurances and warranties given in this Contract, including but not limited to those in Sections 3.2, 3.3, 3.4, 3.6, 3.21 and 3.31 and in Form P-1 (Offer to Perform), and Form P-2 (Proposer's Work Plan), are true and correct. The Contractor further represents that the express representations, certifications, assurances and warranties given by the Contractor in response to the Request for Proposals are true and correct, including but not limited to Forms P-3, P-4, P-5, P-7 and P-8 submitted with the Contractor's Proposal.

**1.1.3 Effective Date.** The effective date of this Contract shall be the date of Board approval.

**1.1.4 Contract Provisions.** The Contract is comprised of this Part 1 (General Conditions), Part 2 (Statement of Work), Part 3 (Standard Contract Terms and Conditions), Exhibit 1 (Work Order), Form P-1 (Proposal: Offer to Perform), and Form P-2 (Work Plan), all of which are attached to this Contract and incorporated by reference. It is the intention of the parties that when reference is made in this Contract to the language of the request for Proposals (RFP), the Exhibits or the Proposal, such language shall be deemed incorporated in the Contract as if fully set forth. To the extent there is any inconsistency between the language in Forms P-1 and P-2 and any other part of the Contract, the language of such other part of the Contract shall prevail.

**1.1.5 Work to be Performed.** Contractor shall perform the work set forth in Part Two and Form P-2.

**1.1.6 Rescission.** The County may rescind the Contract for the Contractor's misrepresentation of the matters mentioned in Section 1.1.2. In the Case of a misrepresentation of the facts set forth in Section 3.6, a penalty may be assessed in the amount of the fee paid by the Contractor to a third person for the award of the Contract.

**1.1.7 Supplemental Documents.** Prior to commencing services under the Contract, the selected Proposer shall provide the Contract Administrator with satisfactory written proof of insurance complying with Section 3.9.

**1.2 INTERPRETATION OF RFP**

**1.2.1 Headings.** The headings contained in the Contract are for convenience and reference only. They are not intended to define or limit the scope of any provision of the Contract.

**1.2.2 Definitions.** The following word shall be construed to have the following meanings, unless otherwise apparent from the context in which they are used.

*Board, Board of Supervisors.* The Board of Supervisors of Los Angeles County.

*Chief, Asset Management Division.* The Chief of the Department's Asset Management Division.

*Chief Deputy.* The Chief Deputy of the Department.

*Contract.* An agreement for performance of the work between the selected Proposer and the County, approved by the Board of Supervisors, which incorporates the items enumerated in Section 1.1.4.

*Contract Administrator.* The Chief, Asset Management Division or designee.



*Contractor.* The Proposer whose Proposal is accepted by the Board of Supervisors for performance of the Contract work.

*Contract Year.* The twelve-month period commencing on the first day following approval of the Contract by the Board of Supervisors and each succeeding twelve-month period over the remaining term of the Contract, including the optional years.

*County.* The County of Los Angeles.

*County Counsel.* The Los Angeles County Counsel.

*Department.* The Los Angeles County Department of Beaches and Harbors.

*Director.* The Director of the Department.

*Offer to Perform.* Form P-1 of the Contract.

*Performance Standard.* The essential terms and conditions for the performance of the Contract work as defined in the Contract.

*Proposer.* Any person or entity authorized to conduct business in California who submits a Proposal.

*Request for Proposals (RFP).* The solicitation to this Contract issued June 5, 2003.

*Subcontractor.* A person, partnership, company, corporation, or other organization furnishing supplies or services of any nature, equipment, or materials to the Contractor, at any tier, under written agreement.

*Work Order.* An agreement, subordinate to the Contract, incorporating all of its terms and conditions, by which the Contractor is authorized to perform specific tasks outlined in the Description of Work. See Exhibit 1.

### **1.3 CONTRACT TERM**

**1.3.1 Initial Term.** The initial Contract term shall commence on the date of approval of the Contract by the Board of Supervisors and end three years from the date of approval by the Board of Supervisors.

**1.3.2 Two One-Year Extension Offers.** If the Director determines that it is in the interest of

the County to do so, he may offer to grant up to two one-year extensions of the Contract term. The Director may exercise the first option by notifying the Contractor in writing before the Contract expiration date. The Director may exercise the second option by notifying the Contractor in writing before the expiration of the first optional Contract Year. Should the Contractor fail to accept or decline the Director's offer in writing before the expiration date of the Contract term or optional Contract Year or within 30 days, whichever is earlier, the offer shall be deemed revoked.

#### **1.3.3 Extension to Complete Work Order.**

The Director or other person authorized to issue a Work Order as described in Section 1.4.3 may extend the Contract term or any optional Contract Year on a month-to-month basis subject to the Contract's terms and conditions, but only to allow the Contractor to complete a Work Order approved before the expiration of the Contract term or the applicable optional Contract Year. Such extensions are further subject to the availability of funds in the Department's budget. Up to 12 such one-month extensions may be granted, which shall be effective only if executed in writing by the Director or other person authorized to issue a Work Order as described in Section 1.4.3.

**1.3.4 Survival of Obligations.** Notwithstanding the stated term of the Contract, some obligations assumed in the Contract shall survive its termination, such as, but not limited to, the Contractor's obligation to retain and allow inspection by the County of its books, records and accounts relating to its performance of the Contract work.

### **1.4 COMPENSATION**

**1.4.1 Contract Sum.** The net amount the County shall expend from its own funds during any Contract Year for appraisal services among all Contractors shall not exceed \$125,000. The County may at its discretion expend any portion, all or none of that amount. However, aggregate annual payments for appraisal services may exceed the aforementioned \$125,000 to the extent that a lessee or other third party is obligated to reimburse the County for its appraisal expenses.

**1.4.2 Increase of Contract Sum by Director.** Notwithstanding Section 1.4.1, the Director may,

by written notice to the Contractor(s), increase the \$125,000 sum referenced in Section 1.4.1 which is not subject to reimbursement from lessees or other third parties by up to 20 percent in any year of the Contract or optional one-year extension period, subject to the availability of funds in the Department's budget. Such increases shall not be cumulative.

**1.4.3 Compensation Payable Only Under Work Order at Quoted Hourly Rates.** Notwithstanding any other provisions of this Contract, no compensation shall be paid unless and until the Contractor has performed work for the Department in accordance with the terms of a Work Order (Exhibit 1) issued under the Contract and executed by the Director or the Chief Deputy Director. Compensation for all work under a Work Order shall be at Contractor's hourly rate(s) of pay as quoted on Form P-1 with a firm monetary cap, and shall be subject to Sections 1.4.1, 1.4.7 and 3.1.

**1.4.4 Preparation of Itemized Estimates, Work Statements and Billing to be Treated as Overhead.** Notwithstanding any other provision of the Contract, the time expended by the Contractor in the preparation of invoices shall be treated as overhead, shall not be directly charged in itemized invoices and shall not entitle Contractor to any direct compensation. The parties understand and agree that the Contractor's hourly rates for work performed include an amount which will compensate the Contractor for all labor, equipment, materials, supplies, licenses, registrations, data systems, transportation, telephone expenses, facsimile transmission, photocopying services and other items required for performance of the Contract.

**1.4.5 No Increase in Hourly Rate(s) of Compensation.** Notwithstanding any increase in the Contractor's salary costs or other overhead, no increase in the hourly rate(s) of compensation quoted in Form P-1 shall be given during the term of the Contract or any extension period.

**1.4.6 Assignment of Work.** Some, but not all of the work orders may be bid out among the Contractors based on the number of hours and turn-around time. The selected Contractor shall be paid the lower of the bid amount or the hours actually worked at the applicable hourly rate.

**1.4.7 Maximum Compensation Under Work Order** Maximum compensation for each work order shall be determined by the total hours bid on the assignment at the Contractor's hourly rate(s). Each work order shall contain a firm monetary cap, based on the Contractor's hourly rate(s).

**1.4.8 Increase in Maximum Compensation Under Work Order.** The Director may approve an increase in the maximum compensation specified in a Work Order should he find that the project will require additional hours, an increase in staffing, or other cause to do so. An increase in the maximum number of hours specified in a Work Order shall not increase the Contractor's hourly rate(s) of compensation. Approval of an increase in the maximum number of hours specified in a Work Order shall be effective only if executed in writing by the Director or Chief Deputy, who shall state the reason for the increase.

**1.4.9 Extension of Time to Complete Work Order.** Approval of an extension of the time for a completion of a Work Order shall be effective only if executed in writing by the Director or Chief Deputy.

**1.4.10 Contractor's Invoice Procedures.**

**1.4.10.1** The Contractor shall submit an invoice to the Department on or before the fifteenth day of each month for compensation earned during the preceding calendar month. The Contractor shall submit two copies of each invoice and shall submit a separate invoice for each Work Order on which it claims payment. Invoices shall identify the Contract number, total hours bid, if applicable, and the name of the Work Order or project. Invoices for services shall be billed on an hourly basis shall itemize dates and hours of work performed, type of work performed, person performing the work, hourly rate for such person, and other information necessary to calculate the payment for the work.

**1.4.10.2** If the Work Order requires delivery of a report or other written product, fifty percent of all amounts due under the Work Order shall be withheld until receipt and acceptance by the CA of the report or other written product. The Contractor's monthly invoice shall show the amount earned subject to such withholding, the deduction for the amount to be withheld, and the net amount currently payable by the County.

**1.4.10.3** The County may withhold from payment any amount assessed by the CA which is authorized as a set off, withholding by the terms and conditions of the Contract, including but not limited to liquidated damages pursuant to Section 3.16, County's Remedies for Default.

**1.4.10.4** Upon the Department's receipt and the CA's review and approval of the invoice, the County shall pay the net amount currently payable shown on the invoice less any other setoff or deduction authorized by the Contract. Such setoffs and deductions include, but are not limited to, the cost of replacement services.

**1.4.10.5** Upon completion of the reports or other written product identified in the Work Order, the Contractor shall deliver them with an invoice for the amounts withheld pending their receipt and acceptance. Upon their receipt and approval by the CA, the County shall pay the amounts withheld, provided that the County's maximum obligation for the Work Order is not exceeded. Approval or rejection of reports and other deliverable items identified in the Work Order shall not be unreasonably withheld and shall not exceed four weeks from the date of their receipt by the County

**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART TWO – STATEMENT OF WORK**

**2.1 GENERAL REQUIREMENTS**

**2.1.1 Contractor's Work Plan.** Subject to all other terms and conditions of the Contract, Contractor shall perform the work and maintain quality control in accordance with the Work Plan and other representations submitted with the Contractor's Proposal.

**2.1.2 Materials, Equipment, Labor and Expenses.**

**2.1.2.1** All materials, equipment and labor to be used in the work shall be furnished by the Contractor at the Contractor's expense.

**2.1.2.2** All of Contractor's expenses on account of the work, including but not limited to travel, meals and lodging, printing, photocopying, and faxing shall be borne by the Contractor.

**2.1.3 Contractor's Office.** The Contractor shall maintain a local address in Southern California where its officers or owners may be contacted personally and by mail.

**2.1.4 Communication with Department.** The Contractor shall maintain communication systems that will enable the Department to contact the Contractor at all times during regular business hours. The Contractor shall return calls during business hours not later than the next business day and as soon as reasonably possible if the call is designated urgent. The Contractor shall provide an answering service, voicemail or telephone message machine to receive calls at any time Contractor's office is closed.

**2.1.5 Contractor to Make Monthly Reports.** The Contractor shall report to the CA on a monthly basis in writing, describing the services rendered and matters delivered during the period, the charge for services rendered, the balance remaining under each Work Order and the Contract, and any facts which may jeopardize the completion of each project or any intermediate deadlines.

**2.1.6 Contractor to Maintain Files.** The Contractor shall maintain copies of files and documents prepared for the Department, including supporting and backup data, and shall deliver copies of the files and documents to the Department upon the CA's request.

**2.1.7 Contractor to Prepare Final Project Report.** The Contractor shall prepare a final report upon completion of any project assigned by the Department summarizing the Contractor's findings and recommendations in accordance with the CA's instructions.

**2.2 PERSONNEL**

**2.2.1 Contractor's Representative (CR).** The Contractor shall designate a full-time employee as Contractor's Representative (CR) who shall be responsible for Contractor's day-to-day activities related to each Work Order and who shall be available to the CA, other County's staff, and County's other outside consultants on reasonable telephone notice each business day and at other times as required by the work. If an individual, the Contractor may designate himself or herself as the Contractor's Representative.

**2.2.2 Professional Services.** The Contractor shall provide the professional services of the commercial real property appraisal consultants and other professionals identified in the Contractor's Proposal.

**2.2.3 Personal Services of Designated Persons Required.** In agreeing to engage the Contractor, the County has relied on the Contractor's representation that the individuals identified in Contractor's Proposal will personally perform the professional services required by the Contract. The failure of those persons to render those services shall be deemed a material breach of the Contract for which the County may recover damages. Should it be necessary for the Contractor to substitute an equally qualified professional for an individual named in the Proposal, the Contractor shall request the CA's approval, which shall not be unreasonably withheld.

**2.2.4 Assignment of Contract.** Notwithstanding any other provision of the Contract, the Contractor may, with the written consent of the Director, assign the Contract to an entity that employs or is owned by one or more of the Contractor's principals.

**2.2.5 County Contract Administrator (CA).**

**2.2.5.1** The Department shall appoint a Contract Administrator (CA) for each Work Order executed under the Contract.

**2.2.5.2** The CA will be responsible for ensuring that the objectives of the Contract are met and shall direct the Contractor as to the County's policy, information and procedural requirements.

**2.2.5.3** The Contractor's work shall be subject to the CA's acceptance and approval, which shall be neither unreasonably withheld nor dependent on the Contractor's analysis, opinions, or conclusions as long as the analysis meets the standard for thoroughness and care for professional appraisers.

**2.2.5.4** The CA is not authorized to make any changes in the terms and conditions of the Contract or to obligate the County in any manner.

**2.3 SCOPE OF WORK AND PERFORMANCE STANDARDS.**

**2.3.1** For those leaseholds on which the rental adjustment is to be determined by a three member appraisal board, in the event of a dispute between the Department and the lessee, the Department may require the Contractor to serve as its nominee to the three member board of appraisers.

**2.3.2** For those leaseholds on which the rental adjustment is to be determined by a retired judge in the event of a dispute between the Department and the lessee, the Contractor shall be prepared to testify as the Department's expert witness.

**2.3.3** The Contractor shall cooperate with the Department and its attorneys in preparing for any formal or informal dispute resolution process, and shall promptly and readily attend and/or participate in meetings, hearings, telephone conferences, trials and the like when requested by the Department or its attorneys.

The Contractor shall be well prepared to support his or her appraisal and to present evidence on the County's behalf.

**2.3.4** The Department may require the Contractor to serve as its confidential consultant with respect to rental readjustment disputes and for any other purpose and may require the Contractor to prepare an appraisal report in connection with such service.

**2.3.5** The Contractor shall exercise independent judgment and complete the appraisal assignment in accordance with sound appraisal practices in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute. Appraiser shall accept no other assignments in conflict with these requirements and shall disclose any potential or actual conflict of interest prior to accepting a Work Order.

**2.3.6** In appraising a property, the Appraiser shall follow the valuation method prescribed in the Work Order. Typical Marina del Rey lease clauses specifying the manner of computation of percentage rents and minimum rents and describing dispute resolution processes are attached as Exhibit 3.

**2.3.7** The Contractor shall complete and submit an original and two copies of the written draft appraisal report and two copies of the final appraisal report no later than the dates specified in the Work Order.

At the minimum, each appraisal report shall address the following:

- Describe the parcel and provide a site map.
- Identify the uses permitted.
- Review and provide a synopsis of the terms, conditions and restrictions of the land and lease.
- Describe the regional and neighborhood influences on the parcel.
- Describe the improvements of the subject property being appraised and improvements of comparable properties and provide

photos of the same with proper labels and descriptions.

- Correlate the appraisal methods applied using the market approach, when practical, support it with the cost and income approach to valuation whenever feasible, and compare the result with conclusions reached by other appraisal methods as may be dictated in the Work Order.
- Summarize interviews conducted during the appraisal process with a list showing names and titles of informants contacted and the dates and places of the meetings or interviews.
- Discuss the relevant factors and data considered in the analysis.
- Describe the reasoning process, techniques of analysis, and assumptions and computations that were used in the formulation of the valuation opinion expressed, including a detailed explanation of how the empirical and economic data were correlated.
- Express the value of the subject property interest; or in connection with amended and restated leases proposed for certain Marina del Rey leaseholds in connection with a leasehold extension of term and the improvements and changes proposed therewith, the appraiser is to determine whether the return to the County in the form of rent, participation fees, extension fees and other consideration is equivalent to, or greater than fair market value; or as directed by the Work Order.
- Include in the appraisal report a detailed table of contents and a summary of conclusions.
- Number all pages of the report, label the report sections, and use tabs to separate the sections for easy reference.
- The Contractor may also be requested to determine the value of the land and water based upon the land residual appraisal technique, taking into consideration the existing improvements on the land and water and the economic rental of the

improvements. The result of this analysis shall be compared with the empirical data from recent land sale transactions, if such data is available. The minimum and percentage rents for the various land and water improvements located on the leasehold may be based on the extrapolated value of land and water respectively, when such allocation is practical and the total rents are representative of a fair return on the combined value of land and water. The return shall then be compared with the expected return derived from the valuation analysis as described in Section 2.6.6 herein.

## **2.4 ADDITIONAL SERVICES**

**2.4.1** County may request Contractor to perform additional services at the same time as the appraisal is being prepared, whether or not in conjunction with a rental readjustment. Typical examples of the services that may be requested are listed below:

- The Contractor may be requested to appraise the improved or unimproved parcels, both individually and/or in joinder, with one or more leased parcels. Valuation will be based upon the current uses or the proposed uses as shall be stipulated by the County.
- The Contractor may be requested to perform any other valuation analysis, which the County deems necessary or appropriate for the situation.

**2.4.2** If additional services are requested, they will be identified in a separate Work Order. If the additional information requested by the County is of a type that the Contractor normally includes in the appraisal, then Contractor will include such information in the appraisal and notify the County that such information is in the appraisal. Otherwise, the additional information requested will be the subject of a separate report to the County.

**2.4.3** Contractor will submit the separate report, if any, at the same time the appraisal is submitted (unless otherwise agreed). Contractor agrees to perform such services at the same hourly rate as charged for the appraisal. County will pay Contractor for the separate report in the same manner and at the same time as County

pays for the appraisal (unless otherwise agreed).

**2.4.4** Any Work Order for additional services will not alter Contractor's obligations regarding the appraisal in any way nor alter the requirement that Contractor exercise independent judgment in making the appraisal.

## **2.5 QUALITY ASSURANCE**

**2.5.1 Purpose of Standards.** The Contractor will observe, at a minimum, the standards set forth in this Section 2.5, and acknowledges that the adequacy of its compliance with the Contract shall be measured by these standards as well as all other terms and conditions of the Contract.

**2.5.2 Performance Evaluation.** The County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor's deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**2.5.3 Contractor's Quality Control Plan.** The Contractor shall comply with Contractor's Quality Control Plan, which shall be incorporated in the Contract by reference. To the extent that provisions of Contractor's Quality Control Plan are inconsistent with any other part of the Contract, they shall be ineffective. The Contractor shall not change The Quality Control Plan without written approval of the Director or authorized representative.

**2.5.4 Applicable Professional Standards to be Followed.** The Contractor and its professional staff shall exercise independent judgment and complete each assignment in accordance with the professional standards of ethics and competence which apply to the appraisal profession.

**2.5.5 Conflicts of Interest.** Contractor shall accept no employment which conflicts with its obligations to the County under the Contract and shall disclose any existing potential or actual conflict of interest prior to accepting an assignment.

All employment by Contractor on behalf of persons or entities other than the County that have an existing interest pertaining to real property within Marina del Rey is prohibited. Such existing interests include, but are not limited to: a leasehold, sublease, concession, permit, contract for the operation or management of real property, pending development proposal or pending lease proposal. Employment by Contractor on behalf of persons or entities with such interests is prohibited whether the employment is related to Marina del Rey property or not.

The prohibition shall remain in effect until the later of (1) one year from the termination or expiration of the Contract or any extension period; or (2) if the Contractor has performed work for the County related to an interest of the person or entity offering employment, the prohibition on accepting employment from that person or entity shall continue until the date of execution of a contract or other conclusion of all negotiations between the County and that person or entity.

However, at no time after termination or expiration of the Contract or any extension period may the Contractor disclose to any third person any confidential information learned or developed as a result of its work under this Contract or accept employment regarding subject matter as to which the Contractor learned or developed any confidential information as a result of employment by the County.

### **2.5.6 Other Standards to be Followed.**

**2.5.6.1** Contractor shall meet deadlines set by the Director, CA or other persons designated by the Department.

**2.5.6.2** Written work and graphics shall be clean, well executed and prepared in a professional manner.

**2.5.6.3** Reports required by the Contract or any Work Order shall be completed on time.

2.5.6.4 Contractor's principals and employees shall appear on time for meetings and presentations and conduct themselves professionally.

2.5.6.5 Hourly services shall be accurately reported.

2.5.6.6 Calls of County agents, employees and contractors shall be returned promptly in accordance with Section 2.1.4.

2.5.6.7 Insurance is never allowed to lapse. Proof of insurance shall comply with Contract requirements in all respects, including, but not limited to state authorization of insurer, presence of each required coverage, and policy limits.



**LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS  
CONTRACT FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES**

**PART THREE – STANDARD CONTRACT TERMS AND CONDITIONS**

**3.1 LIMITATION OF COUNTY'S OBLIGATION IN CASE OF NONAPPROPRIATION OF FUNDS.**

3.1.1 The County's obligation is payable only and solely from funds appropriated for the purpose of this contract. All funds for payment after June 30th of any fiscal year are subject to County's legislative appropriation for this purpose. Payments during subsequent fiscal periods are dependent upon the same action.

3.1.2 In the event this contract extends into succeeding fiscal year periods, and if the governing body appropriating the funds does not allocate sufficient funds for the next succeeding fiscal year's payments, then the services shall be terminated as of June 30th of the last fiscal year for which funds were appropriated.

**3.2 NONDISCRIMINATION IN EMPLOYMENT**

3.2.1 The Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated equally during employment, without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin. Such action shall include, by way of example without limitation, the following: employment; upgrading; recruitment or recruitment advertising; demotion or transfer; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

3.2.2 The Contractor certifies and agrees that all persons employed by the Contractor, its affiliates, subsidiaries or holding companies, are and will be treated equally by the employer without regard to or because of race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin, and in compliance with all antidiscrimination laws of the United States of America and the State of California.

3.2.3 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to their race, color, religion, sex, ancestry, age, physical disability, marital status, political affiliation, or national origin.

3.2.4 The Contractor shall allow the County access to its employment records during regular business hours to verify compliance with these provisions when requested by the County.

3.2.5 If the County finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which the county may determine to terminate the Contract. While the County reserves the right to determine independently that the antidiscrimination provisions of the Contract have been violated, a final determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated state or federal antidiscrimination laws shall constitute a finding on which the County may conclusively rely that the Contractor has violated the antidiscrimination provisions of the Contract.

3.2.6 The parties agree that in the event the Contractor violates the antidiscrimination provisions of the Contract, the County shall at its option be entitled to a sum of five hundred dollars (\$500) pursuant to Section 1671 of the California Civil Code as damages in lieu of terminating the Contract.

**3.3 ASSURANCE OF COMPLIANCE WITH CIVIL RIGHTS LAWS.**

The Contractor hereby assures it will comply with all applicable federal and state statutes to the end that no person shall, on the grounds of race, religion, color, sex, age, physical disability, marital status, political affiliation or national origin, be excluded from participation in, be denied the benefits of, nor be otherwise subjected to discrimination under the Contract or under any project, program, or activity supported by the Contract.

### **3.4 COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS**

**3.4.1** The Contractor agrees to comply with all applicable federal, state, County and city laws, rules, regulations, ordinances, or codes, and all provisions required by these laws which are to be included in the Contract and are incorporated by reference.

**3.4.2** The Contractor warrants that it fully complies with all statutes and regulations regarding the employment eligibility of foreign nationals; that all persons performing the Contract work are eligible for employment in the United States; that it has secured and retained all required documentation verifying employment eligibility of its personnel; and that it shall secure and retain verification of employment eligibility from any new personnel in accordance with the applicable provisions of law.

**3.4.3** The Contractor agrees to indemnify and hold the County harmless from any loss, damage or liability resulting from a violation on the part of the Contractor of such laws, rules, regulations or ordinances.

**3.5 GOVERNING LAW.** The Contract shall be construed in accordance with and governed by the laws of the State of California.

### **3.6 COVENANT AGAINST CONTINGENT FEES**

**3.6.1** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies under contract with the Contractor for the purpose of securing business.

**3.6.2** The County shall have the right to terminate the Contract for a breach of this warranty, and, at its sole discretion, recover from the Contractor by way of such means as may be available the full amount of any commission, percentage, brokerage or contingent fee paid.

### **3.7 TERMINATION FOR IMPROPER CONSIDERATION**

**3.7.1** The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

**3.7.2** Among other items, such improper consideration may take the form of cash, discounts, services, tangible gifts or the provision of travel or entertainment.

**3.7.3** The Contractor shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

**3.8 INDEMNIFICATION.** The Contractor shall indemnify, defend and hold harmless the County and its Special Districts, elected and appointed officers, employees and agents from and against any and all liability, including, but not limited to liability which results from bodily injury, death, personal injury, property damage or business loss, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

### **3.9 INSURANCE**

**3.9.1 General Insurance Requirements.** Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-

insurance programs maintained by the County, and such coverage shall be provided and maintained at the Contractor's own expense.

**3.9.2 Evidence of Insurance.** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to the Department of Beaches and Harbors, Contract Section, 13837 Fiji Way, Marina del Rey CA 90292 prior to commencing services under this Contract. Such certificates or other evidence shall:

- (1) Specifically identify this Contract;
- (2) Clearly evidence all coverages required in this Contract;
- (3) Contain the express condition that the County is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance;
- (4) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- (5) Identify any deductibles or self-insured retentions for County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**3.9.3 Insurer Financial Rating.** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of less than A:VII, unless otherwise approved by the County.

**3.9.4 Failure to Maintain Coverage.** Failure by the Contractor to maintain the required insurance or to provide evidence of insurance coverage acceptable to the County shall constitute a material breach of the Contract upon which the County may immediately

terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage and, without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**3.9.5 Notification of Incidents, Claims or Suits.** Contractor shall report to County:

- (1) Any accident or incident related to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within 24 hours of occurrence;
- (2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement;
- (3) Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County contract manager; and
- (4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of this Agreement.

**3.9.6 Compensation for County Costs.** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to the County, Contractor shall pay full compensation for all costs incurred by the County.

**3.9.7 Insurance Coverage Requirements for Subcontractors.** Contractor shall ensure any and all Subcontractors performing services under this Agreement meet insurance requirements of this Agreement by either Contractor providing evidence to the CA of insurance covering the activities of Subcontractors, or Contractor providing evidence submitted by Subcontractors to the CA evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

**3.9.8 Insurance Coverage Requirements.**

The Contractor shall maintain the insurance coverages specified in this Section 3.9.8 in the amounts specified.

**3.9.8.1** General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal & Advertising Injury: \$1 million

Each Occurrence: \$1 million

**3.9.8.2** Contractor shall maintain automobile liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto."

**3.9.8.3** Contractor shall maintain Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. If Contractor's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Contractor is responsible. In all cases, the above insurance also shall include employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 million

Disease - policy limit: \$1 million

Disease - each employee: \$1 million

**3.9.8.4 Professional Liability.** Contractor shall maintain Insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. The coverage also shall provide an extended two-year reporting

period commencing upon termination or cancellation of this Agreement.

**3.10 STATUS OF CONTRACTOR'S EMPLOYEES; INDEPENDENT STATUS OF CONTRACTOR**

**3.10.1** Contractor shall at all times be acting as an independent contractor. The Contract is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association as between the County and Contractor.

**3.10.2** Contractor understands and agrees that all of Contractor's personnel who furnish services to the County under the Contract are employees solely of Contractor and not of County for purposes of workers' compensation liability.

**3.10.3** Contractor shall bear the sole responsibility and liability for furnishing workers' compensation benefits to Contractor's personnel for injuries arising from or connected with the performance of the Contract.

**3.11 RECORD RETENTION AND INSPECTION**

**3.11.1** The Contractor agrees that the County or any duly authorized representative shall have the right to examine, audit, excerpt, copy or transcribe any transaction, activity, time card, cost accounting record, financial record, proprietary data or other record pertaining to the Contract. Contractor shall keep all such material for four years after the completion or termination of the Contract, or until all audits are complete, whichever is later.

**3.11.2** If any such records are located outside the County of Los Angeles, the Contractor shall pay the County for travel and per diem costs connected with any inspection or audit.

**3.12 AUDIT SETTLEMENT**

**3.12.1** If, at any time during the term of the Contract or at any time after the expiration or termination of the Contract, authorized representatives of the County conduct an audit of the Contractor regarding performance of the Contract and if such audit finds that the County's obligation for the Contract payment is less than the payments made by the County to the

Contractor, then the Contractor agrees that the difference shall be either paid forthwith by the Contractor, or at the Director's option, credited to the County against any future Contract payments.

**3.12.1.1** If such audit finds that the County's obligation for the Contract payment is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County, provided that in no event shall the County's maximum obligation under the Contract exceed the funds appropriated by the County for the purpose of the Contract.

**3.13 VALIDITY.** The invalidity in whole or in part of any provision of the Contract shall not void or affect the validity of any other provision.

**3.14 WAIVER.** No waiver of a breach of any provision of the Contract by either party shall constitute a waiver of any other breach of the provision. Failure of either party to enforce a provision of the Contract at any time, or from time to time, shall not be construed as a waiver of the provision or any other provision. The Contract remedies shall be cumulative and additional to any other remedies in law or in equity.

**3.15 DISCLOSURE OF INFORMATION**

**3.15.1** The Contractor shall not disclose any details in connection with the Contract or any work performed under the Contract to any third party, except as may be required by law or as expressly authorized in writing by the Director.

**3.15.2** However, recognizing the Contractor's need to identify its services and clients, the Contractor may publicize the Contract work, subject to the following limitations:

(1) All publicity shall be presented in a professional manner.

(2) The name of the County shall not be used in commercial advertisements, press releases, opinions or featured articles, without the prior written consent of the Director. The County shall not unreasonably withhold written consent, and approval by the County shall be deemed to have been given in the absence of objection by the County within two (2) weeks after receipt by

the CA of the material submitted by the Contractor for approval by the County.

(3) The Contractor may list the County in any other proposal submitted in response to a request for proposals or bids from a third party without prior written permission of the County.

**3.16 COUNTY'S REMEDIES FOR DEFAULT**

**3.16.1** If the Contractor fails to perform the Contract work in accordance with the covenants, terms and conditions of the Contract or fails to comply with any other material covenant, term or condition of the Contract, the County may, by written notice of default to the Contractor, terminate the whole or any part of the Contract. Nothing in this Section 3.16 shall prevent the County from recovering any and all damages arising from the default. The County may elect not to terminate the Contract without waiving its right to such recovery.

**3.16.2** Contractor shall have ten (10) calendar days from written notification of default in which to cure the default. The County, in its sole discretion, may by written notice allow a longer or additional period for cure.

**3.16.3** If the Contractor does not cure the default within the time specified by the notice of default or written extension of time, the Contract shall be terminated. In such event, all finished or unfinished documents, data and reports prepared by the Contractor under this Contract shall be transferred immediately to the County.

**3.16.4** In the event the County terminates the Contract in whole or in part for the Contractor's default, the County may procure replacement services from a third party or by County's employees upon such terms and in such manner as the County deems appropriate. The Contractor shall be liable to the County for any excess costs arising from the use of replacement services. Excess costs shall consist of those costs incurred by the County in procuring replacement services, which exceed the costs the County would have been obligated to pay the Contractor for the services in question. The Contractor shall continue performance of any part of the Contract work not terminated.

**3.16.4.1 Time is of the essence.** In the event the County does not exercise its rights to obtain replacement services under the foregoing Section 3.16.4, the County and Contractor agree that the Contractor's failure to prepare and deliver complete, thorough, and professional Work product in a timely manner will result in loss to the County that is difficult to measure or estimate accurately because of the delay's uncertain effect on pending rental renegotiation or other proceedings. The County and Contractor agree that, given these circumstances, a reasonable estimate of such damages is one hundred dollars (\$100.00) per day for the first five business days and two hundred-fifty dollars (\$250.00) per day thereafter for late delivery of any applicable work product. The Contractor shall be liable to County for liquidated damages in said amount. Said amount shall be set off against payments from County to Contractor in accordance with Section 1.4.8.3. Such action shall not be construed as a penalty but as an adjustment of payment to Contractor based upon the diminished value of the Contractor's services resulting from the untimely delivery of the work product. The remedy provided in this Section is in addition to all other remedies provided to the County under the terms of this Contract or as otherwise available at law.

**3.16.5** Except with respect to defaults of Subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of the federal and state governments in their sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, and unusually severe weather. If the failure to perform is caused by the default of a subcontractor arising from causes beyond the control of both Contractor and subcontractor, and without the negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform unless the Contractor had sufficient time to obtain performance from another party.

**3.16.6** If, after termination, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the Contract were terminated pursuant to

Section 3.18 (Termination for Convenience of the County).

**3.16.7** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

### **3.17 DEFAULT FOR INSOLVENCY**

**3.17.1** Notwithstanding the provisions of Section 3.16, the County may cancel the Contract for default without giving the Contractor written notice of default and time to cure upon the occurrence of any of the following events:

(1) The Contractor becomes insolvent. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not, whether it has filed for federal bankruptcy protection and whether it is insolvent within the meaning of the federal bankruptcy law.

(2) The filing of a voluntary petition to have the Contractor declared bankrupt.

(3) The appointment of a receiver or trustee for the Contractor.

(4) The execution of the Contractor of an assignment of the Contract for the benefit of creditors.

**3.17.2** The rights and remedies of the County provided in this section shall not be exclusive and are in addition to any rights and remedies provided by law or under the Contract.

### **3.18 TERMINATION FOR CONVENIENCE OF THE COUNTY**

**3.18.1** The performance of the Contract work may be terminated in whole or in part from time to time when such action is deemed by the County to be in its best interest, subject to delivery to the Contractor of a ten (10) day advance notice of termination specifying the extent to which the Contract work is terminated and the date upon which such termination becomes effective.

**3.18.2** County may suspend performance or terminate the Contract without liability for

damages if County is prevented from performing by reasons beyond its control, including but not limited to operation of laws, acts of God, and official acts of local, state, or federal authorities. After receipt of a notice of suspension of performance or termination, the Contractor shall stop the Contract work on the date and to the extent specified in the notice.

**3.18.3** The County and Contractor shall negotiate an equitable amount to be paid the Contractor by reason of the total or partial termination of work pursuant to this section. The amount may include a reasonable allowance for profit on the Contract work that has been performed and has not been paid, provided that such amount shall not exceed the total obligation to pay for the Contract work performed as reduced by the amount of Contract payments otherwise made.

**3.18.4** The Contractor shall make available to the County, for a period of four (4) years after Contract termination, at all reasonable times, at the office of the Contractor, all books, records, documents, or other evidence bearing on the costs and expenses of the Contractor in respect to the termination under this section of the Contract work. In the event records are located outside the County of Los Angeles, the Contractor will pay the County for traveling and per diem costs connected with the inspection or audit.

**3.19 NOTICE OF DELAY.** Except as otherwise provided, when either party knows of any fact that will prevent timely performance of the Contract, that party shall give notice, including all relevant information, to the other party with five (5) days.

**3.20 NOTIFICATION.** Except as otherwise provided by the Contract, notices desired or required to be given by law, or under the Contract may, at the option of the party giving notice, be given by enclosing a written notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States mail. Any such notice shall be addressed to the Contractor at the address shown for the Contractor in the Proposal or such other place designated in writing by the Contractor. Notice to the County shall be addressed to the Director, Department of Beaches and Harbors, 13837 Fiji Way, Marina del Rey, California 90292, or such

other place as the Director may designate in writing.

### **3.21 CONFLICT OF INTEREST**

**3.21.1** The Contractor represents and warrants the statements set forth in the conflict of interest certification of its Proposal are true and correct.

**3.21.2** The Contractor further agrees that anyone who is an employee or former employee of the County at the time of execution of the Contract by the Board of Supervisors and who subsequently becomes affiliated with the Contractor in any capacity shall not perform the Contract work or share in the Contract's profits for a period of one (1) year from the date of termination of the employee's employment with the County.

**3.21.3** The County shall have the right to terminate the Contract for a breach by the Contractor of either its warranty or a violation of conflict of interest.

### **3.22 DELEGATION AND ASSIGNMENT**

**3.22.1** The Contractor may not delegate its duties or assign its rights under the Contract, either in whole or in part, without the prior written consent of the Director. Any delegation of duties or assignment of rights under the Contract without the expressed written consent of the County shall be null and void and shall constitute a breach for which the Contract may be terminated.

**3.22.2** Any delegation of duties or assignment of rights (including but not limited to a merger, acquisition, asset sale and the like) shall be in the form of a subcontract or formal assignment, as applicable. The Contractor's request to the Director for approval of an assignment shall include all information that must be submitted with a request by the Contractor to the County for approval of a subcontract of the Contract work pursuant to Section 3.23.

### **3.23 SUBCONTRACTING**

**3.23.1** Performance of the Contract work may not be subcontracted without the expressed written consent of the Director or authorized representative. Any subcontract of the Contract work without the express written consent of the Director or authorized representative shall be

null and void and shall constitute a breach for which the Contract may be terminated.

**3.23.2** The Contractor's request to the Director for approval to enter into a subcontract of the Contract work shall include:

- (1) A description of the work to be performed by the subcontractor;
- (2) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition used in the selection and a description of their qualifications;
- (3) The proposed subcontract amount, together with the Contractor's cost or price analysis; and
- (4) A copy of the proposed subcontract.

**3.23.3** In the event the Director or authorized representative should consent to a subcontract for the performance of the contract work, the terms and conditions of the Contract shall be made expressly applicable to the work that is to be performed by the subcontractor.

**3.23.4** In the event the Director or authorized representative should consent to a subcontract, the Contractor shall provide in the approved subcontract an agreement that the work of the subcontractor is pursuant to the terms of a prime contract with the County of Los Angeles, and that all representations and warranties shall inure to the benefit of the County of Los Angeles.

**3.23.5** Subcontracts shall be made in the name of the Contractor and shall not bind nor purport to bind the County. The making of subcontracts shall not relieve the Contractor from performing the Contract work in accordance with the terms and conditions of the Contract. Approval of any subcontract by the County shall not be construed as effecting any increase in the compensation to be paid for the Contract work.

**3.23.6** Any later modification or amendment of the subcontract shall be approved in writing by the Director or authorized representative before such modification or amendment is effective.

### **3.24 CHANGES AND AMENDMENTS**

**3.24.1** Except as provided in this Section 3.24, modifications of this Contract shall be in writing and shall be executed by the parties and approved by the Board in the same manner as the Contract.

**3.24.2** A change which does not materially effect the scope of work, period of performance, compensation, method of payment, insurance or other material term or condition of the Contract shall be effective upon the Director or his authorized representative and the Contractor signing an amendment or other writing reflecting a modification of the Contract.

**3.24.3** The Director or authorized representative may, in his or her sole discretion, grant the Contractor extensions of time for performance of the work where such extensions do not materially effect the work. Such extensions shall not be deemed to extend the term of the Contract. This Section shall not limit the authority of the Director to extend the Contract term as provided in Section 1.3.

**3.25 PROPRIETARY RIGHTS.** All materials, data and other information of any kind obtained from County personnel and all materials, data, reports and other information of any kind developed by the Contractor under the Contract are the property of the County, and the Contractor agrees to take all necessary measures to protect the security and confidentiality of all such materials, data, reports and information. The provisions of this paragraph shall survive the expiration or other termination of the Contract.

**3.26 TIME.** Except as specifically otherwise provided in the Contract, time is of the essence in the performance of the Contract work and all terms and conditions of the Contract with respect to such performance shall be construed.

**3.27 AUTHORIZATION.** The Contractor represents and warrants that its signatory to the Contract is fully authorized to obligate the Contractor to performance of the Contract work, and that all necessary acts to the execution of the Contract have been performed.

### **3.28 COMPLIANCE WITH COUNTY LOBBYING REQUIREMENTS**

**3.28.1** The Contractor and each County lobbyist or County lobbying firm, as defined in



Los Angeles County Code Section 2.160.010, retained by the Contractor shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160.

**3.28.2** Failure on the part of the Contractor or any County lobbyist or County lobbying firm retained by the Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend the Contract notwithstanding the opportunity to cure otherwise made available under Section 3.16.

**3.29 CONSIDERATION OF HIRING COUNTY EMPLOYEES ON A REEMPLOYMENT LIST OR TARGETED FOR LAYOFFS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or qualified former County employees who are on a reemployment list during the life of this agreement.

**3.30 CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT**

Should the Contractor require additional or replacement personnel after the effective date of the agreement, contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN/GROW participants, by job category, to Contractor.

**3.31 COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

**3.31.1 Contractor's Warranty of Adherence to County Child Support Compliance Program.** Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from

County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (41 USC Section 653a) and California Unemployment Insurance Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**3.31.2 Termination for Breach of Warranty to Maintain Compliance with County Child Support Compliance Program.** Failure of Contractor to maintain compliance with the requirements set forth in the preceding Section 3.31.1 "Contractor's Warranty of Adherence to County's Child Support Compliance Program" shall constitute a default by Contractor under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Supervisors may terminate this Contract pursuant to Section 3.16 "County's Remedies for Default."

**3.31.3 Voluntary Posting of "Delinquent Parents" Poster.** Contractor acknowledges that County places a high priority on the enforcement of child support laws and apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County District Attorney will supply Contractor with the poster to be used.

**3.32 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

**3.32.1** A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

**3.32.2** The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding on County contracts for a specified period of time not to exceed three years, and terminate any or all existing contracts the Contractor may have with the County.

**3.32.3** The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a contract with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness, or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

**3.32.4** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

**3.32.5** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the

opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

**3.32.6** A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

**3.32.7** These terms shall also apply to subcontractors of County Contractors.

**3.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME TAX CREDIT.** Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the federal Earned Income Tax Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Exhibit 4).

**3.34 CONTRACTOR TO USE RECYCLED PAPER.** Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on all work performed under this Contract.

**3.35 COMPLIANCE WITH JURY SERVICE PROGRAM**

**3.35.1 Jury Service Program.** This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

**3.35.2 Written Employee Jury Service Program.**

**3.35.2.1** Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code) Contractor shall have and adhere to a written policy that provides that its employees shall

receive from the Contractor, on an annual basis, no less than five days regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employee's regular pay the fees received for jury service.

**3.35.2.2** For purposes of this section, "Contractor" means a person, partnership, corporation, or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under this Contract, the subcontractor shall also be subject to the provisions of this section. The provisions of this section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

**3.35.2.3** If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

**3.35.2.4** Contractor's violation of this Section of the Contract may constitute a material breach of

the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

### **3.36 SAFELY SURRENDERED BABY LAW.**

**3.36.1 Notice to Employees Regarding the Safely Surrendered Baby Law.** The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit 5 of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**3.36.2 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law.** The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

### **3.37 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF A CONTRACT**

Contractor shall have no claim against County for payment of money or reimbursement of any kind whatsoever for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

Parkcenter Consultants, Inc., d.b.a.  
Parkcenter Realty Advisors, a  
California Corporation

By Christopher N. Hardy  
Christopher N. Hardy, Vice President

By \_\_\_\_\_  
Chair, Board of Supervisors

Violet Varona-Lukens  
Executive Officer-Clerk of  
the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

Lloyd W. Pellman  
County Counsel

By Lloyd W. Pellman  
Deputy

## **PARKCENTER REALTY ADVISORS**

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*Appraisers and Consultants*

801 North Parkcenter Drive  
Suite 210  
Santa Ana, CA 92705  
(714) 547-1733  
(714) 972-1492 FAX

July 9, 2003

### **LOS ANGELES COUNTY DEPARTMENT OF BEACHES AND HARBORS**

13837 Fiji Way  
Marina del Rey, California 90292

Attention: Contracts Section

Reference: Proposal To Provide  
Commercial Real Property Appraisal Services

Ladies and Gentlemen:

At your request, Parkcenter Consultants, Inc., doing business as Parkcenter Realty Advisors, is pleased to submit a proposal to provide commercial real property appraisal services required in the Department's management of the County's Marina del Rey leaseholds. Our qualifications include the following.

- ❖ Three of the four principals of Parkcenter Realty Advisors hold the MAI designation through the Appraisal Institute. In addition, they have actively served on several elected positions with the Southern California Chapter of the Appraisal Institute.
- ❖ Each principal holds a State of California Certified General Real Estate Appraiser license.
- ❖ The four principals, combined, have over 100 years of real estate appraisal experience. Parkcenter Realty Advisors has been in business for over 20 years and involved in virtually all aspects of real estate appraisal, including the valuation and analysis of fee simple, leased fee and leasehold interests; ground leases; ground rent and percentage rents. The primary focus of our practice is the appraisal of income-producing properties that includes commercial and industrial buildings, shopping centers, office buildings, mobile home parks, hotels, vacant land, multi-family residences and tract housing projects. We have demonstrated areas of special expertise in valuation for eminent domain, property tax assessment appeals, and numerous issues involving litigation, including construction defects, estate matters and arbitrations.
- ❖ Robert A. Steele, MAI, CRE, and President of Parkcenter Realty Advisors, has over 40 years of experience as an expert witness in legal proceedings regarding real estate valuation. He is designated an expert witness in United States Federal Court; most Southern California Superior and Municipal Courts, including Los Angeles and Orange Counties; United States Bankruptcy Court; and several assessment appeals boards. In addition, Christopher N. Hardy, MAI is qualified as an expert witness in United State Tax Court and Orange County Superior Court.

## CONTENTS

Presentation of Qualifications

Addendum

Exhibit A: Required Forms P-1 through P-8

Exhibit B: Professional Qualifications, References and List of Clientele

Exhibit C: Financial Statement

On the following pages, we have presented further details relative to qualifications of Parkcenter Realty Advisors to provide real estate appraisal and consulting services. Moreover, presented in the Addendum are Forms P-1 through P-8, as required by the Request for Proposal.

**Performance of Contract Work**

Each appraisal assignment under the Contract work will essentially encompass the same methodology, outlined as follows.

**Initial Contact:** Robert A. Steele, MAI, CRE will receive the initial contact and be responsible for estimating the time allowance and fee for assignments. He will decide which staff member is to assist on the project and will maintain the point of contact with the Contract Administrator.

**Preliminary Survey:** A preliminary survey will be completed to determine the approaches to value that will be used, the data required, and the best methods to analyze the values involved.

**Appraisal Process:** The appraisal will:

- identify the purpose of appraisal;
- identify intended use/user of appraisal;
- set forth the scope of the appraisal;
- set forth the date of appraisal;
- define market value sought and/or interest to be appraised;
- make a description of the property to be appraised;
- describe the recent history of the ownership, review and summarize applicable leases;
- state compliance with federal, state or local regulations;
- describe and analyze applicable regional, community and/or neighborhood influences;
- describe and analyze the site and improvements;
- set forth data on the assessed value and taxes, where applicable;
- analyze the highest and best use;
- investigate, present and analyze comparable land sales, estimate land value by comparison;
- perform a value analysis by the Cost Approach To Value;

- investigate, present and analyze whole property comparisons, estimate market value by the Sales Comparison Approach To Value;
- investigate, present and analyze appropriate data for the Income Approach To Value, estimate market value by the Income Approach To Value;
- reconcile the value estimates;
- state a final conclusion relative to market value; and
- present supporting data in the Addendum and exhibits throughout the report.

Milestones in the appraisal assignment will include:

- a) Initiation of Engagement - involves client contact and discussion of parameters of the assignment and valuation issues.
- b) Property Visit - physical inspection of the property in question and the environment in which it is located; and research into zoning and land use.
- c) Highest and Best Use Analysis - determining the highest and best use of the property as the criteria for the value estimate.
- d) Analysis - analysis of the property using appropriate valuation methodology.
- e) Reconciliation of Value - consider value analyses for final opinion of value.

### Ability and Resources

The four above-mentioned individuals, who continue as the principals of the company today, formed the company twenty years ago. Our specialty is providing real estate appraisal and consulting services throughout Southern California to a broad range of clients in the corporate, financial and legal fields; governmental agencies; and individual property owners. Since the founding of Parkcenter Realty Advisors, we have maintained our high ratio of principals to staff appraisers. Currently, our staffing structure includes the four principals with over one hundred years of combined appraisal experience and one office manager. This approach to staffing ensures a personal involvement of the principal/designated appraisers in each assignment rather than the less involved role of a reviewer, providing what we believe to be a more responsive and higher quality work product for the client's needs.

Parkcenter Realty Advisors is up-to-date with most available resources, including voicemail, internet access, as well as other materials and equipment in order to provide a high level of appraisal consulting services and to maintain successful business operations.



### **Staff Experience**

The primary focus of our practice is the appraisal of income-producing properties that includes commercial and industrial buildings, shopping centers, office buildings, mobile home parks, hotels, vacant land, master-planned developments and tract housing projects. In addition, over the course of our business, we have provided valuation services for properties that include oceanfront properties, apartment complexes and restaurants. We have demonstrated areas of special expertise in valuation for eminent domain, property tax assessment appeals, as well as numerous issues involving litigation including construction defects, soil contamination, bankruptcy, estate matters, arbitration and other valuation areas.

Parkcenter Realty Advisors is well experienced in providing appraisal and consulting services for many governmental agencies and departments that include the Cities of Los Angeles, Alhambra, Orange, Glendora, Oxnard, Santa Ana and Redlands; Los Angeles World Airports; Santa Ana Unified School District; Colton Joint Unified School District; Orange County Transportation Authority; and Sanitation Districts of the County of Los Angeles. Furthermore, we have participated on three-member appraisal boards, in arbitration hearings, as well as in various types of meetings, hearings, conferences and trials in connection with valuation services.

Mr. Robert Steele has been designated as an expert witness in United States Federal Court; most Southern California County and Municipal Courts, including the City and County of Los Angeles and Orange County; and U.S. Bankruptcy Court. Mr. Christopher Hardy has been designated an expert witness in United States Tax Court and Orange County Superior Court.

### **Quality Control Plan**

The direct involvement of a principal in all aspects of an appraisal assignment ensures compliance with Contract terms and conditions, adherence to interim and final deadlines, and conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). Having several governmental agencies as clients, Parkcenter Realty Advisors is fully aware of the need for respecting all applicable federal, state, county and city laws, rules and regulations and in fulfilling required insurance needs.

### **Proposer's Academic and Professional Background**

Resumes of the four principals are presented in Exhibit B of the Addendum to this proposal. These resumes outline each individual's academic background, appraisal training, professional affiliation, designations, work history as well as other aspects of their appraisal career.

**LOS ANGELES COUNTY DEPARTMENT OF  
BEACHES AND HARBORS**

July 9, 2003

Page 5

Attention: Contracts Section

Each principal possesses a Certified General Real Estate Appraiser License issued by the State of California as indicated below.

<i>Individual</i>	<i>Position</i>	<i>Years of Experience</i>	<i>OREA License</i>
Robert A. Steele, MAI, CRE	Project Manager	48	AG006307
Christopher N. Hardy, MAI	Key Staff	30	AG003369
Clay S. Harris, MAI	Key Staff	27	AG003520
Marian L. Lamb	Key Staff	27	AG014566

**Examples of Previous Assignments within the Scope of Work**

Examples of assignments similar to scope of work services presented in the Request for Proposal include the following.

<i>Client</i>	<i>Description of Assignment</i>
City of Los Angeles, Los Angeles World Airports	Over the past 20 years, Parkcenter Realty Advisors has appraised land owned by Los Angeles World Airports at Los Angeles International Airport for ground lease rent adjustments. Similar assignments for Van Nuys Airport and Ontario Airport.
Ajalat, Polley & Ayoob	Possessory interest valuation analyses - Los Angeles/Long Beach Harbors, CA.
Bovis Lend Lease, Inc.	Valuation services involving various property types relative to the Fire Bond Program of the City of Los Angeles in connection with the identification of sites for new fire station locations.
City of Santa Ana	On-going valuation services include appraisal review, fee simple, leased fee and leasehold analyses
United States Postal Service (USPS)	Appraisal of numerous properties leased by USPS throughout Southern California for lease renegotiation purposes.
Barry Ross, Esq.	Arbitration assignment as Third Appraiser - Retail store property in Anaheim, CA
Town Square Properties	Ground lease rental analysis - Land Parcel in Los Alamitos, CA
City of Redland	Ground lease rental analysis - Redlands Airport, Redlands, CA
Sanchez, Sellers & Company	Leased fee interest Hyatt Hotel, West Hollywood, CA
County of Los Angeles, Department of Beaches and Harbors	Ground lease valuation - Gladstone Restaurant, Los Angeles, CA

**Expert Witness Qualifications**

For the past forty years, Robert A. Steele has been involved in many court cases as an Expert Witness. Recent cases in which Robert A. Steele has been designated as expert witness include the following.

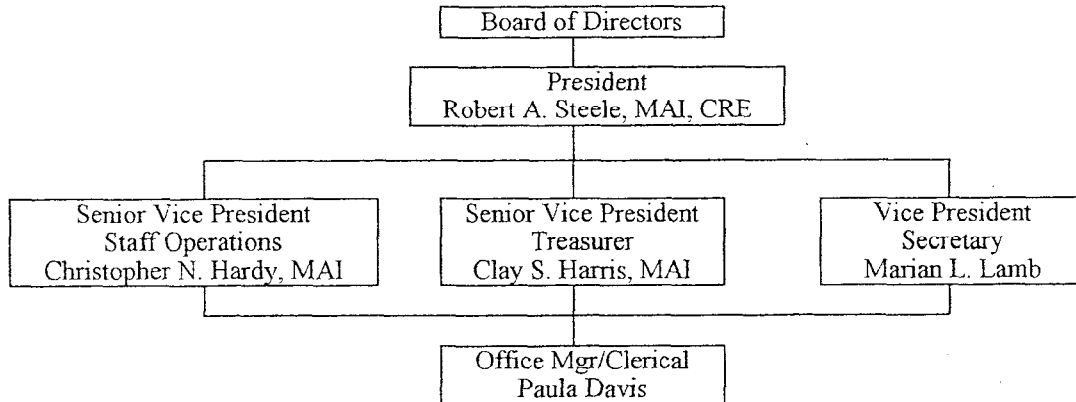
<i>Case</i>	<i>Property</i>
Service Corporation International v. Cypress Abbey Company	Cypress Abbey Colma, CA
First American Trust v. Wellbanc Properties	San Joaquin Road Newport Beach, CA
US Securities & Exchange Commission v. Pacific Genesis Group, Inc.	Rancho Lucerne Lucerne Valley, CA
Franciscan Plaza LLC v. 1 <sup>st</sup> Ind. Fin. Group	Franciscan Plaza San Juan Capistrano, CA
UDOT v. Price Development Company	Time Square Salt Lake City, Utah
Ricoh Electronics, Inc. v. Kilroy Realty, LP	Carnegie Avenue Industrial Santa Ana, CA
Mt. San Jacinto Community College v. Azusa Pacific University	Land Menifee, CA
Casden Glendon LLC v. Ralphs Grocery Co.	Land Los Angeles (Westwood), CA
LAUSD v. Korea Plaza, et al	Korea Plaza Los Angeles, CA
Southern California Edison v. TMP Inland V, Ltd	Land Victorville, CA
Kashian, et al v. Zinkin Family Partners, et al	Riverpark Fresno, CA
State of California v. Mountain View Land Company	Land Claremont, CA

**Representative Work Product**

As of the date of this proposal submission, we have not received authorization to release copies of relevant appraisals. As such, we have included an appraisal that was prepared for the County of Los Angeles, Department of Beaches and Harbors. Although of older date, we feel that this sample report is representative of our work product. This report is provided as a separate document, submitted along with this proposal.

**Size and Structure of Parkcenter Realty Advisors**

Here follows an organization chart for Parkcenter Realty Advisors.



**Current Insurance Coverage**

In its normal course of business, Parkcenter Realty Advisors has purchased and maintains all of the types and amounts of insurance specified in Attachment A, Part Three, Standard Contract Terms and Conditions, Section 3.9 of the Request for Proposal. Appropriate insurance certificates and/or endorsements can be provided upon request for the following. Current insurance includes the following.

- 1) Workers' Compensation Insurance  
State Compensation Insurance Fund, Policy # 1339009, expiration 1/1/04  
Employer's liability limit, including defense costs, \$1,000,000
  
- 2) Commercial General Liability  
Northern Ins. Company of New York, Policy # PAS 34711821, expiration 4/1/04  
Limits as follows:

General Aggregate	\$4,000,000
Products/Completed Operations	\$4,000,000
Each Occurrence	\$2,000,000
Hired and Non-owned Auto	\$1,000,000
  
- 3) Professional Liability  
National Union Fire Ins. Company of Pittsburgh, PA, expiration 6/04  
Claims Made Form: MPL #26901  
Limits \$1,000,000

**Disciplinary Action**

Parkcenter Realty Advisors is not, and has never been, the subject of any disciplinary action by the Appraisal Institute nor the State of California Office of Real Estate Appraisers.

**Addendum Items**

In addition to the foregoing presentation, the following are included in Addendum of this Request for Proposals.

***Exhibit A - Required Forms***

- Offer to Perform - Form P-1
- Work Plan - Form P-2
- Business and Financial Summary - Form P-3
- Proposer's Certification Form - Form P-4
- Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form - Form P-5
- Principal Owner Form - Form P-6
- Child Support Compliance Program Certification - Form P-7
- Contractor Employee Jury Service Program Certification Form and Application for Exemption - Form P-8

***Exhibit B***

*Professional Qualifications, References and List of Clientele*

***Exhibit C***

*Financial Statement*

We welcome the opportunity to assist the Los Angeles County Department of Beaches and Harbors in its need for commercial real property appraisal services.

Respectfully submitted,

**PARKCENTER REALTY ADVISORS**

By:

*Marian L. Lamb*

Marian L. Lamb  
Vice President  
Certified General Real Estate Appraiser  
State of California No. AG014566

EXHIBIT A

*Required Forms*

REQUEST FOR PROPOSALS FOR COMMERCIAL REAL PROPERTY APPRAISAL SERVICES  
OFFER TO PERFORM

Proposer: Name: PARKCENTER REALTY ADIVORS  
Address: 801 N. Parkcenter Drive, Suite 210  
Santa Ana, California 92705  
Phone: 714-547-1733 Fax: 714-972-1492

To: Stan Wisniewski, Director, Department of Beaches and Harbors

Proposer, responding to the Request for Proposals (RFP) issued by the Los Angeles County Department of Beaches and Harbors, offers to provide commercial real property appraisal services in connection with property located within the Marina del Rey Small Craft Harbor on the terms and conditions for the performance of this work that are set forth in the RFP. Such services shall be performed during a three-year term that at the option of the Director may be extended for two additional, consecutive, optional Contract years.

The rate(s) for services shall be:

Job Title:	Hourly Rate:
<u>PROJECT MANAGER</u>	Three Hundred*** Dollars (\$ <u>300.00***</u> )
<u>SENIOR STAFF</u>	Two Hundred***** Dollars (\$ <u>200.00***</u> )
<u>KEY STAFF</u>	One Hundred SeventyFive Dollars (\$ <u>175.00***</u> )
	Dollars (\$ <u>          </u> )

The proposal is subject to the following additional conditions:

\_\_\_\_\_

(Conditions which reject, limit or modify required terms and conditions of the Contract may cause rejection.)

This offer shall be irrevocable for a period of 120 days after the final date for submission.

Proposer is a(n):  individual  corporation  partnership or joint venture  
 limited liability company  other: \_\_\_\_\_

State of organization: California Principal place of business: Santa Ana

Authorized agent for service of process in California:

<u>Robert A. Steele, President</u>	<u>801 N. Parkcenter Dr. #210 Santa Ana, CA</u>	<u>714-547-1733</u>
Name	Address	Phone

The Proposer represents that the person executing this offer and the following persons are individually authorized to commit the Proposer in any matter pertaining to the proposed Contract:

<u>Robert Steele, President</u>	<u>714-547-1733</u>	<u>Christopher Hardy, VP</u>	<u>714-547-1733</u>
Name	Title	Name	Title
			Phone

Dated: July 7, 2003

Proposer's signature: Marian L. Lamb

<u>Marian L. Lamb</u>	<u>Vice President</u>	<u>714-547-1733</u>
Name	Title	Phone

[Signature]

Robert Steele, President 714-547-1733

801 N. Parkcenter Drive, Suite 210  
Santa Ana, California 92705  
714-547-1733  
Fax 714-972-1492  
E-mail [chardy@parkcntr.com](mailto:chardy@parkcntr.com)

## Parkcenter Realty Advisors

# Memo

**To:** Harold Harris, Contract Analyst  
Los Angeles County Department of Beaches and Harbors

**From:** Christopher N. Hardy, MAI

**CC:**

**Date:** 9/11/03

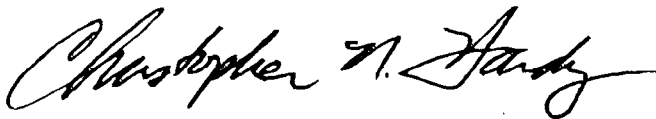
**Re:** Bid No. DBH-6, Commercial Appraisal Services

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Following is a clarification of the hourly rates listed on Form P-1 of our proposal. As submitted, the proposal addressed only rates for post appraisal services such as arbitration, and court preparation and testimony. Typical staff rates for production appraisal services are as follows:

Project Manager	\$200.00/hour
Senior Staff	\$150.00/hour
Key Staff	\$100.00/hour

Please consider this memo as an attachment to our proposal to provide commercial real property appraisal services.



Christopher N. Hardy, MAI

Senior Vice President



**WORK PLAN**

1. **STAFFING PLAN:** Provide the requested information about appraisers, key employees and subcontractors. Attach all resumes.

Name	Relationship to Proposer	Job Title	Responsibilities
Robert Steele, MAI	Employee	President/Real Estate Appr	Project Manager, appraiser
Christopher Hardy, MAI	Employee	Sr. VP/Real Estate Appr.	Senior staff appraiser
Clay Harris, MAI	Employee	Sr. VP/Real Estate Appr.	Senior staff appraiser
Marian Lamb	Employee	VP/Real Estate Appr.	Key staff appraiser

2. **PRINCIPAL OWNER(S) OF PROPOSER'S ORGANIZATION:** Robert Steele, Christopher Hardy, Clay Harris, Marian Lamb

3. **IDENTIFY PARTNERS/SUBCONTRACTORS:**

Principal	Firm Name	Relationship to Proposer	Specialty	Address	Phone
---NONE---					

4. **LICENSES:** List staff who hold licenses or registration required by California state law or relevant to performance of the work:

Name	License	License Number
Robert A. Steele	State Certified General	AG006307
Christopher N. Hardy	State Certified General	AG003369
Clay N. Harris	State Certified General	AG003520
Marian L. Lamb	State Certified General	AG014566

5. **STATEMENT OF APPROACH TO THE SCOPE OF WORK:**

Please attach a complete description of the approach your firm will take with respect to the Scope of Work identified in the RFP. Address the following items:

- a. How the Proposer will perform the Contract work. A narrative discussion of the Proposer's approach to various kinds of assignments and County requirements;
- b. Proposer's ability and resources to provide the kinds of appraisal consulting services described in Attachment A, Part Two, Statement of Work;
- c. How the experience of Proposer's staff is specifically related to the services described in Attachment A, Part Two, Statement of Work;
- d. What level of staff the Proposer would assign to provide the various kinds of services listed in Attachment A, Part Two, Statement of Work;
- e. Proposer's ability to support the Department before the Board of Supervisors, Small Craft Harbor Commission, Design Control Board, Beach Commission, California Coastal Commission, and other bodies;
- f. Proposer's ability to serve as an expert witness in court and arbitration proceedings;

- g. Proposer's quality control plan describing the Proposer's procedures for ensuring compliance with the Contract terms and conditions and identifying and preventing unsatisfactory performance of the Contract work, including:
  - 1) A plan for reviewing the work of Proposer and Proposer's employees and ensuring its accuracy and compliance with professional standards;
  - 2) A plan for ensuring that interim deadlines, if any, and deliver dates are met; and
  - 3) The methods for identifying and preventing unsatisfactory performance of the Contract work;
- h. Resumes of the firm principal(s), proposed Contractor's Representative (as that position is defined in Attachment A, Part Two, Statement of Work) and other key individuals on Proposer's staff, stating their professional training and specific related experience in the last five years; and
- i. Information on each person (other than clerical support) proposed to provide work on behalf of appraiser under a Contract.

Signature:           *Therian L. Lamb*          

Date:           July 7, 2003          

Title:           Vice President

Amendment 1 to RFP for Commercial Real Property Appraisal Services

**BUSINESS AND FINANCIAL SUMMARY**

Provide a summary of relevant background information demonstrating the capacity and experience to perform the required Contract work , including such information as:

- a. Identifying previous assignments which are similar in scope and purpose to the appraisal and expert witness services that will be required under the Contract. Identify court proceedings or arbitrations as an expert witness on real estate valuations and ground rent percentage rental rates. Identify appraisal assignments which required explanation of the appraisal before public or private meetings. Identify areas of expertise such as waterfront development, apartment complexes, office buildings, hotel/motel, marinas, restaurants, yacht clubs, shopping centers, etc.
- b. Summarizing the Proposer's academic background, appraisal training, professional affiliations, and designations (i.e., MAI, SREA, SRPA, etc.), and work history.
- c. Providing the number of the Proposer's Certified Real Estate Appraisal License issued to the Proposer by the California Office of Real Estate Appraisers.
- d. Summarizing Proposer's professional experience, prior testimony and training relevant to qualifications as an expert witness.
- e. Submitting five copies (black and white reproductions are acceptable) of a recent appraisal report regarding a ground lease and percentage rental rates that is representative of the Proposer's work product as it relates to the scope and purpose of this RFP.
- f. Providing a description of size and organizational structure.
- g. Providing references as follows:

List all of the governmental agencies and private institutions for which your firm has provided appraisal services during the last five years. (At least 5 years' experience in the field must be demonstrated.) **FAILURE TO LIST ALL OF YOUR FIRM'S EXPERIENCE WITH GOVERNMENT AGENCIES AND PRIVATE INSTITUTIONS DURING THE LAST FIVE YEARS MAY RESULT IN REJECTION OF YOUR PROPOSAL.**

**Government Agencies**

**Relevant References within the Scope of Work for this Request for Proposal**

<b>Contract Date</b>	<b>Name of Client</b>	<b>Address</b>	<b>Contact Person</b>	<b>Phone Number</b>	<b>Description of Services</b>
Ongoing	City of Los Angeles Los Angeles World Airport	One World Way Los Angeles, CA	Regner Globus Julia Mo Ken Cauglin Baljit Nadler	310-646-3284	Appraisal of property at Los Angeles International Airport for lease renegotiations
Ongoing	City of Los Angeles General Services	111 E. First St, #201 Los Angeles, CA	Dave Roberts	213-485-0569	Valuation services in connection with the City of Los Angeles Fire Bond Program
Ongoing	City of Santa Ana	20 Civic Center Plaza Santa Ana, CA	Vicki Uehli	714-647-5460	Appraisal Valuation and Review services
Ongoing	United States Postal Service	395 Oyster Point Blvd San Francisco, CA	Ron Borkgren	650-615-7208	Appraisal services in connection with leased USPS properties
Ongoing	Orange County Transportation Authority	550 S. Main Street Orange, CA	Denise Kadlec	714-560-5576	As needed appraisal services
Ongoing	County of Orange	1300 S. Grand Av. Santa Ana, CA	Jorge Farfan	714-567-7303	As needed appraisal services

Note: Please refer to Exhibit B in the Addendum for additional information.

Private Institutions

Relevant References within the Scope of Work for this Request for Proposal

Contract Date	Name of Client	Address	Contact Person	Phone Number	Description of Services
Ongoing	Ajalat, Polley & Ayoob	500 North Brand Blvd Glendale, CA	Terry Polley	818-553-1300	Possessory Interest valuation services for Los Angeles/Long Beach Harbor properties
Ongoing	Bovis Lend Lease	221 N. Figueroa St, Suite 1550 Los Angeles, CA+C17	Richard Puczowski	213-276-3821	Valuation services in connection with the City of Los Angeles Fire Bond Program
Ongoing	Barry Ross	1851 East First St. Santa Ana, CA	Barry Ross	714-939-2118	Valuation arbitration services in legal matters.

Note: Please refer to Exhibit B in the Addendum for additional information.

h. Provide a minimum of three credit or financial references; giving names, addresses, and telephone numbers.

Name	Address	Business relationship	Contact person	Phone number
Wells Fargo Bank	1801 E. 17th Street Santa Ana, CA	Banker	Chris Davidson	714-543-5448
Air Views	17855 Skypark, #0 Irvine, CA	Supplier - Aerial Photos	Fred Emmert	714-261-2300
Dean Reiter & Associates	727 N. Harbor Blvd. Fullerton, CA	Accountant	Pam Belasco CPA	714-738-1040

- l. Provide a letter of commitment, binder or certificate of current insurance coverage from an insurance company setting forth coverage meeting the limits and other requirements ( Attachment A, Part Three, Standard Contract Terms and Conditions, Section 3.9).
- j. State whether the Proposer, any staff member, or Subcontractor named in the Proposer's work plan has been the subject of a disciplinary action by the Appraiser's Institute or any other appraisal organization or the California Office of Real Estate Appraisers, and briefly state the nature of the complaint or violation and the results of the disciplinary proceeding.
- k. Attach copies of financial statements (balance sheet and income statements) for the last full fiscal year and any partial year through at least December 31, 2002. Financial statements shall be prepared according to generally accepted accounting principles. Balance sheet shall show assets, liabilities, and net worth. Income statements shall identify operating expenses such as insurance, payroll, employee benefits, and payroll taxes. Reviewed and audited financial statements shall be given greater weight than compiled statements. See Exhibit C of Addendum to this Proposal.
- l. Attach additional information, if necessary.

Signature:           *Merica L. Lamb*          

Date:           July 7, 2003          

Title:           Vice President

## REQUEST FOR PROPOSALS -- PROPOSER'S CERTIFICATION

On behalf of Proposer Parkcenter Realty Advisors, the undersigned certifies, declares and agrees as follows:

**1. Absence of Any Conflict of Interest.** The Proposer is aware of the provisions of Section 2.180.010 of the Los Angeles County Code and certifies that neither Proposer nor its officers, principals, partners or major shareholders are employees of either the County or another public agency for which the Board of Supervisors is the governing body or a former employee who participated in any way in the development of the Contract or its service specifications within 12 months of the submission of this Proposal.

**2. Independent Price Determination.** The Proposer certifies that the prices quoted in its Proposal were arrived at independently, without consultation, communication, or agreement with any other Proposer for the purpose of restricting competition.

**3. Compliance with County Lobbyist Ordinance.** The Proposer is familiar with the requirements of Chapter 2.160 of the Los Angeles County Code. All persons acting on Proposer's behalf have complied with its provisions and will continue to do so pending and subsequent to the award of the Contract by the Board of Supervisors.

**4. Antidiscrimination.**

(a) In accordance with Section 4.32.010.A of the Los Angeles County Code, all persons employed by the Proposer, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin or sex and in compliance with all anti-discrimination laws of the United States and the State of California. The following policies and procedures shall be in force and effect over the Contract term: (1) a written policy statement prohibiting discrimination in all phases of employment; (2) periodic self-analysis or utilization analysis of Proposer's work force; (3) a system for determining if Proposer's employment practices are discriminatory against protected groups; and (4) where problem areas are identified in employment practices, a system for taking reasonable corrective action to include establishment of goals or timetables;

OR:

(b) Proposer is exempt from the provisions of Section 4.32.010 because the Contract is for the performance of professional, scientific, expert or technical services of a temporary and occasional character involving only a single individual or an individual or a firm employing less than 10 persons in connection with the performance of such Contract.

**5. Consideration of GAIN/GROW Participants for Employment.** As a threshold requirement for consideration for Contract award, Proposer shall demonstrate a proven record of hiring GAIN/GROW participants or shall attest to a willingness to consider GAIN/GROW participants for any future employment opening. Additionally, Proposer shall attest to a willingness to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available, to assist these individuals in obtaining permanent employment and promotional opportunities.

Proposer has a proven record of hiring GAIN/GROW participants (subject to verification; attach proof);

OR:

Proposer is willing to consider GAIN/GROW participants for any future employment opening and to provide employed GAIN/GROW participants access to the Proposer's employee mentoring program, if available.

On behalf of Proposer, I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

Marian L. Lamb

Vice President

Name

*Marian L. Lamb*

Title

July 7, 2003

Signature

Date



County of Los Angeles – Community Business Enterprise Program (CBE)

**Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form**

**INSTRUCTIONS:** All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

**I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

FIRM NAME: Parkcenter Realty Advisors

I AM NOT  A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bid submission.

I AM

As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number: \_\_\_\_\_

**II. FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure:  Sole Proprietorship  Partnership  Corporation  Non-Profit  Franchise  
 Other (Please Specify) \_\_\_\_\_

Total Number of Employees (including owners): 5

Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:

Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latino						
Asian or Pacific Islander		1				
American Indian						
Filipino						
White	3					1

**III. PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

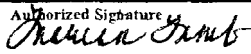
	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	84 %
Women	%	%	16 %	%	%	%

**IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:**

*If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)*

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date
N/A					

**V. DECLARATION:** I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorized Name <u>Marian Lamb</u>	Authorized Signature 	Title <u>Vice President</u>	Date <u>7/7/03</u>
---	---	--------------------------------	-----------------------

**CHILD SUPPORT COMPLIANCE PROGRAM CERTIFICATION**

Los Angeles County Code Chapter 2.200 establishes the Los Angeles County Child Support Compliance Program. This Program requires the County to provide certain information to the Child Support Services Department (CSSD) concerning its employees and business licensees. It further requires that bidders or proposers for County contracts submit certifications of Program compliance to the soliciting County department along with their bids or proposals. (In an emergency procurement, as determined by the soliciting County department, these certifications may be provided immediately following the procurement).

IN ORDER TO COMPLY WITH THIS REQUIREMENT, COMPLETE THIS FORM AND SUBMIT IT DIRECTLY TO THE SOLICITING COUNTY DEPARTMENT ALONG WITH YOUR BID OR PROPOSAL. IN ADDITION, PROVIDE A COPY TO THE CSSD AT THE ADDRESS OR FAX NUMBER SHOWN BELOW. SOLE PRACTITIONER MEMBERS OF AN ASSOCIATION MUST COMPLETE AND SUBMIT INDIVIDUAL FORMS.

I, (print name) Marian Lamb hereby submit this certification to the (County department) Department of Beaches and Harbors, pursuant to the provisions of County Code Section. 2.200.060 and hereby certify that (contractor or association name as shown in bid or proposal), Parkcenter Realty Advisors, an independently owned or franchiser-owned business (circle one), located at (contractor, or, if an association, associated member address) 801 N. Parkcenter Drive, #210 Santa Ana, CA 92705 is in compliance with Los Angeles County's Child Support Compliance Program and has met the following requirements:

- 1) Submitted a completed Principal Owner Information Form to the Child Support Services Department;
- 2) Fully complied with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and/or California Unemployment Insurance Code Section 1088.5, and will continue to comply with such reporting requirements;
- 3) Fully complied with all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b) or pursuant to applicable provisions of the Uniform Interstate Family Support Act, and will continue to comply with such Orders or Notices.

***I declare under penalty of perjury that the foregoing is true and correct.***

Executed this seventh day of July 2003 (Month and Year)

at: Santa Ana, California 714-547-1733  
(City/State) (Telephone No.)

by: Marian J. Lamb  
(Signature of a Principal Owner, an officer, or manager responsible for submission of the Proposal to the County.)

Copy to: Child Support Services Department  
Special Projects  
P.O. Box 911009  
Los Angeles, CA 90091-1009  
FAX: (323) 869-0634

Telephone: (323) 832 7277 or (323) 832-7276

**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
CERTIFICATION FORM AND APPLICATION FOR EXCEPTION**

The County's solicitation for this Request for Proposals is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All proposers, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Bidder is excepted from the Program.

<b>Company Name:</b> Parkcenter Realty Advisors			
<b>Company Address:</b> 801 N. Parkcenter Drive, #210			
<b>City:</b> Santa Ana	<b>State:</b> California	<b>Zip Code:</b> 92705	
<b>Telephone Number:</b> 714-547-1733			
<b>Solicitation For (Type of Services):</b> Commercial Real Property Appraisal Services			

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business

- My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exception will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II: Certification of Compliance

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

*I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.*

<b>Print Name:</b> Marian L. Lamb	<b>Title:</b> Vice President
<b>Signature:</b> <i>Marian L. Lamb</i>	<b>Date:</b> July 7, 2003

EXHIBIT B

*Professional Qualifications  
References and List of Clientele*

## PROFESSIONAL QUALIFICATIONS

ROBERT A. STEELE, MAI, CRE

**Education:** El Camino College, A.A., 1952  
University of California Los Angeles, B.S., 1954  
University of Southern California, M.B.A., 1962

**Employment:** President – Parkcenter Realty Advisors, Santa Ana, California, 1982-Present  
President – MCO Equities, Inc., Los Angeles, California, 1981-1982  
Senior Vice President, Landauer Associates, Inc., Santa Ana, California, 1975-1981  
Vice President, Co-Owner, Shattuck Company, Los Angeles & Santa Ana, California, 1964-1975  
Employee, Shattuck Company, Los Angeles, California, 1954-1964

### Professional Organizations:

Governor, Governing Council, AIREA, 1975-1977, 1984-1986  
Governor, Board of Governors, ASREC, 1979-1981, 1982-1984  
President, Southern California Chapter, AIREA, 1974  
Director, Pan American Properties, 1973-1983; Director, National Association of Realtors, 1973-1978  
Director, California Association of Realtors, 1971-1974; Director, Los Angeles Board of Realtors, 1971-1974

**State Certification:** Certified General Real Estate Appraiser, State of California No. AG006307

**Member:** Appraisal Institute (MAI) California Association of Realtors  
American Society of Real Estate Counselors (CRE) East Orange County Board of Realtors  
National Association of Realtors International Right-of-Way Association

### Contributing Author:

“The Impact of Civil Disobedience on Property Values”, published by AIREA in *The Appraisal Journal*, 7/68  
“Appraising Apartment Houses, Market Data Approach”, published by California Real Estate Association in *Apartment Houses*, 1968  
“Review of an Appraisal of Residential Subdivision Land”, published by AIREA in *The Appraiser*, 1969  
“The Appraisal of Residential Income Property, Narrative Appraisal Reports for Residential Income Property”, published by Southern California Chapter of AIREA, 1971  
“Application of Equity Yield Analyses in Appraisal Reports”, published by AIREA in *The Appraisal Journal*, 4/75  
“The J Factor”: A Valuable Ellwood Legacy”, published by AIREA in *The Appraisal Journal*, 10/78  
“DCR/Re Capitalization Rate Tables for Today’s Financing”, published by AIREA in *The Appraisal Journal*, 1/81  
“Beware the Abusers of IRR Methodology”, published by AIREA in *The Appraisal Journal*, 4/82  
“Investment Analysis for Existing Projects”, published by American Society of Real Estate Counselors in *Real Estate Counseling*, 1984  
“A Recipe for Good Cash Flow Analysis”, published by AIREA in *The Appraisal Journal*, 4/89  
“How Interest Rates Affect Income – Property Returns”, published by Commercial-Investment Real Estate Council in the *Commercial Investment Real Estate Journal*, Summer 1989

### Teaching and Lecturing:

Investment Analysis, AIREA Litigation Valuation, AIREA  
Capitalization Theory and Techniques, AIREA Principles of Real Estate Appraisal, UCLA Extension  
Urban Properties, AIREA Advanced Real Estate Appraisal, UCLA Extension

Has appeared as a lecturer at various chapter, regional and national meetings and seminars of AIREA. Has lectured to various real estate board meetings and state conventions. Appeared as a panelist on ASREC national convention programs. Has been a speaker at various professional association conventions.

### Academic Affiliations:

Lambda Alpha, Land Economics Honorary Fraternity, 1980  
Phi Kappa Phi, All University Academic Honorary, University of Southern California, 1963  
Beta Gamma Sigma, School of Commerce, Academic Honorary, University of Southern California, 1963

**PROFESSIONAL QUALIFICATIONS**  
**CHRISTOPHER N. HARDY, MAI**

**Education:** University of Redlands, Redlands California  
Bachelor of Science – Engineering, 1972

**Employment:** Senior Vice President – PARKCENTER REALTY ADVISORS, 1983-Present  
801 North Parkcenter Drive, Suite 210, Santa Ana, California  
Providing investment and marketing consulting services in the acquisition, sale, leasing, portfolio management, valuation, land use and development planning of investment real estate. Clients include industrial corporations, development companies, investors, financial institutions, governmental agencies and non-profit organizations.

Vice President – LANDAUER ASSOCIATES, INC., Santa Ana, California, 1979-1983  
Providing consultation and appraisal services for all types of investment real estate.

Senior Valuation Engineer – INTERNAL REVENUE SERVICE  
Los Angeles, California, 1972-1979

**Professional Organizations:**

Member Appraisal Institute (MAI)  
Southern California Chapter, Elected Positions:  
President, 1993  
Vice President, 1992  
Secretary Treasurer, 1991  
Board of Directors, 1989-1990  
Assistant Secretary, 1988

Currently certified under the continuing education program of the Appraisal Institute.

**State Certification:** Certified General Real Estate Appraiser; State of California  
No. AG003369; Valid until April 3, 2004

**Coursework:** Successfully completed and passed the following courses and examinations as given by the American Institute of Real Estate Appraisers:  
Course 1A, Principles of Real Estate Appraisal  
Course 1B, Capitalization Theory and Techniques  
Course II, Urban Properties  
Course VI, Investment Analysis  
Standards of Professional Practice  
Course 710, Condemnation Appraising

**Expert Witness:** United States Tax Court  
Orange County Superior Court

**PROFESSIONAL QUALIFICATIONS**  
**CLAY S. HARRIS, MAI**

**Education:** California State Polytechnic University, Pomona, California  
Bachelor of Science - Finance/Real Estate, 1977

**Employment:**

Senior Vice President - PARKCENTER REALTY ADVISORS, 1982-Present  
801 North Parkcenter Drive, Suite 210, Santa Ana, California  
Providing investment and marketing consulting services in the acquisition, sale, leasing, portfolio management, valuation, land use and development planning of investment real estate. Clients include industrial corporations, development companies, investors, financial institutions, governmental agencies and non-profit organizations.

Vice President Valuation - MCO EQUITIES, INC., Los Angeles, 1981-1982  
Appraisal review, inspection and analysis of all types of real estate throughout the United States.

Associate - LANDAUER ASSOCIATES, INC., 1979-1981  
515 North Cabrillo Park Drive, Santa Ana, California  
Providing consultation and appraisal services for all types of investment real estate.

Appraiser - FINANCIAL APPRAISALS, INC., Los Angeles, California, 1977-1979  
Appraisal of single-family residences, residential income, commercial real estate, vacant land, subdivisions and proposed construction.

**Professional Organizations:**

Member Appraisal Institute (MAI)  
Southern California Chapter, Elected Positions: Board of Directors, 1990-1992  
Currently certified under the continuing education program of the Appraisal Institute.

**State Certification:** Certified General Real Estate Appraiser; State of California  
No. AG003520; Valid until October 3, 2004

**Coursework:** Successfully completed and passed the following courses and examinations as given by the American Institute of Real Estate Appraisers:

- Course 8, Residential Valuation
- Course 1A, Principles of Real Estate Appraisal
- Course 1B, Capitalization Theory and Techniques
- Course II, Urban Properties
- Course VI, Investment Analysis
- Standards of Professional Practice
- Institutes Comprehensive Examination

**PROFESSIONAL QUALIFICATIONS**  
**MARIAN L. LAMB**

**Education:**

University of Southern California, Los Angeles, California  
Bachelor of Science, 1975

Continuing Educational Seminars, Appraisal Institute

**Employment:**

Vice President - PARKCENTER REALTY ADVISORS, 1982-Present  
801 North Parkcenter Drive, Suite 210, Santa Ana, California

Providing investment and marketing consulting services in the acquisition, sale, leasing, portfolio management, valuation, land use and development planning of investment real estate. Clients include industrial corporations, development companies, investors, financial institutions, governmental agencies and non-profit organizations.

Valuation Officer - MCO EQUITIES, INC., Los Angeles, 1981-1982

Appraisal review, inspection and analysis of all types of real estate throughout the United States.

Senior Analyst - LEA ASSOCIATES, INC., Los Angeles, California, 1981

Providing appraisal services on a variety of property types.

Appraiser - COLDWELL BANKER MANAGEMENT CORP., Los Angeles, California, 1977-1979, Appraisal of shopping centers, office buildings, industrial properties, residential income, vacant land, subdivisions and proposed projects.

**State Certification:**

Certified General Real Estate Appraiser; State of California  
No. AG014566; Valid until June 9, 2004

**Coursework/Seminars:**

American Institute of Real Estate Appraisers:

Course 1A, Principles of Real Estate Appraisal

Course 1B, Capitalization Theory and Techniques

Course II, Urban Properties

Course VI, Investment Analysis

Various seminars offered through the Appraisal Institute



**REFERENCES**

Sam Ang  
Hughes Electronics Corporation, El Segundo  
(310) 662-9633

Carolyn C. Ansari  
County of Orange, Santa Ana  
(714) 567-5005

Phillip A. Baker, Esq. (Todd Trumper)  
Baker Keener & Nahra LLP, Los Angeles  
(213) 241-0900

John C. Balboa  
Raytheon Company, Long Beach  
(310) 647-1000

Robert Beall  
Sheppard, Mullin, Richter & Hampton LLP  
(714) 424-2844

Ron Borkgren  
United States Postal Service, S. San Francisco  
(650) 615-7208

Ken Caughlin  
Los Angeles World Airports, Los Angeles  
(310) 348-2579

Connie Christian  
County Sanitation Districts of LA County, Whittier  
(562) 699-7411

Terry L. Cook  
Kaiser Ventures, Inc., Ontario  
(909) 483-8511

Mark A. Easter, Esq.  
Best Best & Krieger LLP, Riverside  
(909) 826-8237

Frank P. Ferdon  
Century Housing Corporation, Culver City  
(310) 701-4777

Thomas A. Freiberg, Jr., Esq.  
Burger & Norton, Los Angeles  
(310) 979-2500

Kevin F. Gillespie, Esq.  
Law Office of Kevin F. Gillespie, Redlands  
(909) 792-2039

Byron Hayes Jr., VP  
Padua Hills, Inc., Claremont  
(818) 752-4653

Nora Corona Hernandez  
City of Alhambra  
(626) 570-5031

Thomas Higgins, Esq.  
Higgins, Marcus & Lovett, Inc., Los Angeles  
(213) 617-7775

Thomas D. Jex, Esq.  
Akin, Gump, Strauss, Hauer & Feld, LLP, Riverside  
(909) 774-1972

Mark Knorrnga  
Oak Valley Partners, LP, Calimesa  
(909) 795-8941

Kenneth F. Kurasz, VP/Chief Appraiser  
Pomona First Federal Bank & Trust, Rancho Cucamonga  
(909) 481-3000

John Malloy  
Real Estate Consultant  
(818) 701-0489

Kevin Manning  
Empire Capital LLC, Ontario  
(909) 987-7788

Alan H. Martin, Esq.  
Sheppard, Mullin, Richter & Hampton, Costa Mesa  
(714) 513-5100

Justin M. McCarthy, Esq.  
Redwine & Sherrill, Riverside  
(909) 684-2520

Mike More, Financial Services Manager  
City of Oxnard  
(805) 385-7480

Richard Pianin, SVP, Taxes  
The Irvine Company, Newport Beach  
(949) 720-4473

Terry L. Polley, Esq.  
Ajalat, Polley & Ayoob, Glendale  
(818) 553-1300

Richard Puczowski  
Bovis Lend Lease, Inc., Los Angeles  
(213) 276-3821

David L. Roberts  
City of Los Angeles, Assessment Mgmt. Div.  
(213) 485-0569

Perry M. Rosen, Esq.  
Akin, Gump, Strauss, Hauer & Feld, LLP, Washington DC  
(202) 887-4000

Barry A. Ross, Esq.  
Law Office of Barry A. Ross, Anaheim  
(714) 939-2118

Carlo Sima, Esq.  
Parker, Milliken, Clark, O'Hara & Samuelian, Los Angeles  
(213) 683-6500

Robert Stolhand  
City of Orange  
(714) 744-5557

Mr. Wally Upper  
Mt. San Jacinto Community College District, San Jacinto  
(909) 487-6752

S. Christopher Yoo  
Alvarado, Smith & Sanchez, Irvine  
(949) 955-6800

LIST OF CLIENTELE

FINANCIAL INSTITUTION

Bank of America  
Bank of California  
Berkeley Federal Bank & Trust FSB  
California Federal Savings & Loan  
Centennial Thrift & Loan Association  
Citicorp Real Estate  
East/West Bank  
Fidelity Federal Bank  
Financial Federal Savings Bank  
First American Financial Group  
Great Western Bank

Homes Savings Bank  
International Savings & Loan  
Miami Valley Bank (Ohio)  
Pomona First Federal Bank & Trust  
Sanwa Bank of California  
Siam Commercial Bank  
The Private Bank & Trust Company  
Tokai Bank of California  
Union Federal Bank  
U.S. Trust Company of California NA  
Wells Fargo Bank Retchs  
West Coast Savings

GOVERNMENTAL AGENCIES/NON-PROFIT

Alhambra, City of  
Beverly Hills, City of  
California Corridor Constructors  
California, State of, Caltrans  
Dana Point, City of  
Defense Logistics Agency, Dept. of Defense  
Downey, City of  
Federal Deposit Insurance Corporation (FDIC)  
Fresno, City of, Airports Administration  
General Electric Company  
Glendora, City of  
Hesperia, City of  
Huntington Beach, City of  
Internal Revenue Service (IRS)  
Laguna Niguel, City of  
Los Angeles, City of, Department of Airports  
Los Angeles County Department of Beaches & Harbors  
Los Angeles County, Sanitation Districts of  
Los Angeles, County of, Superior Court  
Los Angeles World Airports  
Mt. San Jacinto Community College District

Orange, City of  
Orange, County of  
Orange County Transportation Agency (OCTA)  
Oxnard, City of  
Padua Hills, Inc.  
Placentia-Yorba Linda School District  
Pomona, City of  
Pomona College, Claremont  
Pomona Valley Protection Agency  
Rancho Santiago Community College District  
Redlands, City of  
San Jose International Airport  
Santa Ana, City of, Community Development Agency  
Santa Ana Unified School District  
The Wildlands Conservancy  
Tustin Unified School District  
United States Postal Service (USPS)  
U.S. Securities & Exchange Commission  
Victorville, City of  
Yorba Linda, City of

ATTORNEYS/ACCOUNTANTS

Ajalat, Polley & Ayoob  
Akin, Gump, Strauss, Hauer & Feld LLP  
Alvarado, Smith & Sanchez  
Ashworth, Hayes & Moran  
Baker & Hofstetler  
Baker Keener & Nahra LLP  
Best Best & Krieger  
Brunick, Alvarez & Battersby  
Burke, Williams & Sorenson  
Burkley, Greenberg & Fields  
Bye, Robinson & Winston  
Call, Clayton & Jensen  
Case & Baker  
Cooksey, Howard, Martin & Toolen  
Cox, Castle & Nicholson  
Deloitte & Touché  
Duke, Gerstell, Shearer & Bregante  
Duckor, Spradling & Metzger  
Fierstein & Sturman  
Flavin & Baker, Inc.  
Folger, Levin & Kahn LLP  
Fulbright & Jaworski LLP  
Gardner, Cosgrove & Gardner  
Gibbs, Giden, Locher & Turner  
Gibson, Dunn & Crutcher  
Kevin F. Gillespie, Inc., Law Offices of  
Gordon, Silver & Beesley, Ltd.  
Heller, Ehrman, White & Auliffe

Higgins, Marcus & Lovett  
Jones, Day, Reavis & Pogue  
Kenneth Leventhal & Company  
Knapp, Marsh, Jones & Doran  
Latham & Watkins  
Loeb & Loeb  
Luce, Forward, Hamilton & Scripps  
Maher & Renze  
Marquis & Aurbach  
McDermott, Will & Emery  
McHale & Connor  
Mitchell, Silberberg & Knupp LLP  
Munger, Tolles & Olson  
Newmeyer & Dillion  
Nossaman, Guthner, Knox & Elliott  
O'Donnell & Pia  
O'Melveny & Myers  
Palmieri, Tyler, Wiener, Wilhelm & Waldron  
Paone, Callahan, McHolm & Winton  
Parker, Milliken, Clark, O'Hara & Samuelian  
Redwine and Sherrill  
Rutan & Tucker  
Sanchez, Sellers & Co.  
Seebach & Seebach  
Seyfarth, Shaw, Fairweather & Geraldson  
Sheppard, Mullin, Richter & Hampton  
Smith & Hilbig  
Thomas, Mort, Prosser & Knudsen LLP

**CORPORATIONS**

Alamitos Bay Partnership  
AlliedSignal Companies  
Avis Rent-A-Car  
Boeing (formerly Rockwell)  
Boyle Engineering Corporation  
Budget Rent-A-Car  
Carl Karcher Enterprises  
Chapman University  
Chrysler Corporation  
Clayton Industries  
Compagnie Nationale Air France  
Delmar Corporation  
Fluor Corporation  
Garrett Aviation Services  
General Atomics  
Gulfstream Aerospace Corporation  
Hughes Electronics Company (Hughes Aircraft)

J.E. Robert Companies  
LA Mart LLC  
Lockheed Corporation  
Motorola, Inc.  
National Rent-A-Car  
Northrop Grumman Corporation  
Nuevo Energy Company  
Raytheon Company  
Rockwell International Corporation  
Serrano Water District  
Southern California Edison Company  
Southern California Gas Company  
Southern California Water Company  
The Hertz Corporation  
3D/International-Turner  
United Airlines  
United Technologies Corporation

**DEVELOPERS/PROPERTY OWNERS**

Brookhollow Group  
Bryan Industrial Properties  
California Select Mortgage Corporation  
Cameo Homes  
Capital Pacific Holdings, Inc.  
Century Housing Corporation  
Continental Development Corporation  
Chrysler Realty  
Empire Capital  
Fieldstead & Company  
Golden State Developers  
Grimway Development  
J.H. Snyder Company  
Kaiser Ventures, Inc.

Kaufman & Broad  
Lewis Homes  
Lytle Creek Land & Resources  
Melvin Simon & Associates  
Oak Valley Partners LP  
Orange Mall Development Association  
Padova Padua Hills (Pomona College)  
Public Storage, Inc.  
Seegerstrom Company  
The Irvine Company  
Trammell Crow Company  
Westmark Realty Advisors LLC  
William Lyon Company  
Winthrop Management

**INSURANCE/MORTGAGE COMPANIES**

B&A Investment Properties  
Charterhouse Investments  
Confederation Life Insurance Company  
Equitable Life Assurance Society of the United States  
Fidelity National Title  
Imperial Trust Company  
Manufacturers Life Insurance Company  
Mass Mutual Life Insurance Company

MetLife Capital Corporation  
Pacific Mutual/Pacific Financial Companies  
Penn Mutual Life  
Prudential Insurance Company of America  
Transamerica Title Insurance  
Transamerica Occidental Life Insurance  
Wallace Moir Company

**REAL ESTATE COMPANIES/TRUSTS**

California Real Estate Trust  
Dawes Marital Trust  
PacTel Properties

Southern States Realty  
Transamerica Realty Services  
U.S. Life Realty

**MEDICAL**

Ace Medical Company  
Anaheim Harbor Medical Group  
Anaheim Memorial Hospital

PacificCare Health Systems  
Tenet Healthcare Corporation